



Monthly Analysis (June 2019)

Ministry of Steel | Statistics Division

Major Highlights During June 2019

- During June 2019, **158.98 MT of crude steel was produced in the world**, with a growth rate of 4.6% over June, 2018.
- China, **world's largest producer of crude steel**, has produced 87.53 MT of crude steel in June 2019.
- India has continued to remain in **second position** in crude steel production, having produced 9.337 MT of crude steel in June 2019.
- Japan, the **third largest producer** of crude steel in the world, has produced 8.79 MT of crude steel in June 2019.
- The capacity utilisation in production of crude steel in the country has **increased** from 75.72% in June 2018 to **78.77% in June 2019**.
- During June 2019, production of finished steel was 8.798 MT having recorded a **positive growth rate of 5.6%** over June 2018.
- Consumption of finished steel during June 2019 was 8.720 MT which has **increased by 6.6%** over June 2018.
- During June 2019, import of finished steel was 0.603 MT having recorded a **negative growth rate of 11.1%** over June 2018.
- Export of finished steel during June 2019 was 0.299 MT which **has decreased by 21.1%** over June 2018.
- India is still the **net importer** in trade of finished steel in June 2019.
- During May 2019, production of iron ore was 20.845 MT **having increased by 16.5%** over May 2018.

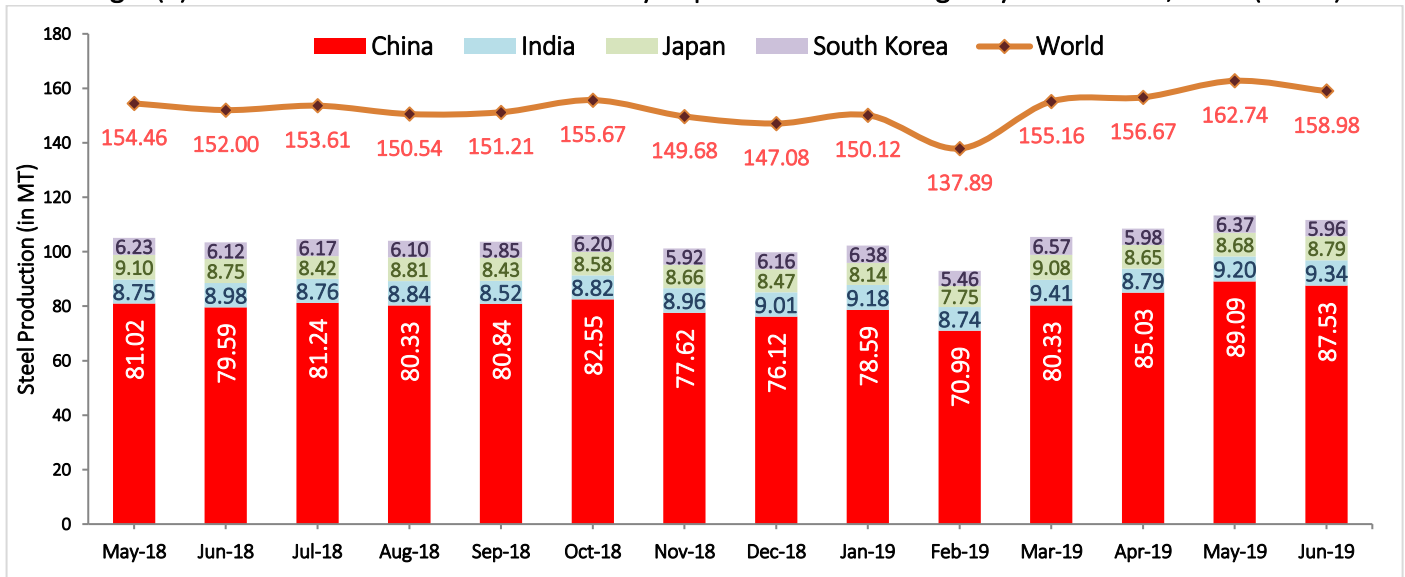
1. World Crude Steel Production

Table: 1(a):- Top Crude Steel Producing Countries (in MT)

	Jun-19	Jun-18	% Change		Apr-Jun, 2019	Apr-Jun, 2018	% Change	
China [@]	87.533	79.585		10.0	261.656	236.055		10.8
India [#]	9.337	8.975		4.0	27.905	26.826		4.0
Japan [@]	8.789	8.750		0.4	26.112	26.565		-1.7
South Korea [@]	5.958	6.116		-2.6	18.307	18.245		0.3
Other Countries	47.361	48.575		-2.5	144.414	146.016		-1.1
World [@]	158.978	152.002		4.6	478.393	453.707		5.4

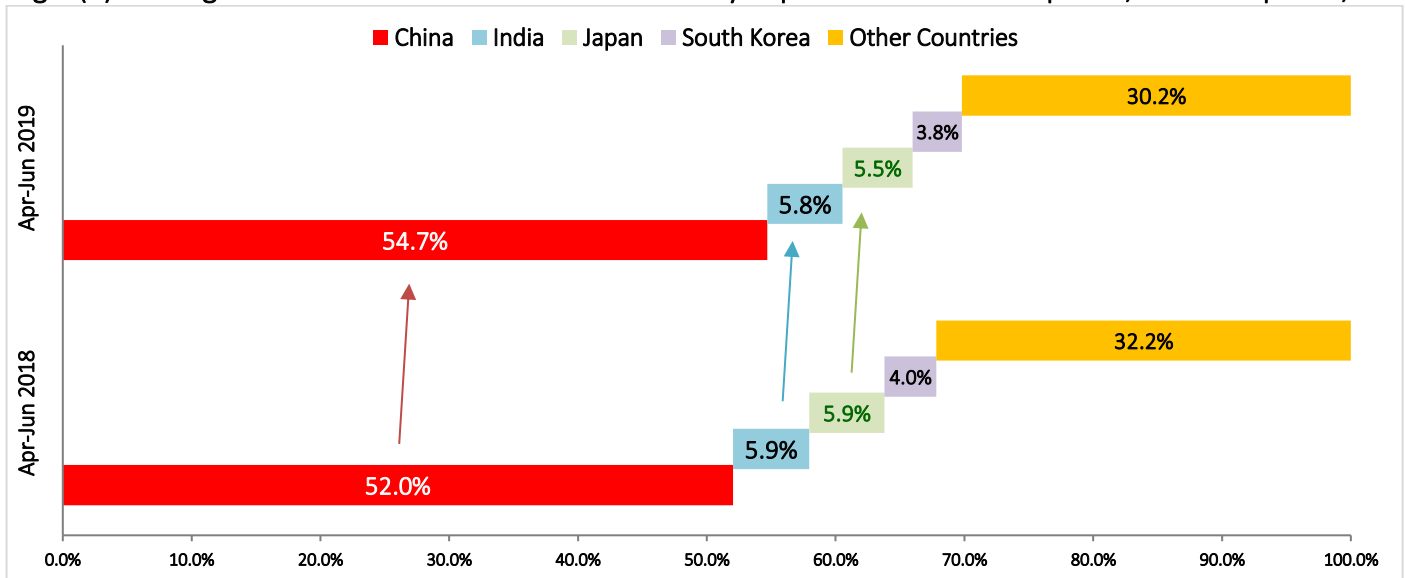
Source: @ WSA; # JPC

Fig. 1(a):- Trend in Crude Steel Production by Top 4 Countries during May 2018 to Jun, 2019 (in MT)



- China has **increased** its crude steel production since February 2019, having increased its production by 23.3% on June 2019 (87.53 MT). Also, share of China's crude steel production has **increased** from 52.0% during Apr-Jun, 2018 to 54.7% in Apr-Jun, 2019.
- China's steel production has increased by 23.3% in June, 2019 over February, 2019 out-pacing the global growth of 15.3% over the same period.

