

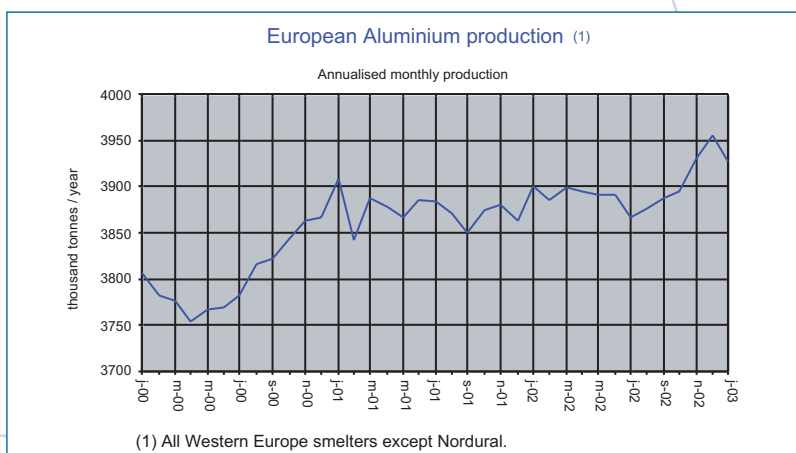
Summary

After a peak at the end of 2002, European production rates eased a bit in January. Stocks are slightly heading down. Semis production in 2002 was up 2.6% year on year and new orders data continued to improve in January 2003.

Primary production

The total primary aluminium production in Western Europe increased 0.7% in 2002 to 3.898 million tonnes. Actual primary aluminium production in January was 333.566 tonnes. This is equivalent to an annualised production rate of 3.927 million tonnes, also a year-on-year increase of 0.7%.

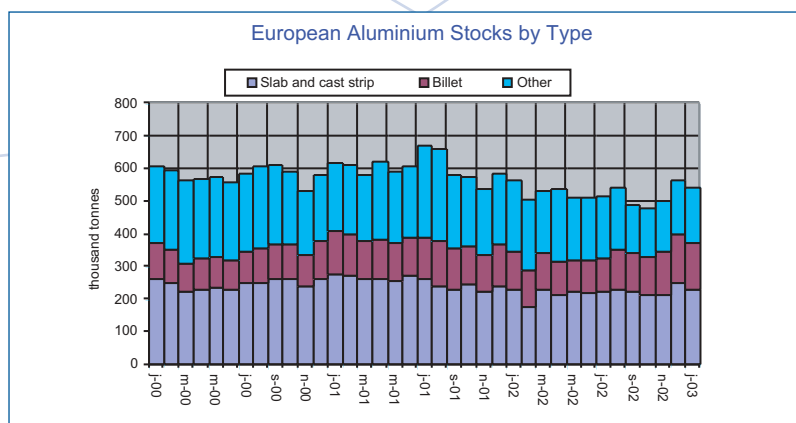
Total 2002 production up 0.7%



Stocks

Primary aluminium stocks held by European smelters and integrated fabricating plants decreased 21.4 thousand tonnes in January, to rest at 543 thousand tonnes. This is a decrease of 22 thousand tonnes compared to a year ago. By location, 54% of these stocks are at smelters and 43% of stocks are of slab and cast strips.

