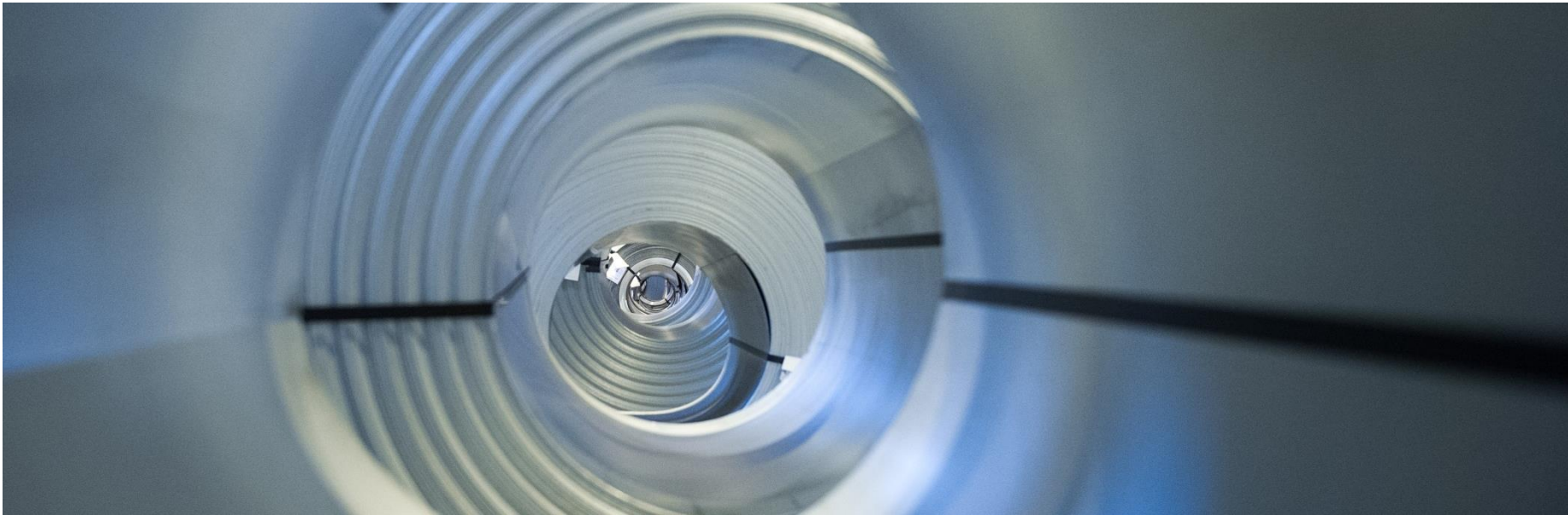


Long term steel demand trends

Berlin - GFSEC 21 February 2017



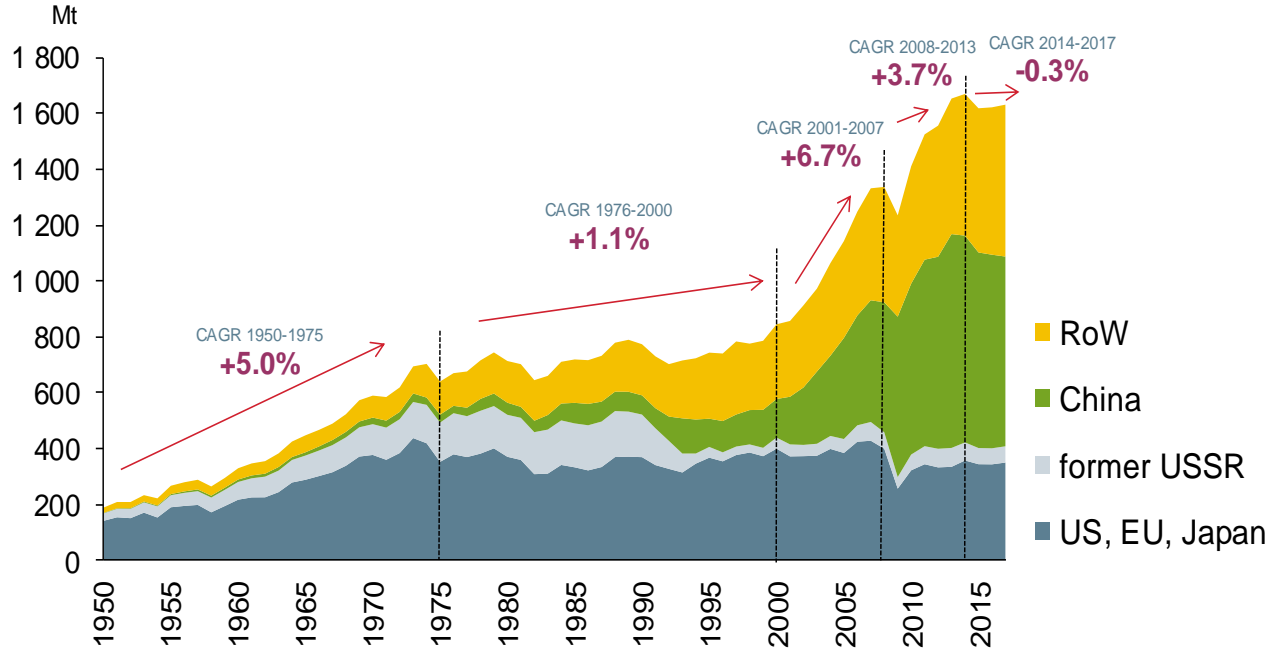
