October 2024

ECONOMIC AND STEEL MARKET OUTLOOK 2024 2025

Q4 REPORT

Data up to, including, 2024 Q2

EUROFER

THE EUROPEAN STEEL ASSOCIATION

EXECUTIVE SUMMARY

The negative trend in the steel market which began in the second half of 2022 has continued up to the second quarter of 2024. The severe consequences of the war in Ukraine and other global geopolitical tensions, along with the deteriorating manufacturing outlook across the EU and uncertainty in the overall economic environment, have continued to take their toll. Apparent steel consumption in the EU continued to decrease (-1.3%) in the second quarter of 2024, confirming the negative trend observed in the preceding quarter (-3%). After a significant recession (-8.3%) in 2022, persistent downside factors such as ongoing conflicts, uncertainty surrounding energy prices and inflation combined with a worsened economic outlook have further negatively impacted apparent steel consumption in 2023. However, the data reveal a less pronounced contraction than previously expected (-6%, revised upwards from -9%) compared to 2022, marking the fourth annual recession in the last five years.

This downward trend is set to impact the overall forecast for 2024, against expectations earlier in the year of a possible improvement in the demand outlook.

As a result, in 2024, due to poor developments in the industrial outlook and decreasing demand from steel-using sectors (particularly construction and automotive), apparent steel consumption is projected to experience another recession, albeit moderate (-1.8%, revised downwards from +1.4% of the previous forecast). The overall evolution of steel demand remains subject to high uncertainty. A modest recovery is foreseen in 2025, however resulting in consumption volumes far below pre-pandemic levels.

EU STEEL MARKET OVERVIEW

In the second quarter of 2024, apparent steel consumption dropped again (-1.3%), after the decrease recorded in the preceding quarter (-3%). The total volume in the second quarter of 2024 stood at 34.8 million tonnes.

The current downturn in EU apparent steel consumption, reflecting poor demand conditions, began in the second quarter of 2022, due to war-related disruptions, along with unprecedented rises in energy prices and production costs. Demand conditions have been worsening considerably since then, and this negative cycle continued until the second quarter of 2024, also fuelled by growing global economic uncertainty, higher interest rates and overall manufacturing weakness.

Domestic deliveries mirrored the evolution in demand and contracted (-1.7%, further to -5.6% in the preceding quarter). In 2022, deliveries plummeted (-9.1%), reflecting the sharp deterioration in demand. As a result of persisting negative trends throughout the year, domestic deliveries markedly dropped again (-4.6%) in 2023.

Imports into the EU including semi-finished products slightly decreased (-1.5%) in the second quarter of 2024, after a rise in the preceding quarter (+12%). It is worth noting that the drops in imports reflect weak demand conditions, as apparent consumption declined (-1.3%) in the same period. However, in absolute volumes the share of imports out of apparent consumption has remained considerably high in historical terms throughout 2023 and up to the second quarter of 2024, rising to 28% from 27% in the first quarter.

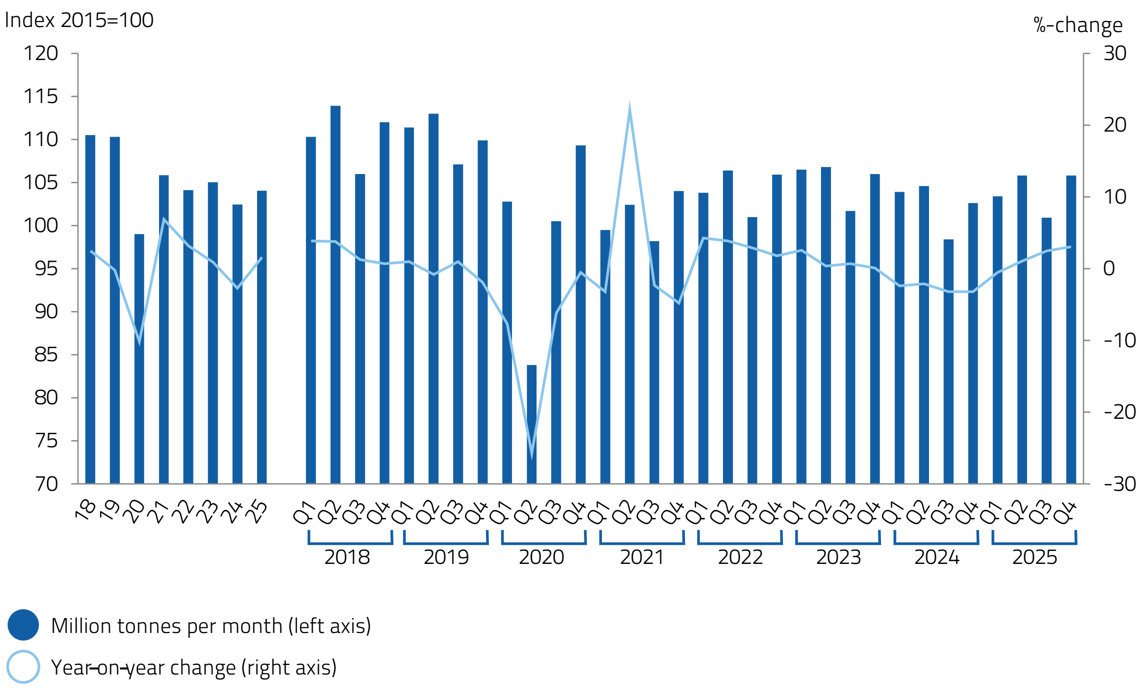
EU STEEL-USING SECTORS

In the second quarter of 2024, the Steel Weighted Industrial Production index (SWIP) markedly dropped for the second consecutive time (-2.1%, after -2.4%). Until the end of 2023, EU steel-using sectors' output continued to show resilience and grow, albeit at a slower pace (+0.9%, revised downwards from +1.2%). This was despite the prolonged impact of Russia's invasion of Ukraine, overall manufacturing weakness and global geopolitical tensions, along with above-average energy prices.

The positive trend in overall SWIP, started after the pandemic, continued up to the fourth quarter of 2023, in spite of soaring energy prices impacting production costs, component shortages and lower output that began to take their toll on total production activity in steel-using sectors in the second half of 2022. The deterioration of the economic and industrial outlook in the EU – particularly due to high inflation and the subsequent interest rate hike by the European Central Bank (ECB) – had only a limited impact on steel-using sectors' output up to the end of 2023, with the exception of the construction sector.

The latest developments in the SWIP index reflect a continued downturn in the construction, mechanical engineering, domestic appliances and metalware sectors, as well as a slowdown in the automotive sector. The latter had experienced growth for seven consecutive quarters, although output remained well below 2019 levels. The construction sector, which accounts for 35% of steel consumption in the

EU Steel Using Sectors
Production Activity
Forecast from Q3-2024



EU, entered recession in the third quarter of 2022, and this trend continued up to the second quarter of 2024 (0.4%, after -2.6% in the preceding quarter). Recession is expected to persist until the end of 2024.

Ongoing economic uncertainty is set to continue taking its toll on growth also in the upcoming quarters. SWIP resilience is therefore expected to come to an end in 2024 as steel-using sectors' output growth is projected to experience a steeper drop (-2.7%, revised downwards from -1.6%). A more modest recovery is anticipated in 2025 (+1.6%, also revised downwards from +2.3%).

CONCLUSIONS

The ongoing economic uncertainty is set to continue affecting steel market growth from the demand side over the upcoming quarters:

1. Despite EU industry proving quite resilient throughout 2023, the outlook for the second half of 2024 remains dominated by a worsening combination of uncertainties in energy prices, weak manufacturing sectors' conditions, inflation above target levels, severe geopolitical tensions and economic challenges driven by high interest rates. Despite recent monetary easing, its effects on the economic cycle will not be visible in the short-term.

2. While output grew more than expected (+3.2%) in 2022, SWIP growth in 2023 slowed down, achieving a lower-than-estimated growth (+0.9% vs. +1.2%), with wide differences among individual EU economies and industrial sectors.

3. In 2024, growth in steel-using sectors is projected to drop more severely than formerly estimated (-2.7% vs. -1.6%), due to the second recession in a row in the construction sector and the first (since 2020) in the automotive sector. Persistent geopolitical tensions and the lagged impact on monetary easing weighted on the overall manufacturing sector. A more moderate growth is expected in 2025 (+1.6%, revised downwards from +2.3%).

CONTENTS

THE EU STEEL MARKET: SUPPLY

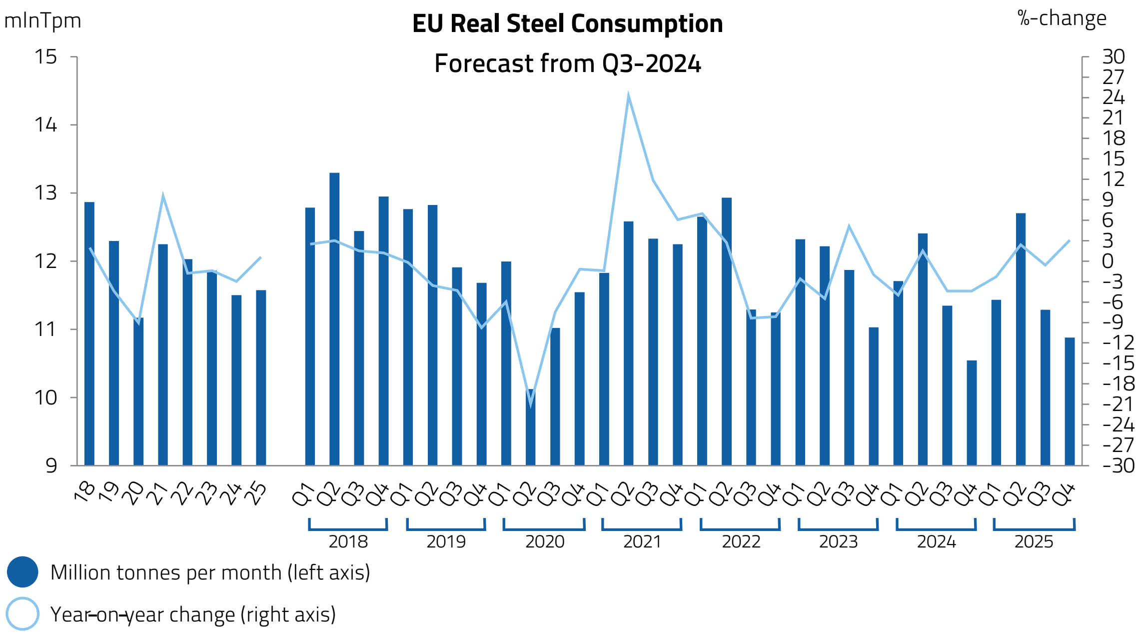
REAL STEEL CONSUMPTION

SECOND QUARTER 2024

In the second quarter of 2024, real steel consumption increased (+1.5%), after the contraction seen in the first quarter (-5%).

