

Global Steel Trade Monitor

Steel Exports Report: Austria

February 2017

Background

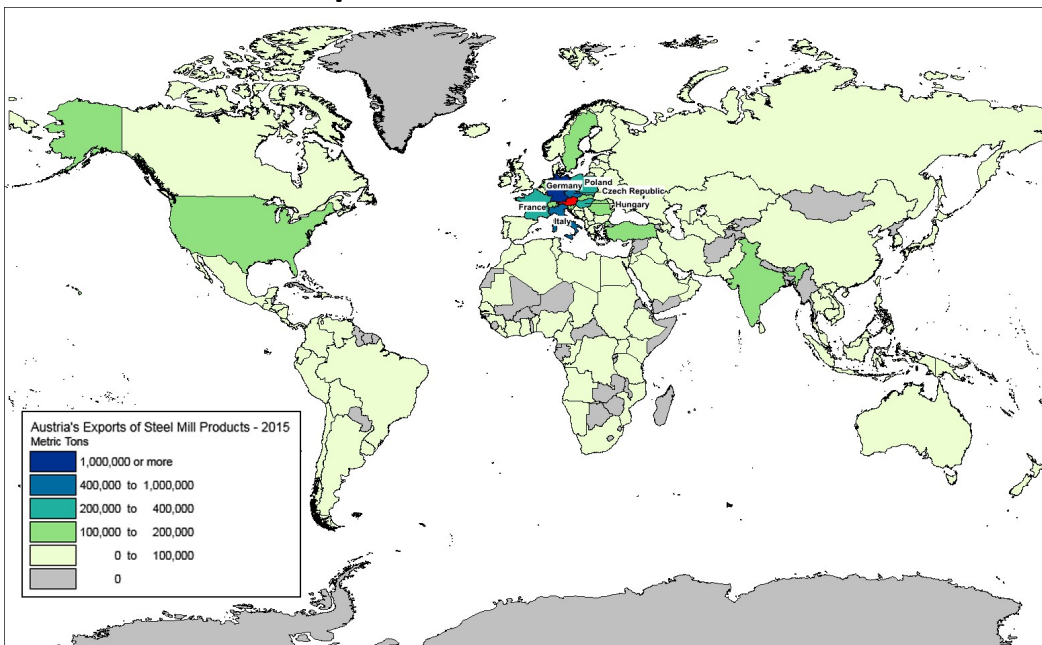
Austria was the world's sixteenth-largest steel exporter in 2016. In year to date 2016 (through September), further referred to as YTD 2016, Austria exported 5.4 million metric tons of steel, a 1.8 percent decrease from 5.5 million metric tons in YTD 2015. Exports from Austria represented about 1.5 percent of all steel exported globally in 2015. The volume of Austria's 2015 steel exports was roughly one-sixteenth the size of the largest exporter, China. In value terms, steel represented just 4.6 percent of the total amount of goods Austria exported in 2015.

Austria exports steel to more than 170 countries and territories. The 6 countries labeled in the map below represent the top markets for Austria's exports of steel, receiving more than 200 thousand metric tons each and accounting for 67 percent of Austria's steel exports in 2015.

Quick Facts:

- World's sixteenth-largest steel exporter: 5.4 million metric tons (YTD 2016)
- 37% growth in steel exports since Q1 2009
- Exports as a share of production at 97.2% in YTD 2016
- YTD export volume down 1.8% while export value down 11.5%
- Top three markets: Germany, Italy, Czech Republic
- Largest producers: voestalpine, Böhler
- 6 trade remedies in effect involving steel mill imports from the European Union

