

EUROPEAN COAL & STEEL COMMUNITY

HIGH AUTHORITY

Information Service

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PRESS RELEASE

High Authority Meeting with OEEC Coal Committee
Community's Coal Situation - Second Quarter 1957

A slight easing of tension on the European Coal and Steel Community's coal market is likely in the second quarter of 1957, it was disclosed following the regular quarterly exchange of views held between the Community's High Authority and the Coal Committee of the Organisation for European Economic Cooperation (OEEC) on March 1. The increased tightness prevailing in the market last autumn, following an extremely cold year and the Suez crisis, has already been taken up by the exceptionally mild winter.

Although production, at 61.2 million metric tons, is estimated at 2 million tons below the first quarter forecast owing to the smaller number of working days, available supplies are expected to be only 800,000 tons lower since consumption at the mines, use at pit-head power stations and deliveries to miners will be seasonally lower.

The reduction of supplies will be more than offset by a seasonal fall of 900,000 tons in demand compared with the first-quarter estimates. This reduction is expected despite a predicted increase of 300,000 tons in coal consumption by coking plant. The quantities of coal supplied for domestic consumption (including briquettes, lignite briquettes and coke) are expected to be slightly larger than those delivered in the second quarter of 1956, which were themselves abnormally high.

Imports from the United Kingdom are expected to reach 743,000 tons, or some 240,000 tons more than the total fixed for the first quarter. Deliveries from Poland, the USSR, and other East European countries, however, are expected to fall slightly from the recent levels following difficulties in maintaining deliveries of Russian coal.

The Community's imports of American coal needed to make up the balance of its requirements are likely to remain around 9 million tons.

Tension in the coke market is also expected to ease slightly as a result of increased production, together with the seasonal fall in requirements for domestic consumption. These should largely compensate a predicted increase of 150,000 tons in demand by the steel industry.

The following table shows the forecasts for the second quarter, with the first-quarter forecasts included for comparison:

	2nd Quarter, 1957	1st Quarter, 1957
	(millions of metric tons)	
<u>Supplies</u>		
Production	61.2	63.33
Imports from third countries	11.7	11.7
Drawing on pit-head stocks.	-	0.2
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TOTAL	72.9	75.2
 <u>Needs</u>		
Consumption	64.1	64.7
Mines' own consumption and deliveries to personnel.	7.5	9.2
Exports to third countries.	1.5	1.5
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TOTAL	73.1	75.4