



Monthly Analysis (April 2020)

Ministry of Steel | Statistics Division

Major Highlights During April 2020

- A slowdown in downstream steel production and demand, is evident in major steel producing countries as global commodities markets grapple with a worsening corona virus pandemic. As a result, steel production at global level decreased in Apr 2020 heavily.
- During Apr 2020, only **137.10 million tonnes of Crude steel was produced in the world, decreased by 13%** over Apr 2019. This is lowest monthly production in last three years.
- From Mar 2020, China started to recover from pandemic and started its construction work. As a result, China's crude steel output registered a slow growth amid COVID-19 pandemic. **China**, world's largest producer of Crude steel, produced **85.03 million tonnes** of Crude steel in Apr 2020, **up by 0.18%** over Apr 2019.
- **India**, produced **3.14 million tonnes** of Crude steel in Apr 2020, **down by 65.23** over Apr 2019. In this respect, India slipped to 6th position in Apr 2020.
- **Japan**, produced **6.62 million tonnes** of Crude steel in Apr 2020, **down by 23.79** over Apr 2019.
- Outbreak of Corona virus in India put a halt in steel production as major steel consuming sectors suspended operations. Hence both **Production and Consumption in Apr 2020, declined heavily in Apr 2020.**
- The **Capacity utilisation** in production of Crude steel in India was **only 26.5% (lowest in CY20)** which was down by 65% over 76.1% capacity utilisation in Apr 2019.
- During Apr 2020, **production of Finished steel was only 1.53 million tonnes, down by 82.51%** over Apr 2019. **Consumption of finished steel** during Apr 2020 was **0.98 million tonnes** which has **decreased by 87.29%** over Apr 2019.
- Corona virus outbreak disturbs import of cheap steel from China, Japan, S. Korea in India while fall of Chinese export opened up India's export opportunity. Increased demand of billets and slab from China, also helped to increase Indian export. Thus Indian mills remain active for billet export on subdued domestic demand and Chinese buying. Even then export was also low in this period.
- During Apr 2020, **Import of Finished steel was 0.41 million tonnes, declined by 34.31%** over Apr 2019 while **Export of Finished steel** during Apr 2020 was **0.43 million tonnes** which has **decreased by 16.71%** over Apr 2019.
- During Mar 2020, **production of Iron Ore was 20.4 million tonnes** having increased by 8.28% over Mar 2019. In Apr 2020, import of Iron Ore/Pellets was very negligible while **3.0 million tonnes was exported** in this period. (production data of April 2020 is not available till now due to lockdown).

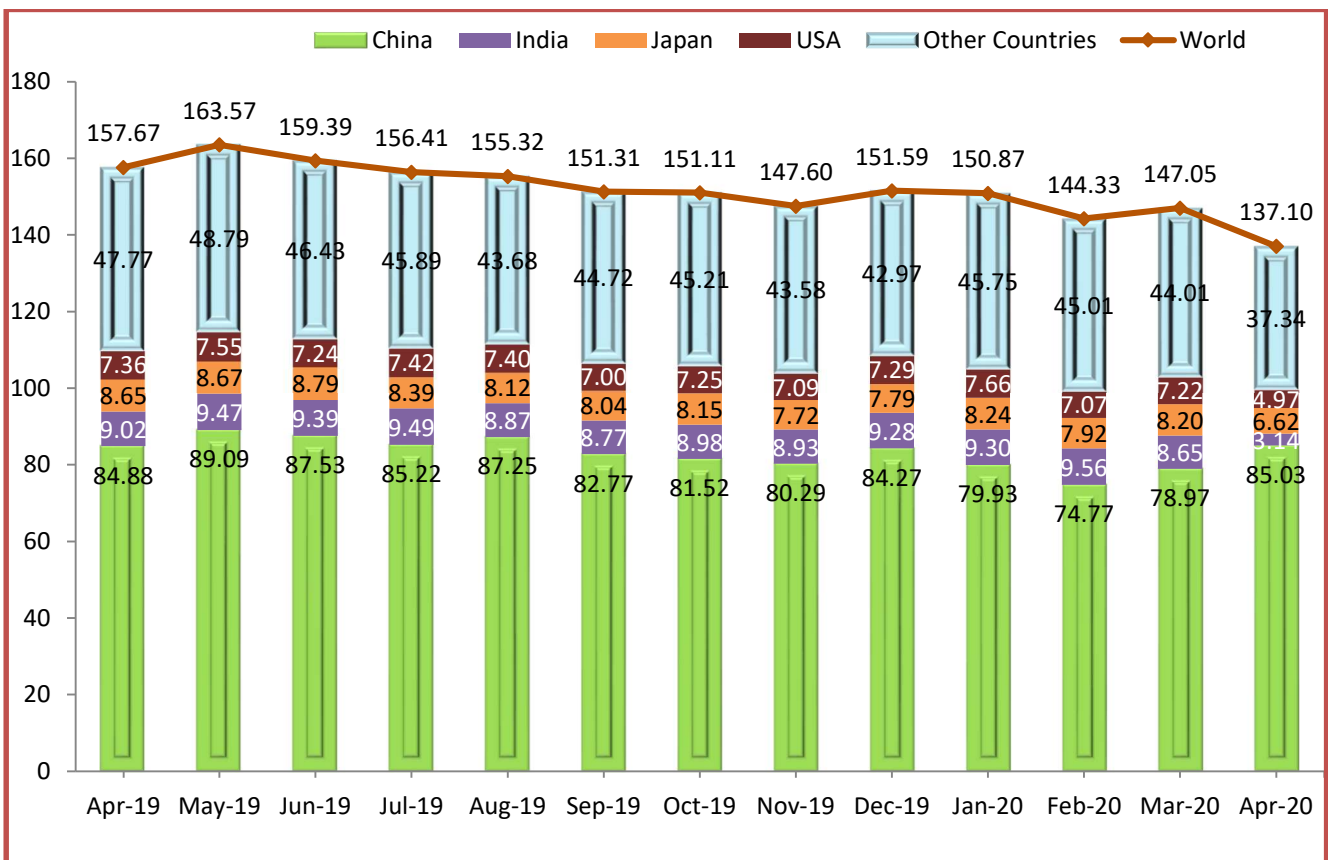
1. World Crude Steel Production

Table: 1(a):- Top Crude Steel Producing Countries (in million tonnes)			
Country	Apr-20	Apr-19	% change
China	85.03	84.88	0.18
India	3.14	9.02	-65.23
Japan	6.62	8.65	-23.49
USA	4.97	7.36	-32.47
Other Countries	37.34	47.77	-21.82
World Total	137.10	157.67	-13.05

Source: WSA

- At global level, Crude steel production decreased by 6.77% in Apr 2020 over Mar 2020 and decreased by 13.05% over Apr 2019.

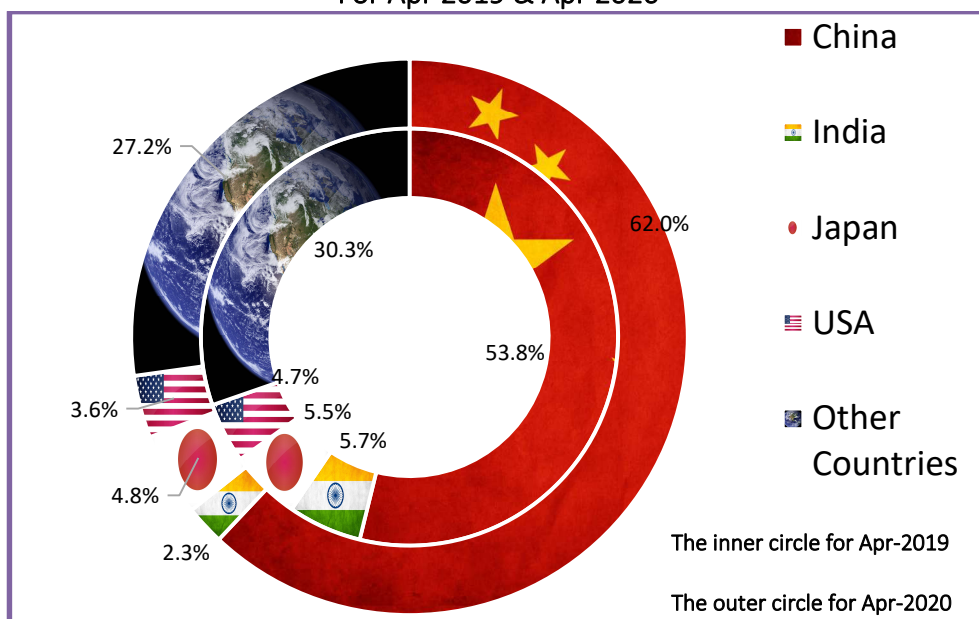
Fig. 1(a):- Trend in Crude Steel Production by Countries from Apr 2019 to Apr 2020 (in million tonnes)



Source: WSA

- Crude steel production decreased for all countries except China in Apr 2020 over Mar 2020. This is because, China started to recover from pandemic from Mid-Mar and started production and trade activity.