Real steel consumption decreased in 2022 (-1.8%) and, albeit less severely, in 2023 (-1.4%). It is expected to drop again in 2024 (-3%) and to recover moderately in 2025 (+0.6%, revised downwards from +2.4%). Some re-stocking along the steel distribution chain is not be expected before the end of 2025.

The two consecutive recessions of 2019 and 2020 were caused by a considerable slowdown in the activity of steel-using sectors due to a downturn in manufacturing and trade, and the COVID crisis, respectively. The counter-cyclical destocking trend that started in late 2019 has persisted to date. It temporarily reversed in the first quarter of 2021 when growth in steel demand was expected to continue. The trend of weak demand conditions has continued throughout 2023 and 2024, given the protracted impact of the war in Ukraine and growing geopolitical tensions, high inflation and uncertainty on the global industrial outlook and energy prices. Although de-stocking has continued at very high historical levels - reflecting poor demand perspectives - real consumption growth was negative both in 2022 and 2023, and is also expected to be negative in 2024. A modest recovery in expected in 2025, in line with SWIP developments.



Forecast for real consumption - % change year-on-year

Period	**2023**	Q1'24	Q2'24	Q3'24	Q4'24	**2024**	Q1'25	Q2'25	Q3'25	Q4'25	**2025**
% Change	**-1.4**	-5.0	1.5	-4.4	-4.4	**-3.0**	-2.3	2.4	-0.6	3.1	**0.6**

APPARENT STEEL CONSUMPTION

SECOND QUARTER 2024

In the second quarter of 2024, apparent steel consumption continued to drop (-1.3%, after -3%). Total consumption volume in the second quarter of 2024 stood at 34.8 million tonnes.

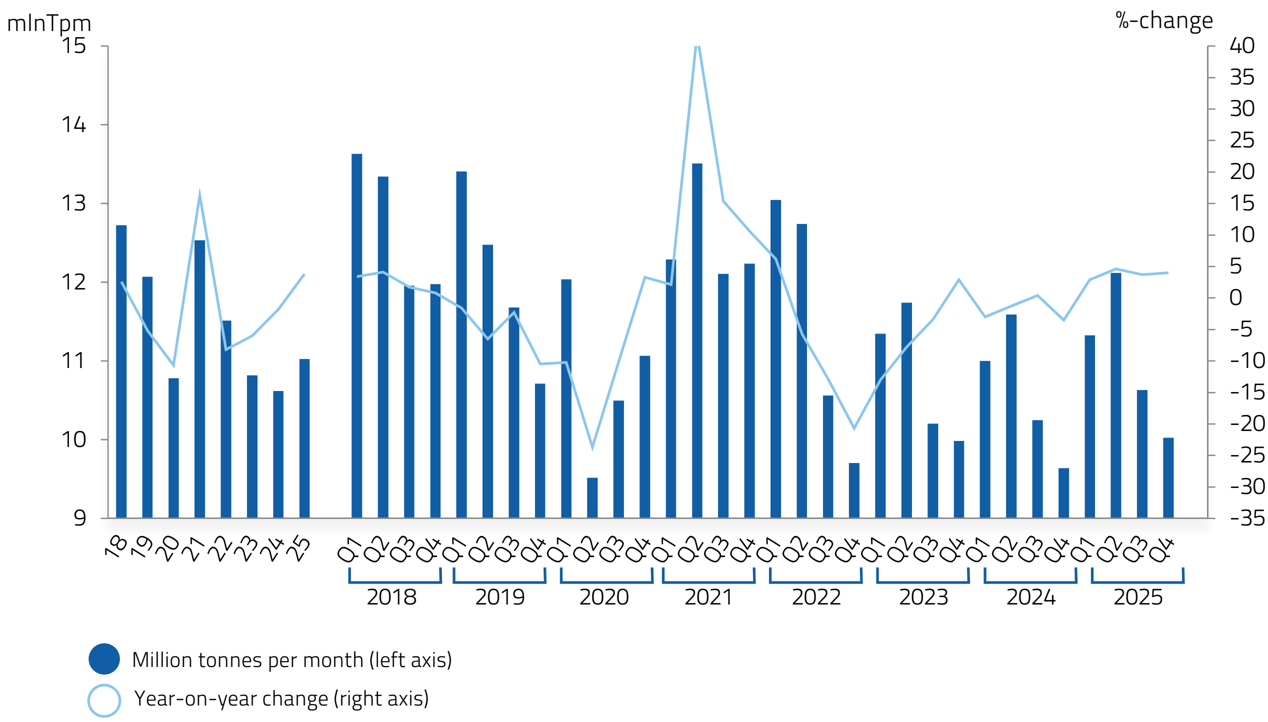
The current downturn in EU apparent steel consumption, reflecting poor demand conditions, began in the second quarter of 2022, due to war-related disruptions, along with unprecedented rises in energy prices and production costs. Demand conditions have been worsening considerably since the second half of 2022, and this negative cycle has continued until the second quarter of 2024, mainly as a result of growing global economic uncertainty, higher interest rates and overall manufacturing weakness.

The dire consequences of the conflict in Ukraine and the energy shock on steel-using industries, along with worsened overall economic outlook, triggered a severe recession (-8.3%) already in 2022. These protracted downside factors further impacted apparent steel consumption in 2023, resulting in another annual drop (-6%). This represented the fourth annual recession in the last five years. In 2024, against expectations of more favourable developments in the industrial outlook and improvement in steel demand earlier this year, apparent steel consumption is set to experience another drop, albeit more moderate (-1.8%, revised downwards from +1.4%). In 2025, apparent steel consumption is projected to recover at a slower pace (+3.8% vs. +4.1% previously), conditional on a positive evolution of the industrial outlook and easing global tensions.

The overall evolution of steel demand remains subject to very high uncertainty. No improvement in apparent steel consumption is expected over the next two quarters of 2024, and consumption volumes are likely to remain far below pre-pandemic levels.

EU Apparent Consumption

Forecast from Q3-2024



EU DOMESTIC AND FOREIGN SUPPLY

In the second quarter of 2024, domestic deliveries mirrored the evolution in demand and contracted (-1.7%, after -5.6% in the preceding quarter). In 2022. deliveries plummeted (-9.1%), reflecting the sharp deterioration in demand. As a result of protracted negative trends throughout the year, domestic deliveries markedly dropped again (-4.6%) in 2023.

Imports into the EU including semi-finished products slightly decreased (-1.5%) in the second quarter of 2024, after a rise in the preceding quarter (+12%). It is worth noting that the drops in imports reflect weak demand conditions, as apparent consumption declined (-1.3%) in the same period. However, in absolute volumes the share of imports out of apparent consumption has remained considerably high in historical terms throughout 2023 and up to the second quarter of 2024, rising to 28% from 27% in the first quarter.

EU apparent steel consumption - in million tonnes per year

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024 (f)**	**2025 (f)**
Million tonnes	142	147	149	153	145	129	150	138	130	127	132

Forecast for EU apparent steel consumption - % change year-on-year

Period	**2023**	Q1'24	Q2'24	Q3'24	Q4'24	**2024**	Q1'25	Q2'25	Q3'25	Q4'25	**2025**
% Change	**-6.0**	-3.0	-1.3	0.4	-3.5	**-1.8**	2.9	4.6	3.7	4.0	**3.8**

IMPORTS

In the second quarter of 2024, total steel imports (including semis) into the EU slightly decreased year-on-year (-2%), following a rise in the preceding quarter (+12%). During the first seven months of 2024, imports of all steel products dropped (-7%) compared to the corresponding period of the previous year. In 2023, total imports fell (-9%) compared to the previous year, following the drop already observed in 2022 (-7%).

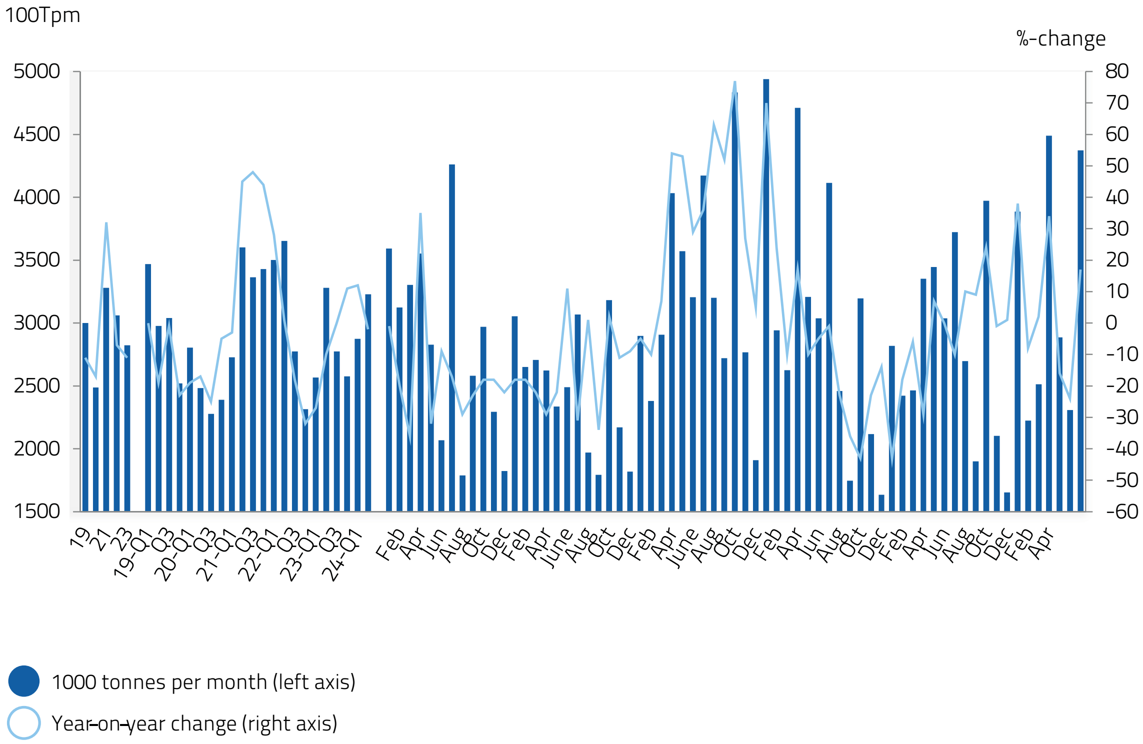
Imports of finished products also decreased (-5%) in the second quarter of 2024, following the rise seen in the preceding quarter (+13%). During the same period, imports of flat products dropped (-7%) after the surge in the preceding quarter (+22%), whereas imports of long products rose (+4%, after a decrease of -15% in the previous quarter).

