



# Global Steel Trade Monitor

## Steel Imports Report: Thailand

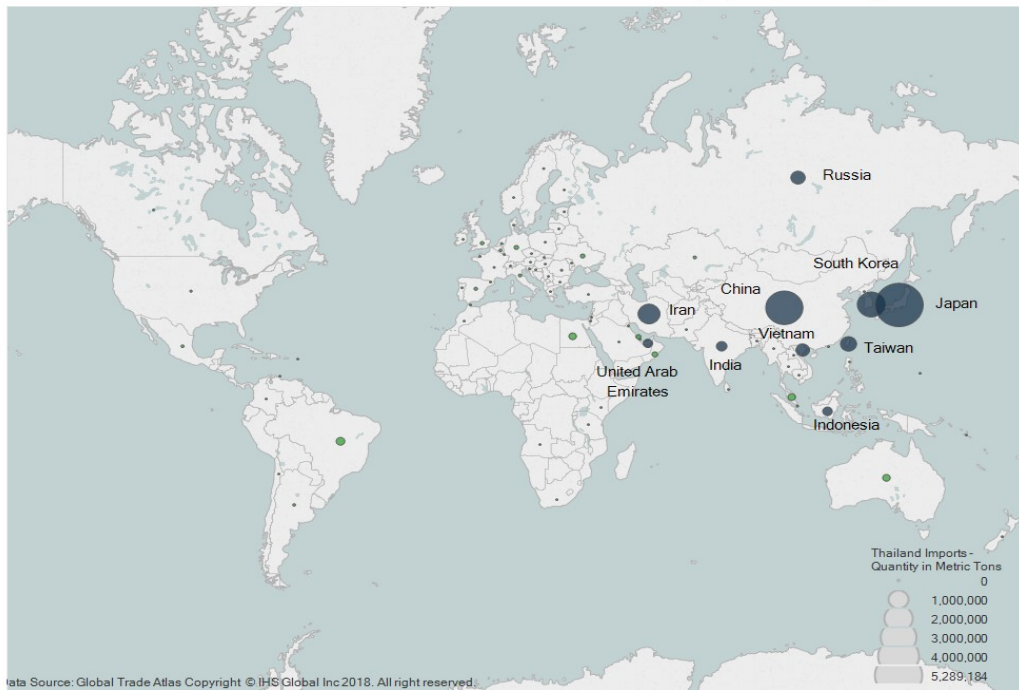
September 2018

### Background

Thailand is the world's seventh-largest steel importer. In year-to-date 2018 (through June) further referred to as YTD 2018, Thailand imported 7.5 million metric tons of steel, a 2 percent increase from 7.4 million metric tons in YTD 2017. Thailand's imports represented about 4 percent of all steel imported globally in 2017. The volume of Thailand's 2017 steel imports was about 40 percent the size of the world's largest importer, the United States. In value terms, steel represented just 4.7 percent of the total goods imported into Thailand in 2017.

Thailand imports steel from over 60 countries and territories. The ten countries highlighted in the map below represent the top sources for Thailand's imports of steel, with each sending more than 160 thousand metric tons to Thailand and together accounting for 92 percent of Thailand's steel imports in 2017.

Thailand's Imports of Steel Mill Products-2017 (Top Ten in Blue)



