

Global Steel Trade Monitor

Steel Imports Report: Poland

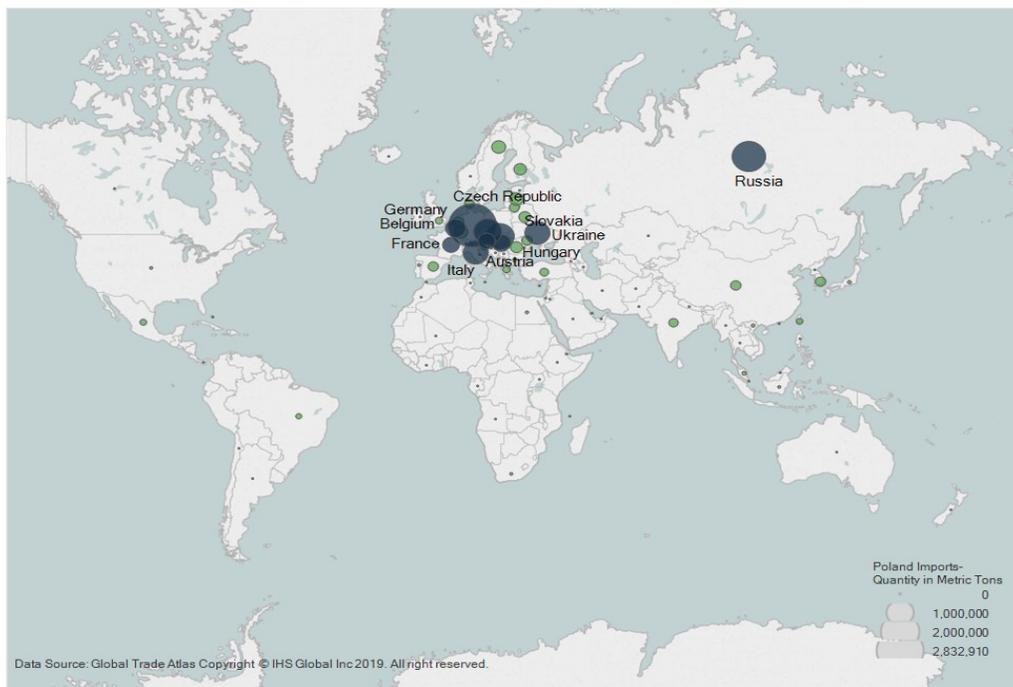
May 2019

Background

Poland was the world's twelfth-largest steel importer in 2017. In 2018, Poland imported 12.0 million metric tons of steel, a 12 percent increase from 10.8 million metric tons in 2017. Poland's imports in 2017 represented about 3 percent of all steel imported globally, based on available data. The volume of Poland's steel imports in 2017 was a little more than a third the size of the world's largest importer, the United States. In value terms, steel represented just 4.2 percent of the total goods imported into Poland in 2018.

Poland imported steel from more than 60 countries and territories in 2018. The 10 countries highlighted in the map below represent the top sources for Poland's imports of steel, with the Poland receiving more than 300 thousand metric tons from each and together accounting for 77 percent of Poland's steel imports in 2018.

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



Quick Facts:

