

# Steel exports up 30% sequentially in December

**Abhishek Law**

New Delhi

Exports of Indian steel mills increased 31 per cent in December over November, indicating improved sentiments post withdrawal of export duty by the Centre from November 19.

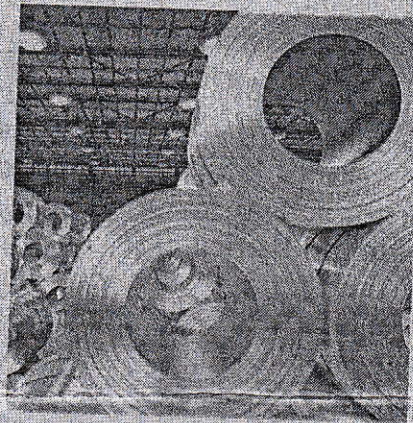
Key export offerings of non-alloyed steel saw their highest ever sequential growth this fiscal, in December, of 271 per cent (over the previous month), while alloyed steel exports halved. However, global recessionary pressures and previous impact of duty levy on exporters continued to impact the overall numbers, with exports nearly halving (down 54 per cent year-on-year) for the April-December period, a report of the steel ministry accessed by *businessline* shows.

A 15 per cent export duty was levied in May as an anti-inflationary measure.

## EXPORT NUMBERS

For the first nine month period of FY23, steel exports plunged to 4.74 million tonnes (mt) from 10.33 mt in the same period of the preceding fiscal. In December, India exported 442,000 tonnes against 338,000 tonnes in November, the report said.

In December, alloyed steel export was around 324,000 tonnes (81,000 tonnes in November) and non-alloyed was 118,000 tonnes (251,000 tonnes in



November). "Sentiments improved visibly after export duty withdrawal was announced. It will take some time for these to reflect in numbers. December saw increased queries coming in from Europe and shipments are set for deliveries in January. Because of the holiday season coming in the Western world, order placements were a bit lower than expected," a trade source said.

## BETTER PRICING

Indian hot rolled coil producers reportedly withdrew their existing quotes from the market in December on anticipation of better prices in January.

International prices, too, have firmed up beginning January — by \$30-50 a tonne — thereby providing some cushion to mills to raise prices. In fact, deliveries for Vietnam is being quoted at \$630-640 per tonne; while offers from Europe are at \$670-680 per tonne.

In December, some of the mills concluded deals at \$640-650 per tonne for Europe.