INTERNATIONAL TRADE ADMINISTRATION

Global Steel Trade Monitor

Steel Imports Report: **Spain**

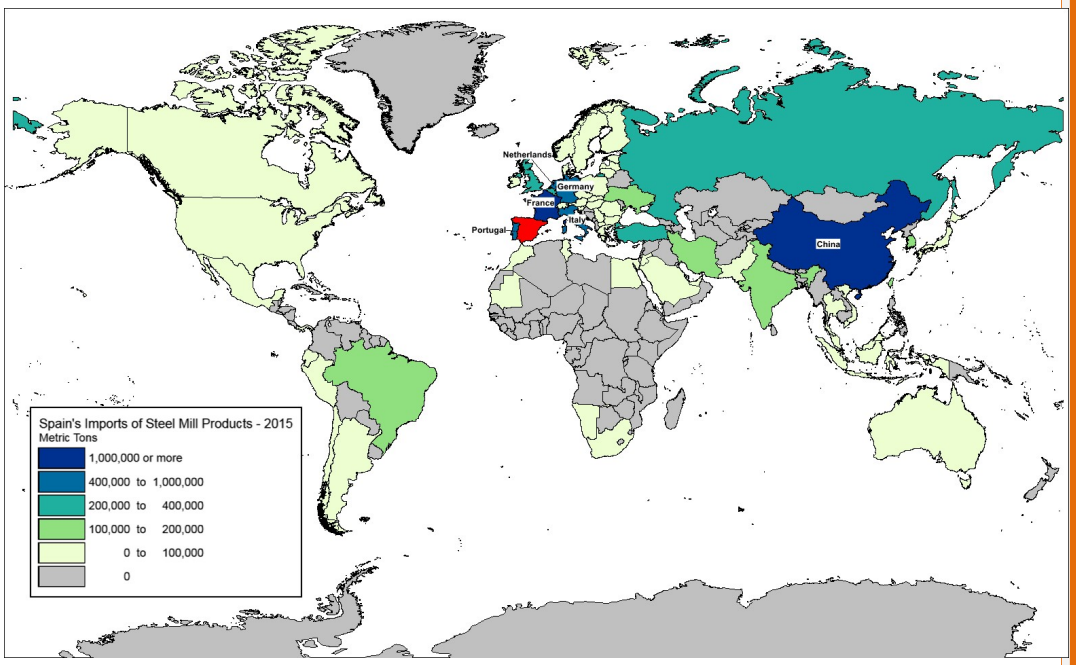
November 2016

Background

Spain was the world's fourteenth-largest steel importer in 2015. In year to date 2016 (through June), Spain imported 4.64 million metric tons of steel, a 1 percent increase from 4.61 million metric tons in YTD 2015. Spain's imports represented about 2 percent of all steel imported globally in 2015. The volume of Spain's 2015 steel imports was less than a third of the world's largest importer, the United States. In value terms, steel represented just 2 percent of the total goods imported into Spain in 2015.

Spain imports steel from over 100 countries and territories. The six countries labeled in the map below represent the top import sources for Spain's imports of steel, with each sending more than 200 thousand metric tons to Spain and together accounting for 72 percent of Spain's steel imports in 2015.

Spain's Imports of Steel Mill Products - 2015



Data Source: Global Trade Atlas; Copyright © IHS Global Inc. 2016. All rights reserved.

