

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(84) 89 final

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## COMMENTS ON THE GENERAL OBJECTIVES STEEL 1985

(Communication from the Commission)

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Although the General Objectives Steel 1985<sup>\*</sup> have been adopted by the Commission at its meeting of 23 March 1983, they were based on macro economic forecasts of 1982 which were based on an upswing of economic activity in 1982. In reality the European economy has not shown any growth (in terms of GDP) until 1983. In addition, investment as part of GDP (gross domestic product) has shown a decline, and this has been at the cause of the slackness in many steel using sectors (mechanical engineering, transports, building and civil engineering), and thus in steel consumption itself.

As the steel market has deviated from the trend forecast by the General Objectives 1985, there are grounds for a re-evaluation of its development prospects. However, instead of making a new forecast for 1985, the prospects have been defined for the horizon 1986, which is going to be the first year in which the market will function with restructured facilities.

The annexed document (Additional Economic Factors for the General Objectives Steel 1985) contains an update of the quantitative data of doc. COM(83) 239, and sets out in detail the situation forecast for 1986, which can be summarised as follows.

Steel Consumption in the Community being determined by the overall macro-economic situation, through the activity of the steel using sectors and their technology, the following elements have to be considered:

- the present forecasts show, for the period from 1983 to 1986, a mean annual growth of 1.9% in GDP; this growth is supported by a growth of 2.6% per year in investments, which is the result of policies aiming at encouraging investments followed by certain member states.

\* doc. COM(83) 239 final of 22 April 1983

- this could result - due to the relative expansion of investment - in a growth to the same extent(+1.6%) of the activity within the steel using sectors. However steel users will continue to strive for a more rational usage of steel: this effect gives - all other factors being constant - an annual reduction of 0.8% in steel consumption, which is still an optimistic assessment, if one considers that the tendency has been more unfavorable (-1%) in the second half of the seventies.

- as a result, the growth in steel demand would hardly exceed 1% per year by 1986. This means that the situation which was forecast by the G.O. 1985 would not be realised in 1986; moreover, if there were a recovery in the steel market, it would benefit in the first place the category of flat products, more especially qualities with higher value added (e.g. coated sheets).

ECSC Steel Consumption in the EEC-9

	1980	1982	1985 (G.O.)	1986 (New Fore- cast)
Liquid steel, ingots and semi-long products	11.7	11.1	11.0	11.0
Long products	34.6	29.4	31.2	29.3
Flat products	48.4	45.1	50.-	50.-
TOTAL	94.6	85.7	92.2	90.3

Foreign Trade in ECSC-products

The forecast of the G.O. 1985 was for a trade surplus in ECSC products of 12.1 mi T in 1985. This surplus was only 10.1 mi T in 1982 and for 1983, the results for the first 3 quarters only foresee an improvement on the import side.

The growth in the world market will remain modest for several years to come, and be concentrated in the developing countries, while overcapacity will in general continue to exist in most markets. Under the assumption that the trade surplus - in particular exports - can only be improved - all things being equal - at the cost of the profitability of the companies, a surplus of 12.1 mi T can be qualified as an optimistic scenario; on the other hand, a surplus of 10.1 mi T (thus repeating the 1982 result) has been used as a reference (mean hypothesis) in the forecasts for 1986.

Production

The internal and external conditions described above would (depending on the foreign trade surplus being 10 or 12.1 mi T) necessitate in 1986 a production of ECSC steel of 100.4 to 102.4 mi T, against 104.3 mi T as initially forecast for 1985.

At the crude steel stage -taking account of the extension of continuous casting - that means in 1986 a production of 116 mi T at the highest, against 120 mi T as initially forecast for 1985.

Capacity Utilisation Rates would be unsatisfactory under the hypothesis that works closures are limited to the 26.7 mi T of capacity which should disappear in conformity with the decisions which the Commission took on 29 June 1983 in application of the Aids Code. Indeed - taking the mean hypothesis for the trade surplus - only 92.1 mi T of hot-rolled steel would be produced in installatic with a global capacity (MPP) of 141.9 mi T, which represents a utilisation rate of 65% only. The production quantities initially forecast for 1985 (96.9 mi T) would have enabled a utilisation rate close to 70%.

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## ADDITIONAL ECONOMIC FACTORS FOR THE GENERAL OBJECTIVES STEEL 1985

The General Objectives Steel 1985 (COM(83) 239 final of 22 April 1983) were based on a set of assumptions concerning the development of the steel industry in the Community.

These Objectives were founded on the statistical situation in 1981, and the forecasts for 1985 were calculated using macro-economic forecasting data valid in mid-1982.

Since then, the economic situation has tended to shift towards the lower end of the model adopted; this document therefore sets out the significant quantitative data relating to the sector and attempts to readjust the medium-term prospects with due regard to the new economic factors that have emerged since 1981. Account has been taken of this new trend in order to redefine prospects up to 1986.

### COMMENTS ON THE TABLES

#### General Comments

1. Since the forecasting period has been extended to 1986, most of the tables include, for comparison purposes, the forecasts set out in the 1985 General Objectives.
2. For the reasons explained below, Tables 5 to 9 put forward two alternative forecasts for 1986, by reference to a high (H) or medium (M) scenario predicting the development of foreign trade in steel products.