### Quick Facts:

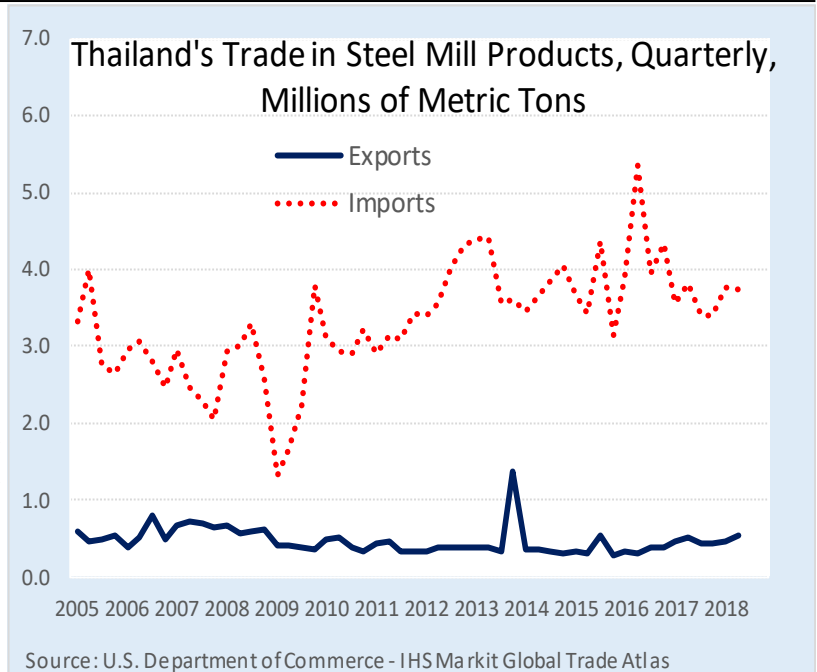
- World's seventh-largest steel importer: 7.5 million metric tons (YTD 2018)
- 184% steel import growth since Q1 2009
- YTD import volume up 2% while import value up 18%
- Import penetration down to 86.1% in YTD 2018 from 86.3% in YTD 2017
- Top three import sources: Japan, China, South Korea
- Largest producers: G Steel, Tata Steel Thailand
- 44 trade remedies, including 3 safeguards, in effect against imports of steel mill products

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## Steel Trade Balance

Thailand is a net importer of steel mill products. After a decline in imports between 2005 and early 2009, imports grew by 184 percent between Q1 2009 and Q2 2018. Over the same period, Thailand's steel exports increased by 33 percent.

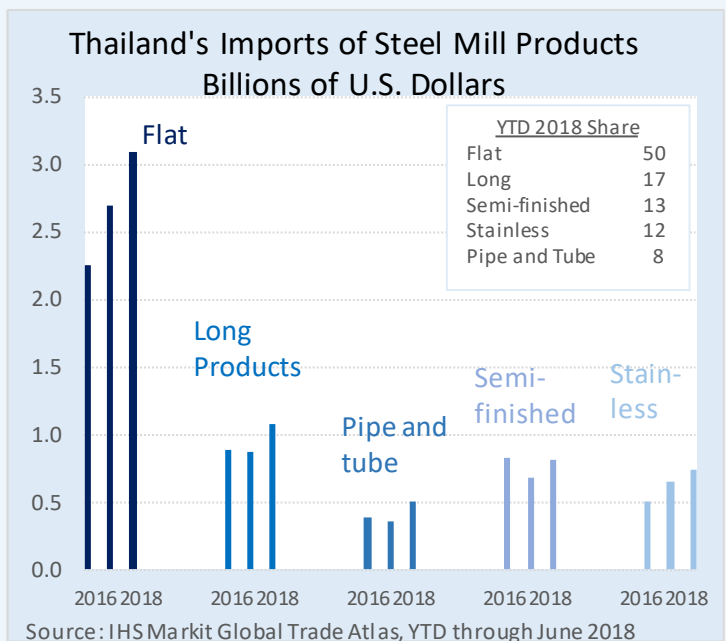
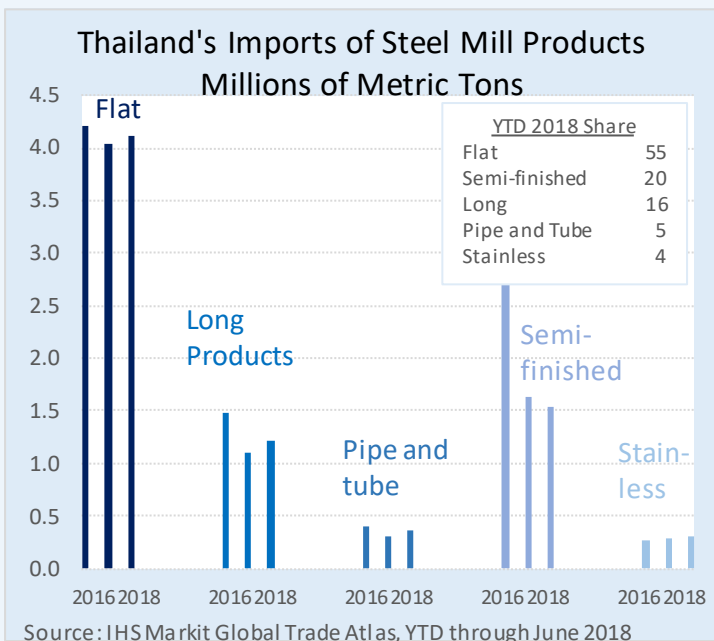
Since 2005, Thailand has had a trade deficit in steel. Thailand's steel trade deficit grew by 2 percent from -6.4 million metric tons in YTD 2017 to -6.5 million metric tons in YTD 2018.



