



Global Steel Trade Monitor

Steel Exports Report: United States

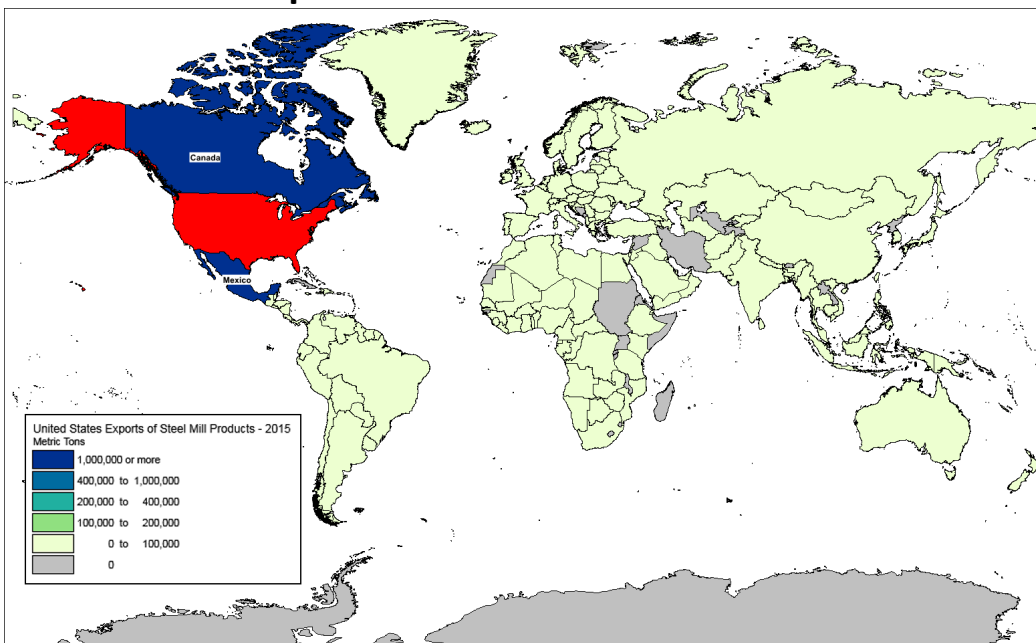
December 2016

Background

The United States is the world's fourteenth-largest steel exporter. In year to date 2016 (through September), the United States exported 6.7 million metric tons of steel, an 9.6 percent decrease from YTD 2015. U.S. exports represented about 2.1 percent of all steel exported globally in 2015. The volume of U.S. steel exports in YTD 2016 was more than 3.3 million metric tons smaller than that of the eleventh-ranked exporter, the Brazil, and roughly 1/12th the volume of the world's largest exporter, China. In value terms, steel represented just 1 percent of the total goods the United States exported in 2015.

The United States exports steel to more than 200 countries and territories. The two countries labeled in the map below represent the top markets for the United States' exports of steel, receiving more than 1 million metric tons each and accounting for 88 percent of U.S. exports in 2015.

U.S. Exports of Steel Mill Products - 2015



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

Quick Facts:

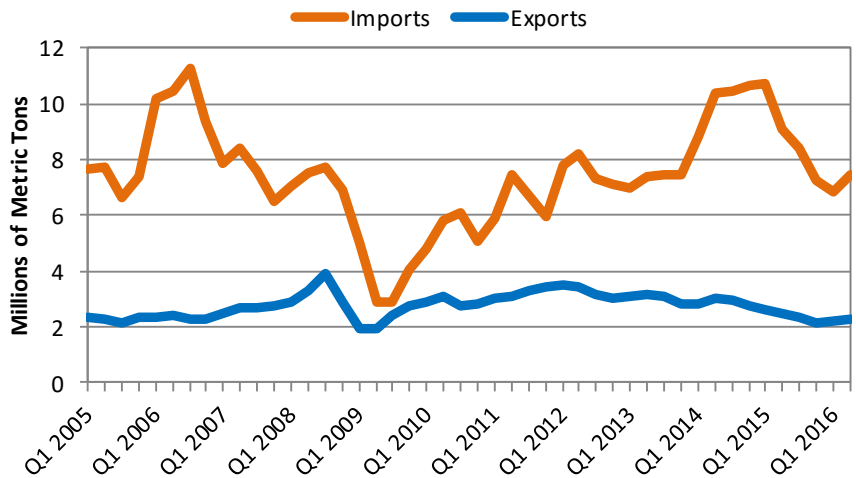
- World's fourteenth-largest steel exporter: 6.7 million metric tons (YTD 2016)
- 18% increase in steel exports since Q2 2009
- YTD export volume down 9.6% while export value down 18.8%
- Top markets: Canada, Mexico
- Exports as a share of production down from 12.3% in YTD 2015 to 11.3% in YTD 2016
- Largest producers: Nucor, U.S. Steel, and ArcelorMittal USA
- 7 trade remedies in effect involving steel mill imports from the United States