#### Specific Comments

1. Tables 1 and 2 concerning the macro-economic background and activity in the steel-using sectors

##### Table 1 (cf. Table 2 in COM(83) 239 final)

The economic growth predicted in the 1985 General Objectives has not taken place to the extent expected: a stagnation in GDP has even been observed between 1980 and 1982/83. At the same time, investments (as reflected in gross fixed capital formation (GFCF)) have fallen considerably, causing several large steel-using sectors (mechanical engineering, transport, building and civil engineering) to be sluggish. The uncoupling of steel consumption

and macro-economic trends has been extremely pronounced since 1975, especially from 1980 onwards. The extent of this phenomenon has been directly dictated by trends in investment (GFCF), whose share of GDP has declined in recent years. This trend could change in the years ahead as a result of policies aimed at stimulating investment followed by a number of Member States, thus resulting in a better match between trends in GDP and steel consumption. Nevertheless, the increase in steel consumption that could result from such a situation would be small (approximately 1% a year) because of the negative effect of the reduction in specific consumption.

Table 2 (cf. Table 1 in COM(83) 239 final)

In 1981 and 1982, and to all intents and purposes in 1983, activity in almost all the steel-using sectors departed so widely from previously anticipated trends that it has to be recognised that the growth rates necessary to attain the 1985 objectives are as a whole incompatible with the 5% increases in GDP (6.5% in the case of gross fixed capital formation) that should be observed from now until 1985, taking 1982 as a base. This is the case in particular of the major steel-using sectors, such as mechanical engineering, transport and building, in which production in 1982 remained appreciably below target, namely 12%, 10% and 13% respectively. First stage transformation as an intermediate sector, reflects the combined trends in the end-user sectors and fell short of forecasts by more than 15%.

The new indices of activity up to 1986 were arrived at by evaluating the growth that could be registered in the sectors from now until 1986 within the macro-economic context described by the trends in GDP (and the factors that go to make it up, namely investment and private or public consumption according to the sector in question). The main changes to the 1985 General Objectives occur in the three sectors mentioned above (mechanical engineering, transport and building) and in first stage transformation.

2. Tables relating to demand

Table 3 (cf. same table in COM(83) 239 final)

The consumption of steel products by sector has been determined for 1986 on the basis of the 1979 figures, to which have been applied the trends in activity and the specific consumption of steel products.

In contrast with the procedure adopted for the 1985 General Objectives, specific consumption has been analysed by reference to the 1975-79 period (instead of 1970-77); the trend expected for the period 1979-86 takes into consideration both past trends and the results of surveys carried out among certain representative users. The annual drop in specific consumption to be expected between 1979 and 1986 (- 0.80%) is a little lower than during the reference period (- 1%), although

some of this drop is believed to benefit the production of first transformation products (for example, the substitution in the building industry of drawn wire for concrete reinforcing bars).

Table 4 (cf. same table in COM(83) 239 final)

The revision of the estimates leads to the conclusion that the forecasts adopted in the 1985 General Objectives reflect a situation that will not have materialised by 1986.

3. Table 5 relating to foreign trade (cf. Table 7 in COM(83) 239 final)

Steel consumption in the western world may increase slowly between 1982 and 1990 (some 2% a year according to the IISI's October 1983 forecasts); however, since this growth will take place chiefly in the developing countries, it will be covered by an increase in their domestic production, rather than by imports from the industrialised countries.

In view of the net balance of trade that the Community achieved in 1982, namely 10.1 million tonnes, the objective for ECSC steel maintained in the 1985 General Objectives (12.1 million tonnes) appears to be rather optimistic against a background of a virtually stagnant export market and world-wide surplus capacity.

The forecasts have therefore been calculated on the basis of two scenarios:

1. a high scenario (H), which maintains the 1985 objective of 12.1 million tonnes for 1986; and
2. a medium scenario (M), which assumes that the net trade balance will correspond in 1986 to the 1982 level.

4. Tables 6 and 7 concerning production (cf. Tables 8 and 9 in COM(83) 239 final)

These tables set out trends until 1986 in the output of products compatible with the data for internal consumption (see Table 4) and the net trade in ECSC products (see Table 5). Taking the medium scenario (M) for foreign trade in 1986, the production of ECSC products would therefore scarcely exceed 100 million tonnes, which corresponds at the most to 116 million tonnes of crude steel (in the 1985 General Objectives: nearly 120 million tonnes of crude steel).

5. Tables 8 (cf. Table 17 in COM(83) 239 final) and 9 relating to capacities

It is now possible to evaluate what the utilisation rate of (hot) rolling mills will be in the different demand scenarios and assuming that restructuring is confined to the reductions imposed by the Commission in its Decisions of 29 June 1983 in the context of the implementation of the Aids Codes.

Taken as a whole - at the present time, the reductions for the different types of products have not yet been determined - total capacity should amount to 141.9 million tonnes, which would yield a utilisation rate of 66.7% in the high scenario and 65% in the medium scenario; these figures also assume that the technical productivity of these plants remains constant.

It should be stressed that the demand for coils has been calculated on the assumption that 50% of strip and 25% of hot-rolled sheet is produced therefrom (Table 8). The proportion of hot-rolled sheet production was reduced from 40% in the 1985 General Objectives to the present level in order to take into account the restructuring plans of undertakings in this sector. This correction partly explains the downwards revision of the production of hot-rolled wide strip and the increase in that of hot-rolled sheet and plate in specialised mills in Table 9.