## Import Volume, Value, and Product

Between 2016 and 2017, Thailand's volume of steel imports declined by 19 percent. In YTD 2018, however, Thailand's imports of steel mill products increased by 2 percent to 7.5 million metric tons from 7.4 million metric tons in YTD 2017. Between 2012 and 2016, the value of Thailand's steel imports decreased every year. In 2017, however, import values increased by 7 percent. In YTD 2018, import values increased by 18 percent to \$6.2 billion from \$5.3 billion in YTD 2017.

In YTD 2018, flat products accounted for the largest share of Thailand's steel imports at 55 percent (4.1 million metric tons). Semi-finished steel accounted for 20 percent, or 1.5 million metric tons, of Thailand's imports, followed by long products at 16 percent (1.2 million metric tons). Pipe and tube and stainless products accounted for 5 and 4 percent of imports (357 thousand metric tons), and (310 thousand metric tons) respectively.

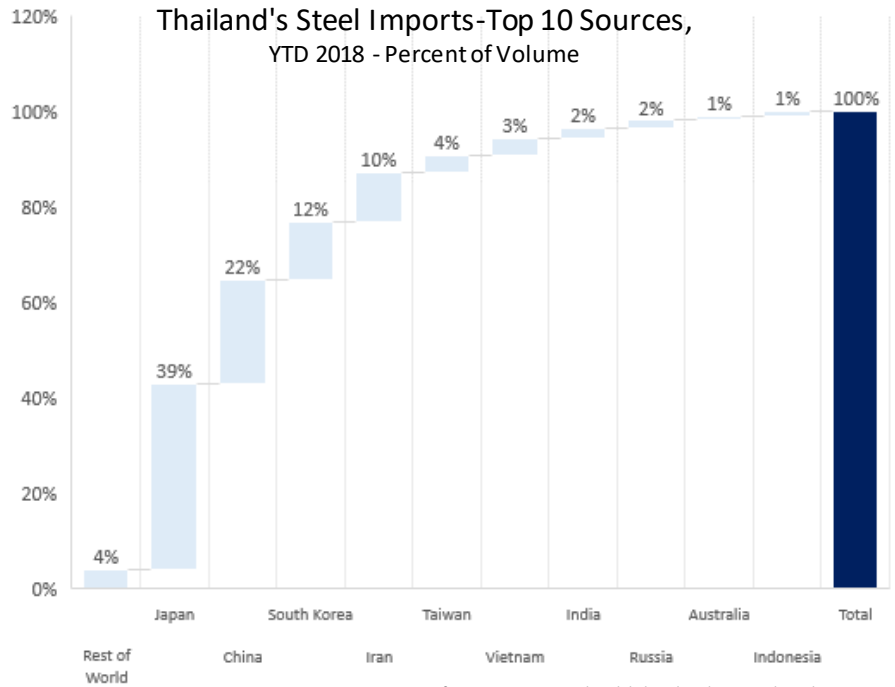


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## Imports by Top Source

The top 10 source countries for Thailand's steel imports represented 96 percent of the total steel import volume in YTD 2018 at 7.2 million metric tons (mmt). Japan accounted for the largest share of Thailand's imports by source country at 39 percent (2.9 mmt). China ranked second in YTD 2018 with 22 percent (1.6 mmt), followed by South Korea at 12 percent (0.9 mmt), Iran at 10 percent (0.8 mmt), and Taiwan at 4 percent (0.3 mmt).

The United States ranked 19th as a source for Thailand's steel imports, sending 4 thousand tons in YTD 2018, a decrease of 28 percent from YTD 2017.

