

Indian Steel Industry: July 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 latest 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

- Worldwide manufacturing business conditions deteriorated slightly in July, reflecting downturns in output, new orders, exports and employment. The JP Morgan Global Manufacturing PMI fell to 49.7 in July 2025 from 50.4 in June 2025, falling back below the neutral 50.0 mark that separates growth from contraction.
- The latest surveys showed signs of a fading impact from the recent front-running of US tariffs alongside ongoing concerns about the underlying strength of economic conditions in the months ahead.
- The Asia excluding mainland China and Japan region was generally a bright spot in July. India stayed atop of the global manufacturing output growth rankings. The eurozone saw growth for a fifth straight month, while growth across North America slowed, with the US seeing only a mild increase in production.

Key Economic Figures			
Country	GDP 2024: % change*	Manufacturing PMI	
		June 2025	July 2025
India	6.5**	58.4	59.1
China	5.0	50.4	49.5
Japan	0.1	50.1	48.9
USA	2.8	52.9	49.8
Eurozone	0.9	49.5	49.8
Brazil	3.4	48.3	48.2
Russia	4.1	47.5	47.0
South Korea	2.0	48.7	48.0
Germany	-0.2	49.0	49.1
Turkey	3.2	46.7	45.9
Italy	0.7	48.4	49.8
Source: GDP: official releases; PMI- Markit Economics, *provisional, ** FY 2024-25			

GLOBAL CRUDE STEEL PRODUCTION

World crude steel production stood at 934.285 million tonnes (Mt) in January-June 2025, registering a 2.2% decline over the same period of the previous year, according to provisional data released by the World Steel Association (worldsteel). In June 2025, world crude steel production stood at 151.433 Mt, down 5.8% compared with the same month of the last year.

World Crude Steel Production (Prov)			
Rank	Top 10	Jan-Jun 2025 (Mt)	% yoy change
1	China	514.830	(-)3.0
2	India	80.929	9.2
3	Japan	40.552	(-)5.0
4	USA	40.242	0.8
5	Russia	34.778	(-)5.6
6	South Korea	30.628	(-)2.8
7	Turkey	18.302	(-)1.7
8	Germany	17.109	(-)11.6
9	Brazil	16.498	0.5
10	Iran	15.602	(-)10.3
Top 10 Total		809.470	(-)2.2
World		934.285	(-)2.2
Source: worldsteel			

Major observations:

- China remained the leader in world crude steel production with an output of 514.830 Mt in January-June 2025, registering a decline of 3.0% compared with January-June 2024. The country accounted for 55.1% of world crude steel production during the period under review.
- India was the 2nd largest producer of crude steel with an output of 80.929 Mt in January-June 2025, showing a yoy growth of 9.2% 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 40.552 Mt in January-June 2025, down by 5.0% compared with the previous year. Japan accounted for 4.3% of world crude steel production during the period.
- With crude steel production of 40.242 Mt (up 0.8% yoy), the USA was the 4th largest producer of crude steel in January-June 2025.
- Russia's crude steel production stood at 34.778 Mt (down 5.6% yoy) in January-June 2025 and the country was the 5th largest producer of crude steel.
- The top 10 countries' cumulative production in January-June 2025 stood at 809.470 Mt (down 2.2% yoy) and they accounted for 86.6% of world crude steel production during the period.

- Among the top 10 steel producing countries, only India, the USA and Brazil reported year-on-year growth in production, while others registered y-o-y decline in output during the first six months of 2025.
- Asian crude steel production stood at 691.330 Mt in January-June 2025, showing a decline of 1.9% yoy, led primarily by China and India, with their respective shares of 74.5% and 11.7% in total Asian crude steel production during the period.

GLOBAL DRI PRODUCTION

India led global DRI production in January-June 2025

World DRI production stood at 64.240 Mt in January-June 2025, showing a year-on-year growth of 4.3%, according to provisional data released by worldsteel.

World DRI Production (Prov)			
Rank	Top 5	Jan-Jun 2025 (Mt)	% yoy change
1	India	29.201	8.7
2	Iran	16.300	(-)2.2
3	Russia	4.145	(-)0.1
4	Egypt	3.345	3.9
5	Saudi Arabia	3.252	(-)4.4
Top 5 Total		56.243	3.6
World		64.240	4.3
Source: worldsteel			

Major observations:

- India remained the leader in world DRI production with an output of 29.201 Mt (up 8.7% y-o-y) in January-June 2025 compared with the same month of the previous year. The country accounted for 45.5% of world DRI production during the period under review.
- Iran was the 2nd largest producer of DRI with an output of 16.300 Mt in January-June 2025 (down by 2.2% y-o-y). It accounted for 25.4% of world DRI production during the period under review.
- Russia ranked third in terms of DRI production with an output of 4.145 Mt (down 0.1% y-o-y) in January-June 2025 compared with January-June 2024. The country accounted for 6.5% of world DRI production during the period.
- The top 5 countries accounted for 87.6% of total world DRI production in January-June 2025 with a cumulative output of 56.243 Mt, up by 3.6% y-o-y.