Fig. 1(b):- Change in Share in Production of Crude Steel by Top 4 Countries From Apr-Jun, 2018 to Apr-Jun, 2019



2. Performance of India's Steel Sector

2.1 Crude Steel

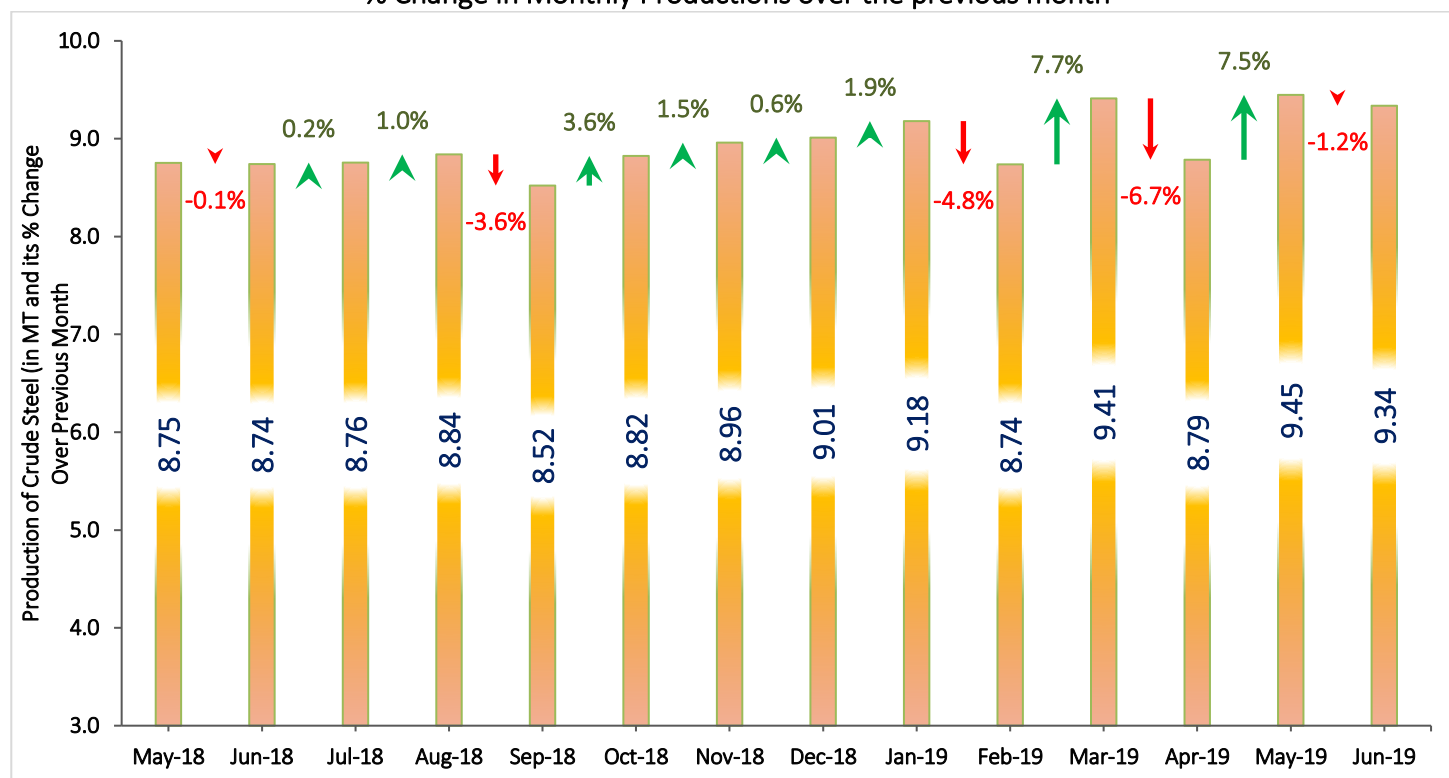
Table: 2(a):- Producer wise Production of Crude Steel in India (in MT)

Producers	Jun-19	Jun-18	% Change		Apr-Jun, 2019	Apr-Jun, 2018	% Change	
SAIL	1.353	1.284		5.4	3.932	3.945	-0.3	
RINL	0.430	0.438	-1.8		1.301	1.298		0.2
TSL	1.103	1.112	-0.8		3.253	3.179		2.3
ESSAR	0.622	0.582		6.9	1.851	1.689		9.6
JSWL	1.400	1.360		2.9	4.256	4.129		3.1
JSPL	0.458	0.425		7.8	1.46	1.225		19.2
Other Producers	3.971	3.774		5.2	11.852	11.361		4.3
Total Production	9.337	8.975		4.0	27.905	26.826		4.0
Production by PSU	1.783	1.722		3.5	5.233	5.243	-0.2	
% Share of PSU	19.1	19.2			18.8	19.6		

Source: JPC

- JSWL, the largest producer of crude steel in India, has produced 1.4 MT of crude steel during June 2019; while, among the PSUs, SAIL produced 1.353 MT of crude steel in June 2019.
- However, during Apr-Jun, 2019, crude steel production by SAIL has **decreased** by 0.3% over Apr-Jun, 2018.

Fig. 2(a):- Monthly Production of Crude Steel (in MT) and % Change in Monthly Productions over the previous month



Source: JPC

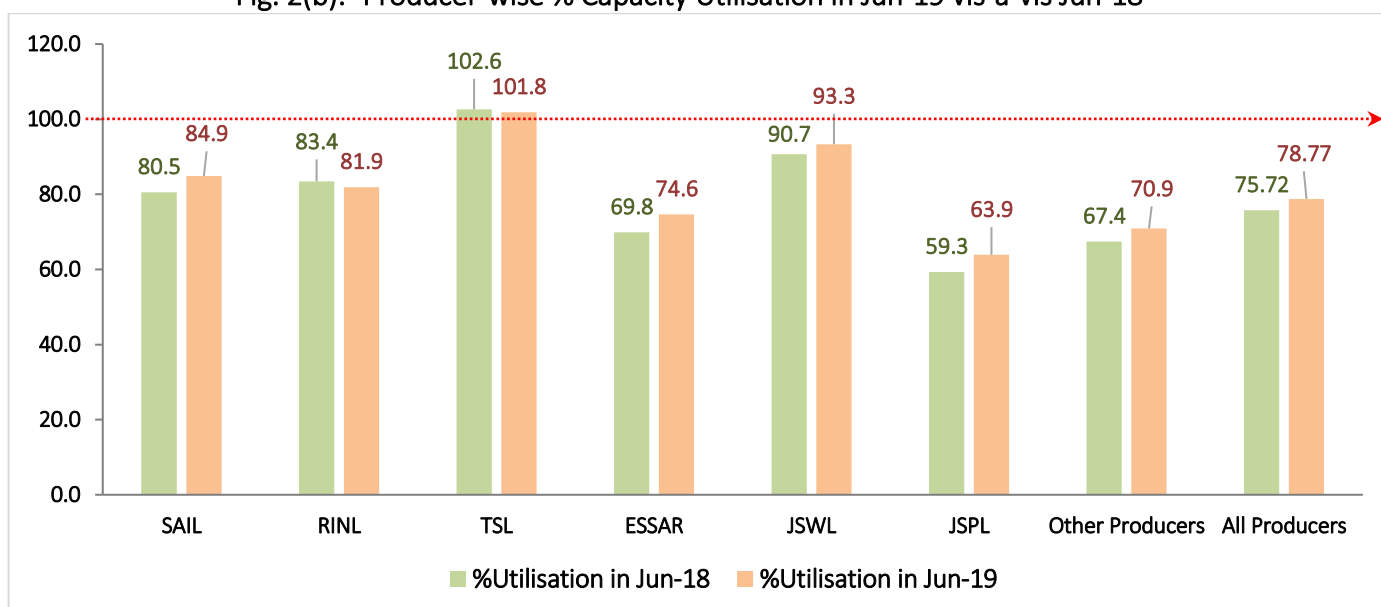
- % increase in a month over the previous month
- % decrease in a month over the previous month

