



Global Steel Trade Monitor

Steel Exports Report: Poland

May 2019

Background

Poland, as of 2017, is the world's twentieth-largest steel exporter. In 2018, Poland exported 5.7 million metric tons of steel, a decrease from 6 million metric tons in 2017. Poland's exports represented about 1 percent of all steel exported globally in 2017. The volume of Poland's 2018 steel exports was less than 1/10th the size of the world's largest exporter, China, and less than 1/5th that of the second-largest exporter, Japan. In value terms, steel represented just 0.3 percent of the total amount of goods Poland exported in 2018.

Poland exports steel to more than 180 countries and territories. The 10 countries labeled in the map below represent the top markets for Polish exports of steel, with each getting over 100 thousand metric tons from Poland, and together accounting for 80 percent of its steel exports in 2018.

Poland Exports of Steel Mill Products-2018 (Top Ten in Blue)



Quick Facts:

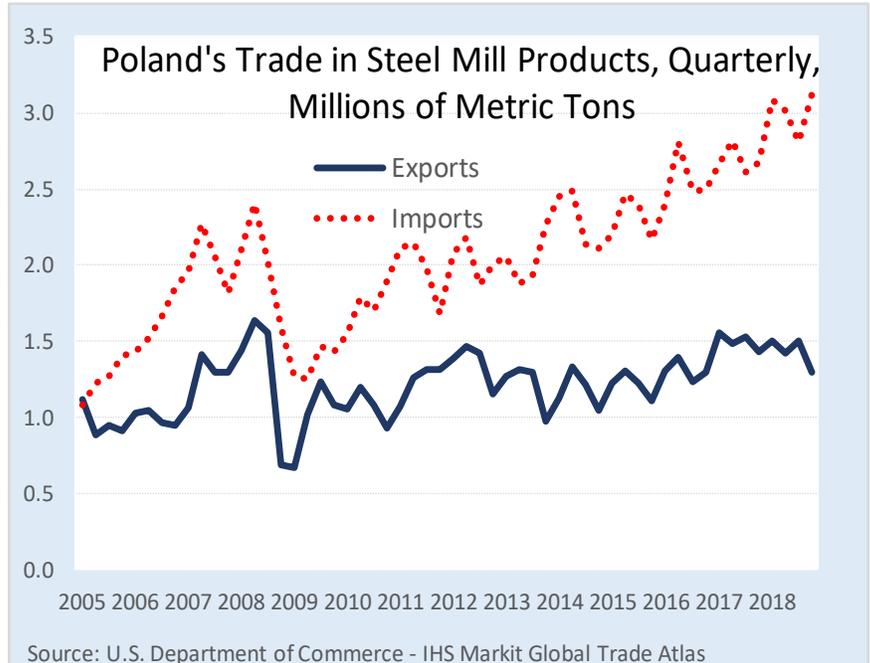
- 5.7 million metric tons (2018)
- 43% steel export growth since 2009
- 2018 export volume down 5% while export value up 12%
- Exports as a share of production down from 58.0% in 2017 to 56.3% in 2018
- Top three markets: Czech Republic, Germany, Italy
- Top Producers: ArcelorMittal, Celsa Group, CMC Poland
- 1 trade remedy in effect involving steel mill imports from Poland

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Steel Trade Balance

Poland has maintained a persistent trade deficit in steel mill products since at least 2005. Since 2009, the volume of exports has grown 43 percent, while the volume of imports has grown 122 percent, as demand for steel has increased while production has remained somewhat constant.

