

# Global Steel Trade Monitor

## Steel Imports Report: Thailand

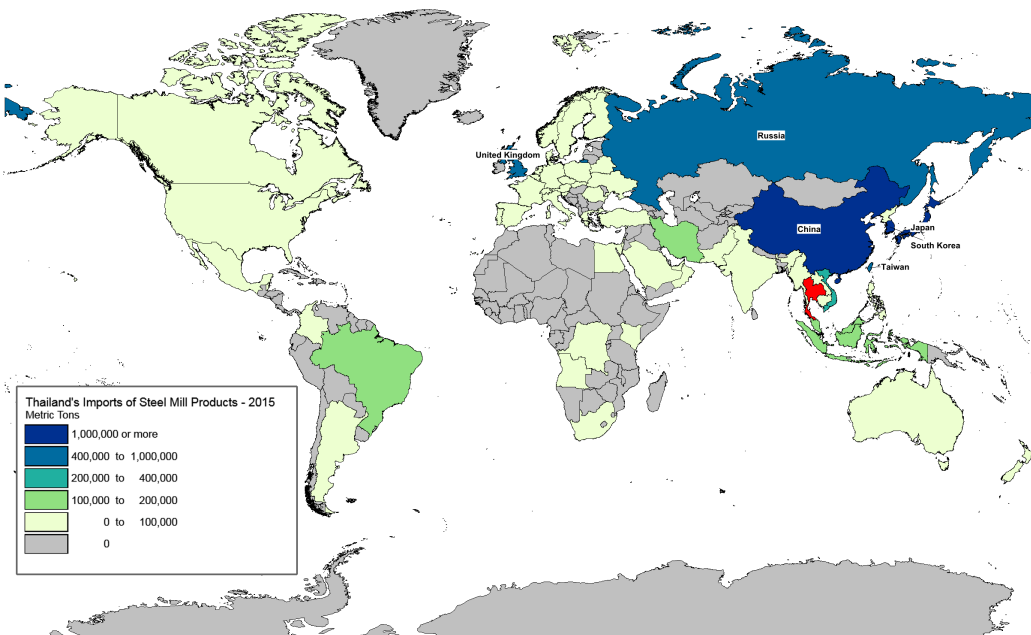
September 2016

### Background

Thailand is the world's fourth largest steel importer. In year to date 2016 (through June), further referred to as YTD 2016, Thailand imported 9.2 million metric tons of steel, a 30 percent increase from 7.1 million metric tons in YTD 2015. Thailand's imports represented about 4 percent of all steel imported globally in 2015. The volume of Thailand's 2015 steel imports was less than half that of the world's largest importer, the United States. In value terms, steel represented just 5 percent of the total goods imported into Thailand in 2015.

Thailand imports steel from over 110 countries and territories. The six countries labeled in the map below represent the top sources for Thailand's imports of steel, with each sending more than 400 thousand metric tons to Thailand and together accounting for 91 percent of Thailand's steel imports in 2015.

**Thailand's Imports of Steel Mill Products - 2015**



Data Source: Global Trade Atlas; Copyright © IHS Global Inc. 2016. All rights reserved.

### Quick Facts:

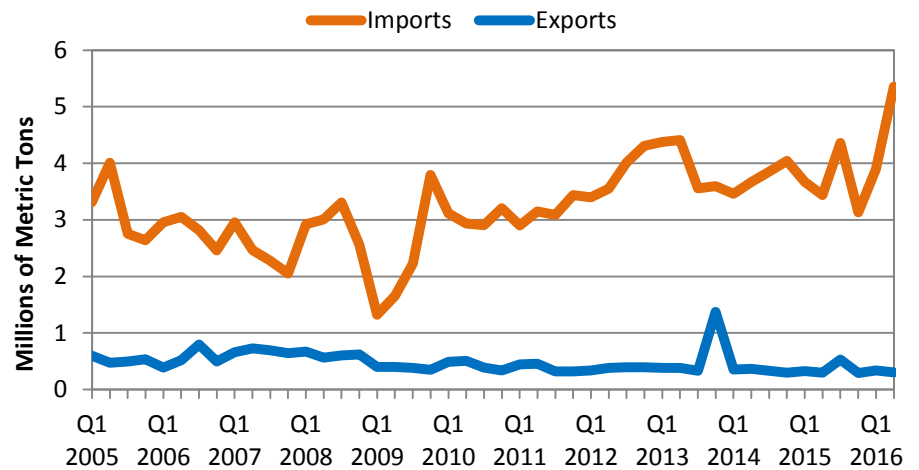
- World's fourth largest steel importer: 9.2 million metric tons (YTD 2016)
- 62% steel import growth between 2009 and 2015
- YTD import volume up 30% while import value down 8.5%
- Import penetration up to 87% in YTD 2016 from 84% in YTD 2015
- Top three import sources: China, Japan, South Korea
- Largest producers: G Steel, Tata Steel Thailand
- 34 trade remedies in effect against imports of steel mill products