6. Tables concerning foreign trade in products other than those covered by the Treaty

Table 10

It is necessary to evaluate the trade balance in first transformation products in order to provide a consistent forecast of production in these industries which act as an intermediary between the ECSC steel-making sector and the consumer sectors, as well as a springboard for exporting steel products indirectly. For 1986, a steady level of net exports is anticipated, except in the case of tubes, a sector in which the world market is suffering from uncertainties concerning the continuation of major infrastructure projects in the developing countries and surrounding the scale of oil exploration activities.

Annexes A to E (EEC - USA - Japan foreign trade in steel and derived products in value terms).

These tables correspond to those set out in COM(83) 239 final.



Table 1

Trend in macro-economic environment,  
steel using branch activities  
and apparent consumption of finished steel products

EUR-9 - '75 = 100

	G.D.P. <sub>v</sub> (1)	G.F.I. <sub>v</sub> (1)	Act. Cons. Sect.	App. Cons.
1975	100	100	100	100
1976	105,0	103,1	104,5	113,1
1977	107,8	104,1	103,3	107,3
1978	111,2	106,7	105,1	106,4
1979	114,9	110,6	108,5	114,4
1980	116,4	112,7	107,3	108,7
1981	115,9	107,5	104,9	103,9
1982	116,2	104,4	99,9	98,5
1985	122,2	111,3	-	-
1985 *	127,2 *	-	-	-
1986	125,1	115,6	106,4	103,8
% 1975-79	+ 3,5	+ 2,6		+ 1,7
Mean Ann. 1980-82	+ 0,4	- 1,9		- 4,9
Var. 1983-86	+ 1,9	+ 2,6		+ 1,3

(1) G.D.P.<sub>v</sub> : Gross domestic product (in volume) - fc.dec.83-jan.84  
G.F.I.<sub>v</sub> : Gross fixed investment (volume) - fc.dec.83 -jan.84

\* General objectives 1985

Table 2

## Index of Activity in User Sectors (EUR 9)

1975 = 100

Sectors	Years										Annual Variation 1986 1979
	1975	1976	1977	1978	1979	1980	1981	1982	G.O. 1985	1986	
Preliminary processing(1)	100	108,7	107,3	108,0	113,9	111,0	104,5	97,7	113,8	102,8	- 1,45
Manufacture of steel tubes (1)	100	100,0	91,9	101,9	102,6	101,5	112,6	100,5	111,9	109,7	+ 0,96
Mechanical engineering (NACE 32)	100	100,5	100,9	101,1	103,9	105,3	102,9	98,7	110,5	103,0	- 0,12
Electrical engineering (NACE 34)	100	106,5	111,5	114,6	116,6	120,7	116,8	119,2	123,5	127,6	+ 1,30
Shipyards (Lloyd's (1))	100	97,9	67,0	46,8	35,4	22,6	30,3	29,5	29,7	20	- 7,83
Means of transport (NACE 35+36)	100	108,7	112,3	112,4	115,6	112,5	110,0	109,9	120,2	114,2	- 0,17
Manufacture of metal articles (NACE 31)	100	105,3	106,4	105,0	109,5	108,8	103,5	100,8	110,8	107,5	- 0,26
Building and civil engineering (NACE 50)	100	100,0	99,6	102,3	104,3	103,4	96,6	91,5	104,1	98,3	- 0,84
Other users(1)	100	103,1	104,1	106,7	110,6	112,7	107,5	104,4	116,2	115,1	+ 0,57
TOTAL (*) (1)	100	104,5	103,3	105,1	108,5	107,3	104,9	99,9	111,8	106,4	- 0,28

(\*) Weighed by real steel consumption 1979

(1) Revised series

Table 3

Real consumption of finished Products  
in the Community, by sector 1979 - 1986

'000000tonnes/%

	1979	Forecast 1986	Mean annual variation 1979/1986		Annual impact of the SC	
			with var. SC	with constant SC <sup>(1)</sup>	1975/1979 *	1979/1986 **
			1	2	3	4
Preliminary processing	22,0	19,1	- 2,03	- 1,57	+ 0,32	- 0,46
Manufacture of steel tubes	15,6	16,8	+ 1,12	+ 1,12	+ 1,33	-
Mechanical engineering	7,1	6,7	- 0,81	- 0,13	- 1,00	- 0,68
Electrical engineering	2,6	2,5	- 0,25	+ 1,29	- 2,55	- 1,54
Shipyards	1,2	0,7	- 7,82	- 7,82	+ 4,11	-
Vehicle construction	10,6	9,3	- 1,79	- 0,17	- 3,10	- 1,62
Manufacture of metal articles	20,5	18,2	- 1,67	- 0,26	- 1,95	- 1,41
Building and civil engineering	9,9	8,6	- 1,93	- 0,85	- 4,15	- 1,05
Other users	8,3	8,3	+ 0,05	+ 0,48	- 3,19	- 0,43
TOTAL	97,7	90,3	- 1,12	- 0,32	- 1,04	- 0,80

SC : Specific consumption

(1) : steel consumption assuming a constant technology between 1979 and 1986

\* Based on branch statistical inquiries . 1975-1979 = reference period

\*\* Trend of 1975/1979, adjusted mainly taking into account the results of branch inquiries ad-hoc.