Steel Exports Report: United States

Steel Trade Balance

The United States has maintained a consistent trade deficit in steel products. Following a significant drop in 2009, imports have since returned to the average levels seen prior to the 2008 global recession while exports have remained relatively flat in comparison, and the trade deficit has widened accordingly. Since their most recent low point in Q2 2009, imports have grown by 190 percent, while exports grew by 18 percent. In YTD 2016, the U.S. steel trade deficit narrowed to -15.8 million metric tons metric tons from -20.7 million metric tons in YTD 2015.

U.S. Trade in Steel Mill Products by Quarter

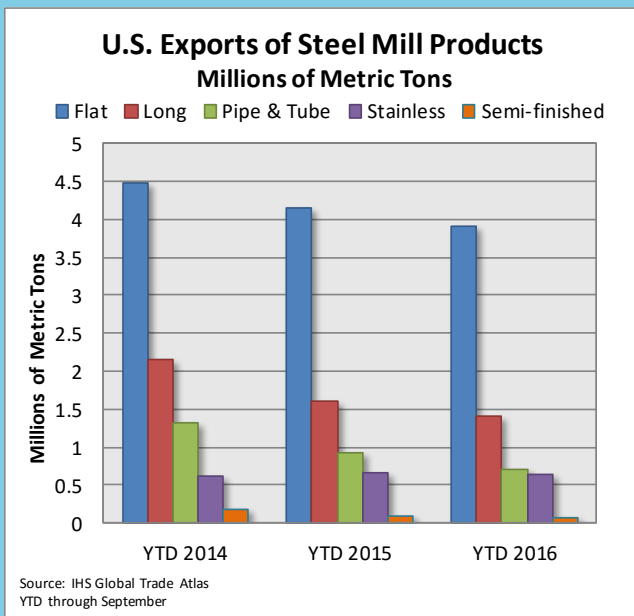


Source: IHS Global Trade Atlas

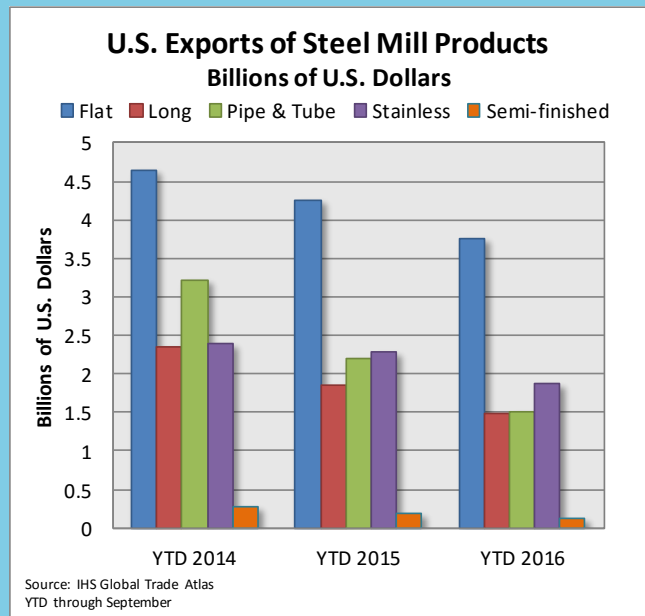
Export Volume, Value, and Product

The volume of U.S. steel exports has decreased every year since 2012 — down 26.9 percent from 13.1 million metric tons in 2012 to 9.6 million metric tons in 2015. Exports in YTD 2016 decreased to 6.7 million metric tons, down 9.6 percent from 7.5 million metric tons in YTD 2015. By contrast, U.S. export value declined even further in YTD 2016, down 18.8 percent to \$8.7 billion from \$10.8 billion in YTD 2015.