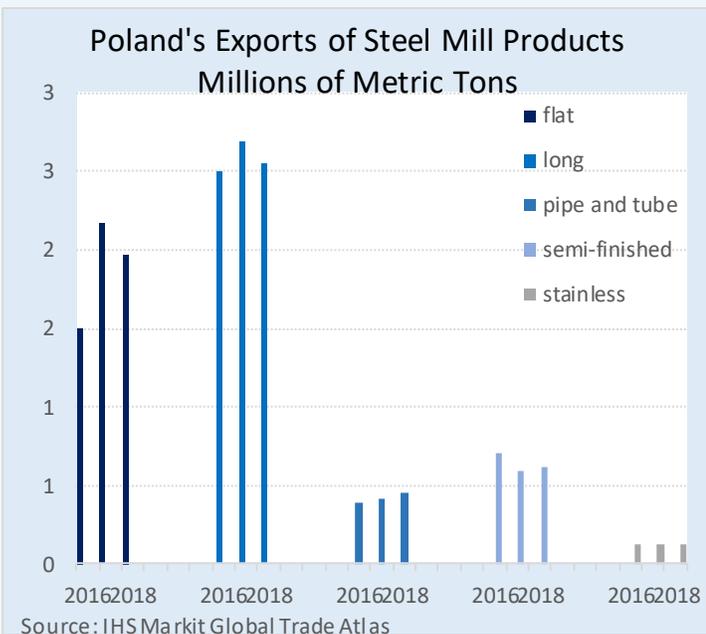
In 2018, Poland's steel trade deficit amounted to -6.3 million metric tons, up 32 percent from -4.8 million metric tons in 2017.



Export Volume, Value, and Product

In 2018, Polish steel exports decreased in volume by 5 percent to 5.7 million metric tons from 6 million metric tons in 2017. The value of 2018 steel exports has increased by 12 percent to \$5.1 billion from \$4.5 billion in 2017.

Long products accounted for the largest share of Polish steel exports in 2018 at 45 percent, or 2.6 million metric tons. Flat products accounted for 34 percent, or 2 million metric tons, of Polish exports of steel in 2018, followed by semi-finished products at 11 percent (620 thousand metric tons), pipe and tube products at 8 percent (450 thousand metric tons), and stainless steel at 2 percent (126 thousand metric tons).



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Exports by Top Market

Exports to Poland's top 10 markets represented 80 percent of Polish steel export volume in 2018 at 4.6 million metric tons (mmt). The top two markets alone represented 46 percent of Polish steel export volume in 2018. Czech Republic was the largest market for Polish steel exports with 25 percent (1.4 mmt), followed by Germany at 21 percent (1.2 mmt), and Italy at 9 percent (0.5 mmt).

