

THE WORLD FERROUS METALS MARKET: TRENDS AND PROSPECTS FOR UKRAINE

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In the article, the author considers the dynamics of the world ferrous metals market. The author has analyzed the production dynamics, domestic consumption and export of steel products in terms of 5 world's leading steel countries and Ukraine during 2009 -2015 – China, Japan, Germany, South Korea, Russia, and Ukraine.

Due to decline in domestic demand, Chinese steel producers have actively built up its export leading to increased competition on the global market, lower prices and production cuts in most countries.

In European countries, steel production also fell by the year 2015 results, but less so than in the US.

Ukraine has retained its position among the 10 largest steel producers, but decline among the leading producers was the largest due to political and economic problems in the country.

In order to retain the control over costs steel enterprises should increase the efficiency by reducing production costs and quality assurance of steel products.

We believe that the assortment expansion of rolled metal products by including the technological steel products will lead

to intensification of production in terms of both reducing manufacturing costs, improving product quality and level of customer service.

Domestic steel industry task on the world market boils down to changes in the export structure of raw materials and semi-finished products for further processing.

There is an alternative strategy that will potentially let to conclude long-term agreements directly with end users, manufacturers of automotive products and spare parts, machinery and household appliances.

The study has allowed making a conclusion that the world steel market is oversaturated through the continuous growth of the Chinese steel industry, we can see the trend of growing prices for raw materials and energy and consolidation of steel manufacturing enterprises. All these factors building the need for timely adjustment of export strategies developed by domestic steel enterprises on the basis of short-term forecast on the global ferrous metals market. Increasing the technological steel products will allow domestic steel enterprises to penetrate new market segments and increase Ukrainian foreign exchange earnings.