In the first seven months of 2024, imports of finished products rose (+7% year-on-year), and so did imports of flat products (+9%) whereas imports of long products recorded flat developments. In 2023, imports of finished products decreased overall (-11%). In particular, imports of flat products fell (-8%), along with imports of long products (-22%).

Imports have displayed consistent volatility throughout 2023, mirroring the fluctuations seen in the three preceding years. After the outbreak of COVID-19, imports surged again for certain products and showed some volatility over the second half of 2020. However, the increase became much more pronounced during 2021, particularly over the second and third quarters, reaching high levels in historical terms. This development mirrored buoyant steel demand conditions up to end-2021, while volatility continued over the fourth quarter of 2021 and throughout 2022. Reflecting much weaker demand since the first quarter of 2022, imports have been declining in volume from the second half of 2022 to the second quarter of 2023, before increasing again in the second half of 2023. However, over the entire year 2023, imports remained at elevated historical levels, resulting in very high import shares out of apparent consumption (27%), as well as in a widening trade deficit vis-à-vis third countries.

EU Total Steel Imports

Finished products



IMPORTS BY COUNTRY OF ORIGIN

In the first seven months of 2024, the main countries of origin for finished steel imports into the EU market were, in descending order: India, Turkey, South Korea, Vietnam, Taiwan, China, Ukraine and Japan. The top five exporting countries in the first four months of 2024 accounted for 57% of total EU finished steel imports. India has maintained its role of leading exporting country to the EU (with a share of 15%), followed by Turkey (14%), South Korea (11%) Vietnam (9.4%), Taiwan (9%), and China (7%).

In the first seven months of 2024, imports from major exporting countries showed diverging developments. Imports of finished products boomed from Turkey (+99%) and also increased from India (+27%) and Vietnam (+20%). On the contrary, imports of finished products plunged from China (-23%), Japan (-20%), and declined from South Korea (-7%) and Taiwan (-1%).

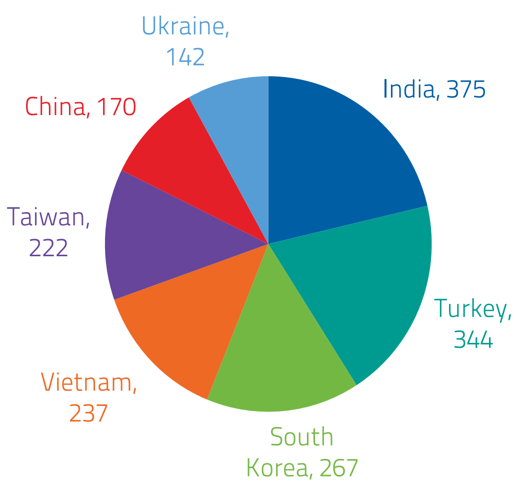
IMPORTS BY PRODUCT CATEGORY

According to customs data, in the first seven months of 2024 imports of flat products into the EU market increased (+9%), whereas imports of long products remained unchanged. The share of long products out of total finished steel product imports was 20%. Overall, imports of finished products increased (+7%).

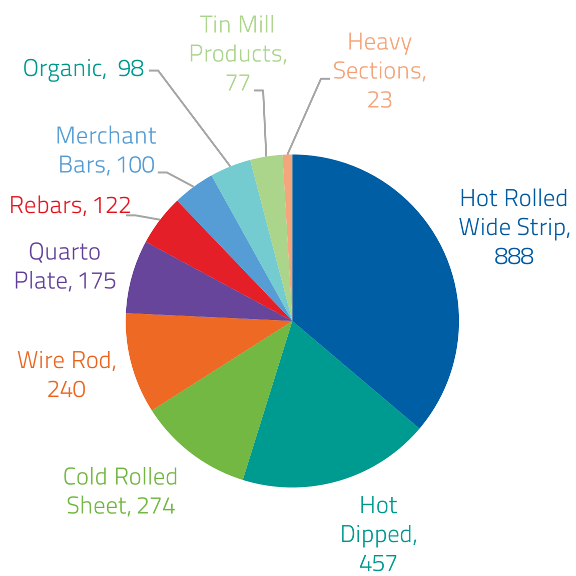
Within the flat product market segment, imports of all flat products increased during the first seven months of 2024 compared to the same period in 2023. In particular, imports of hot-rolled wide strip increased (+5%), along with hot dipped (+29%), coated sheets (+30%) and organic (+36%). Imports of cold rolled sheets and quarto plate increased more moderately (+7% and +1%, respectively).

Regarding long products, imports in the first seven months of 2024 recorded an increase only for wire rod and rebars (+13% and +20% respectively), whereas imports of heavy sections and merchant bars fell (by -28% and -30% respectively).

EU Finished Steel Imports by Country
7M-2024,
(monthly '000 metric: tonnes)



EU Finished Steel Imports by Product
7M-2024,
(monthly '000 metric: tonnes)

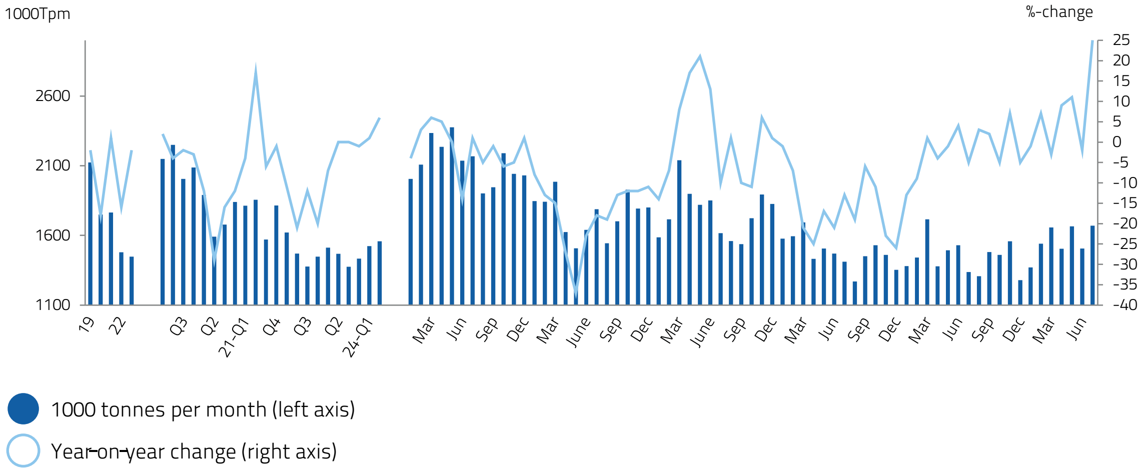


EXPORTS

In the second quarter of 2024, total EU exports of steel products to third countries increased (+6%, after +1% in the preceding quarter). Exports of finished steel products increased (+4%), after increasing also in the first quarter of 2024 (+5%). In particular, exports of both flat and long products increased (+6% and +1%, respectively). Over the first seven months of 2024, total exports rose (+6%), as well as exports of finished products (+7%), as a result of a rise for both flat and long products (+8% and +6% respectively).

Throughout the entire year of 2023, exports of finished products fell (-4%), due to a decline in flat products (-9%) and despite an increase in long product exports (+10%).

EU Total Steel Exports



EXPORTS BY COUNTRY

During the first seven months of 2024, the main destinations for EU steel exports were the United Kingdom, the United States, Turkey, Switzerland, China and Egypt. The first five destinations together accounted for 56% of total EU finished product exports.

Among the major export destinations, exports of finished products continued to experience exceptional year-on-year increases to the UAE (+91%). Exports to Ukraine decreased (-14%), despite improved trade functioning amidst war-related disruptions. Exports of finished products also rose to the United States (+35%), China (+16%), Norway (7%), the United Kingdom and Turkey (+4% each), whereas exports declined to Switzerland (-7%) and Egypt (-12%).

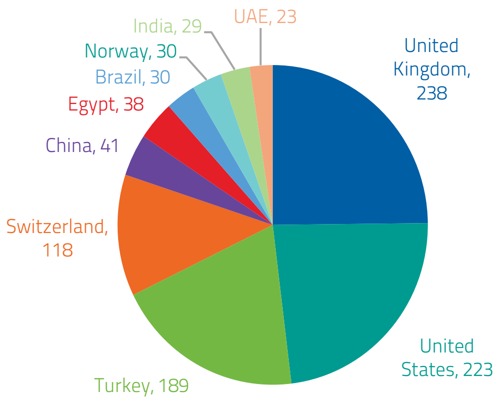
EXPORTS BY PRODUCT CATEGORY

In the first seven months of 2024, exports of finished products increased (+7%) as a result of an increase both in flat and long product exports (+8% and +6%, respectively). During the same period, flat products accounted for 65% of finished product exports overall. In 2023, exports of finished products dropped (-4%), due to a decrease in exports of flat products (-9%) and an increase in exports of long products (+10%).

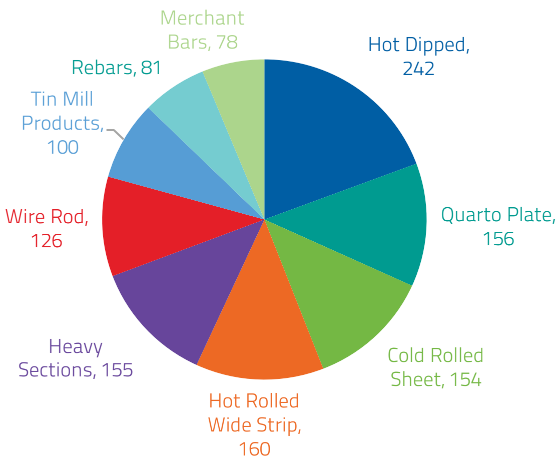
In the first seven months of 2024, exports of all individual flat products rose compared to the same period of the previous year, with the exceptions of hot rolled wide strip (-3%). Exports of quarto plate and organic (+2% each), along with cold rolled sheet (+11%), coated sheet and hot dipped (+14% each), all increased.

Exports of all individual long products increased over the same period. In detail, exports rose for rebars (+19%), wire rod (+6%), heavy sections (+5%) and merchant bars (+1%).

