

Indian Steel Industry: August 2025 – A Trend Report

India remains a bright spot in the global steel industry and the steel demand in the country is expected to show a healthy growth of 8.5% in 2025 compared to the global demand growth of just 1.2%, according to the last Short Range Outlook released by the World Steel Association. India has emerged as the strongest driver of steel demand growth since 2021, and the trend is set to continue in 2025 as well with a robust growth of more than 8% in steel demand being anticipated, worldsteel said. This expansion is fuelled by growth across all steel-consuming sectors, especially by continued growth in infrastructure investments.

WORLD ECONOMY AT A GLANCE

- Global manufacturing operating conditions improved to the greatest extent since June 2024 in August 2025, as levels of output, new orders and employment all returned to growth. The JP Morgan Global Manufacturing PMI rose to 50.9 in August from 49.7 in July 2025 to signal a slight improvement in operating conditions.
- The consumer, intermediate and investment goods sectors all returned to growth during the month, with solid increases seen in the consumer and investment goods categories.
- Only five of the 32 nations for which manufacturing PMI data were available reported lower output index readings in August. Rates of expansion improved in 11 nations and downturns also eased in 11.
- India, Thailand, Spain, Colombia and the USA saw the strongest growth, while Poland, Taiwan, Russia, Kazakhstan and Brazil registered the steepest contractions.

Key Economic Figures			
Country	GDP 2024: % change*	Manufacturing PMI	
		July 2025	August 2025
India	6.5**	59.1	59.3
China	5.0	49.5	50.5
Japan	0.1	48.9	49.7
USA	2.8	49.8	53.0
Eurozone	0.9	49.8	50.7
Brazil	3.4	48.2	47.7
Russia	4.1	47.0	48.7
South Korea	2.0	48.0	48.3
Germany	-0.2	49.1	49.8
Turkey	3.2	45.9	47.3
Italy	0.7	49.8	50.4
Source: GDP: official releases; PMI- Markit Economics, *provisional, ** FY 2024-25			

GLOBAL CRUDE STEEL PRODUCTION

World crude steel production stood at 1086.243 million tonnes (Mt) in January-July 2025, registering a 1.9% decline over the same period of the previous year, according to provisional data released by the World Steel Association (worldsteel). In July 2025, world crude steel production stood at 150.126 Mt, down 1.3% compared with the same month of the last year.

World Crude Steel Production (Prov)			
Rank	Top 10	Jan-Jul 2025 (Mt)	% yoy change
1	China	594.470	(-)3.1
2	India	94.854	9.8
3	Japan	47.462	(-)4.7
4	USA	47.423	1.5
5	Russia	40.773	(-)4.4
6	South Korea	35.884	(-)3.1
7	Turkey	21.484	(-)0.9
8	Germany	19.828	(-)12.1
9	Brazil	19.428	(-)0.5
10	Iran	18.154	(-)5.2
Top 10 Total		939.760	(-)2.0
World		1086.243	(-)1.9
Source: worldsteel			

Major observations:

- China remained the leader in world crude steel production with an output of 594.470 Mt in January-July 2025, registering a decline of 3.1% compared with January-July 2024. The country accounted for 54.7% of world crude steel production during the period under review.
- India was the 2nd largest producer of crude steel with an output of 94.854 Mt in January-July 2025, showing a yoy growth of 9.8% over the same period of the previous year. The country accounted for 8.7% of world crude steel production during the period.
- Japan was the 3rd largest producer of crude steel with an output of 47.462 Mt in January-July 2025, down by 4.7% compared with the previous year. Japan accounted for 4.4% of world crude steel production during the period.
- With crude steel production of 47.423 Mt (up 1.5% yoy), the USA was the 4th largest producer of crude steel in January-July 2025.
- Russia's crude steel production stood at 40.773 Mt (down 4.4% yoy) in January-July 2025 and the country was the 5th largest producer of crude steel.
- The top 10 countries' cumulative production in January-July 2025 stood at 939.760 Mt (down 2.0% yoy) and they accounted for 86.5% of world crude steel production during the period.