Table 4

## Apparent consumption of finished products in the Community, by product category

	('000 000 tonnes)										
	G.O.										%
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1986	Mean ann. var. 79/80 & 81/86
<u>Liquid steel</u>	2,0	1,8	1,7	1,6	1,6	1,6	1,4	1,3	1,4	1,1	- 5,44:- 5,69:
<u>Ingots and semis</u>	:	:	:	:	:	:	:	:	:	:	:
Tube ingots	:	:	2,4	1,5	1,4	1,3	1,4	1,2	1,2	0,9	- 6,16:- 6,42:
Other ingots and semis	:	:	7,7	8,8	9,8	8,7	9,5	8,7	8,4	9,0	- 1,19:+ 1,00:
TOTAL	10,5	10,2	10,1	10,3	11,2	10,1	10,9	9,8	9,6	9,9	- 1,74:+ 0,19:
<u>Finished rolled products</u>	:	:	:	:	:	:	:	:	:	:	:
Heavy sections	6,0	6,8	6,1	6,8	6,8	6,6	6,5	5,9	5,7	5,9	- 2,17:- 0,11:
Merchant bars	17,3	18,6	17,6	16,3	17,2	17,8	15,5	14,3	15,3	13,9	- 2,98:- 0,79:
Wire rod	8,3	9,9	9,6	10,1	10,9	10,2	9,8	9,2	10,2	9,5	- 1,99:+ 0,74:
Hot-rolled strip	5,4	6,7	6,1	6,1	6,4	5,4	4,6	4,2	4,6	5,4	- 2,41:+ 6,87:
plate $\geq$ 3 mm	)	19,1	17,1	16,4	17,9	17,5	17,1	16,6	17,4	16,7	- 1,02:+ 0,15:
sheet $\leq$ 3 mm	)	37,5	18,5	18,3	17,8	19,3	17,4	18,5	16,1	18,7	- 0,52:+ 3,77:
Coated sheet	)	7,0	6,9	7,2	8,1	8,0	8,0	8,3	9,4	9,3	+ 1,97:+ 2,99:
TOTAL	74,4	86,5	81,6	80,7	86,7	83,0	78,0	74,5	81,2	79,3	- 1,27:+ 1,56:
GRAND TOTAL	87,0	98,4	93,4	92,6	99,5	94,6	90,4	85,7	92,2	90,3	- 1,38:+ 1,31:
real consumption(*) (for the record)	91,3	98,4	95,2	93,1	97,7	:	:	:	:	90,3	- 1,12:

(\*) taking into account the trend in stocks, held by the users

Comparison Forecast 1986/Gen. Obj. 1985

(ind. '75 = 100)

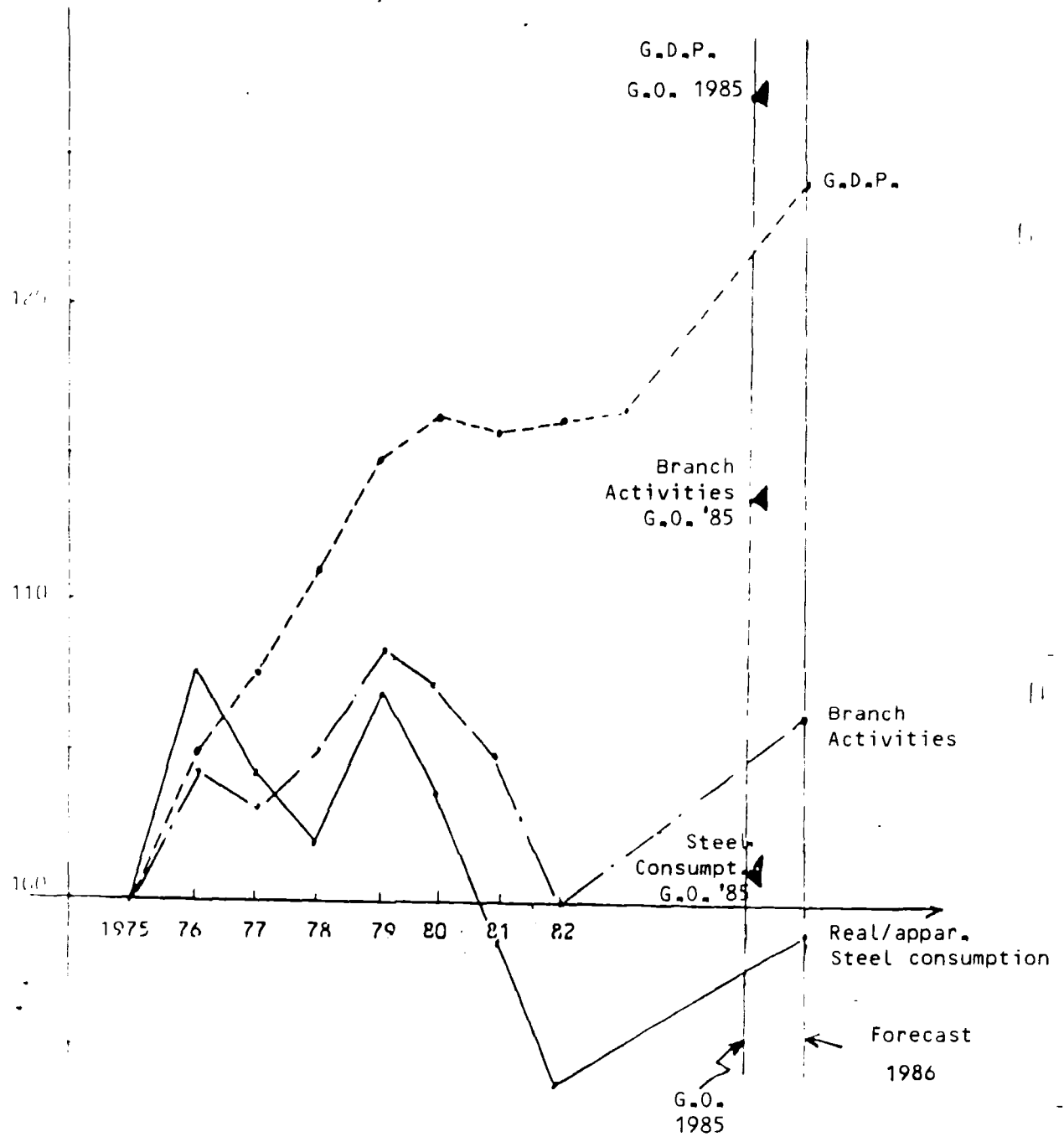


Table 5

## The Community's net balance of trade with non-members Countries

(' 000 000 tonnes of finished ECSC-products)

