

# Global Steel Trade Monitor

## Steel Imports Report: India

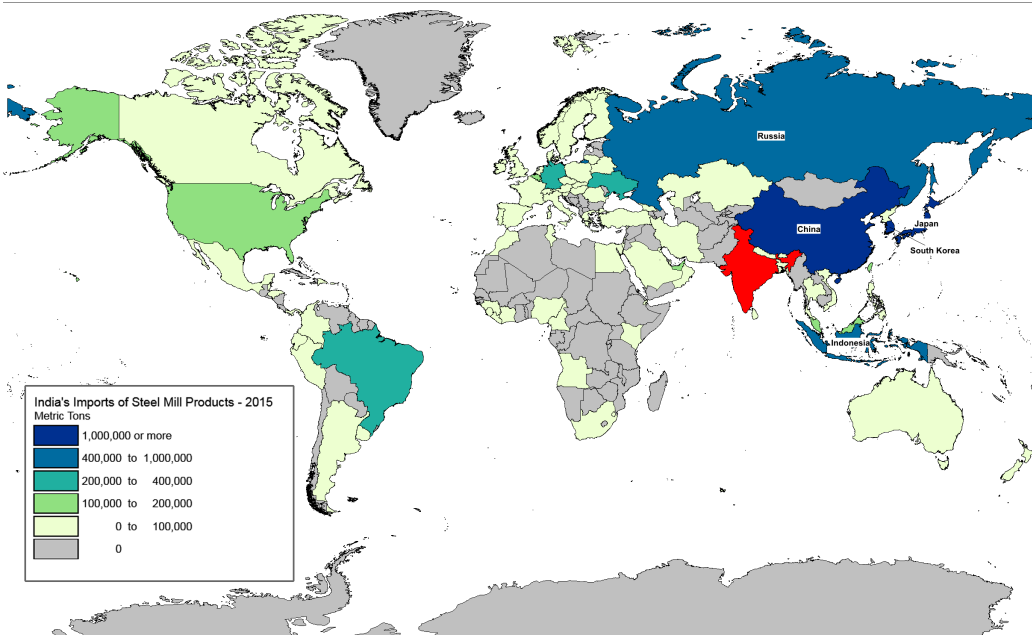
September 2016

### Background

India was the world's eighth largest steel importer in 2015. In year to date 2016 (through June), India imported 5.7 million metric tons of steel, a 5.2 percent decrease from 6 million metric tons in YTD 2015. India's steel imports represented 4 percent of all steel imported globally in 2015. The volume of India's 2015 steel imports was less than half that of the world's largest importer, the United States. In value terms, steel represented just 2.3 percent of the total amount of goods imported into India in 2015.

India imports steel from over 140 countries and territories. The 5 countries labeled in the map below represent the top import sources for India's imports of steel, with each sending more than 400 thousand metric tons and together accounting for 81 percent of India's steel imports in 2015.

**India's Imports of Steel Mill Products - 2015**



Data Source: Global Trade Atlas; Copyright © IHS Global Inc. 2016. All rights reserved.

### Quick Facts:

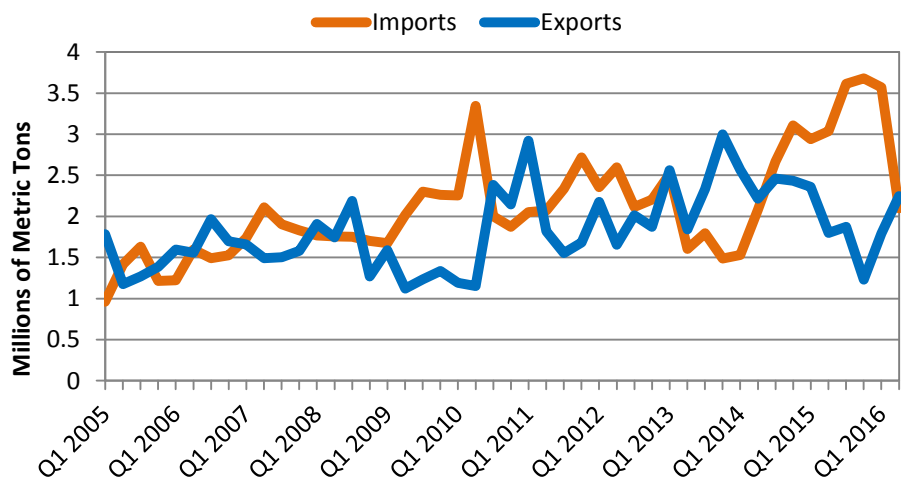
- World's eighth-largest steel importer: 5.7 million metric tons (YTD 2016)
- 41% steel import growth since Q4 2013
- YTD import volume down 5.2% while import value down 22.5%
- Import penetration at 11.8% in YTD 2016
- Top three import sources: China, South Korea, Japan
- Largest producers: TATA Steel Group, Steel Authority of India Ltd. (SAIL), JSW Steel Limited
- 19 trade remedies in effect against imports of steel mill products

