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MONTHLY UPDATE – JANUARY 2024

STEEL



TABLE OF CONTENT

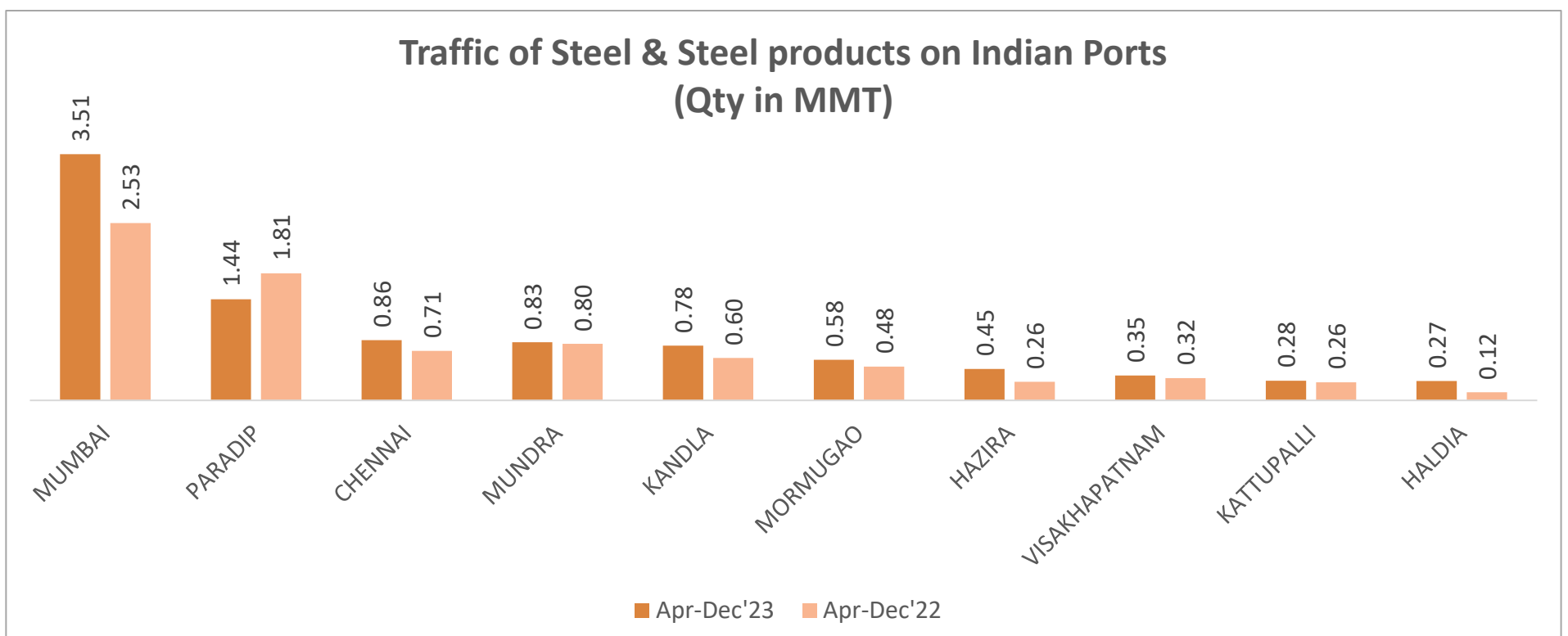
Port analysis	3
Indian Steel Scenario	5
Key highlights	7
Market overview	7-8