Fig. 1(b):- Change in Share in Production of Crude Steel by Countries For Apr 2019 & Apr 2020



Source: WSA

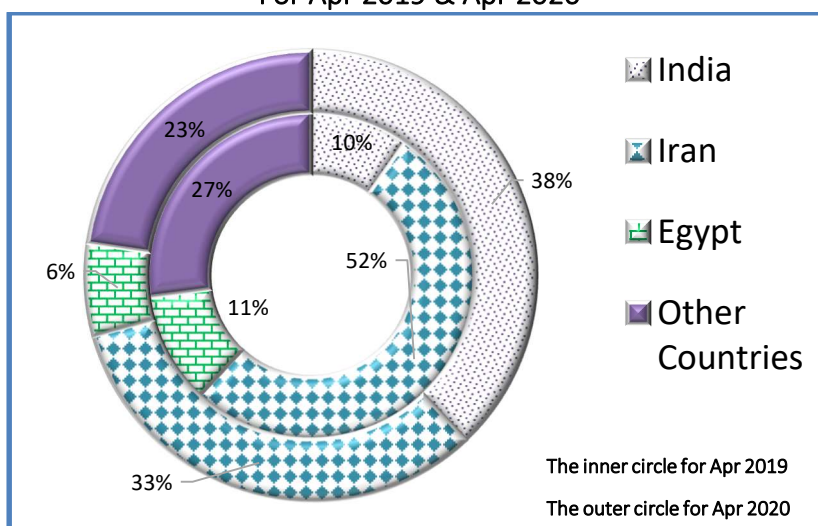
- **India**, the usual largest producer of DRI/Sponge Iron at global level, also slipped from its usual position to 4th position and produced **0.336 million tonnes** of Sponge Iron in Apr 2020, down by 88.9% over Apr 2019.

Table: 1(b):- Top Sponge Iron Producing Countries (in million tonnes)

Country	Apr-20	Apr-19	% change
India	0.34	3.02	-88.88
Iran	1.80	2.61	-30.93
Other Countries	0.38	0.53	-27.89
World Total	0.93	1.80	-48.29

Source: WSA

Fig. 1(c):- Change in Share in Production of Sponge Iron by Top 2 Countries For Apr 2019 & Apr 2020



Source: WSA

2. Performance of India's Steel Sector

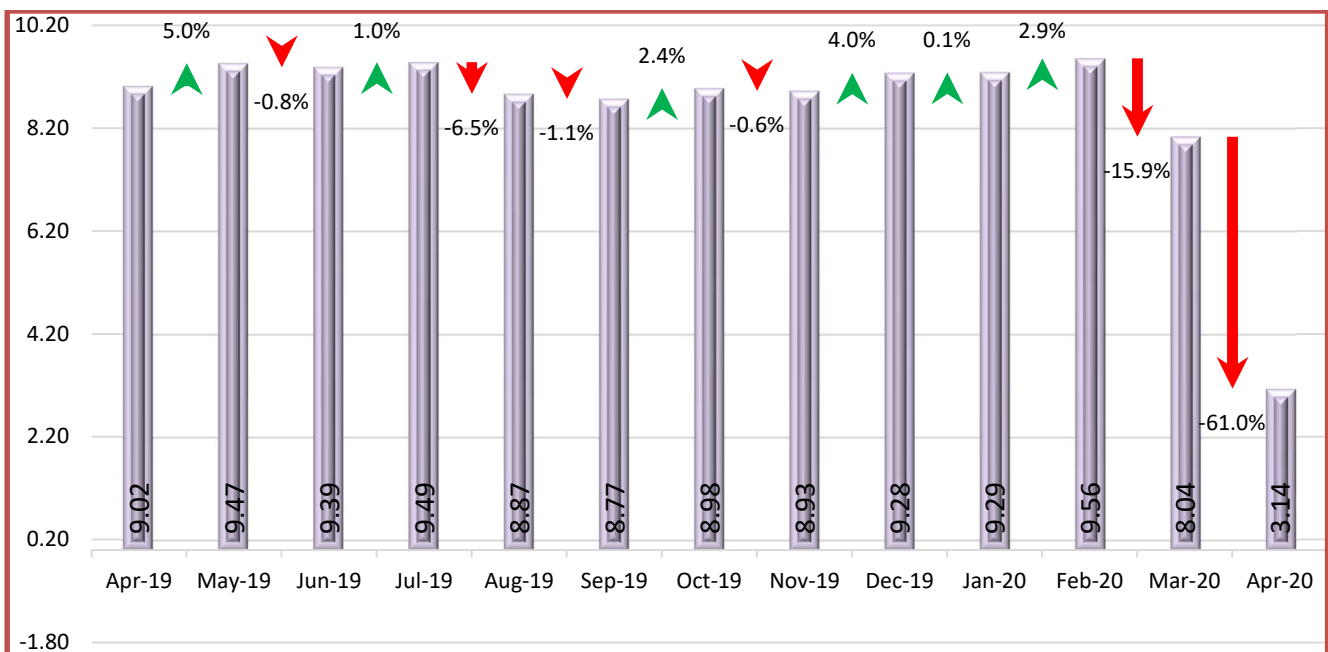
2.1 Crude Steel

Table 2(a): Indian Crude Steel Production (Million Tonne)			
PSU	Apr-20	Apr-19	% change
SAIL	0.80	1.19	-32.40
RINL (VSP)	0.24	0.42	-41.43
Public Sector	1.04	1.60	-34.74
TSL	0.72	1.35	-46.38
ESSAR	0.13	0.62	-79.62
JSPL	0.54	0.50	7.32
JSWL	0.57	1.40	-59.58
OTHERS	0.14	3.55	-96.16
Private sector	2.09	7.42	-71.80
Total Production	3.14	9.02	-65.22
% Share of PSU	33	18	
% Share of Oxygen Route Production	68	42	
% Share of EAF Route Production	30	27	
% Share of IF Route Production	1	31	

Source: JPC

- Most of the big steel producers stopped Crude steel production during lockdown in Apr 2020 and as a result, production of Crude Steel decreased heavily by 65.22% over Apr 2019 while it is down by 60.8% over Mar 2020. This is lowest crude steel production in last two years.
- SAIL is the largest producer of Crude steel, in Apr 2020 followed by TSL and JSW. Share of SAIL, TSL and JSW in Crude steel production in Apr 2020 were 26%, 23% and 18% respectively.