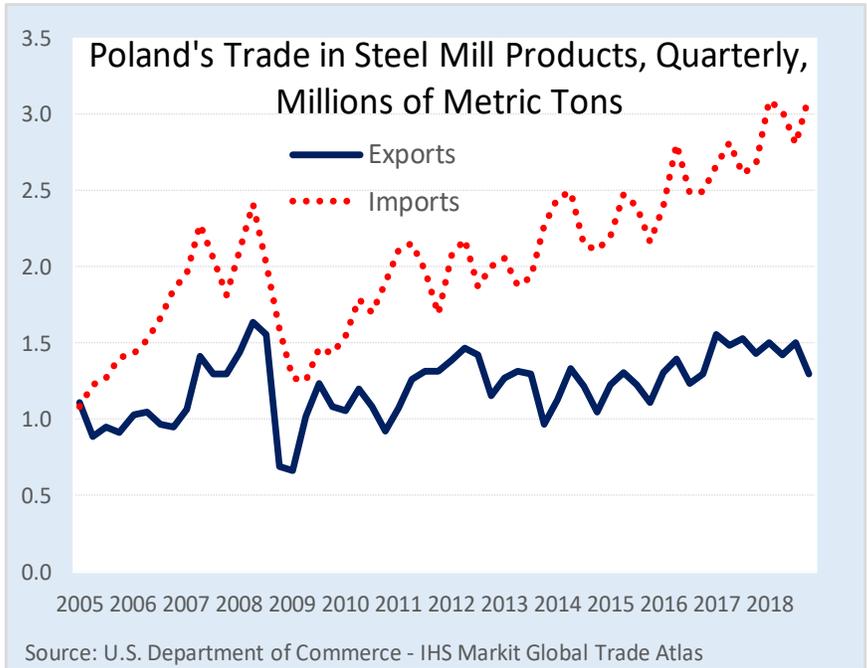
- Imported 12.0 million metric tons in 2018
- 122% steel import growth since 2009
- 2018 import volume up 12% while import value up 20% from 2017
- Import penetration up from 71.3% in 2017 to 73.0% in 2018
- Top three import sources: Germany, Russia and the Czech Republic
- Largest producers: ArcelorMittal, Celsa Group, CMC, Cognor SA
- 38 European Union trade remedies in effect against imports of steel mill products

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Steel Trade Balance

Since Q2 2005, Poland has maintained a growing trade deficit in steel products. During the global recession in 2008, imports and exports both dropped before eventually recovering. Since 2009, Poland's annual imports have grown 122 percent through 2018, while exports have grown 49 percent.

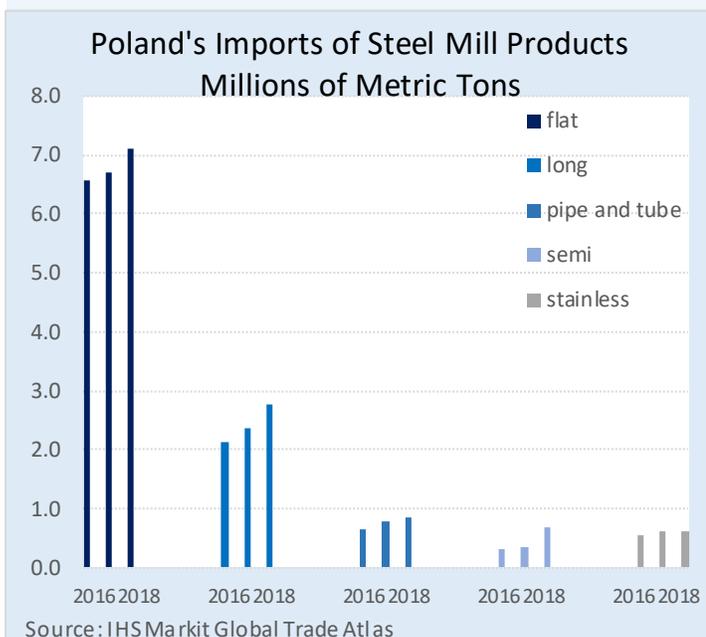
As imports grew faster than exports, Poland's steel trade deficit grew 347 percent between 2005 and 2016. In 2018, the trade deficit amounted to - 6.3 million metric tons a 32 percent increase from -4.8 million metric tons in 2017.



Import Volume, Value, and Product

Poland's volume of steel imports has increased every year since 2009. Imports in 2018 amounted to 12.0 million metric tons, a 10 percent increase from 10.8 million metric tons in 2017. Import values have displayed a different trend – decreasing for the majority of years between 2011 and 2015, before increasing in 2016, 2017 and 2018 as global steel prices rose. The value of Poland's 2018 steel imports increased by 20 percent to \$11.2 billion from \$9.4 billion in 2017.

