

Steel exports continue to soften, down 66% in October

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India's steel exports dipped 66 per cent in October – the highest for this fiscal – to 360,000 tonnes on the back of weakened global demand and higher price compared with competitors. Exports in October 2021 export was 1.05 million tonnes, according to Steel Ministry data.

Sequentially (October vs September) exports dipped nearly 40 per cent. The decline was across all categories including non-alloy steel, alloyed and stainless steel.

Steel export has been on a slide since of the beginning of this fiscal (April onwards) as recessionary fears and geopolitical unrest led to slow demand and a downturn in the metal cycle.

For the seven-months (April to October) in current fiscal, exports dipped 55 per cent year-on-year to 3.9mt (8.8 mt). Meanwhile, imports for the period rose substantially by 14 per cent to 3.15 mt.

“Indian export offerings are quite costly now considering the global fall in steel prices. The export duty levied

continues to drag down numbers,” a trade source said adding that in some offers “import prices were lower”.

Incidentally, the country turned net importer of steel (imports exceeding exports) in October – the second time this fiscal.

BUCKING TREND

As per data available, alloy and stainless steel exports witnessed a strong pick-up.

In October 2022, the category saw a 205 per cent rise – the highest in recent times – recording an overseas sales of 295,000 tonnes. Sales in the corresponding period last

year (October 2021) was 97,000 tonnes. For the first seven months of this fiscal, there was a 145 per cent rise in alloy and stainless steel exports, to 1.64 mt as against 0.7 mt, in the year-ago-period.

However, non-alloyed steel exports – the key segment that has so far been driving export numbers – witnessed a 93 per cent drop to 65,000 tonnes last month. Exports were 958,000 tonnes for the same month (October) last year.

During the seven-month period, the category witnessed a 72 per cent fall y-o-y to 2.32 mt.