Flat steel products accounted for 58 percent of U.S. steel exports by volume in YTD 2016 at 3.9 million metric tons. Long products represented the second-largest category at 21 percent (1.4 million metric tons), followed by pipe and tube products (10% or 705 thousand metric tons), stainless (9% or 636 thousand metric tons), and semi-finished products (1% or 64 thousand metric tons).



Source: IHS Global Trade Atlas
YTD through September



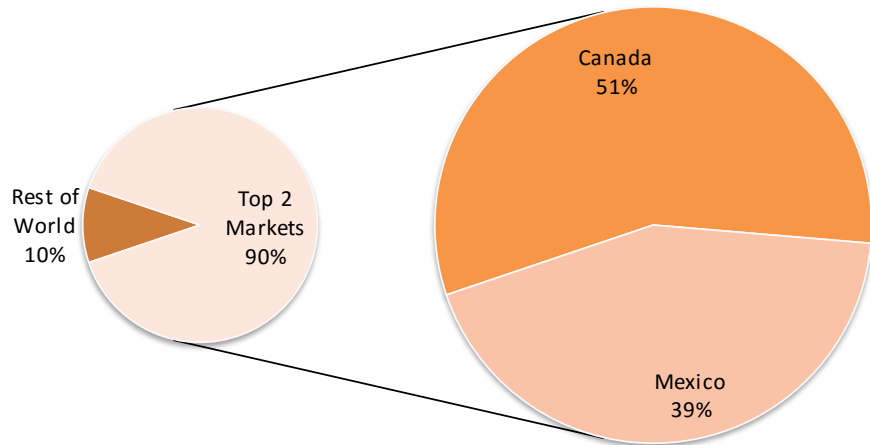
Source: IHS Global Trade Atlas
YTD through September

Steel Exports Report: United States

Exports by Top Market

Exports to the United States' top two steel markets represented 90 percent of U.S. steel export volume in YTD 2016 at 6 million metric tons (mmt). Canada received the largest share of U.S. exports with 51 percent (3.4 mmt), followed by Mexico at 39 percent (2.6 mmt). Of note, Canada and Mexico have ranked first and second for more than a decade.

U.S. Steel Exports - Top 2 Markets
YTD 2016- Millions of Metric Tons



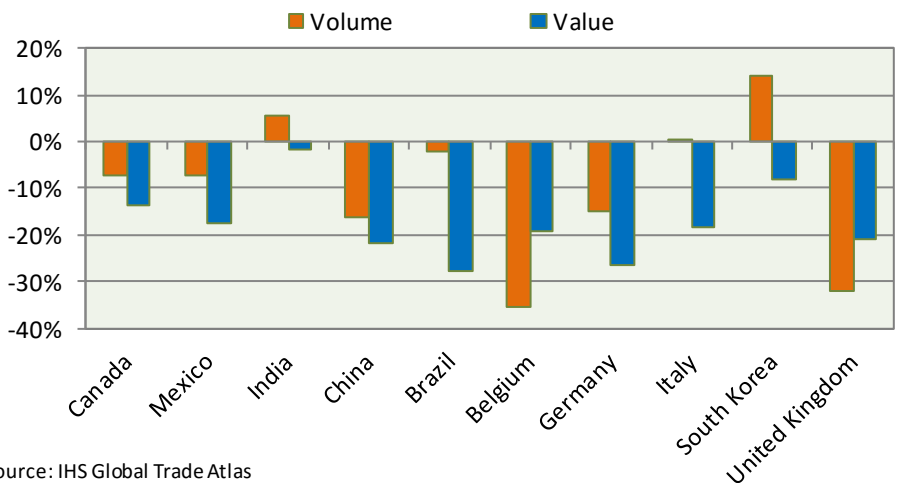
The next four export destinations — India, China, Brazil, and Belgium — each received 1 percent of U.S. exports of steel in YTD 2016.