Austria's Exports of Steel Mill Products - 2015



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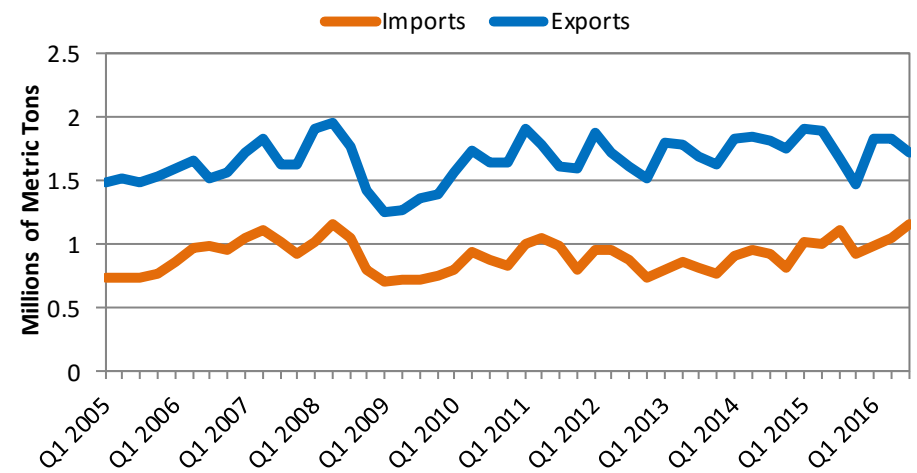
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Steel Trade Balance

Austria's imports and exports have moved roughly in tandem since 2005, and the country has maintained an annual average trade surplus of 3 million metric tons. In the wake of the 2008 global recession, imports and exports both dipped and have gradually recovered, increasing 66 percent and 37 percent, respectively, between Q1 2009 and Q3 2016.

Austria's steel trade surplus amounted to 2.2 million metric tons in YTD 2016, down from 2.3 million metric tons in YTD 2015.

Austria's Trade in Steel Mill Products by Quarter



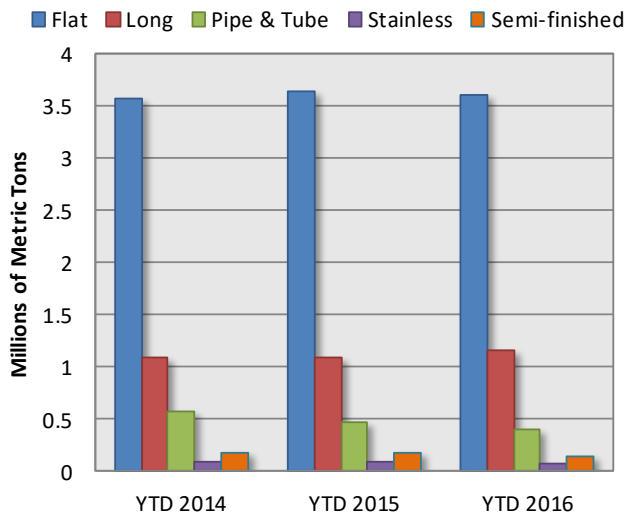
Source: IHS Global Trade Atlas

Export Volume, Value, and Product

Austria's steel exports averaged 6.9 million metric tons between 2010 and 2015. Exports hit a recent peak at 7.2 million metric tons in 2014 before decreasing 3.9 percent to 6.9 million metric tons in 2015. In YTD 2016, exports have continued to decrease — down 1.8 percent to 5.4 million metric tons from 5.5 million metric tons in YTD 2015. In value terms, Austria's steel exports have decreased by a greater amount — down 11.5 percent to \$4.9 billion in YTD 2016.

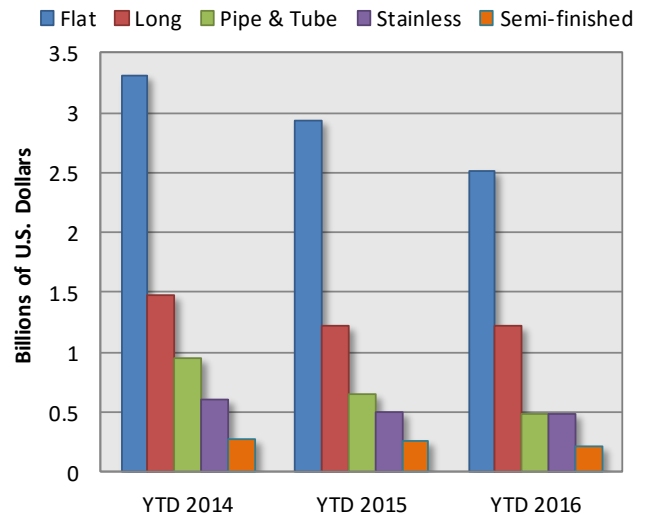
Flat products accounted for 67 percent of Austria's steel exports by volume at 3.6 million metric tons in YTD 2016. Long products accounted for 22 percent of exports (1.2 million metric tons), followed by pipe and tube products at 7 percent (396 thousand metric tons), semi-finished steel at 2 percent (132 thousand metric tons), and stainless steel at 1 percent (75 thousand metric tons).