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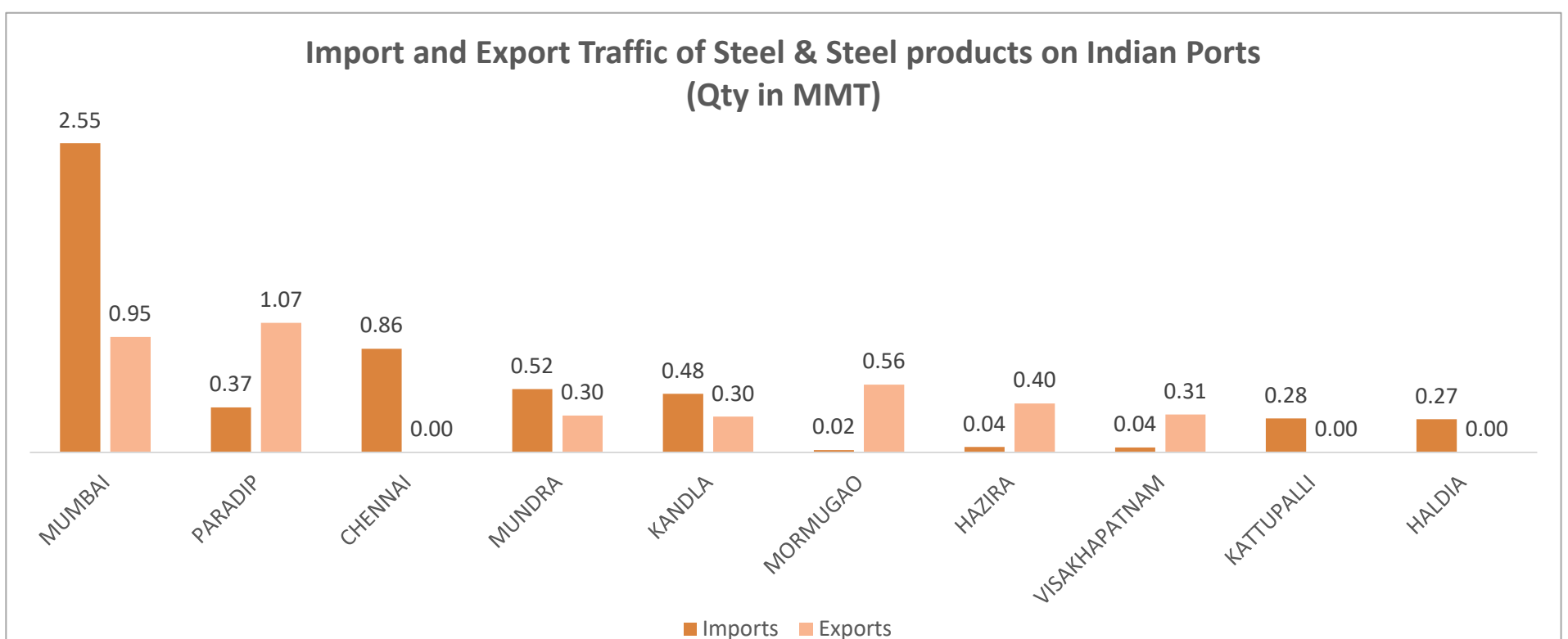
PORT ANALYSIS

STEEL TRAFFIC AT INDIAN PORTS (Quantity in MMT)

- Steel & Steel Products traffic at Indian ports during Apr-Dec'23 was up by 13.37% at 10.44 MMT as compared to 9.05 MMT recorded for same period of previous year. Mumbai & Paradip ports handled 3.51 MMT and 1.44 MMT respectively of steel traffic during Apr-Dec'23.
- Steel & Steel Products traffic at Indian ports during Dec'23 was up by 20.85% at 1.42 MMT from 1.12 MMT recorded for same period of previous year. Mumbai port recorded the highest traffic at 0.52 MMT followed with Paradip port at 0.18 MMT in Dec'23.



- India's Exports of steel & steel products decreased by 2.85% at 4.40 MMT in Apr-Dec'23 as compared to the same period in the previous fiscal. Paradip port saw the highest Export traffic at 0.95 MMT.
- India's Imports increased by 25.24% at 6.04 MMT in Apr-Dec'23. Mumbai Port saw the highest Import traffic at 2.55 MMT.

