

# OECD/South Africa Workshop on Steelmaking Raw Materials

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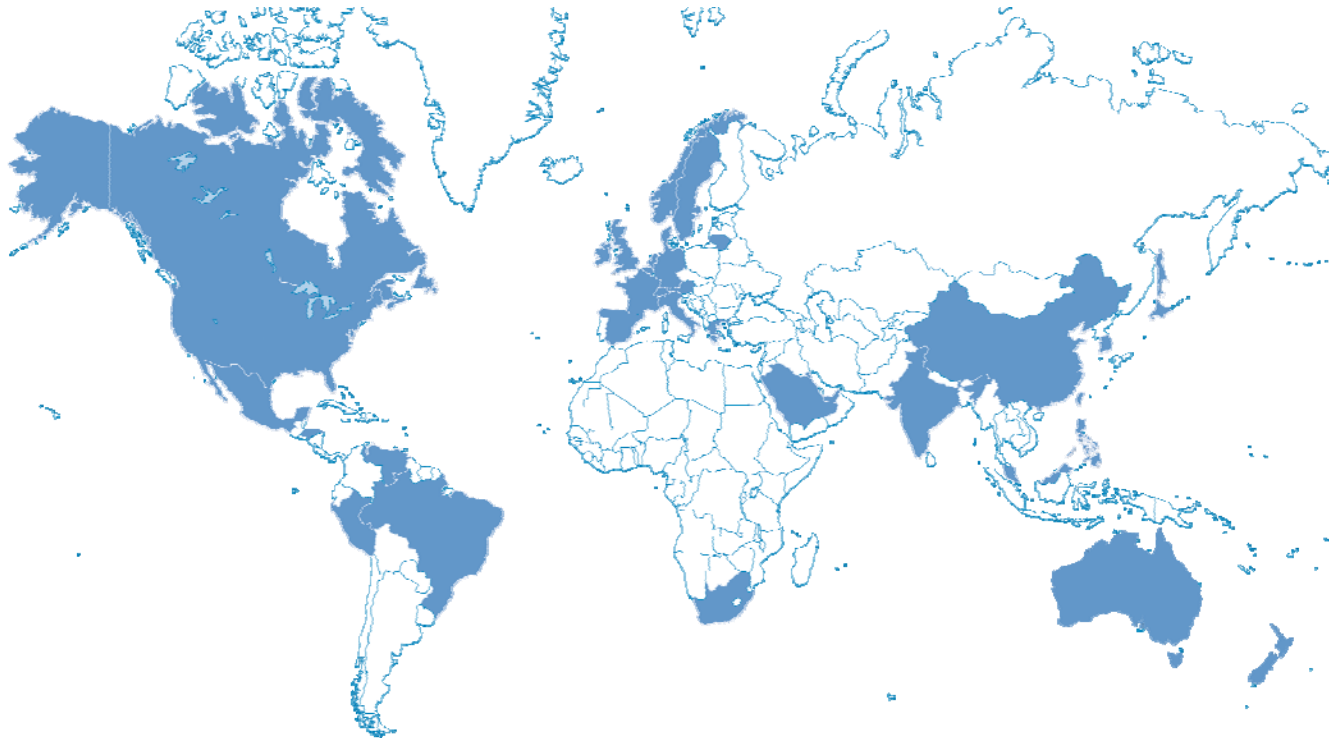


Institute of  
Scrap Recycling  
Industries, Inc.

# About ISRI



Institute of  
Scrap Recycling  
Industries, Inc.