Austria's Exports of Steel Mill Products
Millions of Metric Tons



Source: IHS Global Trade Atlas
YTD through September

Austria's Exports of Steel Mill Products
Billions of U.S. Dollars



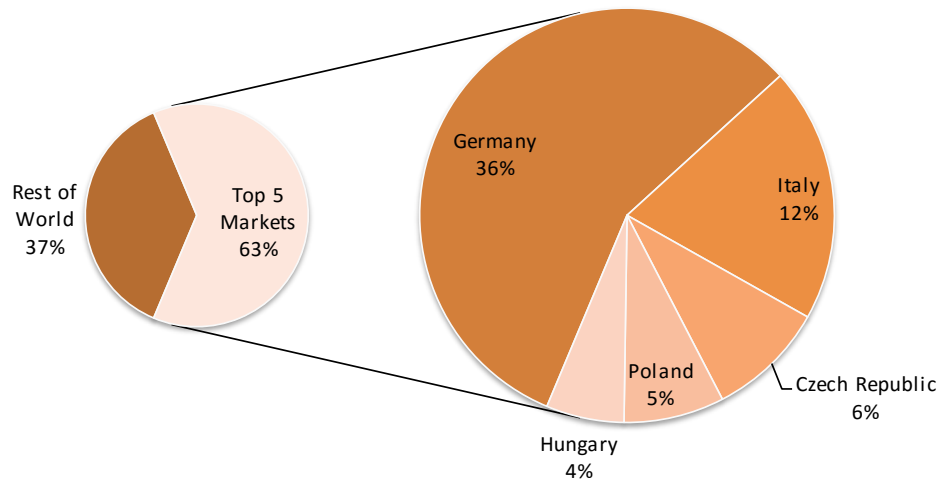
Source: IHS Global Trade Atlas
YTD through September

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Exports by Top Market

Exports to Austria's top 5 steel markets represented 63 percent of Austria's steel export volume in YTD 2016 at 3.4 million metric tons (mmt). Germany received the largest share of Austria's exports with 36 percent (1.9 mmt), followed by Italy at 12 percent (0.7 mmt), the Czech Republic at 6 percent (0.3 mmt), Poland at 5 percent (0.3 mmt), and Hungary at 4 percent (0.2 mmt).

Austria's Steel Exports - Top 5 Markets
YTD 2016 - Millions of Metric Tons



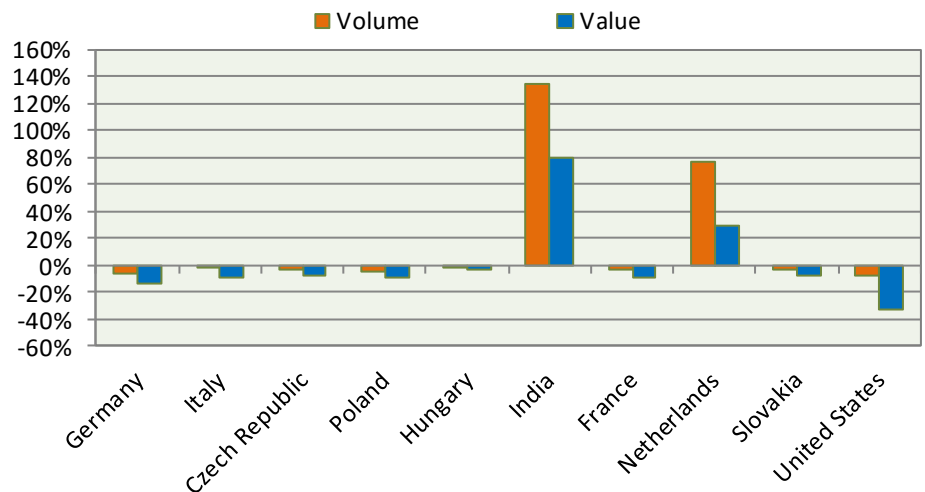
Source: IHS Global Trade Atlas
YTD through September

