

## Chinese steel products exports to Latin America reached to 5.0 million tons during Jan/Aug 2017

- China exported to the world 52.6 million tons (Mt) of steel. Of that amount, 5.0 million tons (Mt) were shipped to Latin America.
- Chinese steel received by Latin America increased 1% compared with Jan/Aug 2016. The flow to the world contracted 30%.
- The region's share of Chinese steel exports reached 9.5% (vs. 6.6% in Jan/Aug 2016).

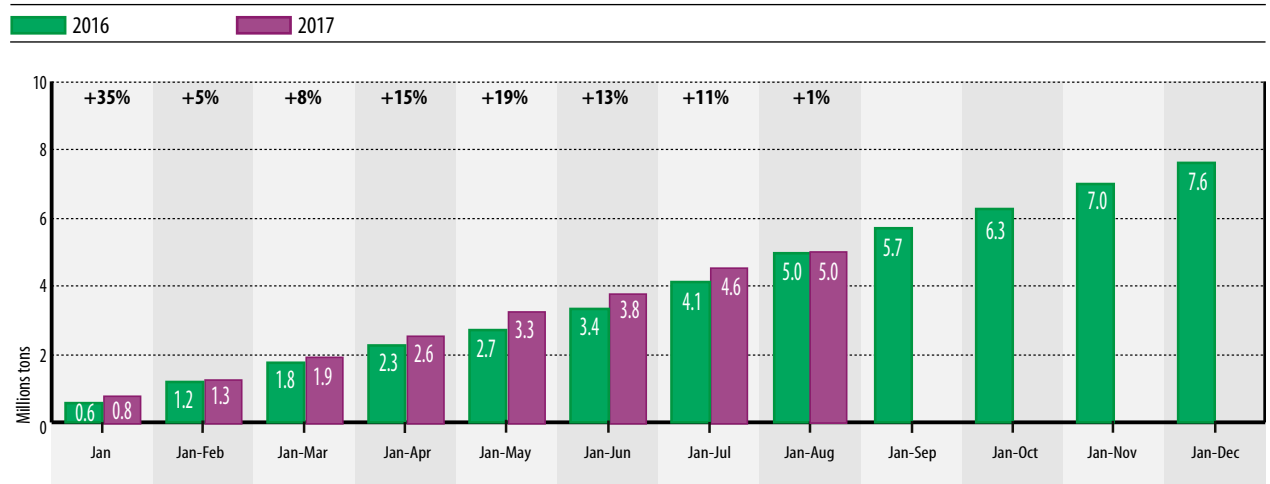
Alacero - Santiago, Chile, October 16, 2017. Between the first eight months of the year 2017, the total exports of steel from China to the world -including finished (long steel, flat steel and seamless pipes) and steel-derivatives products (wire products and welded tubes)- decreased 30% versus Jan/Aug 2016, reaching 52.6 million tons (Mt). Of this volume, 48.2 Mt were finished steel and 4.3 Mt were steel-derivatives products.

For its part, the region accounted for 9.5% of total global exports, increasing its participation in 3.6 percentage points versus Jan/Aug 2016 (6.6%) and standing at third place as China's preferred destination. The region is preceded by South Korea (8.2 Mt, 16% of the global total) and Vietnam (5.4 Mt, 11% of the total).

China shipped 5.0 Mt of steel to Latin America, which 4.4 Mt were finished steel and 562 thousand tons were steel-derivatives products. This volume is 1% higher than the 5.0 Mt (4.4 Mt of finished products and 546 thousand tons of steel-derivatives products) recorded in Jan/Aug 2016.

GRAPH 01

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



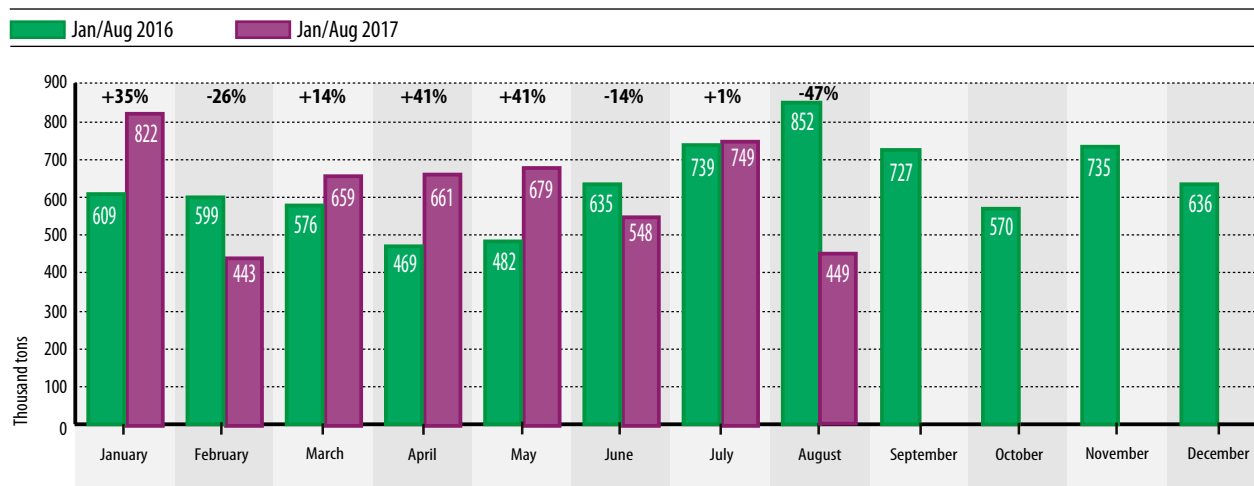
Source: Alacero - GTIS - WTA (China customs)

In the case of steel-derivatives products, the region received 562 thousand tons from China, being the main global destination for these steel, representing 13.0% of the total. The region is followed by the Philippines (281 thousand tons, 6.0% of the total) and India (267 thousand tons, 6.0% of the total).

