

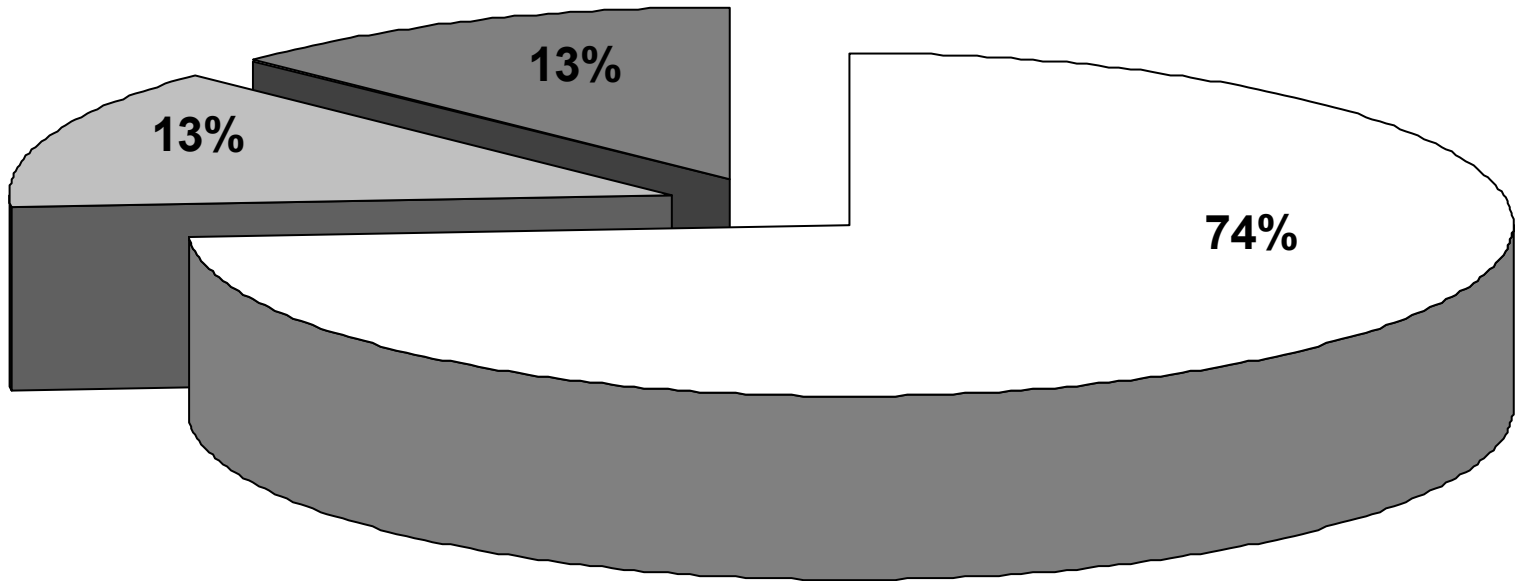
# Global production of steel, pig iron and DRI, million mt.

	1998	1999	2000	2001	2002
Steel	777	788	848	850	887
Pig iron	539	541	577	577	605
DRI+HBI	37	38.6	43.8	40.3	45.1

# Estimation of steel scrap global demand

	1998	1999	2000	2001	2002
<b>Total SRM demand</b>	<b>909</b>	<b>921</b>	<b>987</b>	<b>989</b>	<b>1030</b>
<b>Consumption of pig iron and DRI</b>	<b>576</b> <b>(63.4%)</b>	<b>580</b> <b>(63%)</b>	<b>621</b> <b>(62.9%)</b>	<b>617</b> <b>(62.4%)</b>	<b>650</b> <b>(63.1%)</b>
<b>Total steel scrap demand</b>	<b>333</b> <b>(36.6%)</b>	<b>341</b> <b>(37%)</b>	<b>366</b> <b>(37.1%)</b>	<b>372</b> <b>(37.6%)</b>	<b>380</b> <b>(36.9%)</b>

# The structure of the global SRM market



□ **Steel scrap**  
**66 Mil. mt**

■ **Pig iron**  
**12 Mil. mt**

■ **DRI + HBI**  
**11,3 Mil. mt**

## The main exporters of scrap in 2002

Country	Export, Mil. mt	Market share, %
USA	8.9	13.5
Germany	6.9	10.5
<b>Russia</b>	<b>6.5</b>	<b>10.0</b>
Japan	6.2 (2001)	9.4
UK	5.5	8.3
Benelux	5.2 (2001)	7.7
France	4.6	7.0
Ukraine	3.8	5.8

**72.4%**

## The main net-consumers of scrap in 2002

<b>Country</b>	<b>Export, Mil. mt</b>	<b>Market share, %</b>
<b>Turkey</b>	9.7	14.7
<b>China</b>	7.9	12.0
<b>South Korea</b>	7.2	10.9
<b>Spain</b>	5.5	8.3
<b>Italy</b>	4.3	6.5

**52.4%**

# Merchant pig iron producers and suppliers

Country	Export, mil. mt	Market share, %
Brazil	4.5	37
<b>Russia</b>	<b>4.2</b>	<b>35</b>
Ukraine	1.0	9
RSA+Canada*)	0.9	7.5
ROW**)	1.4	11.5
<b>Total</b>	<b>12</b>	<b>100</b>

\*) – RSA and Canada are supplying special grades on nodular pig iron for foundry industry.

\*\*\*) – ROW – Japan, India, China, Germany, Turkey, Poland, Norway and some other countries supplying small amounts of pig iron within their own geographical region.

**Russia has the most developed coverage of the world market:**

<b>Region</b>	<b>Russian pig iron sales in 2002</b>	
	<b>Mil. mt</b>	<b>%</b>
<b>Europe</b>	2.14	51
<b>Asia</b>	1.04	25
<b>USA + Mexico</b>	0.92	22
<b>ROW</b>	0.10	2
<b>TOTAL</b>	<b>4.20</b>	<b>100</b>

## The share of Russian pig iron on the main markets in 2002

<b>Region</b>	<b>Pig iron market size, Mln. mt</b>	<b>Share of Russian pig iron, %</b>
<b>EUROPE</b>	3.3	65
<b>ASIA</b>	3.4	30.6
<b>USA*)</b>	4.5	12

**\*) – Russian pig iron sales in the USA in 1999 – 2003 were limited by 600 000 mt per year according to the agreement concerning trade in certain steel products from the Russian Federation.**



# Summarized position of Russia on the Global SRM market

	Market size, Mil. mt	Shipments from Russia	
		Mil. Mt	Market share, %
<b>Steel scrap</b>	66.0	6.5	10.0
<b>Pig iron</b>	12.0	4.2	35.0
<b>DRI + HBI</b>	11.3	1.1	10.0
<b>TOTAL</b>	89.3	11.8	13.2