Decline 21.4 thousand tonnes in January

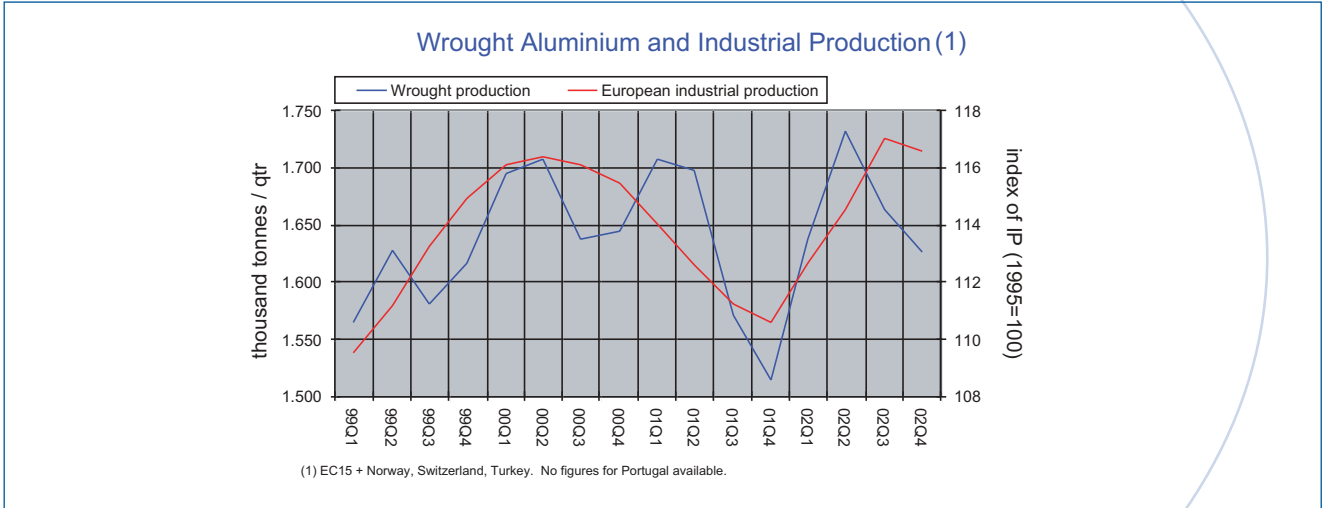


Semis production

2.6% increase in 2002

Wrought production also experienced an upturn in the beginning of 2002, but peaked in the second quarter, while industrial production down turned a quarter later.

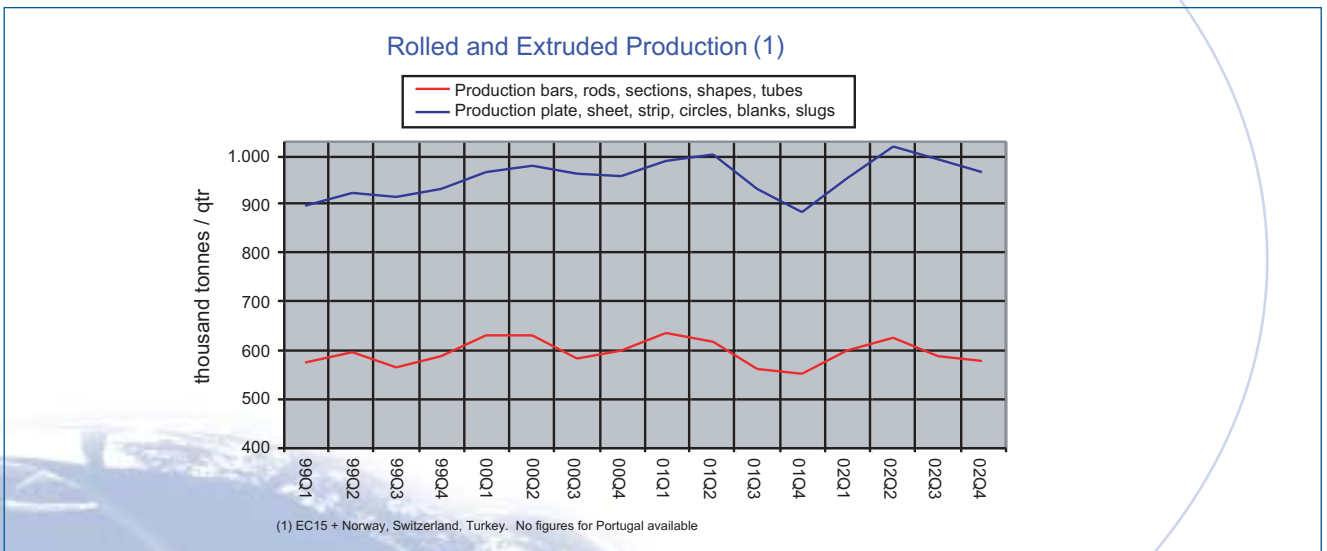
All in all, total semis production in Western Europe (EC15, Norway, Switzerland and Turkey) reached 6.660 million tonnes in 2002. This is an annual growth rate of 2.6%.



After a decline of activity in 2001, the production of rolled products in Western Europe increased 3.4% in 2002, just around trend growth.

For the whole of Europe (Russia and slugs excluded), the production of flat rolled products exceeded the 4.000 million tonne mark for the first time at 4.020 million tonnes.

The production of extruded products in 2002 returned to a positive trend once again up 1.2% in Western Europe. This is situated somewhat below trend growth.