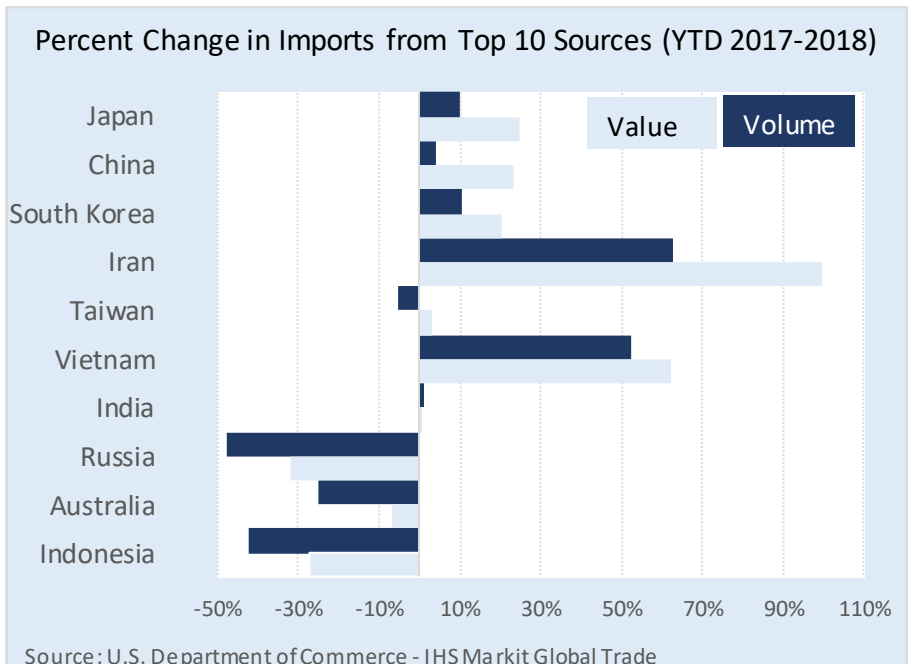


## Trends in Imports from Top Sources

Between YTD 2017 and YTD 2018, the volume of Thailand's steel imports increased from six of its top 10 steel import sources, at the same time overall value of Thailand's imports increased from seven of the top 10.

The largest increase in import volume occurred from Iran, up 63 percent from YTD 2017, followed by Vietnam (+52%), South Korea (+11%), and Japan (+10%). Imports from Russia, Indonesia, and Australia decreased the most in volume in YTD 2018, down 48 percent, 42 percent, and 25 percent respectively. Imports from Taiwan were down 6 percent.

Between YTD 2017 and 2018, Thailand's imports increased the most, in value terms, from Iran (+100%), Vietnam (+62%), Japan (+25%), China (+23%), and South Korea (+21%). Among Thailand's top 10 import sources, only imports from Russia, Indonesia, and Australia decreased in value terms, down 32 percent, 27 percent, and 7 percent respectively from YTD 2017.