1 9 8 6

	1975	1976	1977	1978	1979	1980	1981	1982		H *	M *
Ingots and semis	1,4	-0,3	-0,9	-0,9	-0,9	-0,3	0,5	0,1		-0,5	0,1
Hot coils	0,6	-0,8	1,3	2,7	2,3	2,1	3,5	1,7		2,5	1,7
Heavy sections	2,6	1,9	2,1	2,5	2,0	1,8	2,0	1,3		1,5	1,3
Light sections	3,4	2,2	2,2	3,3	3,5	2,4	2,0	1,0		1,9	1,
wire rod	1,0	0,3	0,6	1,0	1,1	0,8	0,8	0,4		0,8	0
Strip	0,3	0,2	0,4	0,4	0,5	0,5	0,6	0,3		0,3	0,
Heavy and light plate	0,8	-0,2	0,6	1,6	1,2	0,9	1,9	0,8		0,9	0,8
Sheet	4,6	3,4	5,3	6,3	5,7	5,0	6,1	4,4		4,7	4,4
TOTAL	14,7	6,7	11,5	16,9	15,3	13,2	17,4	10,1		12,1	10,1

\* Hypothesis of the G.O. 1985 (high hypothesis)

\*\* medium hypothesis, corresponding to the balance of 1982

Table 4

## Production 1975 - 1982 &amp; 1986

## Liquid steel for casting, ingots and semis for sale, finished rolled products

('000 000)

Products	1975	1976	1977	1978	1979	1980	1981	1982	G.O. 1985	
Liquid Steel for casting (1)	2,0	1,8	1,6	1,6	1,6	1,6	1,4	1,3	1,4	
Ingots and semis for sale (2)	11,0	9,7	9,1	11,3	11,5	11,1	12,0	10,9	9	
<u>Finished rolled products :</u>										
Coils (finished products)	7,2	8,6	10,0	12,0	12,6	11,9	14,1	11,9		
Heavy sections	8,9	9,0	8,7	9,3	8,8	8,4	8,5	7,0		
Light sections	19,8	20,6	19,0	19,4	21,1	19,6	17,0	14,8		
of which : concrete reinforcing rounds	(7,9)	(8,6)	(7,7)	(7,7)	(8,8)	(8,7)	(7,4)	(6,2)	(7,5)	
wire rod	9,2	10,4	10,2	11,1	12,1	10,8	10,5	9,6	11,0	10,3
Strip/tube strip	5,5	7,1	6,4	6,6	7,1	6,0	5,2	4,4	4,9	5,7
Heavy and medium plate	14,1	12,5	12,3	12,6	13,0	12,5	12,8	10,9	12,3	11
Sheet	21,7	26,8	27,4	28,0	29,2	26,3	26,1	24,8	28,3	26
TOTAL	86,9	95,0	94,0	99,0	104,0	95,5	94,2	83,5	93,8	91,5
GRAND TOTAL	100,0	106,5	104,7	111,9	117,0	108,2	107,7	95,7	104,3	102,4 10

(1) Including production of independent steel foundries

(2) Excluding those for rolling or re-rolling in the Community, but including ingots and semis for tubes

Table 7

		Crude steel balance ('000 000 tonnes)									Eur 9			1986
		1975	1976	1977	1978	1979	1980	1981	1982	1983	1985	G.O.	H	M
<u>I. ingot equivalent</u>														
Consumption	(1)	111,4	124,2	118,3	118,1	126,0	120,7	117,4	109,6	-	118,5	116,2	117,8	117,8
Variation in stocks	(2)	- 1,1	+ 5,7	- 1,6	- 0,7	+ 1,5	- 0,7	- 3,6	- 1,7	-	-	-	-	-
Exports	(1)	26,8	21,5	27,7	33,2	32,1	28,3	29,9	23,8	-	} 15,6	} 15,5	} 15,5	} 15,5
Imports	(1)	7,8	12,4	12,6	11,1	11,6	11,6	8,1	10,9	-				
Scrap consumption in rolling mills		0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	-	-	-	-	-
Production in ingot equivalent		129,2	138,8	131,6	139,3	147,8	136,5	135,3	120,6	-	134,1	131,8	131,8	131,8
<u>II. Corresponding crude steel production</u>														
Continuous casting production potential	(3)	33,4	42,6	48,8	54,9	58,7	70,9	81,5	90,1	-	110	117,8	117,8	117,8
Continuous casting production	(4)	20,7	27,2	32,1	38,6	43,7	50,0	56,6	58,3	-	82,5	88,4	88,4	88,4
Continuous casting correction	(5)	3,6	4,8	5,6	6,7	7,6	8,8	9,9	10,2	-	14,4	15,5	15,5	15,5
Crude steel production	(6)	125,6	134,0	126,1	132,6	140,2	127,7	125,4	110,4	108,5	119,7	116,3	113,7	113,7

(1) For the forecasting years, conversion coefficient equals 1.290

(2) Stocks held by producers and merchants

(3) Figures for 1985 and 1986 are estimated

(4) Assumed rate of utilisation of production potential: 75% in 1985 and 1986

(5) Savings in ingots obtained by continuous casting production : continuous casting output X 0,175

(6) Ingot production - continuous casting correction.