# Steel Imports Report: India

## Steel Trade Balance

Over the past decade, 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 Q4 2013, India's imports have grown 41 percent, while exports hit a peak in Q4 2013 only to decline by 25 percent. India's current trade deficit began in 2014 and stood at -1.6 million metric tons in YTD 2016.

India's Trade in Steel Mill Products by Quarter

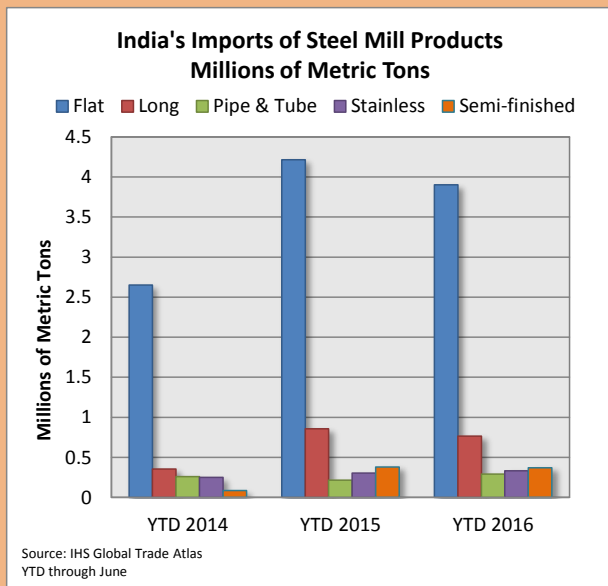


Source: IHS Global Trade Atlas

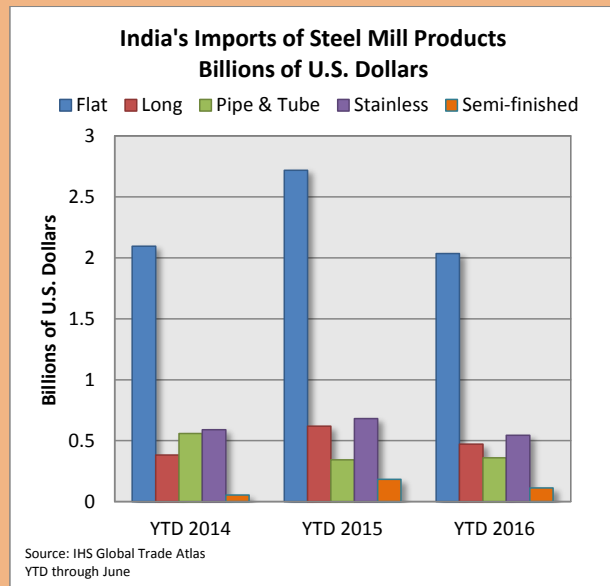
## Import Volume, Value, and Product

After rising by over 40 percent in 2015, India's imports of steel mill products have been declining. Imports in YTD 2016 were down 5.2 percent to 5.7 million metric tons from 6 million metric tons in YTD 2015. By contrast, the value of India's YTD 2016 imports was \$3.5 billion, a 22.5 percent decrease from the \$4.5 billion in YTD 2015.