- Among the top 10 steel producing countries, only India and the USA reported year-on-year growth in production, while others registered y-o-y decline in output during the first seven months of 2025.
- Asian crude steel production stood at 801.786 Mt in January-July 2025, showing a decline of 1.8% yoy, led primarily by China and India, with their respective shares of 74.1% and 11.8% in total Asian crude steel production during the period.

GLOBAL DRI PRODUCTION

India led global DRI production in January-July 2025

World DRI production stood at 73.699 Mt in January-July 2025, showing a year-on-year growth of 5.0%, according to provisional data released by worldsteel.

World DRI Production (Prov)			
Rank	Top 5	Jan-Jul 2025 (Mt)	% yoy change
1	India	34.107	8.8
2	Iran	19.633	(-)1.0
3	Russia	4.887	1.0
4	Saudi Arabia	3.887	(-)0.7
5	Egypt	3.774	(-)0.9
Top 5 Total		66.288	4.0
World		73.699	5.0
Source: worldsteel			

Major observations:

- India remained the leader in world DRI production with an output of 34.107 Mt (up 8.8% y-o-y) in January-July 2025 compared with the same month of the previous year. The country accounted for 46.3% of world DRI production during the period under review.
- Iran was the 2nd largest producer of DRI with an output of 19.633 Mt in January-July 2025 (down by 1.0% y-o-y). It accounted for 26.6% of world DRI production during the period under review.
- Russia ranked third in terms of DRI production with an output of 4.887 Mt (up 1.0% y-o-y) in January-July 2025 compared with January-July 2024. The country accounted for 6.6% of world DRI production during the period.
- The top 5 countries accounted for 89.9% of total world DRI production in January-July 2025 with a cumulative output of 66.288 Mt, up by 4.0% y-o-y.

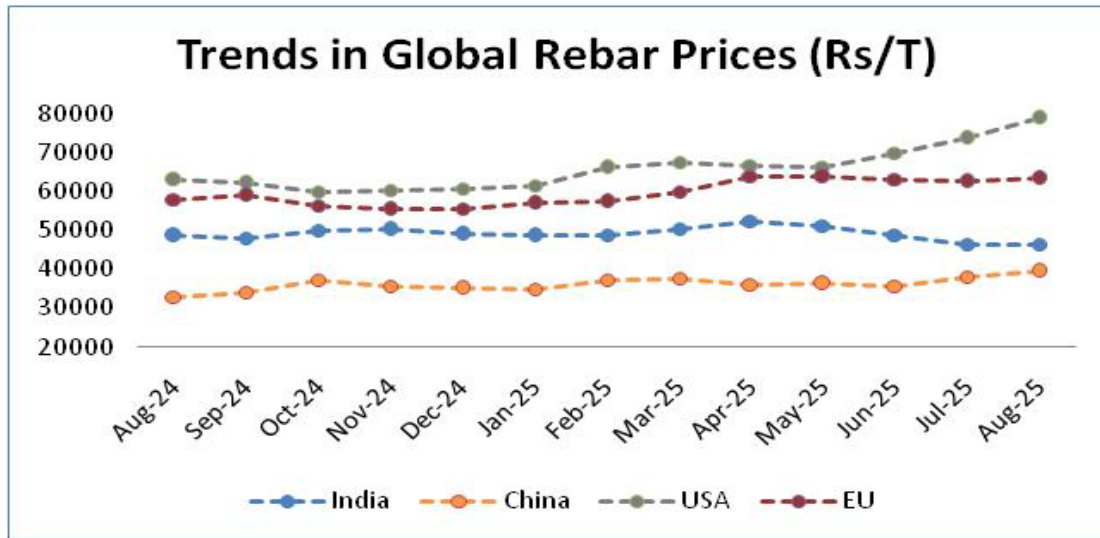
WORLD STEEL PRICE TRENDS

Global steel prices witnessed a mixed trend in August 2025 both on a year-on-year and month-on-month basis in major steel markets like China, India, the USA and the European Union. TMT and HRC prices went up both y-o-y and m-o-m in China, the USA and EU. In India, however, HRC prices came down both y-o-y and m-o-m. As regards TMT, prices came down y-o-y but went up marginally on month-on-month basis in India. Going forward, the movement of global steel prices will be contingent upon a number of factors, including the factors as stated below.

