

SAARC Steel Review: The Region Recovers Faster

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W eighed down by macro concerns on tightening fiscal and monetary policies, the Asian steel sector has significantly underperformed broader markets year-to-date. Despite near-term concerns, fundamentals have strengthened and it is now forecasted Asian steel demand to reach 1.0 billion tons by 2012 (previously 2013, from 803 million tons (MT) in 2009). With Asia set to remain a tightly balanced market over coming years, utilisation rates should remain near capacity which historically has corresponded with high margins. The region-wide recovery in the South Asian Association of Regional Co-operation (SAARC) countries remained on track in the fourth quarter of 2009 and the first indications for Q1 '10 confirm the continuation of the upswing. Particularly in China growth has remained very firm, driven by fiscal policy measures, private consumption and a marked pick-up in exports. To prevent the economy from overheating, China tightened its monetary policy to some extent in early 2010; also credit supply was reigned in. While this may lead to a smaller contribution of investment over the year, strengthening trade activity with the Asian region and the advanced economies will support China's export growth. South Korea, Taiwan, Malaysia and Thailand showed healthy Q4 '09 GDP growth, while early signals for 2010 point to a sustained recovery, particularly in the manufacturing sector. All in all, following the 2 percent drop in world GDP, 2010 looks set to see an expansion in global economic activity again. The Asian region will remain the main engine of growth. Global GDP growth is estimated to



reach approximately 3 percent in 2010 and 3.5 percent in 2011.

Asia remains tightly balanced – utilisation heading over 90 percent, margins set to grow. Regional steel demand continues to surprise on the upside fuelled by roaring growth across Asia. Notwithstanding recent concerns over China's property sector, measures to rein in house prices will have limited impact on steel demand. Growth forecasts, therefore, have been revised upwards and brought forward expectations of Asian steel demand reaching 1.0 billion tons in 2012 (previously 2013) from 803 million tons in 2009. Over coming years, Asia is expected to remain tightly balanced, shift into a net importer position and operate near full capacity. These conditions have historically corresponded with higher profit margins.

Steel price rally outpaces rising costs

With spot Asian HRC steel prices now up 33 percent (US\$ 175/t) year to date

it is believed that steel mills have more than recovered recent cost increases. Furthermore, upstream mining investment in recent years also provides a level of self-sufficiency in key raw materials. For 2010 and 2011, steel price forecasts are raised by 12–20 percent, leading to average EPS upgrades of 14 percent in 2010 and 9 percent in 2011, 10 percent and 12 percent ahead of consensus.

Strong demand to stretch Asian capacity

Given the roaring start to the year, forecast for growth raised in Asian steel consumption (finished) to 12 percent for 2010, from 9 percent. It is forecast regional demand outside China to rebound by 21 percent (from 19 percent) in 2010, after falling by 17 percent in 2009, while for China, demand is expected to grow to 8 percent (from 5 percent). Recent concerns over China's tightening measures on its property sector have been overplayed. China is focused on reining in house prices and that

measures to boost housing supply should support steel demand. In 2010, China plans to increase land supply available for housing (by over 140 percent y-o-y to 184,749 hectares), build 3 million units of affordable housing (2 million units in 2009) and revamp 2.8 million units in slum areas (1.3 million in 2009). As a result, higher public investment provides an offset to lower private investment.

It is now forecast Asian steel consumption (crude steel equivalent) to hit 1.0 billion tons by 2012 (previously 2013). Utilisation rates are forecast to remain near capacity at 90 percent, keeping the region tightly balanced over the next four years. This tightness should translate to higher utilisation rates – up to 89 percent in 2010 (84 percent in 2009) and over 90 percent by 2011–2012. Historically, high utilisation rates indicate demand strength and ability of steel mills to expand margins. Prior to the crisis in late 2008, when iron ore prices reached record levels and utilisation rates hit 89 percent, Asian margins grew to a peak of US\$220/t.

