

# Global Steel Trade Monitor

## Steel Imports Report: India

May 2017

### Background

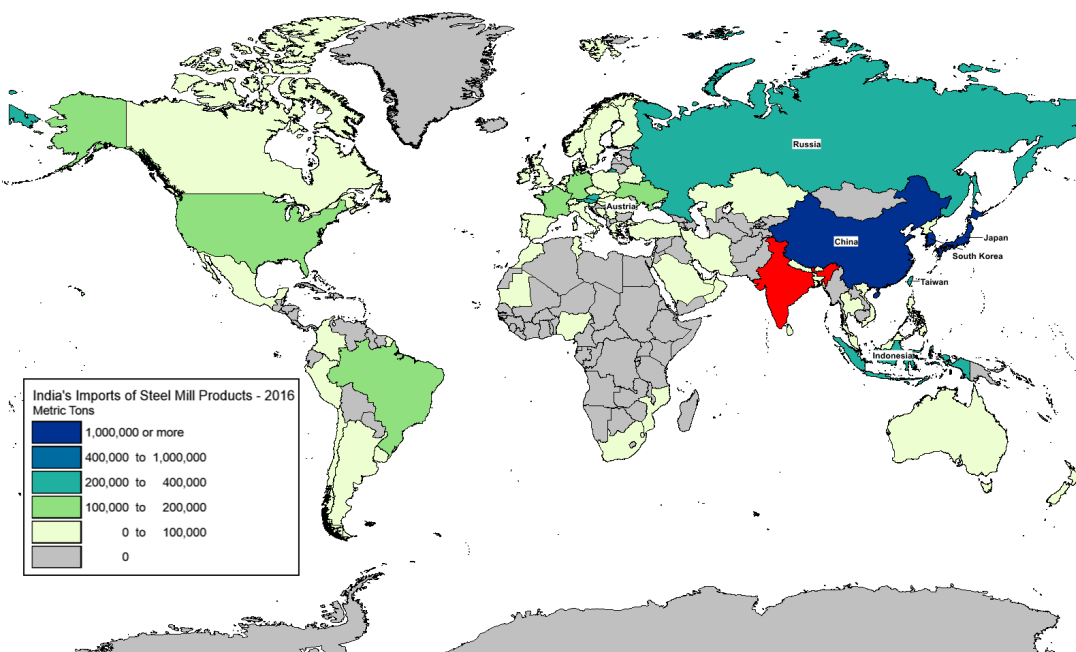
India is the world's eleventh-largest steel importer. In 2016, India imported 9.8 million metric tons of steel, a 26 percent decrease from 13.3 million metric tons in 2015. India's steel imports represented 4 percent of all steel imported globally in 2015, based on available data. The volume of India's 2016 steel imports was just under a third the size of the world's largest importer, the United States. In value terms, steel represented just 1.9 percent of the total amount of goods imported into India in 2016.

India imports steel from over 80 countries and territories. The 7 countries labeled in the map below represent the top import sources for India's imports of steel, with each sending more than 200 thousand metric tons and together accounting for 85 percent of India's steel imports in 2016.

### Quick Facts:

- World's eleventh-largest steel importer: 9.8 million metric tons (2016)
- 33% steel import increase since 2013
- Year-on-year import volume and value both down 26%
- Import penetration at 10.3% in 2016
- Top three import sources: China, South Korea, Japan
- Largest producers: TATA Steel Group, Steel Authority of India Ltd. (SAIL), JSW Steel Limited
- 19 trade remedies in effect against imports of steel mill products