EU Finished Steel Exports by Destination
7M-2024,
(monthly '000 metric: tonnes)



EU Finished Steel Exports by Product
7M-2024,
(monthly '000 metric: tonnes)



TRADE BALANCE

In the first seven months of 2024, total trade deficit (including semis) amounted to 1.7 million tonnes per month (1,681 kilotonnes). In 2023, the total trade deficit reached 1.3 million tonnes per month (1,352 kilotonnes) compared to 1.6 million tonnes (1,582 kilotonnes) in 2022.

As for finished products, the trade deficit of the first seven months of 2024 was 1.1 million tonnes per month (1,085 kilotonnes). This resulted from the combination of a deficit of 1.1 million tonnes per month (1,094 kilotonnes) for flat products and a surplus of 9 kilotonnes per month for long products.

In 2023, the deficit for finished products amounted to 794 kilotonnes per month, resulting from a deficit of 807 kilotonnes for flat products and a surplus of 12 kilotonnes for long products.

The largest trade deficits for finished products with individual trade partners during the first seven months of 2024 were with India (346 kilotonnes per month), South Korea (259 kilotonnes), Vietnam (234 kilotonnes), Taiwan (220 kilotonnes), Turkey (156 kilotonnes), Japan (140 kilotonnes), and China (129 kilotonnes). The major destination countries for EU finished steel exports with a finished product trade surplus during the first seven months of 2024 were the United States (219 kilotonnes per month), the United Kingdom (110 kilotonnes), Switzerland (74 kilotonnes), and the United Arab Emirates (18 kilotonnes).

THE EU STEEL MARKET: FINAL USE

OUTLOOK FOR STEEL-USING SECTORS

TOTAL ACTIVITY IN THE SECOND QUARTER OF 2024

In the second quarter of 2024, the Steel Weighted Industrial Production index (SWIP) markedly dropped (-2.1%) for the second consecutive time (-2.1%, after -2.4%). Until the end of 2023, EU steel-using sectors' output continued to show resilience and grow, albeit at a slower pace. This was despite the prolonged impact of Russia's invasion of Ukraine, overall manufacturing weakness and global geopolitical tensions, along with above-average energy prices.

The positive trend in overall SWIP, started after the pandemic, continued up to the fourth quarter of 2023, in spite of soaring energy prices impacting production costs, component shortages and lower output that began to take their toll on total production activity in steel-using sectors in the second half of 2022. The deterioration of the economic and industrial outlook in the EU – particularly due to high inflation and the subsequent interest rate hike by the European Central Bank (ECB) – had only a limited impact on steel-using sectors' output up to the end of 2023, with the exception of the construction sector.

The latest developments of the SWIP index were a combination of a continued downturn in the construction, mechanical engineering, domestic appliances and metalware sectors, and also in the automotive sector, that had been experiencing growth in output for seven consecutive quarters (output remaining well below 2019 levels, though). The construction sector already entered recession in the third quarter of 2022 and this trend has continued up to the second quarter of 2024, which saw a drop of -0.4% (after -2.6% in the preceding quarter). Its recessionary trend is expected to continue until the end of 2024.

The ongoing economic uncertainty is set to continue taking its toll on growth also over the upcoming quarters, despite monetary easing by the ECB (three consecutive 25 bps cuts in its policy rates during 2024), whose effects will not be, however, fully visible in the short-term.

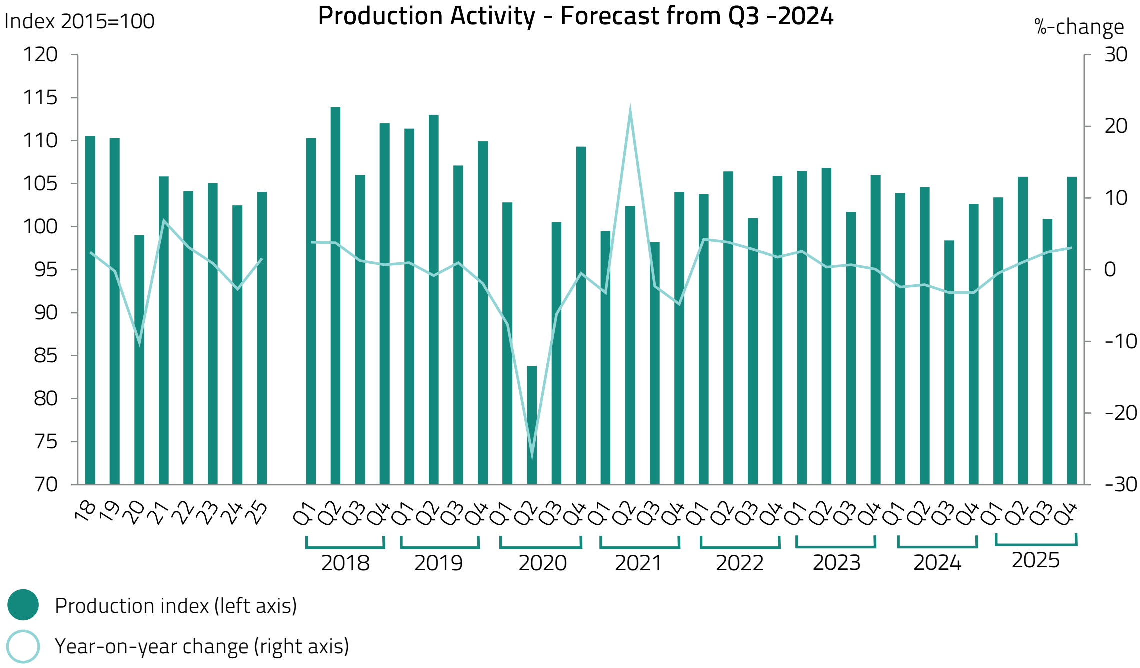
TOTAL FORECAST 2024-2025

Despite persisting downside factors, steel-using sectors' output continued to grow in 2023 (+0.9%, revised downwards from +1.2%), albeit with wide differences across individual European economies and sectors. However, SWIP resilience is expected to come to an end in 2024 as steel-using sectors' output growth is projected to experience a steeper drop (-2.7%, revised downwards from -1.6%). This is mainly due to the second recession in a row in the construction sector and a drop in automotive output. A more modest recovery is anticipated in 2025 (+1.6%, also revised downwards from +2.3%).

Total steel-using sectors' output had increased more than expected (+3.2%) in 2022, following the rebound in 2021 (+6.9%), after the sharp decline recorded in 2020 (-10.3%) due to the impact of the pandemic.

EU Steel Using Sectors

Production Activity - Forecast from Q3 -2024



Year-on-Year %-Change in EU Steel Weighted Industrial Production (SWIP) Index

	% Share in total consumption	**Year 2023**	Q1'24	Q2'24	Q3'24	Q4'24	**Year 2024**	Q1'25	Q2'25	Q3'25	Q4'25	**Year 2025**
Construction	35	**-0.8**	-2.6	-0.4	-1.9	-0.5	**-1.3**	0.6	1.0	1.9	1.8	**1.3**
Mechanical engineering	14	**1.6**	-4.6	-5.7	-3.0	-2.9	**-4.1**	-0.5	0.9	1.6	1.8	**1.0**
Automotive	18	**8.3**	-2.4	-7.0	-9.0	-7.5	**-6.5**	-2.4	-0.1	4.5	6.0	**1.9**
Domestic Appliances	3	**-2.8**	-6.3	0.0	-0.3	-2.0	**2.2**	0.0	1.4	2.4	3.4	**1.8**
Other Transport	2	**9.3**	1.3	11.9	1.2	3.6	**4.6**	2.4	0.5	2.3	3.4	**2.2**
Tubes	13	**-1.6**	-4.4	-1.6	-1.2	-1.0	**-2.1**	-1.7	1.0	2.8	1.4	**0.8**
Metal Goods	14	**-4.3**	-3.3	0.0	-3.0	-2.0	**-2.1**	1.1	2.0	2.7	4.0	**2.4**
Miscellaneous	2	**2.5**	1.0	-0.8	-3.4	-4.0	**-1.8**	0.0	3.5	5.8	5.0	**3.5**
Total	100	**0.9**	-2.4	-2.1	-3.2	-3.2	**-2.7**	-0.5	1.1	2.5	3.1	**1.6**

CONSTRUCTION INDUSTRY

ACTIVITY IN THE SECOND QUARTER OF 2024

Construction output has been under pressure since the third quarter of 2022. This is due to several factors, including rising construction material prices, labour shortages in some EU countries, and increasing economic uncertainty. Most notably, higher interest rates in 2022 and 2023, driven by monetary policy tightening, have also played a key role. Although the ECB has recently implemented three policy rate cuts, their impact is expected to be lagged over time. In the second quarter of 2024, output in the sector dropped again (-)0.4%, following-2.6% in the preceding quarter). This negative trend is expected to persist until the end of 2024, primarily due to the continued impact of high interest rates. While further monetary policy easing is not predictable, it is not ruled out, and could depend on future price developments. Such easing will be key to reducing mortgage rates and improving housing demand. In line with real production volumes, the recession in the sector has been confirmed also by the latest quarterly developments in investment in construction, which dropped for the eighth consecutive time in the second quarter of 2024 (-1.7%, after -2.3% in the preceding quarter).

As expected, residential investment dropped for the ninth consecutive quarter, hit by rising mortgage interest rates (-4.1%, the same as in the first quarter of 2024), resulting from the ECB'S monetary policy tightening to curb inflation. Conversely, more positive developments were seen in recent quarters in 'other construction' investment, particularly in civil engineering. This construction subsegment recovered (+0.8%) after the decline seen in the preceding quarter (-0.3%). Expansion in public construction is projected to continue during 2024, but at a much slower pace due to lower public expenditure in construction and to EU budgetary constraints.

FORECAST 2024-2025

Governments have been using public construction spending as a countercyclical tool since the COVID-led recession of 2020 to bolster recovery. However, while overall construction activity is expected to continue benefitting to a limited extent from governmental housing support and public construction schemes, the impact of these publicly-funded construction schemes is expected to significantly decrease in 2024 due to multiple downside factors, including the shortage of construction materials, their rising prices as well as reduced fiscal room for construction spending in EU countries. These issues have resulted in declining construction confidence as confirmed by latest available data (September 2024).