Flat products account for the largest share of India's steel imports. In YTD 2016, 69 percent, or 3.9 million metric tons, of India's steel imports were of flat products. Long products accounted for 14 percent, or 766.6 thousand metric tons, followed by semi-finished (7% or 371.4 thousand metric tons), stainless (6% or 335 thousand metric tons), and pipe and tube products (5% or 294.4 thousand metric tons).



Source: IHS Global Trade Atlas  
YTD through June



Source: IHS Global Trade Atlas  
YTD through June

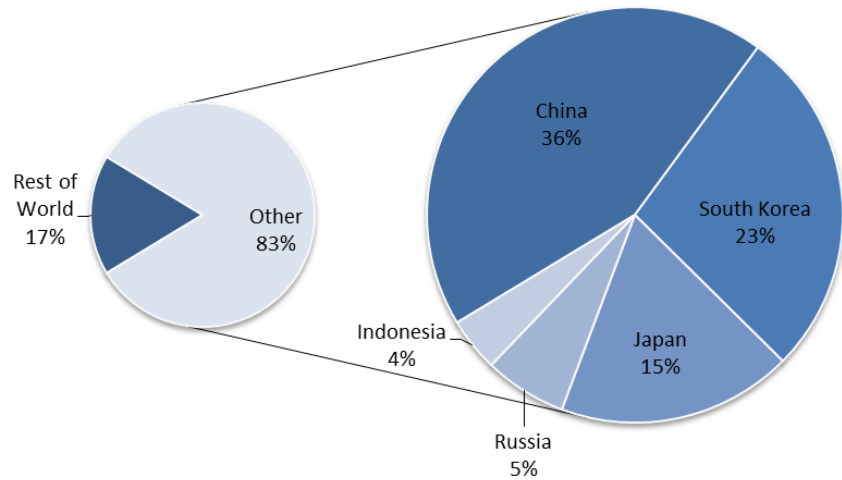
# Steel Imports Report: India

## Imports by Top Source

The top 5 source countries for India's steel imports represented 83 percent of the total steel import volume in YTD 2016 at 4.7 million metric tons (mmt). China accounted for the largest share of India's imports by source country at 36 percent (2 mmt), followed by South Korea at 23 percent (1.3 mmt), and Japan at 15 percent (0.9 mmt).

The United States ranked 13th as a source for India's steel imports. India imported 49 thousand metric tons from the U.S. in YTD 2016 — a 10 percent increase from 45 thousand metric tons in YTD 2015.

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



Source: IHS Global Trade Atlas  
YTD through June

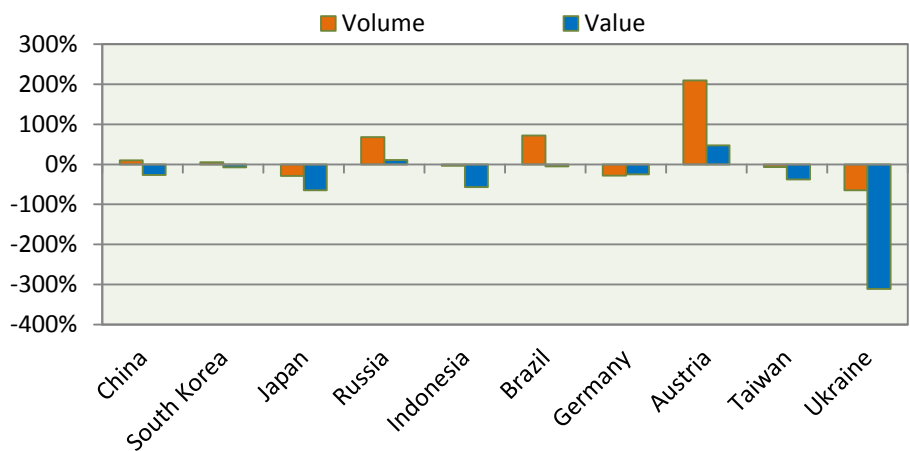
## Trends in Imports from Top Sources

The volume of India's steel imports increased from half of India's top 10 steel import sources between YTD 2015 and YTD 2016. However, the overall value of India's imports decreased from eight of the top ten, reflecting the decline in global steel prices.

