

Top News:

December strong output helps 2020 figures to almost align with 2019

Crude steel production in the 64 countries reporting to the World Steel Association (worldsteel) rose 5.8% on-year in December to 160.86 million tonnes, slowing slightly from November growth.

Output in 2020 was nevertheless still down -0.9% on-year to 1.83 billion tonnes, although this was a far more moderate drop than many expected at the outbreak of Covid-19, mainly thanks to the strong numbers seen in China and stronger than expected recovery in most other areas during Q3 and Q4. In 2018 global crude steel output was 1.82 billion tonnes.

Chinese output rose 7.7% in December to 91.25mt, while Indian production accelerated further, growing 4.4% to 9.8mt. Japanese output fell -3.3% to 7.53mt, but South Korean production grew 1.2% to 5.95mt. Vietnam did not provide data and output was therefore estimated at 1.6mt.

EU28 output rebounded further in December, surging 10% to 11.76mt, led by a 10.6% increase in Germany to 3.14mt. Italian output was estimated to have grown 6.9% to 1.5mt, while French output is confirmed to have surged 26% to 1.16mt. The jump in output in December confirmed the overall positive sentiment seen since beginning of Q4 in Europe; it was supported by the restart of a number of blast furnaces in the continent and it is expected to continue benefitting from the positive momentum well into Q1.

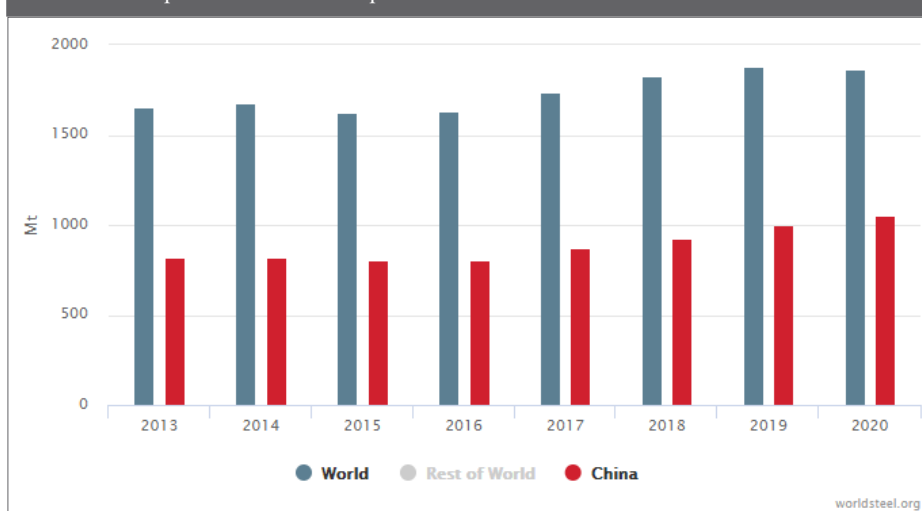
Turkish output continued its recovery, rising 18% to 3.4mt in December 2020. US production slumped again, by -11.8% to 6.4mt, but Brazilian output grew again, by 17.2% to 2.89mt.

CIS production rose 3.1% to 8.7mt in December, with Russian output estimated to have fallen -0.8% to 6.11mt but Ukrainian production confirmed to have surged 22% to 1.91mt. For the entire 2020 China carried global output, growing production 5% on-year to 1.052 billion tonnes, although Vietnamese output also rose, by an estimated 11.6% to 19.5mt.

EU28 output fell -12% to 138.79mt, with only Czech Republic, Finland and Greece seeing y-o-y growth. Turkish production, on the other hand, rose 6% to 35.76mt, after a very negative 2019.

US output slumped -17% to 72.69mt, being the worst performer globally among large producers. Brazilian output was down -5% to 30.97mt and CIS production rose 1.5% to 101.8mt.

Crude steel output holds in 2020 despite Covid-19 outbreak



Source: worldsteel.org

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KORE INDEX

W-o-w avg	-2.82%	-4.18%	-3.50%
Index	58% Fe	62% Fe	65% Fe
29 Jan 2021	\$ 150.55	\$ 158.54	\$ 181.17
28 Jan 2021	\$ 148.83	\$ 157.57	\$ 179.90
27 Jan 2021	\$ 153.78	\$ 164.82	\$ 186.57
26 Jan 2021	\$ 153.90	\$ 164.46	\$ 186.21
25 Jan 2021	\$ 156.61	\$ 168.44	\$ 191.10
Average	\$ 152.73	\$ 162.76	\$ 184.99
22 Jan 2021	\$ 156.21	\$ 168.11	\$ 190.16
21 Jan 2021	\$ 157.30	\$ 169.81	\$ 191.63
20 Jan 2021	\$ 157.50	\$ 169.73	\$ 191.37
19 Jan 2021	\$ 157.58	\$ 170.01	\$ 191.71
18 Jan 2021	\$ 157.28	\$ 171.62	\$ 193.62
Average	\$ 157.17	\$ 169.86	\$ 191.70

