

J M BAXi
THE PORT SPECIALIST
MARINE SERVICES



MONTHLY UPDATE – APRIL 2024

STEEL



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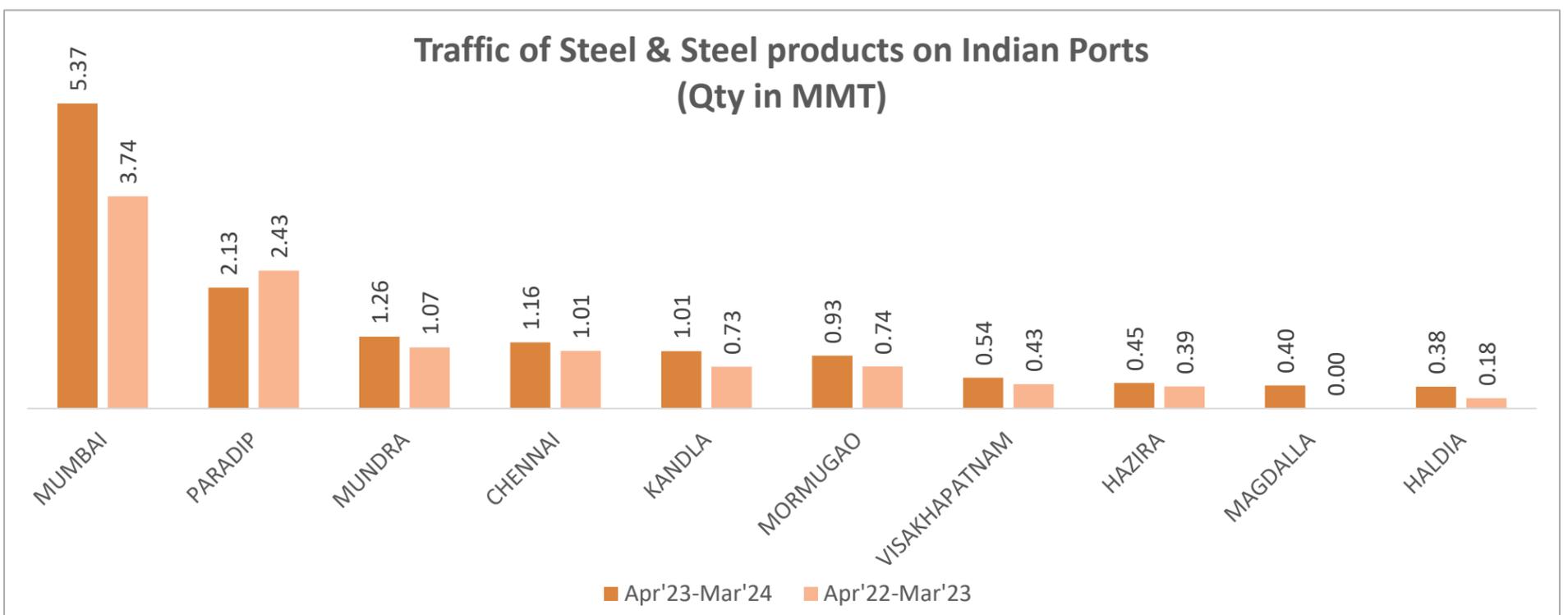
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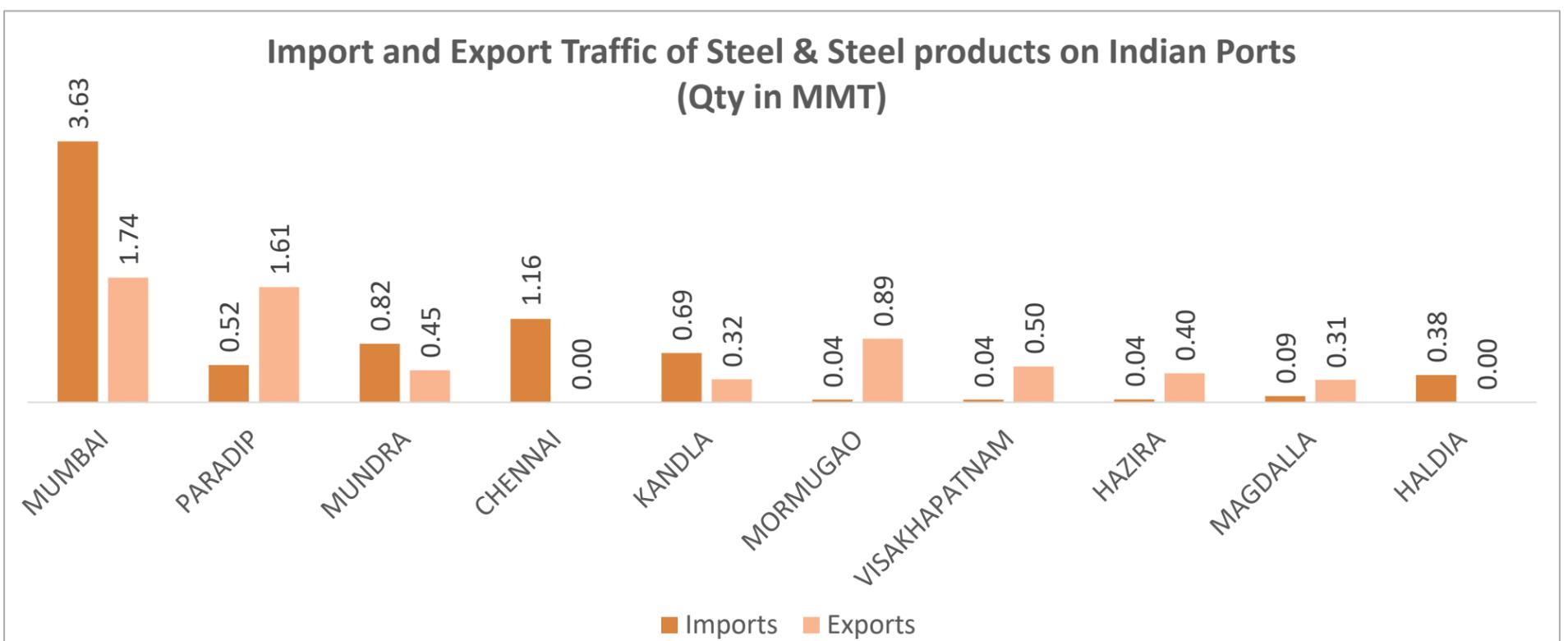
PORT ANALYSIS

