

TABLE OF CONTENTS

	Page
ACKNOWLEDGEMENT	i
EXECUTIVE SUMMARY	ii
TABLE OF CONTENTS	iv
LIST OF TABLES	ix
LIST OF FIGURES	x
CHAPTER 1: INTRODUCTION	
1.1 Purpose of This Study	1
1.2 Uses of Steel Use	2
1.3 Organization of this Study	3
CHAPTER 2: THE GLOBAL STEEL INDUSTRY	
2.1 Global Production	4
2.2 Global Demand	7
2.3 World Steel Export and Import	9
CHAPTER 3: THE MALAYSIAN STEEL INDUSTRY	
3.1 Government Policy on Steel Industry	12
3.2 Important Definitions	13

3.3 Product Grouping	14
3.4 Production of Steel in Malaysia	16
3.5 Steel Producers in Malaysia	18
3.6 Position of the Malaysia Steel Industry in the Global Market	21
3.6.1 Position of Steel Production	21
3.6.2 Consumption of Steel Products	22
3.6.3 Malaysian per Capital Steel Consumption	24
3.7 Malaysia Steel Consumption Characteristic	26
3.7.1 Ratio of Long Products and Flat Products	26
3.7.2 The Consumption Characteristic	27
3.7.3 The Production of Flat items	28
3.7.4 Expansion of New mills for Hot Rolled coils	29
3.8 A summary on the development of the Malaysia Steel Industry	31

CHAPTER 4: THE COMPETITIVENESS OF THE STEEL INDUSTRY IN MALAYSIA - A COMPETITIVE ANALYSIS

4.1 The Porter's Five Forces Analysis	32
4.2 ASEAN Free Trade Area (AFTA) and Common Effective Preferential Tariff (CEPT)	33
4.3 Analysis for Long Products/Bar, Wire rod, and Section	36

4.3.1 Intensity of Rivalry among Existing Competitors	36
4.3.2 Threat of New Entry from Inside and Outside of Country	42
4.3.3 Bargaining Power of Buyers	43
4.3.4 Bargaining power of Supplier (Applicable for both Long and Flat Products)	46
4.3.5 Pressure from Substitute Products (Applicable for both Long and Flat Products)	49
4.3.6 Government Policy (Applicable for both Long and Flat Products)	50
4.4 Analysis for Flat Products/Hot Rolled and Cold Rolled Coil	51
4.4.1 Intensity of Rivalry among Existing Competitors	51
4.4.2 Threat of New Entry from Inside and Outside of Country	59
4.4.3 Bargaining power of Buyer	60
4.5 A Summary of the Porter's Five Forces Analysis	63

CHAPTER 5: VISION FOR THE MALAYSIA STEEL INDUSTRY

5.1 Personal Interview of Industry Experts	65
5.2 List of Interviewees	65
5.3 Design of the Questionnaires	66

5.4	Types of Questions	66
5.4.1	Question on the Vision for the Malaysian Steel Industry	66
5.4.2	Question on the Competitiveness of the Malaysian Steel Industry	67
5.5	Research Findings	68
5.5.1	Response on the Vision for the Malaysian Steel Industry	68
5.6.2	Response on the Factors of Competitiveness	71
5.6	Summary on the Response	74

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1	Summaries on the Malaysian Steel Industry	75
6.1.1	Structure of the Malaysian Steel Industry	75
6.1.2	Porter's Five Forces Analysis	76
6.1.3	Findings from Interviews	76
6.2	Trend of the Steel Industry in Future	77
6.2.1	Capital Market	77
6.2.2	Customer Market	78
6.2.3	Technology	79
6.2.4	Recent Technology Development	79

6.3 Recommendation for the Malaysian Steel Industry	80
BIBLIOGRAPH	84