### India's Imports of Steel Mill Products - 2016

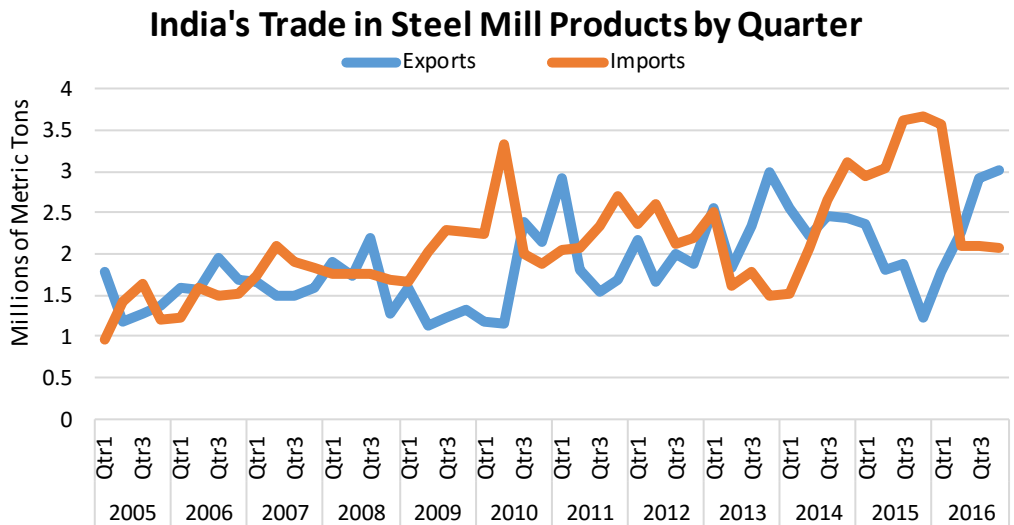


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# Steel Imports Report: India

## Steel Trade Balance

Since 2005, India has alternated between being a net steel importer and a net steel exporter. Imports and exports have displayed a roughly inverse relationship, as imports declined sharply in tandem with export growth. Since their most recent low point in 2013, India's imports have grown 33 percent. India posted a steel trade deficit of -6 million metric tons in 2015. In 2016, however, a jump in exports and a drop in imports resulted in a surplus of 184 thousand metric tons.