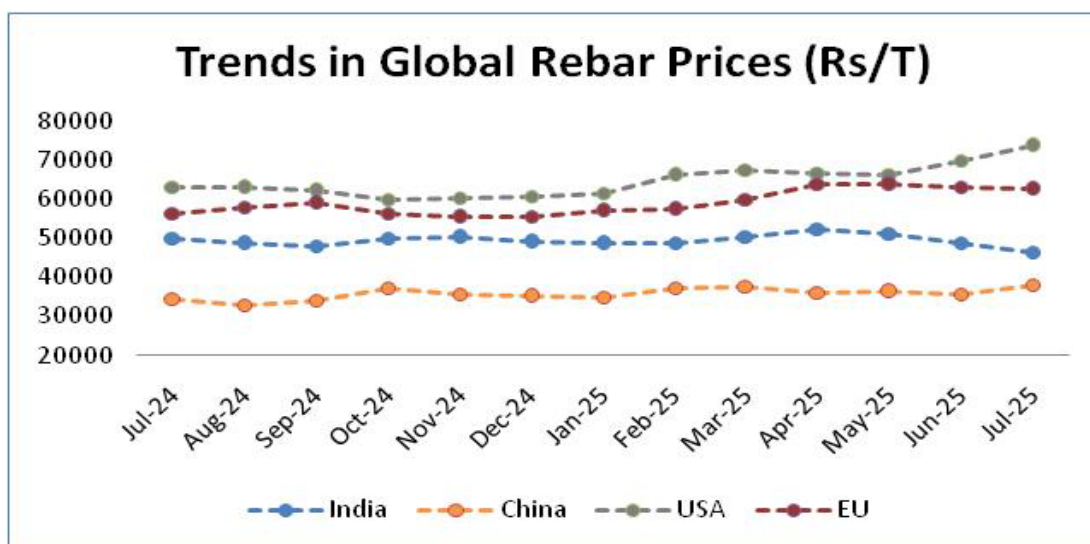
WORLD STEEL PRICE TRENDS

Global steel prices witnessed a mixed trend in July 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. Rebar and HRC prices went up both y-o-y in China and the USA. In India, however, prices came down in both the comparisons during the month under review, while EU saw a mixed trend in pricing. Going forward, the movement of global steel prices will be contingent upon a number of factors, including the factors as stated below.

- a) *US 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 steel to the USA among other goods.
- b) *Uncertainties in European market*: Apparent steel consumption is set to continue to decline in 2025 due to an anticipated impact of US tariffs and the resulting uncertainty and trade-related disruptions. The region struggles with weak demand, rising regulatory burden, and ongoing uncertainty around Carbon Border Adjustment Mechanism.
- c) *Russia-Ukraine war*: There are also consequences due to imposition of sanctions against Russia by the developed world and the collapse of normal trading operations due to the Russia-Ukraine war which are likely to have a significant bearing on the global steel industry.
- d) *China's property market crisis*: Despite slowed steel production, Chinese steel industry have remained under pressure due to falling end-use demand, particularly in the construction sector. China's property sector, the most crucial steel demand driver in China, has not yet shown signs of bottoming out. Industry people expect the sector's drag on China's steel demand will continue at least through 2025.
- e) *Global growth slowdown*: Global growth is projected to slow to 2.3% in 2025, nearly half a percentage point lower than the rate that had been expected at the start of the year.