Considerable decreases in steel value between YTD 2015 and YTD 2016 included India's imports from Ukraine (down 311.3%), Japan (down 64.4%), Indonesia (56.3%), and Taiwan (37.4%). Only imports from Austria and Russia increased in value, up 47.4 percent and 11 percent, respectively.

Imports from Austria, Brazil, and Russia showed the greatest increases in volume between YTD 2015 and YTD 2016, up 209.9 percent, 72.2 percent, and 68.5, respectively. India's imports from Ukraine showed the greatest decrease in volume, down 64.8 percent by volume from YTD 2015,

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



Source: IHS Global Trade Atlas  
YTD through June

followed by Japan (down 29.2%) and Germany (down 28.2%).

# Steel Imports Report: **India**

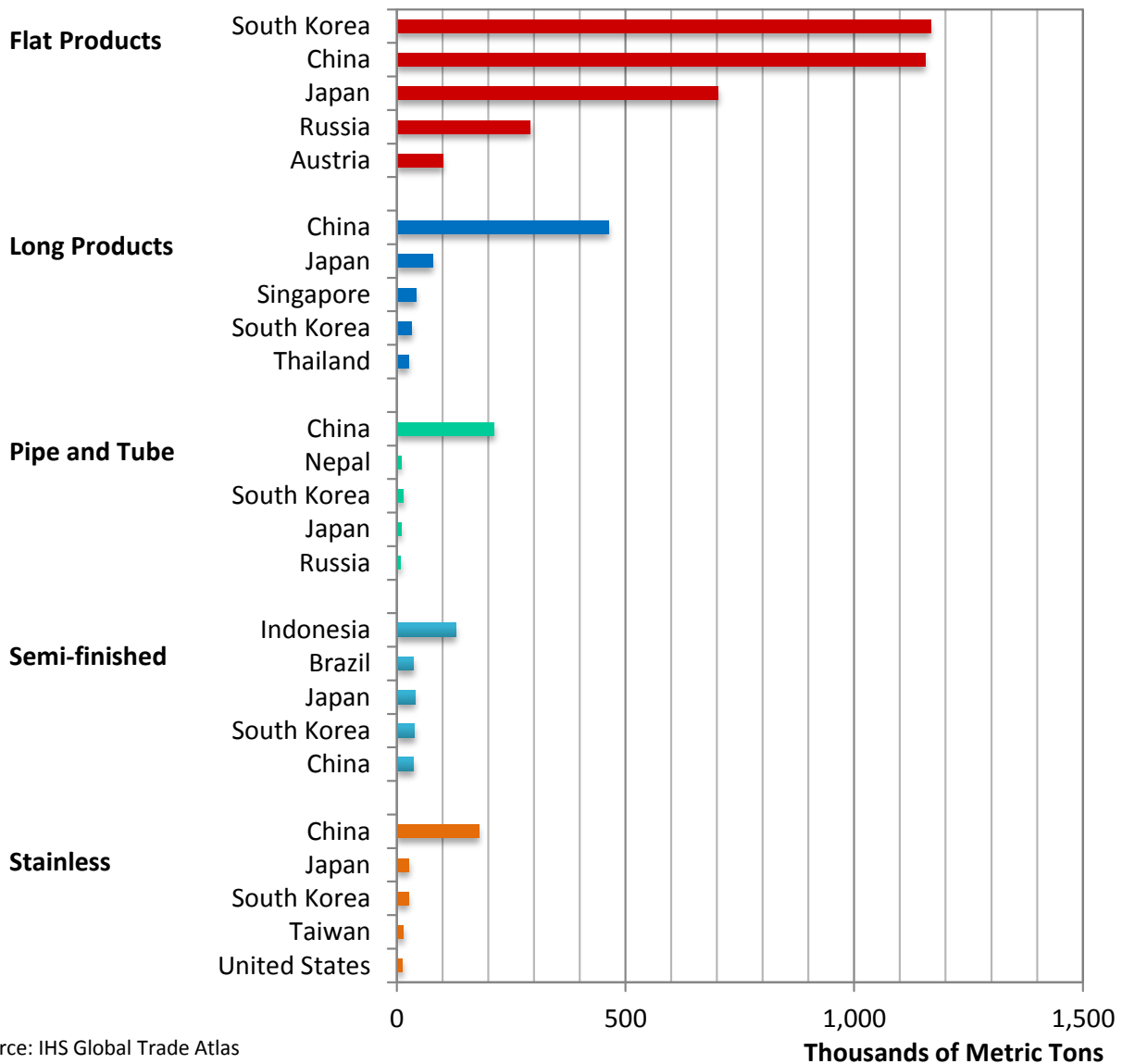
## Top Sources by Steel Product Category

