



Global Steel Trade Monitor

Steel Imports Report: India

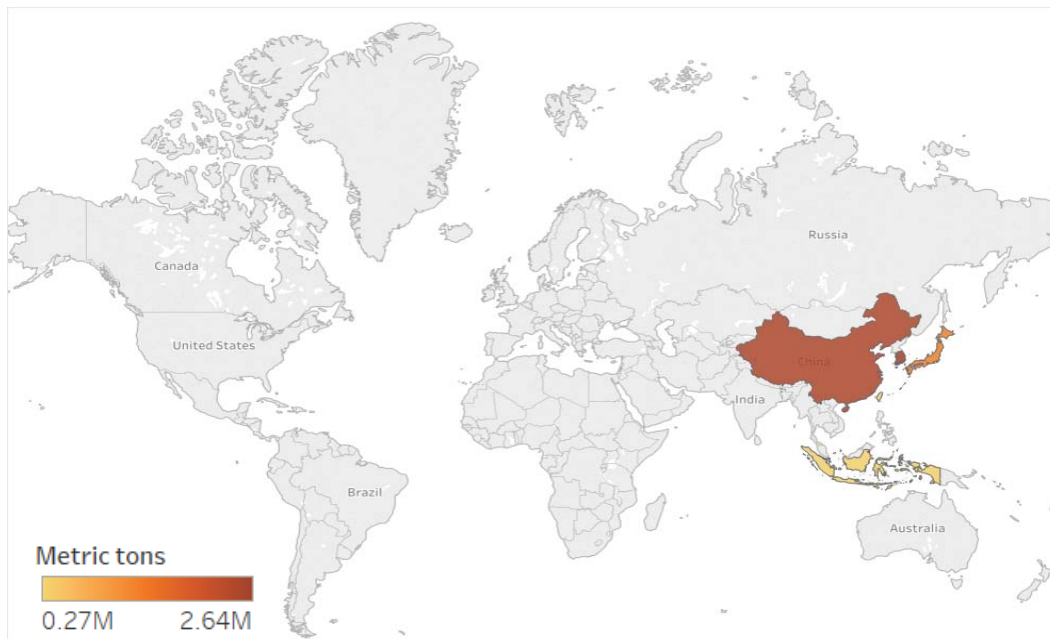
May 2018

Background

India is the world's fifteenth-largest steel importer. In 2017, India imported 8.9 million metric tons of steel, a 9.7 percent decrease from 9.8 million metric tons in 2016. India's steel imports represented 2.6 percent of all steel imported globally in 2016, based on available data. The volume of India's 2017 steel imports was about a quarter of the size of the world's largest importer, the United States. In value terms, steel represented just 1.7 percent of the total amount of goods imported into India in 2017.

India imports steel from over 80 countries and territories. The 5 countries highlighted in the map below represent the top import sources for India's imports of steel, with each sending more than 250 thousand metric tons and together accounting for about 80.0 percent of India's steel imports in 2017.

India's Imports of Steel Mill Products - 2017



Data Source: Global Trade Atlas; Copyright © IHS Global, Ltd., 2018. All rights reserved.

Quick Facts:

- World's fifteenth-largest steel importer: 8.9 million metric tons (2017)
- 38.0% steel import increase since 2013
- Year-on-year import volume down 9.7%, however, value up about 9.8%
- Import penetration at 9.4% in 2017
- Top three import sources: South Korea, China, Japan
- Largest producers: JSW Steel Limited, Steel Authority of India Ltd. (SAIL), TATA Steel Group,
- 25 trade remedies in effect against imports of steel mill products, 2 safeguards in effect against imports of steel mill products