Raw material self-sufficiency

Indian steel mills have the highest levels of self-sufficiency followed by Posco and Japan mills. At this point in time, China and Taiwan have very little raw material investments. Given that marginal producers largely set market prices and are typically not self-sufficient in raw materials, companies

Self sufficiency in raw materials (per cent)

| | Iron ore | Coking coal |
|---------------------------|----------|-------------|
| Steel Authority of India | 103 | 0 |
| Tata Steel (consolidated) | 29 | 11 |
| Posco | 18 | 26 |
| Nippon Steel | 24 | 11 |
| JFE Holdings | 15 | 15 |
| BlueScope | 18 | – |
| JSW | 20 | – |
| China Steel | 1 | 1 |

with raw material investments should enjoy higher margins at this point of the cycle. Meanwhile, Posco has been most aggressive in upstream investments.

China's moves to tighten up the housing market should not impact steel demand as increased public property

Change in per ton steelmaking cost with respective change in raw material prices (\$/tonne)

| Iron ore | 50% | 60% | 65% | 70% | 80% | 90% | 100% |
|-------------|-----|-----|-----|-----|-----|-----|------|
| Coking coal | | | | | | | |
| 50% | 88 | 98 | 103 | 108 | 108 | 128 | 138 |
| 60% | 96 | 106 | 111 | 116 | 126 | 136 | 146 |
| 70% | 104 | 114 | 119 | 124 | 134 | 143 | 153 |
| 80% | 112 | 121 | 126 | 131 | 141 | 151 | 161 |
| 84% | 115 | 125 | 130 | 135 | 144 | 154 | 164 |
| 90% | 119 | 129 | 134 | 139 | 149 | 159 | 169 |
| 100% | 127 | 137 | 142 | 147 | 157 | 167 | 177 |

investment should provide a meaningful offset to lower private investment. On costs, the recent rally in steel prices – spot Asian HRC is now up 33 percent (US\$175/t) y-t-d – has more than recovered recent cost increases. This was vindicated by recent 1Q results which showed sequential profit and margin improvement. Moreover, an analysis of raw material self-sufficiency highlights that Asian mills possess partial protection from rising costs.

With Asian steel markets forecast to tighten further in coming years, a steel cycle upswing is underway. Valuations during the last upswing from 2006 to 2008 highlight that the sector currently trades at the low end of this valuation range (PB). Re-rating catalysts include continued positive earnings momentum and iron ore prices which should soon peak as China's idled iron ore capacity ramps up, providing some cost relief to steel mills. Steel demand in the region remains robust and is expected regional markets to remain tight, which should ensure mills are successfully able to pass on cost increases to customers. While the market has been concerned about rising spot raw material prices, this has not translated into a deterioration of margins given the quick regional steel price response. While the absolute level of this margin remains materially below the peak levels experienced in mid 2008, it can be seen that rather than contracting over 2010 y-t-d there has been evidence of margin expansion from Mar 2010.

With key steel-making raw materials such as iron ore and coking spot prices surging by more than 100 percent over last year's prices, it is little surprise

that the market has been focused on the outcome of raw material price negotiations for 2010. A 65 percent increase in iron ore and 84 percent rise in coking coal contract prices will increase the cost of steelmaking by US\$130/t, assuming other costs remain the same.

Looking at the cost increases independently does not reflect the true picture, though. Regional steel mills have been very quick to pass on these increasing raw material costs to customers. Contract prices have been increased across the region with the latest moves coming from Hyundai and Posco, who hiked their HRC contract prices by 21 percent and 25 percent to KRW850,000/t each.

In the region, the Chinese mills have been even more aggressive in announcing price increases. Wuhan Iron and Steel has put forward the largest price increase of US\$230/t over 4Q 09 levels, closely followed by Angang which raised prices by US\$189/t over the same period. Spot prices have also shown remarkable strength with Asian spot prices up US\$193/t and Chinese spot prices up US\$134/t over 4Q 09. At current prices, mills will be able to comfortably expand margins.