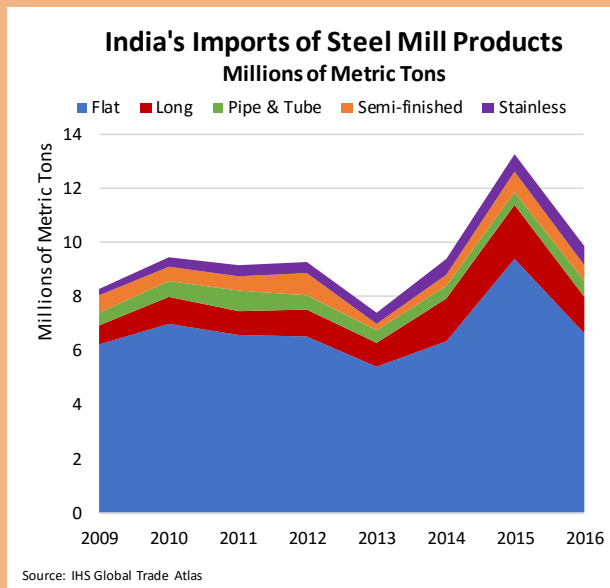


Source: IHS Global Trade Atlas

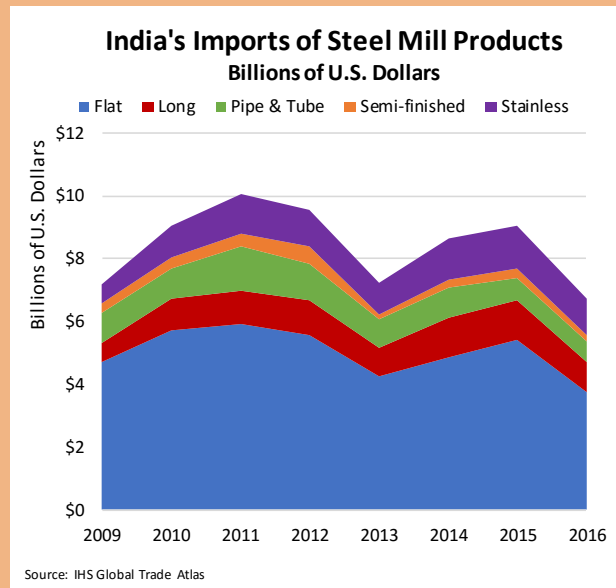
## Import Volume, Value, and Product

India's volume of steel imports hit a peak in 2015 at 13.3 million metric tons — a jump of 41 percent from 9.4 million metric tons in 2014. Imports in 2016 decreased back down to 2014 levels, down 26 percent to 9.8 million metric tons. The value of India's 2016 imports was \$6.7 billion, a 26 percent decrease from the \$9 billion in 2015.

Flat products account for the largest share of India's steel imports. In 2016, 67 percent, or 6.6 million metric tons, of India's steel imports were of flat products. Long products accounted for 14 percent, or 1.4 million metric tons, followed by stainless steel at 7 percent (708 thousand metric tons), semi-finished steel at 6 percent (576 thousand metric tons), and pipe and tube products at 6 percent (563 thousand metric tons).



Source: IHS Global Trade Atlas



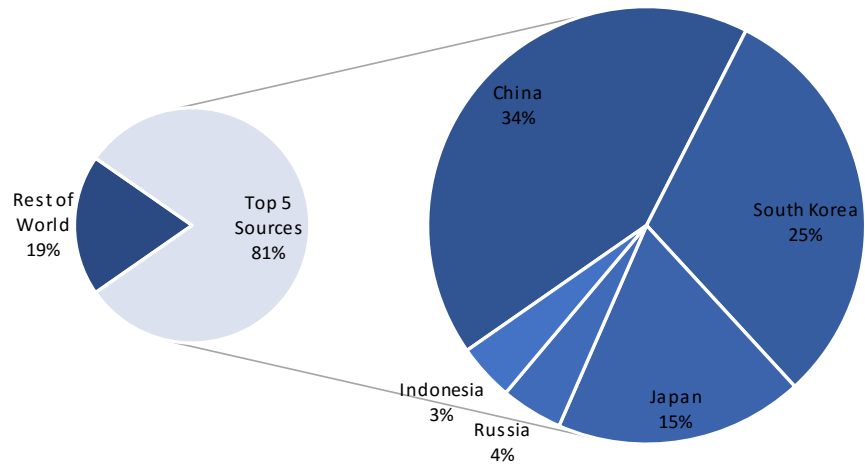
Source: IHS Global Trade Atlas

# Steel Imports Report: **India**

## Imports by Top Source

The top 5 source countries for India's steel imports represented 81 percent of the total steel import volume in 2016 at 7.9 million metric tons (mmt). China accounted for the largest share of India's imports by source country at 34 percent (3.3 mmt), followed by South Korea at 25 percent (2.4 mmt), Japan at 15 percent (1.5 mmt), Russia at 4 percent (0.4 mmt), and Indonesia at 3 percent (0.3 mmt).