**1,700**

Member  
companies

**7,000+**

Recycling facilities  
worldwide

**34**

Countries

# Industry Snapshot: \$90 Billion Industry in U.S.



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# 135,000,000

Tons processed annually

## 2013 U.S. Scrap Exports

# 42.8

Total exported  
(million metric tons)

# \$24B

Value of materials  
exported

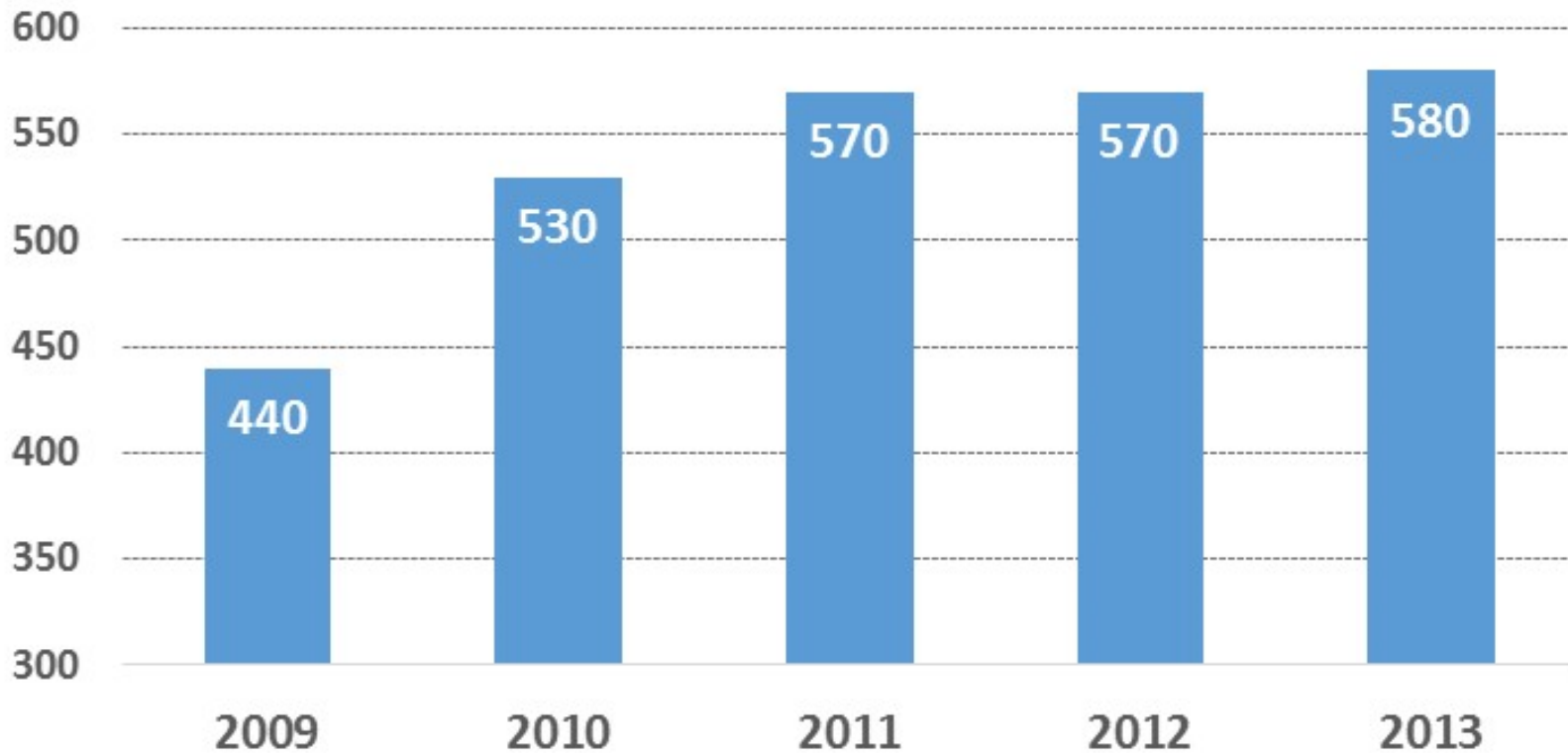
# 160

Number of destinations  