STEEL TRAFFIC AT INDIAN PORTS (Quantity in MMT)

- Steel & Steel Products traffic at Indian ports during Apr'23-Mar'24 was up by 17.99% at 15.34 MMT as compared to 12.58 MMT recorded for same period of previous year. Mumbai & Paradip ports handled 5.37 MMT and 2.13 MMT respectively of steel traffic during Apr'23-Mar'24.
- Steel & Steel Products traffic at Indian ports during Mar'24 was up by 15.52% at 1.50 MMT from 1.27 MMT recorded for same period of previous year. Mumbai port recorded the highest traffic at 0.58 MMT followed with Paradip port at 0.27 MMT in Mar'24.



- India's Exports of steel & steel products increased by 8.87% at 6.80 MMT in Apr'23-Mar'24 as compared to the same period in the previous fiscal. Mumbai port saw the highest Export traffic at 1.74 MMT.
- India's Imports increased by 25.35% at 8.55 MMT in Apr'23-Mar'24. Mumbai Port saw the highest Import traffic at 3.63 MMT.

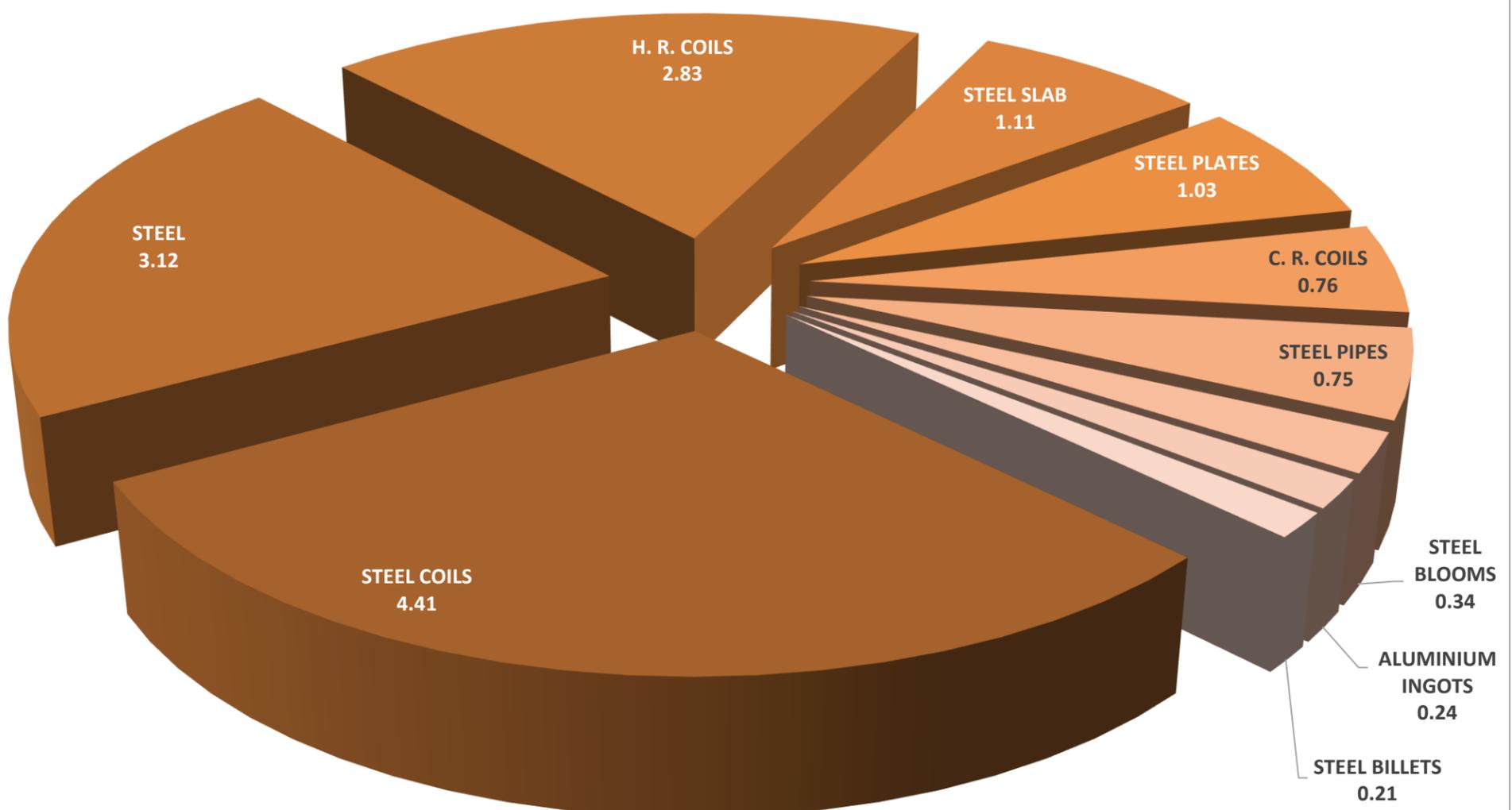


PORT ANALYSIS

STEEL TRAFFIC AT INDIAN PORTS (Quantity in MMT)

- The highest Imported product was Steel coils at 2.57 MMT in Apr'23-Mar'24.
- The highest Exported product was Steel coils at 1.84 MMT in Apr'23-Mar'24.
- Indian ports saw the highest port traffic of steel coils at 4.41 MMT in Apr'23-Mar'24.
- Steel coils, H.R.C., Steel, steel slab and steel plates had the highest traffic on Indian Ports.