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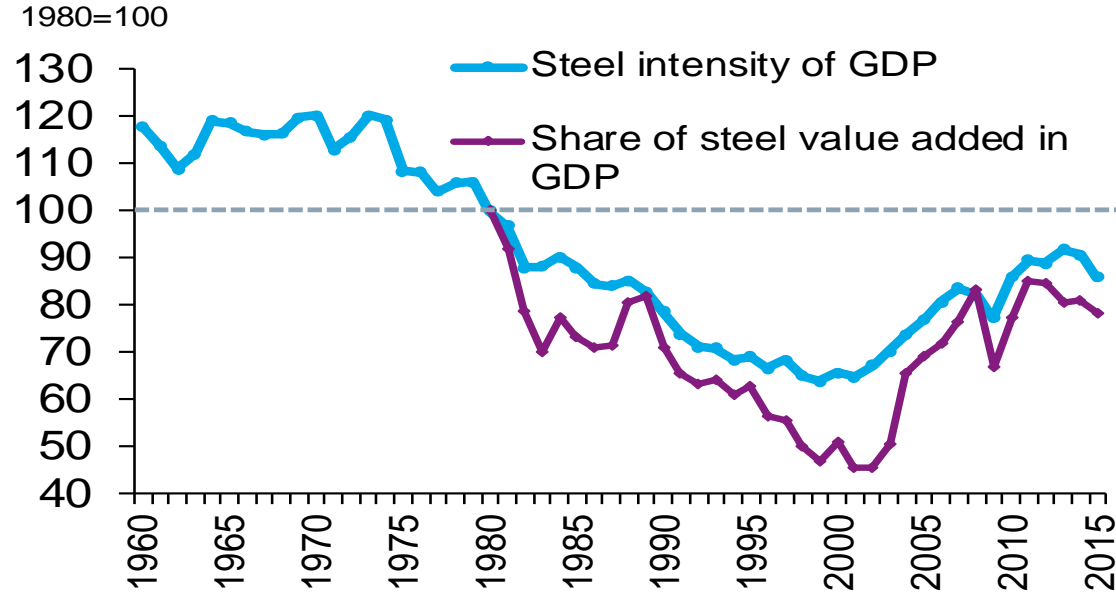
Steel Industry passed an important demand inflection