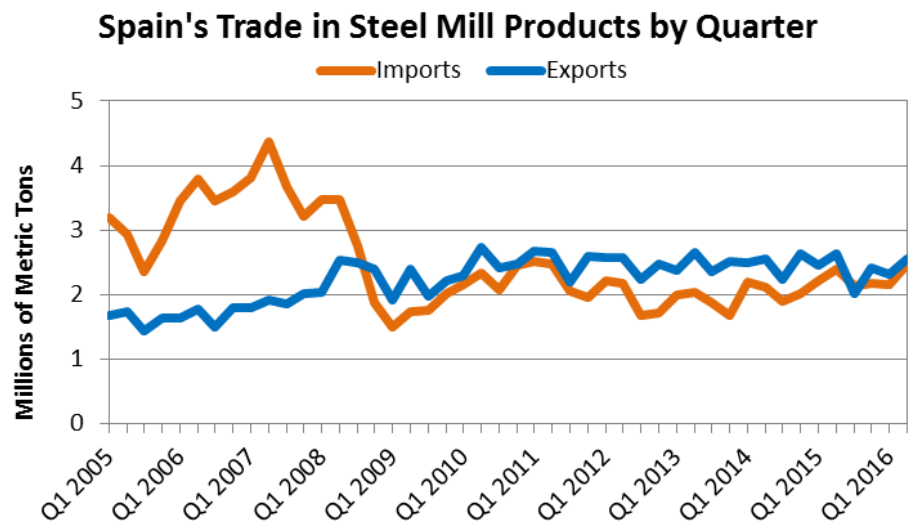
Quick Facts:

- World's fourteenth-largest steel importer: 4.6 million metric tons (YTD 2016)
- 66% growth in steel imports since Q1 2009
- YTD import volume up 1% while import value down 13%
- Import penetration at 65.3% in YTD 2016
- Top three import sources: France, China, Italy
- Largest producers: Acerinox SA, ArcelorMittal, Celsa Group
- 20 European Union trade remedies in effect against imports of steel mill products

Steel Imports Report: **Spain**

Steel Trade Balance

Prior to 2008, 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 Q1 2009 and Q2 2016, imports grew 66 percent while exports grew 33 percent.



