

## China increased 35% its exportations of steel to Latin America during January 2017

- In the first month of the year, China exported to the world 7.2 million tons (Mt) of steel. Of that amount, 822 thousands (thous) tons were ship to Latin America.
- Chinese steel received by Latin America rise 35% compared with January 2016.
- The region´s share of Chinese steel exports reached 11.4% (vs. 6.4% in January 2016).

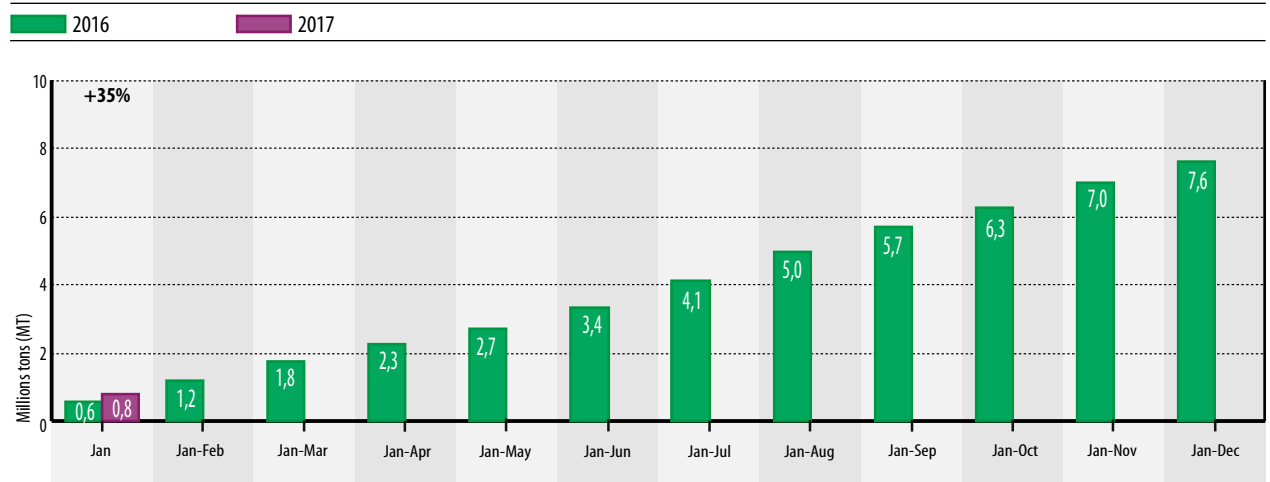
Alacero - Santiago, Chile, March 06, 2017. In January 2017, the total exports of steel from China to the world -including finished (long steel, flat steel and seamless pipes) and steel-derivatives products (wire products and welded tubes)- decreased 24% versus January 2016, reaching 7.2 million tons (Mt). Of this volume, 6.6 Mt were finished steel and 551 thousands (thous) tons were steel-derivatives products.

For its part, Latin America accounted for 11.4% of total global exports, increasing its participation in 5.0 percentage points versus January 2016 (6.4%) and standing at third place as China's preferred destination. The region is preceded by South Korea (1.1 Mt, 16.1% of the global total) and Vietnam (922 thous tons, 12.8% of the total).

In January 2017, China shipped 822 thous tons of steel to Latin America, which 749 thous tons were finished steel and 73 thous tons were steel-derivatives products. This volume is 35% higher than the 609 thous (546 thous tons of finished products and 63 thous tons of steel-derivatives products) recorded in January 2016 and 29% more than December 2016, reached 636 thous tons of steel (555 thous tons of finished and 81 thous tons of steel-derivatives products)

GRAPH 01

### FINISHED AND STEEL-DERIVATIVES PRODUCTS EXPORTS FROM CHINA TO LATIN AMERICA. MONTHLY ACCUMULATED VOLUME AND ANNUAL VARIATION (%)



Source: Alacero - GTIS - WTA (China customs)

It is noted that 73 thous tons of steel-derivatives, Latin America is the main global destination , representing 13% of the total. 1The region is followed by the South Korea (42 thous tons, 7.6% of the total) and India (35 thous tons, 6.4% of the total).