Table 8

Demand

85

('000 000 tonnes)

Finished Products	Production from coils		Coeff. of conversion	Production of coils	
	H	M		H	M
Coils as finished products	12,9	12,2	1,00	12,9	12,2
Strip (1)	2,9	2,9	1,05	3,0	3,0
Hot-rolled sheet (2)	2,9	2,9	1,07	3,1	3,1
Cold-rolled sheet	28,2	28,0	1,09	30,8	30,5
	TOTAL			49,8	48,8

(1) 50% of total strip production

(2) 25% of total hot-rolled sheet production

Table 9

Balance between supply and demand for hot-rolled products

('000 000 tonnes)

	G.O. 1985	1986	
		H	M
<u>A. Production</u>			
- Wide strip	51,5	49,8	48,8
- Strip ex - spec. mills	2,5	2,9	2,9
- Hot-rolled sheet & plate ex-spec. mills	7,5	8,6	8,6
- Heavy sections	7,2	7,4	7,2
- Light sections	17,2	15,8	14,9
- Wire rod	11,0	10,3	9,9
Total hot-rolled	96,9	94,7	92,1
<u>B. Necessary Prod. Pot. (1)</u>	121,1	118,4	115,1
Prod. potent. 1980		168,6	
Prod. potent. 1986 (2)		141,9	
<u>C. Surplus capacity</u>			
- with prod.pot. 1980	47,5	50,2	53,5
- with prod. pot. 1986	20,8	23,5	26,8
<u>D. Rate of utilisation</u>			
- with prod. pot. 1980	57,5 %	56,2 %	54,6 %
- with prod. pot. 1986	68,3 %	66,7 %	64,9 %

(1) assuming a rate of utilisation of 80%

(2) reduction of 26,7 million tonnes compared with 1980 - decision of the Commission of 29.6.1983

Preliminary processing

Extra - comm. trade with third countries

1.000 T

EUR 10 :

	1978	1979	1980	1981	1982	1986
<u>Exports</u>						
1. Cold rolling and forming	1.226	1.217	1.185	1.151	990	
2. Forging	166	165	165	180	162	
3. Wire drawing	596	631	543	586	482	
4. Tubes	5.812	5.145	4.779	6.897	6.093	
TOTAL	7.800	7.158	6.672	8.814	7.727	
<u>Imports</u>						
1. Cold rolling and forming	334	375	377	329	440	
2. Forging	114	135	130	139	173	
3. Wire drawing	121	139	155	125	140	
4. Tubes	672	745	828	691	733	
TOTAL	1.241	1.394	1.490	1.284	1.486	
<u>Balance</u>						
1. Cold rolling and forming	892	842	808	822	550	765
2. Forging	52	30	35	41	- 11	25
3. Wire drawing	475	492	388	461	342	410
4. Tubes	5.140	4.400	3.951	6.206	5.360	5.000
TOTAL	6.559	5.764	5.182	7.530	6.241	6.200

Table A

## Export trends of pig iron and steel

(value millions of ECU)

Destination Origin		World (1)		Europe 10		USA		Japan		D.C. (2)		Latin America		Class 3(3)	
		(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Europe 10	1975	9.939	100			998	100	9	100	3.199	100	791	100	2.911	100
	1976	8.467	85			945	95	20	222	2.470	77	371	47	2.637	91
	1977	9.544	96			1.822	183	11	122	2.674	84	464	59	2.355	81
	1978	7.995	80			1.857	186	21	233	3.696	116	735	93	2.925	100
	1979	12.007	121			1.662	167	28	311	3.797	119	635	80	3.276	113
	1980	11.826	119			1.256	126	24	267	4.261	133	768	97	2.546	87
	1981	15.573	157			3.314	332	35	389	5.927	185	1348	170	2.158	74
	1982	14.437	145			2.475	248	28	311	5.118	160	973	123	2.810	97
	U.S.A.	1975	2.000	100	152	100			11	100	1.219	100	467	100	25
1976		1.724	86	188	124			28	255	784	64	397	85	52	208
1977		1.481	74	128	84			18	164	659	54	326	70	27	108
1978		1.376	69	142	93			31	282	759	62	382	82	16	64
1979		1.736	87	165	109			38	345	898	74	500	107	127	508
1980		2.266	113	305	201			38	345	1.372	113	843	181	43	172
1981		2.640	132	230	151			39	355	1.527	125	933	200	7	28
1982		2.294	115	202	133			47	427	1.423	117	681	146	13	52
Japan		1975	8.192	100	524	100	1.500	100			4.147	100	852	100	1.252
	1976	9.378	114	527	101	1.860	124			4.121	99	719	84	1.848	148
	1977	9.218	113	409	78	2.035	136			4.421	107	829	97	1.544	123
	1978	9.303	114	266	51	1.879	125			4.627	112	708	83	1.985	159
	1979	10.297	126	357	68	2.009	134			5.275	127	819	96	2.091	167
	1980	11.099	135	395	75	1.983	132			6.232	150	949	111	1.814	145
	1981	14.930	182	225	43	3.580	239			7.915	191	1.212	142	2.171	173
	1982	15.969	195	313	60	2.876	192			8.561	206	1.269	149	3.030	242

(1) Extra E.C.