# Steel Imports Report: Thailand

## Steel Trade Balance

Thailand is a net importer of steel mill products. After imports dipped in 2007 and 2009, they grew by 62 percent between 2009 and 2015. Over the same period, Thailand's steel exports gradually declined by 6 percent. Between YTD 2015 and YTD 2016, Thailand's steel imports grew by 30 percent and the steel trade deficit increased by 33 percent. In YTD 2016, Thailand's steel trade deficit widened to -8.6 million metric tons from -6.5 million metric tons in YTD 2015.

Thailand's Trade in Steel Mill Products by Quarter



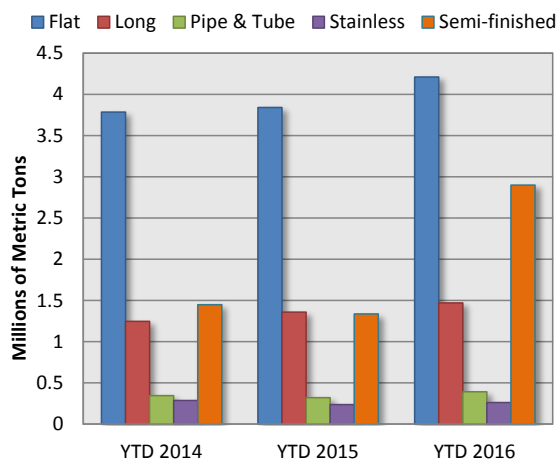
Source: IHS Global Trade Atlas

## Import Volume, Value, and Product

In 2013, the volume of Thailand's imports of steel mill products reached a peak of 15.9 million metric tons before beginning to decline. In 2014, Thailand's steel imports decreased by 6 percent to 15 million metric tons and decreased by 3 percent to 14.6 million metric tons in 2015. In YTD 2016, the volume of Thailand's steel imports grew by 30 percent from YTD 2015 to 9.2 million metric tons. By contrast, the value of Thailand's YTD 2016 steel imports declined by 8.5 percent to \$4.9 billion from \$5.3 billion in YTD 2015. This decrease in value can be attributed to a significant drop in global steel prices.

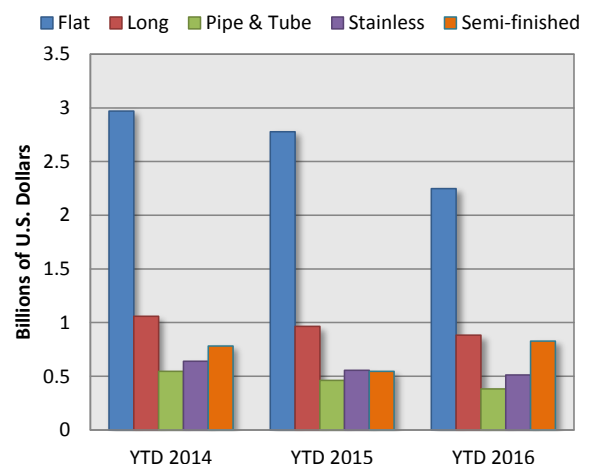
In YTD 2016, flat products accounted for the largest share of Thailand's steel imports at 46 percent, or 4.2 million metric tons. Semi-finished products accounted for 31 percent, or 2.9 million metric tons, of Thailand's imports, followed by long (16% or 1.5 million metric tons), pipe and tube (4% or 397.6 thousand metric tons), and stainless products (3% or 266 thousand metric tons).