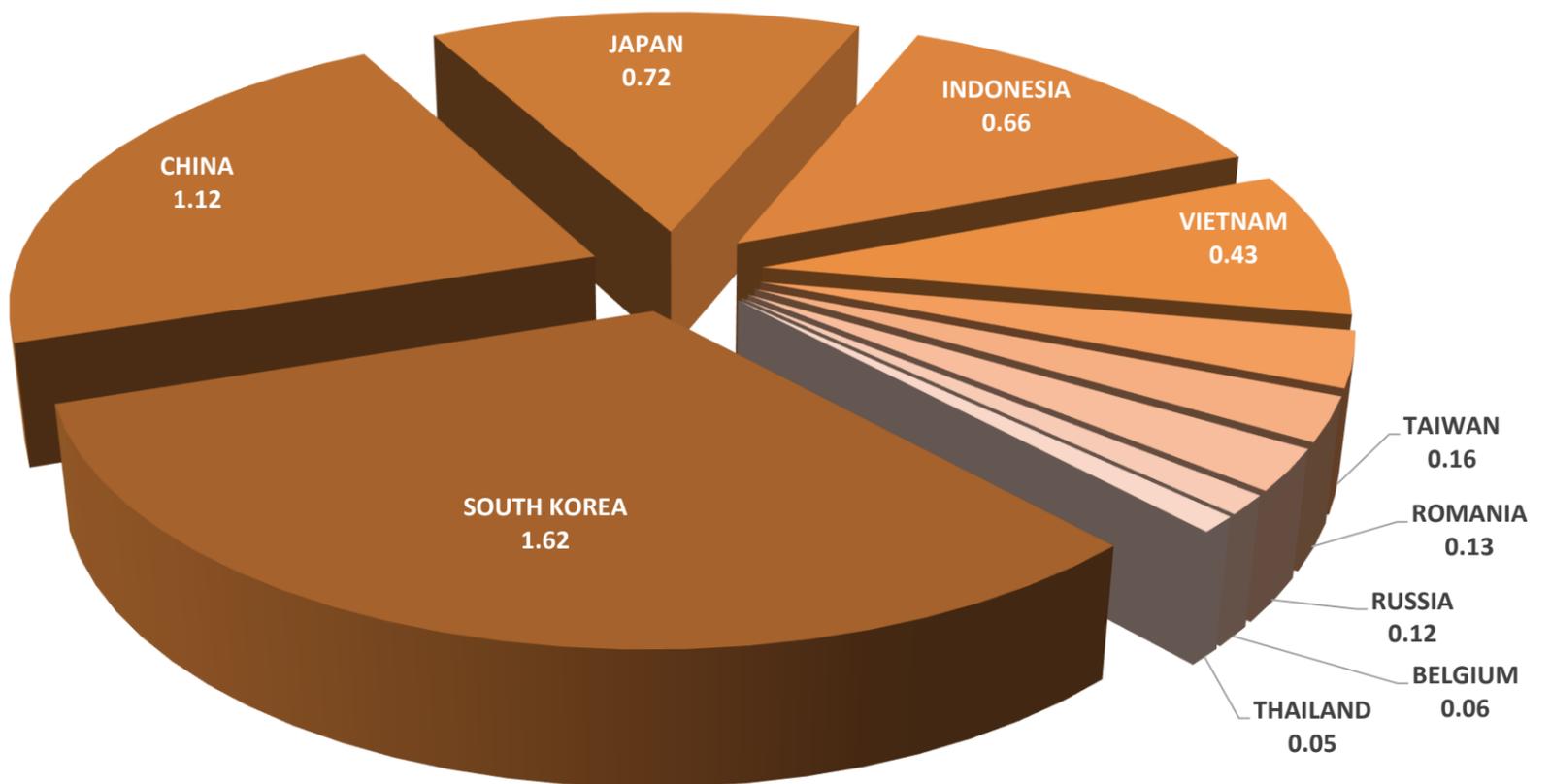
Traffic of Top 10 Steel and Steel Products on Indian Ports in Apr'23-Mar'24