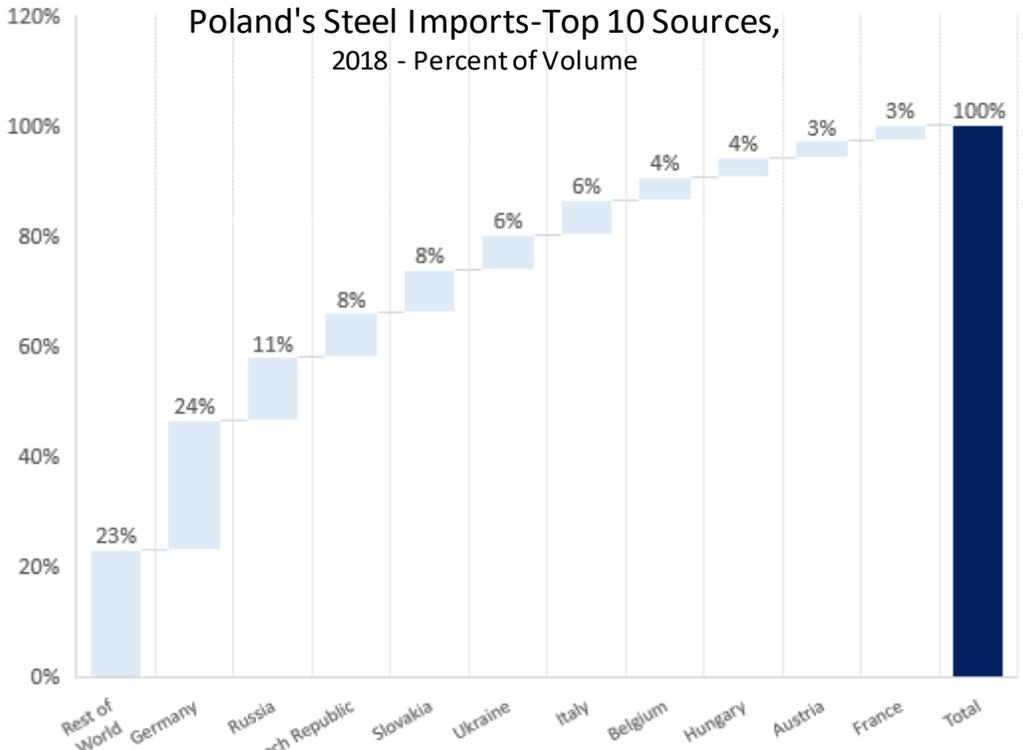
In 2018, flat products accounted for the largest share of Poland's steel imports at 59 percent, or 7.1 million metric tons. Long products accounted for 23 percent, or 2.8 million metric tons, followed by pipe and tube products at 7 percent (863 thousand metric tons), semi-finished at 6 percent (695 thousand metric tons), and stainless products at 5 percent (602 thousand metric tons).



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Imports by Top Source

The top 10 source countries for Poland's steel imports represented 77 percent of the total steel import volume in 2018 at 9.3 million metric tons (mmt). Germany accounted for the largest share of Poland's imports at 24 percent (2.8 mmt), followed by Russia at 11 percent (1.4 mmt), the Czech Republic at 8 percent (966 thousand metric tons), and Slovakia a 8 percent (950 thousand metric tons).

