



Global Steel Trade Monitor

Steel Imports Report: Spain

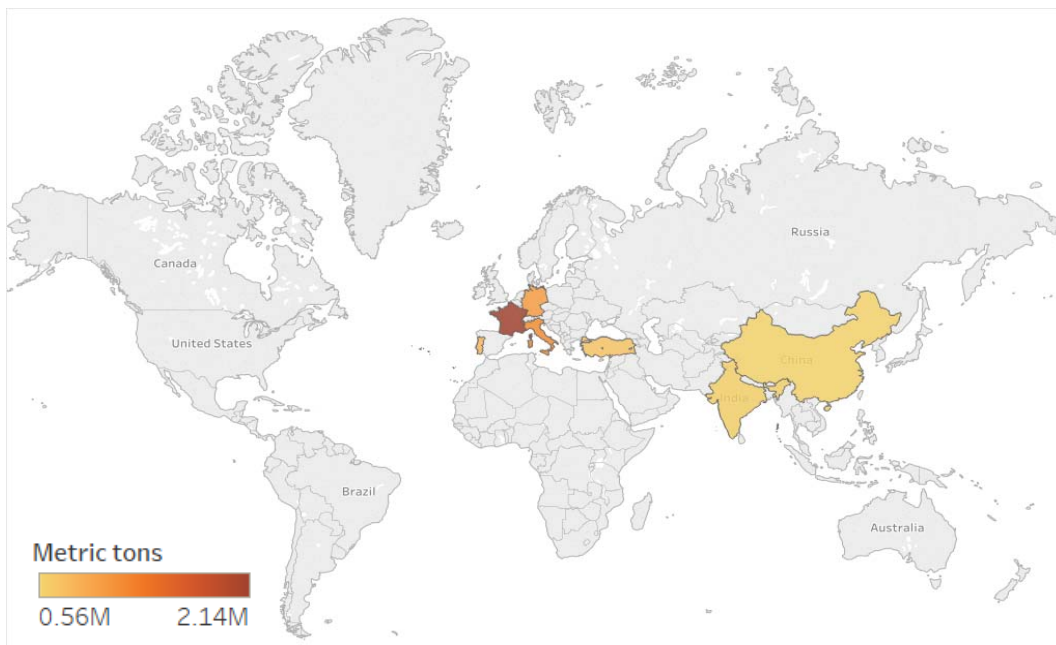
May 2018

Background

Spain is the world's fourteenth-largest steel importer. In 2017, Spain imported 9.9 million metric tons of steel, a 5 percent increase from 9.4 million metric tons in 2016. Spain's imports represented about 2 percent of all steel imported globally in 2016, based on available data. The volume of Spain's 2017 steel imports was less than a third of the world's largest importer, the United States. In value terms, steel represented just 2.2 percent of the total goods imported into Spain in 2017.

Spain imports steel from over 70 countries and territories. The seven countries highlighted in the map below represent the top import sources for Spain's imports of steel, with each sending more than 500 thousand metric tons to Spain and together accounting for 71 percent of Spain's steel imports in 2017.

Spain's Imports of Steel Mill Products - 2017



Data Source: Global Trade Atlas; Copyright © IHS Global, Ltd.. 2018. All rights reserved.

Quick Facts:

- World's fourteenth-largest steel importer: 9.9 million metric tons in 2017
- 41% growth in steel imports since 2009
- 2017 import volume up 5% while import value up 29%
- Import penetration at 63% in 2017
- Top three import sources: France, Italy, Germany
- Largest producers: ArcelorMittal, Celsa Group, Acerinox
- 36 European Union trade remedies in effect against imports of steel mill products