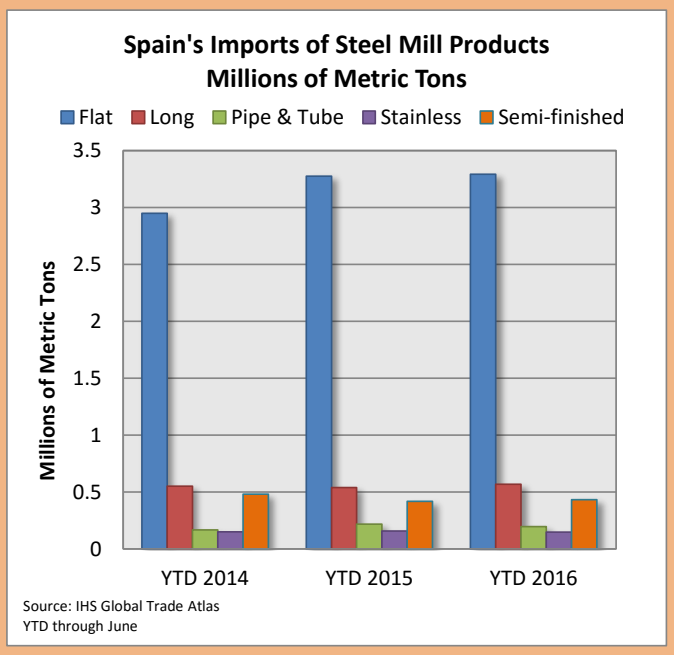
Source: IHS Global Trade Atlas

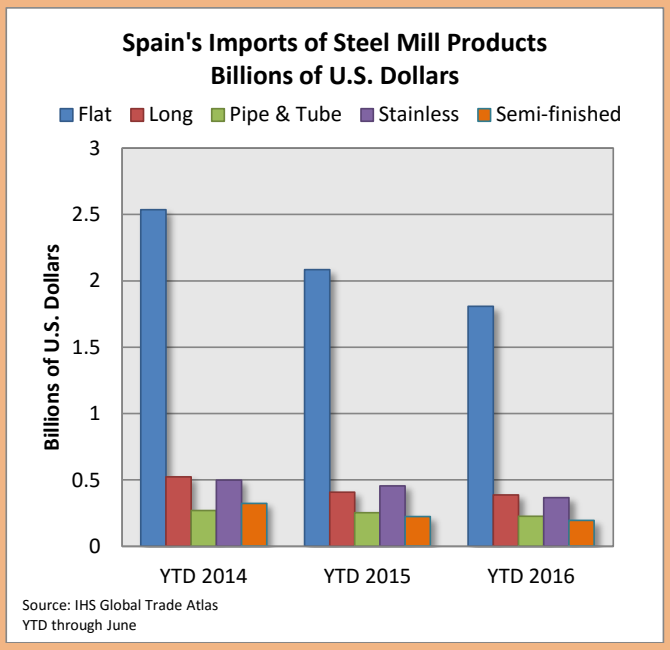
In recent quarters, Spain's steel trade surplus has narrowed, and a slight trade deficit occurred in Q3 2015. In YTD 2016, the trade surplus totaled 230 thousand metric tons, down 52 percent from 479 thousand metric tons in YTD 2015.

Import Volume, Value, and Product

In 2015, the volume of Spain's steel imports increased by 8 percent to 8.9 million metric tons from 8.2 million metric tons in 2014. In YTD 2016, imports totaled 4.64 million metric tons — a 1 percent increase from 4.61 million metric tons in YTD 2015. By contrast, the value of Spain's YTD 2016 steel imports have decreased by 13 percent to $3 billion from $3.4 billion in YTD 2015.

Flat products accounted for 71 percent of Spain's steel imports by volume in YTD 2016, a total of 3.3 million metric tons. Long products accounted for 12 percent of Spain's imports (568 thousand metric tons), followed by semi-finished products at 9 percent (434 thousand metric tons), pipe & tube at 4 percent (197 thousand metric tons), and stainless products at 3 percent (150 thousand metric tons).

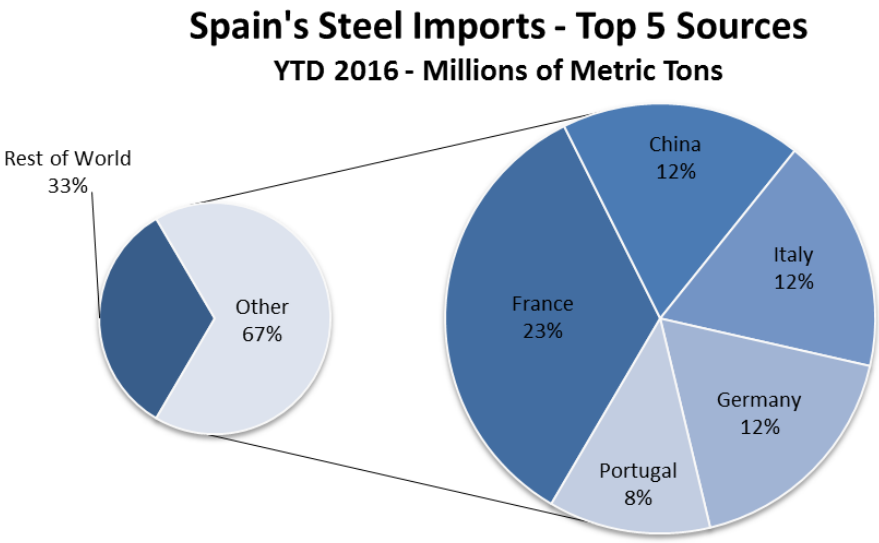




Steel Imports Report: **Spain**

Imports by Top Source

The top 5 source countries for Spain's steel imports represented 67 percent of the total steel import volume in YTD 2016 at 4.6 million metrics tons (mmt). France accounted for the largest share of Spain's imports by source country at 23 percent (1.1 mmt), followed by China at 12 percent (0.6 mmt), Italy at 12 percent (0.6 mmt), Germany at 12 percent (0.6 mmt), and Portugal at 8 percent (0.4mmt).