(2) Development countries

(3) State economic countries

(a) millions of ECU

(b) index 1975 = 100

Source : UNO SITC Rev.1

## Export trends of machinery and transport material

(value millions of ECU)

Destination Origin		World (1)		Europe 10		USA		Japan		D.C. (2)		Latin America		Class 3(3)	
		(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Europe 10	1975	52.285	100			5.816	100	681	100	21.892	100	4.008	100	5.567	100
	1976	61.430	117			6.570	112	769	112	26.722	122	4.307	107	5.917	106
	1977	69.837	133			7.968	137	955	140	31.117	142	4.819	120	5.969	107
	1978	71.740	137			9.334	160	1.111	163	31.968	146	4.635	115	5.973	107
	1979	76.115	145			10.461	179	1.296	190	32.329	147	5.344	133	6.237	112
	1980	86.890	166			11.722	201	1.346	197	37.707	172	6.214	155	6.082	109
	1981	102.390	196			13.855	238	1.437	211	48.271	221	8.125	203	5.025	90
	1982	108.063	207			15.127	260	1.627	239	49.593	227	6.831	170	5.591	100
U.S.A.	1975	37.186	100	6.382	100			1.479	100	13.511	100	5.741	100	743	100
	1976	44.752	120	7.499	117			1.576	106	17.307	128	6.716	116	745	100
	1977	45.241	121	7.915	124			1.504	101	17.189	127	6.684	116	535	72
	1978	47.882	128	9.336	146			1.906	128	17.529	129	7.427	129	544	73
	1979	53.021	142	11.224	175			2.600	175	19.747	146	8.658	150	630	84
	1980	62.598	168	14.455	226			2.999	202	24.388	180	11.121	193	654	88
	1981	88.581	238	18.557	290			4.347	293	35.186	260	16.370	285	624	83
	1982	94.304	254	19.548	306			4.663	315	38.297	283	14.945	260	637	86
Japan	1975	22.087	100	2.524	100	4.813	100			10.659	100	1.976	100	1.492	100
	1976	32.124	145	4.188	165	8.221	170			14.435	135	2.577	130	1.324	88
	1977	39.204	177	5.350	211	10.347	214			17.766	166	3.248	164	1.504	100
	1978	43.560	197	5.719	226	12.335	256			19.469	182	3.174	160	1.882	126
	1979	40.316	182	5.557	220	12.233	254			16.942	158	2.533	128	1.798	120
	1980	51.087	231	6.632	262	14.730	303			21.728	203	3.633	183	2.558	171
	1981	77.336	350	9.649	382	21.553	447			33.465	313	5.892	298	3.595	240
	1982	79.660	361	9.120	361	23.900	497			34.496	324	6.221	315	2.924	196

(1) Extra E.C.

(2) Development countries

(3) State economic countries

(a) millions of ECU

(b) index 1975 = 100

Source: UNO SITC Rev. 1

Table C

## Export trends of non-electrical machines

(value millions of ECU)

Destination	Origin	World (1)		Europe 10		USA		Japan		D.C.(2)		Latin America		Class 3(3)	
		(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Europe 10	1975	25.401	100			2.305	100	448	100	10.059	100	2.345	100	3.796	100
	1976	28.972	114			2.577	112	482	108	12.045	120	2.300	98	4.297	113
	1977	32.536	128			3.081	134	578	129	14.189	141	2.648	113	4.324	114
	1978	34.259	135			3.885	169	617	138	14.655	146	2.599	111	4.450	117
	1979	35.568	140			4.448	193	694	155	14.174	141	2.698	115	4.510	119
	1980	40.503	159			4.996	217	726	162	16.329	162	3.529	150	4.075	107
	1981	47.733	188			6.336	275	759	169	20.785	207	4.106	175	3.458	91
	1982	49.820	196			6.457	280	825	184	21.582	215	3.322	142	3.833	101
U.S.A.	1975	16.997	100	3.458	100			666	100	6.312	100	2.865	100	602	100
	1976	19.857	117	4.029	117			791	119	7.584	120	3.303	115	611	101
	1977	19.695	116	4.298	124			756	114	7.454	118	3.240	113	379	63
	1978	20.908	123	4.802	139			830	125	8.021	127	3.667	128	392	65
	1979	23.656	139	5.682	164			1.029	155	9.071	144	4.306	150	427	71
	1980	29.424	173	7.272	210			1.296	195	11.710	186	5.495	192	321	53
	1981	41.643	245	9.628	278			1.889	284	17.051	270	8.051	281	362	60
	1982	44.245	260	10.975	317			2.293	344	17.981	285	7.696	269	389	65
Japan	1975	5.424	100	613	100	772	100			2.781	100	550	100	770	100
	1976	6.948	128	800	131	1.139	148			3.532	127	654	119	818	106
	1977	8.894	164	836	136	1.568	203			4.829	174	852	155	972	126
	1978	11.188	206	969	158	2.126	275			6.104	219	757	138	1.167	152
	1979	10.908	201	1.138	186	2.206	286			5.750	207	848	154	976	127
	1980	13.062	241	1.475	241	2.444	317			6.382	229	935	170	1.453	189
	1981	20.287	374	1.921	313	3.906	506			10.202	367	1.419	258	2.213	287
	1982	20.758	383	2.092	341	4.507	584			10.445	376	1.029	187	1.723	224

(1) Extra E.C.