The United States ranked 10th as a destination for Austria's exports of steel in YTD 2016 at 2 percent or 133.3 thousand metric tons — a 7.1 percent decrease from 143.5 thousand metric tons in YTD 2015.

Trends in Exports to Top Markets

Between YTD 2015 and YTD 2016, exports to Austria's top 10 markets decreased in volume to eight of its top 10 markets. Export volumes decreased the most to the United States (down 7.1% from YTD 2015), Germany (down 5.5%), Poland (down 4.8%), and France (down 3.3%). Exports to India increased 135.1 percent by volume from YTD 2015, and exports to the Netherlands increased by 77.4 percent.

Percent Change in Exports to Top 10 Markets (YTD 2015 to YTD 2016)



Source: IHS Global Trade Atlas
YTD through September

As with changes in volume, eight of Austria's top 10 markets experienced a decrease in export value from Austria in YTD 2016. Exports to the United States showed the largest decrease in value (down 32.2% from YTD 2015), followed by Germany (down 13.5%), Italy (down 9.3%), and Poland (down 9%). Only exports to India and the Netherlands increased enough in volume to affect value, with Austria's exports to India up 79.2 percent by value and exports to the Netherlands up 29.7 percent.

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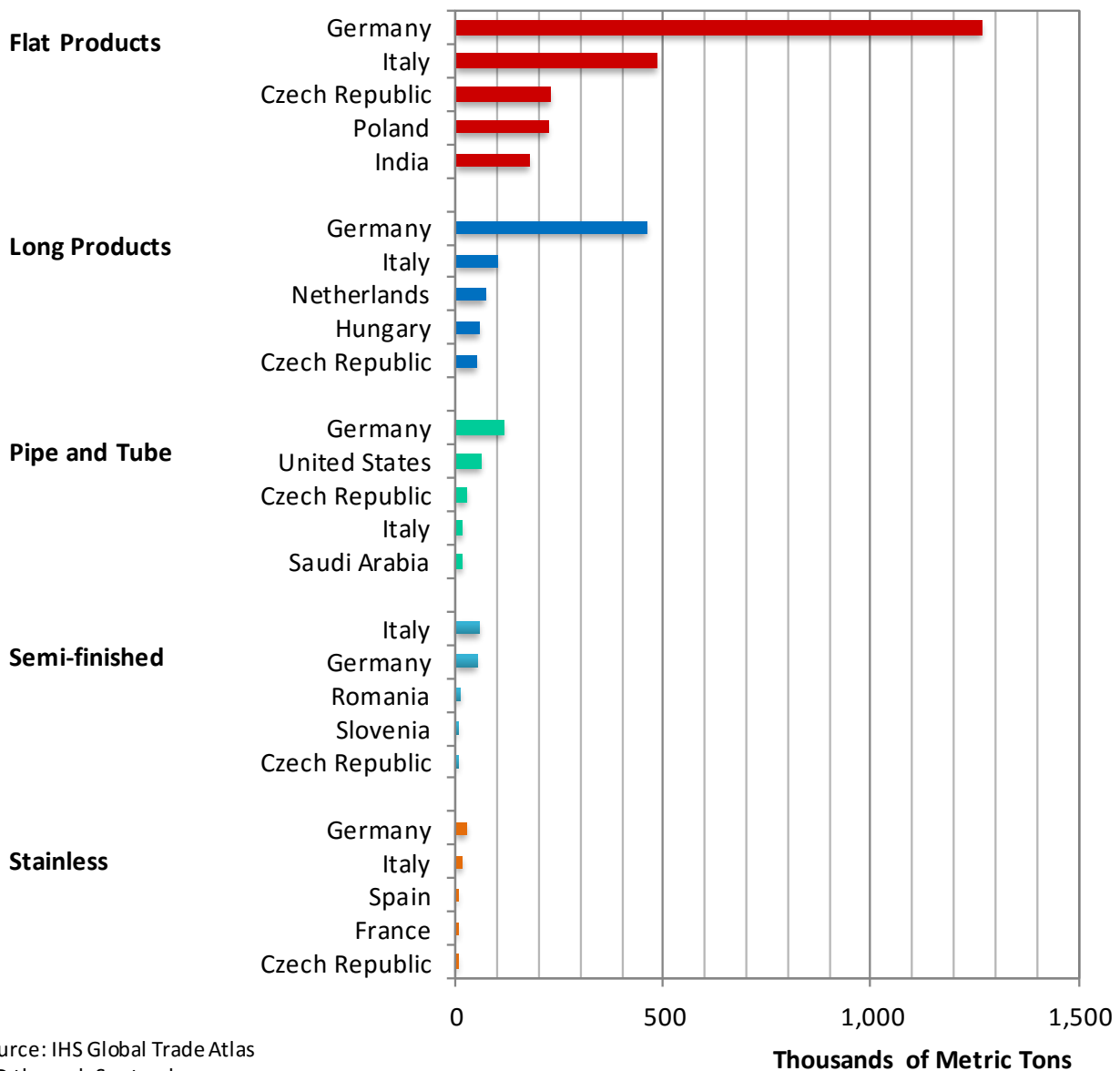
Top Markets by Steel Product Category