Source: IHS Global Trade Atlas
YTD through September

Trends in Exports to Top Markets

Between YTD 2015 and YTD 2016, the volume of U.S. steel exports decreased in seven of the country's top 10 steel export markets. The country that saw the largest decrease in volume from the United States was Belgium — down 35.7 percent from 56 thousand metric tons in YTD 2015 to 36 thousand metric tons in YTD 2016 — followed by exports to the United Kingdom (down 31.9%). Exports to South Korea, India, and Italy increased in volume in YTD 2016, up 13.9 percent, 5.4 percent, and 0.3 percent respectively.

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



Source: IHS Global Trade Atlas
YTD through September

The value of steel exports of all of the United States' top 10 markets declined in YTD 2016. Brazil saw the largest decline in value at 27.7 percent, followed by Germany (down 26.5%), China (down 21.7%), the United Kingdom (20.8%), and Belgium (19.4%).

Outside the top 10 markets, notable changes in the volume of exports from the United States included exports to 11th-ranked Chile (up 136.1%), 12th-ranked Venezuela (down 56.1%), and 14th-ranked Dominican Republic (down 72.5%) in YTD 2016.

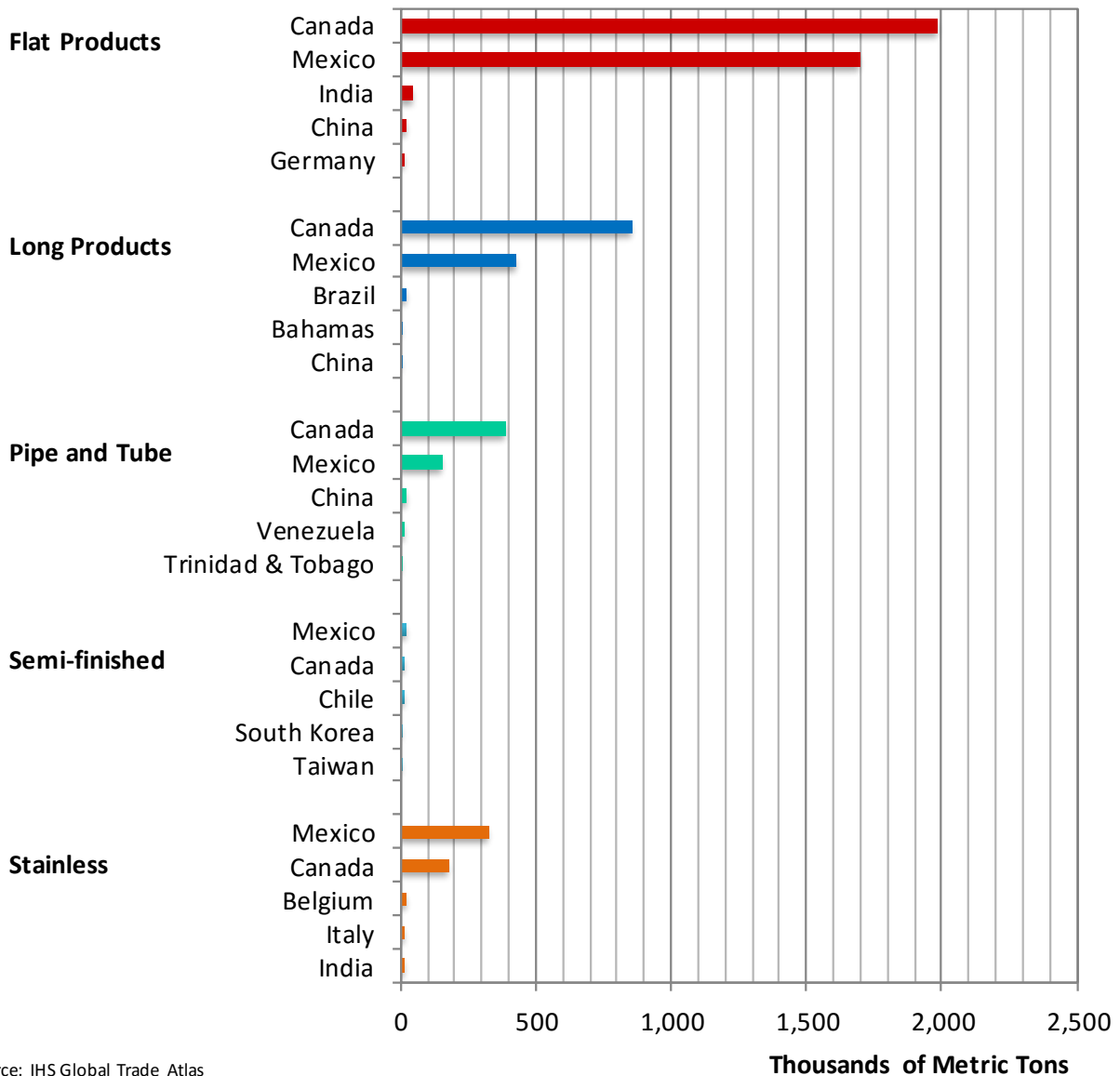
Steel Exports Report: United States

Top Markets by Steel Product Category

