

Global Steel Trade Monitor

Steel Imports Report: Thailand

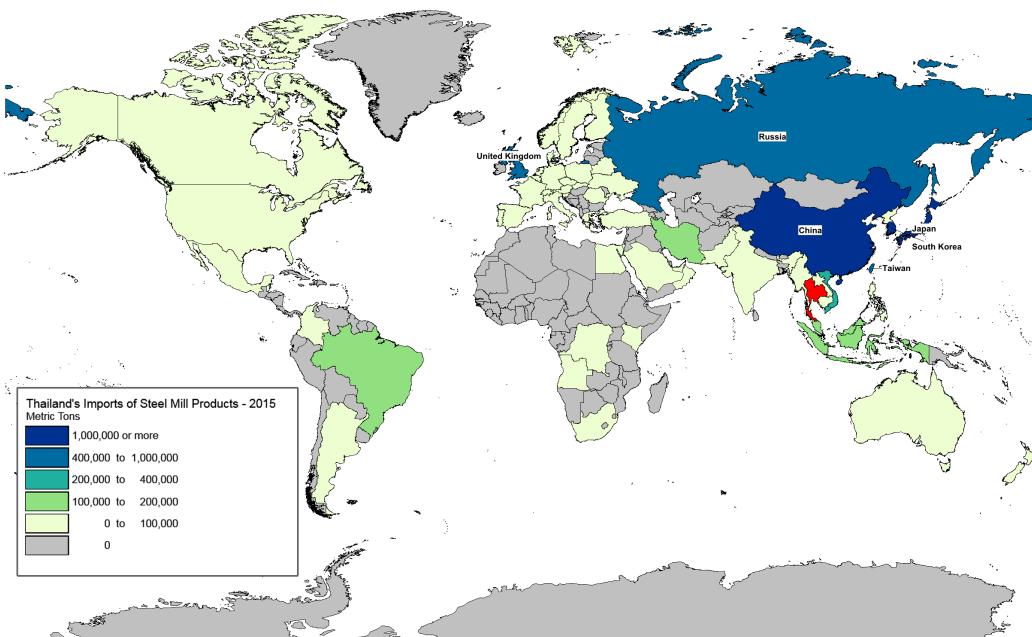
December 2016

Background

Thailand is the world's fourth largest steel importer. In year to date 2016 (through September), further referred to as YTD 2016, Thailand imported 13.2 million metric tons of steel, a 15 percent increase from 11.5 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:

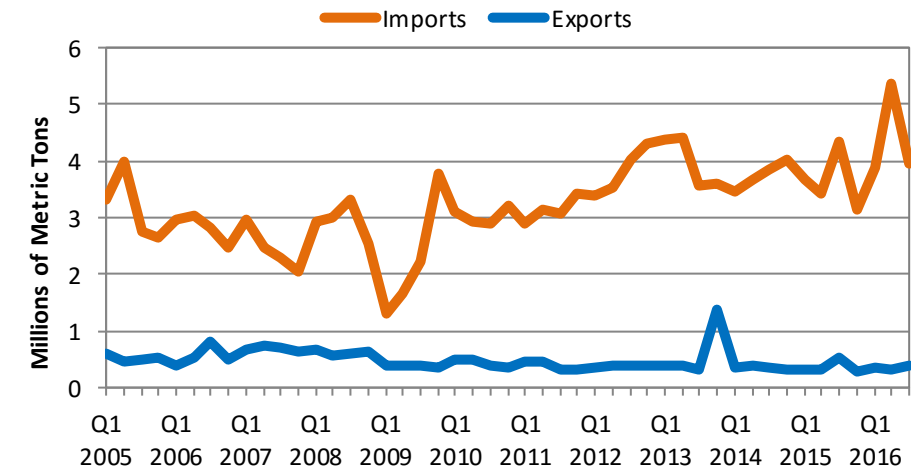
- World's fourth largest steel importer: 13.2 million metric tons (YTD 2016)
- 198% steel import growth between Q1 2009 and Q3 2016
- YTD import volume up 15% while import value down 8.5%
- Import penetration up to 87.7% in YTD 2016 from 86.8% in YTD 2015
- Top three import sources: China, Japan, South Korea
- Largest producers: G Steel, Tata Steel Thailand
- 35 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 15 percent and the steel trade deficit increased by 18 percent. In YTD 2016, Thailand's steel trade deficit widened to -12.2 million metric tons from -10.3 million metric tons in YTD 2015.

