



## DTC Flash@: Crude Steel Production up 6% YoY in October

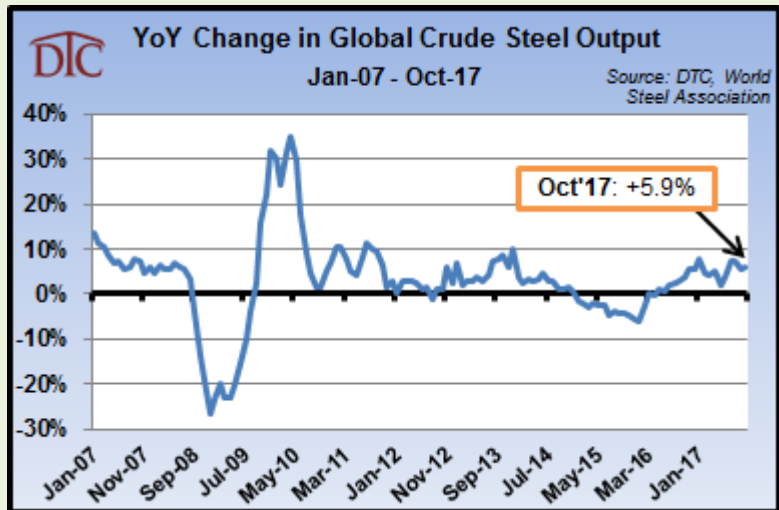
**DTC Short & Sweet:** Global crude steel production totaled 145.3 mm MT in October, down 0.7% seq pd but up 5.9% YoY. In absolute terms, it was the highest monthly production in DTC's database going back to January '06 but on a per diem basis only the fourth highest during this period. Total production excluding China rose to 72.9 mm MT (up 1.1% seq pd and 5.7% YoY); underlying this favorable YoY monthly comparison was strong North American production in October at 9.8 mm MT, up 9.3% versus the prior year, with notable double-digit percentage increases in both the U.S. and Canada, as well as sustained strength in Asia (Japan being the exception) and the EU. The global crude steel capacity utilization rate fell to 73.0% in October (down from 73.6% in September and up from 70.0% a year ago).

**Note:** If interested in a data table with coking coal-intensive pig iron output, please email [John Lowell](mailto:John.Lowell@doyletrading.com).

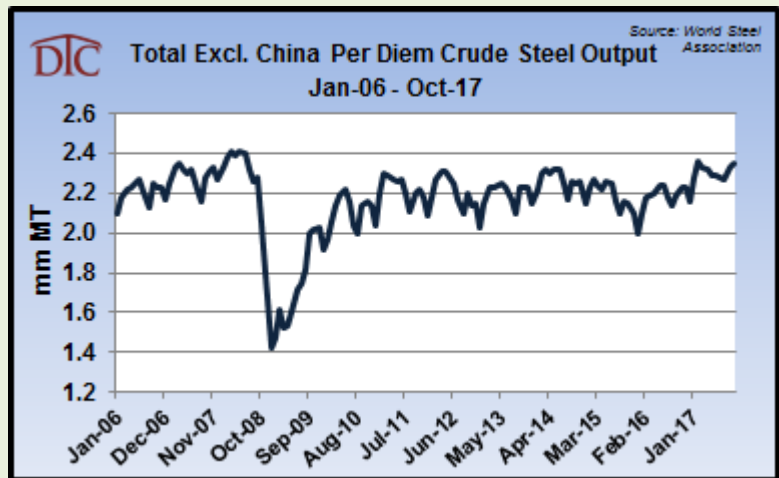
Global Crude Steel Production					
Region/Country	Oct (000 MT)	Seq Pd Change	YoY Change	'17 YTD (000 MT)	YTD YoY Change
<b>European Union</b>	<b>14,747</b>	<b>3.3%</b>	<b>3.4%</b>	<b>140,765</b>	<b>3.7%</b>
Germany	3,600	-0.7%	2.7%	36,476	2.7%
Italy	2,275	0.3%	6.1%	20,075	3.1%
France	1,358	-0.6%	1.6%	13,093	9.5%
United Kingdom	702	8.0%	-4.6%	6,314	-2.8%
Spain	1,305	0.8%	11.9%	11,820	2.0%
<b>Other Europe</b>	<b>3,529</b>	<b>5.0%</b>	<b>10.4%</b>	<b>33,563</b>	<b>13.2%</b>
Turkey	3,306	6.6%	11.1%	31,048	13.3%
<b>Total CIS</b>	<b>8,870</b>	<b>0.0%</b>	<b>3.6%</b>	<b>85,243</b>	<b>0.4%</b>
Russia	6,225	-0.0%	5.0%	60,428	3.0%
Ukraine	1,910	0.2%	-4.7%	18,048	-10.9%
<b>North America</b>	<b>9,766</b>	<b>1.1%</b>	<b>9.3%</b>	<b>96,459</b>	<b>4.1%</b>
United States	6,976	1.5%	12.0%	68,364	3.9%
Mexico	1,650	-0.1%	-2.6%	16,657	6.4%
Canada	1,085	0.2%	13.4%	10,934	2.7%
<b>South America</b>	<b>3,867</b>	<b>0.0%</b>	<b>2.6%</b>	<b>36,206</b>	<b>7.4%</b>
Brazil	3,045	-0.4%	3.9%	28,513	8.5%
<b>Asia</b>	<b>99,817</b>	<b>-1.8%</b>	<b>5.7%</b>	<b>975,165</b>	<b>6.0%</b>
China	72,362	-2.5%	6.1%	709,500	6.1%
Japan	8,971	0.6%	-1.0%	87,239	-0.2%
South Korea	6,200	-0.0%	4.0%	59,148	3.7%
India	8,629	-0.6%	5.3%	84,123	6.4%
Taiwan	1,965	0.1%	2.5%	19,383	7.3%
<b>Total excl. China</b>	<b>72,892</b>	<b>1.1%</b>	<b>5.7%</b>	<b>701,027</b>	<b>5.1%</b>
<b>Total</b>	<b>145,254</b>	<b>-0.7%</b>	<b>5.9%</b>	<b>1,410,527</b>	<b>5.6%</b>