**India's Steel Imports - Top 5 Sources**  
2016 - Millions of Metric Tons



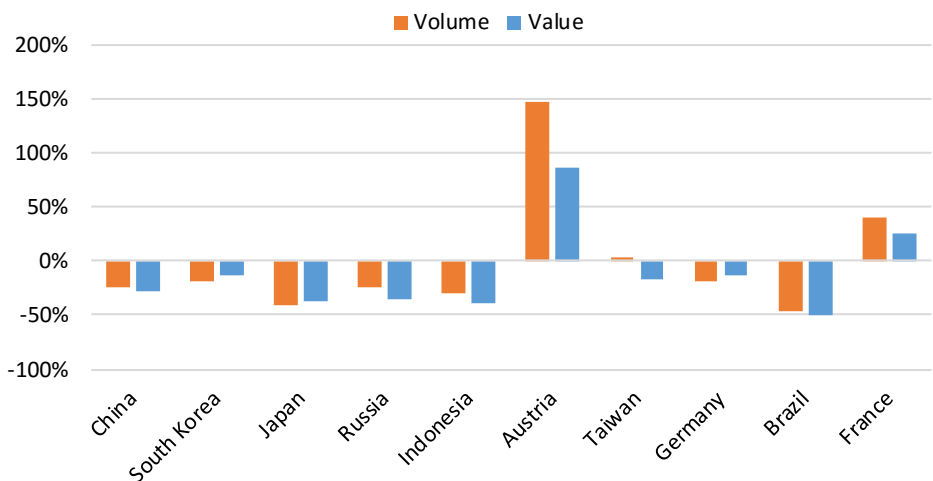
Source: IHS Global Trade Atlas

The United States ranked 13th as a source for India's steel imports. India imported 102 thousand metric tons from the United States in 2016 – an 8 percent decrease from 111 thousand metric tons in 2015.

## Trends in Imports from Top Sources

The volume of India's steel imports decreased in seven of India's top 10 steel import sources between 2015 and 2016. India's imports from Brazil showed the greatest decrease in volume, down 46.2 percent by volume from 2015, followed by Japan (down 40.6%), Indonesia (down 29.2%), Russia (down 25%), and China (down 24.5%). Only India's imports from Austria, France, and Taiwan showed increases in volume between 2015 and 2016, up 148.1 percent, 40.8 percent, and 3.4 percent, respectively.

**Percent Change in Imports from Top 10 Sources (2015 to 2016)**



Source: IHS Global Trade Atlas

The overall value of India's imports decreased in eight of its top ten sources. As with volume decreases, the decreases in steel value between 2015 and 2016 included India's imports from Brazil (down 50.5%), Indonesia (down 38.3%), Japan (37.7%), Russia (35.9%), and China (28.4%). Only imports from Austria and France increased in value in 2016, up 86.8 percent and 25.4 percent, respectively.