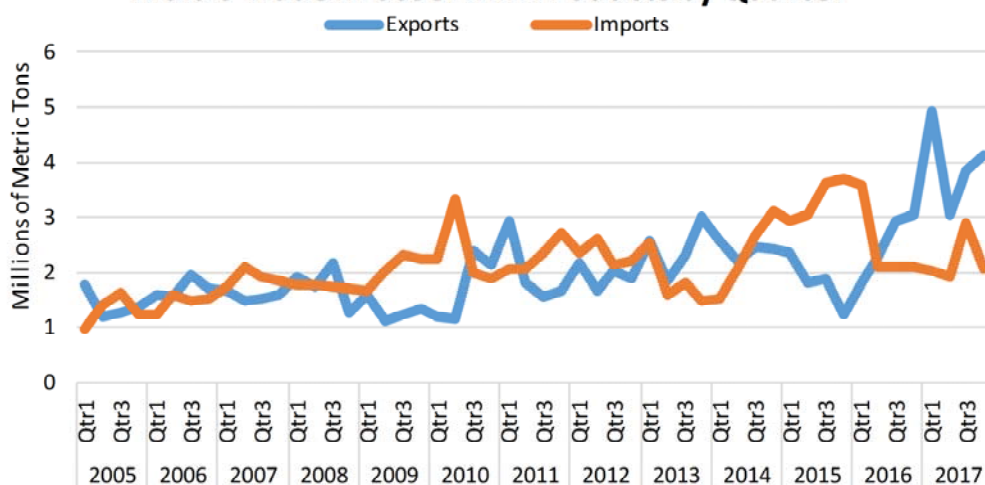
Steel Imports Report: **India**

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 38.0 percent. India posted a steel trade surplus of 181.7 thousand metric tons in 2016.

In 2017, however, a jump in exports and a decrease in imports resulted in a significant increase in the surplus to 7.1 million metric tons.

India's Trade in Steel Mill Products by Quarter



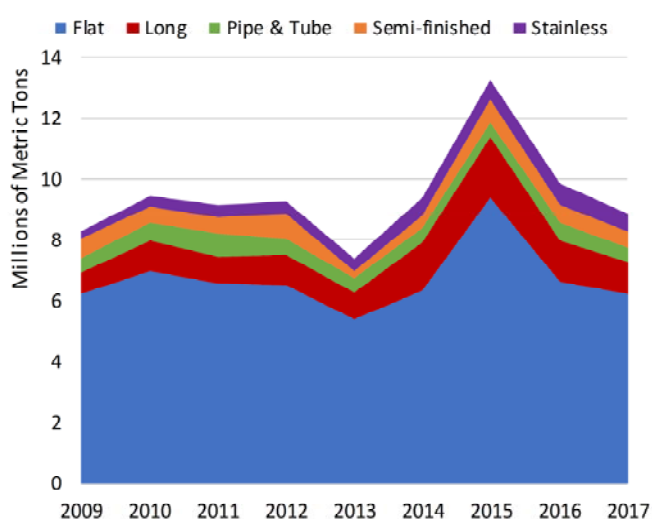
Source: IHS Markit Global Trade Atlas

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 41.4 percent from 9.4 million metric tons in 2014. Imports in 2016 decreased 25.8 percent to 9.8 million metric tons and continued to decline in 2017, reaching 8.9 million metric tons. Despite this decrease, the value of India's 2017 imports rose to \$7.4 billion, nearly a 10.0 percent increase from the \$6.7 billion in 2016.

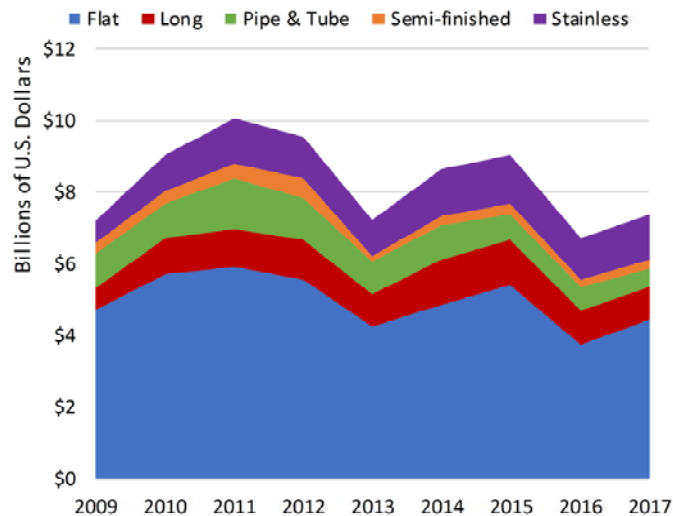
Flat products account for the lion's share of India's steel imports. In 2017, about 70.0 percent, or 6.3 million metric tons, of India's steel imports were of flat products. Long products accounted for 11.4 percent, or 1.0 million metric tons, followed by stainless steel at 7.0 percent (618.7 thousand metric tons), semi-finished steel at 6.1 percent (545.5 thousand metric tons), and pipe and tube products at 5.2 percent (464.7 thousand metric tons).