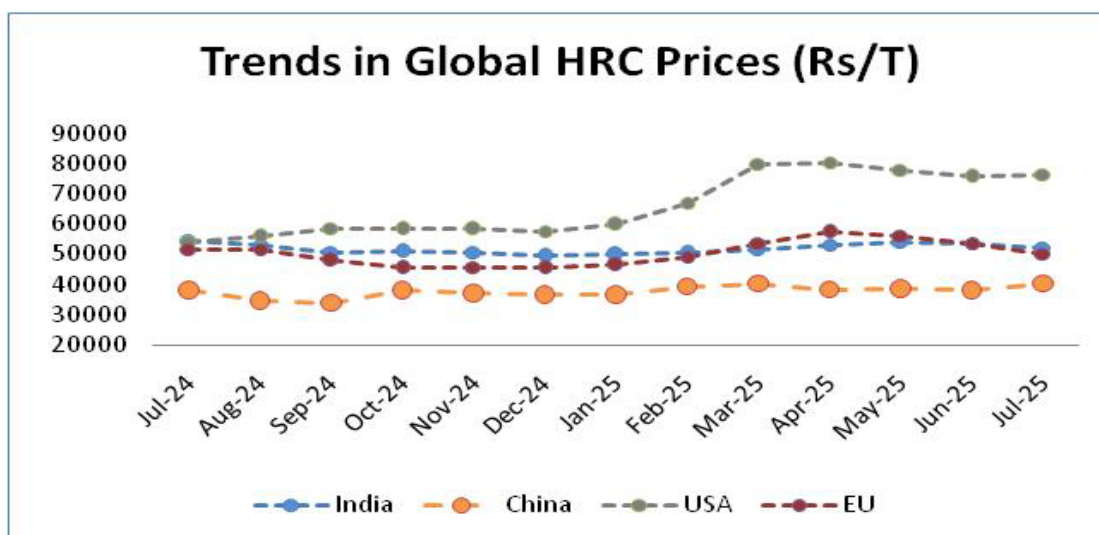
Long Products

- In July 2025, rebar prices came down both on year-on-year and month-on month basis in India. However, in China and the USA, prices went up both y-o-y and m-o-m. As regards the European Union, rebar prices went up y-o-y but came down marginally m-o-m.
- Chinese spot steel prices rebounded, as market sentiment improved after Chinese President Xi Jinping stressed efforts to regulate a full-blown price competition between companies and the race to phase out outdated industrial capacity. Prices rose also due to market expectations that China will soon introduce a new round of property stimulus, which is directly related to steel demand.
- Indian rebar prices weakened reflecting persistent weakness in demand, while US rebar prices moved upwards as many domestic mills had limited to no inventory, with buyers scrambling to cover import tonnages after the additional tariffs went into effect.



Flat Products

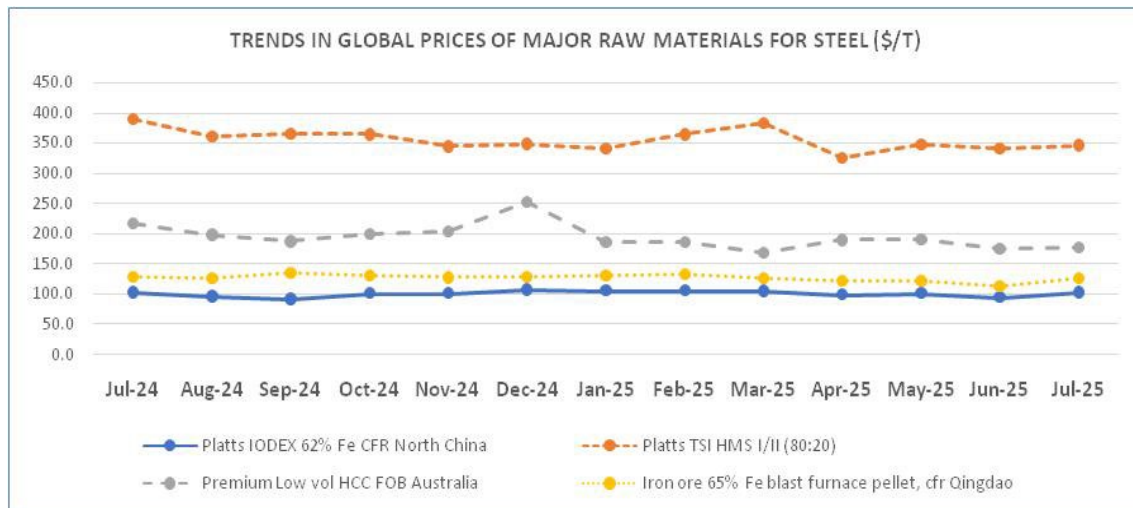
- In July 2025, HRC prices came down both on year-on-year and month-on-month basis in India and the European Union. In the USA and China, however, domestic HRC prices went up both year-on-year and month-on-month.
- Indian domestic hot-rolled coil prices inched down slightly as the market continued to face pressure due to excess supply and subdued demand both domestically and overseas. Meanwhile, hot-rolled coil prices rebounded in China supported by market talk around steel production cuts in Shanxi, northern China, as well as expectations of a property stimulus in the coming week.
- In the European Union markets, hot-rolled coil prices dipped as pressure from cheaper imports and mounting uncertainty around Carbon Border Adjustment Mechanism (CBAM) costs continued to weigh on sentiment across the region.