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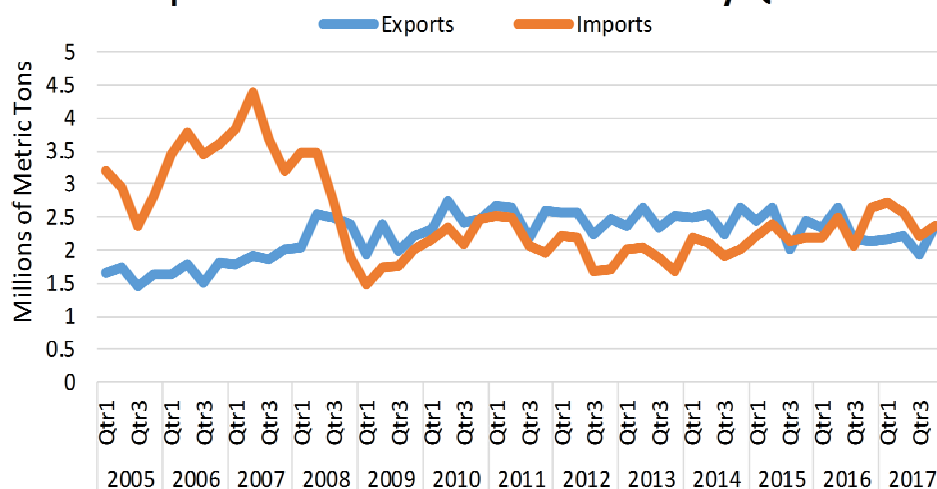
Steel Trade Balance

Prior to 2009, Spain had a trade deficit in steel products. Imports fell in the wake of the 2008 global recession. Relative to imports, exports retained average levels, and the steel trade deficit became a trade surplus. Between 2009 and 2017, imports grew 41 percent, while exports grew 2 percent.

In recent quarters, Spain's steel trade surplus has narrowed, and a slight trade deficit occurred in Q3 2015, Q4 2016, and Q1-Q3 2017.

By the end of 2017, the trade deficit totaled -1.2 million metric tons, growing 1687 percent from a trade deficit of -66 thousand metric tons in 2016.

Spain's Trade in Steel Mill Products by Quarter



Source: IHS Markit Global Trade Atlas

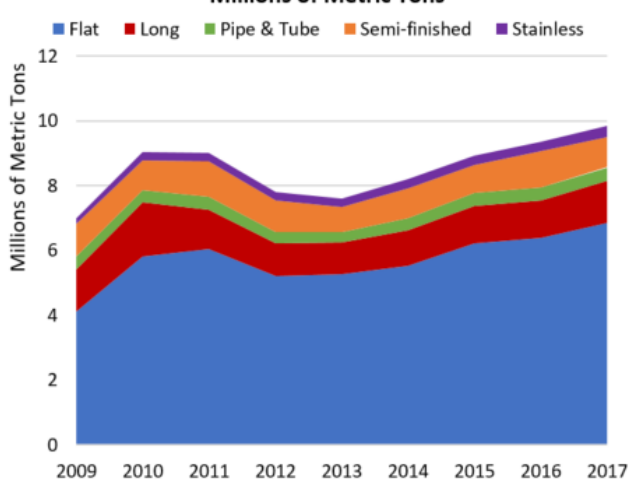
Import Volume, Value, and Product

The volume of Spain's steel imports has been increasing since 2013. In 2016, imports totaled 9.4 million metric tons — a 5 percent increase from 8.9 million metric tons in 2015. In 2017, Spain's imports grew 5 percent to 9.9 million metric tons, a peak from recent years, up from 9.4 million metric tons in 2016. Following the same trend, the value of Spain's 2017 steel imports increased 29 percent to \$7.8 billion from \$6.1 billion in 2016.

Flat products accounted for 69 percent of Spain's steel imports by volume in 2017, a total of 6.8 million metric tons. Long products accounted for 13 percent of Spain's imports (1.3 million metric tons), followed semi-finished products at 10 percent (948 thousand metric tons), pipe and tube products at 4 percent (429 thousand metric tons), and stainless steel at 3 percent (344 thousand metric tons).