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 30 percent (1.17 million metric tons) in YTD 2016, followed closely by China at 30 percent (1.16 million metric tons).

China accounted for the largest share of each of India's imports of long products at 61 percent (464 thousand metric tons), pipe and tube products at 72 percent (213 thousand metric tons), and stainless products at 54 percent (181 thousand metric tons). Indonesia held the largest share of India's semi-finished imports at 35 percent (129 thousand metric tons).

Stainless was the only product category for which the United States was a top 5 import source in YTD 2016.

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



Source: IHS Global Trade Atlas  
YTD through June

# 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

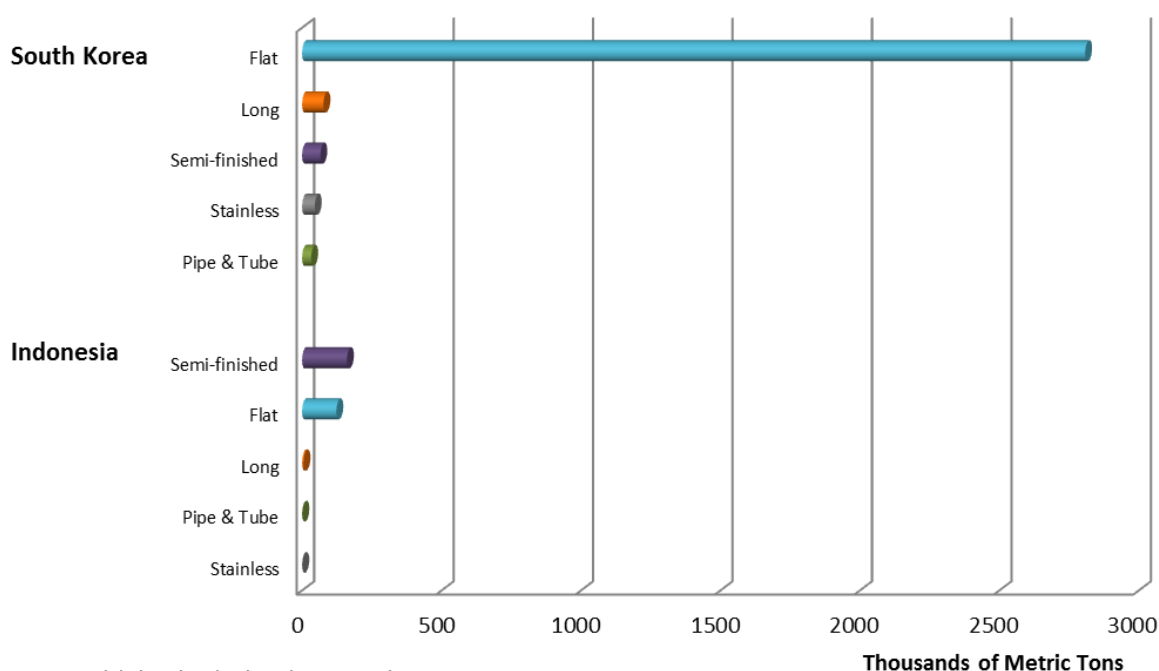
India's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to India - 2014	India's Rank in 2014	Share of Exports to India - 2015	India's Rank in 2015
China	4.1%	4	4.3%	5
South Korea	7.1%	4	9.8%	4
Japan	3.8%	9	6.0%	6
Russia	0.5%	32	1.2%	19
Indonesia	11.4%	2	14.7%	3
Ukraine	1.6%	11	1.5%	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

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.