Fig. 2(a):- Trend in Monthly Production of Crude Steel (in million tonnes)



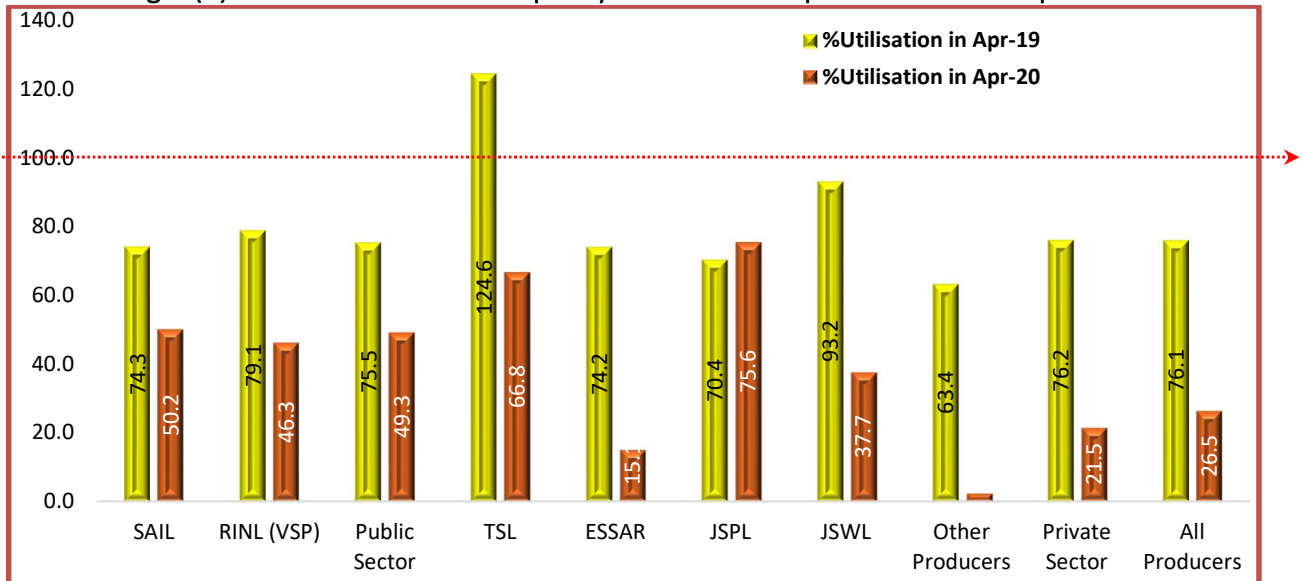
Source: JPC

- % decrease in a month over the previous month
- % increase in a month over the previous month

2.2 Capacity Utilisation in Production of Crude Steel

- The capacity utilisation in production of Crude Steel in the country has decreased from **76.1% in Apr 2019** to **26.5% in Apr 2020**. This is due to less capacity utilisation both in public and private sector in Apr 2020 as production was stopped during lockdown.
- In **public sector**, Capacity utilisation has **decreased from 75.5% in Apr 2019 to 49.3% in Apr 2020** while that of **private sector decreased from 76.2% in Apr 2019 to 21.5% in Apr 2020**.

Fig. 2(b).1:- Producer-wise % Capacity Utilisation in Apr 2020 vis-a-vis Apr 2019



Source: JPC

2.3 Hot Metal

- During Apr 2020, **production of Hot Metal was 3.18 million tonnes**, having decreased by 47.16% over Apr 2019.
- SAIL is the largest producer of Hot Metal in FY20, followed by TSL and JSW.

Table: 2(b):- Producer wise Production of Hot Metal in India (in million tonnes)

PSU	Apr-20	Apr-19	% change
SAIL	0.86	1.31	-34.05
RINL (VSP)	0.26	0.46	-42.83
TSL	0.77	1.53	-49.43
ESSAR	0.12	0.29	-60.49
JSPL	0.50	0.44	12.98
JSWL	0.55	1.28	-56.78
OTHERS	0.11	0.70	-84.03
Total Production	3.18	6.02	-47.16
Public sector	1.13	1.77	-36.32
Share in Public sector	35.4	29.4	

Source: JPC

2.4 Pig Iron

- During Apr 2020, **production of Pig Iron was 0.13 million tonnes** which has decreased by 74.98% over Apr 2019. Consumption of Pig Iron also weakens in domestic market, down by 88.03% in Apr 2020 over Apr 2019.

Table: 2(c):- Producer wise Production of Pig Iron in India (in million tonnes)

PSU	Apr-20	Apr-19	% change
SAIL	0.03	0.07	-62.16
RINL	0.01	0.01	-33.86
TSL+ESSAR+JSWL+JSPL	0.07	0.05	52.65
OTHERS	0.02	0.38	-94.31
Total Production	0.13	0.51	-74.98
Public sector	0.03	0.08	-59.47
Share in Public sector	26.06	16.09	
Import	0.00	0.00	-19.51
Export	0.10	0.00	5532.95
Consumption	0.06	0.49	-88.03

Source: JPC

2.5 Sponge Iron

- During Apr 2020, **production of Sponge Iron was 0.28 million tonnes**, declined by 68.4% over Apr 2019. Its consumption also decreased by 92.3% in the same period.

Table: 2(d):- Producer wise Production of Sponge Iron in India (in million tonnes)

PSU	Apr-20	Apr-19	% change
ESSAR	0.02	0.08	-70.80
JSPL	0.03	0.44	-92.15
JSWL	0.12	0.16	-21.90
OTHERS	0.10	0.21	-52.42
Total Production	0.277	0.88	-68.40
Import	0.00	0.00	-19.47
Export	0.02	0.10	-76.18
Consumption	0.22	2.85	-92.30

Source: JPC

2.6 Pellet

- During Apr 2020, **production of Pellet was 2.08 million tonnes**, recorded a negative growth of 61.56% over Apr 2019 while its consumption shows a negative growth of 85.98% in the same period.

Table: 2(e):- Producer wise Production of Pellet in India (in million tonnes)

PSU	Apr-20	Apr-19	% change
TSL	0.28	0.40	-29.02
ESSAR	0.56	1.02	-44.80
JSPL	0.62	0.59	4.55
JSWL	0.36	0.66	-45.17
OTHERS	0.25	2.72	-90.96
Total Production	2.08	5.40	-61.56
Import	0.00	0.05	-100.00
Export	1.43	1.12	27.61
Consumption	0.54	3.88	-85.98

Source: JPC

- JSPL was largest producer of Pellet in Apr 2020 producing 37% of total Pellet in India.
- Pellet export in Apr 2020 was high, increased by 27.61% over Apr 2019 because of high Chinese demand from India and less domestic steel demand.

2.7 Finished Steel

a) Production and Consumption of Finished Steel

- In **Apr 2020, production of Finished Steel was 1.53 million tonnes, down by 82.51%** over Apr 2019 while **consumption was 0.977 million tonnes, decreased by 87.29%** over Apr 2019. This is lowest Finished steel production and consumption in last two years.
- As lockdown was imposed throughout India from Last week of Mar 2020 to contain corona vorus outbreak, production was stopped by all producers in this period resulting in less steel production in Apr 2020.
- JSW is largest producers of Finished steel in FY20 with share 15% followed by TSL with share 13% and SAIL with share 12%.