Spain's Imports of Steel Mill Products

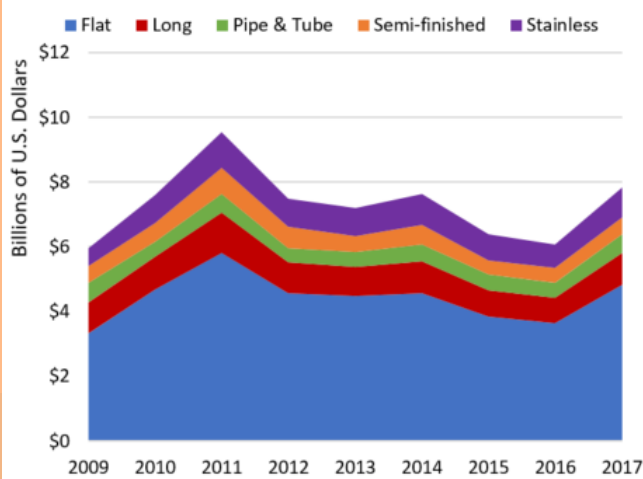
Millions of Metric Tons



Source: IHS Markit Global Trade Atlas

Spain's Imports of Steel Mill Products

Billions of U.S. Dollars



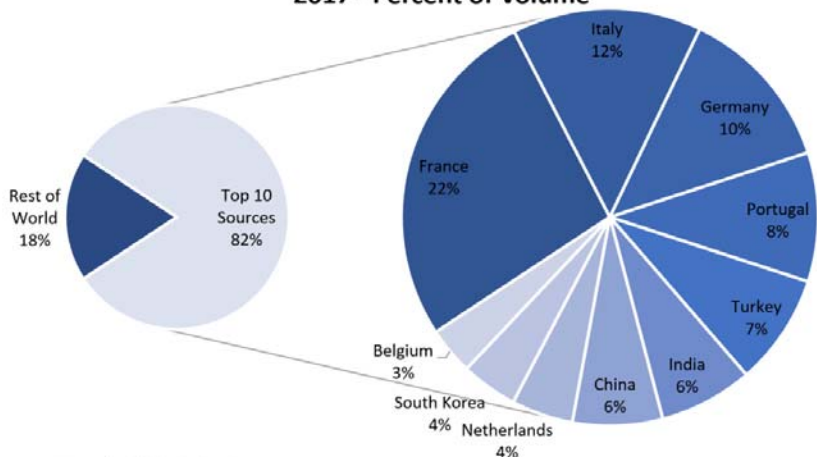
Source: IHS Markit Global Trade Atlas

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Imports by Top Source

The top 10 source countries for Spain's steel imports represented 81 percent of the total steel import volume in 2017 at 8.0 million metric tons (mmt). France accounted for the largest share of Spain's imports by source country at 22 percent (2.1 mmt), followed by Italy at 12 percent (1.2 mmt), Germany at 10 percent (1.0 mmt), Portugal at 8 percent (0.8 mmt), and Turkey at 7 percent (0.7 mmt) among the top 5.

Spain's Steel Imports - Top 10 Sources
2017 - Percent of Volume



Source: IHS Markit Global Trade Atlas

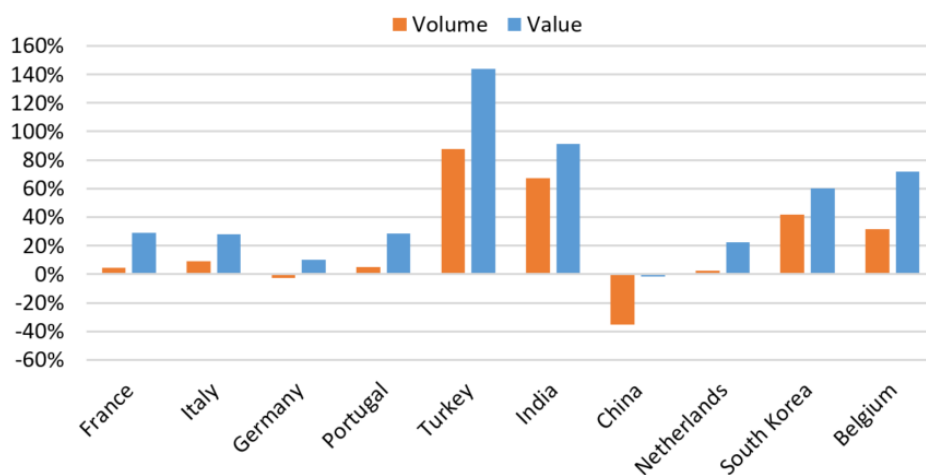
The United States ranked 26th as a source for Spain's imports of steel in 2017 at 21 thousand metric tons, an increase of 49 percent from 2016.