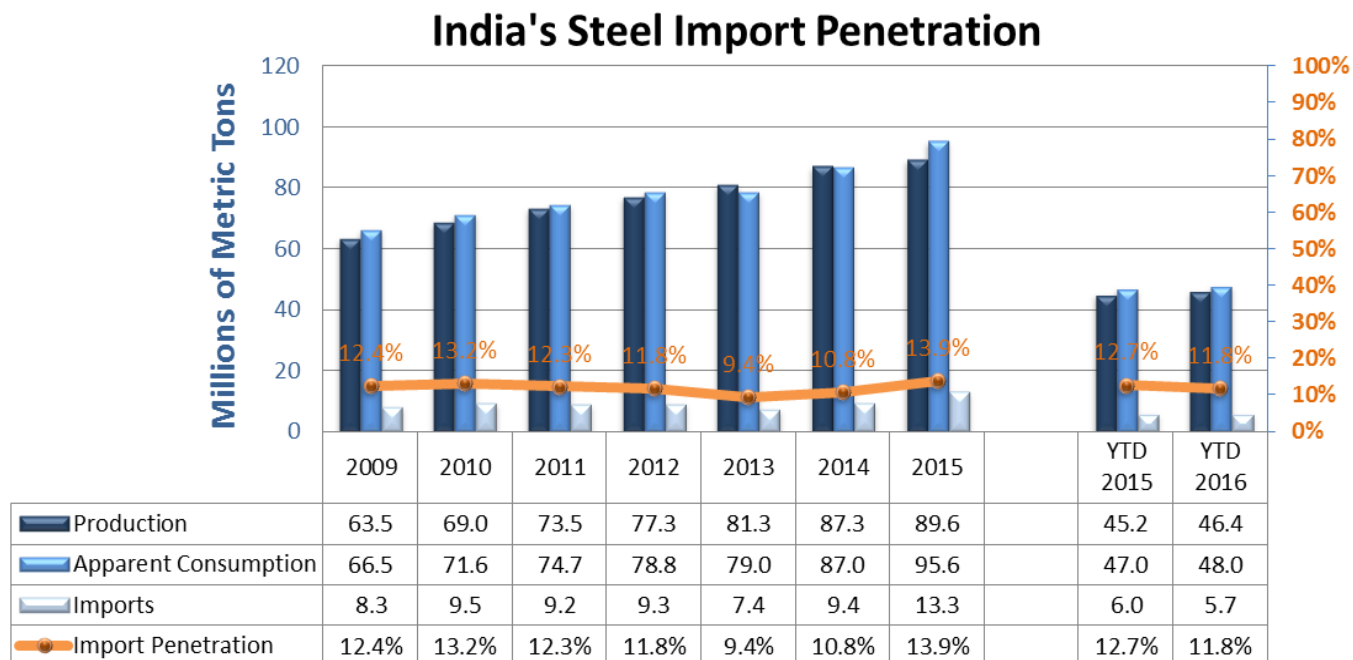
## Steel Export Composition of Top Market-Share Countries - 2015



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

# Steel Imports Report: India

## Overall Production and Import Penetration



Source: World Steel Association; IHS Global Trade Atlas  
YTD through June

India's crude steel production has increased every year since 2009, growing 41 percent to 89.6 million metric tons in 2015. Production in YTD 2016 was up 3 percent to 46.4 million metric tons from 45.2 million metric tons in YTD 2015. Apparent consumption (a measure of steel demand) followed a similar growth trend over the period but slightly outpaced production by an average of 1.7 million metric tons. In YTD 2016, apparent consumption was ahead of production by 1.6 million metric tons. Import penetration decreased 0.9 percentage points from 12.7 percent in YTD 2015 to 11.8 percent in YTD 2016 due to a slight decrease in imports as demand grew.

### 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 June 30, 2016

<b>Steel Mill Safeguards in Effect</b>	
<b>Country</b>	<b>Product</b>
India	Seamless pipes, tubes and hollow profiles of iron or non-alloy steel (other than cast iron and stainless steel)
India	Hot-rolled steel in coils

Source: World Trade Organization, through August 22, 2016



# 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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