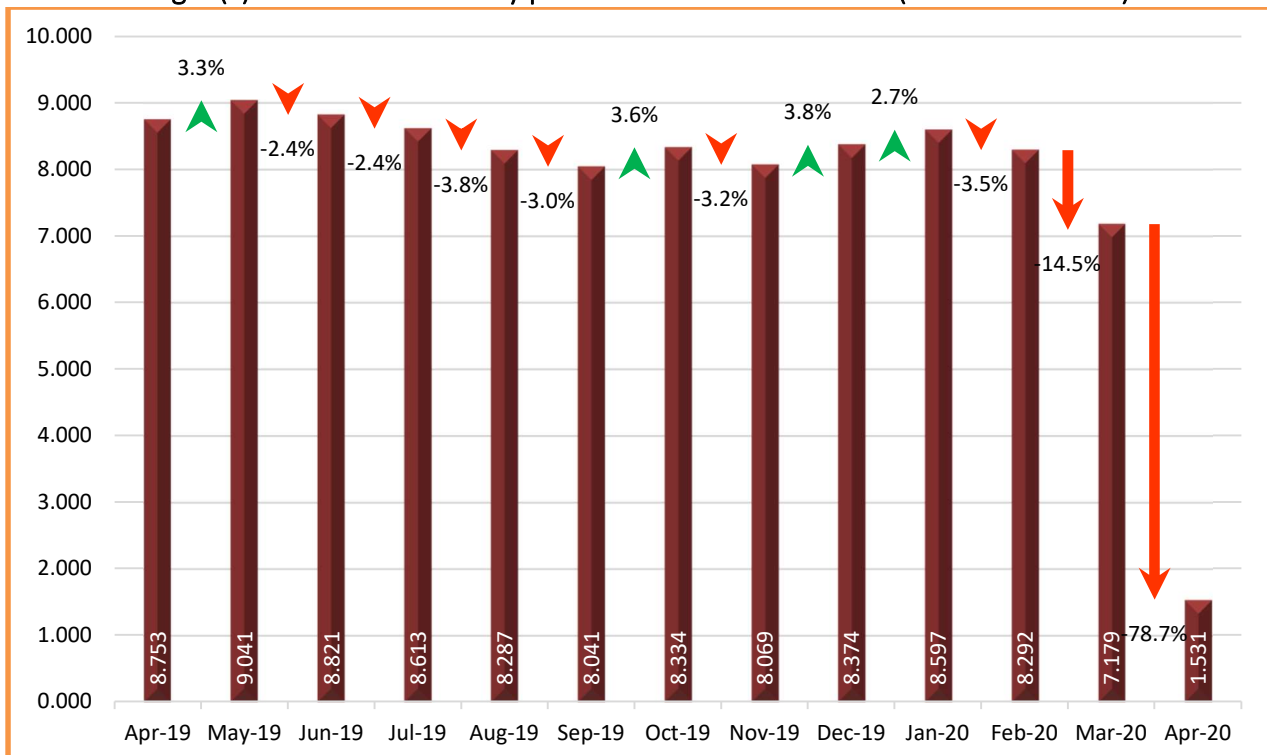
Table: 2(f):- Production, trade and Consumption of Finished Steel in India (in million tonnes)

PSU	Apr-20	Apr-19	% change
SAIL	0.31	1.01	-69.11
RINL (VSP)	0.06	0.35	-82.49
Public Sector	0.37	1.36	-72.54
TSL	0.41	1.40	-71.07
ESSAR	0.12	0.60	-79.77
JSPL	0.06	0.37	-84.77
JSWL	0.43	1.29	-66.41
OTHERS	0.14	3.72	-96.25
Private sector	1.16	7.39	-84.34
Gross Total Production	1.53	8.75	-82.51
% Share of PSU in production	24.4%	15.5%	-
Import	0.41	0.62	-34.31
Export	0.43	0.52	-16.71
Consumption	0.98	7.69	-87.29

Source: JPC

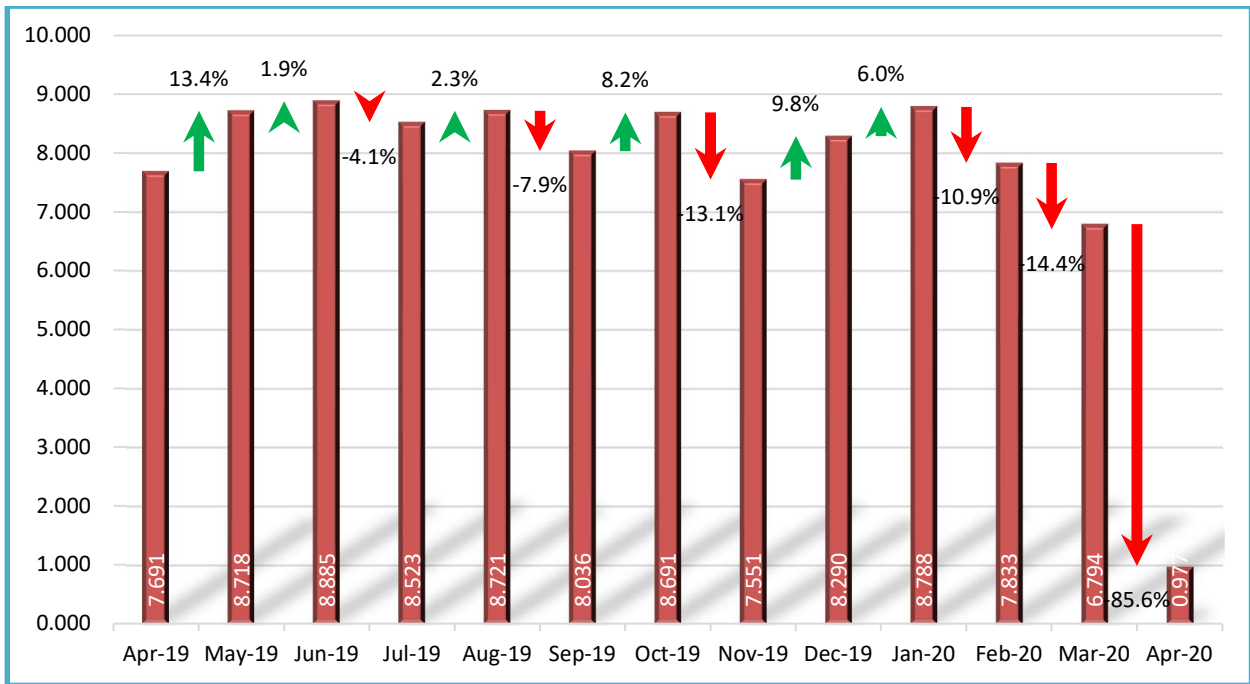
- Expecting a good demand in steel sector, production started to increase from Dec 2019 onwards but again started to decline from Feb 2020. But record fall in Production occur in Apr 2020, down by 78.7% in Apr 2020 over Mar 2020.

Fig. 2(c).1:- Trend in monthly production of Finished Steel (in million tonnes)



Source: JPC

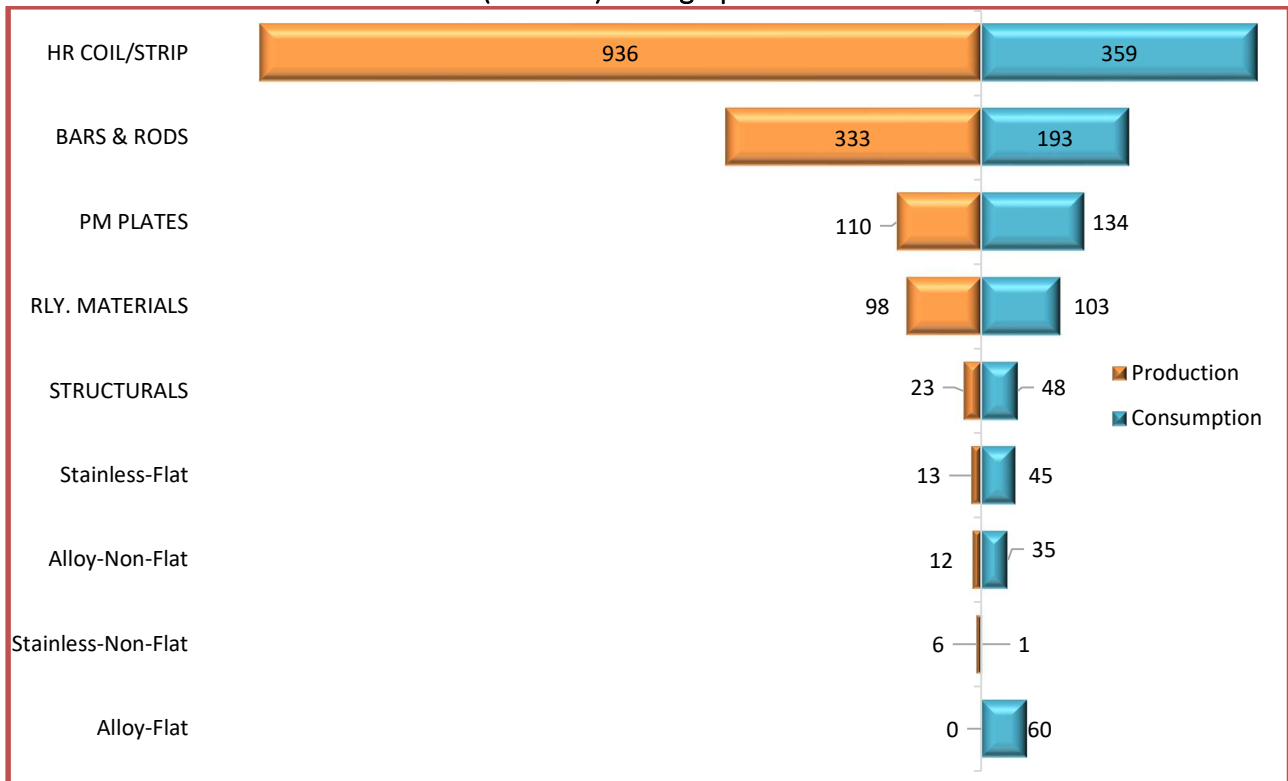
Fig. 2(c).2:- Trend in monthly consumption of Finished Steel (in million tonnes)



Source: JPC

- Consumption was also started to decrease from Feb 2020 and it declined by 85.6% in Apr 2020 over Mar 2020.

