

Monthly Steel Update – Jul 2026

Highlights:

Crude steel production growth moderates to lowest in 2026 so far: Growth in India's crude steel production moderated to its lowest in 2026 so far at just 2% y-o-y in May'26.

Steel consumption growth improved in May'26: Consumption of finished steel pick up pace in May'26, expanding by 9.3% on year, after moderating to 8.1% in previous month.

Finished steel production recovers: At the same time, finished steel production growth improved marginally to **6.6% y-o-y** (from **6.4%**), possibly reflecting easing supply side disruptions and improved market sentiment.

China dominates imports in Apr-May'26: Finished steel imports continued to outpace exports during **Apr-May'26**, with imports rising **45.0% y-o-y** to **1.37 million tonnes** compared to a **27.5% y-o-y** increase in exports to **0.98 million tonnes**. **China** remained the largest source of imports (**0.43 million tonnes**), followed by **South Korea (0.36 million tonnes)** and **Japan (0.26 million tonnes)**, while export growth was driven by higher shipments to the **UAE** and **Vietnam**.

Average daily output moderates in India: Average daily output of crude steel fell by 2% in May'26 for India, versus previous month. China and Vietnam also recorded a decline in daily output on a monthly basis, while it improved for United States and the Middle-East.

Global crude production contracts: Global crude steel production contracted by 0.3% on year in May'26 (-0.6 million tonnes). This contraction was led by decline in production in Middle-East and China, while output improved in United States and Vietnam in y-o-y terms.

Near-term outlook: The ceasefire in West Asia conflict, though fragile has led to significant easing in supply side disruptions. Global crude prices have moderated to below \$80/barrel from the highs of \$110/barrel. The domestic consumption growth outpaced production in May'26, suggesting underlying momentum remains resilient.

Looking ahead, steel consuming sectors, specifically infrastructure, housing, and private capex could see renewed momentum, which is expected to keep domestic demand intact. However, inflationary flare-ups could reduce demand for automobiles and consumer durable. At the same time, water shortage in major cities following weaker than normal monsoon could lead to delay in construction projects and adversely impact steel demand.

Production, Trade, and Consumption

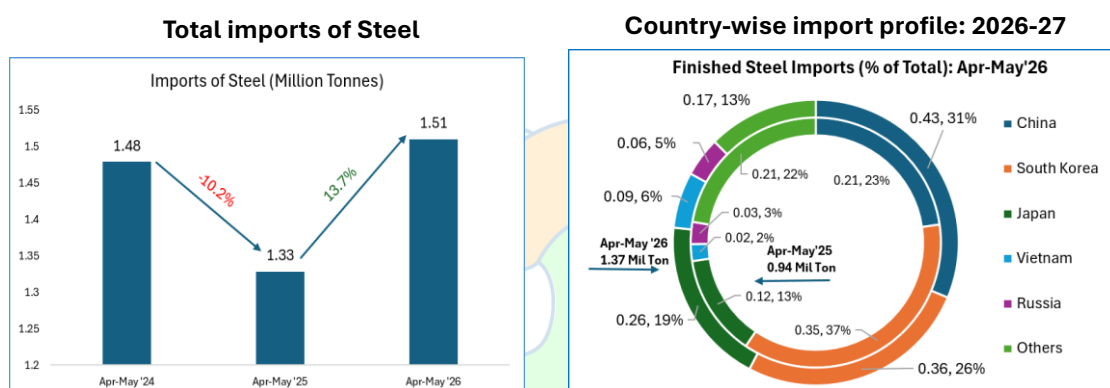
- Growth in India's crude steel production moderated to its lowest in 2026 so far at just 2% y-o-y in May'26, with total production standing at 14.1 million tonnes, as compared to 13.8 million tonnes in May'25.
- However, growth in India's total finished steel production was better at 6.6% y-o-y in May'26, improving over previous month's growth of 6.4% y-o-y. Total production of finished steel stood at 13.8 million tonnes in May'26, where growth improved for both non-alloy and stainless steel, the latter continued to lead with a healthy growth of 20.8% y-o-y.
- The total consumption of finished steel stood at 14.4 million tonnes in May'26, 9.3% higher than 13.1 million tonnes in same period last year. This was also driven by relatively faster growth in consumption of alloy and stainless steel (37.2% y-o-y).
- Easing of disruptions in supply chain following amid ongoing negotiations in West Asia conflict and the resulting improvement in market sentiments led to better growth in domestic production and consumption, as well as higher imports.