- Production of crude steel has decreased by 1.2% in June 2019 w.r.t May 2019, while increased by 4.0% over June 2018.

2.2 Capacity Utilisation in Production of Crude Steel

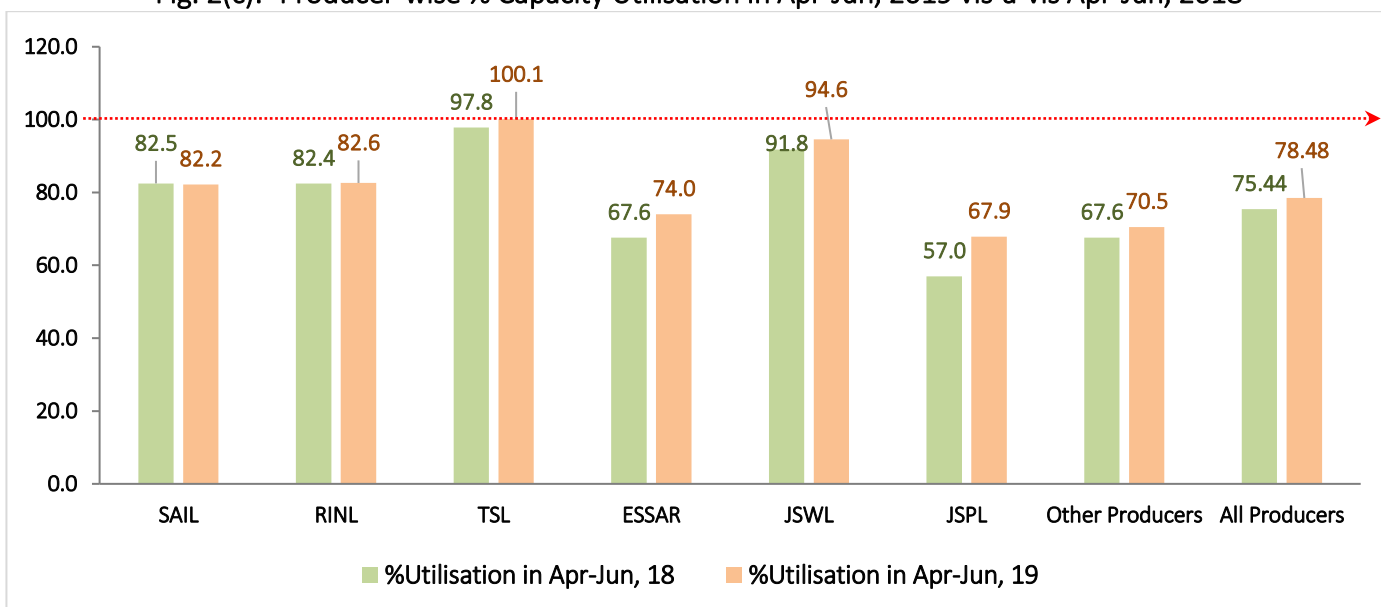
- During 2018-19, total capacity of crude steel production was 142.236 MT, having increased by 3.1% over 2017-18.
- The capacity utilisation in production of crude steel in the country has **increased** from **75.72% in June 2018** to **78.77% in June 2019**.
- Capacity utilisation by SAIL has **increased** from 80.5% in June 2018 to **84.9% in June 2019**.
- Among the producers in private sector, capacity utilisation of **Tata Steel Ltd. (TSL)** has decreased from 102.6% in June 2018 to 101.8% in June 2019. **JSWL**, also, **increased** its capacity utilisation from 90.7% in June 2018 to **93.3% in June 2019**. However, in the **secondary sector**, the capacity has **increased** from 67.4% in June 2018 to **70.9% in June 2019**.

Fig. 2(b):- Producer-wise % Capacity Utilisation in Jun-19 vis-a-vis Jun-18



Source: JPC

Fig. 2(c):- Producer-wise % Capacity Utilisation in Apr-Jun, 2019 vis-a-vis Apr-Jun, 2018



Source: JPC

2.3 Hot Metal

➤ During June 2019, production of hot metal was 6.347 MT having increased by 5.6% over June 2018.

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

Producers	Jun-19	Jun-18	% Change	Apr-Jun, 2019	Apr-Jun, 2018	% Change
SAIL	1.498	1.404	6.7	4.323	4.265	1.4
RINL	0.477	0.482	-1.0	1.451	1.438	0.9
TSL	1.184	1.144	3.5	3.473	3.427	1.3
ESSAR	0.307	0.277	10.8	0.902	0.839	7.5
JSWL	1.313	1.252	4.9	3.931	3.847	2.2
JSPL	0.454	0.381	19.2	1.357	1.133	19.8
Other Producers	1.114	1.070	4.1	3.383	3.212	5.3
Total	6.347	6.010	5.6	18.820	18.161	3.6
Production by PSU	1.975	1.886	4.7	5.774	5.703	1.2
% Share of PSU	31.1	31.4		30.7	31.4	

Source: JPC

2.4 Pig Iron

➤ During June 2019, production of pig iron was 0.557 MT which has increased by 3.9% over June 2018.

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

Producers	Jun-19	Jun-18	% Change	Apr-Jun, 2019	Apr-Jun, 2018	% Change
SAIL	0.068	0.043	58.1	0.192	0.113	69.9
RINL	0.007	0.012	-41.7	0.026	0.042	-38.1
JSWL+JSPL	0.055	0.009	511.1	0.124	0.081	53.1
Other Producers	0.427	0.472	-9.5	1.249	1.309	-4.6
Total Production	0.557	0.536	3.9	1.591	1.545	3.0
Production by PSU	0.075	0.055	36.4	0.218	0.155	40.6
% Share of PSU	13.5	10.3		13.7	10.0	

Source: JPC

2.5 Sponge Iron

➤ During June 2019, production of sponge iron for sale was 3.049 MT, recording a positive growth of 7.1% as compared to June 2018.

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

Producers	Jun-19	Jun -18	% Change	Apr-Jun, 2019	Apr-Jun, 2018	% Change
ESSAR	0.445	0.423	5.2	1.302	1.201	8.4
JSWL	0.191	0.200	-4.5	0.613	0.618	-0.8
JSPL	0.134	0.110	21.8	0.423	0.337	25.5
Other Producers	2.279	2.113	7.9	6.933	6.508	6.5
Total	3.049	2.846	7.1	9.271	8.665	7.0

Source: JPC

2.6 Finished Steel

a) Production and Consumption of Finished Steel

- During June 2019, production of finished steel was 8.798 MT having recorded a **positive growth rate of 5.6%** over June 2018. Consumption of finished steel during June 2019 was 8.720 MT which has **increased by 6.6%** over June 2018.