A wake up call

The recent iron ore and coking coal price surge has given the sector a wake-up call as to the importance of raw material integration. Asian steel mills have historically been extremely dependent on imported raw materials to feed their blast furnaces. There are two key reasons: first, there has been a high degree of concentration on the supply side. For example, the iron ore market is dominated by the top three

global players (BHP, RIO and VALE) who account for 80 percent of global sea-traded volume. Second, geological occurrence of raw material deposits has typically been in regions outside Asia.

As a result of this dependence on producers of raw materials, regional steel mills have typically been price takers and have a good deal less flexibility when it comes to determining the cost of these raw materials. Over the last decade, steel mills shifted their investment focus to upstream assets and looking to improve the vertical integration of their production chain. While mining investments may not provide a direct cost advantage, they allow a natural hedge given the associated equity gains.

Indian companies, SAIL and Tata Steel, score best in the region with SAIL having 100 percent captive iron ore and Tata Steel India 54 percent captive coking coal. Outside India, Posco tops the regional chart with 18 percent self-sufficiency in iron ore and 26 percent in coking coal. It is more difficult to assess Chinese mills given their parent-listed entity structures. While the listed entities do not directly own mines, the parent companies have been making a number of significant upstream investments.

Demand-supply position in China

Following the GDP upgrade, demand growth is forecast to increase from 5 percent to 8 percent in 2010. Chinese crude steel capacity in 2010 to be 680 million tons, taking into consideration only effective steel-making capacity. Capacity utilisation is assumed to increase to 92 percent in 2010. On the demand side, a new bottom-up real demand model for China has been developed.

Domestic crude steel production has come back with a vengeance, recording a record production rate of 1.8mtpd in Feb 10 and 1.76 million tons in Mar 10 following a marked decline in November and December, where daily production rates fell to 1.54mtpd. This decline was primarily due to



maintenance shutdowns by several major domestic mills. With the sharp recovery in 1Q 10 steel prices, domestic blast furnaces were brought back to full capacity. Crude steel production is expected to grow by 10 percent in 2010 to 625 million tons, with an average daily production rate of 1.71 million tons on the back of increased capacity and improving utilisation rates.

According to SBB, the Ministry of Industry and Information Technology (MIIT) announced that China's steel industry closed 38.04mtpa of obsolete iron and steel production capacity in 2009, exceeding the original target of 16mtpa set by the State Council. The ministry confirmed that it shut 21.13mtpa and 16.91mtpa of respective outdated iron and steel capacity last year, which is above its previous goal of 10mtpa of iron and 6mtpa of steel. According to MIIT, there are plans to phase out a further 11.29 million tons of steel production capacity, as well as 100 million tons of iron smelting capacity by the end of 2011. Though the target represents a small proportion of the total Chinese steel capacity, the country has finally been able to progress in its efforts to rein-in excess capacity. This is mainly driven by Beijing's ongoing efforts to reduce the country's total emissions of major pollutants by 10 percent and cut energy consumption per unit of GDP by 20 percent by 2010 year end.

China's apparent crude steel demand growth is expected to slow to 8 percent in 2010 (610 million tons) and 6 percent in 2011 (645 million tons), albeit from a very high base. Chinese steel consumption grew a stunning 25 percent in 2009 on the back of the announced government fiscal stimulus programmes.

On April 15, 2010, China's government raised the required second mortgages down payment ratio to 60 percent for Beijing and 50 percent for other regions (from 40 percent) in conjunction with higher second home mortgage loan rates. Just two days later, the State Council announced that commercial banks can refuse to lend to third-home buyers and nonresidents in cities where housing prices are rising too fast. In addition, government studies on property-related taxes have been accelerated along with an enforced 30 percent down payment ratio for first-time home buyers.