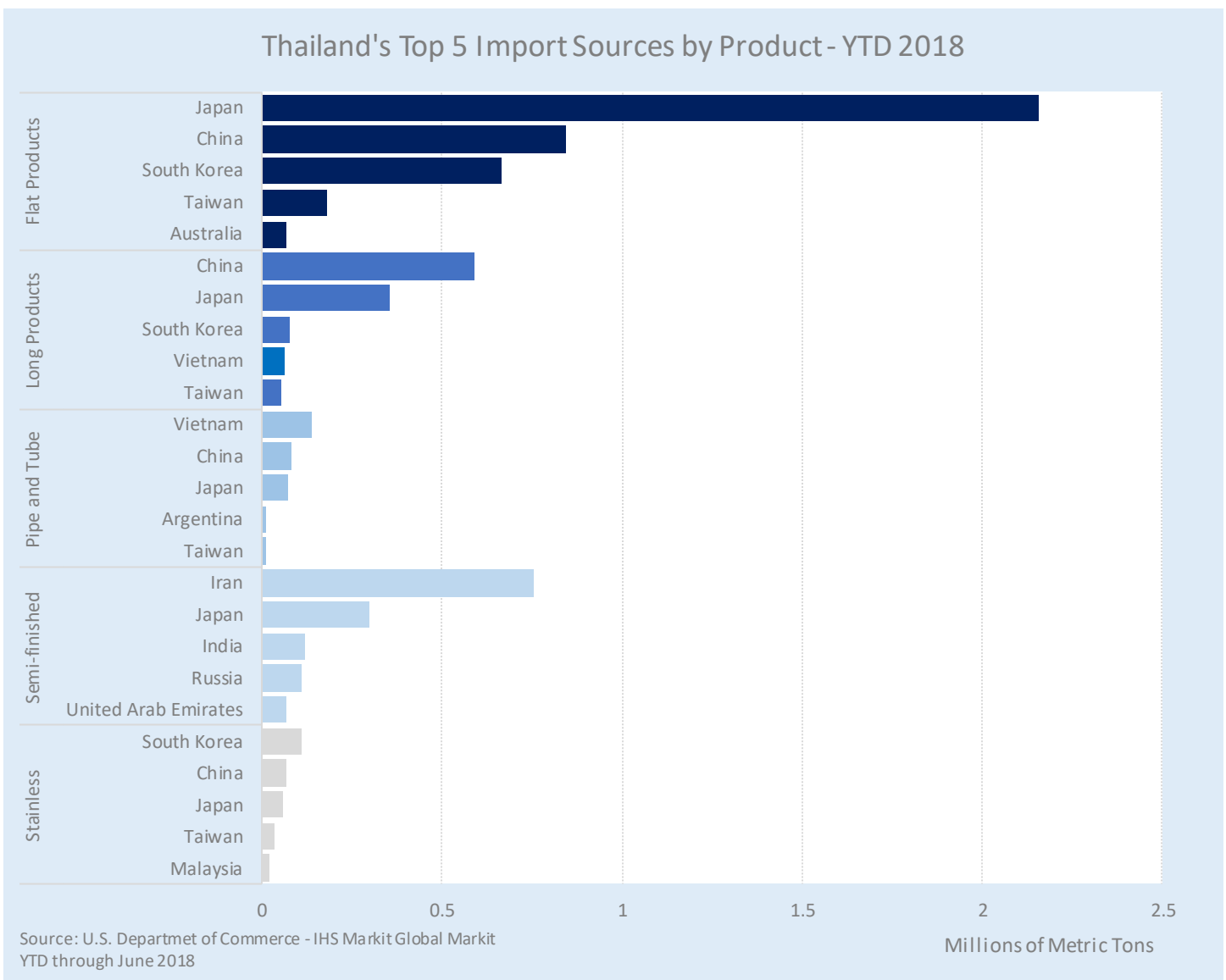
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## Top Sources by Steel Product Category

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 2018 at 52 percent (2.2 million metric tons).

In YTD 2018, China represented the largest source for Thailand’s long product imports at 49 percent (589 thousand metric tons). Thailand received the largest share of pipe and tube imports from Vietnam at 39 percent (139 thousand metric tons), semi-finished products from Iran at 49 percent (756 thousand metric tons), and stainless products from South Korea at 35 percent (109 thousand metric tons).

The United States was not a top import source for any product category in YTD 2018.



# Steel Imports Report: Thailand

## Thailand's Export Market Share from Top Source Countries

In 2017, the share of steel exports sent to Thailand from its top import sources increased from three of the top 10 sources for which data are available. In 2017, the share of the Iran's steel exports to Thailand showed the largest increase (up 7.7 percentage points from 2016), followed by Japan (up .6 percentage points), and India (up .2 percentage points).

In 2017, the share of steel exports to Thailand from Indonesia, Taiwan, and China showed the largest decreases (down 7.8, 3.4, and 1.6 percentage points, respectively).