Looking at construction sub-sectors, rise in interest rates – as a consequence of policy rate hikes by the ECB and other central banks – has already impacted residential construction demand. Civil engineering is expected to continue providing the strongest contribution to the construction sector's performance, but to a lower extent. This segment will continue to be supported by EU-wide public policies (NextGenerationEU, etc.), but their effects have become increasingly uncertain and difficult to quantify due to the recent deterioration of the economic outlook. The Stability and Growth Pact, that had been suspended until the end of 2023, has been operational again since January 2024, leaving less room for government spending in infrastructure. However, the visible effects in terms of construction output related to projects linked to NexGenEU will be lagged over time.

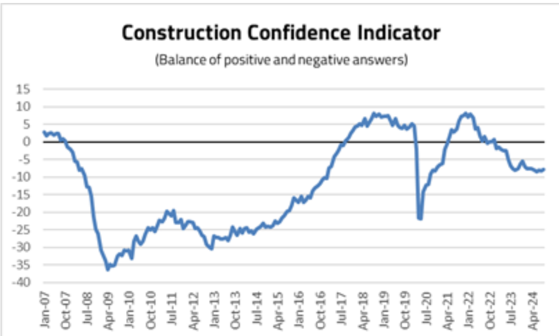
As regards the private non-residential construction subsector (offices, commercial buildings, etc.), the subdued business investment outlook continue to remain unfavourable to investment in non-residential projects in the near future.

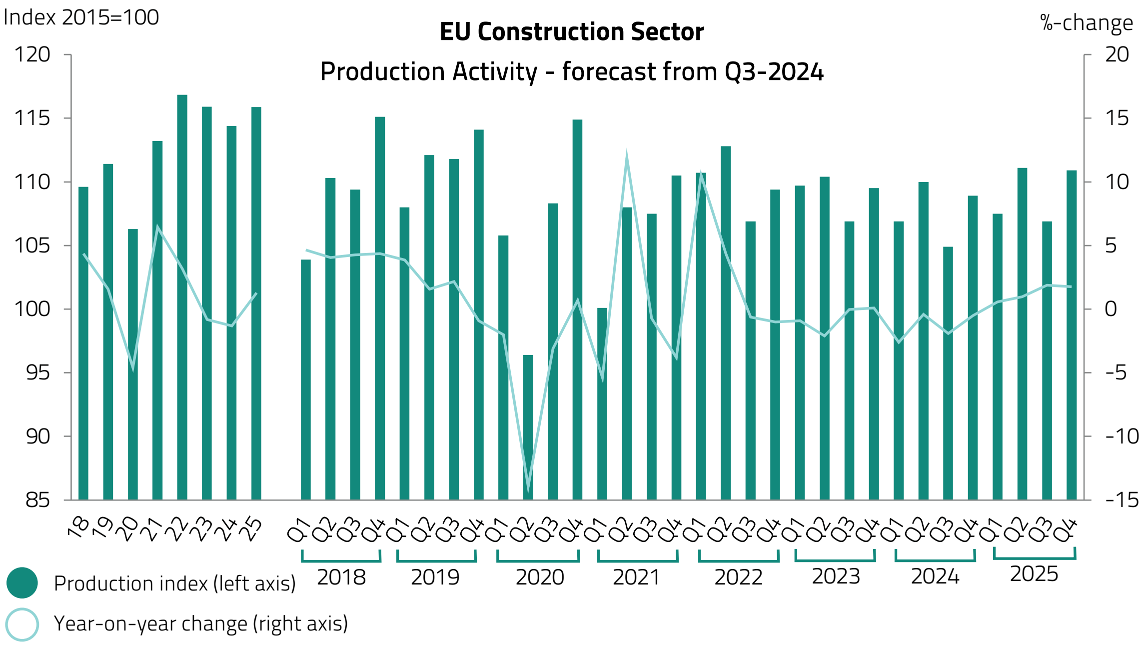
As a result, the construction sector underwent recession in 2023 (-0.8%) and is expected to see a similar trend in 2024, with a slightly less pronounced decline than previously forecasted (-1.3%, revised from -1.4%). The sector is anticipated to recover in 2025, (+1.3%, revised downwards from +1.8%), primarily due to the projected impact of monetary easing.

PAST TRENDS

The positive trend in construction output observed since the fourth quarter of 2020 (eight consecutive quarters of growth) came to an end already in the third quarter of 2022 (-0.6%) and the downturn has continued since, as reflected in the data of the last two quarters (drops in output of –2.3% and -0.1%, respectively). The sector had experienced a vigorous rebound in 2021 (+6.3%), largely boosted by generous governmental support schemes at EU and national level benefitting the private residential and civil engineering sub-sectors, after the decline in 2020 (-4.8%) due to the pandemic.

Construction confidence in the EU had substantially improved since the lows seen in mid-2020 due to the pandemic, almost reaching 2018 levels in the course of 2021. However, issues all along the supply chain and the overall deterioration of the economic and industrial outlook have been impacting the sector since February 2022. The private non-residential construction subsector (offices, commercial buildings, etc.) has continued to pay the highest toll to the pandemic in 2020 and also partly in 2021 with increasing vacancy rates, and has recovered only partially since then.





AUTOMOTIVE INDUSTRY

ACTIVITY IN THE SECOND QUARTER OF 2024

In the second quarter of 2024, the automotive sector's output decreased for the second consecutive quarter, and a steeper rate (-7%, following -2.4% in the previous quarter). The positive cycle observed from the second quarter of 2022 to the fourth quarter of 2023 -partly due to comparisons with the very low output volumes experienced in 2021 and 2022 - came to an end by late 2023. This shift was driven by a worsening outlook for the sector, with supply-side uncertainties over EV production standards and infrastructures, and demand-side challenges from declining household real income and high inflation.

However, output in the sector has always remained well below the levels seen before the pandemic and even below those seen before the pre-COVID recession in 2019.

EU PASSENGER CAR VEHICLE DEMAND

Despite supply chain issues causing order delays, war-related disruptions, low consumer confidence and squeezed incomes due to persistent inflation and economic uncertainty, there has been a consistent improvement in demand throughout 2023, continuing into the first five months of 2024.

However, data from June 2024 signalled a clear deterioration in passenger car demand, due to disruptions on both the supply side (including subdued investment) and the demand side, resulting in growing excess car production. As a result, new EU car registrations dropped sharply (-18.3%) in August 2024, with similar declines in the four largest markets: Germany (-27.8%), France (-24.3%) and Italy (-13.4%) saw double-digit losses, while the Spanish market fell less markedly (-6.5%).

In the first eight months of 2024, new car registrations increased by 1.4%, nearing 7.2 million units. Spain (+4.5%) and Italy (+3.8%) showed modest growth, while the French and German markets saw slightly declines in registrations (-0.5% and 0.3%, respectively).

In August, battery-electric cars made up 14.4% of the EU car market, a 21% decrease compared to the previous year. This marks the fourth consecutive month of decline in 2024. Plug-in hybrid registrations also experienced a significant slump of 22.3%. The combined share of petrol and diesel cars fell slightly to 44.3%, down from 45.1%.

FORECAST 2024-2025

In 2023, despite the overall subdued investment outlook, automotive output rebounded more robustly than expected (+8.3%). However, output levels have remained low in historical terms, far below the levels seen in 2018 and 2019. Due to the protracted weakness of the manufacturing sector, overall EV standards uncertainty and lacklustre consumer confidence, the sector is projected to experience a heavier contraction in output in 2024 than previously estimated (-6.5% from -3%). A very modest recovery is foreseen in 2025 (+1.9%, revised downwards from +2.3%).

Demand is projected to remain weak until the macroeconomic picture and consumer disposable income substantially improve, given the rather unpredictable economic outlook and uncertain economic growth perspectives. However, demand has shown resilience against uncertainties around the implementation of EVs and delays in the launch of new models - most are hybrid or fully electric, preparing the ground for the ban of petrol cars by 2035 – which have proven unsupportive factors of consumer demand. Coupled with the lack of facilities such as recharging points, they have also delayed investment decisions by carmakers.

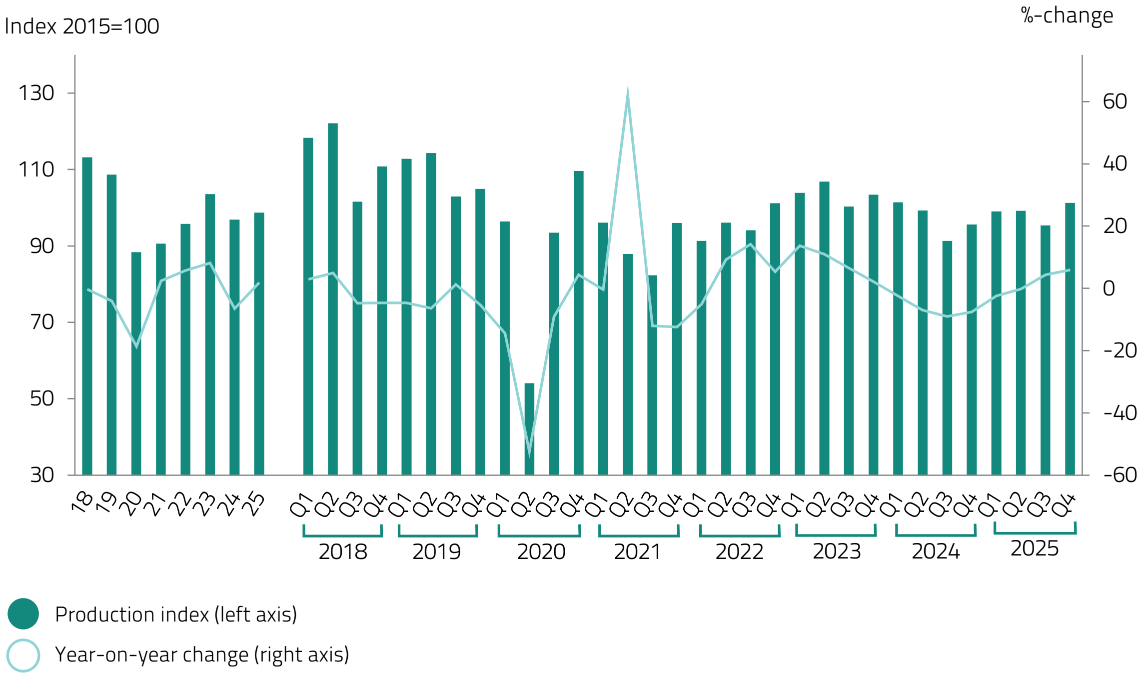
A full recovery in global trade and external demand from major markets, particularly the United States and China, will be a crucial factor for EU car exporters. However, challenges remain, especially regarding Chinese EV export volumes to EU markets but also as regards the

US, where the IRA is expected to boost domestic EV production.