- a) *US trade tariff*: The USA has levied high tariffs on India, potentially affecting a significant portion of Indian exports. The move places India among the most heavily penalized nations under the new tariff regime. Ongoing trade negotiations between India and the USA aim to address these concerns. However, the move is expected to affect, at least in the short run, exports of certain value-added steel to the USA among other goods.
- b) *Geopolitical Uncertainty*: Geopolitical uncertainty, including Russia-Ukraine and Israel-Iran conflicts, are impacting supply of key raw materials like ferroalloys and coking coal and leading to higher input costs for steelmakers. Besides, sanctions imposed on Russia and Iran are also disrupting normal trade channels.
- c) *Oversupply condition*: China's overcapacity, primarily due to weak domestic demand caused by the prolonged property market crisis, is resulting in a surge in exports of steel and pushing down international iron and steel prices. Besides, it is also leading to protectionist measures by other countries like tariffs and duties, affecting the normal trade situation.
- d) *Decarbonization*: Decarbonization is yet another challenge for the global steel industry going ahead. High cost of transition from traditional blast furnaces to greener alternatives, limited availability of resources like renewable energy and scrap, lack of clarity on decarbonization policy framework in some countries are some of the challenges the industry is staring at.

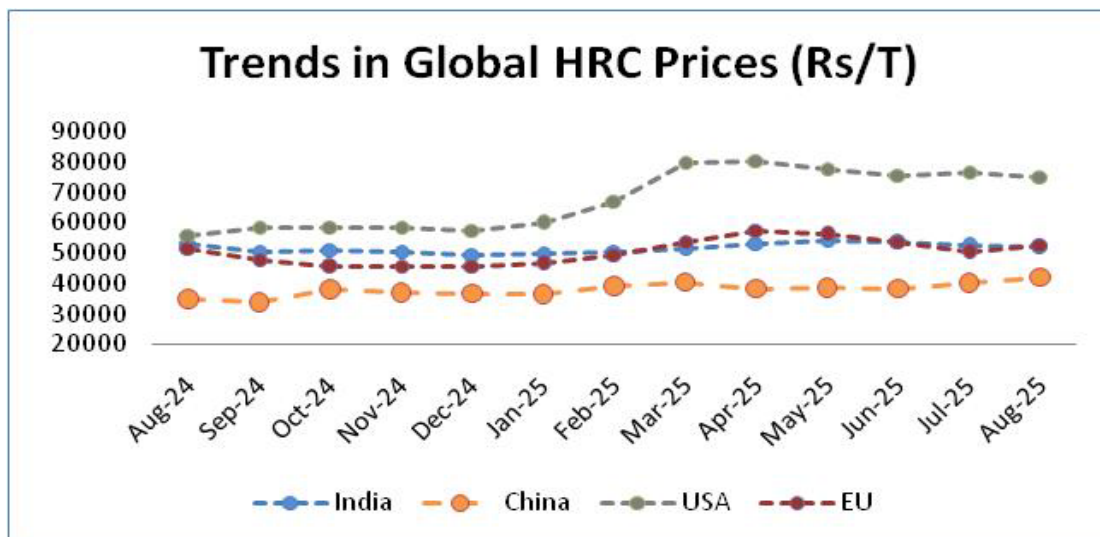
Long Products

- In August 2025 rebar prices went up both year-on-year and month-on-month in major steel markets like China, the USA and the European Union. In India, prices went up marginally month-on-month but fell on year-on-year basis.
- Indian rebar prices experienced a marginal increase which the industry attributed to improved sentiment stemming from the safeguard duty announcement, although it is not directly related
- China's call for measures to combat excessive competition and address capacity issues have continued to provide support to the recent uptrend in steel prices. However, traders expressed concern over sustainability of the rising steel prices. Meanwhile, rebar prices continued to rise in the USA as domestic mills held firm on previous increases.