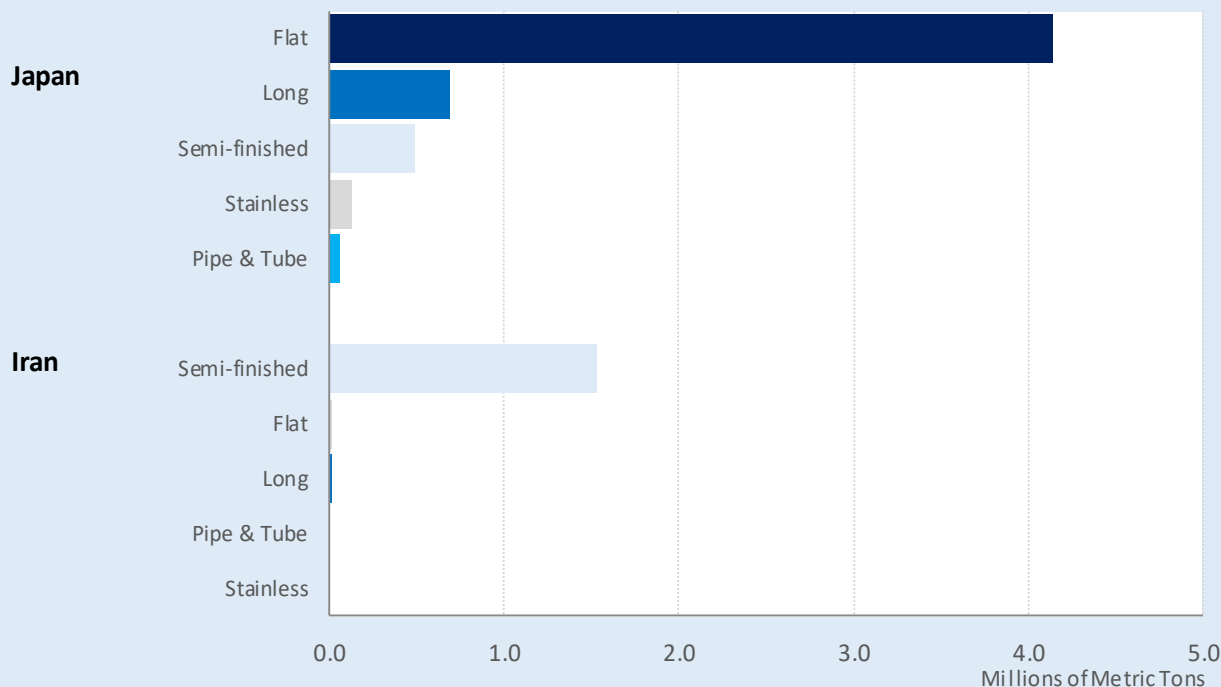
Among Thailand's top import sources, Japan and Iran sent the

largest shares of their total steel exports to Thailand in 2017. Flat products accounted for the largest share of steel exports to Thailand from Japan at 75 percent (4.1 million metric tons), and semi-finished products accounted for the largest share of exports from Iran at 99 percent (1.5 million metric tons).

Top 10 Import Sources	Share of Exports to Thailand - 2016	Thailand's Rank in 2016	Share of Exports to Thailand - 2017	Thailand's Rank in 2017	Change in Share
Japan	14.1%	2	14.7%	2	↑
China	5.8%	4	4.2%	4	↓
South Korea	5.9%	5	5.6%	7	↓
Iran	13.2%	2	20.9%	1	↑
Taiwan	8.3%	5	4.8%	7	↓
Russia	0.4%	34	0.1%	50	↓
Vietnam*	7.0%	4	N/A	N/A	N/A
India	1.6%	0	1.8%	0	↑
Indonesia	17.1%	2	9.3%	4	↓
UAE*	0.1%	38	N/A	N/A	N/A

Source: IHS Global Trade Atlas, based on import data per reporting country  
 \*2017 Data for Vietnam and United Arab Emirates is unavailable