Steel demand growth forecasts for the infrastructure segment is expected to touch 21 percent in 2010 and 6 percent in 2011 from the record 49 percent achieved in 2009. This is driven mainly by an overall slowdown in government fixed asset investment as the current stimulus-driven projects reach completion. This slowdown in the infrastructure sector is further accentuated by the shift in China's stimulus focus to public welfare from infrastructure spending. This is a

structural change that will take some time to implement. However, the infrastructure projects that have already started in 2009 need to be completed and should maintain demand in this segment throughout 2010.

Asian steel demand ex China (crude equivalent) forecast to rise by 2 percent in 2010 and 4 percent in 2011 and 2012 to reflect the strong growth in the region. The Asia Pacific region may return to being a net importer as early as 2012. Experts are very bullish on the region's growth prospects and recently raised the Asia GDP growth forecast to 5.9 percent and Asia ex-Japan to 8.3 percent (from 7.9 percent) in 2010, which are both above consensus. Growth in Asia has roared back over the past three months. Inventory restocking is now lending a powerful boost to exports, in addition to already frothy local demand. Worldsteel expects demand growth in Asia to clock 8.4 percent in 2010, mainly supported by China where demand is expected to grow by 6.7 percent. However, they highlight the upside risk to their Chinese growth forecasts given the pace of growth seen in 1Q 10. Asian demand is expected to grow by 11.9 percent in 2010, supported by strong growth of 8 percent in China and a sharper recovery in other Asian nations.

Japan

The Japan Iron and Steel Federation (JISF) reported domestic crude steel production in March 2010 to be 9.34 million tons (+ 10.6 percent m-o-m, + 62.8 percent y-o-y). This translates to an annualised number of 112 million tons, which is in line with 2010 estimate of 110 million tons. Growth in crude steel production is estimated at 25 percent y-o-y in 2010 and then a more moderate growth rate of 9 percent in 2011. This implies the utilisation rate will jump to 87 percent from 70 percent last year, with a gradual increase to 93 percent by 2012. This is in line with JFE commentary that notes its utilisation rates have returned to 90 percent as at 3Q 09. In 2011, JFE plans to add 3 million tons which is the major contributor to 3 percent capacity



growth.

Japanese steel demand from downstream sectors was a mixed bag in 1Q 10. Orders for public civil engineering declined for the third consecutive month in Feb 10, while newly commenced housing construction in Feb 10 also fell by 9.3 percent y-o-y. Partially offsetting these negative indicators were stronger domestic automobile sales and finished car exports (surging 80 percent in Feb 10), while industrial machinery production also experienced positive sequential growth.

From the customs statistics of the Japanese Ministry of Finance, the cumulative export volumes of steel finished products for Jan-Feb 2010 reached 5.89 million tons, an increase of 88.6 percent y-o-y from the level of 3.1 million tons in 2009. Including pig iron and semis, total steel-related exports reached 6.86 million tons, 76.5 percent higher than last year. Given the sluggish demand demonstrated by the domestic market, Japanese steelmakers will continue to focus on their export volume expansion. The Japanese steel industry derives a large share of its sales from the export sector. The share of exports as a proportion of Japan's total sales averaged 27 percent between 2005 and 2008 but jumped to 37 percent in 2009 as domestic players increased their export volumes to maintain revenues.

Japan's finished steel net exports, therefore, is expected to reach 38 million tons in 2010 from 30 million tons levels in 2009, and crude steel consumption to increase by 25 percent and 15 percent to 69 million tons and 79 million tons in 2010 and 2011 respectively.