PAST TRENDS

Automotive was hit more than any other steel-using sectors during the pandemic in 2020, resulting in a very severe slump (-18.7%). Subsequently, output modestly rebounded (+2.6%) in 2021. In 2022, the sector grew robustly (+5.7%) thanks to a very positive performance in the first half of the year, despite the impact of war-related disruptions and the very severe energy shock in the EU, also due to the very low output levels seen for several quarters since 2021.

EU Automotive Sector
Production Activity - forecast from Q3-2024



MECHANICAL ENGINEERING

ACTIVITY IN THE SECOND QUARTER OF 2024

In the second quarter of 2024, output in the mechanical engineering sector fell for the third consecutive time (-5.7%, after -4.6% in the first quarter). Driven by the post-COVID industrial recovery, the rebound seen in previous quarters during 2022 and 2023 had brought output back to absolute high levels, even above those recorded before 2019.

However, the sector's growth had remained exposed to ongoing downside risks, including the prolonged impact of Russia's invasion of Ukraine, increasing global geopolitical tensions and the continued deterioration of the industrial outlook, as observed throughout 2023 and 2024. Consequently, the sector's output began to shrink over the fourth quarter of 2023 and is expected to follow a downward trend throughout the remainder of 2024, with a projected return to growth only in the first half of 2025.

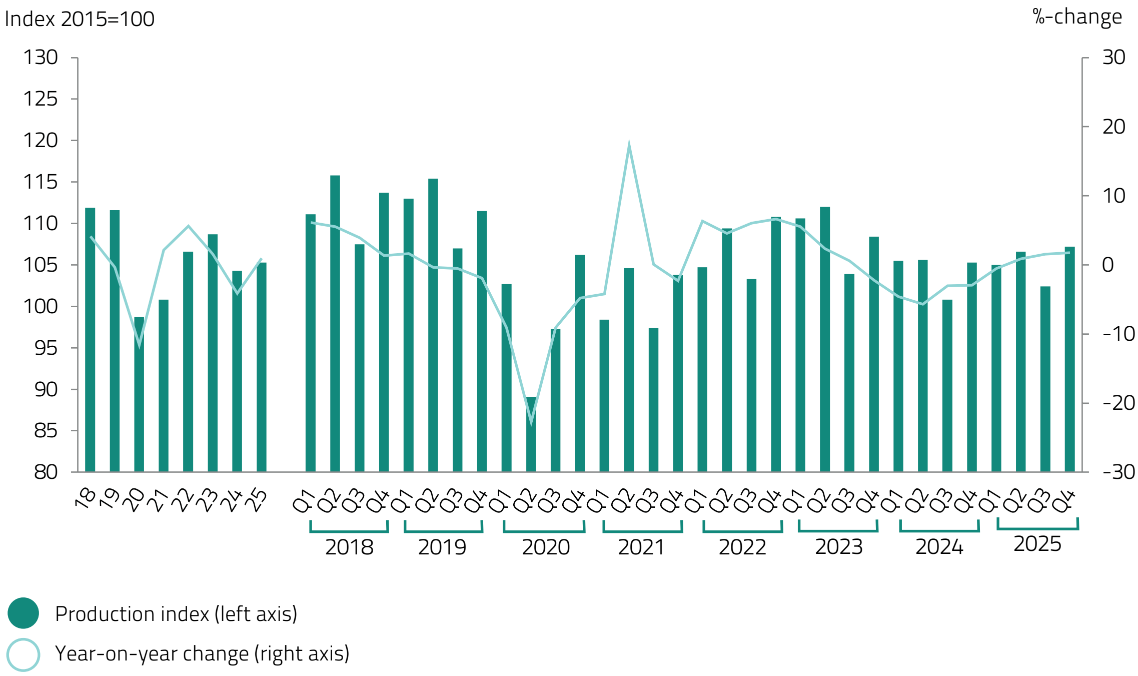
FORECAST 2024-2025

Despite the aforementioned challenges, mechanical engineering output grew in 2023, although revised downwards from an earlier estimate (+1.6%, from +2.6%). However, the sector is expected to decline in 2024, with a projected deeper drop (-4.1%, from -1.9%). Recovery is anticipated in 2025 (+1%).

PAST TRENDS

In 2022, the sector grew robustly (+5.7%) thanks to a positive performance in the first half of the year, despite the impact of war-related disruptions and a severe energy shock. It followed a more robust rebound (+14.3%) in 2021 after the sharp decline (-11.8%) in 2020 due to the pandemic. Mechanical engineering output had already experienced a small drop (-0.3%) in 2019, due to global trade tensions and a downturn in the manufacturing sectors.

EU Mechanical Engineering Sector
Production Activity - forecast from Q3-2024



STEEL TUBE INDUSTRY

ACTIVITY IN THE SECOND QUARTER OF 2024

In the second quarter of 2024, output in the steel tube sector dropped for the second consecutive time (-1.6%, after -4.4% in the preceding quarter). The positive trend in the sector, driven by the post-pandemic recovery in 2021, was abruptly interrupted by war-related disruptions and supply chain issues in the second half of 2022. This situation has persisted to date. The energy crisis that emerged in 2022 and continued into 2023 has also significantly affected investment in the sector, including pipeline project developments in the EU.

FORECAST 2024-2025

In 2023, output in the EU steel tube sector experienced a milder-than-projected drop (-1.5%), which is expected to be followed by another, more severe drop (-2%) in 2024, and by moderate growth in 2025 (+0.8%). In the longer term, demand for large welded tubes from the oil and gas sector is not expected to improve substantially as the EU has accelerated its transition towards LNG shipping for its energy needs, thereby reducing its reliance on gas transported via pipelines.

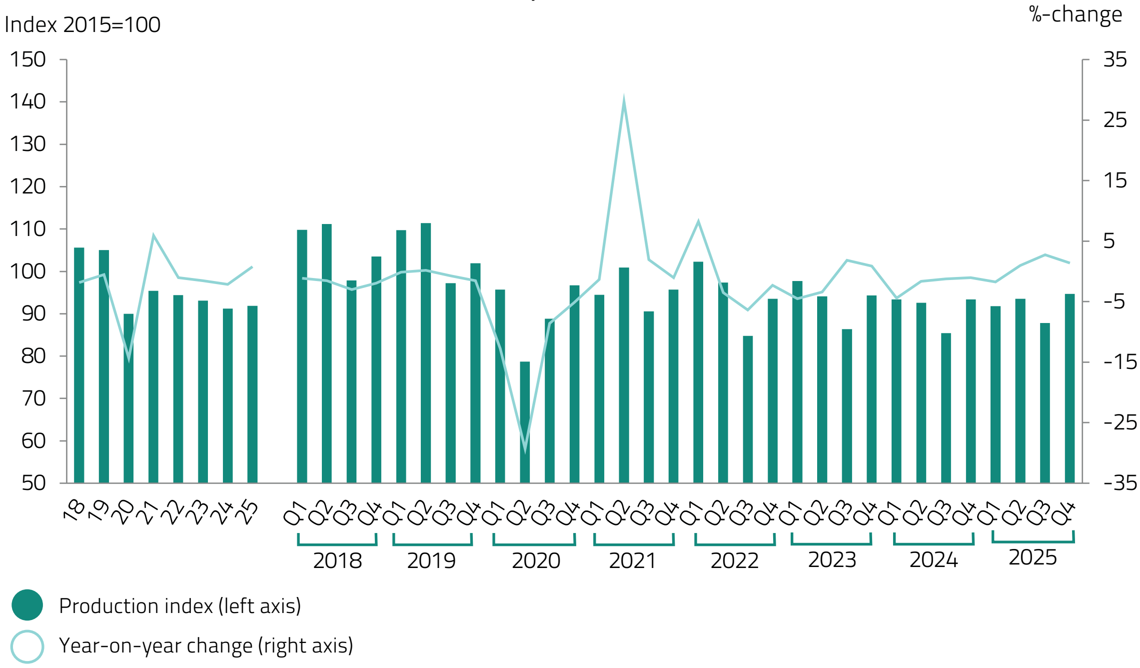
On one hand, global oil demand is not expected to boost the launch or the implementation of new pipelines in the short-term, due to high geopolitical uncertainty and a poor global economic outlook. Oil demand is expected to keep declining throughout the rest of 2024 in the EU, aligning with low economic growth expectations. On the other hand, demand from the construction sector is also set to ease and thus provide a modest contribution to growth in output, whereas tube demand from the automotive and engineering sectors is forecast to remain relatively stronger.

PAST TRENDS

In 2022 the sector's output dropped moderately (-1%), after the rebound seen in 2021 (+6%). In 2020, output in the EU steel tube industry was heavily impacted by the industrial shutdown due to the pandemic. Likewise for other steel-using sectors, the rebound seen during 2021 eased considerably throughout 2022 as a result of severe global supply chain issues and the disruptions linked to Russia's war in Ukraine. These factors have further delayed ongoing projects and impacted the availability of materials.

Steel Tubes

Production Activity - forecast from Q3-2024



ELECTRIC DOMESTIC APPLIANCES

ACTIVITY IN THE SECOND QUARTER OF 2024

In the second quarter of 2024, output in the electrical domestic appliances recorded flat developments, after dropping (-6.3%) in the preceding quarter. These figures are in line with the declining trend observed since the second quarter of 2021, which marked the end of a bigger-than-expected post-COVID recovery in output.

This negative trend is expected to continue before reversing only in the first quarter of 2025.

FORECAST 2024-2025

Output in the domestic appliances sector recorded two consecutive recessions in 2022 (-5.1%) and 2023 (-2.8%), and is expected to experience a third one in 2024 (-2.2%, revised upwards from -2.7%). A more moderate recovery than previously estimated is foreseen in 2025 (+1.8%, from +6.2%).

Growth in output is expected only from the first quarter of 2025, due to the prolonged weakness of the manufacturing sectors and subdued economic outlook that has continued to hinder industrial activity and impact consumer demand.

However, some supportive factors will partly offset these downside factors, and continue providing some incentives to growth. Remote working will remain widely practiced across the EU in the next years, albeit to a much lesser extent than during the pandemic. In the longer term, developments linked to the so-called 'Internet of Things' (smart applications that enable the connection of home appliances and devices) should also benefit the sector, although their impact is not likely to be visible before 2025.

PAST TRENDS

Widespread remote working across the EU boosted demand for home appliances and other related goods over the second half of 2020 and the first half of 2021, but afterwards the sector cycle has considerably eased. This was due to multiple downside factors such as gradual return to offices after the pandemic, supply chain issues, rising energy costs, the war in Ukraine and the deterioration in the EU industrial outlook that has been seen since the first half of 2023.