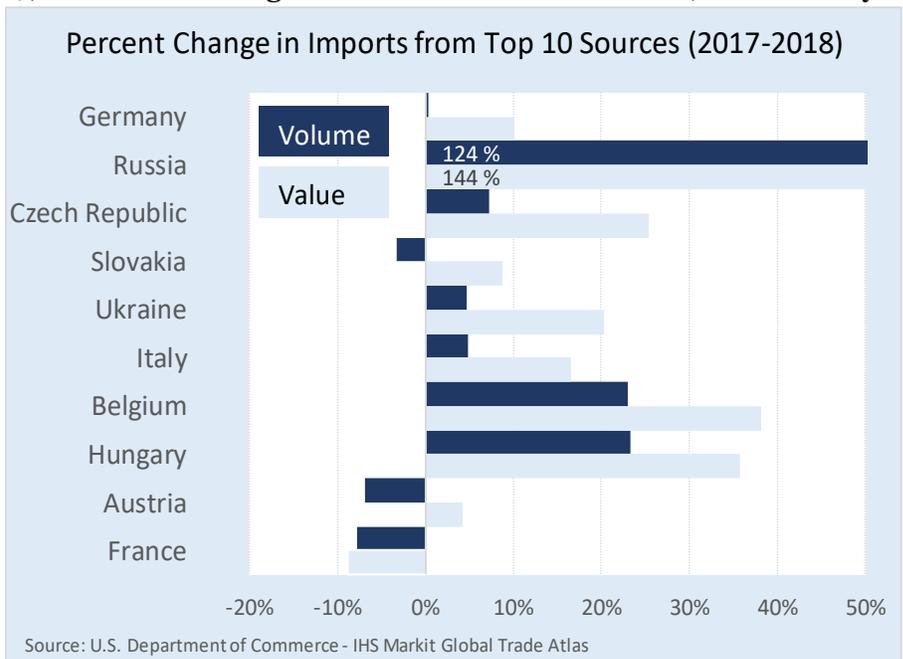


Source: U.S. Department of Commerce - IHS Markit Global Trade Atlas

Trends in Imports from Top Sources

From 2017 to 2018, the volume of Poland's imports increased from 7 of Poland's top 10 import sources. Imports from Russia (124%), showed the largest volume increase in 2018, followed by Belgium (23%), Hungary (23%), the Czech Republic (7%), Ukraine (5%), Italy (5%), and Germany (<1%). The volume of Poland's imports only decreased from France (-8%), Austria (-7%), and Slovakia (-3%).

The overall value of Poland's imports increased from 9 of the top 10 sources. The value of imports from Russia increased the most in 2018 (144%), followed by Belgium (38%), Hungary (36%), the Czech Republic (25%), Ukraine (20%), Italy (17%), Germany (10%), Slovakia (9%), and Austria (4%). Imports only decreased in value from France (-9%).



Source: U.S. Department of Commerce - IHS Markit Global Trade Atlas

Outside the top 10 sources, other notable volume changes included Poland's imports from 13th-ranked Luxembourg (32%), 16th-ranked Belarus (44%), 21st-ranked Moldova (202%), 24th-ranked India (-38%) and 25th-ranked Turkey (-25%).

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Top Sources by Steel Product Category