Austria's top export markets by volume vary across types of steel products, though Germany held the top spot in nearly every category. Austria sent 35 percent (1.3 million metric tons) of its flat product exports to Germany in YTD 2016, 39 percent (458.1 thousand metric tons) of its long product exports, 29 percent (114.9 thousand metric tons) of its pipe and tube exports, and 33 percent (24.7 thousand metric tons) of its stainless exports.

Italy received the largest share of Austria's semi-finished exports at 41 percent (54.4 thousand metric tons), followed by Germany at 37 percent (49.5 thousand metric tons).

Pipe and tube was the only category for which the United States was a top-five export destination in YTD 2016.

Austria's Top 5 Export Markets by Product - YTD 2016



Source: IHS Global Trade Atlas
YTD through September

Steel Exports Report: Austria

Austria's Import Market Share in Top Destinations

In 2015, the import market share for Austria's steel products decreased in the majority of its top ten export destinations. The share of imports from Austria decreased the most in Italy (down 0.8 percentage points from 2014), followed by the Czech Republic (down 0.4 percentage points).

Germany, Poland, Slovakia, and the United States all showed share decreases of 0.2 percentage points or less. The share of imports from Austria in Hungary increased by 1.9 percentage points from 2014, while shares in France and Romania increased by less than half of one percentage point.