Thailand's Imports of Steel Mill Products  
Millions of Metric Tons



Source: IHS Global Trade Atlas  
YTD through June

Thailand's Imports of Steel Mill Products  
Billions of U.S. Dollars



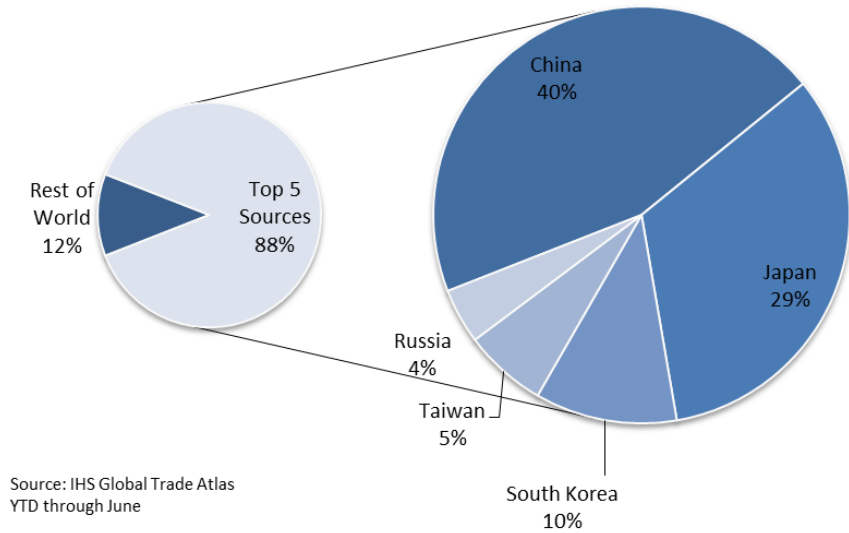
Source: IHS Global Trade Atlas  
YTD through June

# Steel Imports Report: Thailand

## Imports by Top Source

The top 5 source countries for Thailand's steel imports represented 88 percent of the total steel import volume in YTD 2016 at 8.2 million metric tons (mmt). China accounted for the largest share of Thailand's imports by source country at 40 percent (3.7 mmt), followed by Japan at 29 percent (2.7 mmt), South Korea at 10 percent (0.9 mmt), Taiwan at 5 percent (0.5 mmt), and Russia at 4 percent (0.4 mmt).

**Thailand's Steel Imports - Top 5 Sources**  
YTD 2016 - Millions of Metric Tons

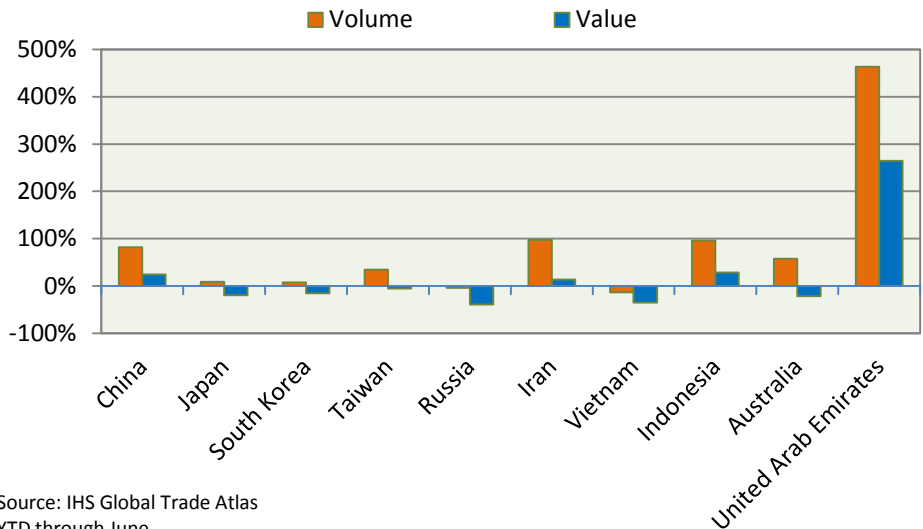


The United States ranked 23rd as a source for Thailand's steel imports, representing just 0.05 percent of imports (5 thousand metric tons) in YTD 2016.

## Trends in Imports from Top Sources

Between YTD 2015 and YTD 2016, the volume of Thailand's steel imports increased from 8 of its top 10 steel import sources, while the overall value of Thailand's imports decreased from 6 of the top 10, reflecting the decline in global steel prices.

**Percent Change in Imports from Top 10 Sources (YTD 2015 to YTD 2016)**



The largest increases in import volume occurred from the United Arab Emirates, up 463% from YTD 2015, followed by Iran (up 98%), Indonesia (up 96%), and China (up 82%). Considerable decreases in steel import value between YTD 2015 and YTD 2016 included Thailand's imports from Russia (down 39.5%) and Vietnam (down 35.3%) — the only two top import sources that also displayed decreases in Thailand's import volume. Among Thailand's top 10 import sources, the largest increase in import value occurred from the United Arab Emirates (up 265%).