Korea

Korea is expected to grow at a healthy rate of 9 percent in 2010 to 70mtpa, mainly on the back of capacity from Hyundai Steel coming onstream. Capacity utilisation levels are forecast in 2010 and 2011 to reach 85 percent and 90 percent, translating into crude steel production of 60 million tons and 65 million tons respectively. Hyundai Steel officially began commercial production from its new 4mtpa blast furnace at its Dangjin Works on Apr 8. With a view that there is improving demand from both local and overseas shipbuilders, Hyundai Steel aims at producing plates at full capacity by mid-year. At the same time, Posco also plans to raise its crude steel production by 16 percent to 36.1 million tons in 2010.

According to the Korea Iron and Steel Association (KOSA), total steel inventory in March 2010 dropped by 4 percent m-o-m, the first decline since Sep 2009. Industry source SBB reported that the two key factors behind this fall in inventory levels were speculative purchases on expectations

of rising prices and stronger demand from the automobile and white goods sectors. In Posco's 1Q 10 results, the company forecast 2010 growth in domestic auto production of 7.5 percent on the back of a recovery in exports and a 12.9 percent increase in domestic home appliance production due to strong domestic and regional demand.

Apparent crude consumption will see significant growth of 20 percent to 59 million tons in 2010.

India

India produced 57 million tons (+3 percent y-o-y) of crude steel in 2009 and was one of the very few nations to register positive growth. Crude steel capacity is expected, therefore, to rise 9 percent per year to 71mtpa in 2010 and another 9 percent to 77mtpa in 2011, with Essar Steel (5million tons), Bhushan Steel (3 million tons), JSW Steel (3.2 million tons), Tata Steel (3 million tons) and SAIL (2 x 2 million tons over 2 years) adding significant capacity in the next two to three years. In February, India's steel ministry announced a capacity target of 124mtpa of crude steel by 2012. Barely a month later, the ministry announced that it has revised the target down to 115mtpa. Even the 115mtpa target is believed to be too optimistic and unlikely to be achieved on account of delays in expansion caused mainly by regulatory bottlenecks. Recent greenfield plans by Arcelor Mittal and Posco in Karnataka, albeit large, are still in the conceptual stage and hence will not contribute to capacity for at least 3-4 years, while their Orissa projects continue to face regulatory hurdles. Capacity utilisation is expected to improve to 92 percent in 2010 and 2011, translating into production volumes of 65 million tons and 71 million tons compared to 57 million tons in 2009.

India's apparent steel consumption growth has historically displayed a strong correlation with GDP growth. Based on this correlation, finished steel consumption will grow by 11 percent each in 2010 and 2011 to 64 million tons and 71 million tons. This is in tune with



growth expectations for key steel-consuming sectors like autos, consumer durables and capital goods, and also due to continued government spending on infrastructure related projects. A key trend is the move by major players into auto-grade steel, which India mainly imports. Currently, Bhushan Steel and Tata Steel are the only large auto-grade CR steel producers and the recent JVs such as JSW-JFE and Bhushan-Sumitomo indicate that both Indian and foreign producers are vying for a share of the pie. Since demand will outpace domestic supply in the next two years, net finished steel imports is expected to remain at 5 million tons in 2010 and 7 million tons in 2011.

March saw strong upward price revisions on account of raw material pressures – especially for the non-integrated players from bottlenecks in iron ore supply due to the crackdown on illegal mining operations in Orissa and strong scrap import prices. Another factor was seasonal restocking, especially in long products as end users pepped up their order books to end the fiscal year. Flat product demand continues to be strong as is evident from robust growth in end-user segments such as automobiles, consumer durables and capital goods. According to SBB, domestic mills now prefer to sell CRC and HDG in the domestic market over exports due to strong demand and a

better price scenario. However, secondary steel producers in India have recently announced a decrease in rebar prices by Rs 1,500 – 2,000/t from early April levels citing that long steel demand remains sluggish.