[Source Credit: Fastmarkets Metal Bulletin]

RAW MATERIAL SCENARIO

Prices of major raw materials for steel making have come down year-on-year in July 2025, excluding only Platts IODEX 62% Fe CFR North China. As regards month-on-month comparison, prices of major raw materials ~ Iron Ore 65% Fe Blast Furnace Pellet, Premium Low Vol HCC FOB Australia, Platts IODEX 62% Fe CFR North China and Platts TSI HMS I/II (80:20) have gone up in July 2025 compared with the previous month. (Data source: Platts)



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

NEWS AROUND THE GLOBE

- Global stainless steel production in January-March dipped 6% on the quarter to 15.55 million tonnes (Mt) as sharp gains in Europe and the US were not enough to offset a 10.4% slump in Chinese output, which accounted for 62% of the total.
- The European Commission has launched a public consultation concerning possible replacement trade measures to address the negative trade-related effects of global excess capacity on the EU steel sector.
- ArcelorMittal is selling its integrated steel operations in Bosnia-Herzegovina to Bosnia-based Pavgold Group in a strategic divestment aligned with its ongoing portfolio optimization amid challenging operating environment for European steel assets.
- China's apparent steel consumption is projected to decline over the next decade, dropping 6.9% from an estimated 867.8 million mt in 2025 to 808.1 million mt by 2035, S&P Global Commodity Insights analysts said.
- Tata Steel is on track to complete its transformation into a low-carbon steel producer, transitioning to electric arc furnaces in the UK and the Netherlands, said the chairman of the Indian based company Natarajan Chandrasekaran.
- South Korea has approved a Won 814.6 billion (\$600.54 million) project to develop hydrogen-based steelmaking technology from 2026 to 2030, the Ministry of Trade, Industry and Energy said.

- Taiwan will implement provisional antidumping duties of 16.90% and 20.15% on hot-rolled flat steel from China for four months effective July 3. The provisional duties will expire on Nov 2.
- Russian iron ore mining and steel company Severstal has started its Rb1.4-billion (\$17.8 million) reconstruction of roller hearth furnace No. 1.
- Turkey has extended the antidumping measure on certain stainless pipe imports from China and Taiwan for five years, following a sunset review investigation.
- Japan will implement an antidumping duty of 95.2% on graphite electrodes, most commonly used in electric arc furnaces, imported from China for 5 years, effective July 3.
- The UK-US trade deal came into force June 30, slashing US export tariffs for the UK's automotive and aerospace sectors, but a steel and aluminum deal has not been finalized yet.
- Swedish steel company SSAB has secured an additional Eur430 million syndicated loan from Germany-based export credit agency Euler Hermes Aktiengesellschaft to support the development of its fossil-free steel mini-mill in Lulea, Sweden.
- Jindal Steel Sohar, based in Sohar, Oman, has signed a \$1 billion round steel bar supply agreement with ArcelorMittal Tubular Products Al-Jubail.
- United Arab Emirates steel producer Arabian Gulf Steel Industries (AGSI) has secured an AED 126 million (\$34.3 million) sustainable financing facility from Mashreq Bank to support the company's sustainability and decarbonization program.

INDIAN STEEL MARKET ROUND-UP

The following is a status report on the performance of Indian steel industry during April-June 2025-26, based on provisional data released by Joint Plant Committee (JPC) in its Monthly Report: Iron & Steel for April-June 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-June 2025-26*(Mt)	April-June 2024-25 (Mt)	% change*
Crude Steel Production	40.593	36.514	11.2
Hot Metal Production	23.297	21.578	8.0
Pig Iron Production	2.229	1.988	12.1
Sponge Iron Production	14.905	13.513	10.3
Total Finished Steel (alloy/stainless + non-alloy)			
Production	38.413	35.509	8.2
Import	1.383	1.944	-28.8
Export	1.213	1.278	-5.1
Consumption	38.340	35.543	7.9
Source: JPC; *provisional; Mt=million tonnes			

Overall Production

- **Crude Steel:** Production at 40.593 million tonnes (Mt), up by 11.2%.
- **Hot Metal:** Production at 23.297 Mt, up by 8.0%.
- **Pig Iron:** Production at 2.229 Mt, up by 12.1%.
- **Sponge Iron:** Production at 14.905 Mt, up by 10.3%, led by coal-based route (84% share).
- **Total Finished Steel:** Production at 38.413 Mt, up by 8.2%.