# Steel Imports Report: Thailand

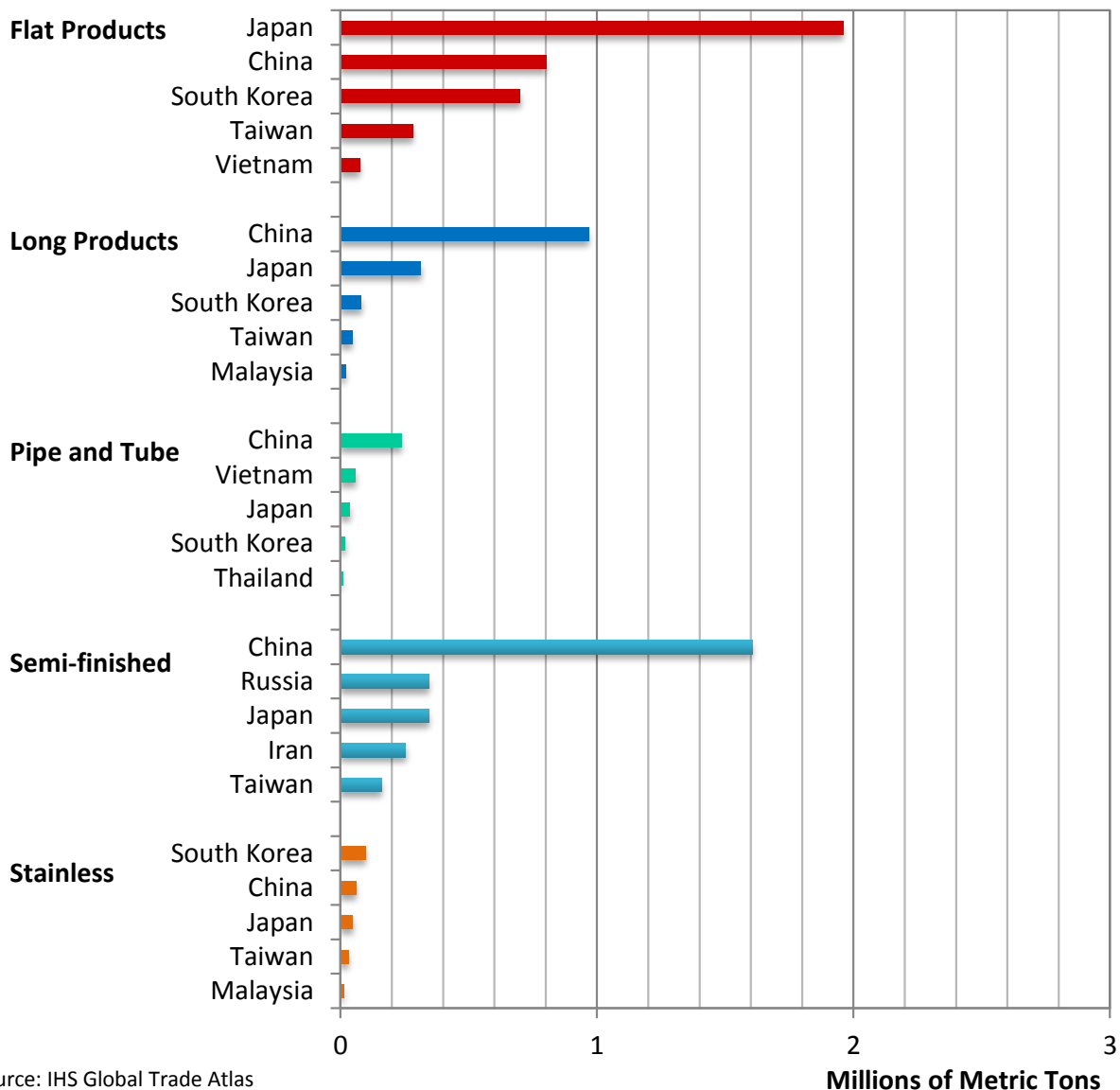
## Top Sources by Steel Product Category

The top source countries for Thailand's imports by volume vary across types of steel products. Japan accounted for the largest share of Thailand's imports of flat products in YTD 2016 at 47 percent (2 million metric tons).