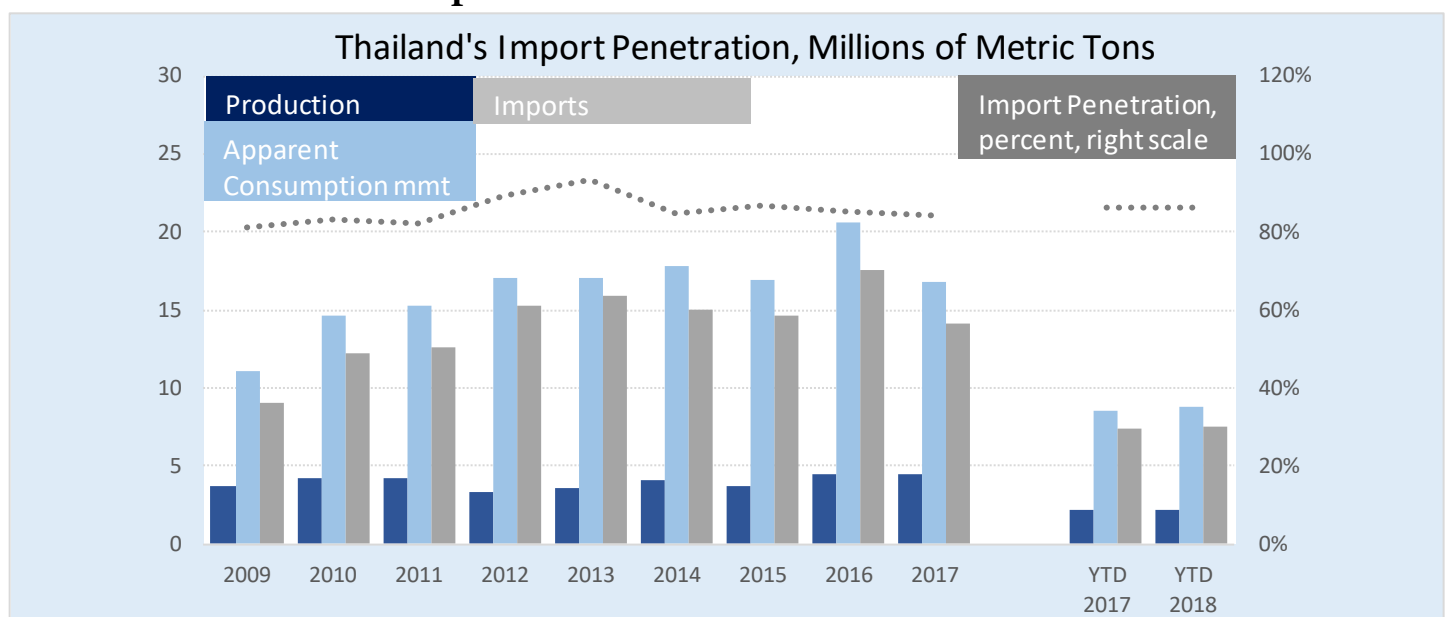
Steel Import Composition of Top Market-Share Countries-2017



Source: U.S. Department of Commerce - IHSMarket Global Trade Atlas, based on import data per reporting country

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## Overall Production and Import Penetration



	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD 2017	YTD 2018
Production	3.6	4.1	4.2	3.3	3.6	4.1	3.7	4.5	4.5	2.2	2.2
Apparent Consumption	11.1	14.6	15.3	17.1	17.1	17.8	16.9	20.6	16.8	8.5	8.7
Imports	9.0	12.2	12.6	15.3	15.9	15.0	14.6	17.5	14.2	7.4	7.5
Import Penetration	81.0%	83.4%	82.3%	89.4%	93.5%	84.6%	86.5%	85.1%	84.4%	86.3%	86.1%

Source: U.S. Department of Commerce, World Steel Association, IHS Markit Global Trade Atlas YTD through June 2018

Steel production in Thailand has averaged 4.0 million metric tons per year since 2009. Thailand's crude steel production increased slightly to 2.2 million metric tons in YTD 2018, from 2.15 million metric tons in YTD 2017. Apparent consumption (a measure of steel demand), which has continually outpaced production, increased by 2 percent in YTD 2018 to 8.7 million metric tons. With import levels larger than Thailand's production in YTD 2018, imports contributed substantially to steel demand. Import penetration amounted to 86.1 percent in YTD 2018.