exported to

# Global Ferrous Scrap Consumption

**Total World Steel Scrap Use, 2009 - 2013**  
Million metric tons

Source: Bureau of International Recycling

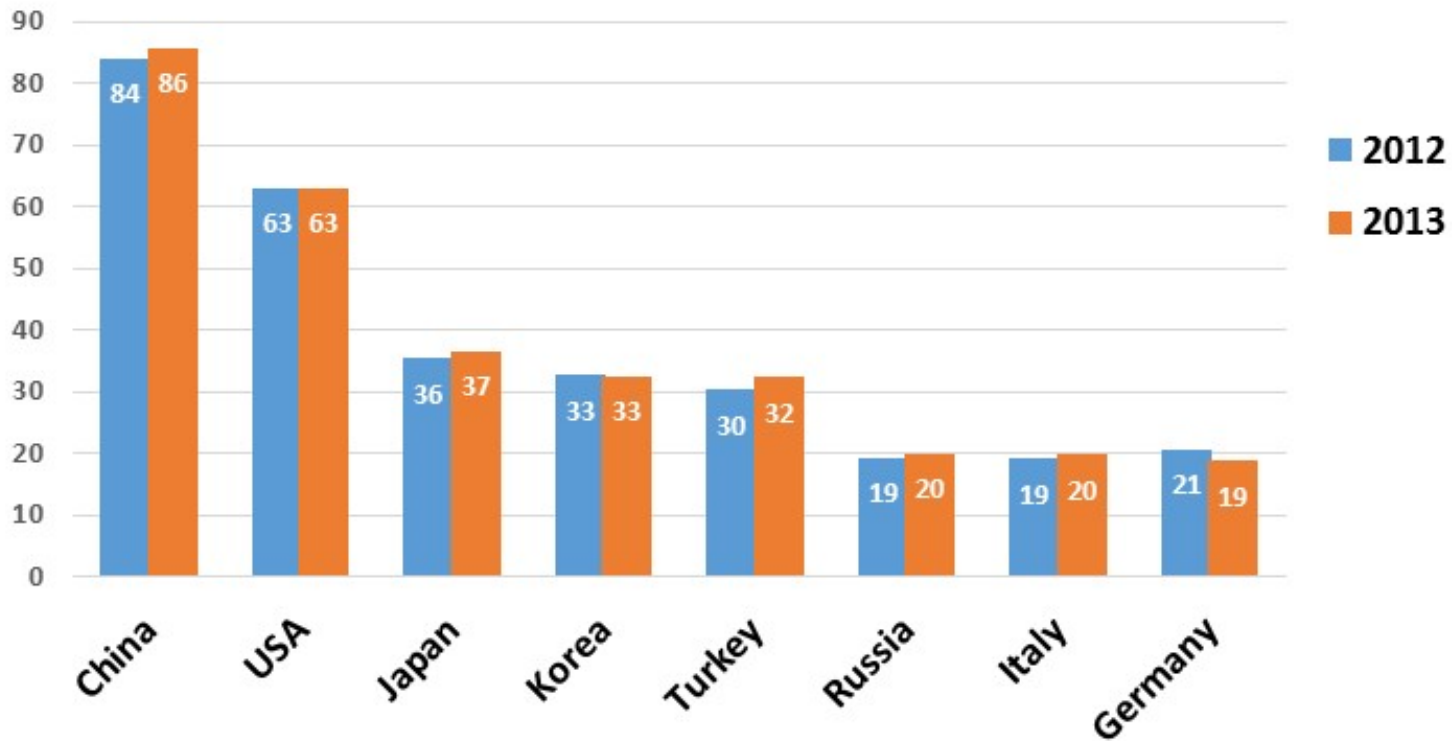


# Major Consumers of Ferrous Scrap

## Largest Consumers of Steel Scrap, 2012 & 2013

Million metric tons

Sources: BIR, USGS, EUROFER, CAMU, DCUD, Japan Ministry of Economy, KOSA, Impextrade LLC Russia