In YTD 2016, China represented the largest share of Thailand's long product imports at 66 percent (967 thousand metric tons), its pipe and tube imports at 60 percent (237 thousand metric tons), and its semi-finished steel imports at 55 percent (1.6 million metric tons). Thailand received the largest share of its stainless steel imports from South Korea in YTD 2016 at 37 percent (97 thousand metric tons).

The United States was not a top import source for any product category.

### Thailand's Top 5 Import Sources by Product - YTD 2016



Source: IHS Global Trade Atlas  
YTD through June

# Steel Imports Report: Thailand

## Thailand's Export Market Share from Top Source Countries

In 2015, the share of steel exports sent to Thailand from its top import sources decreased from half of the top 10 sources for which data are available. In 2015, the share of the United Kingdom's steel exports to Thailand showed the largest decrease (down 3.7 percentage points from 2014), followed by Brazil (down 0.9 percentage points), and Japan (down 0.7 percentage points).

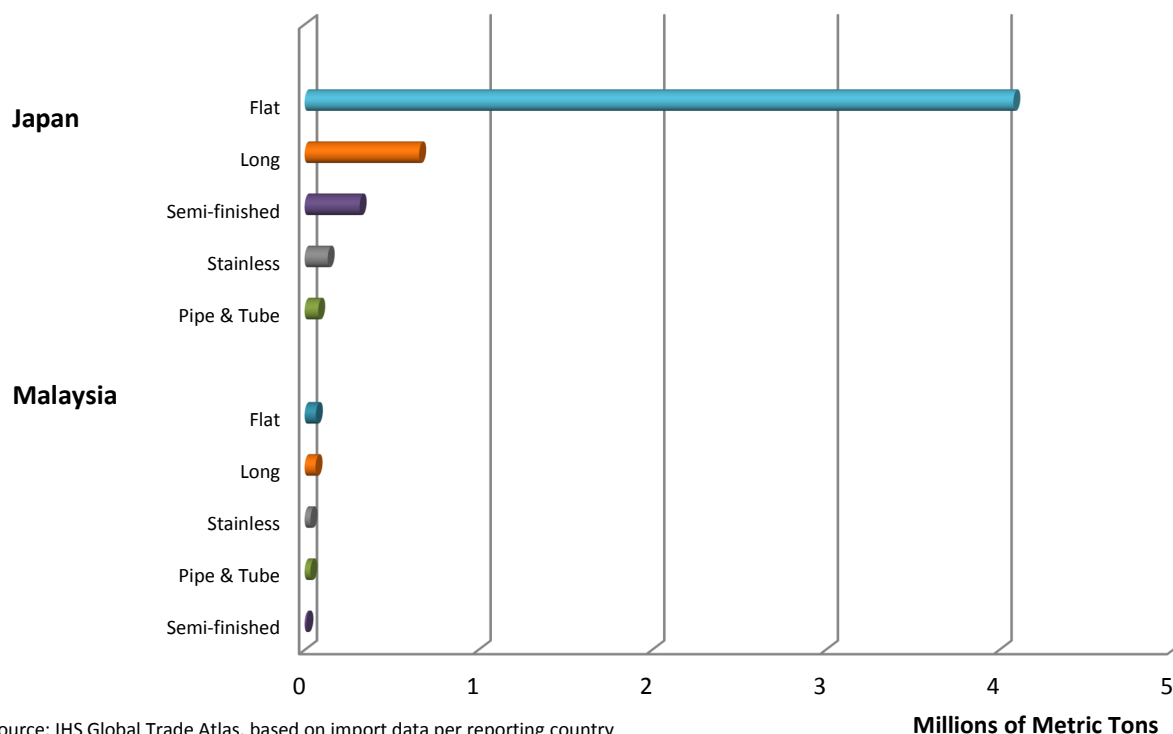
In 2015, the share of steel exports to Thailand in China, South Korea, Taiwan, and Malaysia all showed slight increases (up less than half of one percentage point).