Thailand's Trade in Steel Mill Products by Quarter



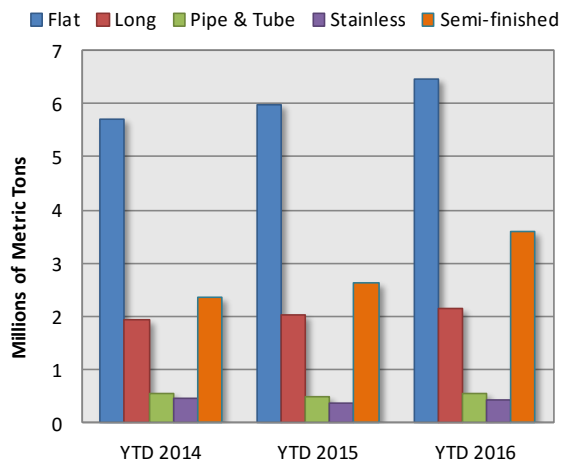
Source: IHS Global Trade Atlas

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 again decreased in 2015 by 3 percent to 14.6 million metric tons. In YTD 2016, the volume of Thailand's steel imports grew by 15 percent from YTD 2015 to 13.2 million metric tons. By contrast, the value of Thailand's YTD 2016 steel imports declined by 8.5 percent to \$7.3 billion from \$8 billion in YTD 2015. This decrease in value can be attributed to a significant drop in global steel prices.

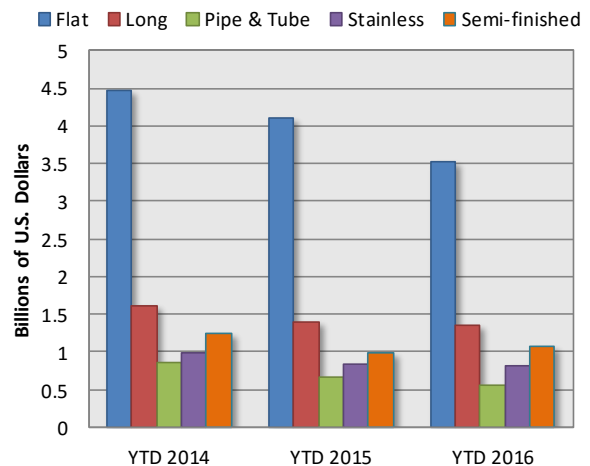
In YTD 2016, flat products accounted for the largest share of Thailand's steel imports at 49 percent, or 6.5 million metric tons. Semi-finished products accounted for 27 percent, or 3.6 million metric tons, of Thailand's imports, followed by long products (16% or 2.1 million metric tons), pipe and tube (4% or 561.8 thousand metric tons), and stainless products (3% or 418 thousand metric tons).

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



Source: IHS Global Trade Atlas
YTD through September

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



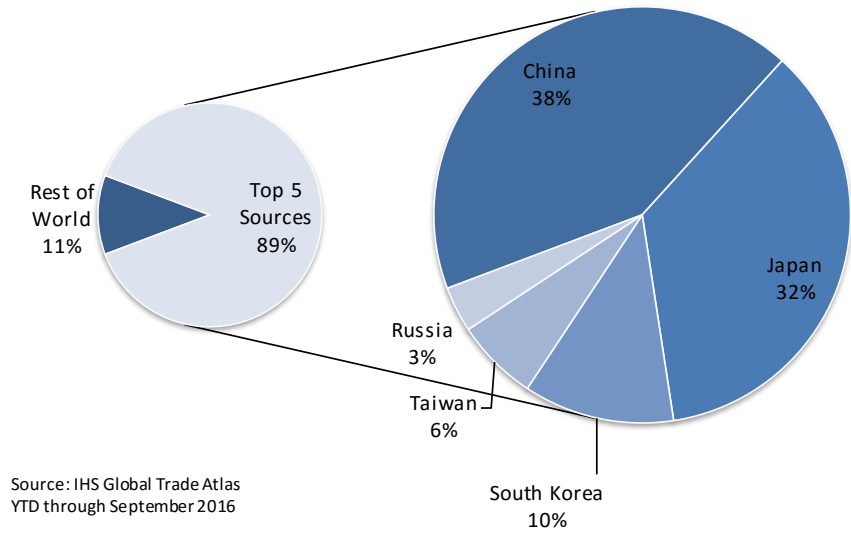
Source: IHS Global Trade Atlas
YTD through September

Steel Imports Report: Thailand

Imports by Top Source

The top 5 source countries for Thailand's steel imports represented 89 percent of the total steel import volume in YTD 2016 at 11.7 million metric tons (mmt). China accounted for the largest share of Thailand's imports by source country at 38 percent (5 mmt), followed by Japan at 32 percent (4.2 mmt), South Korea at 10 percent (1.4 mmt), Taiwan at 6 percent (0.7 mmt), and Russia at 3 percent (0.4 mmt).