Contribution of Other Producers

- **Crude Steel:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 22.728 Mt (56% share) during this period, up by 8.8%. The rest (17.865 Mt) came from the Remaining Producers, up by 14.4%.
- **Hot Metal:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 21.491 Mt (91% share) up by 8.0%. The rest (1.806 Mt) came from the Remaining Producers, up by 8.0%.
- **Pig Iron:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 0.496 Mt (22% share) down by 6.2%. The rest (1.733 Mt) came from the Remaining Producers, up by 18.7%.
- **Total Finished Steel:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 20.496 Mt (53% share) up by 6.4%. The rest (17.917 Mt) came from the Remaining Producers, up by 10.2%.

Contribution of Public Sector Units (PSU)

- **Crude Steel:** With 84% share, the Private Sector (33.984 Mt, up by 10.8%) led crude steel production compared to the 16% contribution of the PSUs (up by 12.9%).
- **Hot Metal:** With 69% share, the Private Sector (16.184 Mt, up by 6.5%) led hot metal production, compared to the 31% contribution of the PSUs (up by 11.4%).
- **Pig Iron:** With 91% share, the Private Sector (2.018 Mt, up by 13.9%) led pig iron production, compared to the 9% contribution of the PSUs (down by 2.8%).
- **Total Finished Steel:** With 85% share, the Private Sector (32.752 Mt, up by 6.3%) led production of finished steel, compared to the 15% contribution of the PSUs (up by 20.7%).

Contribution of Flat /Non-Flat in Finished Steel

- **Production:** Non-flat products accounted for 55% share (up by 7.9%), the rest 45% was the share of flats (up by 8.5%).
 - **Import:** Flat products accounted for 91% share (down by 31.3%), the rest 9% was the share of non-flats (up by 15.1%).
 - **Export:** Flat products accounted for 80% share (down by 11.3%), the rest 20% was the share of non-flats (up by 32.0%).
 - **Consumption:** Led by Non-flat steel (54% share; up by 8.4%) while the rest 46% was the share of flat steel (up by 7.3%).
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Finished Steel Production Trends

- At 38.413 Mt, production of total finished steel was up by 8.2%.
- Contribution of the non-alloy steel segment stood at 35.260 Mt (92% share, up by 7.6%), 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 (16.705 Mt, up by 7.5%) while growth in the non-alloy, flat segment was led by HRC (13.937 Mt, up by 7.8%) during this period.

Finished Steel Export Trends

- Overall exports of total finished steel at 1.213 Mt, down by 5.1%.
- Volume wise, GP/GC Sheet/Coil (0.229 Mt) was the item most exported (19% share in total finished steel).
- Belgium (0.223 Mt) was the largest export market for India.

Finished Steel Import Trends

- Overall imports of total finished steel at 1.383 Mt, down by 28.8%.
- India was a net importer of total finished steel in April-June 2025-26.
- Volume wise, HR Coil/Strip (0.359 Mt, down by 49.9%) was the item most imported (26% share in total finished steel).
- Korea (0.533 Mt) was the largest import market for India (39% share in total).

Finished Steel Consumption Trends

- At 38.340 Mt, consumption of total finished steel was up by 7.9%.
- Contribution of the non-alloy steel segment stood at 34.903 Mt (91% share, up by 7.5%), 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 (16.176 Mt, up by 7.3%) while growth in the non-alloy, flat segment was led by HRC (14.086 Mt, up by 6.9%) 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 Q4 2024-25 is estimated to have attained a level of ₹51.35 lakh crore, as against ₹47.82 lakh crore in Q4 2023-24, showing a growth of 7.4 per cent. All the sectors reported positive growth during the quarter under review, with the *Construction* sector reporting the highest growth of 10.8% and *Mining & Quarrying* sector registering the lowest growth of 2.5%.

Industrial Production: Provisional CSO data show that the overall Index of Industrial Production (IIP) for April-June 2025-26 rose by 2.0% 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 1.3% during April-June 2025-26. Only Steel and Cement sectors reported positive growth in April-June 2025-26, while other sectors reported contraction in output during the period. The Refinery Products sector maintained status quo in production. The Cement sector reported the highest growth of 8.4% during the period under review, while Fertilizers sector reported the steepest contraction of 3.8%.

Inflation: The rate of inflation based on Consumer Price Index stood at 1.55% and that on Wholesale Price Index stood at -0.58% in July 2025. Both CPI inflation and WPI inflation fell significantly compared with the previous month.

Prepared by: Joint Plant Committee