Use of trade data in steel industry analysis

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The World Steel Association (worldsteel)

- worldsteel is one of the largest and most dynamic industry associations in the world
- worldsteel represents approximately 170 steel producers (including 18 of the world's 20 largest steel companies), national and regional steel industry associations, and steel research institutes
- worldsteel members represent around 85% of world steel production

Trade of steel products and raw materials
Key features

- Long series
- Yearly and monthly data collection and publication
- Wide country range
- HS codes: 7206-7306 (steel products), 7204 (scrap) and numerous codes for other raw materials
- Mainly focused on tonnages

Share of China in global steel trade
2000-2010, semi-finished and finished steel products, %

Source: worldsteel, Steel Statistical Yearbook
Imports of iron ore and scrap to China
2000-2010, mln tonnes

Source: worldsteel, Steel Statistical Yearbook

Apparent steel use
Key features

- Method of calculation:
  \[ \text{apparent steel use (ASU)} = \text{deliveries} + \text{imports} - \text{exports} \]
- ASU represents demand for steel products
- Long series
- Yearly and monthly data collection and publication
- Wide country range
- Mainly focused on tonnages

Share of China in global steel demand

2000-2010, apparent steel use of finished steel products, %

Source: worldsteel, Steel Statistical Yearbook, Short Range Outlook
Indirect trade in steel

Indirect trade in steel: objectives

- True picture of steel use
- Restoring and maintaining the indirect trade database
- Analysis of strategic factors affecting direct and indirect steel trade
Key features

- Method of calculation:
  \[ \text{true steel use (TSU)} = \text{ASU} + \text{net indirect steel imports} \]

- Long series

- Yearly data collection and publication

- Wide country range

- HS codes: 40, 73, 82-89, 94

- Data source: Comtrade, UN Statistics Division

Quality of data


- Discrepancies between value and volume reporting (trend and price analysis). Suggested solution: estimation of inconsistent data using ratio based on previous/ following year.

- Missing kg, while other units reported. Suggested solution: estimation of missing data using ratio based on available units (e.g. for previous years or other countries).
Indirect net exports of steel

Country 1 strong increase of net exporter
Country 2 fluctuations of net exporter
Country 3 stable development of net exporter
Country 4 change from net exporter to net importer
Country 5 net importer

TSU vs. ASU per capita
Comparison of true steel use per capita and apparent steel use per capita, 2008

Country A
Country B
Country C
Country D
Country E

ASU  TSU
Summary

Use of trade data in steel industry analysis

- Frequency: yearly and monthly basis
- Different analysis: trade of steel products, raw materials and steel containing goods
- Element in estimation of steel demand
- Importance of trade data quality
- Importance of tighter cooperation with providers of trade data