# Major Ferrous Scrap Exporters, 2009-2013

Million metric tons

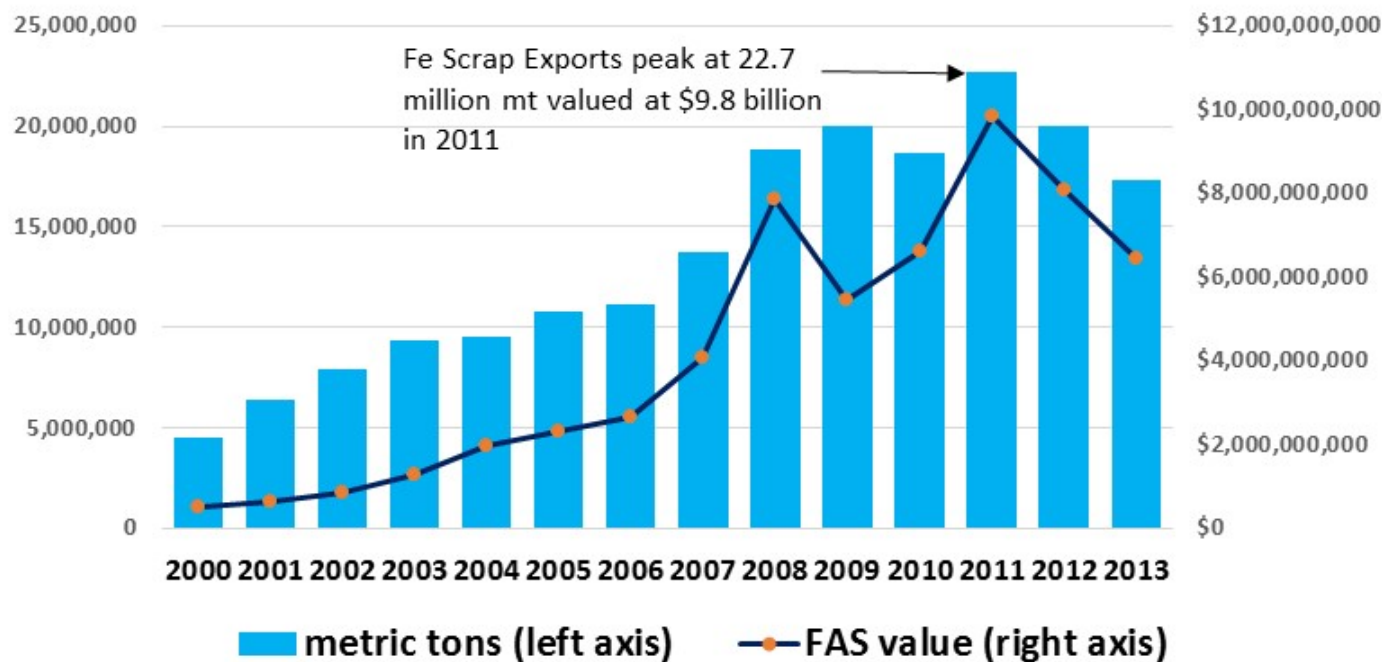
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>USA</b>	22.4	20.5	24.5	21.3	18.5
<b>EU-27</b>	15.8	19.0	18.8	19.6	16.8
<b>Japan</b>	9.4	6.5	5.4	8.6	8.2
<b>Canada</b>	4.8	5.2	4.8	4.2	4.5
<b>Russia</b>	2.4	4.0	4.4	4.6	4.5
<b>Australia</b>	1.9	1.6	1.8	2.2	2.2
<b>South Africa</b>	1.1	1.2	1.4	1.6	1.6

Sources: UN Comtrade Database, US Census Bureau/US International Trade Commission, BIR

# Globalized Marketplace: Ferrous Example

### U.S. Ferrous Scrap Exports by Volume (metric tons) and FAS Value (\$), 2000 - 2013 (ex-stainless and alloy steel scrap)