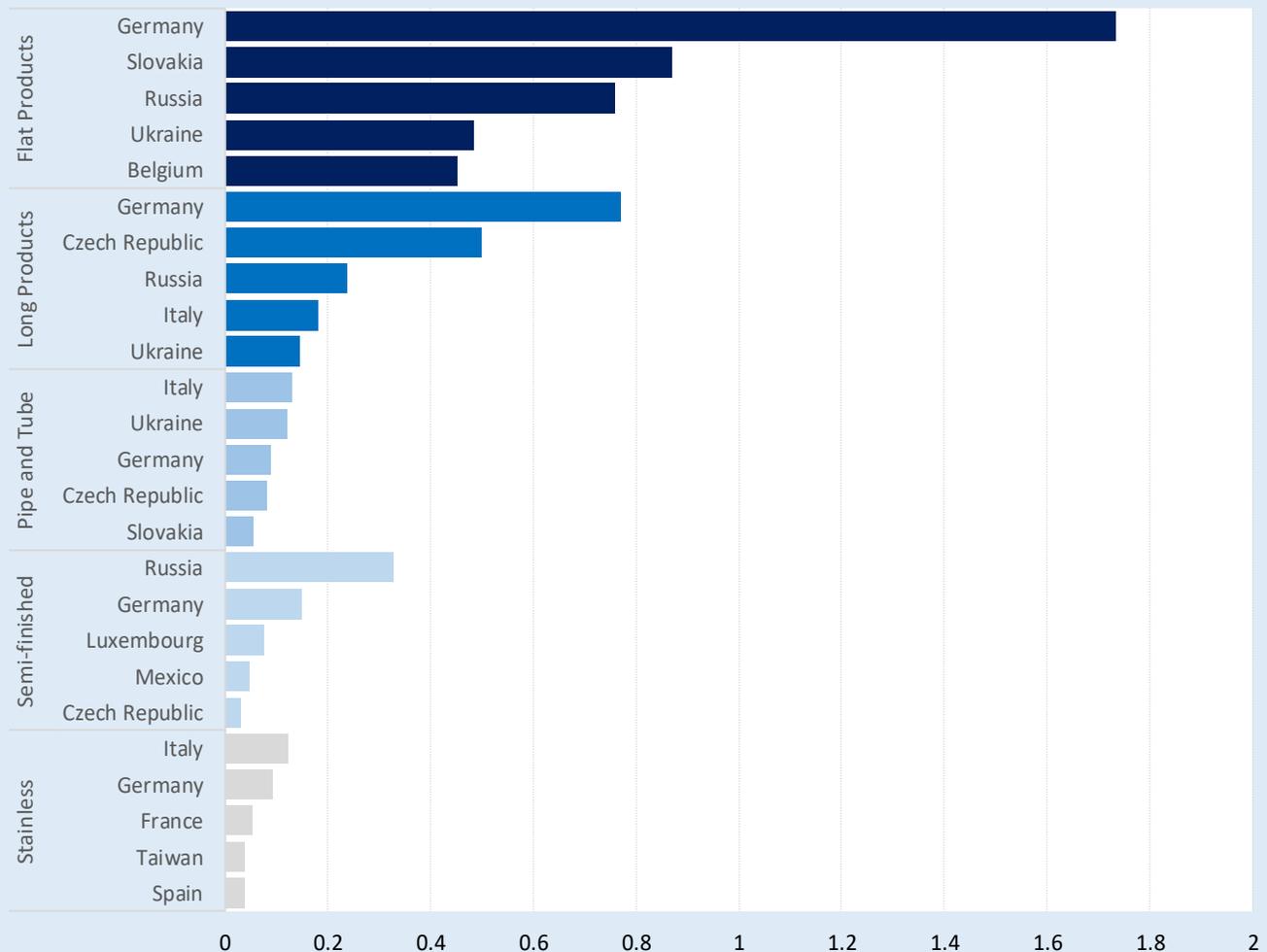
The top source countries for Poland's imports by volume vary across types of steel products. Poland imported the largest share of flat products from Germany in 2018 at 24 percent (1.7 million metric tons), followed by Slovakia at 12 percent (869 thousand metric tons). Germany was also the largest source for long product imports at 28 percent (770 thousand metric tons), while the Czech Republic sent the second largest share of long products at 18 percent (499 thousand metric tons).

Poland imported 15 percent of its pipe and tube imports from Italy (130 thousand metric tons), followed closely by Ukraine at 14 percent (121 thousand metric tons).

The largest share of Poland's imports of semi-finished steel came from Russia in 2018, at 47 percent (329 thousand metric tons). Germany was also a major sources of semi-finished steel at 21 percent (148 thousand metric tons). Italy was the largest source of imported stainless products at 20 percent (123 thousand metric tons), followed by Germany at 15 percent (93 thousand metric tons).

The United States was not a top source for any major category of Poland's steel imports.

Poland's Top 5 Import Sources by Product - 2018



Source: U.S. Department of Commerce - IHS Markit Global Trade Atlas

Millions of Metric Tons

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Poland's Export Market Share from Top Source Countries