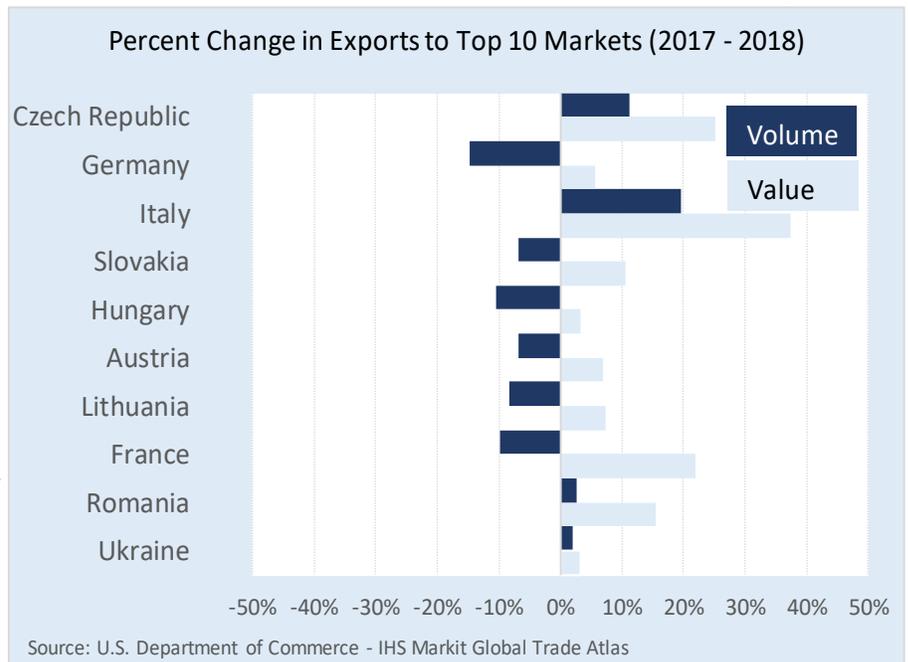


Trends in Exports to Top Markets

Between 2017 and 2018, the volume of Poland's steel exports decreased in six of the country's top 10 steel export markets. Poland's exports to Germany saw the largest decrease in volume (-15% from 2017), followed by exports to Hungary (-10%), France (-10%), Lithuania (-8%), Slovakia (-7%), and Austria (-10%). The largest increase in Polish steel export volume was to Italy (20%), followed by the Czech Republic (11%), Romania (3%), and Ukraine (2%).