Sources: U.S. Census Bureau/U.S. International Trade Commission

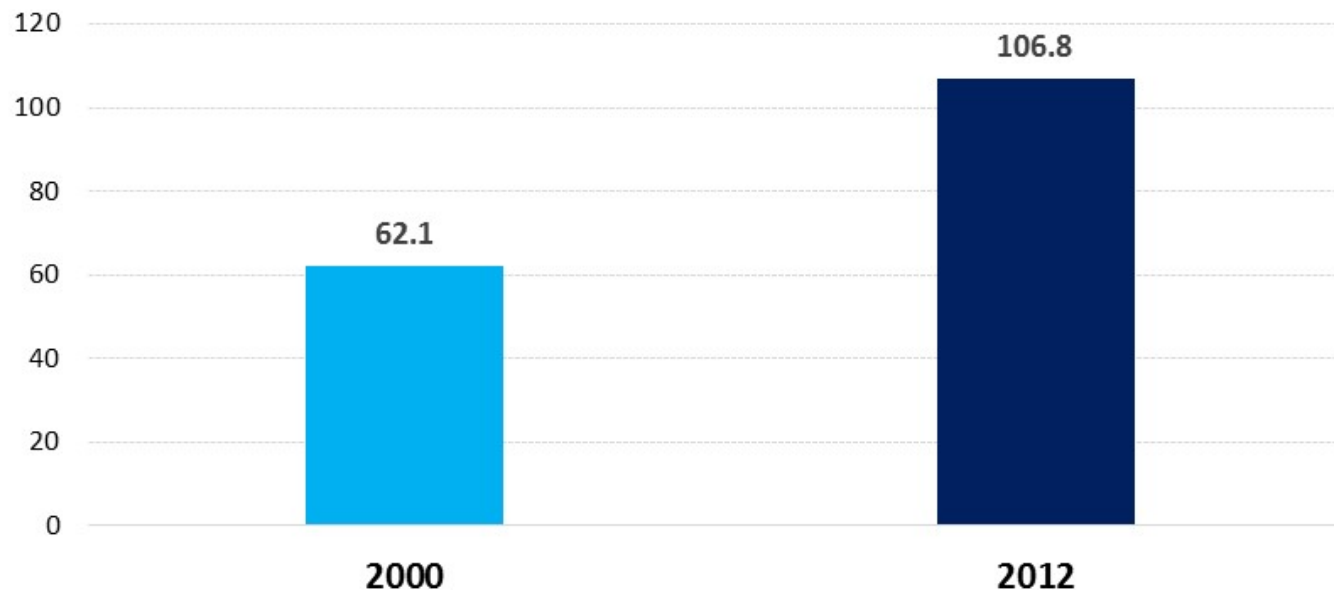


Ferrous scrap exports from the United States alone surged from less than 5 million metric tons in 2000 to more than 22 million metric tons in 2011.

# The Scrap Marketplace Has Become Increasingly Globalized...

## Global Ferrous Scrap Exports, 2000 vs. 2012 (million metric tons)

Source: U.N. Comtrade Database



*Ferrous scrap exported from all countries surged more than 70 percent higher in just over a decade.*

Global ferrous scrap exports exceeded 100 million metric tons for the first time in 2010 and continued to climb higher through 2012.