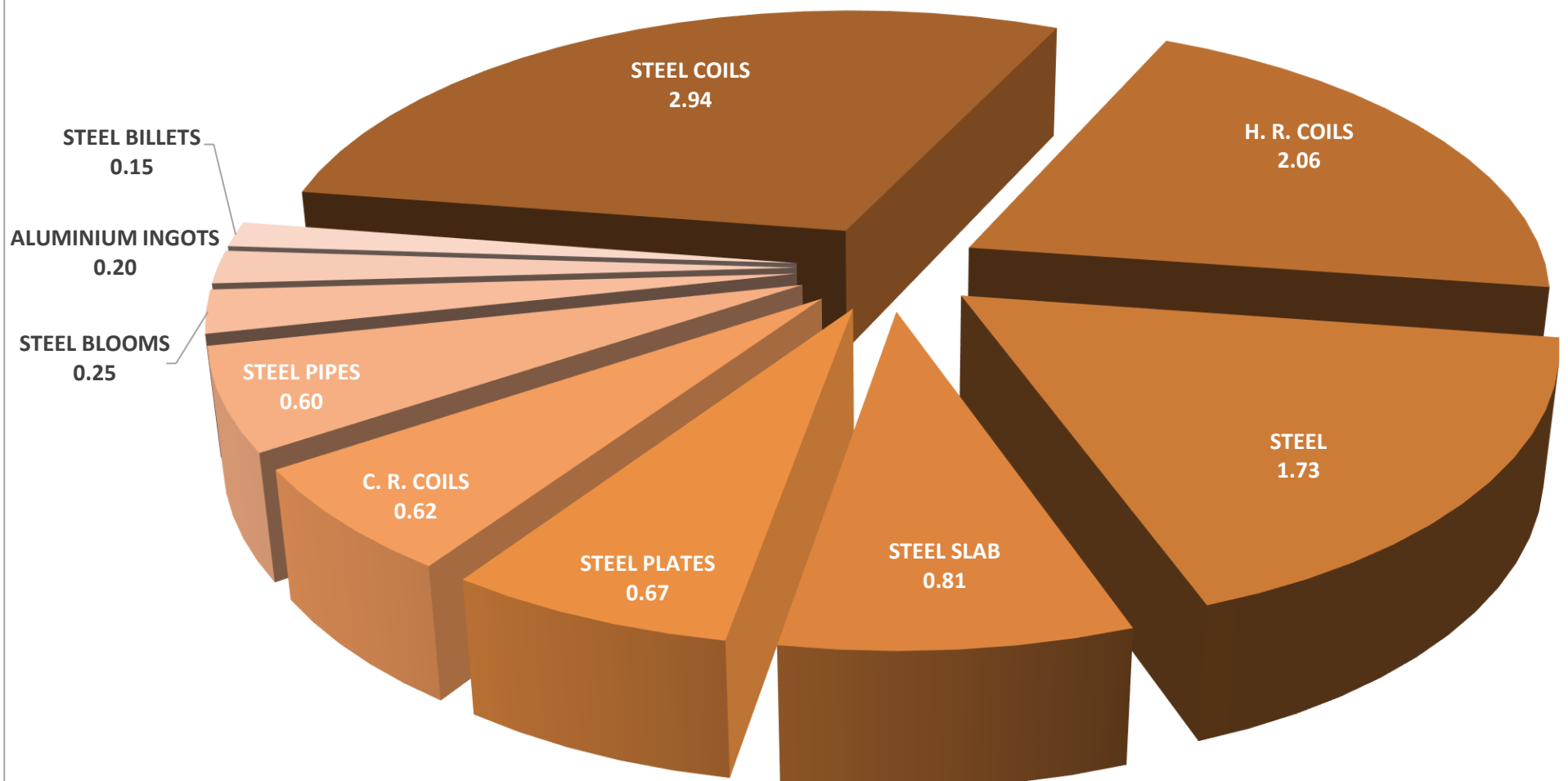


PORT ANALYSIS

STEEL TRAFFIC AT INDIAN PORTS (Quantity in MMT)

- The highest Imported product was Steel coils at 1.73 MMT in Apr-Dec'23.
- The highest Exported product was Steel coils at 1.21 MMT in Apr-Dec'23.
- Indian ports saw the highest port traffic of steel coils at 2.94 MMT in Apr-Dec'23.
- Steel coils, H.R.C., Steel, steel slab and steel plates had the highest traffic on Indian Ports.

Traffic of Top 10 Steel and Steel Products on Indian Ports in Apr-Dec'23





INDIAN

STEEL SCENARIO

EXPORTS

India's steel mills look at larger play in export markets

- April to November India's steel exports were 6 mt
- Indian mills continued to witness a rise in orders from European Union nations and also looking to resume supplies to the Middle East late-January onwards.
- Between April and November, finished steel exports to the key markets of Middle East continued to exhibit slowdown signs, with Indian mills losing out to lower priced competing offerings from China.
- Upcoming exports shipments involving around 20,000t is finalized to Middle East for late-January to mid- February.
- Indian mills continued to witness a rise in orders from most EU nations.
- Italy, the largest buyer for the eight-month period, saw a 35 per cent y-o-y jump in shipments to 0.75 MT ; as against 0.55 MT. Spain was another large buyer of Indian steel at 0.31 MT, up 70 per cent y-o-y. Shipments stood at 0.19 MT in the same period last year. and Orders from Belgium remained more or less stable at 0.33 MT levels.