The value of Poland's exports between 2017 and 2018 increased in all ten of the top 10 markets, due to rising global steel prices. Export values increased the most to Italy (37%), followed by the Czech Republic (5%), France (22%), Romania (15%), and Slovakia (11%).

Outside of the top 10 markets, other notable volume changes in 2018 included Poland's exports to 13th-ranked Russia (-37%), 22nd-ranked Australia (1,490%), and 23rd-ranked Turkey (-77%).



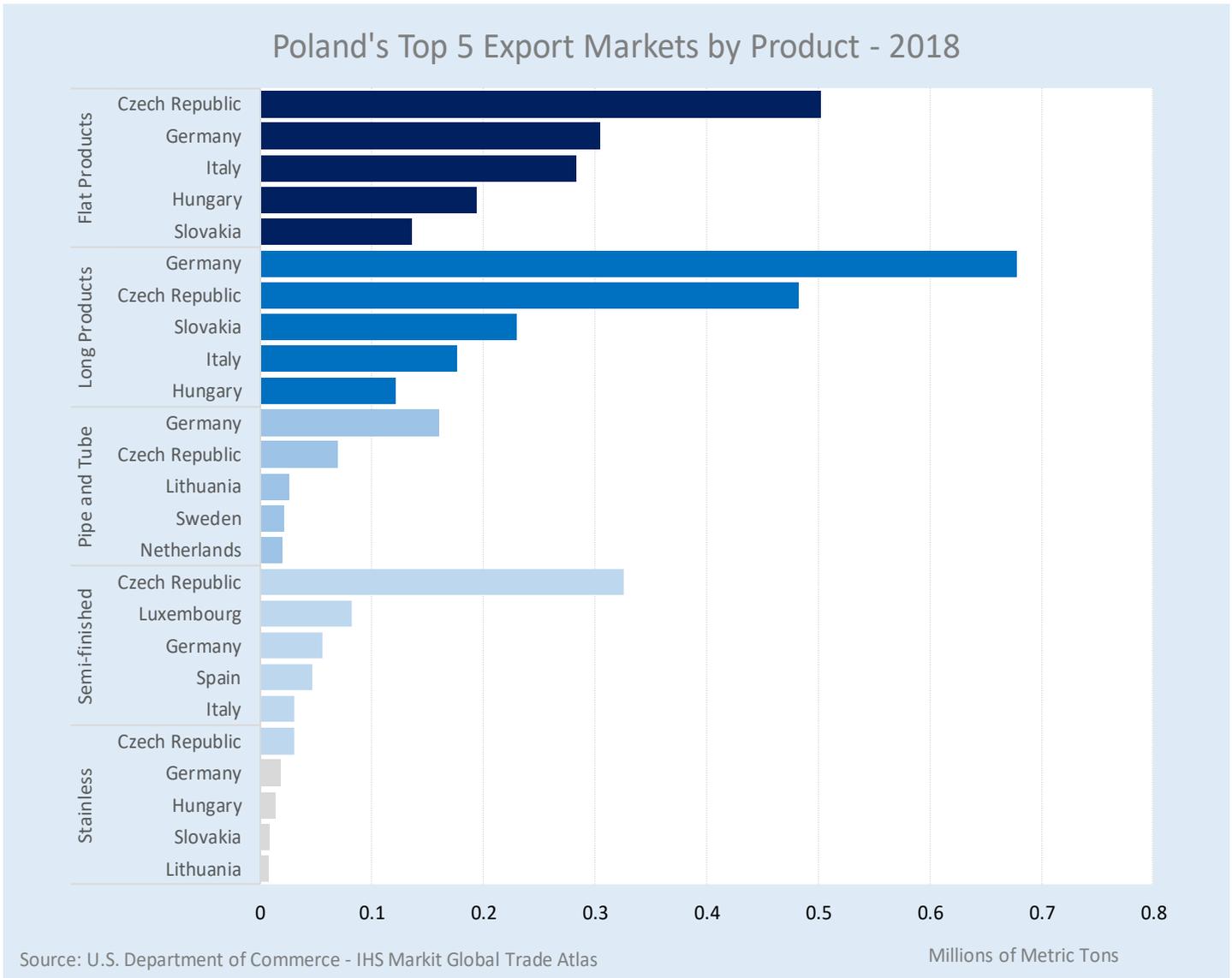
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Top Markets by Steel Product Category