Electric Domestic Appliances

Production Activity - forecast from Q3-2024

EU ECONOMIC OUTLOOK 2024-2025

GDP GROWTH

Thanks to a higher-than-expected resilience of the economy and positive contribution from the services sector, the EU economy avoided recession in 2023. However, growth was much lower than in 2022 (+0.6% vs. +3.4%). This resulted from multiple downside factors, namely high inflation (albeit on a downwards path throughout 2023) and subsequent monetary tightening, war-related uncertainty and geopolitical tensions, high energy and commodity prices, all factors weighing on business investment. EUROFER's EU GDP forecasts has slightly been downgraded compared to the previous outlook for 2024 (+0.9% from 1%) as well as for 2025 (+1.5%, from +1.7%). Overall economic uncertainty still lingers for 2024 and 2025. EU economic growth continues to be primarily driven by the services sector, whereas the contribution to GDP growth from industrial sectors remains very low. However, growth is uneven across EU countries and faces multiple downside risks. The ongoing war in Ukraine, uncertainty surrounding inflation – albeit slowing down almost to the 2% target -, persistently high interest rates despite recent monetary easing, and conflict in the Middle East, are likely to weigh on economic confidence. However, a so-called 'soft landing', which is a combination of lower inflation without economic recession, has materialised so far during 2024, similar to what was observed in 2023.

The impact of the above downside factors has proven asymmetrical across EU individual economies. Germany has experienced a mild recession in 2023 (-0.3%), mostly due to the weakness of its manufacturing sector, which is likely to repeat in 2024 (-0.1%), before recovery in 2025 (+0.5%). Austria, Sweden, Czech Republic and Hungary also faced recession in 2023 (-1%, -0.2%, -0.6% and -0.7%, respectively), but are all set to recover in 2024 with the exception of Austria, and achieve growth in 2025. As for France and Italy, real GDP growth in 2023 was above the EU average (+1.1% and +0.7%, respectively), and their economies are set to grow also in 2024 (+0.9% each), before gaining speed in 2025 (+1.7% and +1.1%, respectively). Spain has recorded a more pronounced GDP growth than the EU average in 2023 (+2.7%) and is expected to replicate in 2024 and 2025 (+2.8% and +2%, respectively).

The latest IMF World Economic Outlook (October 2024) forecasts global GDP growth of +3.2% in 2024 and +3.2% in 2025, broadly unchanged compared to its previous outlook, with +0.8% and +1.2% in the euro area for 2024 and 2025, respectively. As regards Germany, the IMF predicts a flat GDP growth in 2024 and growth of +0.8% in 2025. The OECD, in its latest Interim Outlook (September 2024), estimates euro area GDP growth to be +0.7% in 2024 and +1.3% in 2025, slightly downgraded compared to the previous outlook. It also forecasts slightly positive GDP for Germany in 2024 (+0.1%) and a moderate recovery in 2025 (+1%).

As in the past years, services are expected to continue to provide the primary contribution to GDP growth also in 2025, whereas manufacturing is expected to remain weak, contrary to the post-pandemic rebound experienced in 2021 and up to the first quarter of 2022.

MAJOR EU ECONOMIES

In the second quarter of 2024, the EU economy continued to follow the weak trend observed in the first quarter, with a quarter-on-quarter increase of +0.2% in real GDP, after +0.3% in the preceding quarter. On a year-on-year basis, the EU's real GDP growth was +0.8%, after +0.7% in the first quarter of 2024.

Germany avoided technical recession between the second and the first quarters of 2024 (-0.1% and +0.2% quarter-on-quarter, respectively; flat growth year-on-year). However, its economy has continued to pay the toll to higher interest rates, uncertainty over energy prices and rising global tensions affecting its manufacturing sector, especially the automotive industry.

Other major euro area economies had diverging developments. Spain achieved higher-than-average GDP growth (+0.8% quarter-on-quarter, and +3.1% year-on-year). Italy, whose manufacturing sector is deeply integrated with the German one, saw its real GDP gain some ground (+0.2% quarter-on-quarter, after+0.3%), resulting in a +0.9% growth year-on-year. France has entered a phase of weak growth as its real GDP grew by e +0.2% in the second quarter of 2024, albeit resulting in year-on-year growth (+1%). In line with the latest leading indicators, which continue to signal weakness in the manufacturing sector (see confidence indicators on page 27), it appears very unlikely that EU economies will see growth gaining speed before the first half of 2025, as the economic outlook remains very uncertain with a fragile growth conditional upon several downside factors.

ENERGY PRICES

Throughout 2024, energy prices have seen a moderate rise since the beginning of the year to a current value of around € 39 per MW/h in October 2024. The reasons behind these moderate developments n in the gas price index include lower gas demand outlook due to the economic slowdown, a relatively mild winter, the EU's price cap, a higher consumption of wind and other renewables during 2023 and 2024, and a rather successful transition from Russian pipeline gas to shipborne liquefied natural gas (LNG) from other suppliers. On the other hand, uncertainty over future developments in energy prices remains. The ongoing wars in Ukraine and in the Middle East along with other global geopolitical tensions could push future increases in gas and oil prices, which however have not so far materialised due to subdued global economic activity.

INFLATION

Inflation reached highs unseen since 1985 in the EU in October 2022, peaking at 11.5%. However, it has eased considerably since then. Data from September 2024 confirm this downward trend, with HICP inflation in the EU at 2.1% (1.7% in the euro area, i.e. below the 2% target). In September, inflation slowed down to 1.8% in Germany, to 1.5% in France, to 1.7% in Spain and to 0.8% in Italy, remaining above the 2% target only in Estonia, Croatia, Greece, the Netherlands, Portugal and Slovakia.

Although energy prices have decreased considerably (from +41% in June 2022 to -2.1% in August 2024), core inflation has slowed down at a lower rate than the overall price index, from 6.6% in March 2023 to 2.7% in September 2024. This points once again to the fact that inflationary developments are also driven by endogenous factors. Prices are expected to see moderate developments also in 2025, despite potential inflation-igniting factors still on the background. EUROFER estimates an inflation rate of 3% in 2024 and 2.6% in 2025 (the European Commission's May 2024 forecast predicts 2.7% and 2.2%, respectively), thus remaining above the 2% ECB inflation.

MONETARY POLICY

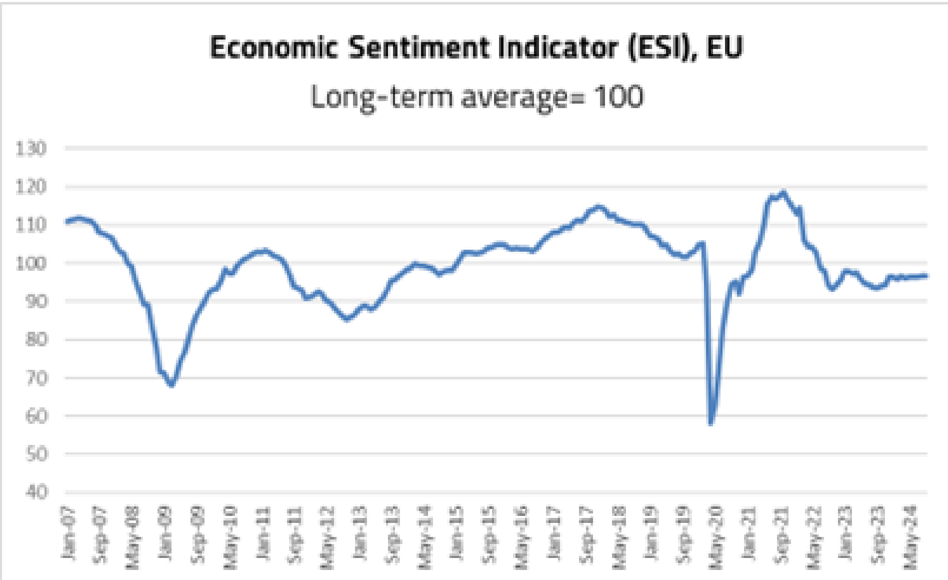
Due to the highest inflation rate over the last 35 years, central banks in advanced economies were bound to tighten their monetary policy stance. The ECB has raised its policy rate from zero up to 4.50% since July 2022, with the last hike in September 2023. This has inevitably reduced the room for supportive fiscal policies, in particular government spending by EU member states, as borrowing costs increased, especially for highly-indebted economies. Thanks to continued moderation in inflation in the course of 2023 and 2024, the ECB has implemented three - broadly expected - 25 basis points cuts in June, September and October respectively, bringing its policy rate (i.e. the deposit facility rate) to 3.25%. Further reductions are possible depending on price developments, which remain unpredictable as price-igniting factors cannot be ruled out.

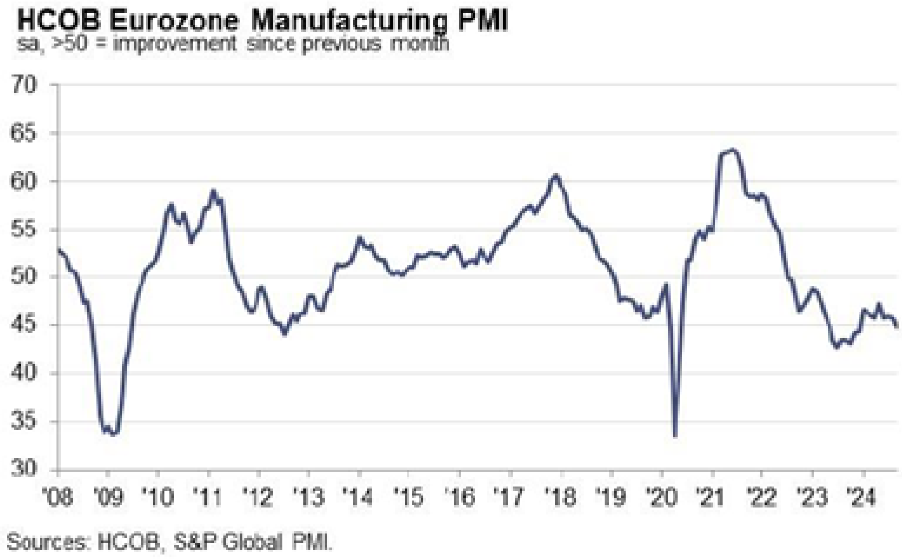
CONFIDENCE AND LEADING INDICATORS

ECONOMIC SENTIMENT INDICATOR (ESI)

Overall economic confidence in the EU, measured by the Economic Sentiment Indicator (ESI), has been on a downward path since early 2022 due to widespread concerns over war-related issues, high inflation and deteriorating economic outlook. In July 2022, it reached the lowest level since October 2013 at 92.6, and later rose up to 96.7 in September 2024. However, it has consistently lingered near the lowest levels observed since the second half of 2013.