Flat Products

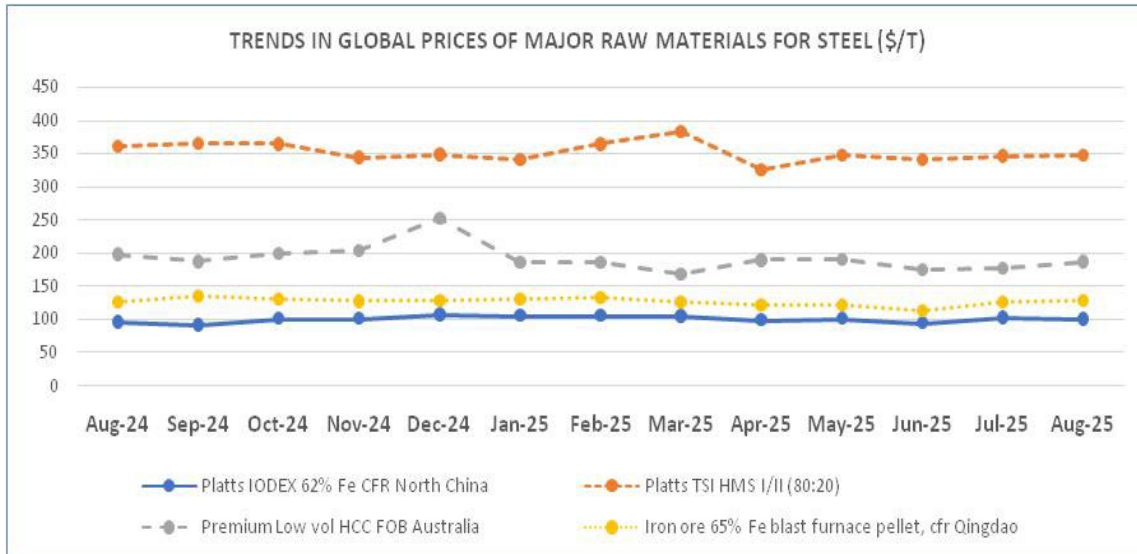
- In August 2025, HRC prices went up both on year-on-year and month-on-month basis in major steel markets like China and the European Union. However, in India, domestic HRC prices came down both year-on-year and month-on-month. In the USA, prices went up y-o-y but came down m-o-m.
- Asian hot-rolled coil prices moved up with raw material prices, especially those of coking coal in China, lending support to the steel market. Indian domestic HRC prices, however, fell as sluggish trading activity limited the impact of recent mill price hikes.
- European HRC prices remained steady with large integrated producers holding firm at euro 580-590/Mt. Several market participants highlighted the recent purchasing by major Italian re-rollers has helped underpin the domestic market.



[Source Credit: Fastmarkets Metal Bulletin]

RAW MATERIAL SCENARIO

Prices of major raw materials for steel making witnessed a mixed trend in August 2025. Prices of Platts IODEX 62% Fe CFR North China and Iron Ore 65% Fe Blast Furnace Pellet went up year-on-year in August 2025. However, prices of Premium Low Vol HCC FOB Australia and Platts TSI HMS I/II (80:20) came down year-on-year in August 2025. Prices of raw material also saw a mixed trend month-on-month. (Data source: Platts)



[Source Credit: Fastmarkets Metal Bulletin, Platts, JPC (India news)]

NEWS AROUND THE GLOBE

- Germany along with other key EU members, is pressing for further negotiations on steel tariffs with the US. The largest EU economy hopes to implement a steel quota system in trade deals to alleviate the burden of the 50% tariff.
- US President Donald Trump signed an executive order on Aug. 11, postponing the implementation of a boost in tariffs on imports from China by 90 days, or until Nov. 10.
- Steelmaker Tata Steel has chosen global engineering firm ABB to provide the power distribution and production technology for its Port Talbot steel mill in South Wales' transformation to a low carbon electric arc furnace.
- ArcelorMittal's crude steel production in the second quarter declined 2% year over year to 14.4 million mt due to lower output from its Brazilian and European operations.
- The Thailand Board of Investment approved a Baht 13 billion investment (\$401.82 million) to build a 260,000 mt/year plant to manufacture high-tensile steel wire for tires at Rojana Industrial Park, Chonburi Province.
- Strong demand from the EU boosted Turkey's hot-rolled coil exports by 46% to 2.06 million mt in the first half of 2025, monthly data from the Turkish Statistical Institute showed.
- Vietnam's Hoa Phat restarted blast furnace No. 1 at its Dung Quat Iron and Steel Complex on Aug. 1, and plans to boost steel sales in the second half of 2025.

