

Steel exports surge in Feb, but India still a net importer

Abhishek Law

New Delhi

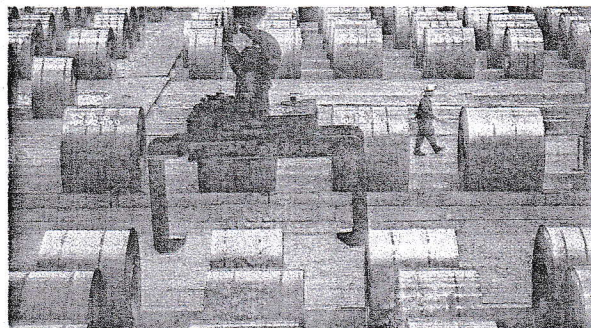
In February, India's steel exports reached 1 million tonnes, a roughly 21 per cent surge compared with January, a report from the Steel Ministry accessed by *businessline* shows. Meanwhile, steel imports remained steady at 0.76 million tonnes. The country was a net exporter for the second straight month this year.

On a year-on-year (y-o-y) basis, outbound shipments increased 78 per cent in February and finished steel shipments coming in went up 29 per cent.

DEFICIT COMES DOWN

Exports stood at 0.8mt in January 2024, while imports was 0.77 mt for the month.

According to a Steel Ministry official, the import situation is "gradually improving" and it is being closely monitored. The fluctuations are



IN SPOTLIGHT. Imports outpaced exports during the April-Jan period by 1.1 mt, the highest in recent times REUTERS

seen as a short term phenomenon.

Increase in exports saw the country bring down the deficit (in volume terms) between shipments going out and coming in.

India continued to be a net importer at 0.9 mt for the first 11 months of FY24 (April - February), with the gap narrowing by 0.2 mt. For 11MFY24, imports were at

7.58 mt — up 36 per cent y-o-y, while exports were at 6.65 mt — up 13 per cent.

Imports outpaced exports during the April to Jan period by 1.1 mt, the highest in recent times.

"Exports are witnessing an up-trend over the last few months with Q4 (Jan - Mar) seen as a seasonally strong quarter. Global production glut is down. Imports have sta-

bilised too. So if all things remain constant, the difference (between export and import) should even out soon," an exporter said.

As per the Steel Ministry report, exports of non-alloy steel — which is the key offering — saw an over 100 per cent y-o-y increase in February to 0.98 mt, accounting for majority of shipments made. In February 2023, the exports were at 0.49 mt. On the other hand, alloyed and stainless steel exports saw a 44 per cent increase to 50,000 tonnes. Exports in the segment stood at 90,000 tonnes in the year-ago period.

For imports, non-alloyed steel shipments coming in saw a 42 per cent increase to 0.61 mt last month, while alloyed and stainless steel shipments declined by 4 per cent to 0.155 mt. In the year-ago-period, non alloyed steel imports stood at 0.43 mt while alloyed and stainless steel shipments were at 0.161 mt.

CM
YK