### Finished steel imports from China by destination

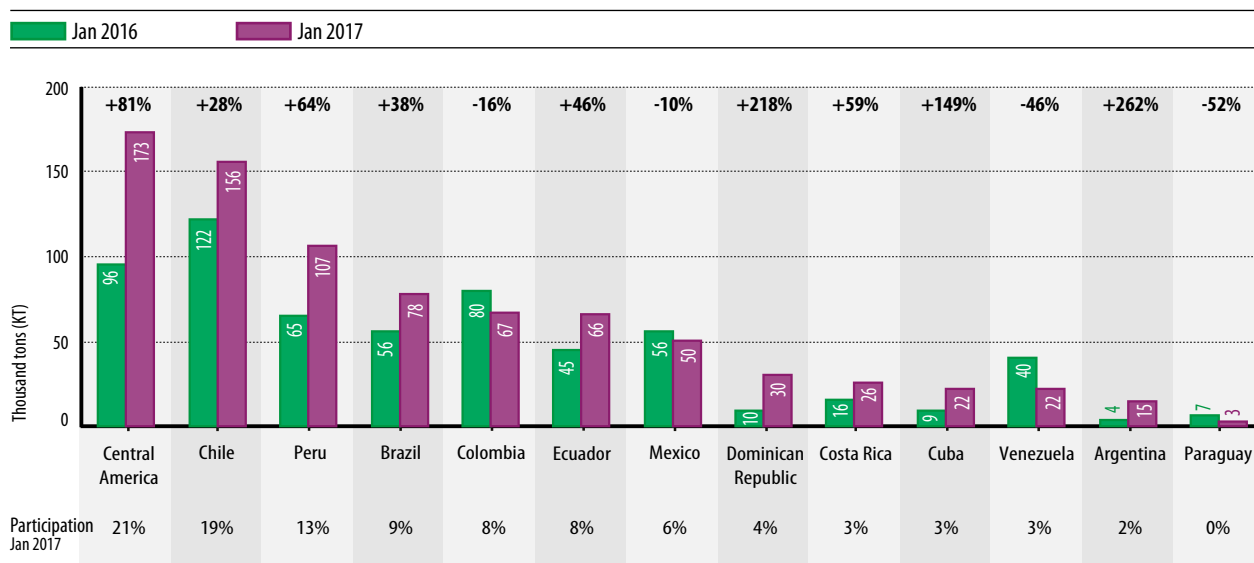
The main destinations for Chinese steel (finished + steel-derivatives) in Latin American during January 2017 were Central America which received 173 thous tons (21% of the region); Chile, 156 thous tons (19%); and Peru, 107 thous tons (13%).

In the first month of the year, the countries that increased their imports of Chinese steel (in percentage terms) versus January 2016 were Central America (+81%), Perú (64%), Ecuador (+46%), Brasil (+38%) y Chile (+28%).

On the other hand, the countries that have reduce their imports of Chinese steel products versus January 2016 were: Venezuela (-46%), Colombia (16%) and Mexico (-10%). . Currently they have shares of 3%, 8% y 6%, respectively.

GRAPH 02

#### FINISHED AND STEEL-DERIVATIVES PRODUCTS IMPORTS FROM CHINA BY DESTINATION (ANNUAL VARIATION %)



Source: Alacero - GTIS - WTA (China customs)

### Imports from China by products

Finished flat were the products more imported by Latin America from China during January 2017, reaching 518 thous tons (63% of total). The most relevant products in terms of volume were:

- > Other alloyed steel sheets and coils (162 thous tons, 31% share of flat steel imported from China)
- > Hot dip galvanized sheet (120 thous tons, 23%)
- > Cold rolled coil (73 thous tons, 14%)

Long steel: China exported to Latin America 211 thousand tons (26% of the total), mainly concentrated in:

- > Wire rod (92 thousand tons, 44% share of long steels)
- > Bars (89 thousand tons, 42% )

The region received 20 thousand tons of seamless pipes (2% of the total).

Meanwhile, steel-derivate products represent 9% of total imports of Chinese steel in the region, with a volume of 720 thousand tons, where:

- > Welded tubes (61 thousand tons)
- > Wire (12 thousand tons)

## Glossary

*Finished steel:* Refers to steel included in one of these 3 groups: Long products (e.g.: reinforcing bars, bars, wire rod, light sections, heavy sections, rails), flat steel (e.g.: sheets and coils, coated sheets, pre-painted, stainless steel, chrome-plate sheets, hot dip galvanized sheet etc.) and seamless tubes.

*Steel- derivatives products:* Refers to the products that come from finished steel (welded tubes being the most significant item).

*Central America:* Considers Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica and Panama.

*Ton:* A unit of weight or volume of sea cargo, equal to a metric ton (1,000 kg).

## About Alacero

Alacero –the Latin American Steel Association– is the organization that brings together the Steel Value Chain of Latin America to promote the values of regional integration, technological innovation, corporate responsibility, excellence in human resources, safe working environments, and social and environmental sustainability. Founded in 1959, Alacero is formed by 49 companies in 12 countries of Latin America, whose production of about 70 million annual tons. Alacero is a Special Consulting Organization to the United Nations and is recognized as International Non-Government Organization by the Republic of Chile, host country of Alacero’s headquarters.

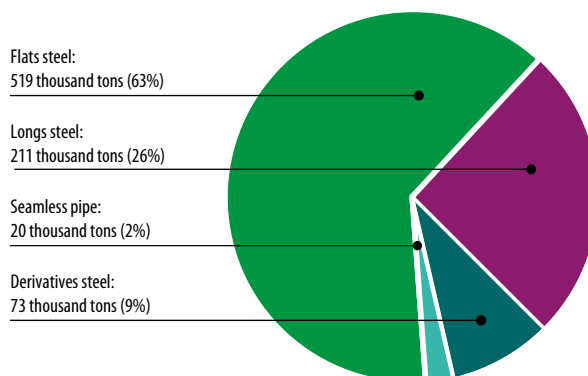
## Contact

comunicaciones@alacero.org  
(56-2) 2233-0545, ext. 23

GRAPH 03

### STEEL: EXPORTS FROM CHINA TO LATIN AMERICA BY PRODUCT

January 2017



Source: Alacero - GTIS - WTA (China customs)