- China's finished steel exports posted strong year-over-year growth in July, a trend expected to persist through September, market participants said. The pace of shipments suggested exporters were eager to ship steel products before China strengthens scrutiny over tax evading trade, they said.
- South Korea's Posco Group and India's JSW Steel will explore establishing a 6 million mt/year integrated steel plant in India, the companies said. The companies signed a non-binding heads of agreement to jointly explore setting up the plant.
- Japan has initiated an antidumping investigation into hot-dip galvanized (HDG) steel strips and steel sheets imported from China and South Korea. Between April 2021 and September 2024, imports from China rose to 304,657 mt from 247,171 mt, while inflows from South Korea increased to 358,093 mt from 203,768 mt.
- India's Directorate General of Trade Remedies has recommended imposing a definitive antidumping duty on imports of hot-rolled flat products of alloy or non-alloy steel from Vietnam for a period of five years.
- Specialty Steel UK, which has plants in Rotherham and Stocksbridge producing specialty steel grades for the aerospace, defense and energy sectors, was put into compulsory liquidation by the High Court in London.
- TMK, a major Russian steel pipe, pipe solutions and related services supplier, posted 19% year over year lower volumes it sold in January-June as Russia's tight monetary policy and sanctions pressure continued to constrain investments and delay pipe-intensive projects.

INDIAN STEEL MARKET ROUND-UP

The following is a status report on the performance of Indian steel industry during April-July 2025-26, based on provisional data released by Joint Plant Committee (JPC) in its Monthly Report: Iron & Steel for April-July 2025-26. It is to be noted that total finished steel includes both non-alloy and alloy (including stainless steel) and all comparisons are made with regard to same period of last year.

Item	Performance of Indian steel industry		
	April-July 2025-26*(Mt)	April-July 2024-25 (Mt)	% change*
Crude Steel Production	54.518	48.797	11.7
Hot Metal Production	31.242	29.040	7.6
Pig Iron Production	2.888	2.676	7.9
Sponge Iron Production	19.811	17.984	10.2
Total Finished Steel (alloy/stainless + non-alloy)			
Production	51.792	47.278	9.5
Import	1.666	2.756	-39.6
Export	1.698	1.573	8.0
Consumption	51.541	47.847	7.7
Source: JPC; *provisional; Mt=million tonnes			

Overall Production

- **Crude Steel:** Production at 54.518 million tonnes (Mt), up by 11.7%.
- **Hot Metal:** Production at 31.242 Mt, up by 7.6%.
- **Pig Iron:** Production at 2.888 Mt, up by 7.9%.
- **Sponge Iron:** Production at 19.811 Mt, up by 10.2%, led by coal-based route (84% share).
- **Total Finished Steel:** Production at 51.792 Mt, up by 9.5%.

Contribution of Other Producers

- **Crude Steel:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 30.673 Mt (56% share) during this period, up by 9.8%. The rest (23.844 Mt) came from the Remaining Producers, up by 14.3%.
- **Hot Metal:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 28.839 Mt (92% share) up by 7.8%. The rest (2.403 Mt) came from the Remaining Producers, up by 5.3%.
- **Pig Iron:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 0.653 Mt (23% share) down by 5.6%. The rest (2.235 Mt) came from the Remaining Producers, up by 12.7%.
- **Total Finished Steel:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 27.896 Mt (54% share) up by 8.2%. The rest (23.896 Mt) came from the Remaining Producers, up by 11.1%.

Contribution of Public Sector Units (PSU)

- **Crude Steel:** With 84% share, the Private Sector (45.718 Mt, up by 11.8%) led crude steel production compared to the 16% contribution of the PSUs (up by 11.3%).
- **Hot Metal:** With 70% share, the Private Sector (21.768 Mt, up by 6.6%) led hot metal production, compared to the 30% contribution of the PSUs (up by 9.9%).
- **Pig Iron:** With 91% share, the Private Sector (2.630 Mt, up by 10.0%) led pig iron production, compared to the 9% contribution of the PSUs (down by 9.7%).
- **Total Finished Steel:** With 85% share, the Private Sector (44.164 Mt, up by 8.1%) led production of finished steel, compared to the 15% contribution of the PSUs (up by 18.7%).