India's Imports of Steel Mill Products Millions of Metric Tons



Source: IHS Markit Global Trade Atlas

India's Imports of Steel Mill Products Billions of U.S. Dollars



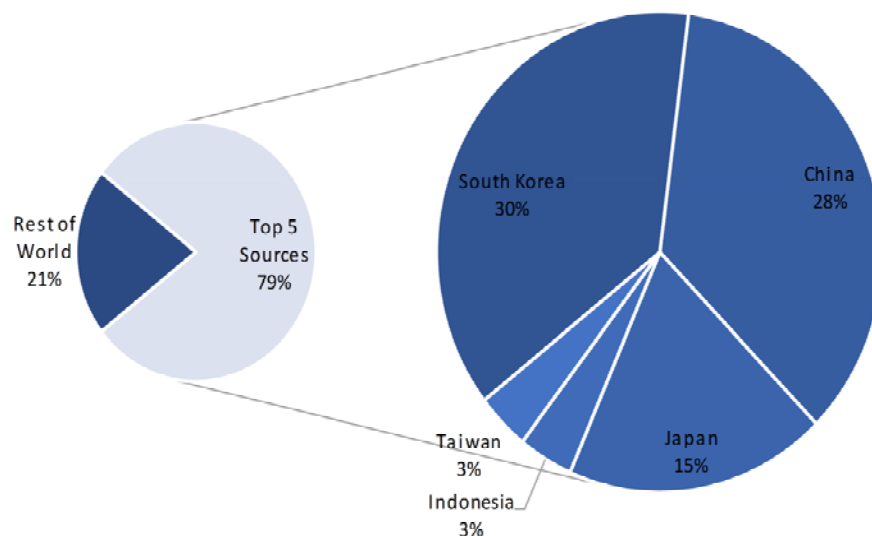
Source: IHS Markit Global Trade Atlas

Steel Imports Report: **India**

Imports by Top Source

The top 5 source countries for India's steel imports represented about 79.0 percent of the total steel import volume in 2017 at 7.0 million metric tons (mmt). South Korea accounted for the largest share of India's imports by source country at about 30.0 percent (2.6 mmt), followed by China at about 28.0 percent (2.5 mmt), Japan at about 15.0 percent (1.3 mmt), Indonesia at 3.1 percent (0.3 mmt), and Taiwan at 3.0 percent (0.3 mmt).

India's Steel Imports - Top 5 Sources
2017 - Percent of Volume



Source: IHS Markit Global Trade Atlas

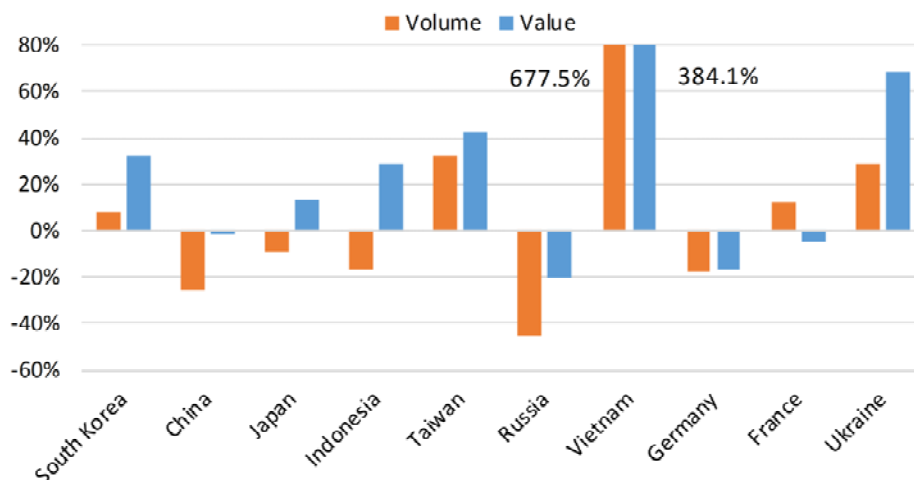
The United States ranked 12th as a source for India's steel imports. India imported about 110.0 thousand metric tons from the United States in 2017 — approximately an 8.0 percent increase from 102.0 thousand metric tons in 2016.