The top U.S. export markets by volume vary across types of steel products, though Canada and Mexico held the top two spots for every product category. In YTD 2016, Canada received the largest share of U.S. exports of flat products at 51 percent (1.98 million metric tons), followed by Mexico at 43 percent (1.7 million metric tons). Canada received 60 percent (853 thousand metric tons) of U.S. long product exports and 55 percent (390 thousand metric tons) of pipe and tube exports. Mexico ranked second for long products with 30 percent (426 thousand metric tons) and second for pipe and tube products with 22 percent (153 thousand metric tons).

Mexico received the largest share of semi-finished products at 38 percent (24 thousand metric tons), while Canada received the second-largest share at 23 percent (15 thousand metric tons). The U.S. sent 51 percent (322 thousand metric tons) of stainless exports to Mexico in YTD 2016, followed by Canada with 27 percent (174 thousand metric tons).

U.S. Top 5 Export Markets by Product - YTD 2016



Source: IHS Global Trade Atlas
YTD through September

Steel Exports Report: United States

U.S. Import Market Share in Top Destinations

In 2015, the import market share for U.S. steel products decreased in nine of the United States' top 10 export destinations. Countries with notable decreases in their share of steel imports from the U.S. included Mexico (down 8.3 percentage points from 2014), Venezuela (down 3.1 percentage points), and the Dominican Republic (down 2.1 percentage points). The Netherlands was the only top 10 destination to show an increase in the share of imports from the U.S., up 0.2 percentage points.