# Steel Imports Report: **India**

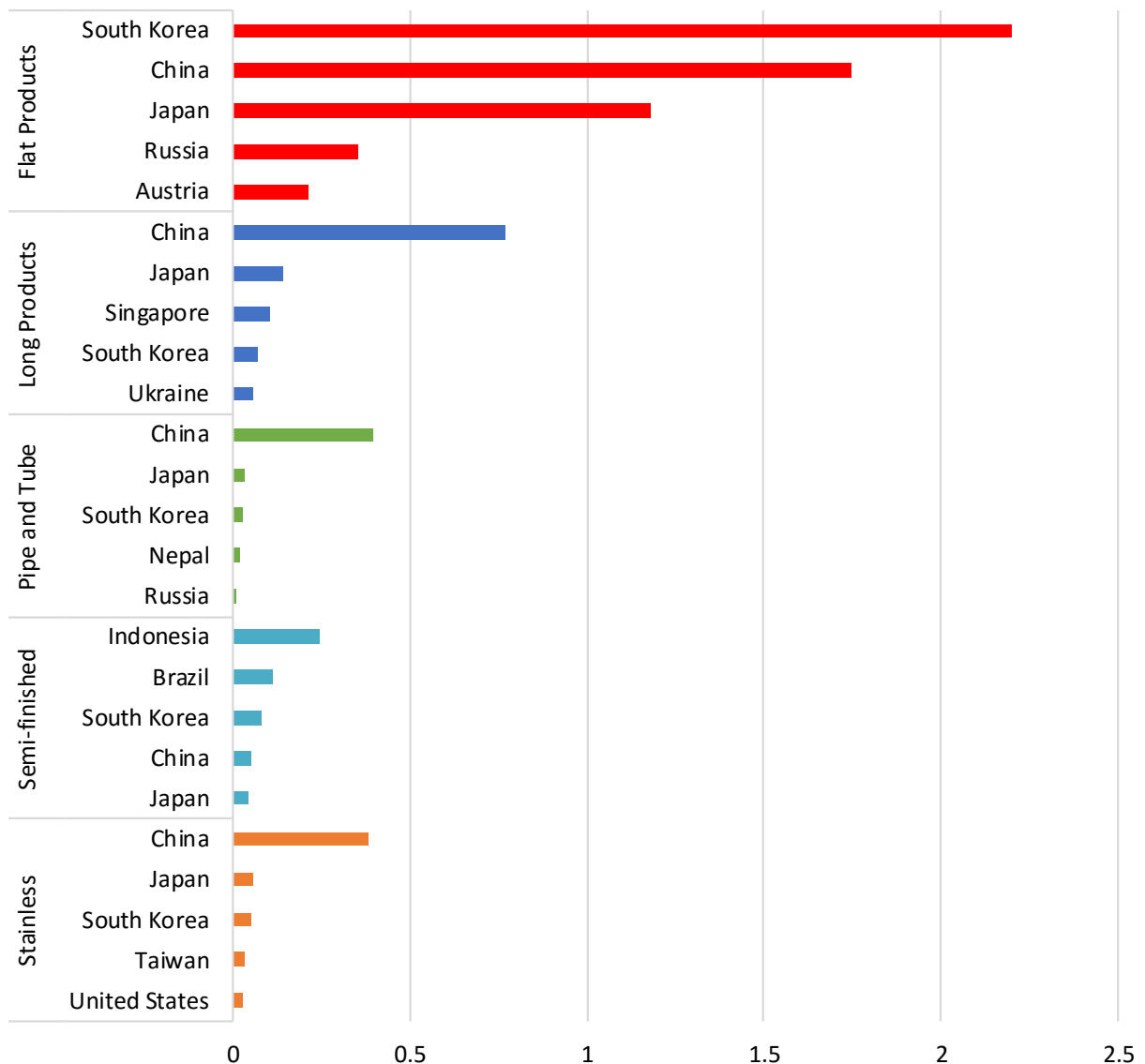
## Top Sources by Steel Product Category

India's top import sources by volume vary across types of steel products. India imported the largest share of its flat products from South Korea at 33 percent (2.2 million metric tons) in 2016, followed by China at 26 percent (1.7 million metric tons).

China accounted for the largest share of each of India's imports of long products at 56 percent (769 thousand metric tons), pipe and tube products at 71 percent (397 thousand metric tons), and stainless products at 54 percent (385 thousand metric tons). Indonesia held the largest share of India's semi-finished imports at 42 percent (241 thousand metric tons).

Stainless was the only product category for which the United States was a top 5 import source in 2016, accounting for 26 thousand metric tons of India's imports in 2016.

### India's Top 5 Import Sources by Product - 2016



Source: IHS Global Trade Atlas

Millions of Metric Tons

# Steel Imports Report: **India**

## India's Export Market Share from Top Source Countries

In 2015, the share of steel exports sent to India from its top import sources increased in all of India's top sources except Ukraine. In 2015, the share of Ukraine's steel exports to India decreased 0.1 percentage points from 2014. Countries with notable increases in their shares of steel exports to India in 2015 included Indonesia (up 3.3 percentage points from 2014), South Korea (up 2.7 percentage points), and Japan (up 2.2 percentage points).