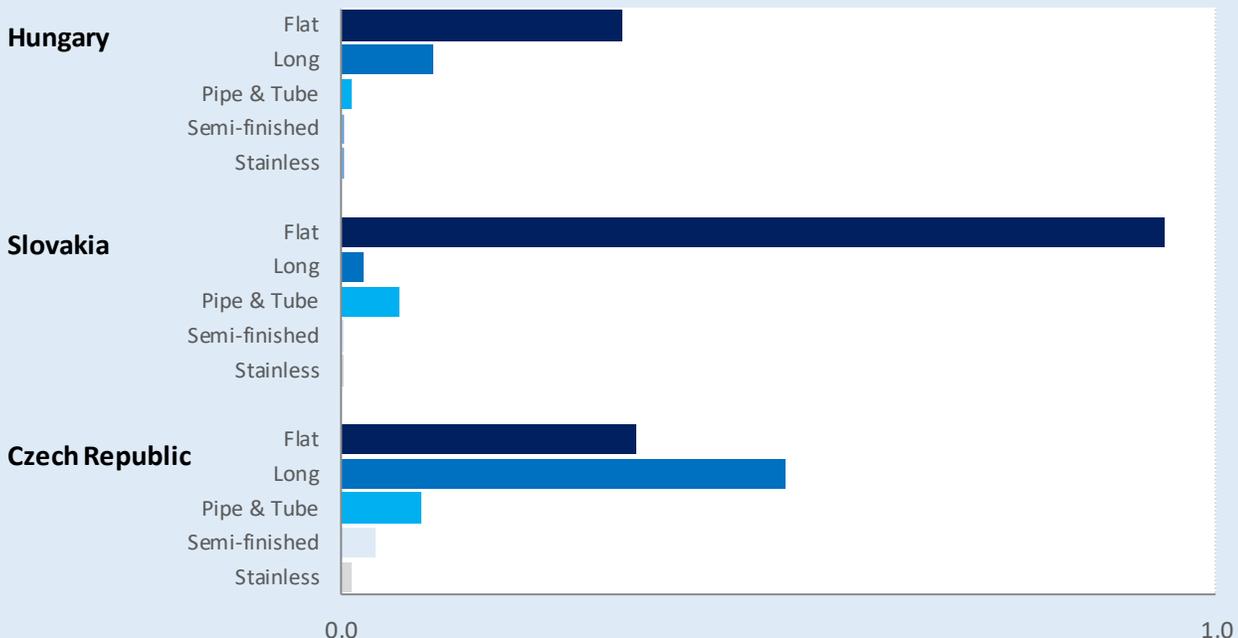
In 2018, the share of steel exports sent to Poland increased from 9 of its top 10 sources. In 2018, the share of the Hungary's steel exports to Poland showed the largest increase (up 2.1 percentage points). The share of exports to Poland from Slovakia, the Czech Republic, Germany, and Russia all increased by at least 1 percentage point. The share of exports to Poland in Ukraine, Italy, Belgium and France increased by less than one percentage point, each. The share of Austria's steel exports to Poland showed the only decrease (down less than 0.1 percentage point).

Poland's Steel Export Market Share						
Top 10 Import Sources	Share of Exports to Poland - 2017	Poland's Rank in 2017	Share of Exports to Poland - 2018	Poland's Rank in 2018	Change in Share	
Germany	10.0%	2	11.0%	2	↑	
Russia	1.2%	19	2.9%	9	↑	
Czech Republic	19.4%	2	20.7%	2	↑	
Slovakia	19.8%	1	20.9%	2	↑	
Ukraine	4.8%	6	4.9%	5	↑	
Italy	4.6%	5	4.7%	5	↑	
Belgium	2.5%	7	3.0%	6	↑	
Hungary	19.4%	2	21.5%	2	↑	
Austria	5.1%	4	5.1%	4	↓	
France	2.2%	9	2.4%	8	↑	

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

Among Poland's top import sources, Hungary, Slovakia and the Czech Republic sent the largest shares of their total steel exports to Poland in 2018. Flat products accounted for the largest share of steel exports to Poland from Hungary and Slovakia at 73 percent (320 thousand metric tons) and 91 percent (942 thousand metric tons), respectively. Long products held the largest share of the Czech Republic's exports to Poland at 51 percent (508 thousand metric tons).