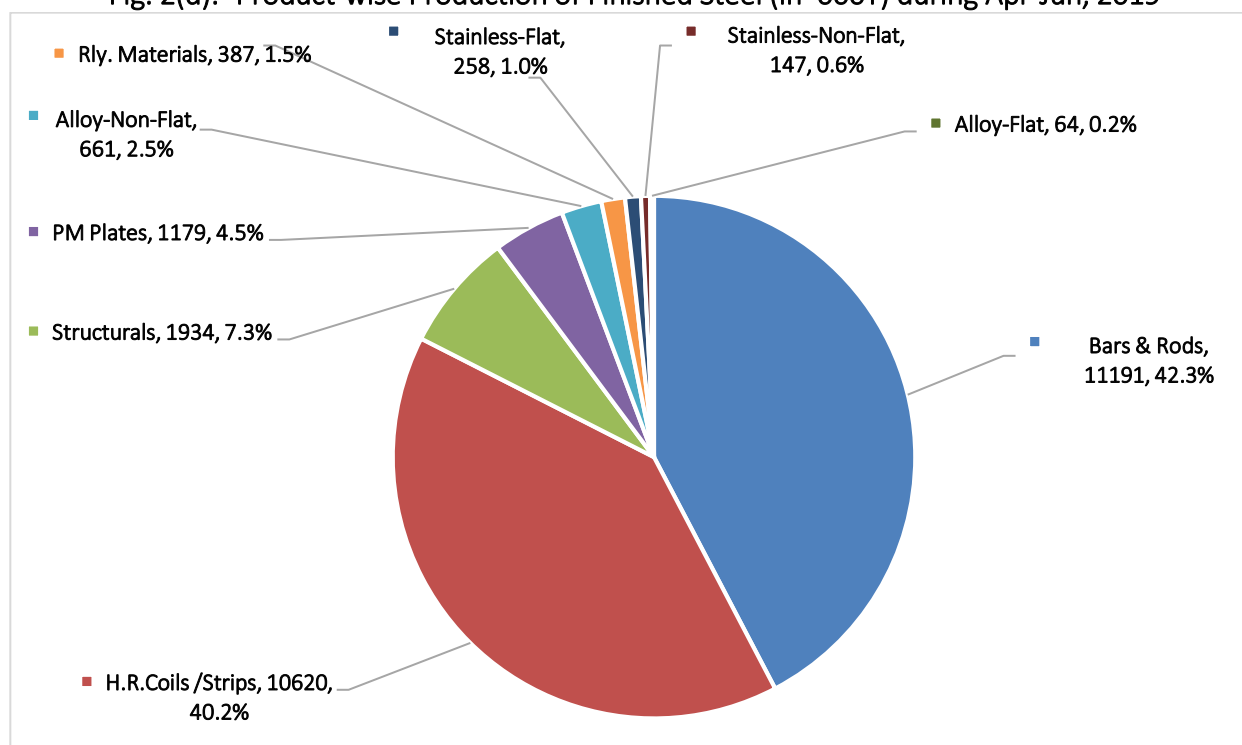
Table: 2(e):- Production and Consumption of Finished Steel in India (in MT)

Producers	Jun-19	Jun-18	% Change	Apr-Jun, 2019	Apr-Jun, 2018	% Change
SAIL	1.019	1.082	-5.8	3.086	3.111	-0.8
RINL	0.347	0.337	3.0	1.069	1.025	4.3
TSL	1.077	1.073	0.4	3.296	3.134	5.2
ESSAR	0.603	0.581	3.8	1.81	1.681	7.7
JSWL	1.288	1.230	4.7	3.949	3.801	3.9
JSPL	0.387	0.309	25.2	1.052	0.862	22.0
Other Producers	4.077	3.721	9.6	12.18	10.917	11.6
Total Production	8.798	8.333	5.6	26.442	24.531	7.8
Consumption	8.720	8.183	6.6	25.190	23.573	6.9
Production by PSU	1.366	1.419	-3.7	4.155	4.136	0.5
% Share of PSU	15.5	17.0		15.7	16.9	

Source:JPC

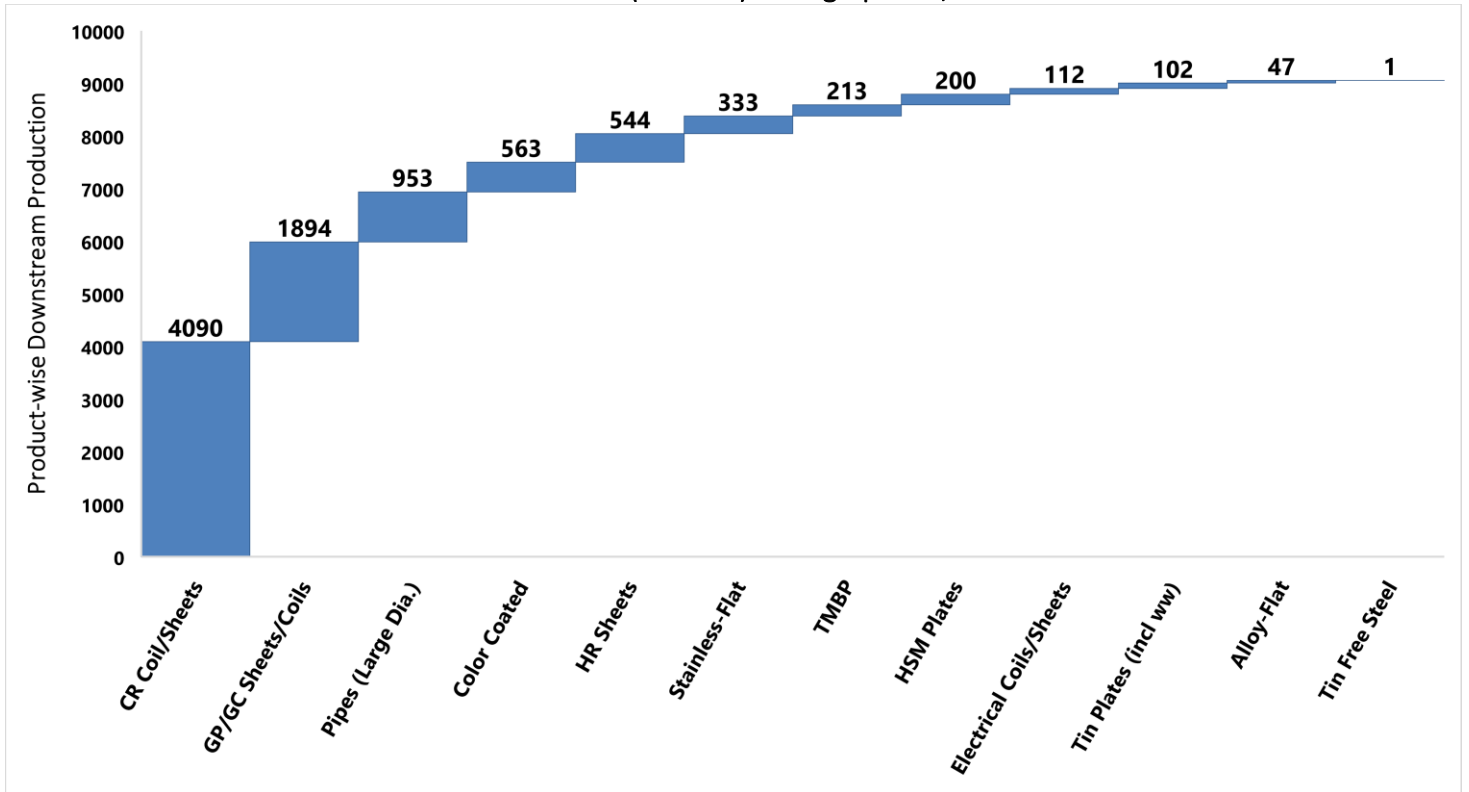
- During the period of Apr-Jun, 2019, the **production** of finished steel was 26.442 MT having **increased by 7.8%** over same period of previous year; while **consumption** during Apr-Jun, 2019 was 25.190 MT having **increased by 6.9%** over same period of previous year.