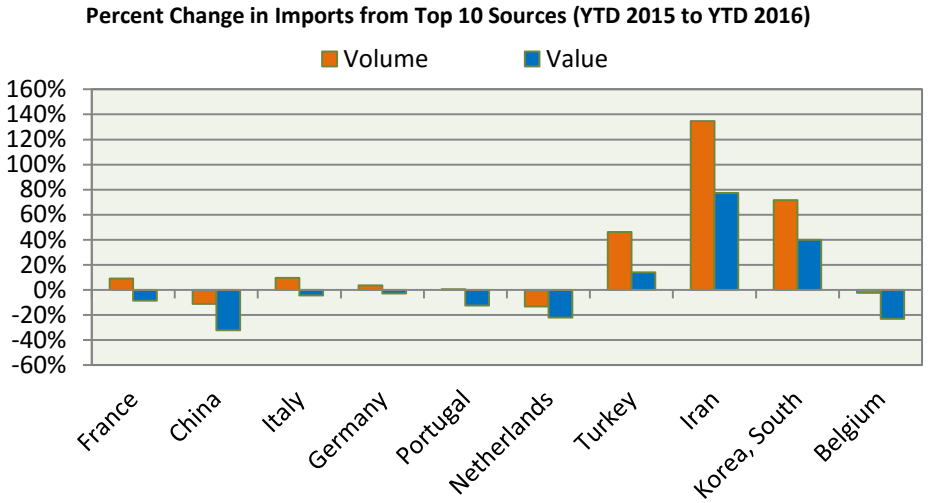
Source: IHS Global Trade Atlas
YTD through June

The United States ranked 24th as source for Spain's imports of steel in YTD 2016 at 6.8 thousand metric tons.

Trends in Imports from Top Sources

While the volume of Spain's steel imports increased from seven of its top 10 steel import sources between YTD 2015 and YTD 2016, the overall value of Spain's imports decreased from the majority of the top ten, reflecting the decline in global steel prices.

Considerable decreases in Spain's steel import value between YTD 2015 and YTD 2016 included Spain's imports from China (down 32.3%), Belgium (down 23.2%), and the Netherlands (down 22.1%). A large increase in import value occurred from Iran (up 77.4%). Spain's imports from Iran also showed the largest increase in volume, up 134.6 percent from YTD 2015.