Trends in Imports from Top Sources

The volume of India's steel imports decreased in five of India's top 10 steel import sources between 2016 and 2017. India's imports from Russia showed the greatest decrease in volume, down 45.1 percent by volume from 2016, followed by China (down 25.5%), Germany (down 17.4%), Indonesia (down 16.5%), and Japan (down 8.9%). India's imports from Vietnam jumped 677.5 percent. India's imports from Taiwan, Ukraine, France and South Korea showed increases in volume between 2016 and 2017, up 32.5 percent, 29.1 percent, and 12.7, and 8.4 percent, respectively.

The overall value of India's imports decreased in four of its top ten sources. The decreases in steel value between 2016 and 2017 included India's imports from Russia (down 20.6%), Germany (down 16.6%), France (5.1%), and China (1.5%). Imports from Vietnam surged 384.1 while Ukraine (68.1%), Taiwan (42.4%), South Korea (32.5%), Indonesia (29.1), and Japan (12.9) all increased in value in 2017.

Percent Change in Imports from Top 10 Sources (2016 to 2017)



Source: IHS Markit Global Trade Atlas

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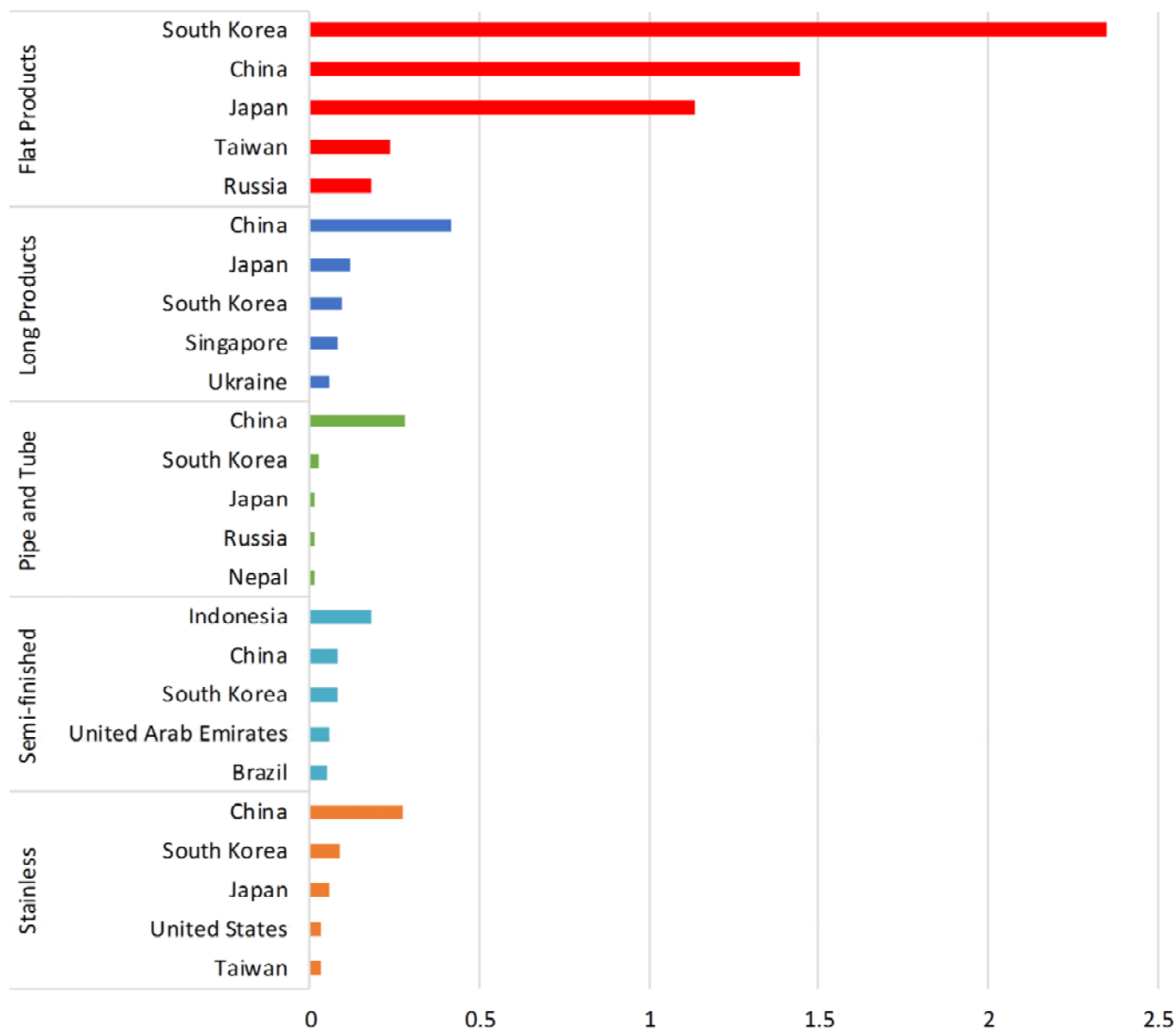
Top Sources by Steel Product Category