**2000-2012** significant increase in exports  
**since 2012** slower, less exports

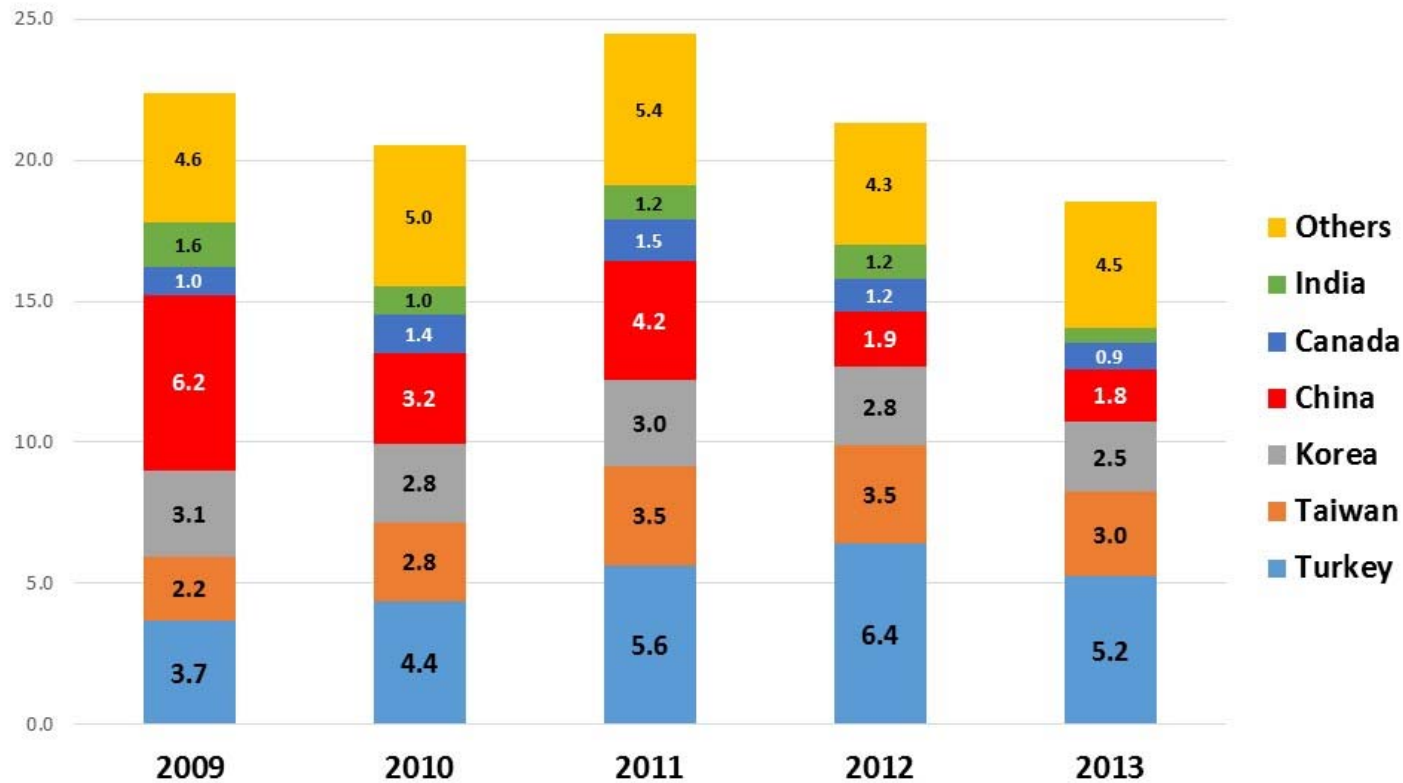


# U.S. Ferrous Scrap Exports by Major Destination

## U.S. Ferrous Scrap Exports by Major Destination, 2009 - 2013

Million metric tons

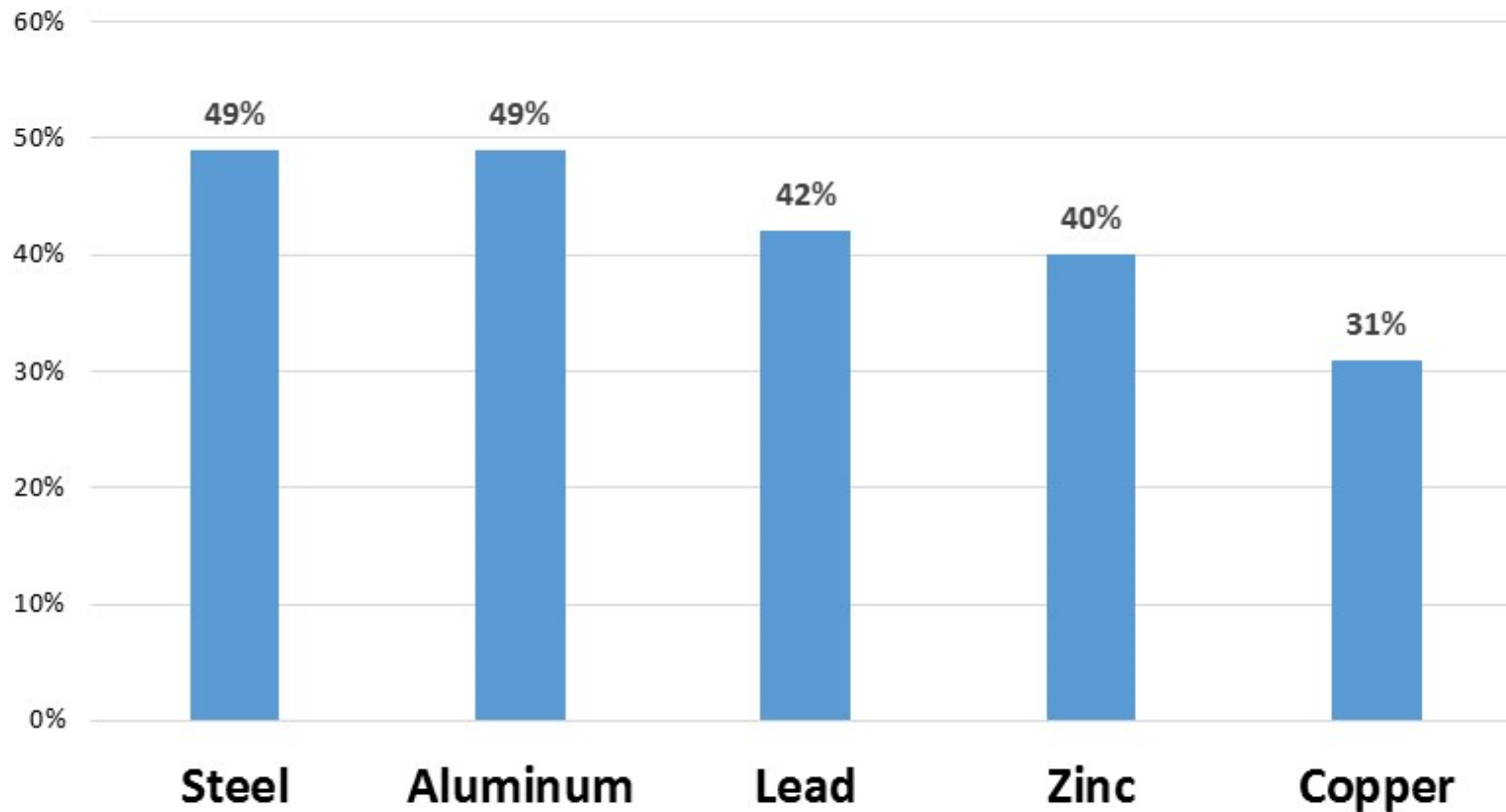
Sources: US Census Bureau/US International Trade Commission



# Do we still care about China?

## China's Share of World Metal Production (%), 2013

Sources: World Steel Association, International Aluminium Institute, International Lead Zinc Study Group, International Copper Study Group



