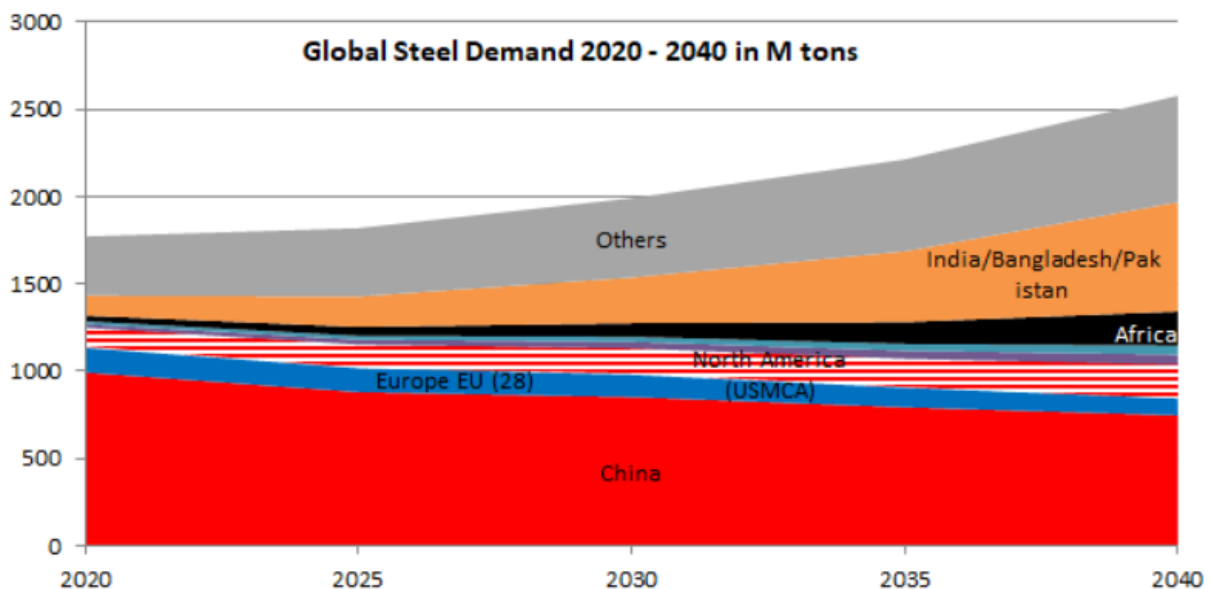


Probable Development of the Global Steel Market in the next 20 Years

The Chinese infrastructure is built. The housing vacancy rate in urban China went up to 21 per cent in oct. 21. It seems very likely that the Chinese steel consumption of 691 Kg/capita will decrease to levels similar to other industrialized nations as Japan 487Kg/capita/yr. or Germany 492 Kg/capita/yr. The main question is if the growth of other countries like India will compensate a decline of the Chinese steel demand.

Conclusion



The Steel demand might increase by 45% in the next 18 years mainly driven by India.

Assumptions:

China: China will rebalance its economy from construction of infrastructure and homes to tech and services. The population will slightly increase to 1528 M people, steel consumption will decrease to 490 Kg/Capita in 2040.

India/Bangladesh/Pakistan: The population of these countries will increase to 2264 M people. The steel consumption/capita will increase 7-8%/yr. to 276 Kg. These countries might become the main drivers of the increase of the steel demand in the future.

Africa: The population growth will decrease from 2%/yr. to 1.5%/yr in 2040. The total number of inhabitants will increase to 1700 M people. The steel consumption will grow by 7% later 8%/yr. to 115Kg/capita. The demand growth is high but from a very low base. Africa will not play an important role till 2040.

Europe EU (28 incl. UK): The population will grow slightly due to a strong immigration. The steel demand/capita will decrease significantly to 180Kg/capita due to the green religion that demands its believers to develop back to middle age.

This study is a prediction of the future. It projects current developments to the future. It cannot foresee wars, political changes as a likely de-globalization, a potential spread of the green religion out of Western Europe to other regions of the world. The data used is from different sources and partially inconsistent.

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