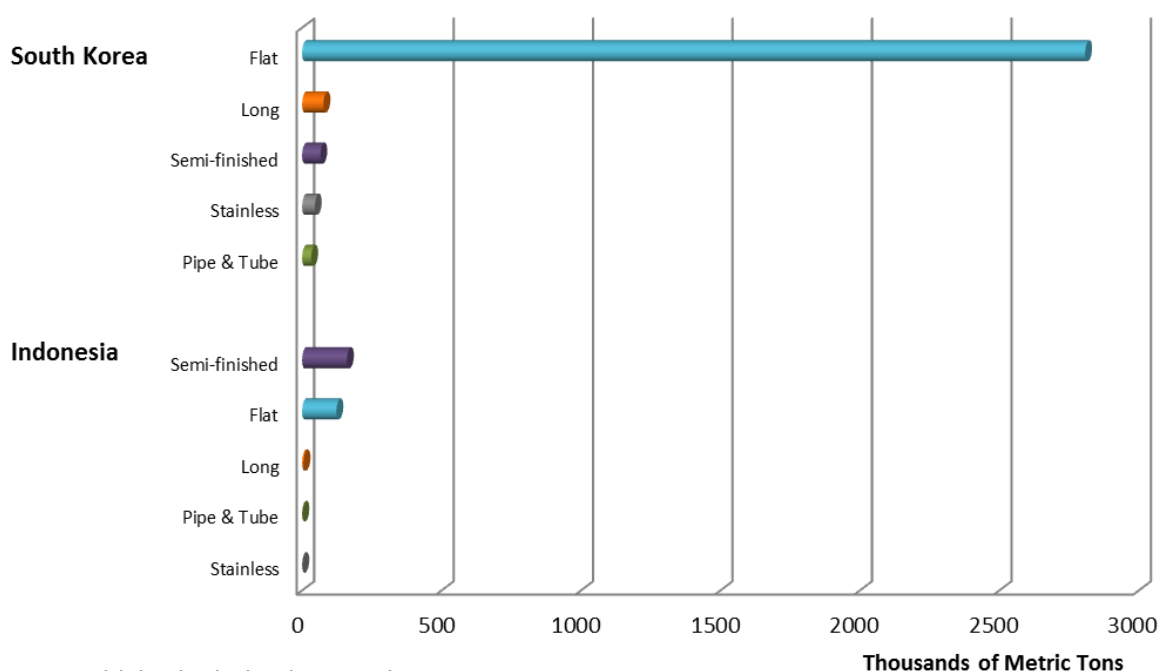
Among India's top import sources, Indonesia and South Korea sent the largest shares of their total steel exports to India in 2015, at 14.7 percent and 9.8 percent respectively. In 2015, flat products accounted for the largest share of steel exports to India from South Korea at 93 percent (2.8 million metric tons) and the second largest share of steel exports from Indonesia at 42 percent (123 thousand metric tons). Semi-finished products accounted for the largest share of Indonesia's steel exports to India at 55 percent (161 thousand metric tons) in 2015.

India's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to India - 2014	India's Rank in 2014	Share of Exports to India - 2015	India's Rank in 2015
China	4.1%	4	4.3%	5
South Korea	7.1%	4	9.8%	4
Japan	3.8%	9	6.0%	6
Russia	0.5%	32	1.2%	19
Indonesia	11.4%	2	14.7%	3
Ukraine	1.6%	11	1.5%	11
Brazil	1.7%	10	2.1%	9
Germany	0.6%	25	0.9%	19
Taiwan	1.6%	17	1.9%	15
United Arab Emirates*	2.5%	8	N/A	N/A