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 37.6 percent (2.23million metric tons) in 2017, followed by China at 23.1 percent (1.4 million metric tons).

China accounted for the largest share of each of India's imports of long products at 41.1 percent (417.1 thousand metric tons), pipe and tube products at 60.5 percent (281.2 thousand metric tons), and stainless products at 43.9 percent (271.7 thousand metric tons). Indonesia held the largest share of India's semi-finished imports at 33.5 percent (182.9 thousand metric tons).

Stainless was the only product category for which the United States was a top 5 import source in 2017, accounting for 32.7 thousand metric tons, or 5.3 percent, of India's imports in 2017.

India's Top 5 Import Sources by Product - 2017



Source: IHS Markit Global Trade Atlas

Millions of Metric Tons

Steel Imports Report: **India**

India's Export Market Share from Top Source Countries

In 2017, the share of steel exports sent to India from its top import sources increased in five of India's top sources for which data is available. Countries with the largest increases in their shares of steel exports to India in 2017 included South Korea (up 0.8 percentage points from 2016), and Taiwan (up 0.5 percentage points). The share of exports sent to India decreased from Indonesia, France, Russia and Germany, down 4.3, 0.7, 0.5 and 0.1 percentage points, respectively.

Among India's top import sources, Indonesia, South Korea, and China sent the largest shares of their total steel exports to India in 2017, at 12.2, 8.8, and 3.4 percent respectively. In 2017, semi-