(2) Development countries

(3) State economic countries

(a) millions of ECU

(b) index 1975 = 100

Source: JNO SITC Rev. 1

## Export trends of electrical machines

(value millions of ECU)

Destination Origin		World (1)		Europe 10		USA		Japan		D.C. (2)		Latin America		Class 3 (3)	
		(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Europe 10	1975	9.834	100			684	100	105	100	4.088	100	676	100	779	100
	1976	12.280	125			884	129	150	143	5.564	136	830	123	840	108
	1977	14.403	146			948	139	195	186	6.924	169	989	146	943	121
	1978	15.429	157			954	139	222	211	7.892	193	955	141	998	128
	1979	16.059	163			1.157	169	246	234	7.730	189	1.062	157	1.062	136
	1980	17.857	182			1.337	195	259	247	8.553	209	1.284	190	998	128
	1981	21.013	214			1.727	252	298	284	10.715	262	1.639	242	939	121
	1982	22.014	224			2.002	293	302	288	11.033	270	1.488	220	985	126
U.S.A.	1975	6.264	100	1.425	100			335	100	2.678	100	1.111	100	78	100
	1976	8.507	136	1.791	126			417	124	4.021	150	1.480	133	78	80
	1977	9.200	147	1.991	140			418	125	4.489	168	1.559	140	89	91
	1978	9.483	151	2.382	167			536	160	4.159	155	1.623	146	93	95
	1979	10.581	169	2.853	200			754	225	4.459	167	1.920	173	112	114
	1980	12.438	199	3.517	247			770	230	5.180	193	2.381	214	123	126
	1981	17.470	279	4.387	308			1.122	335	7.661	286	3.469	312	132	135
	1982	21.612	345	5.018	352			1.290	385	10.532	393	3.582	322	149	152
Japan	1975	4.947	100	680	100	1.393	100			1.976	100	324	100	224	100
	1976	8.595	174	1.091	160	3.007	216			3.130	158	531	164	223	100
	1977	9.806	198	1.339	197	3.023	217			4.084	207	638	197	239	107
	1978	10.845	219	1.588	234	3.020	217			4.919	249	695	215	325	145
	1979	10.644	215	1.596	235	2.546	183			5.184	262	738	228	381	170
	1980	13.341	270	2.033	299	2.885	207			6.598	334	1.054	325	586	262
	1981	20.086	406	2.774	408	4.913	353			9.626	487	1.600	494	868	388
	1982	20.081	406	2.655	390	5.315	382			9.550	483	1.249	385	547	244

(1) Extra E.C.  
(2) Development countries  
(3) State economic countries

(a) millions of ECU  
(b) index 1975 = 100  
Source : UNO SITC Rev.1

## Export trends of transport material

(value millions of ECU)

Destination		World (1)		Europe 10		USA		Japan		D.C. (2)		Latin America		Class 3 (3)	
		(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
		Europe 10	1975	17.050	100			2.826	100	128	100	7.746	100	986	100
	1976	20.178	118			3.109	110	137	107	9.112	118	1.177	119	830	84
	1977	22.898	134			3.938	139	182	142	10.003	129	1.182	120	703	71
	1978	22.052	129			4.496	159	272	213	9.416	122	1.081	110	525	53
	1979	24.487	144			4.856	172	355	277	10.425	135	1.584	161	665	67
	1980	28.487	167			5.443	193	365	285	12.302	159	1.468	149	635	64
	1981	33.644	197			5.792	205	380	297	16.771	217	2.380	241	628	63
	1982	36.229	212			6.668	236	500	391	16.978	219	2.021	205	773	78
USA	1975	13.927	100	1.499	100			397	100	4.521	100	1.765	100	43	100
	1976	16.389	118	1.679	112			368	93	5.702	126	1.933	110	56	130
	1977	16.347	117	1.626	108			330	83	5.246	116	1.886	107	68	158
	1978	17.491	126	2.152	144			540	136	5.350	118	2.137	121	58	135
	1979	18.784	135	2.690	179			817	206	6.217	138	2.432	138	91	212
	1980	20.736	149	3.667	245			933	235	7.498	166	3.245	184	210	488
	1981	29.468	212	4.542	303			1.336	336	10.473	232	4.851	275	130	302
	1982	28.447	204	3.555	237			1.080	272	9.784	216	3.667	208	99	230
Japan	1975	11.715	100	1.231	100	2.648	100			5.902	100	1.102	100	480	100
	1976	16.582	142	2.297	186	4.076	154			7.774	132	1.391	126	283	59
	1977	20.505	175	3.176	258	5.756	217			8.853	150	1.757	159	292	61
	1978	21.528	184	3.162	257	7.189	271			8.447	143	1.722	156	390	81
	1979	18.763	160	2.822	229	7.481	283			6.009	102	946	86	440	92
	1980	24.684	211	3.124	254	9.401	355			8.749	148	1.644	149	518	108
	1981	36.963	316	4.953	402	12.735	481			13.637	231	2.872	261	514	107
	1982	38.821	331	4.373	355	14.078	532			14.501	246	3.943	358	654	136

(1) Extra E.C.

(2) Development countries

(3) State economic countries

(a) millions of ECU

(b) index 1975 = 100

Source : UNO SITC Rev.1