Fig. 2(d):- Product-wise Production of Finished Steel (in '000T) during Apr-Jun, 2019



Source: JPC

Fig. 2(e):- Product-wise Downstream / Value Added Production of Finished Steel (in '000T) during Apr-Jun, 2019



Source: JPC

b) Category-wise Import & Export of Finished Steel

Table: 2(f):- Export & Import of Finished Steel (in '000 Tonnes) – Category-wise in Jun-19 vis-à-vis Jun-18 and in Apr-Jun, 2019 vis-à-vis Apr-Jun, 2018

Import	Jun-19	Jun-18	% Change	Apr-Jun, 2019	Apr-Jun, 2018	% Change
Non-Alloy						
Non-Flat	44	32	37.5	123	128	-3.9
Flat	444	440	0.9	1230	1309	-6.0
Non-Alloy - Total	488	472	3.4	1353	1437	-5.8
Alloy						
Non-Flat	30	94	-68.1	88	217	-59.4
Flat	85	112	-24.1	284	244	16.4
Alloy - Total	115	206	-44.2	372	461	-19.3
Import – Total	603	678	-11.1	1725	1898	-9.1
Export	Jun-19	Jun-18	% Change	Apr-Jun, 2019	Apr-Jun, 2018	% Change
Non-Alloy						
Non-Flat	45	52	-13.5	122	143	-14.7
Flat	205	287	-28.6	739	1131	-34.7
Non-Alloy - Total	250	339	-26.3	861	1274	-32.4
Alloy						
Non-Flat	17	14	21.4	52	49	6.1
Flat	32	26	23.1	101	74	36.5
Alloy - Total	49	40	22.5	153	123	24.4
Export – Total	299	379	-21.1	1014	1397	-27.4

Source: JPC

Fig. 2(f).1:- Month-wise Import of Finished Steel (in MT)

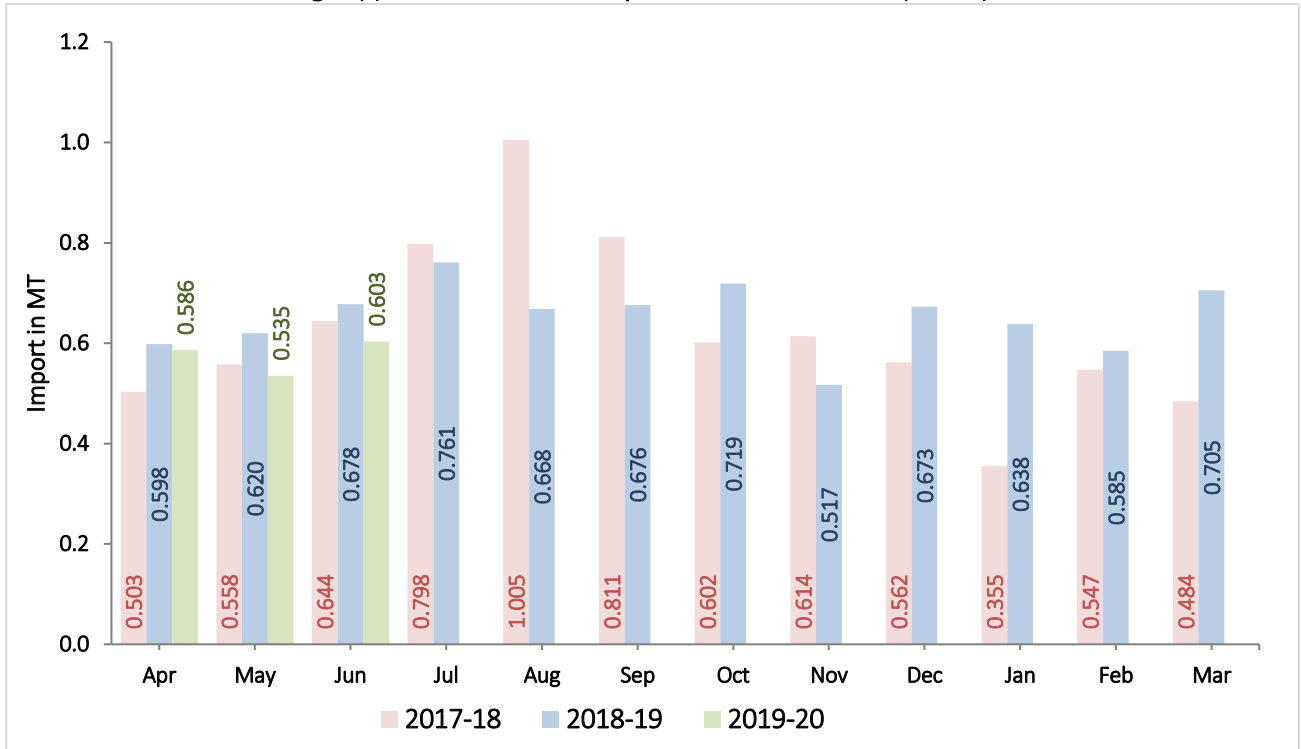
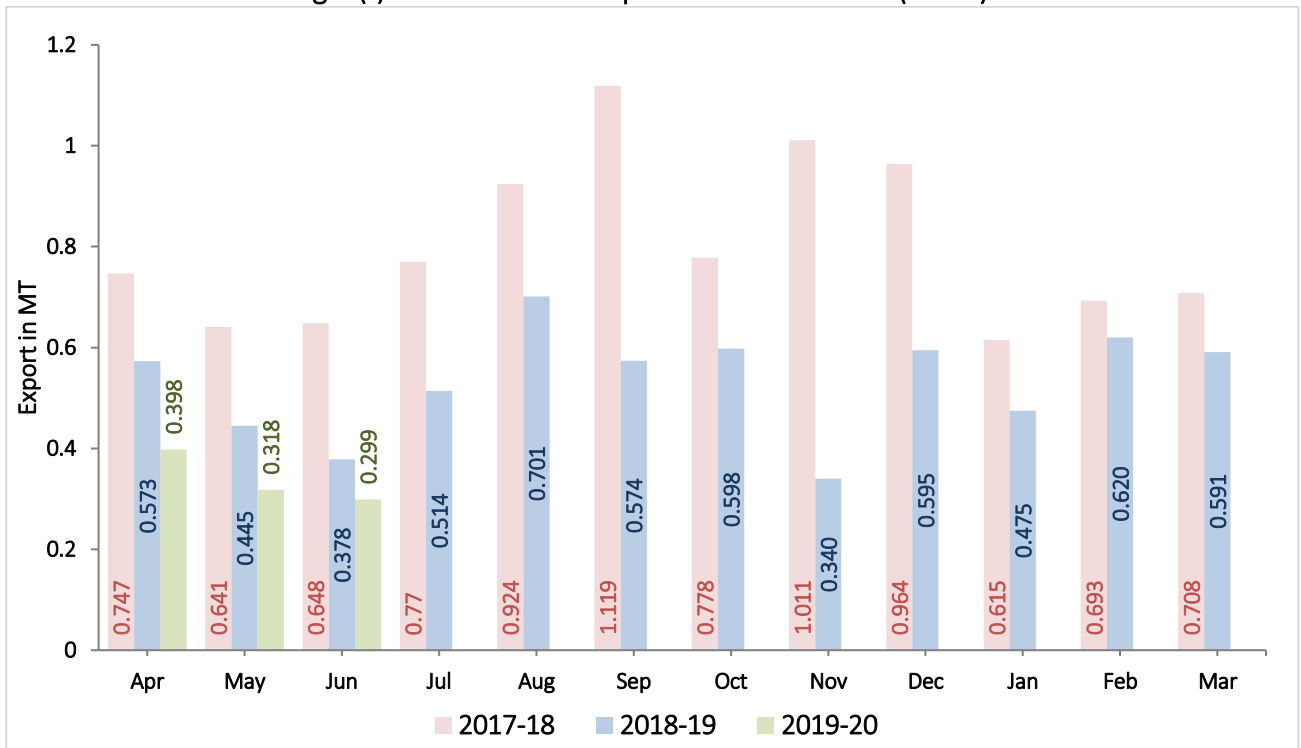