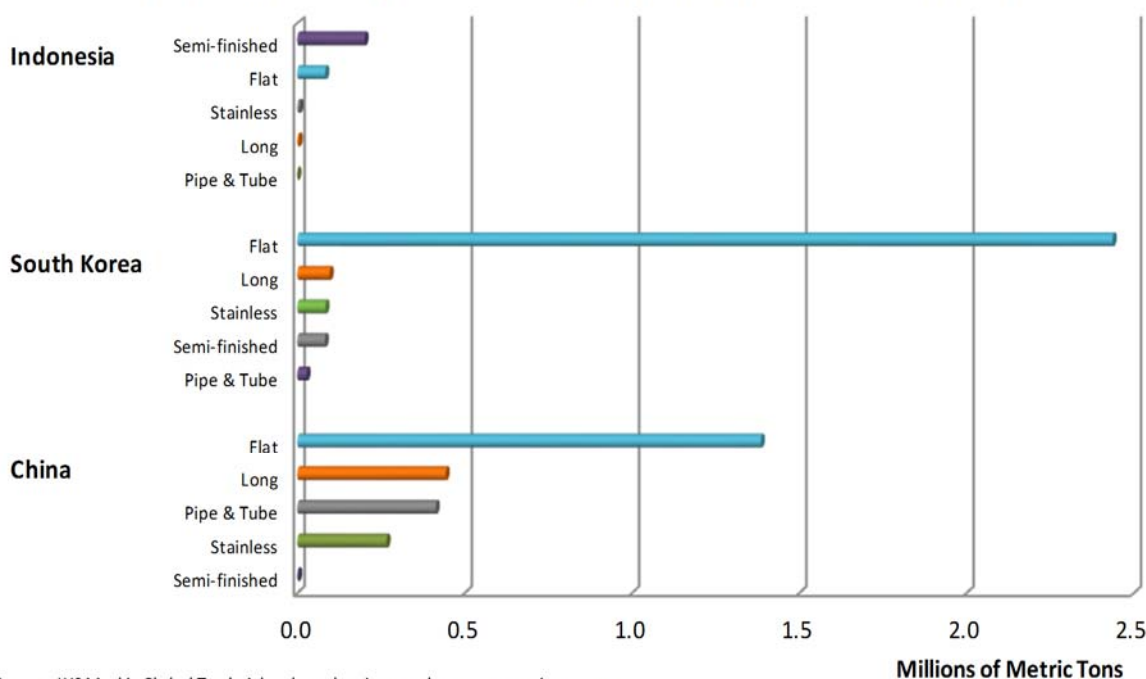
India's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to India - 2016	India's Rank in 2016	Share of Exports to India - 2017	India's Rank in 2017
South Korea	7.9%	4	8.8%	4
China	3.1%	6	3.4%	6
Japan	3.2%	10	3.4%	10
Indonesia	16.5%	3	12.2%	2
Taiwan	1.7%	14	2.2%	15
Russia	0.9%	23	0.5%	30
Vietnam*	1.1%	14	N/A	N/A
Germany	0.7%	22	0.5%	24
France	1.3%	13	0.6%	21
Ukraine	0.6%	32	0.9%	21

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

*Vietnam 2017 data unavailable

finished products accounted for the largest share of steel exports to India from Indonesia at 67.9 percent (0.2 million metric tons). Flat products accounted for the largest share of exports to India from South Korea at 89.3 percent (2.4 million metric tons) and China at 55.1 percent (1.4 million metric tons) in 2017.