India Steel Update - May 2026						Growth (% YoY)				
	(Million Tonnes)									
	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Total Crude Steel Production	15.3	14.0	15.3	13.8	14.1	6.1	11.2	9.4	3.9	2.0
Finished Steel performance										
Finished Steel Production	14.9	13.4	14.7	13.4	13.8	13.7	8.2	6.9	6.4	6.6
Non-Alloy	13.5	12.1	13.4	12.2	12.5	12.0	6.2	5.7	5.4	5.6
Alloy and Stainless	1.39	1.27	1.33	1.22	1.32	32.8	32.7	20.7	17.8	20.8
Finished Steel Imports	0.61	0.37	0.52	0.68	0.69	-35.8	-39.8	-9.4	30.8	62.5
Non-Alloy	0.39	0.28	0.37	0.48	0.46	-38.1	-33.7	-9.0	37.3	58.6
Alloy and Stainless	0.21	0.09	0.15	0.20	0.23	-31.0	-53.5	-11.4	17.2	71.2
Finished Steel Exports	0.68	0.54	0.59	0.47	0.51	72.8	31.0	29.1	25.1	29.9
Non-Alloy	0.61	0.46	0.52	0.41	0.44	82.9	35.8	31.1	25.8	40.3
Alloy and Stainless	0.07	0.08	0.06	0.06	0.07	16.7	8.3	14.8	18.0	-13.2
Finished Steel Consumption	14.8	13.6	16.3	13.0	14.4	10.6	9.6	14.1	8.1	9.3
Non-Alloy	13.4	12.2	14.7	11.7	12.8	7.2	7.5	12.6	7.3	6.6
Alloy and Stainless	1.4	1.4	1.6	1.3	1.6	13.0	31.7	31.1	15.6	37.2

Source: Joint Plant Committee, Indian Steel Association

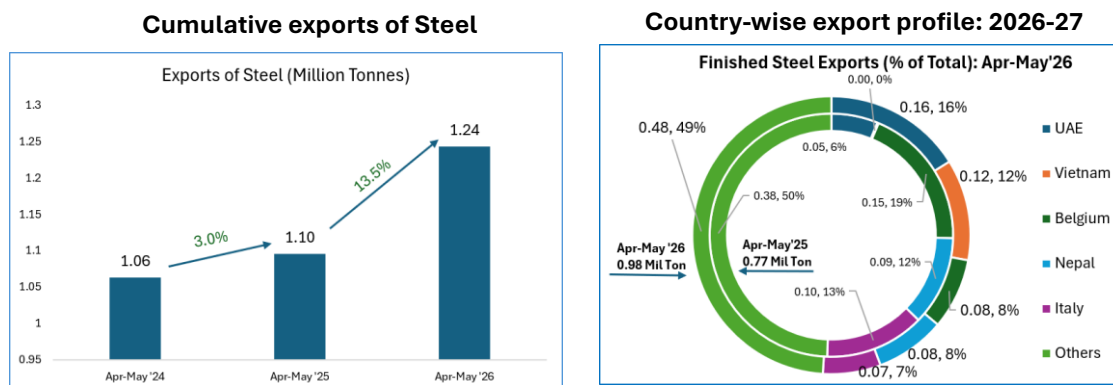
Import and Export of Steel

- Total imports of Steel, including semis and finished steel stood at **1.51 million tonnes** in Apr-May'26, up by 14.5% compared to same period last year, when total Steel imports stood at **1.33 million tonnes**.
- The growth in imports of steel was led by higher imports of finished steel, which increased by 64% y-o-y in May'26.
- In terms of imports by country, share of imports from China increased sharply to 31% in Apr-May'26 from 23% in Apr-May'25, while share of South Korea moderated to nearly 26%, from 37% in same period last year.