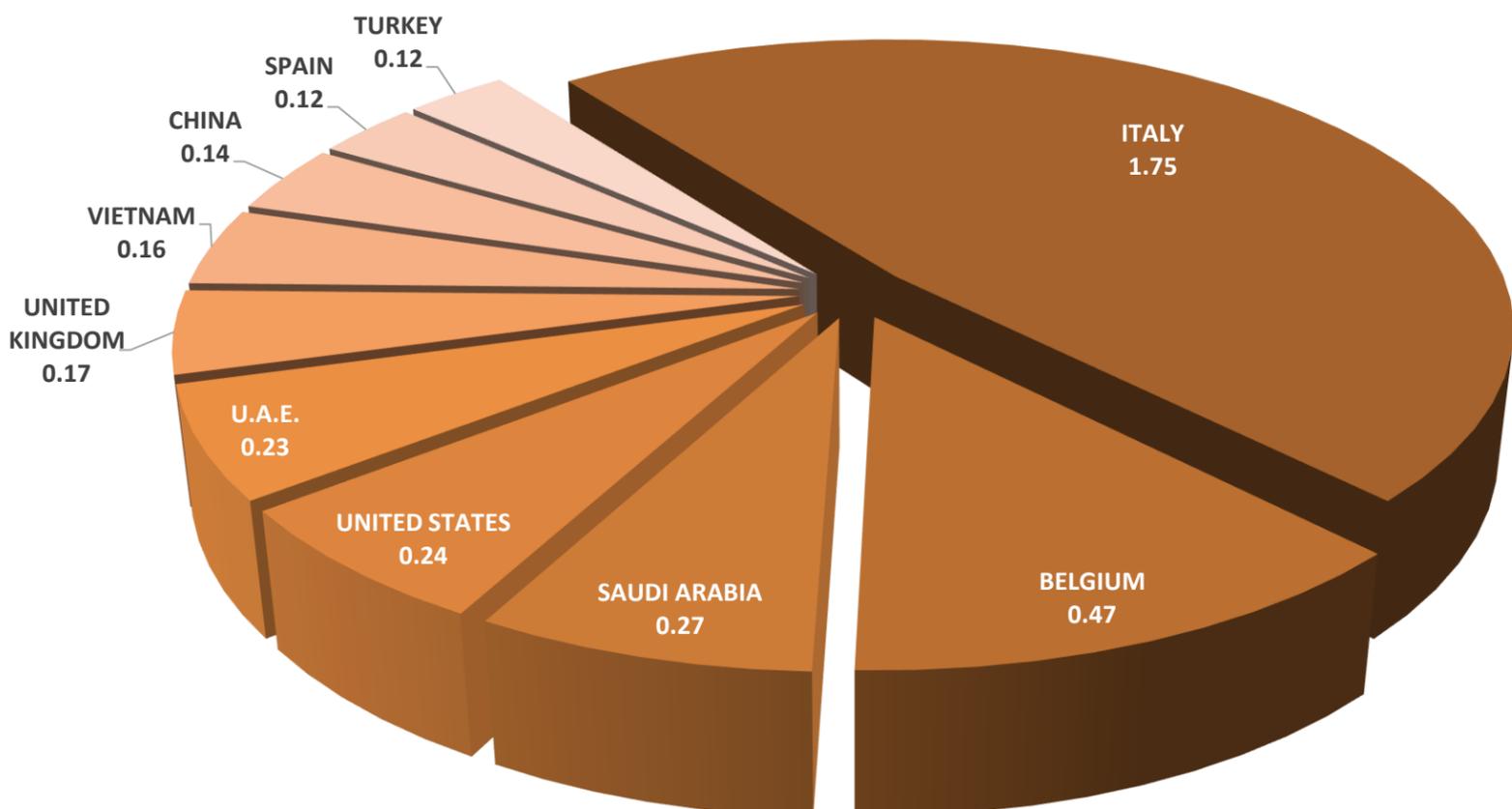
PORT ANALYSIS

STEEL TRAFFIC (Quantity in MMT)

Top 10 Countries Of Steel Imports (Apr'23-Mar'24)



Top 10 countries of steel exports (Apr'23-Mar'24)





KEY HIGHLIGHTS

- **Domestic finished steel consumption grows 13% to 136 MT in FY24**
- **India plans to raise steel production capacity three-fold by 2047**
- **ArcelorMittal Nippon Steel India in talks for \$1 bn loan**



MARKET OVERVIEW

Domestic finished steel consumption grows 13% to 136 MT in FY24

- *The country consumed 120 million tonne (MT) finished steel in the preceding 2022-23 financial year, the research firm said in a report.*

Domestic finished steel consumption has registered a growth of 13 per cent to 136 million tonnes during 2023-24, supported by increased demand from automotive and infrastructure sectors, SteelMint India said. The country consumed 120 million tonne (MT) finished steel in the preceding 2022-23 financial year, the research firm said in a report. “Demand from the automotive industry improved in FY24, along with focus increasing towards the EVs. Infrastructure and construction sectors also showed resilience with investments, mostly supported by government-funded development projects,” SteelMint said. The production of crude steel in the country rose 12.6 per cent to 143 MT over 127 MT in the previous fiscal. The development assumes significance as under the National Steel Policy, the government is aiming to