Source: IHS Global Trade Atlas
YTD through June

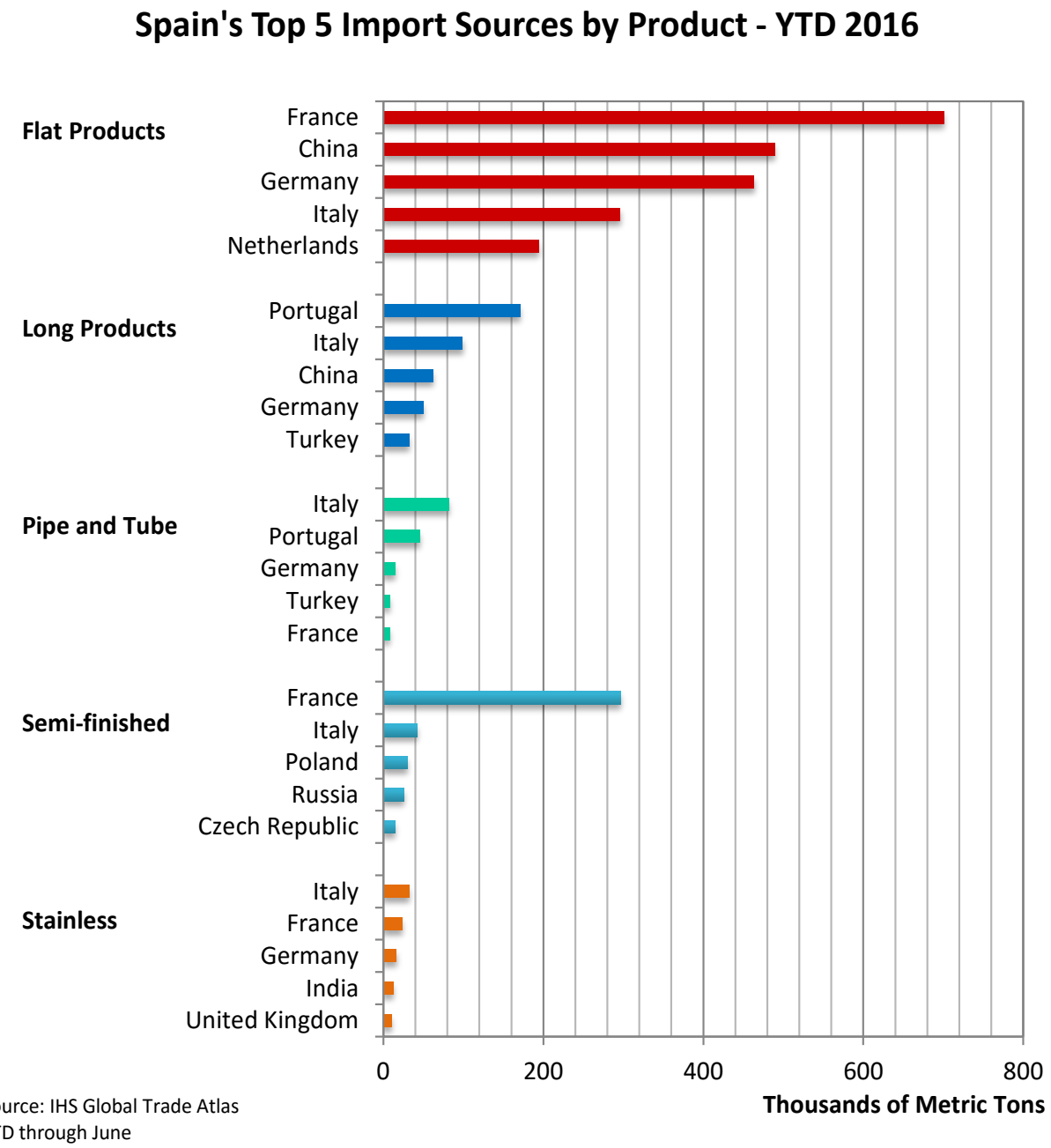
Sizeable increases in Spain's steel import volume also occurred from South Korea (up 71.6%) and Turkey (up 46.1%).

Outside of the top 10 sources, other significant volume changes included Spain's imports from Taiwan (up 124%), Brazil (down 50%), and Russia (down 43%).

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 YTD 2016 at 21 percent (700.8 thousand metric tons) and 68 percent (297.1 thousand metric tons), respectively. In YTD 2016, Italy represented the largest share of Spain's imports of pipe and tube and stainless products at 41 percent (81.7 thousand metric tons) and 22 percent (32.6 thousand metric tons), respectively. Spain received the largest share of its long product imports from Portugal at 30 percent (171.1 thousand metric tons).

The United States was not a top import source in any product category in YTD 2016.