Steel Export Composition of Top Market-Share Countries-2018

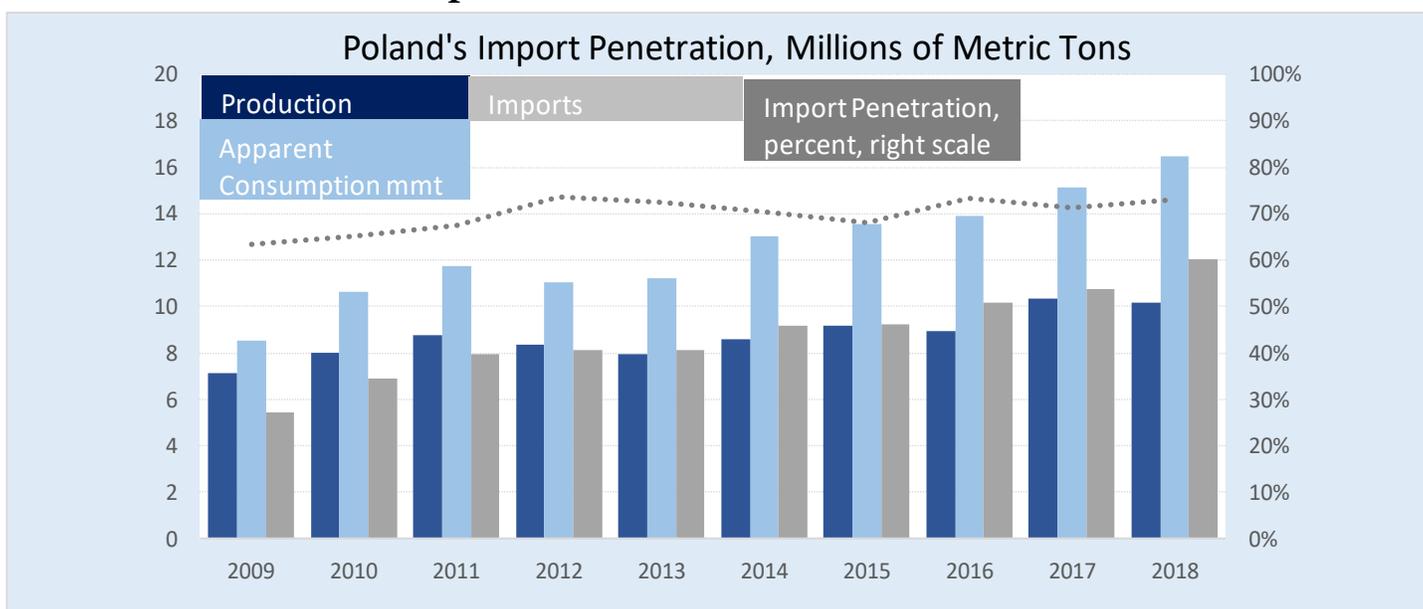


Source: IHS Markit Global Trade Atlas, based on import data per reporting country

Millions of Metric Tons

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Overall Production and Import Penetration



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Production	7.1	8.0	8.8	8.3	8.0	8.6	9.2	8.9	10.3	10.2
Apparent Consumption	8.6	10.6	11.7	11.0	11.2	13.0	13.6	13.9	15.1	16.5
Imports	5.4	6.9	7.9	8.1	8.1	9.2	9.2	10.2	10.8	12.0
Import Penetration	63.4%	65.0%	67.5%	73.6%	72.4%	70.5%	68.1%	73.3%	71.3%	73.0%

Source: U.S. Department of Commerce, World Steel Association, IHS Markit Global Trade Atlas

Poland's crude steel production has trended upward since 2009, increasing from 7.1 million metric tons to 10.2 million metric tons. In 2018 Poland's crude steel production decreased by 1.7 percent to 10.2 million metric tons, down from 10.3 million metric tons in 2017. Since 2009, apparent consumption (a measure of steel demand) has increasingly exceeded production. Between 2009 and 2018, crude steel production grew by 42 percent while apparent consumption grew more than twice as much, increasing by 92 percent. Import penetration has averaged around 70 percent between 2009 and 2018. In 2018, Import penetration increased 1.7 percentage points from 71.3 percent to 73.0 percent.

Top Producers

Poland's steel production is a mix of domestic and foreign-owned companies and is concentrated among a handful of producers, with ArcelorMittal alone accounting for about 70 per cent of Poland's steelmaking capacity. The company is also one of the largest Polish exporters and producers of coke in Europe and in the entire ArcelorMittal group.