Source: World Steel Association

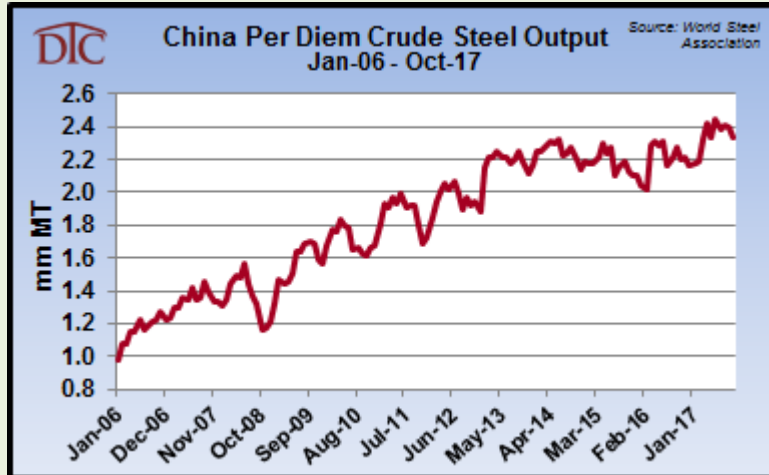
- **Pig Iron Lags Crude Steel YoY:** Global pig iron production in October was 99.6 mm MT, down 1.3% seq pd basis but up 1.3% YoY. Total production excluding China rose to 39.6 mm MT (up 0.6% seq pd but down 0.1% YoY).
- **Global Crude Steel YoY Change:** Up 5.9% YoY in October, the eighteenth consecutive month of YoY increases.



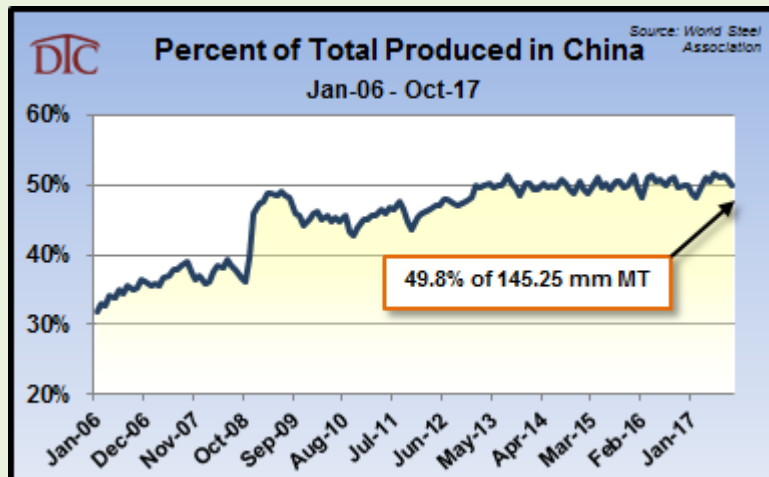
- Total Excl. China:** 72.89 mm MT - up 1.1% seq pd and 5.7% YoY. YTD production of 701.03 mm MT is up 5.1% YoY and annualizes to 841.69 mm MT, compared to 2016 total of 795.62 mm MT.