Trends in Imports from Top Sources

While the volume of Spain's steel imports increased from eight of its top 10 steel import sources between 2016 and 2017, the overall value of Spain's imports increased from nine import sources.

The largest increases in import volume occurred from Turkey (up 88%), India (up 67%), and South Korea (up 42%). China and Germany were the only three countries from which Spain's imports decreased in volume, down 35 percent and 2 percent respectively.

Percent Change in Imports from Top 10 Sources (2016 to 2017)



Source: IHS Markit Global Trade Atlas

Spain's imports from Turkey also showed the largest increase in value, up 144 percent from 2016. Sizeable increases in Spain's steel import value also occurred from India (up 91%), Belgium (up 72%), South Korea (up 60%), and France (up 29%). China was the only country from which Spain's imports decreased in value, down 2 percent.

Outside of the top 10 sources, other significant volume changes in 2017 included Spain's imports from 13th-ranked Egypt (up 533%), 16th-ranked Brazil (down 58%), 21st-ranked Vietnam (up 4193%), and 22nd-ranked Indonesia (up 205%).

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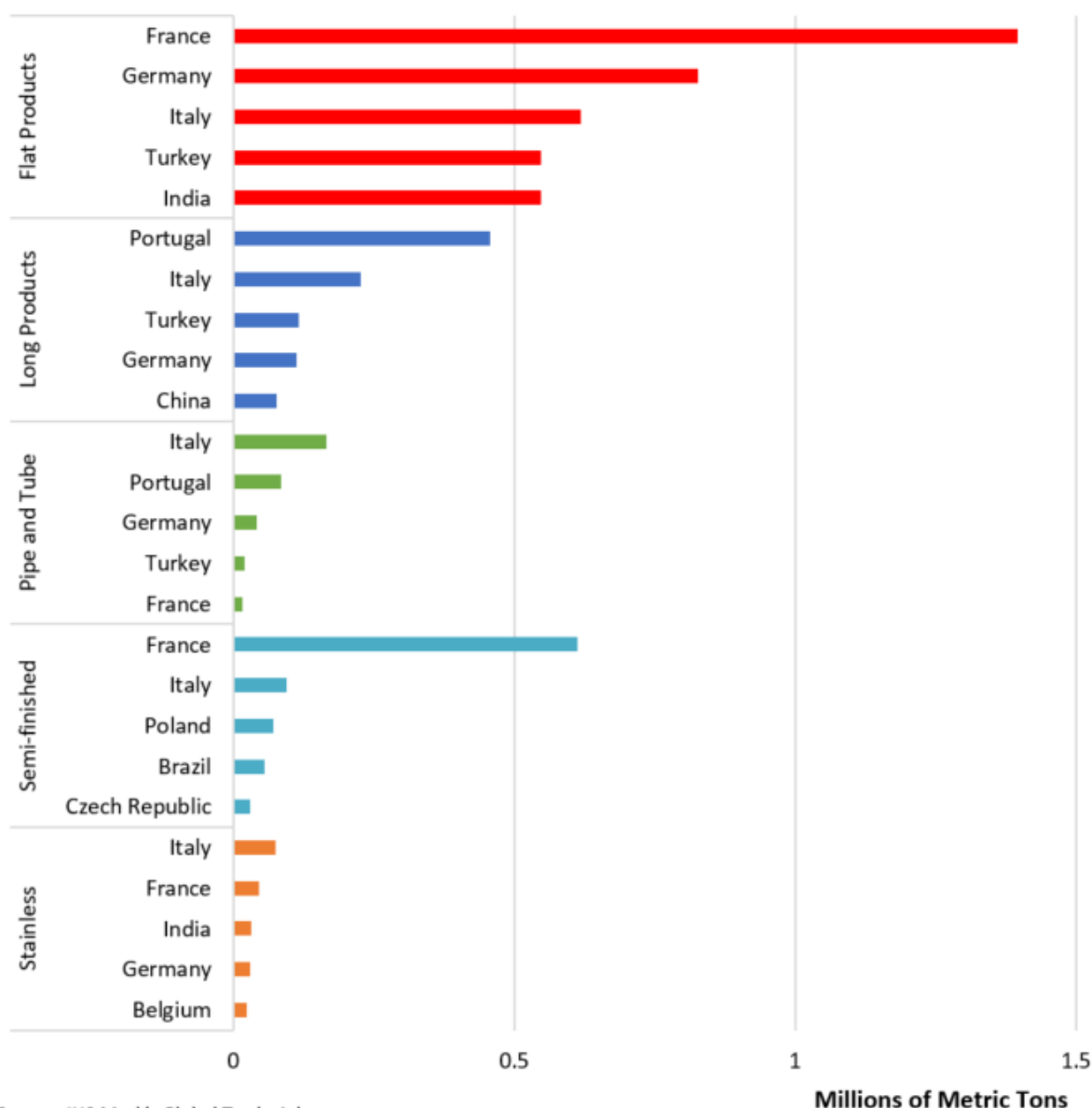
Top Sources by Steel Product Category