Evolution of steel demand, 1950-2017



Source: worldsteel, steel demand crude steel equivalent

Steel intensity show the impact of product improvement

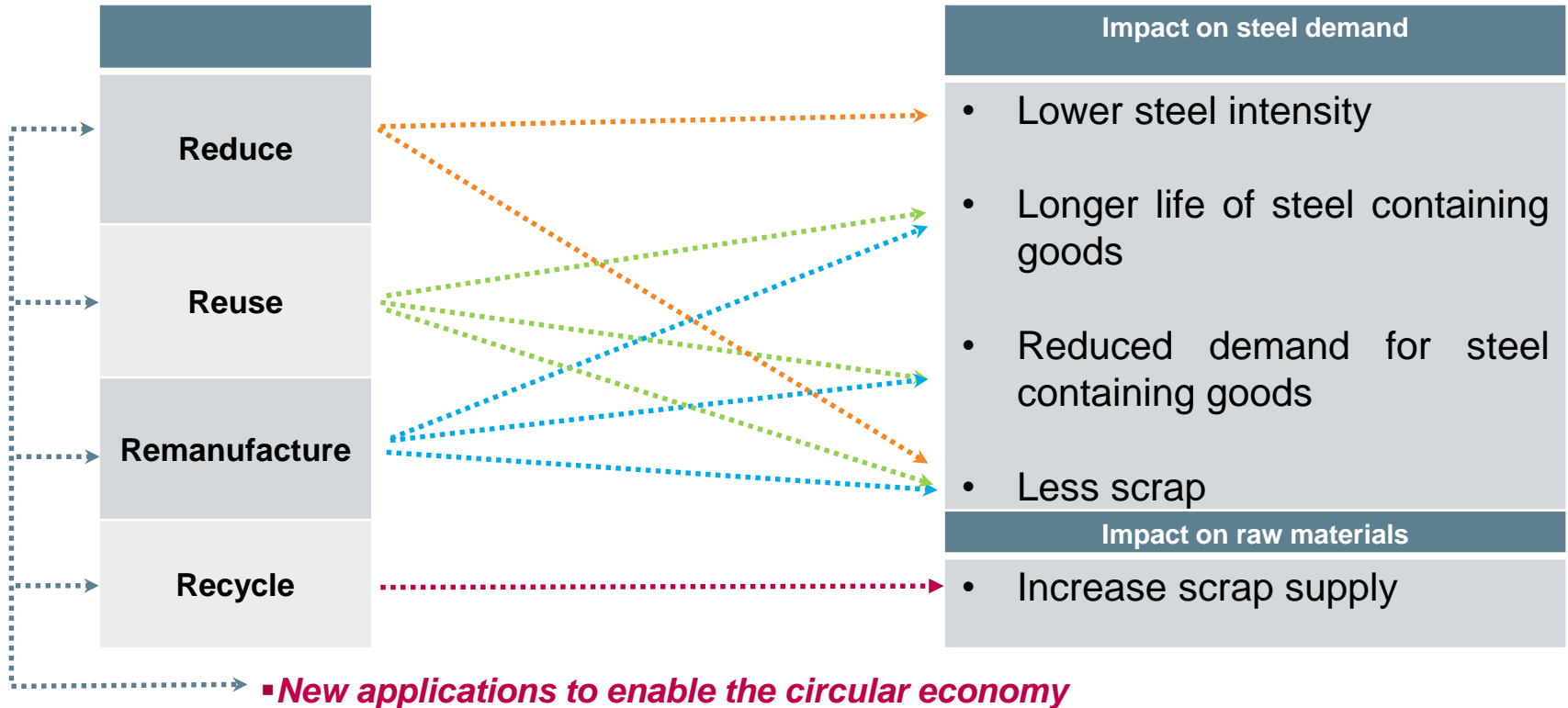


Source: worldsteel,

A variety of trends will continue to influence steel demand

- Continued urbanisation, but with aging populations and new environmental requirements
- Growing income inequality will dampen long term economic growth
- Premature de-industrialization may reduce importance of industry as source of economic growth and employment creation
- Digitalisation will influence the industry value chain, leading to more efficient production and use of steel
- Resource efficiency and circular economy principles growing in importance

Circular economy concept will have impact on steel demand via multiple channels



Global steel demand growth estimation

	2015	2020	2025	2035
Estimated global steel demand (Finished eq)	1499	1592	1688	1849
Estimated global steel demand (Crude steel eq)	1621	1730	1835	2010

- Steel remains an important material to support future sustainable societies
- Future steel demand growth expected to be slower
- Technology trends will require and focus on product improvement and design for resource efficiency

▪ Source: worldsteel internal estimates

Short term growth will continue

Global Overview

Steel demand, finished steel (SRO October 2016)

2015

1 498.7 million tonnes, -3.0% growth

2016 (forecasts)

1 501.3 million tonnes, 0.2% growth

2017 (forecasts)

1 509.6 million tonnes, 0.5% growth

Source: worldsteel

Thank you for your attention.

Edwin Basson| Director General
World Steel Association

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