Fig. 2(f).2:- Month-wise Export of Finished Steel (in MT)



c) Finsihed Steel Item-specific Analysis

I. Bar & Rods (Non-Alloy, Non-Flat)

- Among the **non-flat, non-alloy** finished steel products, **Bar & Rods** was produced the **most (11.191 MT)**, which does not include 0.770 MT of Alloy/Stainless Bar & Rods) during Apr-Jun, 2019.
- However, with marginal import & export and a moderate consumption in the domestic market (10.046 MT), domestic **stock-pile** of bar & rods has **exceeded 8 MT** (8.107 MT) by the **end of Jun-19**.
- This huge stock of bar & rods may grow further if domestic consumption and export of bar & rods do not increase significantly in coming days.
- Also, during **Apr-Jun, 2019, 67.9% of total production of Bar & Rods** (7.608 MT out of 11.191 MT) was **actually done** by the **secondary steel sector**.
- Now, given the **actual stock-pile of Bar & Rods** at the end of June 2019, **it is quite certain that the majority of that stock is currently with the secondary sector.**

II. H.R.Coils /Strips

- During Apr-Jun, 2019, **10.620 MT of HRC was produced (highest among the flat products)**. Further, an amount of 1.130 MT of HRC was imported during the same period.
- With consumption of **10.364 MT** during this period, the amount of **stock** accumulated by the **end of Jun-19** was **5.188 MT**. Overall stock-pile of finished steel as on 30th June of 2019 was **14.785 MT**.
- Due to this huge stock of Bar & Rods and HRC, the **overall stock of Finished Steel items** was **14.785 MT** at the end of **Jun-19**; while **the stock of finished steel** was around **10.228 MT** at the end of **Jun-18**.

Table: 2(g):- Item-specific Analysis of Crude Steel To Finished Steel Equivalent (in 000 T) – during Apr-Jun, 2019

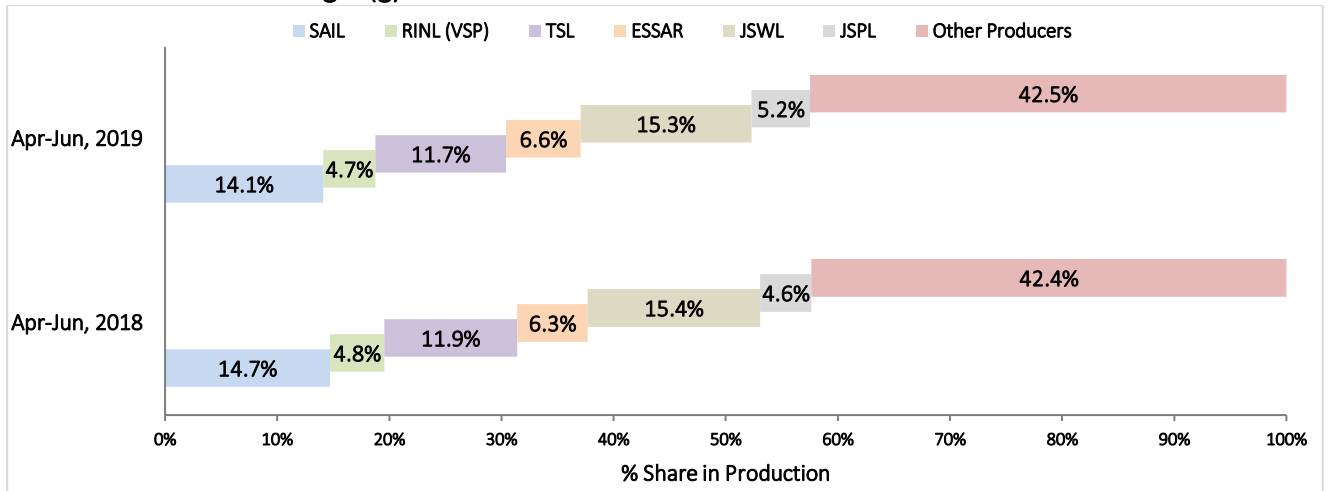
Items	Production	Import	Export	Availability	Stock as on 01-Apr-2019	Stock as on 30-Jun-2019	Stock Added during June-19	Consumption
Semis	27,905	142	495	27,552	420	566	146	27,406
Bars & Rods	11,191	102	81	11,212	6,940	8,107	1,167	10,046
Structurals	1,934	11	42	1,904	197	398	201	1,702
Rly. Materials	387	10	0	397	182	233	51	346
PM Plates	1,179	100	54	1,225	579	519	-60	1,285
HRC /Strips	10,620	1,130	685	11,064	4,488	5,188	700	10,364
Alloy-Non-Flat	661	78	17	722	192	100	-92	815
Alloy-Flat	64	154	49	170	227	222	-5	175
Stainless Non-Flat	147	11	35	122	0	0	0	122
Stainless-Flat	258	129	52	335	18	18	0	335
FnS-Non-Flat	14,320	212	175	14,357	7,511	8,838	1,327	13,031
FnS-Flat	12,121	1,513	840	12,794	5,312	5,947	635	12,159
Finished Steel (FnS)	26,441	1,725	1,014	27,151	12,823	14,785	1,962	25,190