Source: IHS Global Trade Atlas
YTD through June

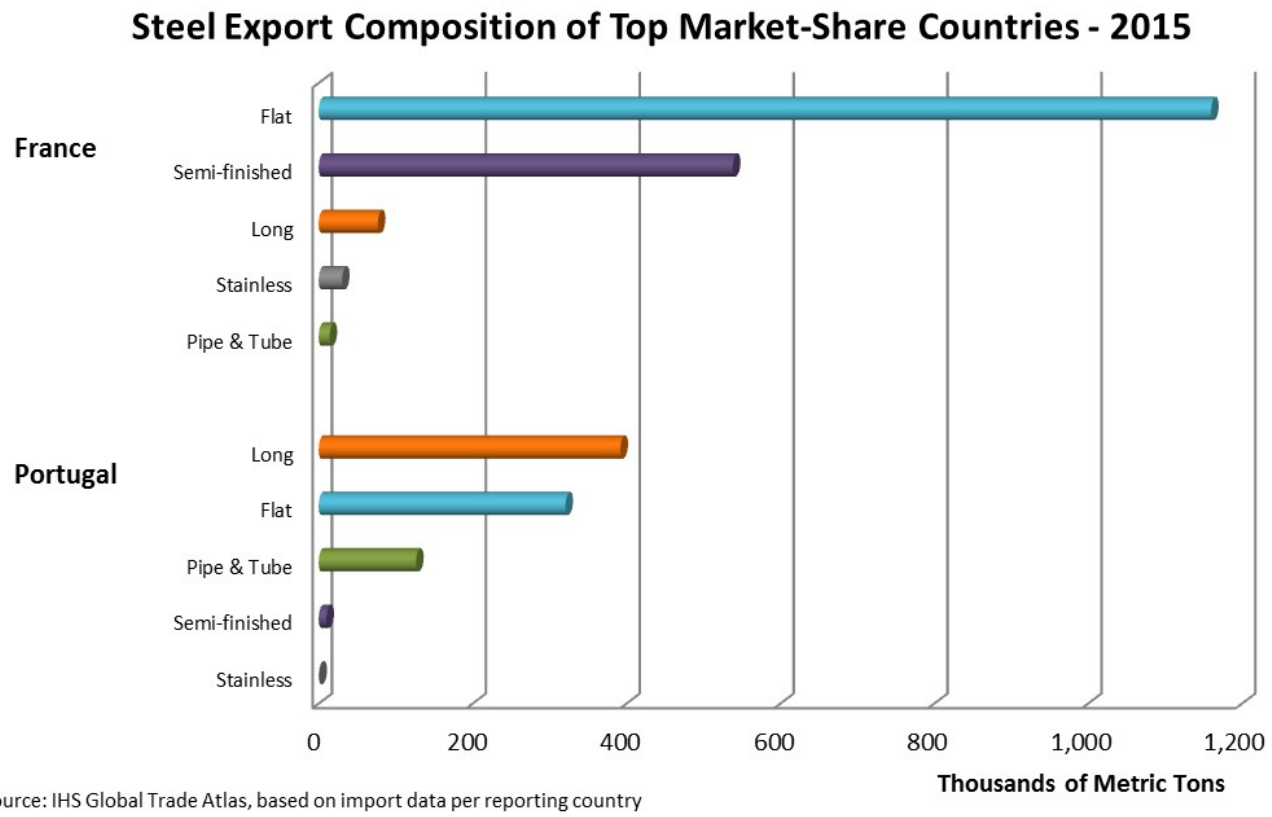
Spain's Export Market Share from Top Source Countries

In 2015, the share of steel exports sent to Spain from its top import sources increased in the majority of sources. In 2015, the share of the Portugal's steel exports to Spain showed the largest increase (up 4 percentage points). Only Germany's share of steel exports to Spain decreased slightly by 0.1 percentage points. Belgium's steel export share to Spain in 2015 remained unchanged from 2014.

Spain's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to Spain - 2014	France's Rank in 2014	Share of Exports to Spain- 2015	Spain's Rank in 2015
France	12.8%	3	13.2%	3
China	1.1%	27	1.2%	22
Italy	6.5%	4	6.8%	4
Germany	3.8%	11	3.7%	11
Portugal	33.1%	1	37.1%	1
Netherlands	4.7%	6	5.2%	7
United Kingdom	4.1%	8	4.2%	9
Russia	0.2%	42	0.6%	31
Belgium	1.8%	9	1.8%	8
Turkey	0.9%	25	1.5%	15