increase India’s annual steel manufacturing capacity to 300 MT and per capita steel consumption to 160 kg by 2030. As per the SteelMint data, the consumption of finished steel rose 6 per cent to 33 MT in the January-March period of FY24 from 31 MT in the year-ago period. The production of crude steel was 37 MT during the quarter, 12.1 per cent more than 33 MT in the year-ago quarter.

Source: *The Indian Express*

Trade

- Steel imports into India stood at 8.3 million tonnes (MT), up 38 per cent YoY for FY24, while exports stood at 7.4 MT, up 12 per cent.
- Steel exports have been depressed on account on weak global conditions and stiff competition in Middle East markets following a glut of lower priced offerings from China.
- Consumption stood at 136 MT for FY24 , up 14 per cent YoY, against this finished steel production which stood at 138.5 MT, up 12.4 per cent YoY.
- India was a net importer – by less than 1 mt – for FY24. Imports was at 8.3 mt, against exports that stood at 7.5 mt.



MARKET OVERVIEW

India plans to raise steel production capacity three-fold by 2047

- *India aims to triple its domestic steel production capacity to 500 million tonnes per year by 2047 while reducing emission intensity to 2.25 tonnes of CO₂ per tonne of crude steel production by fiscal year 2029, with further reductions targeted by 2047. These targets surpass the goals outlined in India's Nationally Determined Contributions (NDCs) for the steel sector.*