Source: JPC

2.7 Performance Comparison between Primary and Secondary Sectors

I. Crude Steel

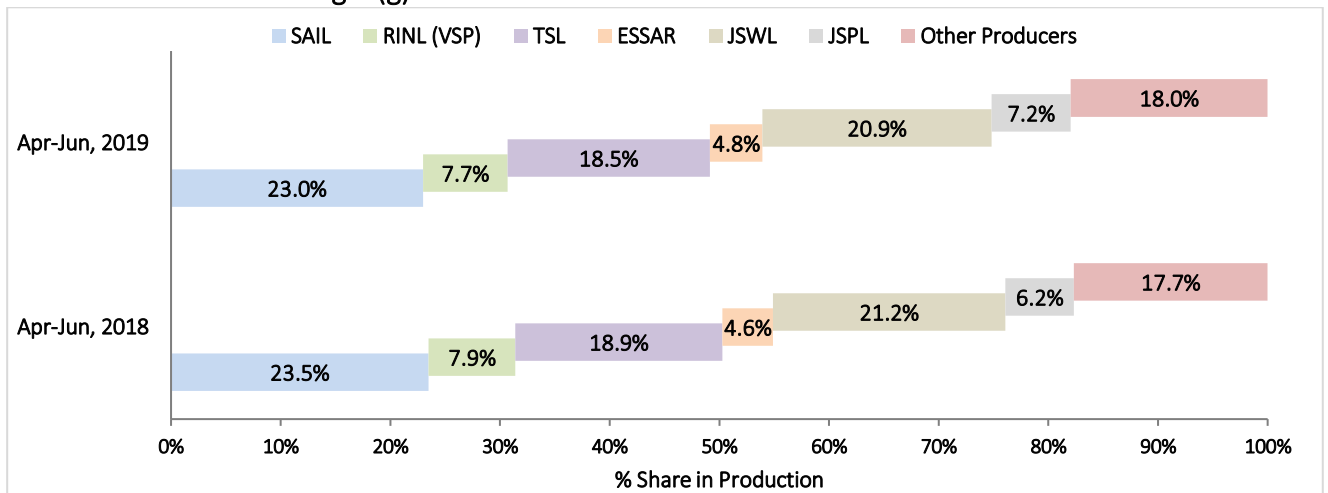
Fig. 2(g).1:- Producer-wise Share in Crude Steel Production



- During Apr-Jun, 2019, even though, crude steel production has increased by 4.0% over Apr-Jun, 2018, the share of production of major producers (JSWL, SAIL and TSL) has **decreased** in Apr-Jun, 2019 over the same period of previous year.
- Share of production of secondary sector has also grown from 42.4% in Apr-Jun, 2018 to 42.5% in Apr-Jun, 2019.

II. Hot Metal

Fig. 2(g).2:- Producer-wise Share in Hot Metal Production



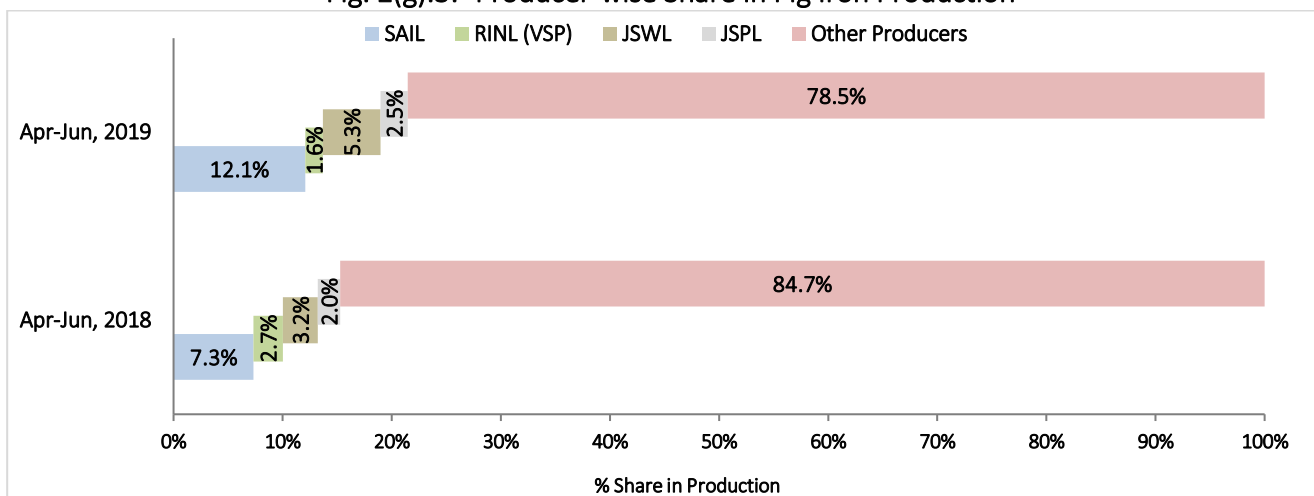
- During Apr-Jun, 2019, the share of production of hot metal by SAIL, JSWL and TSL has **decreased** w.r.t Apr-Jun, 2018; however, their overall production has **increased** during Apr-Jun, 2019 over the same period of previous year.
- Share of **production** of hot metal in **secondary sector** has increased during Apr-Jun, 2019.

III. Pig Iron

- During Apr-Jun, 2019, share of production of Pig Iron has **increased** from 7.3% in Apr-Jun, 2018 to 12.1% in Apr-Jun, 2019.

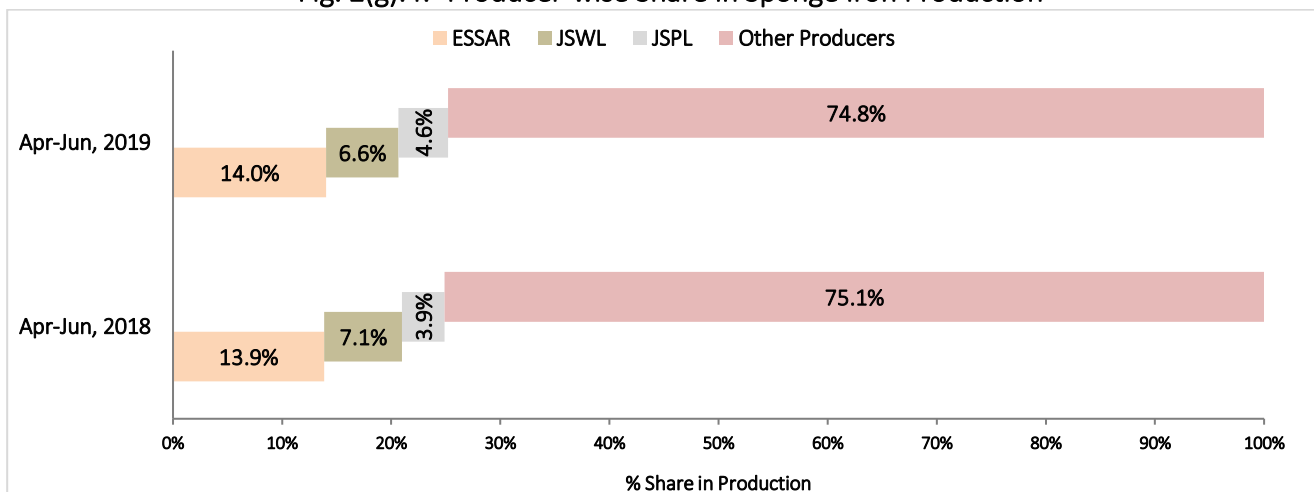
- However, the share of production of the **secondary sector**, the **major producer of pig iron** in India, has seen a **decline** in Apr-Jun, 2019.