The top source countries for Spain's imports by volume vary across types of steel products. France accounted for the largest share of Spain's imports of flat and semi-finished products in 2017 at 20 percent (1.4 million metric tons) and 65 percent (612 thousand metric tons), respectively.

In 2017, Spain received the largest share of its long product imports from Portugal at 35 percent (457 thousand metric tons). Italy represented the largest share of Spain's imports of pipe and tube and stainless products at 39 percent (166 thousand metric tons) and 22 percent (75 thousand metric tons), respectively.

The United States was not a top five import source for any of the five categories.

Spain's Top 5 Import Sources by Product - 2017



Source: IHS Markit Global Trade Atlas

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Spain's Export Market Share from Top Source Countries

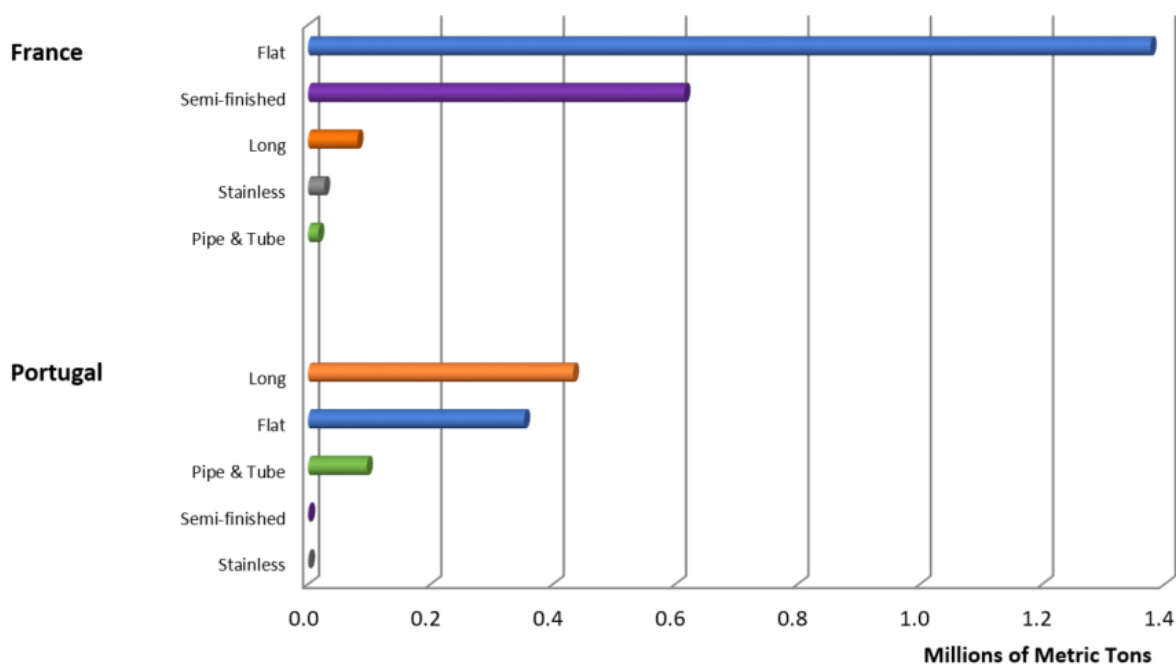
In 2017, the share of steel exports sent to Spain from its top import sources decreased in the majority of sources. The share of Portugal's steel exports to Spain showed the largest decrease (down 1.1 percentage points). The share of exports to Spain from France, the Netherlands, Italy, Germany, and China all decreased by less than 0.5 percentage points. The share of Turkey's exports to Spain showed the largest increase (1.8 percentage points). The share of exports to Spain from Belgium, South Korea, and India all increased by less than 0.5 percentage points.

Spain's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to Spain - 2016	Spain's Rank in 2016	Share of Exports to Spain - 2017	Spain's Rank in 2017
France	14.8%	2	14.4%	2
Italy	7.2%	4	7.0%	3
Germany	4.1%	8	4.0%	9
Portugal	37.1%	1	35.9%	1
Turkey	2.7%	10	4.5%	6
India	3.9%	7	3.9%	9
China	0.8%	26	0.7%	32
Netherlands	4.7%	7	4.5%	7
South Korea	1.0%	21	1.1%	20
Belgium	1.5%	8	1.7%	8

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

In 2017, Spain was the largest destination for Portugal's steel exports at 35.9 percent and the second-largest destination for France's steel exports at 14.4 percent. Flat products accounted for the largest share of France's steel exports to Spain at 65 percent (1.4 million metric tons), while long products held the largest share of Portugal's exports to Spain in 2017 at 49 percent (433 thousand metric tons).