Taiwan

Crude steel capacity is expected to show strong growth in 2010-12 to reach 29 million tons, mainly due to the twin addition of 2.5mtpa of capacity by CSC subsidiary, Dragon Steel. The company has already commissioned the first phase of 2.5mtpa capacity in Feb 10 and aims to put the second phase into operation by Oct 12. Capacity utilisation levels are expected to improve to 88 percent in 2010-11, translating into crude steel production of 22 million tons and 23 million tons respectively. Apparent crude steel consumption in Taiwan fell sharply by 41 percent to 12 million tons in 2009 due to domestic demand weakness coupled with reduced export demand for Taiwanese steel products. However, a strong recovery in recent months can not be ruled out with annualised Feb 10 consumption running at 21 million tons (from 19 million tons levels in Dec 09). Crude steel consumption is expected to grow by 80 percent (on account of the low base effect) and 10 percent to 21 million tons and 23 million tons in 2010 and 2011, respectively. A balanced market in 2010-11 is expected and forecast zero net exports in 2010-11 from the

current 4 million tons levels.

Taiwan steelmakers, like regional peers, are facing increasing operating costs from higher raw material prices. Along with iron ore and coking coal price increases, scrap prices have also risen 28 percent since Feb 2010, leading to Taiwan steel markets passing on these costs to downstream customers. China Steel has announced a domestic price hike of 12 percent for June 2010. This is the third consecutive monthly price rise by China Steel after it hiked its March and April prices by 5 and 3 percent respectively. Taiwan domestic rebar and HRC prices have moved in tandem in 2010 and have increased 23 and 22 percent respectively, since early Jan'10.

Others

Other Asian countries such as Vietnam, Thailand, Malaysia and Indonesia have emerged as large importers of finished steel products. It is estimated that 'Other Asia' imported 32 million tons of finished steel in 2009. The region is expected to continue to be a net importer of 39-46mtpa through 2012. Any upside surprise in demand from these countries will be positive for regional prices as the Asian market is already tight and any additional demand recovery will further tighten the market.

In south-east Asia, Singapore and Malaysia are enjoying the most vigorous of V-shaped recoveries and look set to provide further upside growth surprises. As such, HSBC's economics team has revised its 2010 Singapore GDP growth forecast to 9.5

Other Asia net Steel Imports (million tons)

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|-------------|------|------|------|------|-------|-------|------|-------|
| Vietnam | -3.7 | -4.8 | -4.6 | -5.1 | -4.7 | -4.2 | -8.8 | -6.3 |
| Thailand | -6.3 | -8.6 | -8.3 | -9.6 | -11.9 | -10.4 | -8.6 | -11.1 |
| Malaysia | -4.1 | -3.2 | -2.7 | -2.3 | -2.3 | -1.6 | -1.6 | -3.1 |
| Indonesia | -2.8 | -3.0 | -3.0 | -2.7 | -5.4 | -3.9 | -5.0 | -8.1 |
| Hong Kong | -5.1 | -5.0 | -4.9 | -5.2 | -4.2 | -3.9 | -3.9 | -2.4 |
| Philippines | -3.0 | -3.6 | -4.0 | -3.0 | -3.8 | -3.5 | -4.2 | -3.7 |
| Singapore | -3.1 | -3.3 | -2.5 | -3.4 | -2.4 | -2.4 | -3.2 | -3.5 |
| Pakistan | -0.8 | -1.0 | -1.3 | -1.4 | -2.2 | -2.0 | -2.0 | -1.3 |
| Bangladesh | -0.9 | -1.0 | -1.0 | -0.9 | -1.1 | -0.9 | -0.9 | -0.8 |
| Myanmar | -0.3 | -0.4 | -0.4 | -0.5 | -0.5 | -0.6 | -0.6 | -0.5 |
| Sri Lanka | -0.2 | -0.3 | -0.4 | -0.4 | -0.5 | -0.5 | -0.5 | -0.4 |
| North Korea | -0.1 | -0.1 | -0.1 | -0.1 | -0.1 | -0.1 | 0.0 | 0.0 |

percent and Malaysia's to 7.3 percent, which is firmly at the top end of the consensus range. From here, they expect more upside risk than down and put a 30 percent chance of both countries seeing double-digit year-average growth. Further, year-on-year industrial production growth in Singapore came in at 43 percent in April - 13 percentage points above consensus and the strongest number since the series began in the early 1980s.

