
ArcelorMittal sees China as key to steel recovery

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Reuters reported that ArcelorMittal sees recovery in world steel demand as largely dependent on China and emerging markets, like Brazil, where growth has already begun.

Mr Lou Schorsch CEO of ArcelorMittal's Flat Americas division told the Steel Survival Strategies conference that "At least from our experience, Brazil is recovering relatively rapidly, in comparison to North America."

He said that the ArcelorMittal division expects its Brazilian flat rolled operations to be at full capacity by the end of third quarter, taking into account a temporary capacity reduction related to the repair of a small blast furnace.

Mr Schorsch said that he expects those repairs to be completed in first quarter of next year. Among large consuming countries, China alone showed steel demand growth in the first quarter, increasing by 7% YoY. He added that "The enormous continued growth in China's steel demand has a tremendous positive impact on the global industry."

He said that steel markets in China should grow by 4% in 2009, due to the positive impact of the government's stimulus plan and increased state lending. He added that recovery will be more drawn out in the developed world.

(Sourced from www.reuters.com)

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