Source: IHS Global Trade Atlas, based on import data per reporting country

\* UAE export data for 2015 are not available

## Steel Export Composition of Top Market-Share Countries - 2015

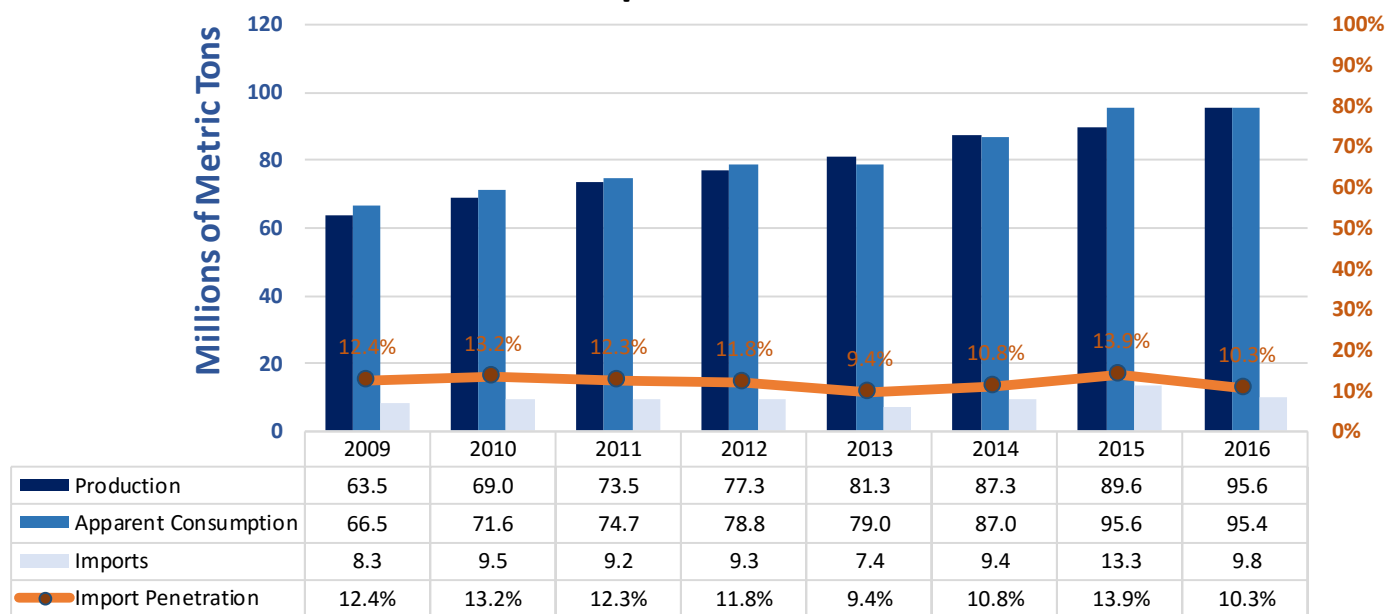


Source: IHS Global Trade Atlas, based on import data per reporting country

# Steel Imports Report: **India**

## Overall Production and Import Penetration

### India's Import Penetration



Sources: World Steel Association; IHS Global Trade Atlas

India's crude steel production has increased every year since 2009, growing 51 percent between 2009 and 2016. Production in 2016 was up 7 percent to 95.6 million metric tons from 89.6 million metric tons in 2015. Apparent consumption (a measure of steel demand) has tracked relatively closely with production over the period but was slightly outpaced by production in the majority of years. In 2016, apparent consumption was nearly on par with production. Import penetration decreased 3.6 percentage points from 13.9 percent in 2015 to 10.3 percent in 2016 due to a decrease in imports as demand held relatively steady.

### Top Producers

Before economic reforms in 1991, steel production in India was concentrated among state-owned companies. Currently, private companies dominate crude steel production in India. The top 6 producers accounted for 65.4 million metric tons, or 73 percent of total 2015 production, based on available data.

India's Top Steel Producers in 2015			
Rank	Company	Production (mmt)	Main Products
1	TATA Steel Group	26.3	Hot-rolled/cold-rolled coils and sheets, galvanized, tube
2	Steel Authority of India Ltd. (SAIL)	14.3	Flat, structural, rails, tubular
3	JSW Steel Limited	12.4	Hot-rolled coils, plates, sheets, galvanized
4	Essar Steel Group	5.7	Plates, pipes, cold-rolled, galvanized
5	Rashtriya Ispat Nigam Ltd (VIZAG Steel)	3.6	Specialty, wire rod, rebar, structural, rounds
6	Jindal Steel and Power Ltd (JSPL)	3.1	Rails, beams, coils, wire rod

Sources: World Steel Association; Hoovers; MarketLine

# Steel Imports Report: **India**

## Trade Remedies in the Steel Sector

Antidumping duties (AD), countervailing duties (CVD), associated suspension agreements, and safeguards are often referred to collectively as trade remedies. These are internationally agreed upon mechanisms to address the market-distorting effects of unfair trade, or serious injury or threat of serious injury caused by a surge in imports. Unlike anti-dumping and countervailing measures, safeguards do not require a finding of an “unfair” practice. Before applying these duties or measures, countries investigate allegations and can remedy or provide relief for the injury caused to a domestic industry. The tables below provides statistics on the current number of trade remedies India has against imports of steel mill products from various countries.