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	steel

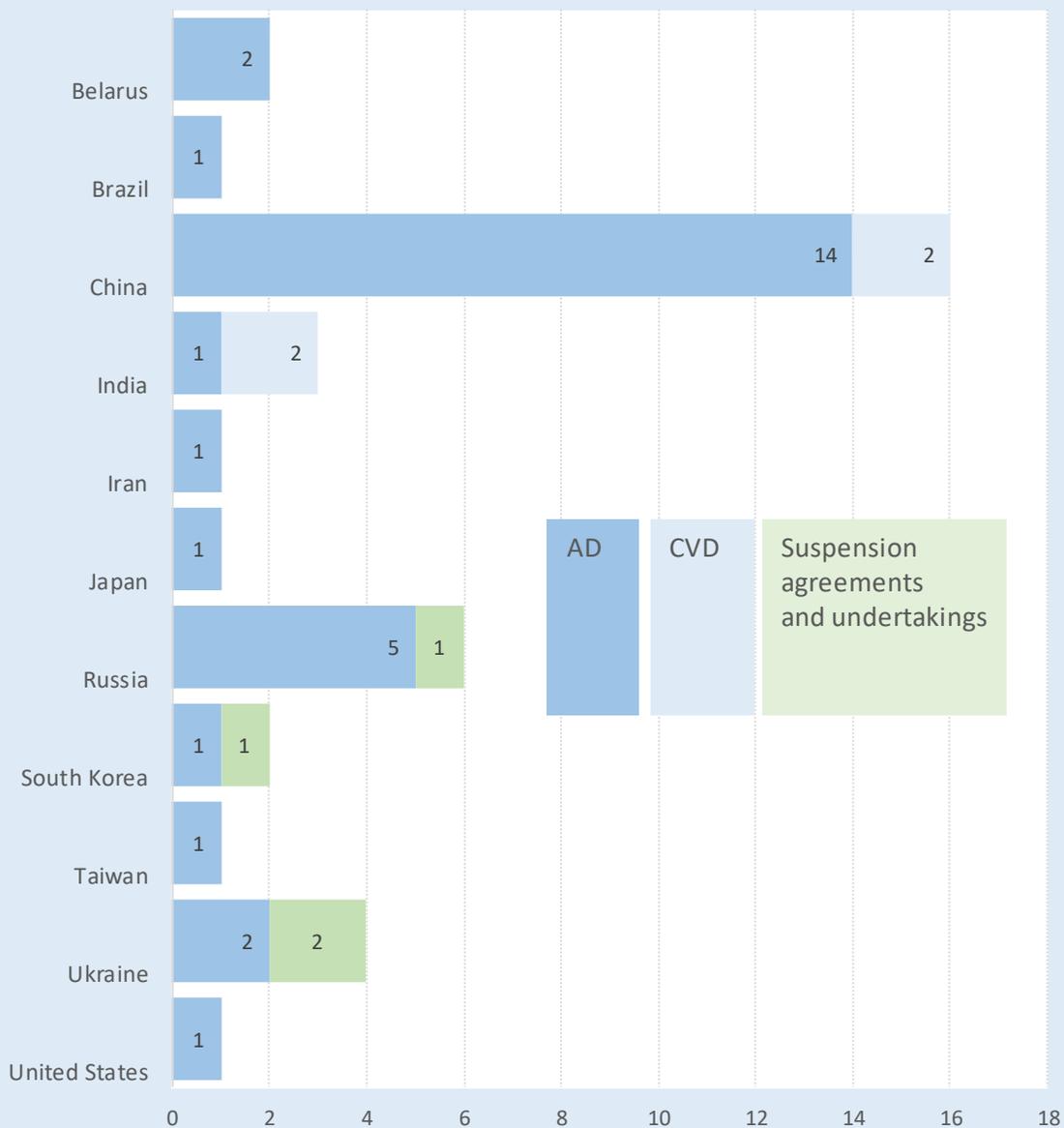
Sources: Metal Bulletin, Iron and Steelworks of the World Directory 2019; Polish Steel Association (HIPH); Company websites

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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 the European Union, which includes Poland, has against imports of steel mill products from various countries. The European Union has no steel mill safeguards in effect.

E.U. Steel Trade Remedies in Effect Against Steel Mill Imports



Source: World Trade Organization, through June 30, 2018

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.

Special Note on U.S. Import Data: Import data for the United States used in this report are general imports, rather than imports for consumption, so as to be consistent across countries. Therefore, U.S. import data in this report may not match similar data used in our other U.S. import 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/>.



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