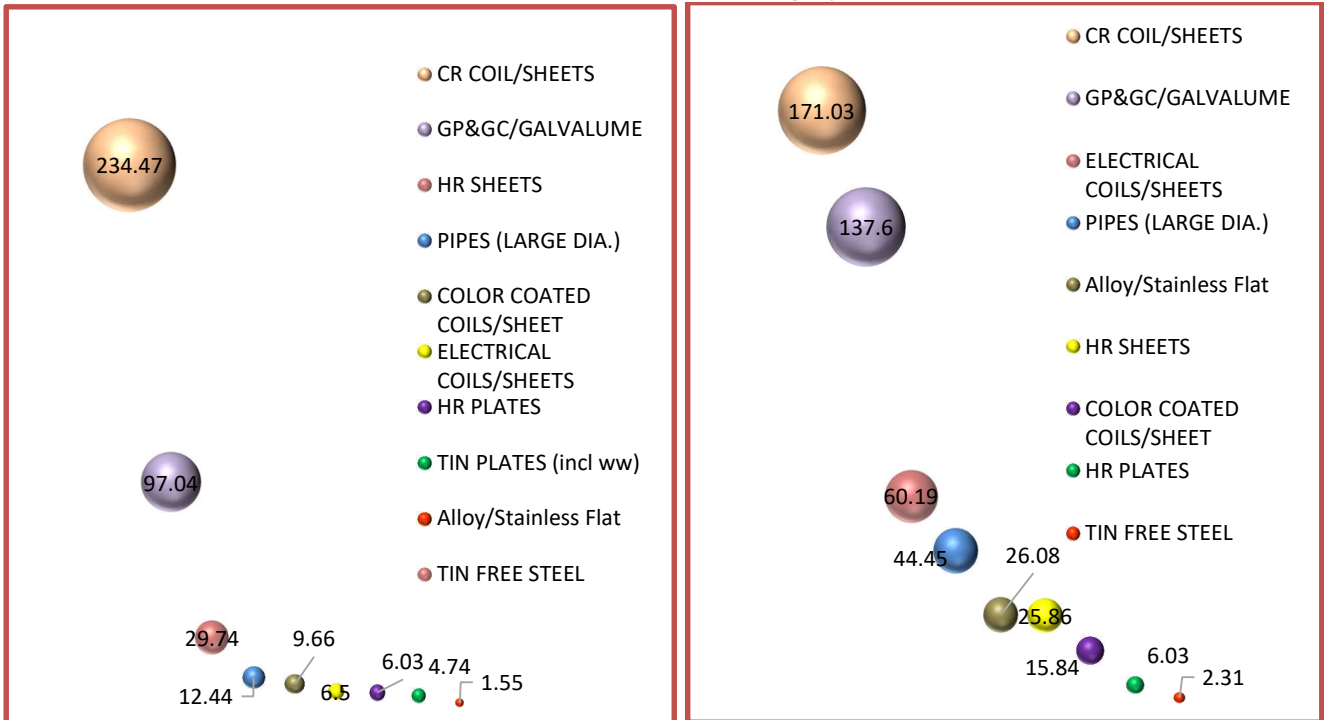
Fig. 2(d):- Product-wise Production & Consumption of Finished Steel (HR Equivalent) (in '000T) during Apr 2020



Source: JPC

- In Apr 2020, **HR Coil/Strip and Bars&Rods have high demand in India (as usual)** and hence their production was high. HRC is mostly consumed in downstream process and to export, while Bars & Rods are used mainly in construction.

Fig. 2(e):- Production and consumption of Downstream / Value Added Products of Finished Steel (in '000T) during Apr 2020

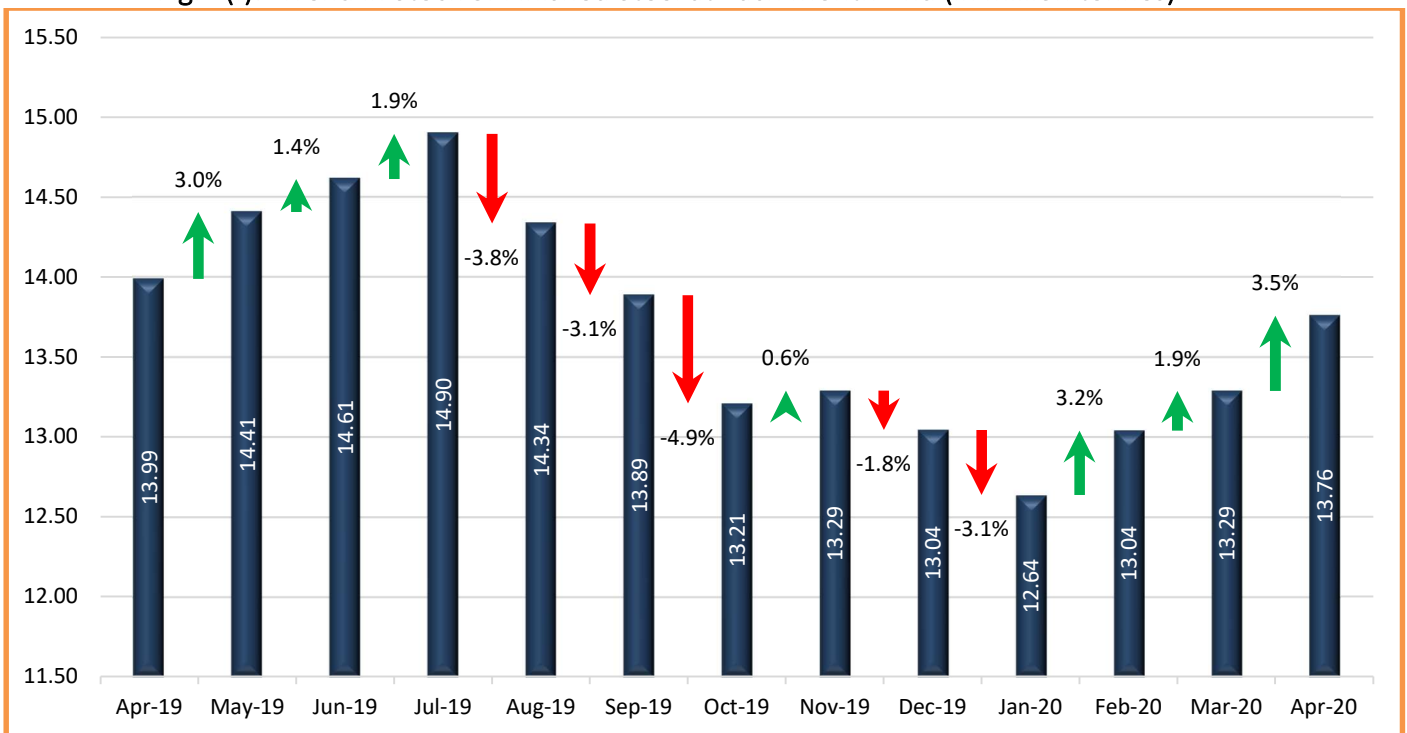


Source: JPC

➤ Among the steel products, as usual CR Coil/Sheets, GP&GC have high demand in India in Apr 2020 for direct consumption as well as for downstream production.