India is looking to enhance domestic steel production capacity threefold to 500 million tonnes per annum by 2047 with lower emission intensity, officials aware of the plan said. The country also plans to reduce emission intensity to 2.25 tonnes of CO₂ per tonne of crude steel (2.25 T/tcs) production by FY29 from 2.50 T/tcs now, and even further by 2047, they said. The new targets are more stringent than the goals fixed as per India's Nationally Determined Contributions (NDCs) for the steel sector. Under the earlier goals, average CO₂ emission intensity of the Indian steel industry was projected to reduce from 3.1 T/tcs in 2005 to 2.64 T/tcs by 2020 and 2.4 T/tcs by 2030. This came to approximately 1% reduction annually. The country also targets to increase its steel-making capacity to 500 mt in 2047 from around 161 Mt at present, a senior official aware of the plans being firmed up told ET. The plan takes forward the goals defined under the New steel policy (NSP), 2017, which aspires to achieve 300 mt of steel-making capacity by 2030. NSP required an investment of around Rs 10 lakh crore for more than doubling the steel-making capability of the country from 2017 levels. Domestic iron ore availability is pegged to improve from 226 mt to 318 mt in 2047. In addition to these, the metals and mining sector can expect key reforms that allow more exploration, geological surveys and better data assessment, officials said. These goals are being finalised by sectoral groups of secretaries, along with action items to achieve them. Boosting mineral availability in India will require more funds being allocated to the National Mineral Exploration Trust (NMET). "A near-term goal is to park more monies in the NMET and improve expenditure from the fund," a second official said, adding that changes in rules are also in the offing to allow surveys in forest areas while ensuring ecological balance is maintained. "We may also organise hackathons to study the geological data being collected," the official said. Officials also indicated that vehicle scrapping is expected to remain a minor source of feedstock for steel making.

Source: Economic Times



MARKET OVERVIEW

ArcelorMittal Nippon Steel India in talks for \$1 bn loan

- *ArcelorMittal Nippon Steel India Ltd., a joint venture between two global steel giants, is in discussions with banks to raise approximately 85 billion rupees (\$1 billion), possibly the largest local-currency loan this year. Key lenders like State Bank of India, ICICI Bank Ltd., and Axis Bank Ltd. are expected to participate in the syndicated deal, earmarked for capital expenditure. The loan may extend over five years and be linked to a local interest rate benchmark.*

ArcelorMittal Nippon Steel India Ltd., a joint venture between two of the world's leading steel makers, is in talks with banks to raise about 85 billion rupees (\$1 billion), according to people familiar with the matter, in what could be the biggest local-currency loan this year to fund the firm's expansion. At least three lenders including State Bank of India, ICICI Bank Ltd. and Axis Bank Ltd. would be participating in the syndicated deal, with proceeds to be used for capital expenditure, said the people who asked not to be identified for discussing private information.

SBI, India's top bank, could lend more than half of the loan, which may carry a tenor longer than five years and be priced against a local interest rate benchmark, they said, adding that details of the lending facility are not finalized and may change. If the deal materializes, it would be the country's largest rupee-denominated loan in 2024 so far, Bloomberg-compiled data show. India's fourth-biggest manufacturer of flat steel — used in everything from consumer goods to cars — is seeking to ramp up capacity as a widely-anticipated reelection by Prime Minister Narendra Modi may spur infrastructure spending in the world's most-populated nation. ArcelorMittal Nippon Steel India, State Bank of India, ICICI Bank and Axis Bank did not immediately reply to e-mailed requests seeking comment. The steel firm had earlier held loan negotiations with a few other lenders but they couldn't agree on the cost of funding, said the people. The company is a joint venture between major steelmakers ArcelorMittal South Africa Ltd. and Japan's Nippon Steel Corp. It's India's fourth-biggest flat steel producer with an annual capacity of 8.8 metric tons as of March 2023, according to Crisil Ratings, a local credit risk assessor. Building and construction makes up 39% of India's total steel demand, with infrastructure at 27%, engineering and packaging at 21% and automotive at 12%, respectively, a Bloomberg Intelligence analysis shows.

Source: The Economic Times



OTHER REPORTS FOR APRIL 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
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- J. M. BAXI & CO. Monthly Project Cargo Update
- J. M. BAXI & CO. Monthly Seafarers Insights Update
- [J. M. BAXI & CO. Monthly Steel Update](#)

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