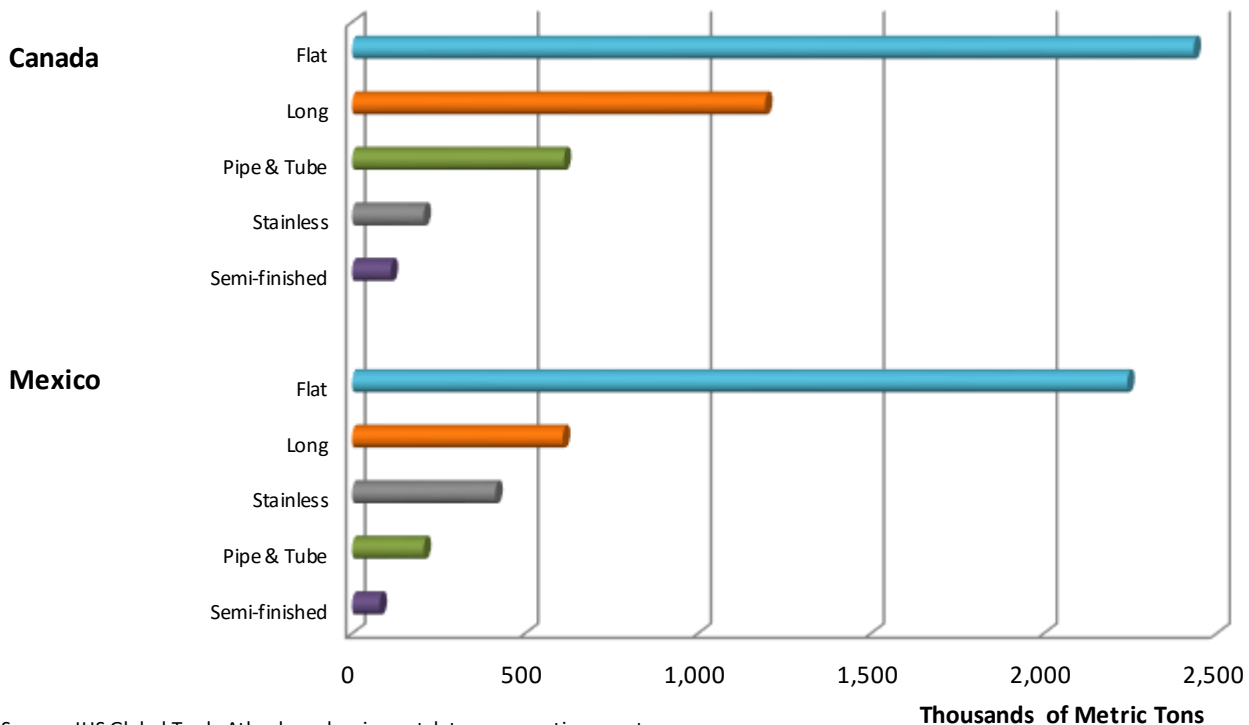
Among the United States' top export markets, Canada and Mexico received the largest shares of their total steel imports from the United

U.S. Steel Import Market Share				
Top 10 Export Destinations (2015)	Share of Imports from U.S. - 2014	U.S. Rank in 2014	Share of Imports from U.S. - 2015	U.S. Rank in 2015
Canada	57.8%	1	57.6%	1
Mexico	44.1%	1	35.8%	1
India	1.1%	14	0.8%	13
China	0.7%	8	0.6%	9
Belgium	0.7%	15	0.6%	16
Dominican Republic	17.9%	1	15.8%	3
Brazil	2.0%	9	1.9%	8
Venezuela	7.3%	4	4.2%	2
Germany	0.1%	30	0.1%	30
Netherlands	0.1%	30	0.3%	26

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

States at 57.6 percent and 35.8 percent, respectively. In 2015, flat products accounted for the largest share of steel imports from the United States in both Canada (53% or 2.4 million metric tons) and Mexico (63% or 2.2 million metric tons). Long products ranked second for both Canada (26% or 1.2 million metric tons) and Mexico (17 percent or 609 thousand metric tons).