b) Stock Analysis of Finished Steel

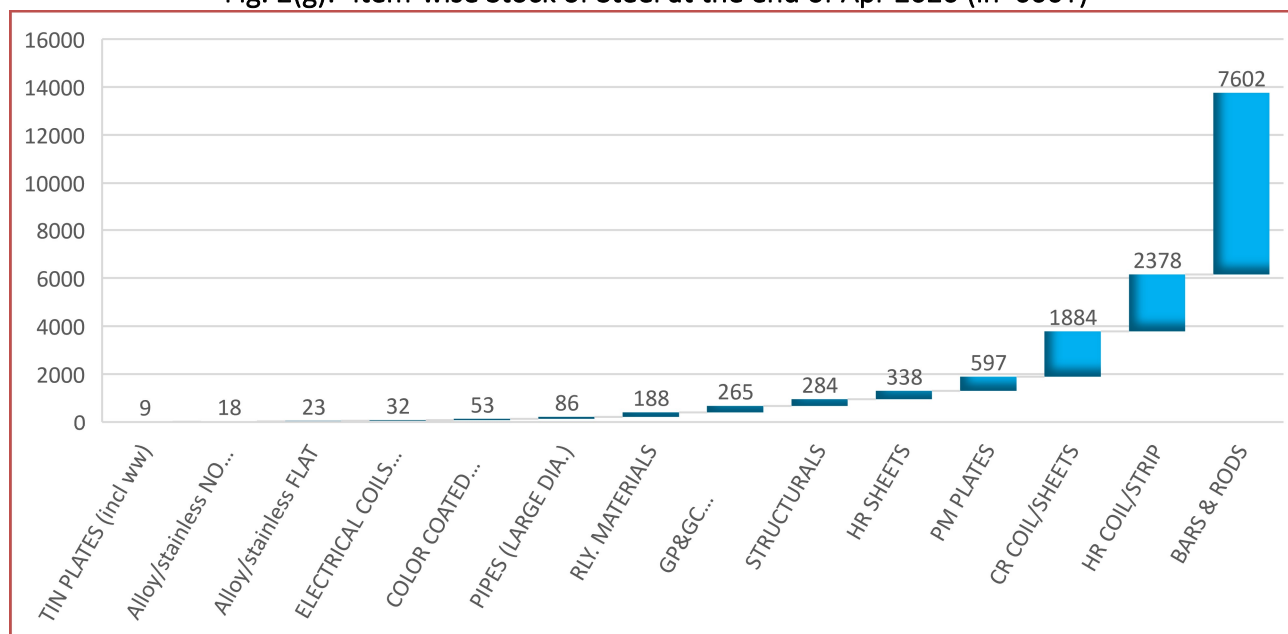
Fig. 2(f):- Trend in Stock of Finished Steel at Each Month-End (in million tonnes)



Source: JPC

➤ As export was lowered as well as domestic consumption was less in Apr 2020, the stock has increased by 3.5% at the end of Apr 2020 over the previous month-end and reached at **13.76 million tonnes**.

Fig. 2(g):- Item-wise Stock of Steel at the end of Apr 2020 (in '000T)



Source: JPC

- As on 30th Apr 2020, **7.602 million tonnes of Bars&Rods**, **2.378 million tonnes of HRC** and **1.884 million tonnes CRC** are in stock. Huge stock accumulated due to less domestic consumption and less export.

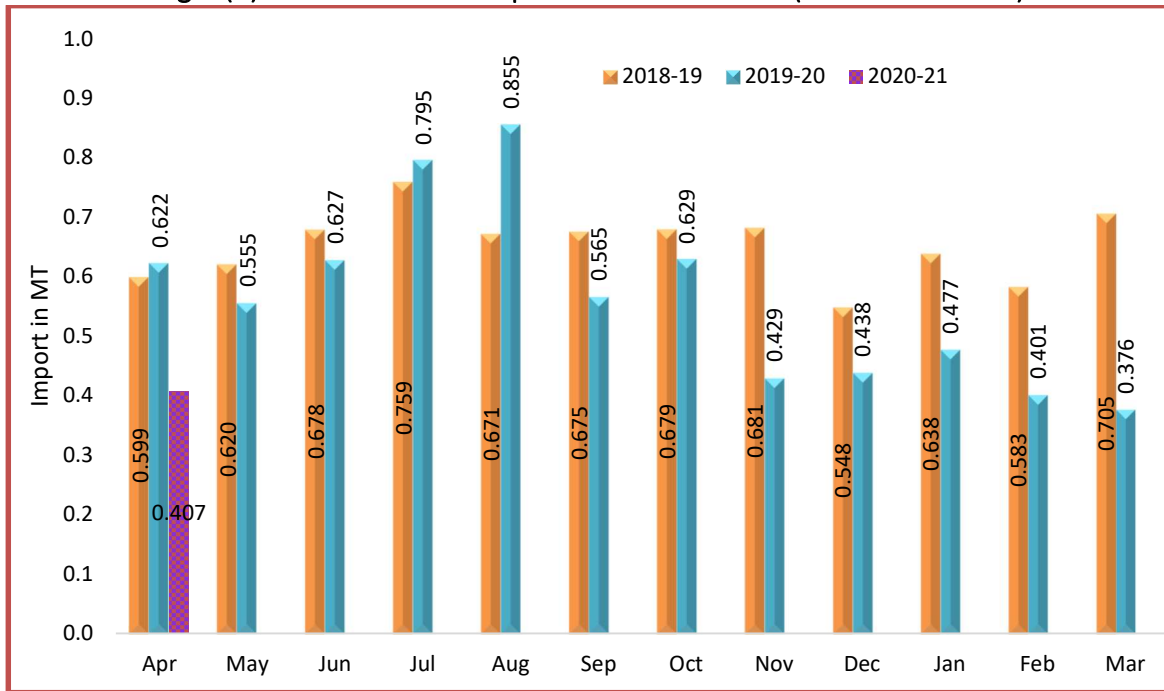
c) Import & Export of Finished Steel

Table: 2(f):- Export & Import of Finished Steel (in '000 Tonnes) – Category-wise			
Import	Apr-20	Apr-19	% change
Non-Alloy			
Non-Flat	24	44	-45.2
Flat	248	426	-41.8
Non-Alloy - Total	272	470	-42.1
Alloy/Stainless			
Non-Flat	33	48	-30.0
Flat	101	102	-0.2
Alloy - Total	135	149	-9.7
Import – Total	407	619	-34.3
Export			
	Apr-20	Apr-19	% change
Non-Alloy			
Non-Flat	14	35	-59.6
Flat	393	409	-3.8
Non-Alloy - Total	407	444	-8.2
Alloy/Stainless			
Non-Flat	13	20	-38.6
Flat	10	51	-81.3
Alloy - Total	22	72	-69.2
Export – Total	429	516	-16.7