In August 2017, Latin America received 449 thousand tons of steel from China. Of this volume, 380 thousand tons were finished steel and 68 thousand tons were steel-derivatives products. This total is 40% lower than registered in the previous month which entered 749 thousand tons (670 thousand tons of finished products and 79 thousand tons of derivatives products) and 47.0% lower versus 852 thousand tons from Aug 2016 (774 thousand tons of finished products and 78 thousand tons of derivatives products)

GRAPH 02

### FINISHED AND STEEL-DERIVATIVES PRODUCTS: CHINESE EXPORTS TO LATIN AMERICA. MONTHLY VOLUME



Source: Alacero - GTIS - WTA (China customs)

### Finished steel imports from China by destination

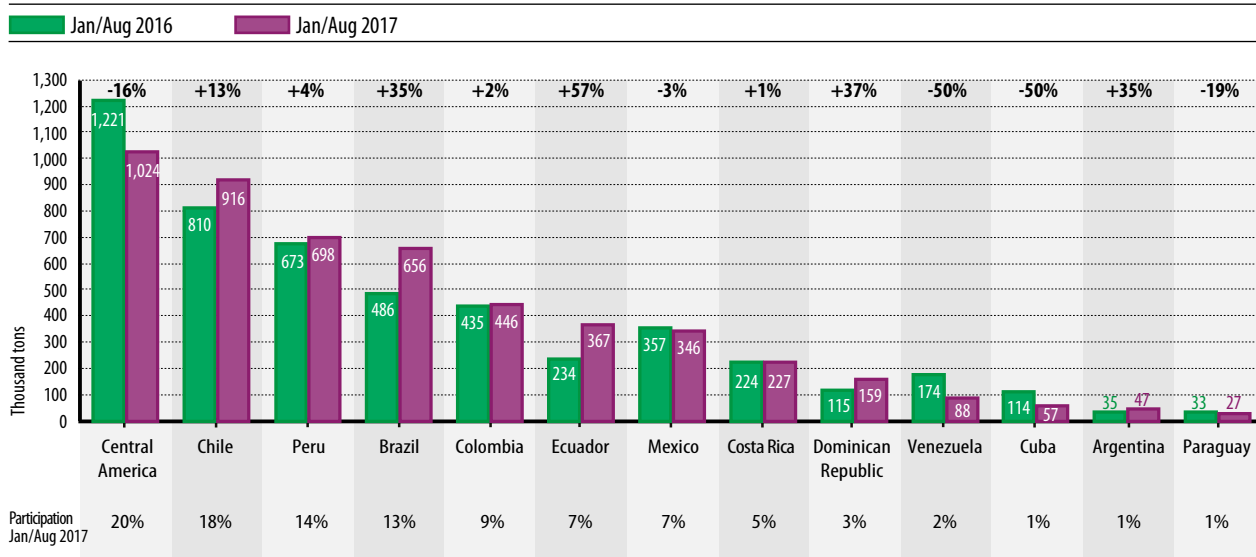
The main destinations for Chinese steel (finished + steel-derivatives) in Latin American during Jan/Aug 2017 were: Central America which received 1.0 Mt (20% of the region); Chile with 916 thousand tons (18%); and Peru, 698 thousand tons (14%).

In this eight months of the year, the countries that increased their imports of Chinese steel (in percentage terms) versus Jan/Aug 2016 were Ecuador (+57%), Dominican Republic (+37%), Brazil (+35%), Argentina (+35%) and Chile (+13%).

On the other hand, the countries that have reduce their imports of Chinese steel products versus Jan/Aug 2016 were: Cuba (-50%), Venezuela (-50%) and Paraguay (-19%).

GRAPH 03

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



Source: Alacero - GTIS - WTA (China customs)

Imports from China by products

Flat steel were the main products imported by Latin America from China during Jan/Aug 2017, reaching 3.4 Mt (67% of total). The most relevant products in terms of volume were:

- Other alloyed steel sheets and coils (983 thousand tons, 29% share of flat steel imported from China)
- Hot dip galvanized sheet (825 thousand tons, 24%)
- Cold rolled coil (586 thousand tons, 17%)

Long steel: China exported to Latin America 901 thousand tons (18% of the total), mainly concentrated in:

- Wire rod (473 thousand tons, 52% share of long steels)
- Bars (341 thousands tons, 38%)

The region received 172 thousand tons of seamless pipes (3% of the total).

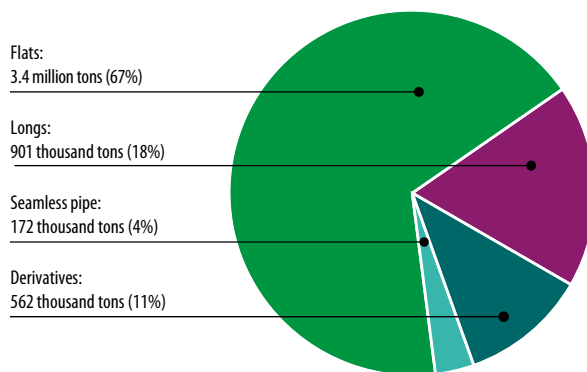
Meanwhile, steel-derivate products represent 11% of total imports of Chinese steel in the region, with a volume of 562 thousand tons, where:

- Welded tubes (463 thousands tons)
- Wire (99 thousands tons)

GRAPH 04

STEEL: EXPORTS FROM CHINA TO LATIN AMERICA BY PRODUCT

Jan/Aug 2017



Source: Alacero - GTIS - WTA (China customs)

## 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