Order intakes

Rise in January

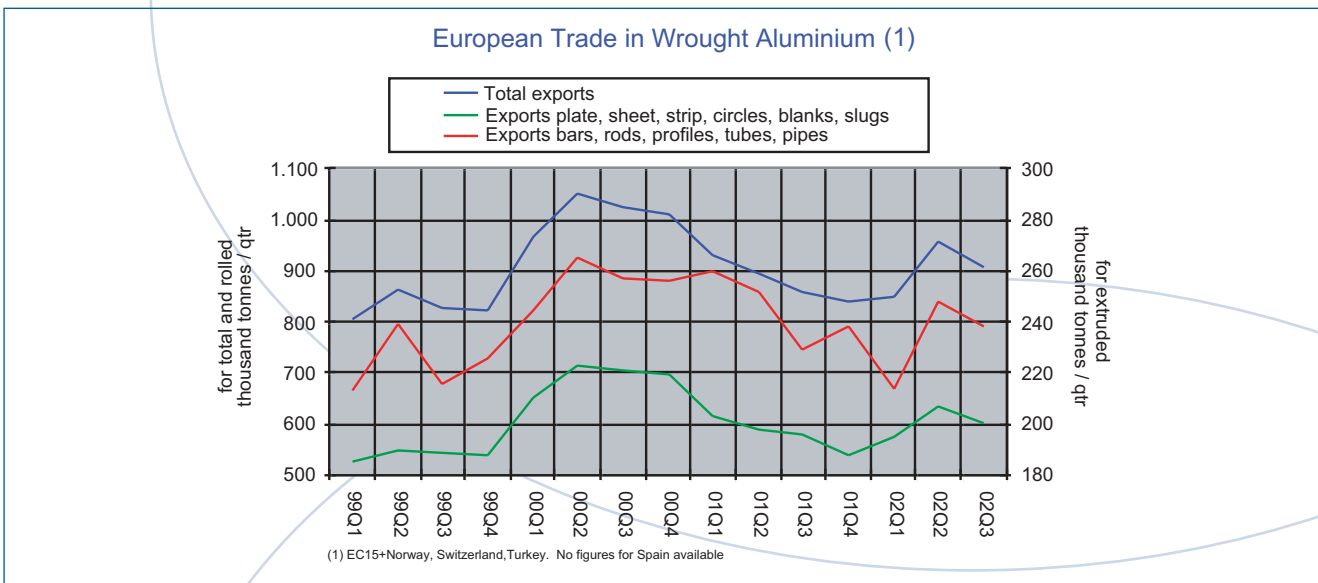
In January West-European order intakes for rolled products increased 11.3% year-on-year. This brings the index to a very high level on par with spring 2000, reflecting stronger demand in most countries.

West-European order intakes for extrusions increased 3.6% in January 2003 compared with the same period in 2002. Demand for extrusions was more or less flat in 2002 and is starting now on a somewhat higher level, but the market is still weak.

Trade

Activity diminished in Q3

Q3 data shows European trade in wrought products (including intra-EU exports) reduced slightly, partly due to seasonal effects.



Monthly data on European Aluminium ⁽¹⁾

	Primary production	Primary aluminium stocks				
		Total	Location		Type	
			Smelters	Fabricating plants	Slab and cast strip	Billet
	000t	000t	000t	000t	000t	000t
j-01	332	618	311	307	280	133
f-01	295	614	301	313	275	124
m-01	330	578	269	309	261	117
a-01	319	622	306	316	260	125
m-01	328	591	283	308	254	121
j-01	319	608	300	307	272	118
j-01	330	673	319	353	262	126
a-01	329	661	332	329	240	138
s-01	316	579	302	277	231	126
o-01	329	573	297	277	247	116
n-01	319	537	267	270	223	115
d-01	328	585	327	258	243	126
j-02	331	565	291	274	231	117
f-02	298	506	278	228	178	108
m-02	331	531	268	263	230	110
a-02	320	537	273	264	214	103
m-02	331	512	240	272	223	96
j-02	320	511	245	266	220	99
j-02	328	517	248	269	225	101
a-02	329	545	276	269	232	119
s-02	320	490	237	253	224	116
o-02	331	480	221	259	214	116
n-02	323	503	237	266	214	132
d-02	336	564	318	246	251	149
j-03	334	543	295	248	231	144

1. All Western Europe smelters except Nordural.

Quarterly data on European Aluminium ⁽¹⁾

Countries ⁽¹⁾	Total wrought production ⁽²⁾	Rolled production	Extruded production ⁽²⁾	Other production ⁽²⁾	Wrought total exports ⁽³⁾
	000t	000t	000t	000t	000t
1999Q1	1.564	898	572	94	805
1999Q2	1.628	925	595	107	863
1999Q3	1.580	917	563	100	827
1999Q4	1.617	934	588	95	822
2000Q1	1.696	969	631	96	966
2000Q2	1.708	982	631	95	1.050
2000Q3	1.638	965	585	88	1.022
2000Q4	1.645	960	599	86	1.010
2001Q1	1.709	989	637	83	931
2001Q2	1.699	1.001	616	82	896
2001Q3	1.571	932	562	78	860
2001Q4	1.514	884	551	79	838
2002Q1	1.638	954	602	82	849
2002Q2	1.732	1.019	627	87	955
2002Q3	1.664	995	587	83	910
2002Q4	1.626	968	580	78	

1. EC15 + Norway, Switzerland, Turkey

2. Revision in production data, compared with January report. No figures for Portugal available.

3. Including intra-European trade. No figures for Spain available

Other statistical news

The Short Term Panel supplied EAA members in January with an electronic update of its short term forecasts for the markets for rolled and extruded products. West European demand for rolled products is estimated to improve further in 2003. Growth for 2003 as a whole is forecast to amount to 2.2%. For extrusions, a further recovery could bring

demand 2.7 % above the 2002 level. The uncertainty of a possible war is already adversely affecting the economy, and this could cause a further delay in recovery. This makes the forecasts more hazardous. The Flat Rolled Products expert group supplied the EAA members with the end-use statistics for the year 2002.

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