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



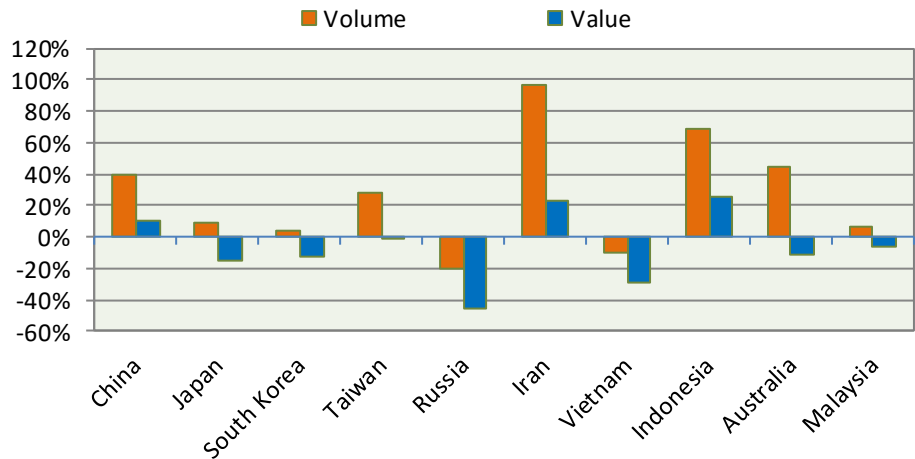
Source: IHS Global Trade Atlas
YTD through September 2016

The United States ranked 25th as a source for Thailand's steel imports, representing just 0.05 percent of imports (6.9 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 7 of the top 10, reflecting the decline in global steel prices.

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



Source: IHS Global Trade Atlas
YTD through September

The largest increases in import volume occurred from Iran, up 97.2 percent from YTD 2015, followed by Indonesia (up 68.9%), Australia (up 44.1%), and China (up 39.3%). Only imports from Russia and Vietnam decreased in volume in YTD 2016, down 20.6 percent and 10.3 percent, respectively.

Thailand's imports from Russia and Vietnam also decreased the most in value terms between YTD 2015 and YTD 2016, with imports from Russia down 46.1 percent and down 29.2 percent from Vietnam. Among Thailand's top 10 import sources, the only increases in import value occurred from Indonesia (up 25.4%), Iran (up 23%), and China (up 10.9%).