<b>India’s Trade Remedies in Effect Against Steel Mill Imports</b>				
<b>Country</b>	<b>AD</b>	<b>CVD</b>	<b>Suspension Agreements and Undertakings</b>	<b>Total</b>
China	2			2
European Union	3			3
Malaysia	1			1
South Africa	2			2
South Korea	3			3
Taiwan	2			2
Thailand	1			1
United States	3			3
<b>TOTAL</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>17</b>

Source: World Trade Organization, through December 1, 2016

<b>Steel Mill Safeguards in Effect</b>	
<b>Country</b>	<b>Product</b>
India	Hot-rolled steel in coils
India	Hot-rolled steel flat sheets and plates

Source: World Trade Organization, through February 24, 2017

# Steel Imports Report: Glossary

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**Apparent Consumption:** Domestic crude steel production plus steel imports minus steel exports. Shipment data are not available for all countries, therefore crude steel production is used as a proxy.

**Export Market:** Destination of a country's exports.

**Flat Products:** Produced by rolling semi-finished steel through varying sets of rolls. Includes sheets, strips, and plates. Used most often in the automotive, tubing, appliance, and machinery manufacturing sectors.

**Import Penetration:** Ratio of imports to apparent consumption.

**Import Source:** Source of a country's imports.

**Long Products:** Steel products that fall outside the flat products category. Includes bars, rails, rods, and beams. Used in many sectors but most commonly in construction.

**Pipe and Tube Products:** Either seamless or welded pipe and tube products. Used in many sectors but most commonly in construction and energy sectors.

**Semi-finished Products:** The initial, intermediate solid forms of molten steel, to be re-heated and further forged, rolled, shaped, or otherwise worked into finished steel products. Includes blooms, billets, slabs, ingots, and steel for castings.

**Stainless Products:** Steel products containing at minimum 10.5% chromium (Cr) offering better corrosion resistance than regular steel.

**Steel Mill Products:** Carbon, alloy, or stainless steel produced by either a basic oxygen furnace or an electric arc furnace. Includes semi-finished steel products and finished steel products. For trade data purposes, steel mill products are defined at the Harmonized System (HS) 6-digit level as: 720610 through 721650, 721699 through 730110, 730210, 730240 through 730290, and 730410 through 730690. The following discontinued HS codes have been included for purposes of reporting historical data (prior to 2007): 722520, 722693, 722694, 722910, 730410, 730421, 730610, 730620, and 730660.

**Global Steel Trade Monitor:** The monitor provides global import and export trends for the top countries trading in steel products. The current reports expand upon the early release information already provided by the Steel Import Monitoring and Analysis (SIMA) system that collects and publishes data on U.S. imports of steel mill products. Complementing the SIMA data, these reports provide objective and current global steel industry information about the top countries that play an essential role in the global steel trade. Information in these reports includes global exports and import trends, production and consumption data and, where available, information regarding trade remedy actions taken on steel products. The reports will be updated quarterly.

**Steel Import Monitoring and Analysis (SIMA) System:** The Department of Commerce uses a steel import licensing program to collect and publish aggregate data on near real-time steel mill imports into the United States. SIMA incorporates information collected from steel license applications with publicly released data from the U.S. Census Bureau. By design, this information provides stakeholders with valuable information on the steel trade with the United States. For more information about SIMA, please go to <http://enforcement.trade.gov/steel/license/>.



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