Contribution of Flat /Non-Flat in Finished Steel

- **Production:** Non-flat products accounted for 55% share (up by 8.7%), the rest 45% was the share of flats (up by 10.6%).
 - **Import:** Flat products accounted for 91% share (down by 42.0%), the rest 9% was the share of non-flats (up by 7.1%).
 - **Export:** Flat products accounted for 81% share (up by 4.4%), the rest 19% was the share of non-flats (up by 26.6%).
 - **Consumption:** Led by Non-flat steel (55% share; up by 9.2%) while the rest 45% was the share of flat steel (up by 6.0%).
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Finished Steel Production Trends

- At 51.792 Mt, production of total finished steel was up by 9.5%.
- Contribution of the non-alloy steel segment stood at 47.511 Mt (92% share, up by 8.9%), while the rest was the contribution of the alloy steel segment (including stainless steel).
- In the non-alloy, non-flat segment, in volume terms, major contributor to production of total finished steel was Bars & Rods (22.343 Mt, up by 8.7%) while growth in the non-alloy, flat segment was led by HRC (18.913 Mt, up by 9.4%) during this period.

Finished Steel Export Trends

- Overall exports of total finished steel at 1.698 Mt, up by 8.0%.
- Volume wise, GP/GC Sheet/Coil (0.328 Mt) was the item most exported (19% share in total finished steel).
- Belgium (0.321 Mt) was the largest export market for India.

Finished Steel Import Trends

- Overall imports of total finished steel at 1.666 Mt, down by 39.6%.
- India was a net exporter of total finished steel in April-July 2025-26.
- Volume wise, HR Coil/Strip (0.404 Mt, down by 63.6%) was the item most imported (24% share in total finished steel).
- Korea (0.583 Mt) was the largest import market for India (35% share in total).

Finished Steel Consumption Trends

- At 51.541 Mt, consumption of total finished steel was up by 7.7%.
- Contribution of the non-alloy steel segment stood at 46.933 Mt (91% share, up by 7.3%), while the rest was the contribution of the alloy steel segment (including stainless steel).
- In the non-alloy, non-flat segment, in volume terms, major contributor to consumption of total finished steel was Bars & Rods (21.949 Mt, up by 8.8%) while growth in the non-alloy, flat segment was led by HRC (18.768 Mt, up by 5.0%) during this period.



INDIAN ECONOMY – HIGHLIGHTS OF PERFORMANCE

GDP: As per provisional estimates of the Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation, Real Gross Domestic Product (GDP) at Constant (2011-12) Prices in Q1 2025-26 is estimated to have attained a level of ₹47.89 lakh crore, as against ₹44.42 lakh crore in Q1 2024-25, showing a growth of 7.8 per cent. Barring Mining and Quarrying sector, all the other sectors reported positive growth during the quarter under review, with the Public Administration, Defence and Other Services sector reporting the highest growth at 9.8% and the Mining & Quarrying sector registering the worst performance showing a contraction of 3.1% during the period.

Industrial Production: Provisional CSO data show that the overall Index of Industrial Production (IIP) for April-July 2025-26 rose by 2.3% over the same period of the previous fiscal, encouraged by similar high levels of growth trends noted for the various sectors/sub-sectors.

Infrastructure Growth: Provisional data released by the DPIIT indicate that the Index for the Eight Core Infrastructure Industries saw a growth of 1.6% during April-July 2025-26. Only Steel and Cement sectors reported positive growth in April-July 2025-26, while other sectors reported contraction in output during the period. The Cement sector reported the highest growth of 8.9% during the period under review, while Coal sector reported the steepest contraction of 3.1%.

Inflation: The rate of inflation based on Consumer Price Index stood at 2.07% and that on Wholesale Price Index stood at 0.52% in August 2025. Both CPI inflation and WPI inflation rose significantly compared with the previous month.

Prepared by: Joint Plant Committee