Poland's top export markets by volume vary across types of steel products, though Germany and the Czech Republic dominate the top two spots in many product categories. In 2018, 26 percent of Poland's exports of flat products went to the Czech Republic (502 thousand metric tons). Germany was Poland's largest export market for long products at 27 percent in 2018 (677 thousand metric tons).

A plurality of Poland's pipe and tube exports also went to Germany, at 36 percent (160 thousand metric tons). Poland exported 52 percent of its semi-finished exports, (325 thousand metric tons) to the Czech Republic. 24 percent of stainless exports (31 thousand metric tons) went to the Czech Republic.

The United States was not a top destination for Polish exports of any major category of steel in 2018.



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Poland's Import Market Share in Top Destinations

In 2018, the import market share for Poland's steel products decreased in six of the country's top export destinations. The share of steel imports from Poland decreased in Lithuania, down 4 percentage points from 2017, followed by Hungary (-1.6 percentage points), Germany (-0.5 percentage points), and Austria (-0.4 percentage points), France (-0.2 percentage points), and Ukraine (-0.2 percentage points).

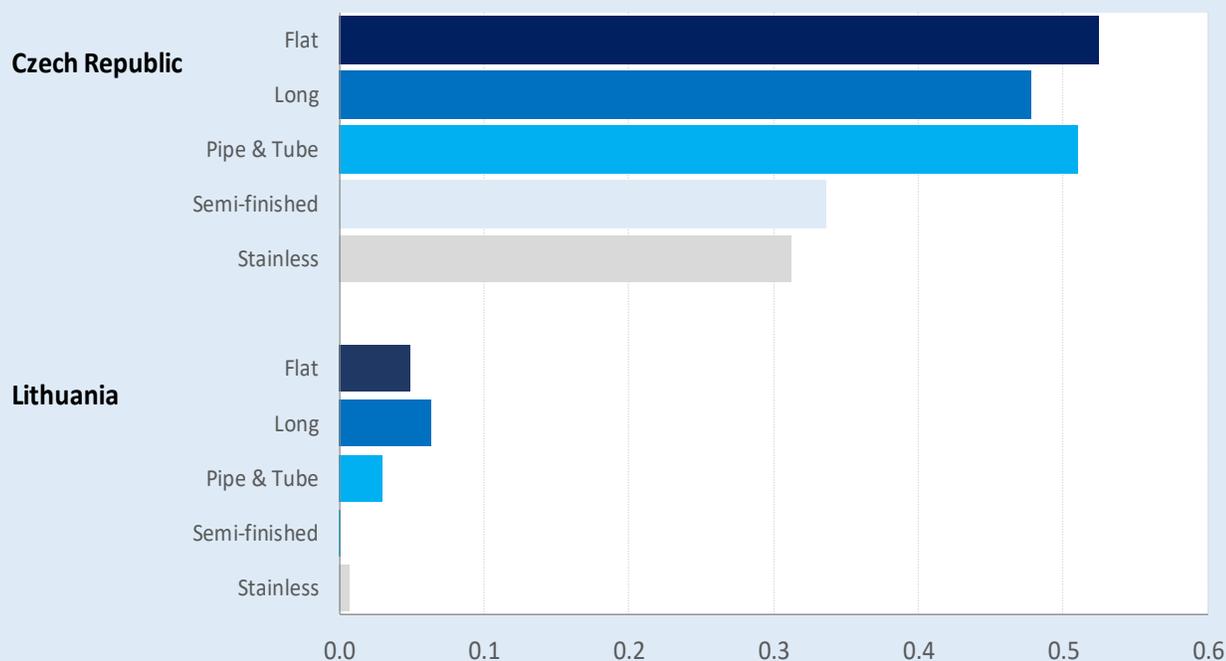
The share of imports from Poland increased in Slovakia (1.3 percentage points), followed by Czech Republic, Italy, and Romania (each up by less than 0.5 percentage points).