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Global Overview

SAMPLE

North America

- US sheet pricing gains slow down
- Rebar continues rising to “historic highs” in US
- US plate stagnates despite strong demand

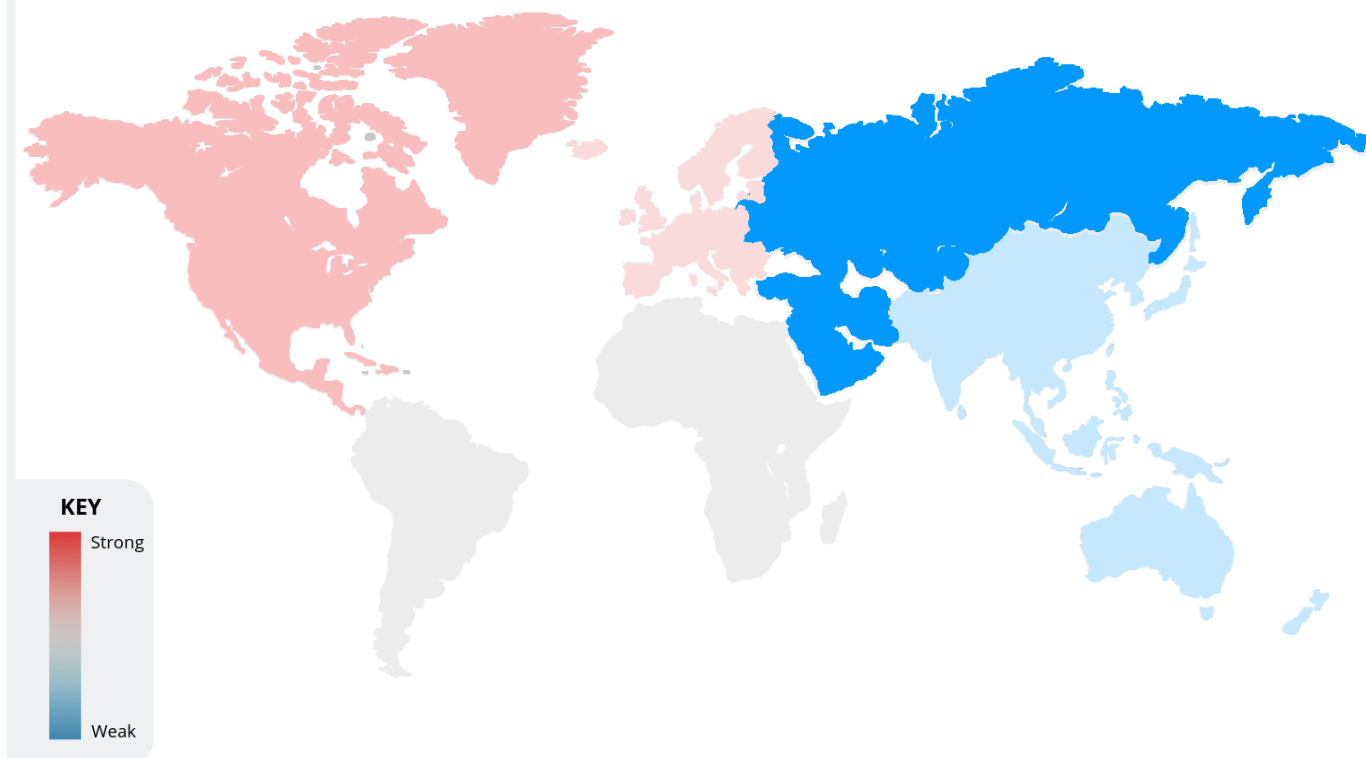
Europe

- Safeguard measures debated again
- ArcelorMittal raises coil offers
- SSAB stops evaluation of IJmuiden, Liberty bids for TK

Asia

- Chinese market turns quiet
- Japanese scrap prices fall
- Iron ore corrects

KALLANISH STEEL WEEKLY GLOBAL SENTIMENT MAP



[See the interactive version online](#)

Latin America

- Brazilian steelmakers consider price hikes
- Anglo American boosts output

Middle East

- Turkish scrap drops further
- Turkish rebar quotes drop on weakened demand
- Lower Chinese offers pressure Turkish HRC mills

CIS

- CIS billet trade grinds to halt
- CIS pig iron prices head down



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