Thailand's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to Thailand - 2014	Thailand's Rank in 2014	Share of Exports to Thailand - 2015	Thailand's Rank in 2015
Japan	13.3%	3	12.6%	3
China	4.0%	5	4.3%	6
South Korea	5.1%	5	5.2%	7
Taiwan	6.3%	6	6.6%	6
Russia	1.1%	21	1.0%	22
United Kingdom	11.3%	3	7.6%	5
Vietnam	11.5%	3	N/A	N/A
Iran	N/A	N/A	N/A	N/A
Brazil	2.4%	8	1.5%	17
Malaysia	9.7%	5	9.7%	4

Source: IHS Global Trade Atlas, based on import data per reporting country  
 NOTE: 2015 data for Vietnam and 2014/2015 data for Iran not available

Among Thailand's top import sources, Japan and Malaysia sent the largest shares of their total steel exports to Thailand in 2015. Flat products accounted for the largest share of steel exports to Thailand from both Japan at 77 percent (4.1 million metric tons) and Malaysia at 32 percent (65 thousand metric tons).

### Steel Export Composition of Top Market-Share Countries - 2015

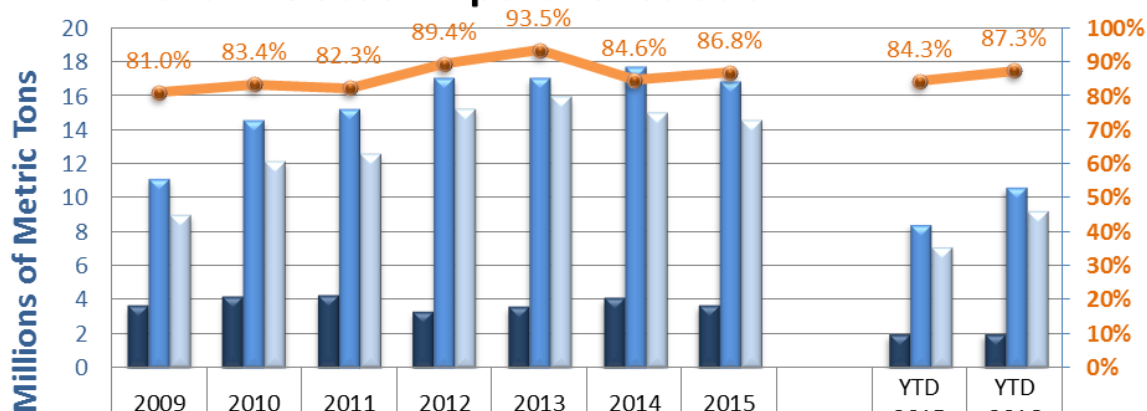


Source: IHS Global Trade Atlas, based on import data per reporting country

# Steel Imports Report: Thailand

## Overall Production and Import Penetration

### Thailand's Steel Import Penetration



Production	3.6	4.1	4.2	3.3	3.6	4.1	3.7	2.0	2.0
Apparent Consumption	11.1	14.6	15.3	17.1	17.1	17.8	16.8	8.4	10.6
Imports	9.0	12.2	12.6	15.3	15.9	15.0	14.6	7.1	9.2
Import Penetration	81.0%	83.4%	82.3%	89.4%	93.5%	84.6%	86.8%	84.3%	87.3%

Source: World Steel Association; IHS Global Trade Atlas  
YTD through June

Thailand's crude steel production increased only slightly to 1.98 million metric tons in YTD 2016, from 1.95 million metric tons in YTD 2015. Over the same period, apparent consumption (a measure of steel demand) grew by 26 percent, and demand significantly outpaced production. With import levels four and a half times larger than Thailand's production in YTD 2016, imports contributed substantially to steel demand. Import penetration has increased nearly every year since 2009 and amounted to 87.3 percent in YTD 2016, increasing just over 3 percentage points from YTD 2015.

### Top Producers

According to the Iron and Steel Institute of Thailand, steel production in Thailand is dominated by rolling mills, many of which rely heavily on imports of semi-finished and finished steel products for their manufacturing inputs. There are roughly 20 crude steel-making facilities in Thailand, nearly all of which use electric arc furnace technology to produce steel. In comparison, over 150 hot-rolling, cold-rolling, cold-drawing, and coating mills are in operation in Thailand.