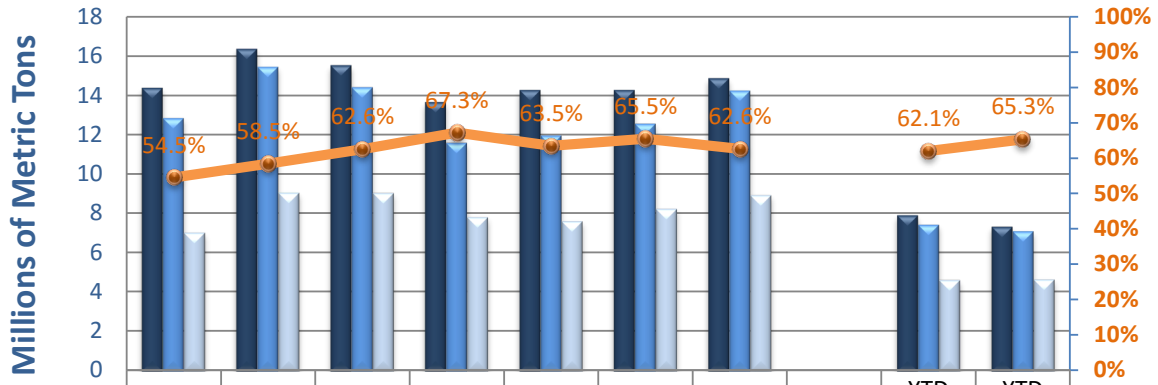
Source: IHS Global Trade Atlas, based on import data per reporting country

In 2015, Spain was the largest destination for Portugal's steel exports at 37 percent and the third largest destination for France's steel exports at 13.2 percent. Flat products accounted for the largest share of France's steel exports to Spain at 64 percent (1.2 million metric tons), while long products held the largest share of Portugal's exports to Spain in 2015 at 46 percent (392 thousand metric tons).



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

Overall Production and Import Penetration



	2009	2010	2011	2012	2013	2014	2015		YTD 2015	YTD 2016
Production	14.4	16.3	15.5	13.6	14.3	14.2	14.8		7.9	7.3
Apparent Consumption	12.9	15.4	14.4	11.6	12.0	12.6	14.2		7.4	7.1
Imports	7.0	9.0	9.0	7.8	7.6	8.2	8.9		4.6	4.6
Import Penetration	54.5%	58.5%	62.6%	67.3%	63.5%	65.5%	62.6%		62.1%	65.3%

Source: World Steel Association; IHS Global Trade Atlas
YTD through June

Spain's crude steel production increased 4 percent between 2014 and 2015. Production in YTD 2016 has decreased by 7 percent from YTD 2015 to 7.3 million metric tons. Apparent consumption (a measure of steel demand) has been outpaced by production since 2009, though the gap between the two narrowed significantly in 2015 and has narrowed further in YTD 2016. Import penetration averaged 62 percent between 2009 and 2015 and increased to 65.3 percent in YTD 2016 from 62.1 percent in YTD 2015.

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 2015.

Spain's Top Steel Producers in 2015

Rank	Company	Production (mmt)	Main Products
1	Acerinox SA	3.5	Stainless flat products, stainless long products
2	ArcelorMittal	7.2	Cold-rolled coil, hot-rolled coil, rails, wire rod
3	Celsa Group	5.4 (capacity estimate)	Bars, reinforcing bars, wire rod, structural sections
4	Gerdau Sidenor	N/A	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

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 tables below provide 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	1			1
China	7	1		8
India	1	2		3
Japan	1			1
Russia	3			3
South Korea	1			1
Taiwan	1			1
Ukraine	1			1
United States	1			1
TOTAL	**17**	**3**	**0**	**20**

Source: World Trade Organization, through June 30, 2016

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/.

INTERNATIONAL TRADE ADMINISTRATION

Steel Import Monitoring and Analysis
1401 Constitution Ave., NW, Room 21006
Washington, D.C. 20230

T 202.482.2105
F 202.501.1377
Email ECGlobalSteelStats@trade.gov

trade.gov/steel