Steel Imports Report: Thailand

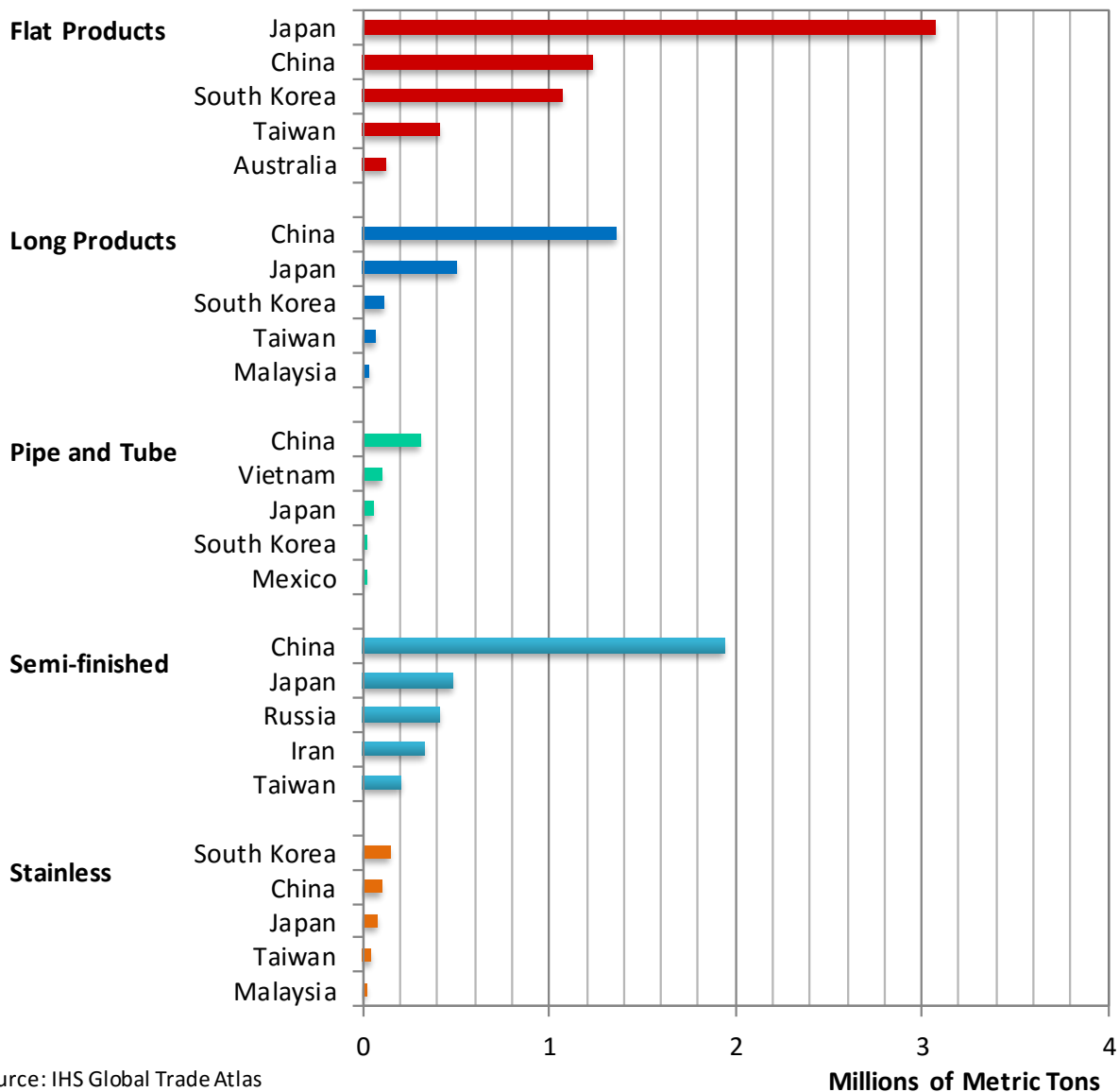
Top Sources by Steel Product Category

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 48 percent (3.1 million metric tons).

In YTD 2016, China represented the largest source for Thailand's long product imports at 63 percent (1.4 million metric tons), its pipe and tube imports at 55 percent (310 thousand metric tons), and its semi-finished steel imports at 54 percent (1.9 million metric tons). Thailand received the largest share of its stainless steel imports from South Korea in YTD 2016 at 35 percent (144.8 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 September 2016

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).