### 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.

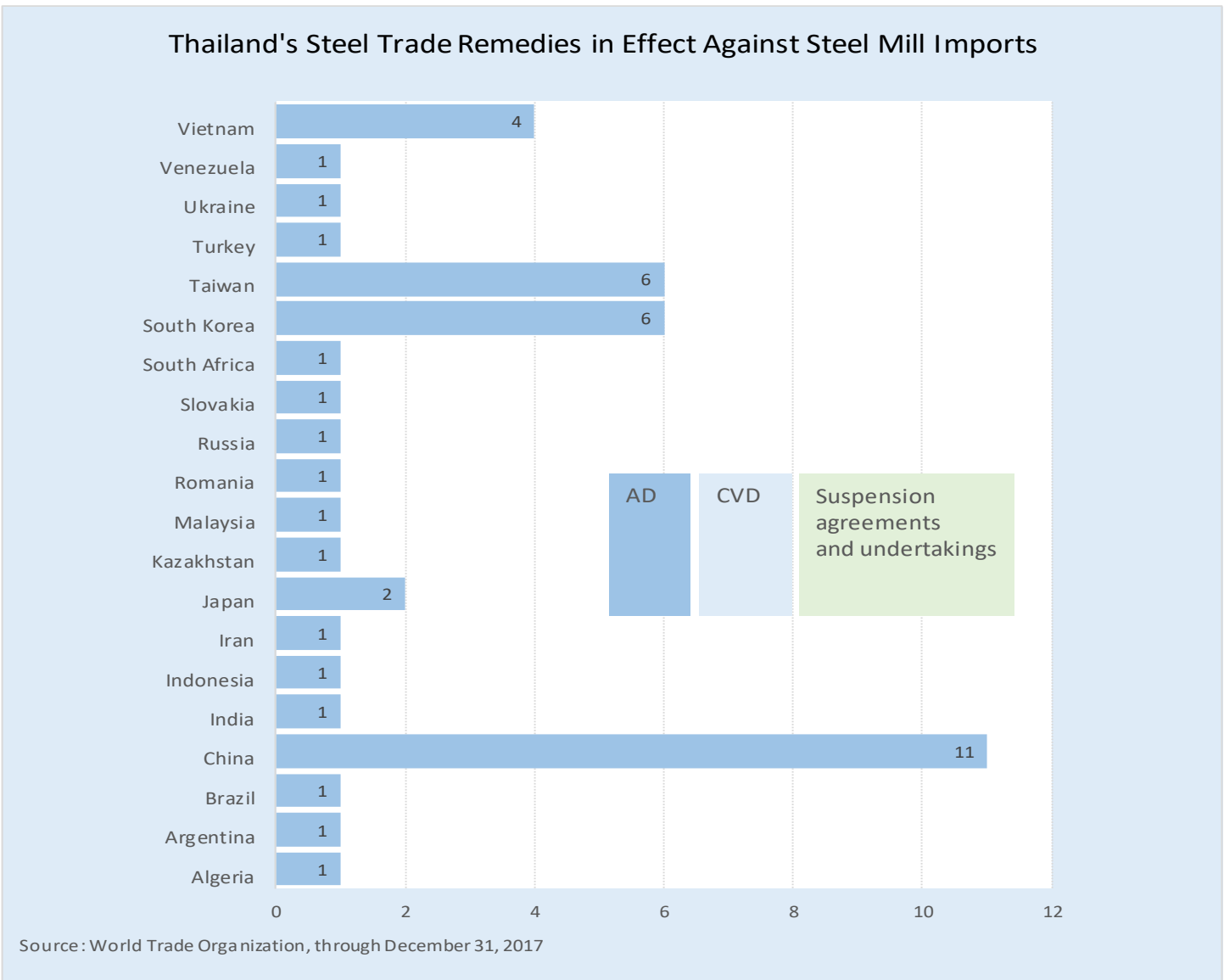
Thailand's Top Steel Producers in 2017			
Rank	Company	Production (mmt)	Main Products
1	G Steel Public Company	1.8	Hot-rolled coil, slab
2	Tata Steel Thailand*	1.7	Reinforcing bars, wire rods, sections
3	G J Steel Public Company (subsidiary of G Steel)	1.5	Hot-rolled coil
4	Siam Yamato Steel Co. Sahaviriya Steel	1.1	Hot-rolled structural sections
5	Industries (rolling mill)	4	Hot-rolled coil

Source: World Steel Association; Hoover's; Bloomberg; Company websites

# 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.



## Global Steel Mill Safeguards in Effect

Country	Product(s)
Thailand	Hot-rolled steel flat products with certain alloying elements
Thailand	Unalloyed hot-rolled steel flat products in coils and not in coils
Thailand	Structural hot-rolled H-beams with alloy

Source: World Trade Organization, through February 28, 2018

# Steel Imports Report: Glossary

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**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.

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**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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