Source: Joint Plant Committee, Indian Steel Association

- Growth in total exports of Steel was relatively lower at 3.0% in Apr-May'26, at **1.24 million tonnes**, as compared to **1.10 million tonnes** of export in same period last year.
- Steel exports was led by finished steel, which increased by 27.5%, while exports of semis contracted 17.9% y-o-y.
- Among the major export destinations for finished steel, UAE emerged as the largest exporting market, accounting for 16% of total exports in Apr-May'26, as compared to 6% in the same period last year. Notably, Vietnam came up as a top export destination, accounting for 12% of total exports in the first two months of FY27.



Source: Joint Plant Committee, Indian Steel Association

Global Crude Steel Production

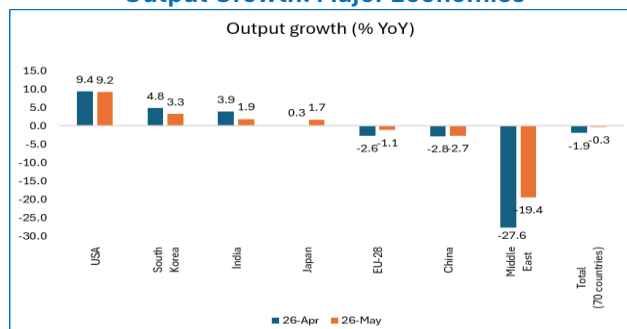
- The global crude steel production (for 70 countries) contracted by 0.3% y-o-y in May'26 to 157.9 million tonnes. In absolute terms production contracted by 0.6 million tonnes over same period last year.
- Among the major producers, production in Middle East and China continued to decline in y-o-y terms, while it improved for United States, Brazil and other Asian producers.
- In terms of average daily output, United States registered highest growth in May'26 compared to previous month, while daily output also increased for middle-east and Japan. On the other hand, China, India, and Vietnam were among the major producers registering contraction.

Global Crude Steel Production: May'26 (70 Countries)

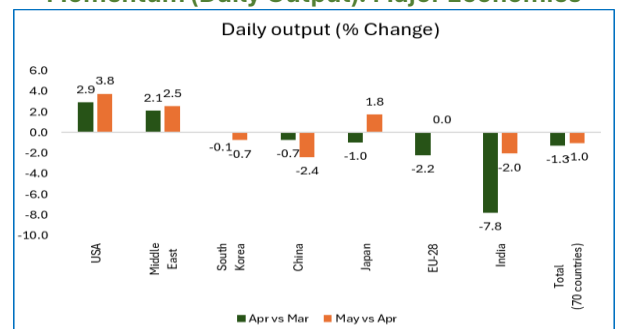
Crude Steel Production				Daily Output		Change	
(million tonnes)				% Change			
Country/Region	May-24	May-25	Apr-26	May-26	(May'26 vs Apr'26)	(% YoY)	Million Tonnes
EU-27 +UK	12.3	11.7	11.2	11.6	0.0	-1.1	-0.1
North America	9.2	8.7	9.5	10.1	3.0	15.6	1.4
USA	6.9	6.9	7	7.5	3.8	9.2	0.6
South America	3.3	3.4	3.4	3.5	0.5	3.7	0.1
Brazil	2.6	2.7	2.7	2.8	0.3	2.4	0.1
Africa	1.8	1.9	2.1	2.1	-0.9	10.3	0.2
Middle East	5.1	4.9	3.7	3.9	2.5	-19.4	-0.9
Asia (ex ME)	122	116.8	114.3	115.8	-2.0	-0.8	-1
China	93	86.7	83.6	84.4	-2.4	-2.7	-2.3
India	12.3	13.8	13.9	14.1	-2.0	1.9	0.3
Japan	7.2	6.8	6.6	7	1.8	1.7	0.1
South Korea	5.2	5.2	5.2	5.4	-0.7	3.3	0.2
Viet Nam	1.9	2	2.6	2.6	-2.5	27.2	0.6
Oceania	0.4	0.5	0.4	0.4	-5.6	-16.3	-0.1
Total (70 countries)	154.1	158.4	154.3	157.9	-1.0	-0.3	-0.6

Source: Worldsteel, Indian Steel; Association

Output Growth: Major Economies



Momentum (Daily Output): Major Economies



Note: Data for India from Worldsteel may have slight difference from the nationally published (official) sources due to changes in reporting methodology and definitions.