Source: JPC

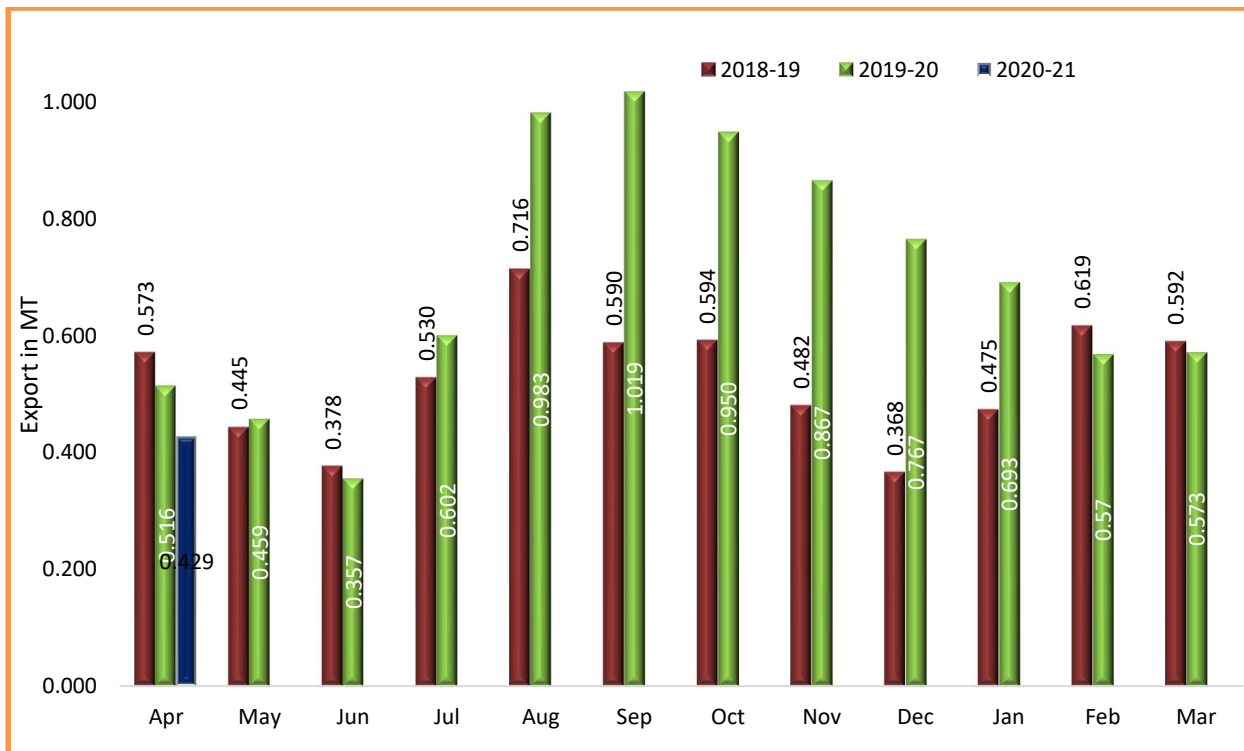
- As trade was suspended due to world-wide lockdown to contain Corona virus outbreak during Apr 2020, both import and export was declined by 34.3% and 16.7% respectively over Apr 2019.
- India is net exporter in Apr 2020 with 23 thousand tonnes of Finished steel.

Fig. 2(h).1 .- Month-wise Import of Finished Steel (in million tonnes)



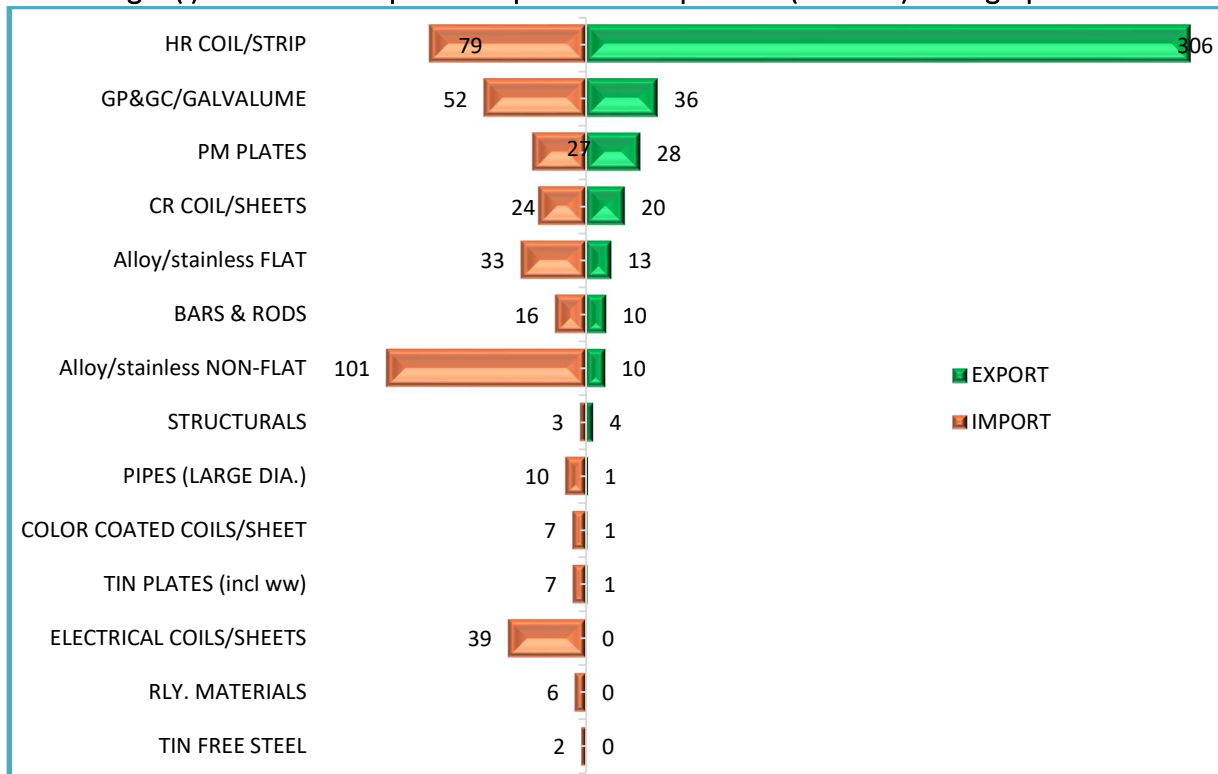
Source: JPC

Fig. 2(h).2 .- Month-wise Export of Finished Steel (in million tonnes)



Source: JPC

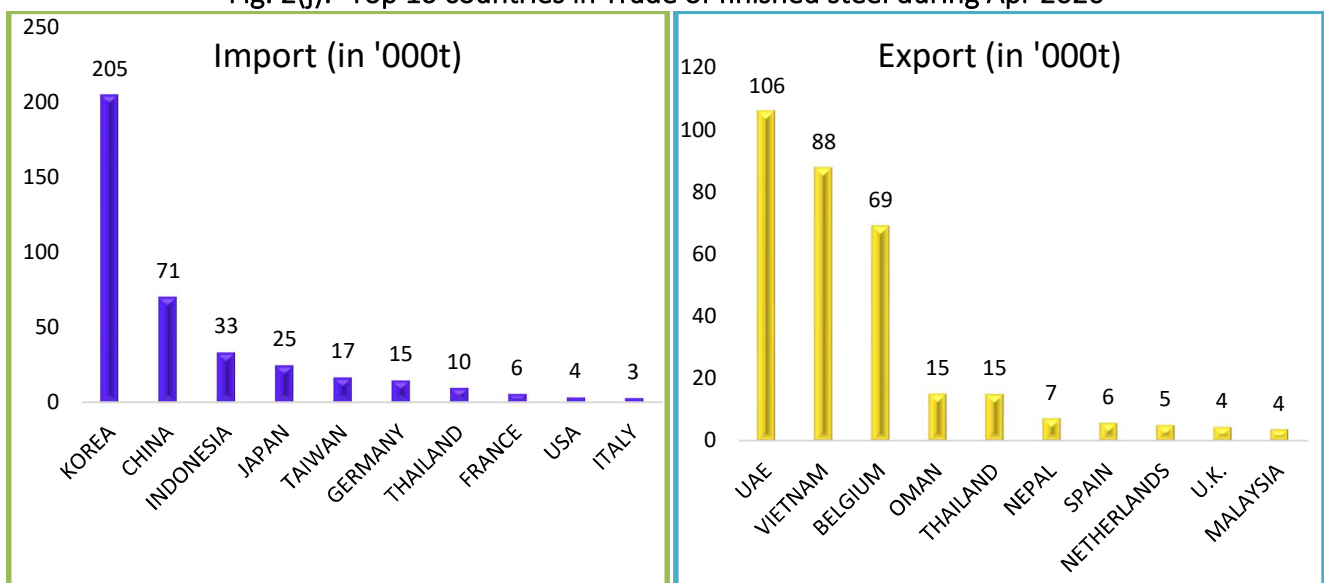
Fig. 2(i):- Item-wise Export & Import of Steel product (in '000T) during Apr 2020



Source: JPC

- **0.306 million tonnes of HRC** was **exported** in Apr 2020 out of which 0.102 million tonnes was exported to UAE (around 33%) and 0.079 million tonnes was exported to Vietnam (around 26%).
- Mostly **HRC** and **Alloy/Stainless** steel was **imported** with 0.079 million tonnes and 0.135 million tonnes respectively. Almost 95% of HRC and 26% of Alloy/Stainless steel were imported from Korea. Again 39% of Alloy/Stainless Steel was imported from China.
- **In Apr 2020 UAE is the top-most destination** country for export of Indian steel whereas **S. Korea is the top-most source** country for import of steel in India.