Among Poland's top export markets, Czech Republic and Lithuania had the highest share of steel imports from Poland, at 19.8 and 13.4 percent, respectively. In Lithuania, flat and long products comprised the majority of its 2018 imports of Polish steel, at 33 and 43 percent, respectively, while in the Czech Republic, imports of Polish steel are split more evenly among the product categories (24 percent for flat and pipe and tube products, 22 percent for long products).

Poland's Steel Import Market Share					
Top 10 Export Markets	Share of Imports from Poland - 2017	United States' Rank in 2016	Share of Imports from Poland - 2018	Poland's Rank in 2018	Change in Share
Czech Republic	19.5%	2	19.8%	2	↑
Germany	4.6%	6	4.1%	7	↓
Italy	2.1%	13	2.3%	13	↑
Slovakia	11.2%	3	12.5%	3	↑
Hungary	13.1%	4	11.4%	4	↓
Austria	4.2%	6	3.7%	5	↓
Lithuania	17.4%	2	13.4%	3	↓
France	1.0%	10	0.8%	11	↓
Romania	3.5%	11	3.7%	10	↑
Ukraine	5.7%	4	5.5%	6	↓

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

Steel Import Composition of Top Market-Share Countries-2018

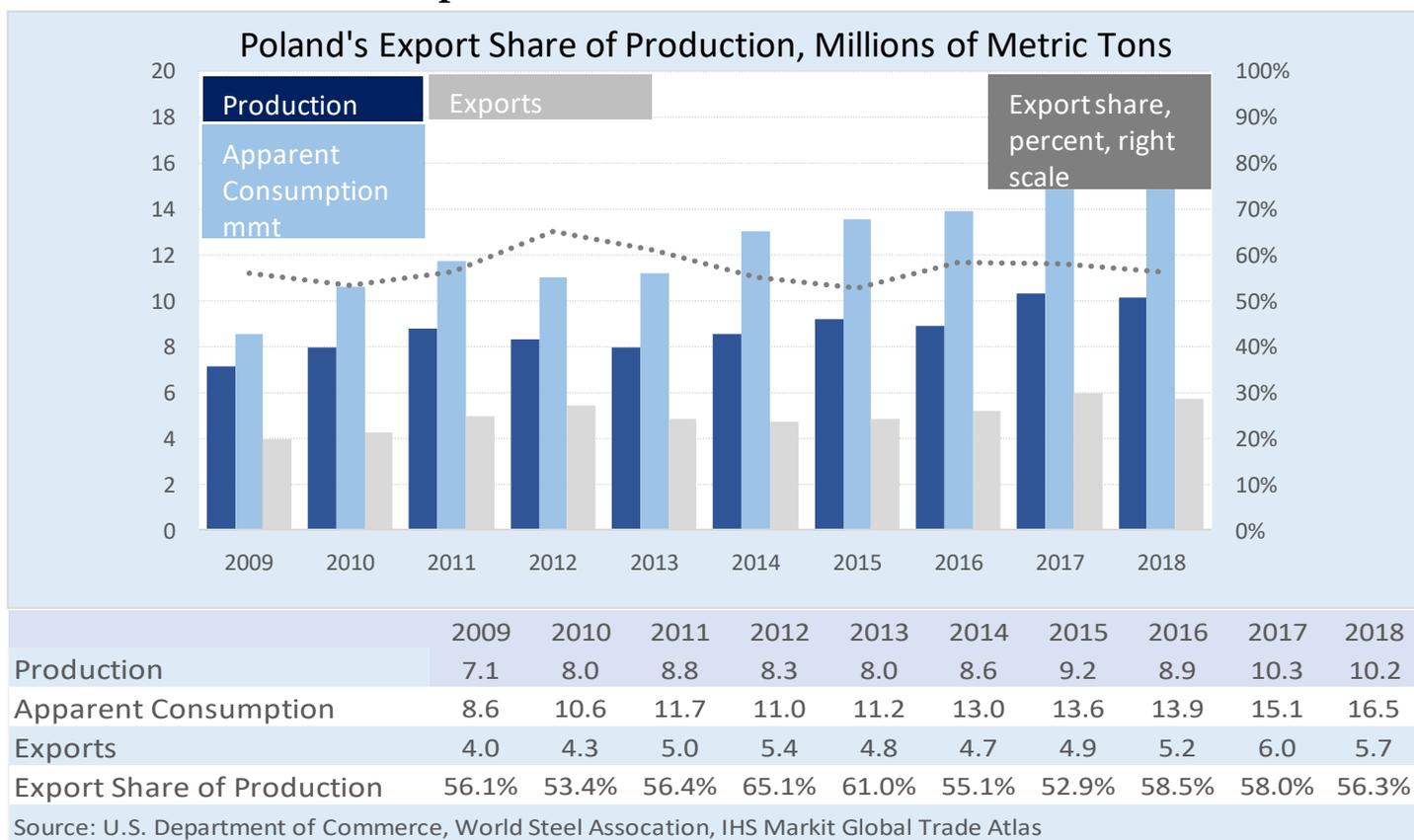


Source: IHS Markit Global Trade Atlas, based on import data per reporting country

Millions of Metric Tons

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Overall Production and Export Share of Production



Poland's crude steel production decreased 2 percent between 2017 and 2018, from 10.3 million metric tons to 10.2 million metric tons. Since 2009, apparent consumption (a measure of steel demand) has consistently outpaced production. As demand for steel in Poland has risen, the gap in production and apparent consumption has increased from 1.4 million metric tons in 2009 to 6.3 million metric tons in 2018. Steel exports as a share of production currently resides around Poland's 2009 levels, at 56.3 percent, and has been trending downwards since 2016.

Top Producers

The top four steel producers in Poland are a mix of foreign and domestically-owned companies and a mix of electric arc furnace mills and blast furnace mills. The largest producer in Poland is the global steel conglomerate ArcelorMittal, which alone accounted for almost three quarters of Poland's steel production.