- China:** 72.36 mm MT - down 2.5% seq pd but up 6.1% YoY. YTD production of 709.50 mm MT is up 6.1% YoY and annualizes to 851.87 mm MT, compared to 2016 total of 808.37 mm MT.

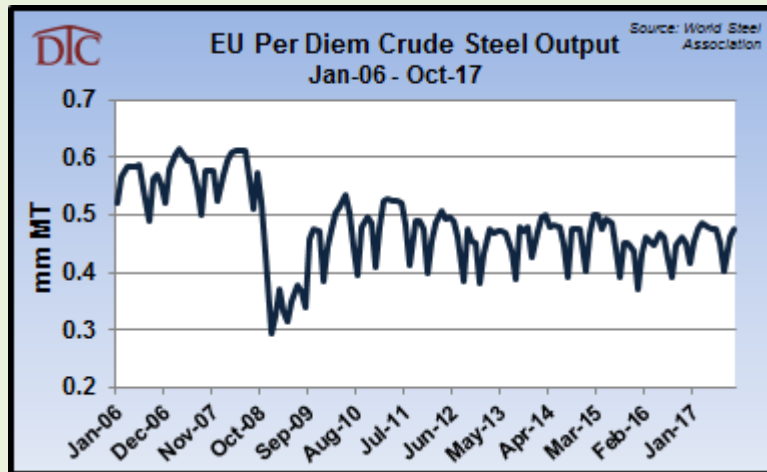


- **China's Importance in the Seaborne Market:** The percent of crude steel produced in China fell seq to 49.8% of total global output from 50.7% in September but up from 49.7% in October 2016.

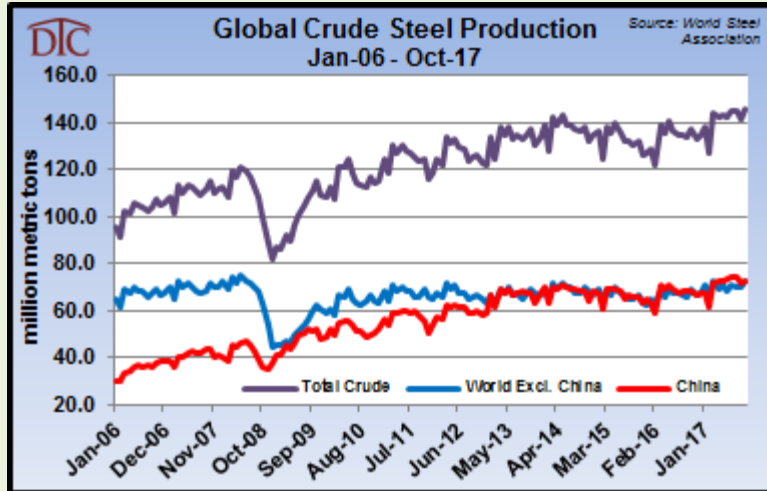


- **Brazil:** 3.04 mm MT - down 0.4% seq pd but up 3.9% YoY. YTD production of 28.51 mm MT is up 8.5% YoY and annualizes to 34.23 mm MT, compared to 2016 total of 30.21 mm MT.
- **European Union:** 14.75 mm MT - up 3.3% seq pd and 3.4% YoY. YTD production of 140.76 mm MT is up 3.7% YoY and annualizes to 169.01 mm MT, compared to 2016 total of 162.29 mm MT.
  - **Germany:** 3.60 mm MT - down 0.7% seq pd but up 2.7% YoY. YTD production of 36.48 mm MT is up 2.7% YoY and annualizes to 43.80 mm MT, compared to 2016 total of 42.08 mm MT.
  - **Italy:** 2.28 mm MT - up 0.3% seq pd and 6.1% YoY. YTD production of 20.08 mm MT is up 3.1% YoY and annualizes to 24.10 mm MT, compared to 2016 total of 23.34 mm MT.
  - **France:** 1.36 mm MT - down 0.6% seq pd but up 1.6% YoY. YTD production of 13.09 mm MT is up 9.5% YoY and annualizes to 15.72 mm MT, compared to 2016 total of 14.63 mm MT.
  - **United Kingdom:** 702K MT - up 8.0% seq pd but down 4.6% YoY. YTD production of 6.31 mm MT is down 2.8% YoY and annualizes to 7.58 mm MT, compared to 2016 total of 7.58 mm MT.

- **Spain:** 1.31 mm MT - up 0.8% seq pd and 11.9% YoY. YTD production of 11.82 mm MT is up 2.0% YoY and annualizes to 14.19 mm MT, compared to 2016 total of 13.65 mm MT.