Fig. 2(j):- Top 10 countries in Trade of finished steel during Apr 2020



Source: JPC

Table: 2(g).- Export to Top two destination Countries in Apr 2020 (Qty in '000T, Vlu in Rs Cr)

Steel Products	UAE		VIETNAM		Total	
	Quantity	Value	Quantity	Value	Quantity	Value
Bars & Rods					10.43	40.39
Struct.					3.82	12.46
Rly. Matrls.					0.00	0.00
Plates	0.47	2.70	0.00	52.02	27.70	105.49
HR Coils/ Strips	102.01	341.37	79.37	89.00	305.90	972.40
CR Coils/ Sheets	0.21	1.87	0.00	48.71	19.82	84.68
GP / GC Coated	2.41	14.27	0.00	81.16	37.43	201.45
Elect. Sheets					0.05	0.60
Tin Plates	0.11	0.62	0.00	2.16	0.88	5.16
Pipes	0.00	0.00	0.00	0.00	1.24	7.75
Total	105.21	360.83	79.37	273.05	407.27	1430.38
Alloy / Stainless	0.80	7.87	8.46	24.44	22.18	229.42
GRAND TOTAL	106.01	368.70	87.83	297.49	429.45	1659.80

Source: JPC

- During Apr 2020, Mostly HRC was exported to UAE and it is 96.2% of total export to Vietnam and 33% of total HRC export. HRC was also export to Vietnam which is 90% of total export to it and 25% of total HRC export in that period.

Table: 2(h).- Import from Top three Source Countries (Qty in '000T, Vlu in Rs Cr)

Steel Products	KOREA		CHINA		INDONESIA		Total	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Bars & Rods	2.08	9.52	1.54	8.86			15.65	70.96
Struct.	0.05	0.24	0.73	6.53			2.95	18.12
Rly. Matrls.			0.13	0.68			5.71	34.10
Plates	19.56	92.74	1.47	10.87	0.76	3.38	27.07	158.92
HR Shts			0.01	0.07			0.01	0.07
HR Coils/ Strips	75.70	313.61	0.71	3.74			79.24	332.45
CR Coils/ Sheets	20.68	113.68	2.06	10.77			24.22	132.69
GP / GC Coated	31.83	232.40	6.80	43.55	5.20	22.82	58.59	386.39
Elect. Sheets	18.90	101.60	2.20	18.69			39.39	212.36
Tin Plates	0.22	1.00	0.42	2.57			6.65	34.53
Tin Free Steel	0.30	1.47	0.18	1.13			2.32	10.01
Pipes	0.77	4.23	2.35	17.78	0.04	4.17	10.45	80.06
Total	170.09	870.49	18.60	125.24	6.00	30.37	272.25	1470.66
Alloy / Stainless	35.21	224.76	52.09	265.16	27.40	341.46	134.70	1093.28
GRAND TOTAL	205.30	1095.25	70.69	390.40	33.40	371.83	406.95	2563.94

Source: JPC

- During Apr 2020, Mostly HRC and Alloy/Stainless steel were imported from Korea which were 37% and 17% of total import from Korea. From China, mostly Alloy/Stainless steel and GP/GC were imported.

2.8 Iron Ore

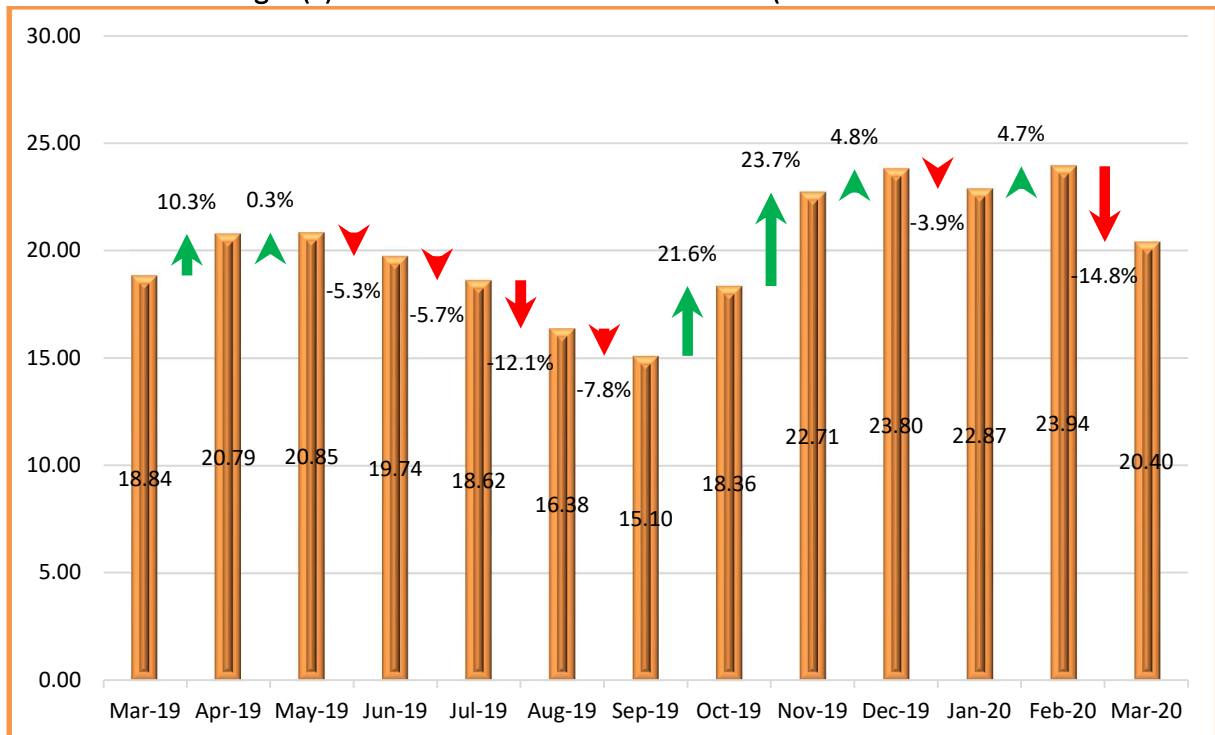
a) Production of Iron Ore

- During **Mar 2020**, production of **Iron Ore** was **20.4 million tonnes**, increased by 8.28% over Mar 2019 and down by 14.8% over Feb 2020. Production during **Apr-Mar 2019-20** was **243.58 million tonnes** having increased by 17.25% over the same period of previous year.

	Mar-20	Mar-19	% change	Apr-Mar 2019-20	Apr-Mar 2018-19	% change
Production#	20.40	18.84	8.28%	243.58	207.75	17.25%
	Apr-20	Apr-19	% change			
Export@	3.00	2.66	13%			
Import@	0.00	0.32	-100%			

Source: # - JPC, @ JPC and Commerce

Fig. 2(k):- Trend in Production of Iron Ore (in million tonnes)



Source: JPC

b) Trade of Iron Ore

- During **Apr 2020**, export of **Iron Ore (inc Pellet)** was **3.0 million tonnes**, having increased by 13% over the same period of previous year, while **import was negligible**.