Fig. 2(g).3:- Producer-wise Share in Pig Iron Production



IV. Sponge Iron

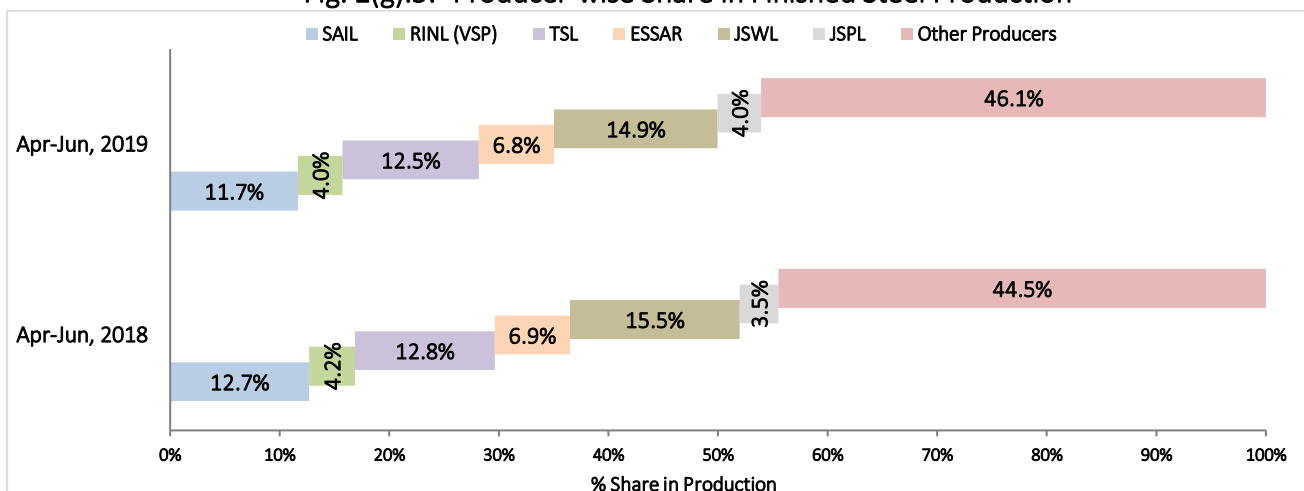
Fig. 2(g).4:- Producer-wise Share in Sponge Iron Production



- Share of production of Sponge Iron by ESSAR and JSPL has increased during Apr-Jun, 2019.
- Although the **secondary steel sector** is the **major producer** of Sponge iron in India, its **share in production** has **decreased** during Apr-Jun, 2019.

V. Finished Steel

Fig. 2(g).5:- Producer-wise Share in Finished Steel Production



- The **majority** of finished steel is produced by the **secondary** steel sector in India and during Apr-Jun, 2019, their **share of production** has also **increased** from 44.5% in Apr-Jun, 2018 to 46.1 % in Apr-Jun, 2019.
- In the primary sector, although JSWL has **increased** its **production** during Apr-Jun, 2019, its share has decreased to 14.9% in Apr-Jun, 2019 over Apr-Jun, 2018.

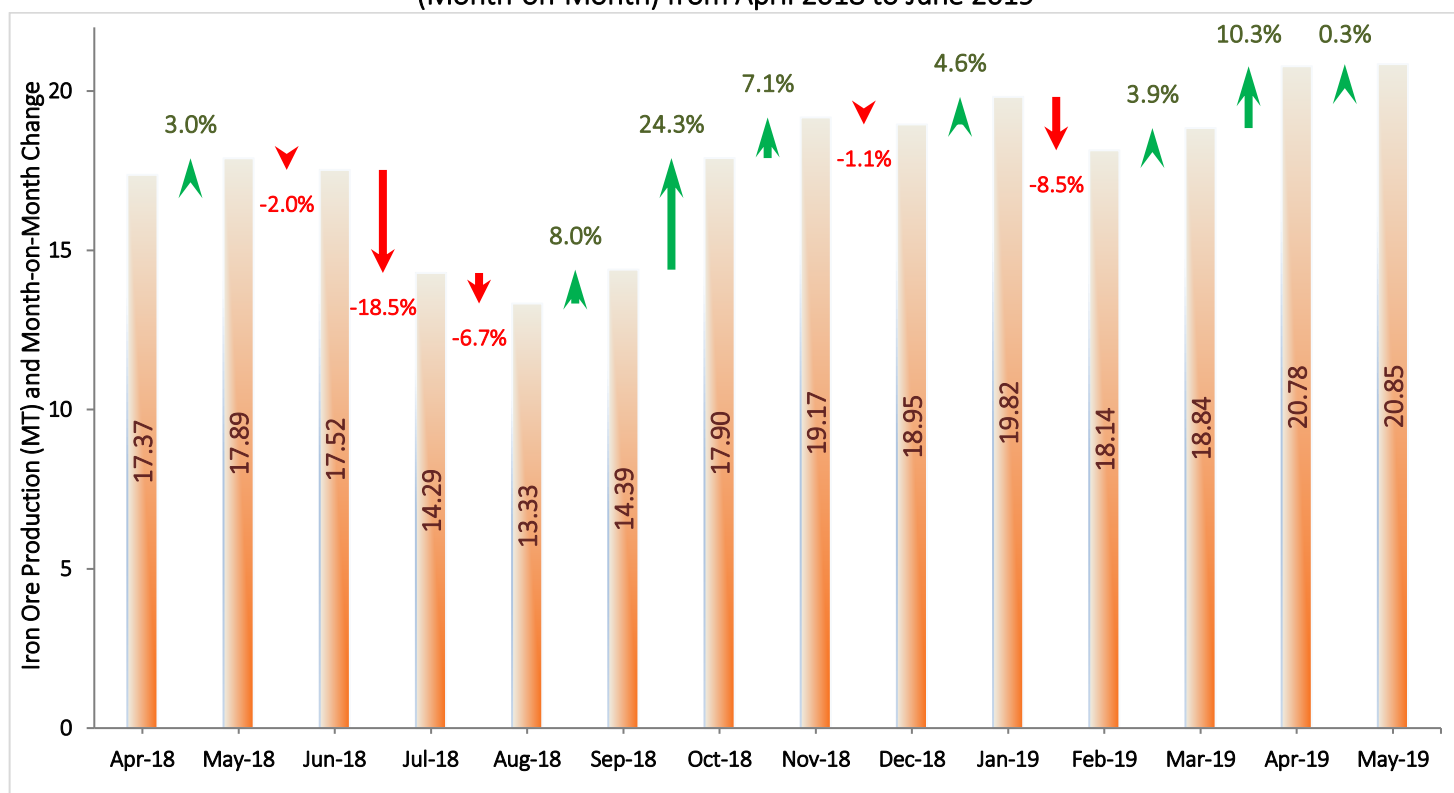
2.8 Iron Ore

- Production of iron ore has continued to increase since August, 2018 – resulting in India becoming the second largest country in crude steel production in the world.
- During May 2019, production of iron ore was 20.845 MT **having increased by 16.5%** over May 2018; while production during Jan-May 2019 was 98.532 MT **having increased by 8.9%** over the same period of previous year.

	May-19	May-18	% Change	Jan-May 2019	Jan-May 2018	% Change
Production	20.845	17.889	16.5	98.532	90.494	8.9

Source: JPC

Fig. 2(h):- Production of Iron Ore (in MT) and % Change in Production (Month-on-Month) from April 2018 to June 2019



Source: JPC