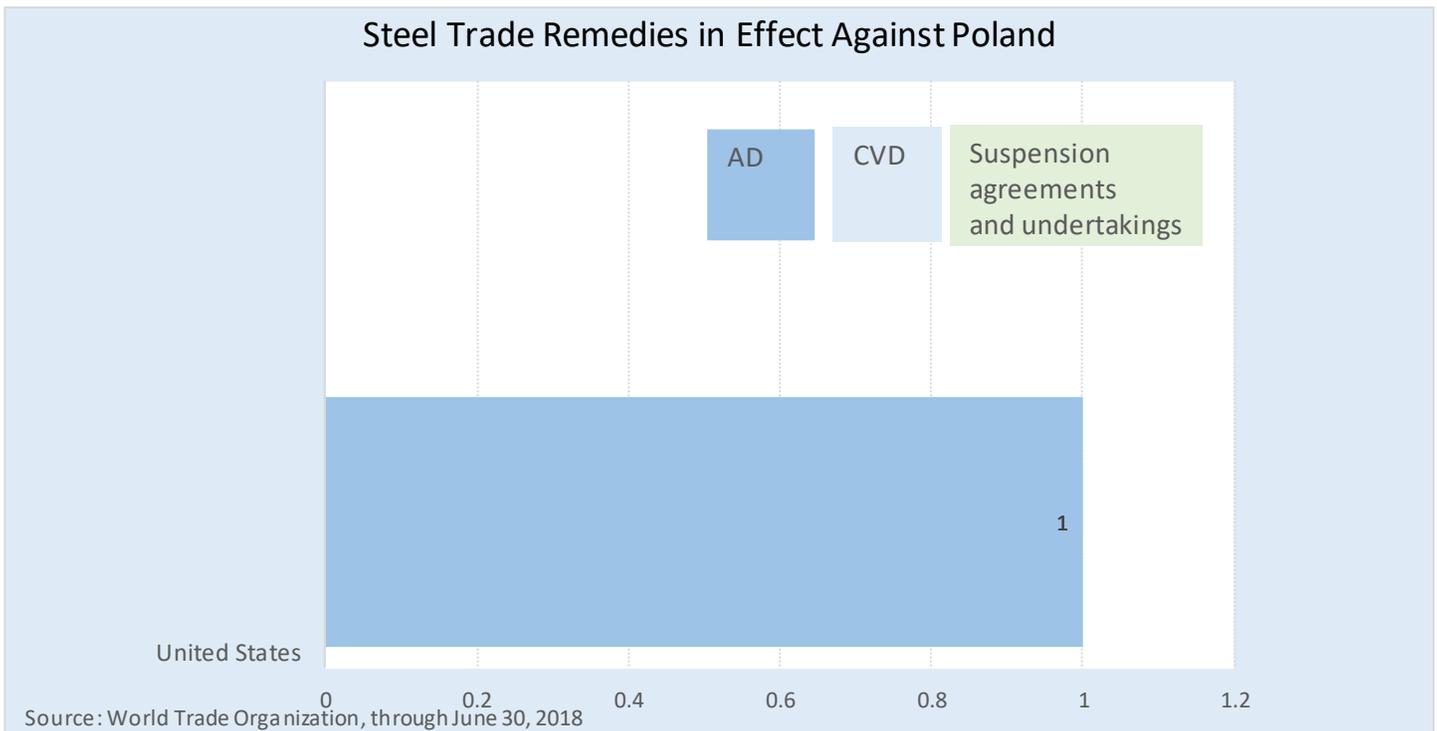
Poland's Top Steel Producers in 2018			
Rank	Company	Production (mmt)	Main Products
1	ArcelorMittal Poland	7.6	Flat and long products
2	Celsa Group	N/A	Bars, sections, castings
3	CMC Poland	N/A	Billets, bars, wire rod, sections
4	Cognor SA	N/A	finished steel

Sources: Metal Bulletin, Iron and Steelworks of the World Directory 2019; Polish Steel Association (HIPH); Company websites

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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 Poland.



Global Steel Mill Safeguards in Effect	
Country	Product(s)
Gulf Cooperation Council	Flat-rolled steel
India	Hot-rolled steel flat sheets and plates
Indonesia	1) Flat-rolled products of iron or non-alloy steel; 2) I and H sections of other alloy steel
Malaysia	1) Steel concrete reinforcing bar; 2) Steel wire rod and deformed bar in coil
Morocco	1) Cold-rolled sheets and plated or coated sheets; 2) Reinforcing bars and wire rods
Philippines	Steel angle bars
South Africa	Hot-rolled steel flat products
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; 3) Structural hot-rolled H-beams with alloy
Vietnam	1) Semi-finished and certain finished products of alloy and non-alloy steel; 2) Pre-painted galvanized steel sheet and strip

Source: World Trade Organization, through September 30, 2018

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.

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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