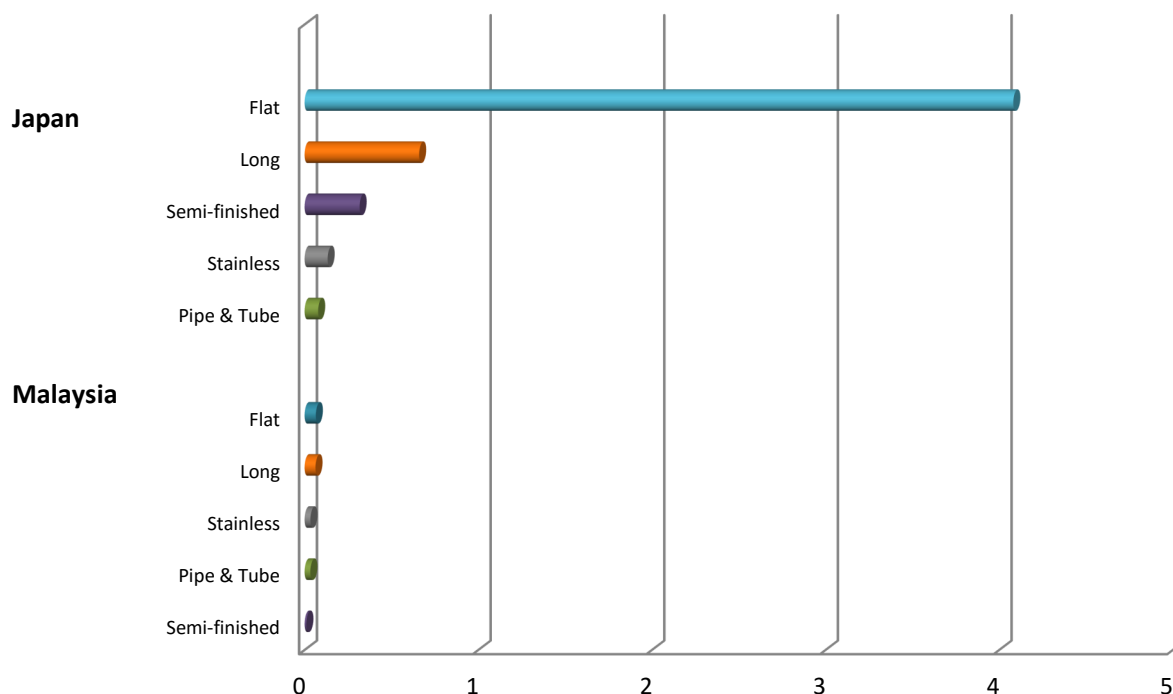
In 2015, the share of steel exports to Thailand in China, South Korea, Taiwan, and Malaysia all showed slight increases (up less than half of one percentage point).

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



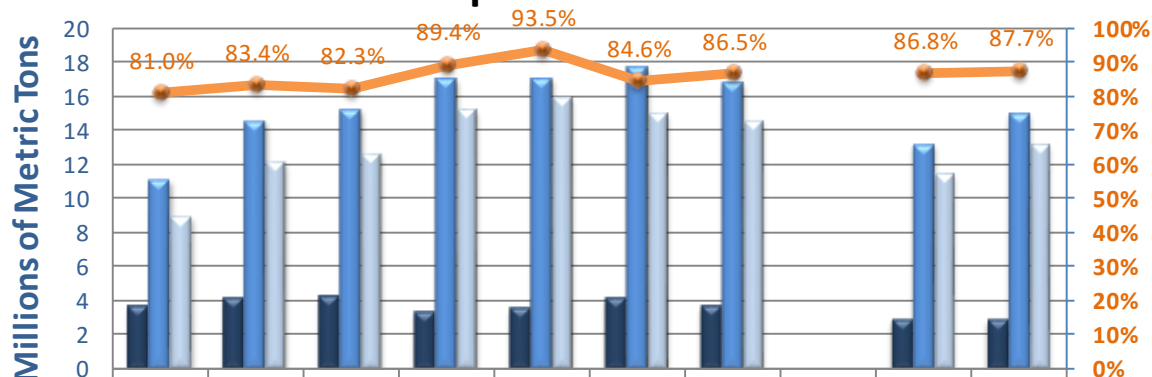
Source: IHS Global Trade Atlas, based on import data per reporting country

Millions of Metric Tons

Steel Imports Report: Thailand

Overall Production and Import Penetration

Thailand's Steel Import Penetration



	2009	2010	2011	2012	2013	2014	2015		YTD 2015	YTD 2016
Production	3.6	4.1	4.2	3.3	3.6	4.1	3.7		2.90	2.88
Apparent Consumption	11.1	14.6	15.3	17.1	17.1	17.8	16.9		13.2	15.1
Imports	9.0	12.2	12.6	15.3	15.9	15.0	14.6		11.5	13.2
Import Penetration	81.0%	83.4%	82.3%	89.4%	93.5%	84.6%	86.5%		86.8%	87.7%

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

Thailand's crude steel production decreased slightly to 2.88 million metric tons in YTD 2016, from 2.9 million metric tons in YTD 2015. Over the same period, apparent consumption (a measure of steel demand) grew by 13 percent, and demand significantly outpaced production. With import levels over 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 87.7 percent in YTD 2016, increasing 0.9 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.

Thailand’s Trade Remedies in Effect Against Steel Mill Imports				
Country	AD	CVD	Suspension Agreements and Undertakings	Total
Algeria	1			1
Argentina	1			1
China	9			9
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
TOTAL	33	0	0	33

Source: World Trade Organization, through December 1, 2016

Steel Mill Safeguards in Effect	
Country	Product
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 November 25, 2016

Steel Imports 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.

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