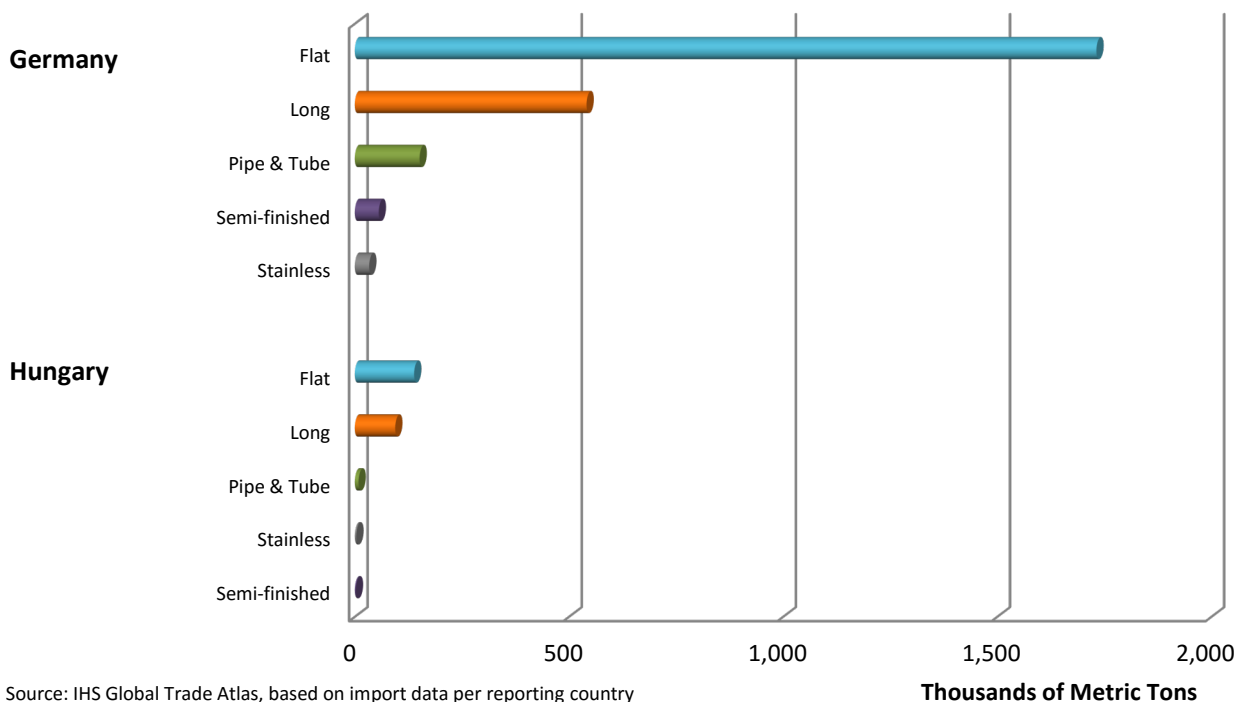
Among Austria's top export markets, Germany and Hungary imported the largest shares of steel from Austria in

2015 at 10 percent and 10.8 percent, respectively. Flat products accounted for the largest share of imports from Austria in both Germany at 69 percent (1.7 million metric tons) and Hungary at 56 percent (138.5 thousand metric tons).

Austria's Steel Import Market Share				
Top 10 Export Destinations (2015)	Share of Imports from Austria - 2014	Austria's Rank in 2014	Share of Imports from Austria - 2015	Austria's Rank in 2015
Germany	10.0%	5	10.0%	5
Italy	5.4%	6	4.6%	6
Czech Republic	6.7%	4	6.3%	5
Poland	3.7%	7	3.5%	7
Hungary	8.9%	5	10.8%	4
France	2.8%	7	2.9%	7
Slovakia	4.4%	9	4.4%	7
United States	0.7%	18	0.5%	22
Romania	4.5%	7	4.9%	7
Switzerland	7.4%	3	7.4%	3

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

Steel Import Composition of Top Market-Share Countries - 2015

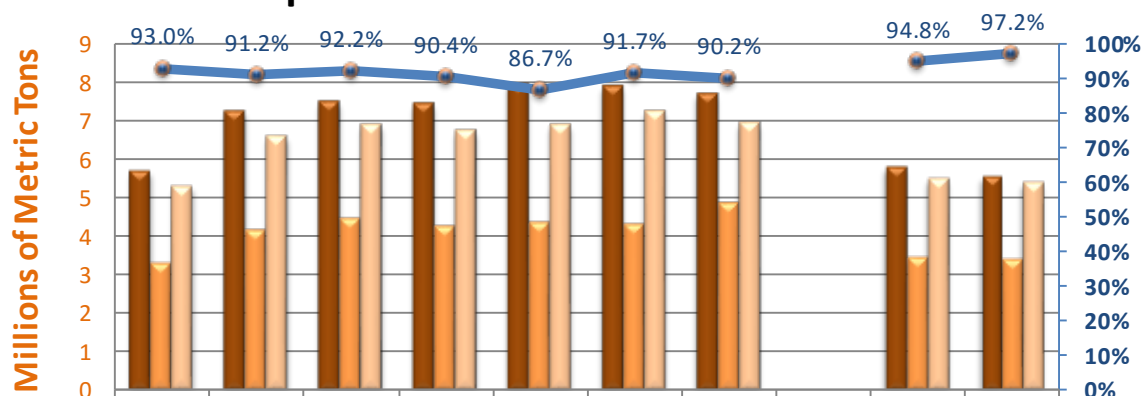


Source: IHS Global Trade Atlas, based on import data per reporting country

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Overall Production and Export Share of Production