Steel Export Composition of Top Market-Share Countries - 2017

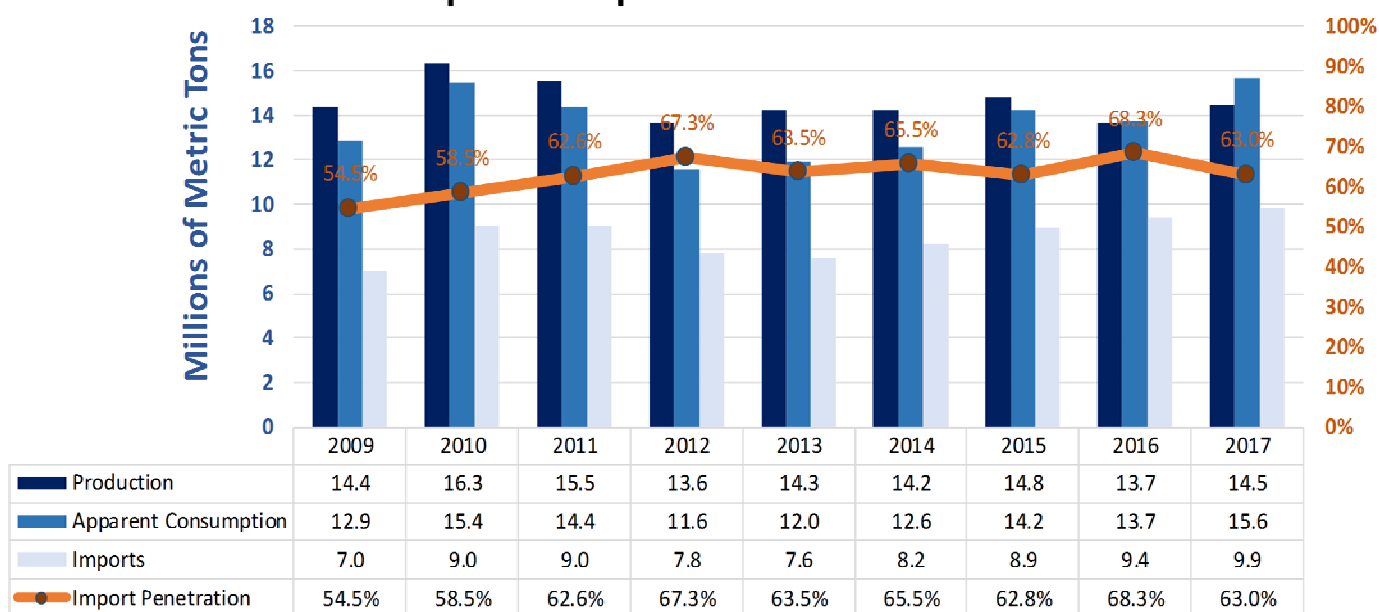


Source: IHS Markit Global Trade Atlas, based on import data per reporting country

Steel Imports Report: Spain

Overall Production and Import Penetration

Spain's Import Penetration



Sources: World Steel Association; IHS Markit Global Trade Atlas

Spain's annual crude steel production has averaged slightly over 14 million metric tons in recent years. Production decreased by 8 percent between 2015 and 2016 to 13.7 million metric tons. Between 2016 and 2017, production increased 6 percent to 14.5 million metric tons. Apparent consumption (a measure of steel demand) was outpaced by production between 2009 and 2015, though in 2015, the gap between the two narrowed significantly. This trend continued in 2016 and 2017, with apparent consumption slightly outpacing production. Import penetration averaged 62 percent between 2009 and 2015 and increased to 68.3 percent in 2016, due to decreasing demand and an uptick in imports. In 2017, import penetration decreased to 63 percent.

Top Producers

According to Spain's steel association (Unión de Empresas Siderúrgicas [UNESID]), Spain has over 20 steel production facilities and 50 rolling mills. The five largest steel-producing companies account for a significant majority of Spain's steel output, with ArcelorMittal alone accounting for nearly half of production in 2017.

Spain's Top Steel Producers in 2017

Rank	Company	Production (mmt)	Main Products
1	ArcelorMittal	7	Cold-rolled coil, hot-rolled coil, rails, wire rod
2	Celsa Group	5.4 (capacity estimate)	Bars, reinforcing bars, wire rod, structural sections
3	Acerinox Europa, S.A.U.	2.5 (capacity estimate)	Stainless flat products, stainless long products
4	Sidenor	1	Bars, wire rod, ingots, billets
5	Tubacex SA	N/A	Seamless tubes, stainless long products, fittings

Sources: Metal Bulletin, *Iron and Steelworks of the World Directory 2017*; Spanish Steel Association (UNESID); 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 Spain, has against imports of steel mill products from various countries. The European Union has no steel mill safeguards in effect.

European Union Trade Remedies in Effect Against Steel Mill Imports				
Country	AD	CVD	Suspension Agreements and Undertakings	Total
Belarus	2			2
Brazil	1			1
China	13	2		15
India	1	2		3
Iran	1			1
Japan	1			1
Russia	5		1	6
South Korea	1		1	2
Taiwan	1			1
Ukraine	2			2
United States	1		1	2
TOTAL	29	4	3	36

Source: World Trade Organization, through December 31, 2017

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.

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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