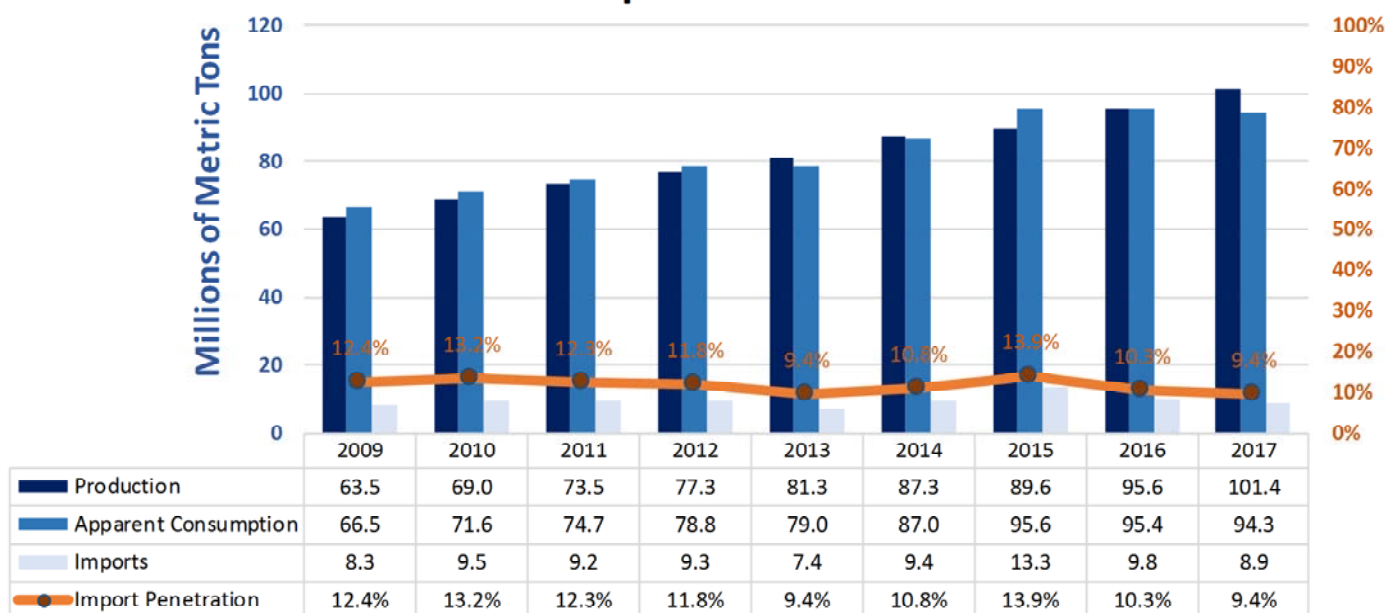
Steel Export Composition of Top Market-Share Countries - 2017



Source: IHS Markit Global TradeAtlas, based on import data per reporting country

Steel Imports Report: **India**

India's Import Penetration



Sources: World Steel Association; IHS Markit Global Trade Atlas

Overall Production and Import Penetration

India's crude steel production has increased every year since 2009, growing 59.6 percent between 2009 and 2017. Production in 2016 was up 6.0 percent to 101.4 million metric tons from 95.6 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 2017, apparent consumption was a bit less than production. Import penetration decreased 0.9 percentage points from 10.3 percent in 2016 to 9.4 percent in 2017, as the decline in apparent consumption was offset by the decrease in imports.

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 55.5 million metric tons, or 56.7 percent of total 2017 production, based on available data.

India's Top Steel Producers 2017			
Rank	Company	Production (mmt)	Main Products
1	JSW Steel Limited	16.5	Hot-rolled coils, plates, sheets, galvanized
2	Steel Authority of India Ltd. (SAIL)	14.5	Flat, structural, rails, tubular
3	TATA Steel Group	11.7	Hot-rolled/cold-rolled coils and sheets, galvanized, tube
4	Essar Steel Group	5.4	Plates, pipes, cold-rolled, galvanized
5	Rashtriya Ispat Nigam Ltd (VIZAG Steel)	4.0	Specialty, wire rod, rebar, structural, rounds
6	Jindal Steel and Power Ltd (JSPL)	3.4	Rails, beams, coils, wire rod

Sources: India Ministry of Steel, sourced from JPC (Joint Plant Committee)

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.

India’s Trade Remedies in Effect Against Steel Mill Imports

Country	AD	CVD	Suspension Agreements and Undertakings	Total
Brazil	1			1
China	7	1		8
European Union	2			2
Indonesia	1			1
Japan	2			2
Malaysia	1			1
Russian Federation	1			1
South Africa	1			1
South Korea	4			4
Taiwan	1			1
Thailand	1			1
Ukraine	1			1
United States	1			1
TOTAL	24	1	0	25

Source: World Trade Organization, through December 31, 2017

India’s Steel Mill Safeguards in Effect

Country	Product
India	Hot-rolled steel in coils
India	Hot-rolled steel flat sheets and plates

Source: World Trade Organization, through February 28, 2018

Steel Imports Report: Glossary

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/>.



INTERNATIONAL
TRADE
ADMINISTRATION

Steel Import Monitoring and Analysis
1401 Constitution Ave., NW, Room 21006
Washington, D.C. 20230

T 202.482.2105
F 202.501.1377
Email ECCGlobalSteelStats@trade.gov

trade.gov/steel