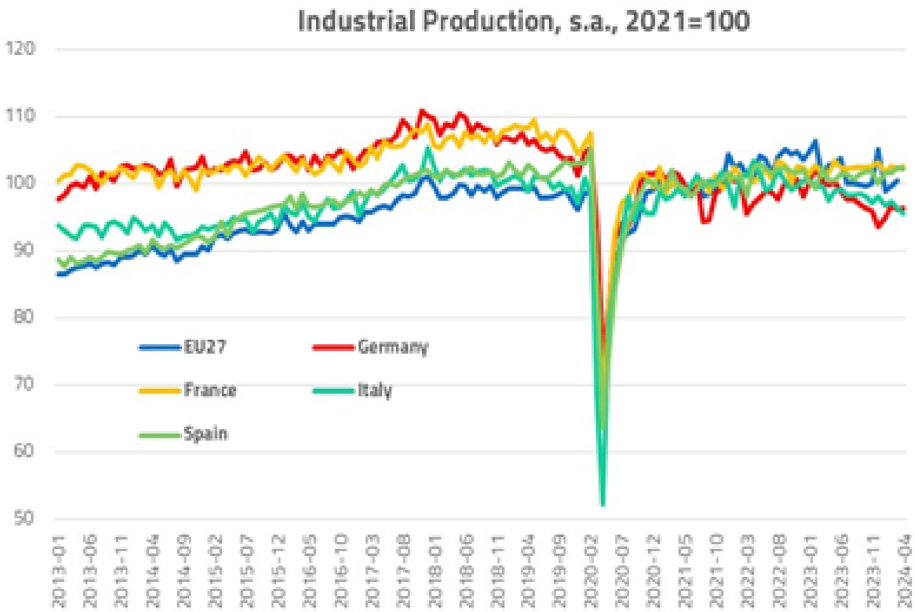
The improvement in the HCOB manufacturing PMI Index for the euro area was reversed in June. The PMI Output Index in September decreased to 44.5 (from 45.8 in August), reaching a 9-month low. The index has been contracting since July 2022 (expansion = 50), weighed down by weak manufacturing conditions in Germany and France.





GLOBAL SUPPLY CHAIN PRESSURE INDEX (GSCPI)

In the first nine months of 2024, global supply chain conditions, which largely affect trade and transportation costs, have continued to reflect softening global demand and uncertain economic growth. The Global Supply Chain Pressure Index (GSCPI), which had peaked to 4.35 in July 2021 due to global supply chain disruptions, increased from -0.92 points in April 2024 to 0.20 in August. Concerns about freight accessibility in the Red Sea and the Persian Gulf due to conflict in the Middle East have had relatively little impact so far.



EU INDUSTRIAL PRODUCTION

EU industrial production has shown signs of weakness throughout 2023 and 2024, after unexpected resilience in 2022. This trend continued up to the second quarter of 2024, resulting in the fourth consecutive year-on-year drop (-3.3%, after -4% in the previous quarter). Among major EU economies, only Spain saw growth in manufacturing output (+0.7%, after +0.8% in the preceding quarter) in the second quarter of 2024. In contrast, Germany continued to experience severe industrial recession (-4.9%, following -5.2% in the first quarter of 2024). Italy recorded its fifth consecutive quarterly decrease (-3%, after -3.2% in the preceding quarter). Contrary to previous quarters, France also recorded a decrease in manufacturing output, albeit milder (-1.5%).

The latest available monthly data (up to July 2024) indicates that output levels are still decreasing and remain below the all-time highs recorded before the pandemic in some major EU economies. Industrial output in Spain has returned back to pre-pandemic levels, but this is not yet the case for France and Germany, while industrial output has also receded in Italy. Industrial output is expected to remain affected by a combination of factors. These include the uncertainty associated with ongoing conflicts and geopolitical tensions, such as the situation in Ukraine and, more recently, in the Middle East, high inflation and higher interest rates, as well as future developments in energy prices, which are still not entirely predictable.

The EU experienced a pronounced drop in industrial production (-8.1%) in 2020, followed by a vigorous rebound in 2021 (+8.2%), and achieved modest but resilient growth in 2022 (+1.9%). However, in 2023 industrial output dropped (-1.4%) due to continued downside factors, especially high production costs and overall manufacturing weakness. Subsequently, another drop, albeit moderate, is expected for 2024 (-0.3%, revised downwards from a marginal increase of +0.2%), before gaining some ground (+3.2%) in 2025.

EUROFER Macroeconomic data, EU

Annual % change, unless otherwise indicated

	2021	2022	2023	2024	2025
GDP	5.8	3.6	0.6	0.9	1.5
Private Consumption	4.3	3.9	0.7	1.0	1.8
Government Consumption	4.8	1.4	1.5	1.4	1.0
Investment	7.4	2.4	1.1	1.5	2.4
Investment in mach. equip.	7.8	2.5	3.5	1.3	2.1
Investment in construction	7.9	1.4	1.5	-0.8	0.2
Exports	11.3	8.1	0.8	0.8	2.7
Imports	11.0	6.6	-1.0	0.0	3.6
Unemployment rate (level)	7.3	6.4	6.3	6.2	6.0
Inflation	2.5	8.8	6.6	3.0	2.6
Industrial Production	8.4	1.9	-1.8	-1.5	2.3

GLOSSARY OF TERMS

SECTOR DEFINITIONS ACCORDING TO NACE REV.2

BUILDING AND CIVIL ENGINEERING

41 Construction of buildings

42 Civil engineering

43 Specialised construction activities

25.1 Manufacture of metal structures and parts of structures

25.2 Manufacture of tanks, generators, radiators, boilers

MECHANICAL ENGINEERING

28 Manufacture of machinery and equipment

27.1 Manufacture of electric motors, generators, transformers

25.3 Manufacture of steam generators, except central heating hot water boilers

AUTOMOTIVE

29 Manufacture of motor vehicles and trailers

DOMESTIC APPLIANCES

27.51 Manufacture of electric domestic appliances

OTHER TRANSPORT EQUIPMENT

30 Manufacture of other transport equipment

30.1 Building and repair of ships

25.3 Manufacture of railway locomotives and rolling stock

30.91 Manufacture of motorcycles

STEEL TUBES

24.2 Manufacture of steel tubes

METAL GOODS

25 Manufacture of fabricated metal products excluding 25.1-25.2-25.3

OTHER SECTORS

26 Manufacture of computer, electronic and optical products

27 Manufacture of electric motors, generators, transformers, electricity distribution and control apparatus excluding 27.1 and 27.5

EU STEEL MARKET DEFINITIONS

SWIP: abbreviation for Steel Weighted Industrial Production index. It is used as a proxy for real steel consumption. Activity in the steel-using sectors is weighted with the relative share of each sector in total steel consumed by all sectors.

Real steel consumption: Real consumption is the use of all steel products used by steel-using sectors in their production processes, also referred to as the 'final use' of steel products, adjusted for the stock cycle.

Apparent steel consumption: Apparent consumption is also referred to as 'steel demand'. It is total deliveries of all steel products and qualities by EU producers plus imports less 'receipts' into the EU, minus exports to third countries. In other words, apparent consumption is deliveries by EU producers plus imports minus receipts (that is, imports by EU producers themselves of material that is further processed), minus exports to third countries. EUROFER's definition of apparent consumption includes all qualities, including stainless, and all finished products and semi-finished products.

If apparent consumption exceeds real steel consumption, the surplus is stocked in the distribution chain. If apparent consumption is less than real steel consumption, inventories are being withdrawn.

Steel industry receipts: In both the apparent consumption and market supply statistics, the imports component of the calculation is written, in the EUROFER definition, as 'imports less receipts'.

The 'receipts' in this instance mean imports by EU producers themselves of finished or semi-finished steel products that are further processed by the producer and transformed into other products. In the publicly available EUROFER figures, only finished products are shown and thus impacted by the receipts calculation.

This correction is important because it prevents double-counting that would artificially inflate the size of the market. If an EU producer imports a tonne of hot rolled strip that it further processes into a tonne of cold rolled which it then delivers to the EU market - in an uncorrected calculation the import of one tonne would then become one imported tonne plus one EU-processed and delivered tonne. The imported tonne is thus corrected out in the import side of the market supply and apparent consumption figures.

Narrow definition: EUROFER applies the so-called "narrow definition" which excludes steel tubes and first transformation products from the product scope used for calculating steel consumption. Hence, the steel tube sector is a steel-using sector under this definition.

Steel intensity: the ratio of real steel consumption to steel weighted production in the steel-using sectors. This reflects the usually slightly negative impact on consumption of innovation in steel products, inter-material substitution, improvements in process efficiency and design, etc.

ABOUT THE EUROPEAN STEEL ASSOCIATION (EUROFER)

EUROFER AISBL is located in Brussels and was founded in 1976. It represents the entirety of steel production in the European Union. EUROFER full members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations of Turkey, Ukraine and the United Kingdom are also members.

The European Steel Association is recorded in the EU transparency register: 93038071152-83.
VAT: BE0675653894. The RLE or RPM is Brussels.

ABOUT THE EUROPEAN STEEL INDUSTRY

The European steel industry is a world leader in innovation and environmental sustainability. It has a turnover of around €191 billion and directly employs 303,000 highly-skilled people, producing on average 140 million tonnes of steel per year. More than 500 steel production sites across 22 EU Member States provide direct and indirect employment to millions more European citizens. Closely integrated with Europe's manufacturing and construction industries, steel is the backbone for development, growth and employment in Europe.

Steel is the most versatile industrial material in the world. The thousands of different grades and types of steel developed by the industry make the modern world possible. Steel is 100% recyclable and therefore is a fundamental part of the circular economy. As a basic engineering material, steel is also an essential factor in the development and deployment of innovative, CO2-mitigating technologies, improving resource efficiency and fostering sustainable development in Europe.

EUROFER
THE EUROPEAN STEEL ASSOCIATION

EUROFER ASBL

Follow us on X @EUROFER_eu

Avenue de Cortenbergh, 172
B-1000 Brussels
+32 (2) 738 79 20
Economic Report contact:
a.sciamarelli@eurofer.eu
www.eurofer.eu