# U.S. Remains China's Dominant Overseas Supplier of Scrap Metal

## Top 10 Suppliers of Metal Scrap to Mainland China by \$ Value in 2013

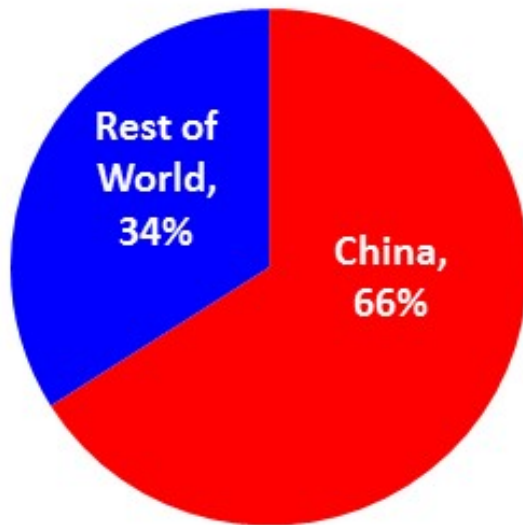
<b>Ferrous Scrap</b>	<b>Copper Scrap</b>	<b>Aluminum Scrap</b>
1. Japan	<b>1. USA</b>	<b>1. USA</b>
<b>2. USA</b>	2. Hong Kong SAR	2. Hong Kong SAR
3. Hong Kong SAR	3. Malaysia	3. Malaysia
4. Australia	4. Germany	4. Australia
5. Korea	5. Australia	5. Germany
6. Kazakhstan	6. Japan	6. United Kingdom
7. Canada	7. United Kingdom	7. Canada
8. Belgium	8. Netherlands	8. Netherlands
9. Russia	9. Mexico	9. Spain
10. Taiwan (China)	10. Spain	10. Macao SAR

Source: UN Comtrade Database.

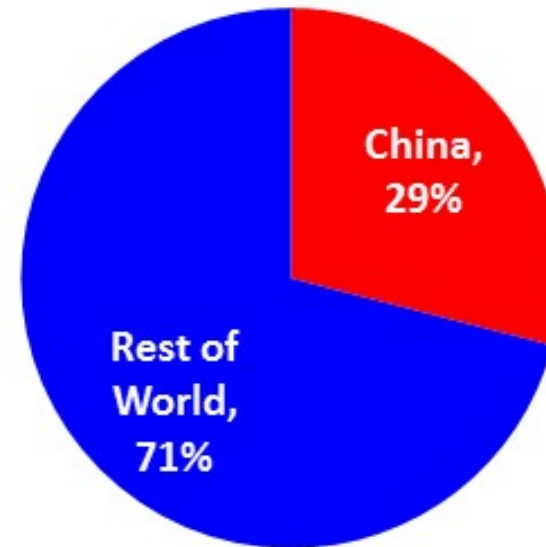
# But China's Share of U.S. Scrap Exports Varies Significantly by Type of Metal

## U.S. Nonferrous and Ferrous Scrap Exports To China and RoW in 2013 (% of Export Sales)

**Nonferrous**



**Ferrous**



Sources: US Census Bureau/US International Trade Commission

# Outlook: depends on a number of factors

- Relative Prices of Primary Inputs and Metals (Iron Ore, Copper Concentrate, Refined Metals) vs. Scrap Prices
- Strong US dollar?
- Higher Domestic Scrap Generation
  - China: quality concerns?
- Increase of Electric Arc Furnaces
- Global Manufacturing Output
- China still matters
- Other emerging markets
  - Southeast Asia
  - Middle East
  - South America



## YTD Trend in U.S. Ferrous Scrap Exports (metric tons)



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Country	Quantity Description	Jan-Aug 2013	Jan-Aug 2014	YTD % CHG
Malaysia	metric tons	464,834	417,511	-10%
Indonesia	metric tons	446,659	259,373	-42%
Vietnam	metric tons	410,663	223,550	-46%
Thailand	metric tons	26,114	329,677	<b>1163%</b>
China	metric tons	1,143,637	357,827	-69%
Taiwan	metric tons	1,946,204	1,699,282	-13%
India	metric tons	385,983	328,539	-15%
Pakistan	metric tons	85,143	168,474	<b>98%</b>
Turkey	metric tons	3,632,123	2,404,136	-34%
Kuwait	metric tons	0	318,747	N/A
Egypt	metric tons	567,441	452,423	-20%
Peru	metric tons	249,314	182,834	-27%
Mexico	metric tons	409,618	489,504	<b>20%</b>
Ecuador	metric tons	74,797	91,839	<b>23%</b>
Others	metric tons	320,302	290,127	-9%
Canada	metric tons	574,620	532,774	-7%
<b>TOTAL</b>	metric tons	<b>12,035,022</b>	<b>9,743,429</b>	<b>-19%</b>



# Thank You

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