What happens in Singapore is usually a good guide as to what will happen in Malaysia and other Asian countries. Thailand is back. Growth has soared in the fourth quarter of 2009, with the rebound relatively broad-based. As elsewhere, exports have started to recover, providing a boost to local industry. More remarkably, especially considering lingering political uncertainties, consumers have started to flood back into the shops as well, with car sales, for example, jumping at an impressive rate.

Thailand will likely build on this

momentum. As the year unfolds, government spending is expected to continue to provide support. Although the political scenario continues to weigh on the economy, the impact on growth is expected to be more muted this year. At last, local consumer and business sentiment has started to recover, and the impact of political uncertainties, even on tourist arrivals, appears to be wearing off. Indonesia's resilient economy ended 2009 on a high note, with Q4 2009 GDP surprising on the upside with its 5.4 percent y-o-y growth rate. Overall, 2009 will be remembered as the year in which the Indonesian economy outperformed expectations and did not falter despite the challenging global environment.

This commendable record has put Indonesia squarely on the map for global investors and could provide the momentum for the country to aim for the higher level of growth that Indonesia's great potential deserves.

Crude steel production (million tonnes)

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010* | 2011* | 2012* |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| China | 151.6 | 182.4 | 222.3 | 282.9 | 353.2 | 419.1 | 489.3 | 500.3 | 567.8 | 625.0 | 660.0 | 679.8 |
| India | 27.3 | 28.8 | 31.8 | 32.6 | 45.8 | 49.5 | 53.5 | 57.8 | 56.6 | 65.2 | 71.1 | 77.4 |
| Japan | 102.9 | 107.7 | 110.5 | 112.7 | 112.5 | 116.2 | 120.2 | 118.7 | 87.5 | 109.6 | 119.8 | 120.9 |
| South Korea | 43.9 | 45.4 | 46.3 | 47.5 | 47.8 | 48.5 | 51.5 | 53.6 | 48.8 | 59.5 | 64.8 | 64.8 |
| Taiwan | 17.3 | 18.2 | 18.8 | 19.6 | 18.9 | 20.0 | 20.9 | 19.9 | 15.7 | 21.6 | 22.9 | 25.5 |
| Other Asia | 11.6 | 12.5 | 12.5 | 17.1 | 17.3 | 19.0 | 21.5 | 20.7 | 15.7 | 18.0 | 18.9 | 19.8 |

Finished steel consumption (million tonnes)

| | | | | | | | | | | | | |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| China | 158.0 | 191.3 | 240.5 | 275.8 | 347.5 | 377.7 | 422.5 | 434.7 | 542.4 | 585.6 | 619.2 | 637.8 |
| India | 28.5 | 30.7 | 33.1 | 35.3 | 39.9 | 45.6 | 51.5 | 51.4 | 55.3 | 64.0 | 71.0 | 79.2 |
| Japan | 73.2 | 71.7 | 73.4 | 76.8 | 76.7 | 77.3 | 79.6 | 76.4 | 53.2 | 63.9 | 73.5 | 77.2 |
| South Korea | 38.1 | 43.7 | 45.4 | 47.2 | 47.1 | 50.2 | 55.2 | 58.6 | 45.4 | 56.7 | 61.7 | 61.7 |
| Taiwan | 17.4 | 20.4 | 19.9 | 22.1 | 19.9 | 19.8 | 18.1 | 16.7 | 11.3 | 17.7 | 19.5 | 20.4 |
| Other Asia | 37.3 | 41.6 | 41.7 | 45.9 | 47.9 | 44.9 | 52.6 | 51.7 | 46.0 | 55.2 | 60.7 | 63.8 |