IMPORTS

- April to November India's steel imports were 4.3mt with one out of every three shipments coming in from China. Chinese shipments are up by nearly 50 per cent YoY, while shipments from Vietnam – which are mostly of Chinese origin – is up nearly 500 per cent.
- Bharat Border Adjustment Mechanism (BBAM) is proposed, under which 8-12 per cent or at least 8 per cent duty under of proposed BBAM duty needs to be levied on all steel imports.



KEY HIGHLIGHTS

- **India's steel production grows 11% to 11.7 MT in November; global output at 145.5 MT**
- **JSPL ties up with RINL to secure supply of liquid steel to upcoming Angul plant**
- **India's steel import to be elevated at 6MT in FY24 on strong demand**
- **Jindal Steel and Power plans to make Angul facility India's largest single-location steel plant**



MARKET OVERVIEW

Jindal Steel & Power commissions 6 MTPA hot strip mill in Odisha.

- *Inauguration of the hot strip mill is pivotal for the company's foray into the flat products market*

Jindal Steel & Power Ltd, announced the commissioning of its 6 million tonnes per annum (MTPA) hot strip mill at its steel manufacturing facility at Angul in Odisha. The inauguration of the hot strip mill is pivotal for the company's foray into the flat products market. The mill was commissioned in a record time of 29 months, the company said in a statement, and the hot strip mill produced the first set of coils on January 10. The coils were dispatched on January 15. "The hot strip mill is capable of producing 1.00 mm thick and 1,680 mm wide coils and is equipped with advanced features like transfer bar cooling, edge heater, coil box, and heat shields, ensuring top-notch flatness, uniform mechanical properties, and production of superior value-added grades," it further added. Offerings find use in sectors such as auto, construction, oil, downstream cold rolling, galvanising and colour coating.

Source: *The Hindu Business Line*



MARKET OVERVIEW

No extra tariffs on steel exports to US

India and the US have agreed on the terms for joint monitoring of the former's steel and aluminium exports to the world's largest economy. India's exports of steel to the US stood at \$4 billion in FY23. India and the US have agreed on the terms for joint monitoring of the former's steel and aluminium exports to the world's largest economy, without being subjected to additional duties.

This follows the two sides deciding to end all bilateral trade disputes that were pending at the World Trade Organization during Prime Minister Narendra Modi's state visit to Washington in June 2023. India's department of commerce has finalised the terms of references with regard to the joint monitoring mechanism to enable exports of certain steel and aluminium products to the US, without paying extra duties, and the US has conveyed its agreement with the proposed text, a senior official said.

These duties – at 25% and 10% on certain steel and aluminium products, respectively – were also imposed on a few other countries, including China, Russia, Norway, Turkey and Switzerland. The June decision also included India waiving its additional duties of 20% each on apples and walnuts, and `20 per kg on almonds imposed on imports from the US in 2019, over most-favored nation (MFN) tariffs. These extra imposts were in retaliation to the US' state protectionist measure of increasing tariffs on specified steel and aluminium products.

Of course, there will be no reduction on the MFN duties on apples, walnuts and almonds, which still apply to all imported products, including US-origin products, at 50%, 100% and `100 per kg, respectively. The new mechanism will help ensure that exports of steel and aluminium progress smoothly. It would meet every six months to resolve any disputes that may arise and ensure that the mechanism is functioning smoothly.

Within the government, an inter-ministerial mechanism has been set up for overseeing that Indian exports of steel and aluminium enter the US without additional duties. Departments of mines, steel and department for promotion of industry and internal trade (DPIIT) are part of the group. If Indian exporters face any bottleneck or problem, it would be conveyed to the commerce ministry and will be taken up with the US during the meetings of the joint monitoring mechanism.

Source: The Financial Express



OTHER REPORTS FOR JANUARY 2024

- J. M. BAXI & CO. Monthly Agri Products Update
- J. M. BAXI & CO. Monthly Automotive Industry Update
- J. M. BAXI & CO. Monthly Cement Update
- J. M. BAXI & CO. Monthly Coal Update
- J. M. BAXI & CO. Monthly Container Update
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