Austria's Export Share of Steel Production



	2009	2010	2011	2012	2013	2014	2015		YTD 2015	YTD 2016
Production	5.7	7.2	7.5	7.4	8.0	7.9	7.7		5.8	5.5
Apparent Consumption	3.3	4.1	4.4	4.2	4.3	4.3	4.8		3.4	3.3
Exports	5.3	6.6	6.9	6.7	6.9	7.2	6.9		5.5	5.4
Export Share of Production	93.0%	91.2%	92.2%	90.4%	86.7%	91.7%	90.2%		94.8%	97.2%

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

Between 2009 and 2013, Austria's crude steel production increased 40 percent to 8 million metric tons. From 2013 to 2015, production decreased slightly by 3 percent to 7.7 million metric tons, and in YTD 2016 production has decreased by 4 percent to 5.5 million metric tons from 5.8 million metric tons in YTD 2015. Apparent consumption (a measure of steel demand) has been outpaced by production since 2009 by an annual average of 3.1 million metric tons. As production in YTD 2016 has declined, the gap between production and demand has narrowed to 2.2 million metric tons. Apart from a dip in 2013, Austria's steel exports as a share of production has been above 90 percent since 2009. Exports as a share of production increased to 97.2 percent in YTD 2016 as the gap between exports and production narrowed.

Top Producers

As recently as the 1990s, Austria's steel industry was continuing the process of privatization. Like many other steel-producing countries, Austria has gone through many periods of industry consolidation. Austria's largest steel producer, voestalpine, resulted from mergers in the 1970s and has since acquired several steel-making facilities in Austria.

Austria's Top Steel Producers			
Rank	Company	Production (mmt)	Main Products
1	voestalpine	7.7	Heavy plate, strip, castings, (worldwide) tool & high-speed steel
2	Böhler (subsidiary of voestalpine)	N/A	Corrosion-resistant, tool & high-speed steel, bearing steel

Sources: Metal Bulletin, *Iron and Steelworks of the World Directory 2017*; Company websites; World Steel Association

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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 table below provides statistics on the current number of trade remedies various countries have against steel mill products from Austria and from the European Union, which includes Austria.

Steel Mill Trade Remedies in Effect Against the European Union				
Country	AD	CVD	Suspension Agreements and Undertakings	Total
China	2			2
India	3			3
Morocco	1			1
TOTAL	6	0	0	6

Source: World Trade Organization, through December 1, 2016

Global Steel Mill Safeguards in Effect	
Country	Product(s)
Chile	Steel wire rod
India	1) Seamless pipes, tubes and hollow profiles of iron or non-alloy steel (other than cast iron and stainless steel); 2) Hot-rolled steel in coils; 3) Hot-rolled steel flat sheets and plates
Indonesia	1) Articles of finished casing and tubing; 2) Articles of iron or steel wire; 3) Flat-rolled products of iron or non-alloy steel; 4) I and H sections of other alloy steel
Malaysia	Hot-rolled steel plate
Morocco	1) Cold-rolled sheets and plated or coated sheets; 2) Reinforcing bars and wire rods
Philippines	Steel angle bars
Thailand	1) Hot-rolled steel flat products with certain amounts of alloying elements; 2) Unalloyed hot-rolled steel flat products in coils and not in coils
Ukraine	Casing and pump compressor seamless steel pipes
Vietnam	Semi-finished and certain finished products of alloy and non-alloy steel

Source: World Trade Organization, through November 25, 2016

Steel Exports Report: Glossary

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 HTS 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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