- **Turkey:** 3.31 mm MT - up 6.6% seq pd and 11.1% YoY. YTD production of 31.05 mm MT is up 13.3% YoY and annualizes to 37.28 mm MT, compared to 2016 total of 33.16 mm MT.
- **Ukraine:** 1.91 mm MT - up 0.2% seq pd but down 4.7% YoY. YTD production of 18.05 mm MT is down 10.9% YoY and annualizes to 21.67 mm MT, compared to 2016 total of 24.22 mm MT.
- **Asia:** 99.82 mm MT - down 1.8% seq pd but up 5.7% YoY. YTD production of 975.17 mm MT is up 6.0% YoY and annualizes to 1170.84 mm MT, compared to 2016 total of 1106.25 mm MT.
  - **Japan:** 8.97 mm MT - up 0.6% seq pd but down 1.0% YoY. YTD production of 87.24 mm MT is down 0.2% YoY and annualizes to 104.74 mm MT, compared to 2016 total of 104.77 mm MT.
  - **South Korea:** 6.20 mm MT - flat seq pd but up 4.0% YoY. YTD production of 59.15 mm MT is up 3.7% YoY and annualizes to 71.02 mm MT, compared to 2016 total of 68.57 mm MT.
  - **India:** 8.63 mm MT - down 0.6% seq pd but up 5.3% YoY. YTD production of 84.12 mm MT is up 6.4% YoY and annualizes to 101.00 mm MT, compared to 2016 total of 95.62 mm MT.
  - **Taiwan:** 1.97 mm MT - up 0.1% seq pd and 2.5% YoY. YTD production of 19.38 mm MT is up 7.3% YoY and annualizes to 23.27 mm MT, compared to 2016 total of 21.57 mm MT.
- **North America:** 9.77 mm MT - up 1.1% seq pd and 9.3% YoY. YTD production of 96.46 mm MT is up 4.1% YoY and annualizes to 115.81 mm MT, compared to 2016 total of 110.99 mm MT.



#### Improving YTD Production (YoY growth is accelerating or decline is slowing)

- **Asia** up 6.0% YTD Jan - Oct vs up 5.9% YTD Jan - Sep;
- **Canada** up 2.7% YTD Jan - Oct vs up 1.3% YTD Jan - Sep;
- **India** up 6.4% YTD Jan - Oct vs up 5.7% YTD Jan - Sep;
- **Italy** up 3.1% YTD Jan - Oct vs up 2.5% YTD Jan - Sep;
- **North America** up 4.1% YTD Jan - Oct vs up 3.5% YTD Jan - Sep;
- **Russia** up 3.0% YTD Jan - Oct vs up 2.8% YTD Jan - Sep;
- **South Korea** up 3.7% YTD Jan - Oct vs up 3.5% YTD Jan - Sep;
- **Total CIS** up 0.4% YTD Jan - Oct vs flat YTD Jan - Sep;
- **Total excl. China** up 5.1% YTD Jan - Oct vs up 5.0% YTD Jan - Sep;
- **Ukraine** down 10.9% YTD Jan - Oct vs down 11.6% YTD Jan - Sep;
- **United States** up 3.9% YTD Jan - Oct vs up 3.1% YTD Jan - Sep

#### Worsening YTD Production (YoY growth is slowing or decline is accelerating)

- **Brazil** up 8.5% YTD Jan - Oct vs up 9.1% YTD Jan - Sep;
- **China** up 6.1% YTD Jan - Oct vs up 6.3% YTD Jan - Sep;
- **European Union** up 3.7% YTD Jan - Oct vs up 4.1% YTD Jan - Sep;
- **France** up 9.5% YTD Jan - Oct vs up 10.5% YTD Jan - Sep;
- **Mexico** up 6.4% YTD Jan - Oct vs up 7.5% YTD Jan - Sep;
- **Other Europe** up 13.2% YTD Jan - Oct vs up 13.5% YTD Jan - Sep;
- **South America** up 7.4% YTD Jan - Oct vs up 8.0% YTD Jan - Sep;
- **Spain** up 2.0% YTD Jan - Oct vs up 2.7% YTD Jan - Sep;
- **Taiwan** up 7.3% YTD Jan - Oct vs up 7.8% YTD Jan - Sep;
- **Turkey** up 13.3% YTD Jan - Oct vs up 13.5% YTD Jan - Sep;
- **United Kingdom** down 2.8% YTD Jan - Oct vs down 2.4% YTD Jan - Sep

#### Unchanged from Last month

- **Germany:** up 2.7% YTD
- **Japan:** down 0.2% YTD
- **Total:** up 5.6% YTD

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