Major Steel Producers in Thailand		
Company	Production Capacity (mmt)	Main Products
G Steel Public Company	1.8	Hot-rolled coil, slab
Tata Steel Thailand*	1.7	Reinforcing bars, wire rods, sections
G J Steel Public Company (subsidiary of G Steel)	1.5	Hot-rolled coil
Siam Yamato Steel Co.	1.1	Hot-rolled structural sections
Sahaviriya Steel Industries (rolling mill)	4	Hot-rolled coil

Sources: Iron and Steel Institute of Thailand; Company websites  
\*Denotes foreign-owned

# Steel Imports Report: Thailand

## Trade Remedies in the Steel Sector

Antidumping duties (AD), countervailing duties (CVD), associated suspension agreements, and safeguards are often referred to collectively as trade remedies. These are internationally agreed upon mechanisms to address the market-distorting effects of unfair trade, or serious injury or threat of serious injury caused by a surge in imports. Unlike anti-dumping and countervailing measures, safeguards do not require a finding of an “unfair” practice. Before applying these duties or measures, countries investigate allegations and can remedy or provide relief for the injury caused to a domestic industry. The tables below provide statistics on the current number of trade remedies Thailand has against imports of steel mill products from various countries.

<b>Thailand’s Trade Remedies in Effect Against Steel Mill Imports</b>				
<b>Country</b>	<b>AD</b>	<b>CVD</b>	<b>Suspension Agreements and Undertakings</b>	<b>Total</b>
Algeria	1			1
Argentina	1			1
China	8			8
India	1			1
Indonesia	1			1
Japan	2			2
Kazakhstan	1			1
Malaysia	1			1
Romania	1			1
Russia	1			1
Slovakia	1			1
South Africa	1			1
South Korea	4			4
Taiwan	5			5
Ukraine	1			1
Venezuela	1			1
Vietnam	1			1
<b>TOTAL</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>32</b>

Source: World Trade Organization, through June 30, 2016

<b>Steel Mill Safeguards in Effect</b>	
<b>Country</b>	<b>Product</b>
Thailand	Hot-rolled steel flat products with certain amounts of alloying elements
Thailand	Unalloyed hot-rolled steel flat products in coils and not in coils

Source: World Trade Organization, through August 22, 2016

# Steel Imports Report: Glossary

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**Apparent Consumption:** Domestic crude steel production plus steel imports minus steel exports. Shipment data are not available for all countries, therefore crude steel production is used as a proxy.

**Export Market:** Destination of a country's exports.

**Flat Products:** Produced by rolling semi-finished steel through varying sets of rolls. Includes sheets, strips, and plates. Used most often in the automotive, tubing, appliance, and machinery manufacturing sectors.

**Import Penetration:** Ratio of imports to apparent consumption.

**Import Source:** Source of a country's imports.

**Long Products:** Steel products that fall outside the flat products category. Includes bars, rails, rods, and beams. Used in many sectors but most commonly in construction.

**Pipe and Tube Products:** Either seamless or welded pipe and tube products. Used in many sectors but most commonly in construction and energy sectors.

**Semi-finished Products:** The initial, intermediate solid forms of molten steel, to be re-heated and further forged, rolled, shaped, or otherwise worked into finished steel products. Includes blooms, billets, slabs, ingots, and steel for castings.

**Stainless Products:** Steel products containing at minimum 10.5% chromium (Cr) offering better corrosion resistance than regular steel.

**Steel Mill Products:** Carbon, alloy, or stainless steel produced by either a basic oxygen furnace or an electric arc furnace. Includes semi-finished steel products and finished steel products. For trade data purposes, steel mill products are defined at the Harmonized System (HS) 6-digit level as: 720610 through 721650, 721699 through 730110, 730210, 730240 through 730290, and 730410 through 730690. The following discontinued HS codes have been included for purposes of reporting historical data (prior to 2007): 722520, 722693, 722694, 722910, 730410, 730421, 730610, 730620, and 730660.

**Global Steel Trade Monitor:** The monitor provides global import and export trends for the top countries trading in steel products. The current reports expand upon the early release information already provided by the Steel Import Monitoring and Analysis (SIMA) system that collects and publishes data on U.S. imports of steel mill products. Complementing the SIMA data, these reports provide objective and current global steel industry information about the top countries that play an essential role in the global steel trade. Information in these reports includes global exports and import trends, production and consumption data and, where available, information regarding trade remedy actions taken on steel products. The reports will be updated quarterly.

**Steel Import Monitoring and Analysis (SIMA) System:** The Department of Commerce uses a steel import licensing program to collect and publish aggregate data on near real-time steel mill imports into the United States. SIMA incorporates information collected from steel license applications with publicly released data from the U.S. Census Bureau. By design, this information provides stakeholders with valuable information on the steel trade with the United States. For more information about SIMA, please go to <http://enforcement.trade.gov/steel/license/>.



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