Steel Import Composition of Top Market-Share Countries - 2015

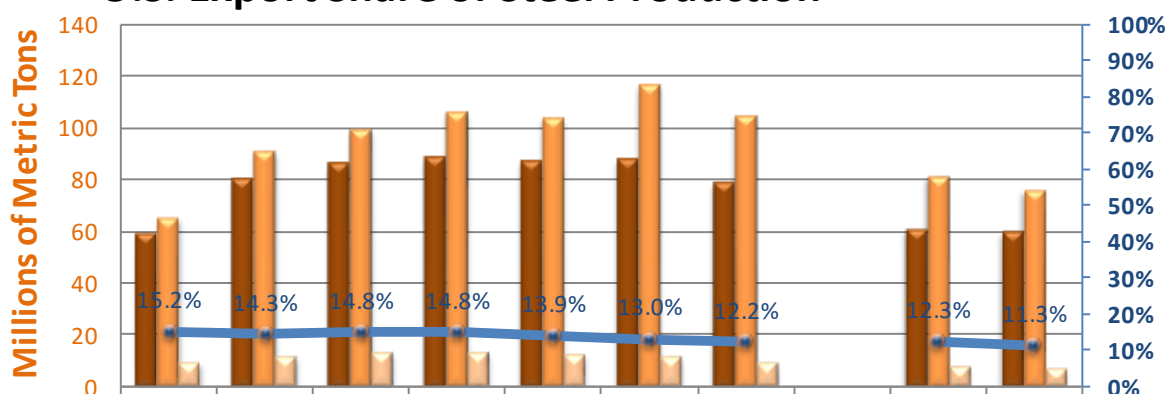


Source: IHS Global Trade Atlas, based on import data per reporting country

Steel Exports Report: United States

Overall Production and Export Share of Production

U.S. Export Share of Steel Production



	2009	2010	2011	2012	2013	2014	2015		YTD 2015	YTD 2016
Production	59.4	80.5	86.4	88.7	86.9	88.2	78.8		60.5	59.7
Apparent Consumption	65.1	90.7	99.6	106.0	104.0	117.0	104.6		81.2	75.5
Exports	9.0	11.5	12.8	13.1	12.1	11.5	9.6		7.5	6.7
Export Share of Production	15.2%	14.3%	14.8%	14.8%	13.9%	13.0%	12.2%		12.3%	11.3%

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

U.S. crude steel production increased by 49 percent between 2009 and 2012 before gradually declining by 11 percent between 2012 and 2015. Production in YTD 2016 has decreased slightly to 59.7 million metric tons from 60.5 million metric tons in YTD 2015. Apparent consumption (a measure of steel demand) has outpaced production since 2009, and the gap between demand and production peaked in 2014 at 28.8 million metric tons. U.S. steel exports as a share of production decreased by 3 percentage points between 2009 and 2015. In YTD 2016, exports as a share of production stood at 11.3 percent, down from 12.3 percent in YTD 2015, as exports fell while production held steady.

Top Producers

The top eight steel producers in the United States are a mix of foreign and domestically-owned companies. Based on available data, the top five domestically-owned producers, along with ArcelorMittal USA, accounted for 82 percent of total production in 2015.

United States Top Steel Producers in 2015

Rank	Company	Production (mmt)	Main Products
1	Nucor Corporation	19.6	Bars, beams, sheets, plate
2	United States Steel Corp.	14.5	Hot-rolled, hardware, fittings
3	ArcelorMittal USA*	13.9 (estimate)	Flat products, long products, tubular products
4	Gerdau North America*	N/A	Beams, pilings, billets, rebar, wire rod
5	Steel Dynamics Inc.	7.4 (2014 shipments)	Sheets, bars, beams
6	AK Steel Corporation	6.2	Carbon, stainless, electrical
7	Severstal North America* □	N/A	Hot-rolled, cold-rolled, galvanized
8	Commercial Metals Co.	3.4 (2013)	Long products, structural

Source: World Steel Association; Bloomberg; Company websites

*Denotes foreign-owned producer

□ Sold to AK Steel and Steel Dynamics

Steel Exports Report: United States

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 various countries have against steel mill products from the United States.

Steel Mill Trade Remedies in Effect Against the United States				
Country	AD	CVD	Suspension Agreements and Undertakings	Total
China	1			1
European Union	1			1
India	3			3
Mexico	2			2
TOTAL	7	0	0	7

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
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 October 12, 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 HS codes have been included for purposes of reporting historical data (prior to 2007): 722520, 722693, 722694, 722910, 730410, 730421, 730610, 730620, and 730660.

Special Note on U.S. Export Data: Export data for the United States used in this report are total exports, rather than domestic exports, so as to be consistent across countries. Therefore, U.S. export data in this report may not match similar data used in our other U.S. export data products.

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/>.



INTERNATIONAL
TRADE
ADMINISTRATION

Steel Import Monitoring and Analysis
1401 Constitution Ave., NW, Room 21006
Washington, D.C. 20230

T 202.482.2105
F 202.501.1377
Email ECCGlobalSteelStats@trade.gov

trade.gov/steel