

Indian Steel Industry: October 2025 – A Trend Report

India remains a bright spot in the global steel industry and the steel demand in the country is expected to show a healthy growth of around 9% in both 2025 and 2026 compared to no growth and just 1.3% growth in global demand, according to the latest Short Range Outlook released by the World Steel Association. Indian steel demand will continue to charge ahead, driven by continued growth in all steel using sectors. In 2026, steel demand in India is projected to be almost 75 million tonnes higher than in 2020, worldsteel said.

WORLD ECONOMY AT A GLANCE

- The upturn in global manufacturing sector continued in October 2025, with both production and new orders registering growth during the month. The JP Morgan global manufacturing PMI rose to 50.8 in October 2025, up from 50.7 in the previous month.
- The expansion was broad-based by sub-sector, with output and new work rising across the consumer, intermediate and investment goods industries.
- The Asia (excluding China and Japan) region and the USA remained among the brighter growth spots. In Asia, India, Thailand and Vietnam were among the strong performers. Growth slowed in China, while Japan and Brazil were among the nations to register downturns. Meanwhile, the UK returned to expansion after an eleven months of contraction.
- Although global manufacturers still expect output to rise over the coming year, the overall degree of business optimism dipped to a six-month low in October 2025.

Key Economic Figures			
Country	GDP 2024: % change*	Manufacturing PMI	
		September 2025	October 2025
India	6.5**	57.7	59.2
China	5.0	51.2	50.6
Japan	0.1	48.5	48.2
USA	2.8	52.0	52.5
Eurozone	0.9	49.8	50.0
Brazil	3.4	46.5	48.2
Russia	4.1	48.2	48.0
South Korea	2.0	50.7	49.4
Germany	-0.2	49.5	49.6
Turkey	3.2	46.7	46.5
Italy	0.7	49.0	49.9
Source: GDP: official releases; PMI- Markit Economics, *provisional, ** FY 2024-25			

GLOBAL CRUDE STEEL PRODUCTION

World crude steel production stood at 1373.805 million tonnes (Mt) in January-September 2025, registering a 1.6% decline over the same period of the previous year, according to provisional data released by the World Steel Association (worldsteel). In September 2025, world crude steel production stood at 141.812 Mt, down 1.6% compared with the same month of the last year.

World Crude Steel Production (Prov)			
Rank	Top 10	Jan-Sep 2025 (Mt)	% yoy change
1	China	746.250	(-)2.9
2	India	122.402	10.5
3	USA	61.357	2.1
4	Japan	60.473	(-)4.4
5	Russia	51.306	(-)4.7
6	South Korea	46.051	(-)3.4
7	Turkey	28.069	0.6
8	Germany	25.378	(-)10.7
9	Brazil	24.982	(-)1.7
10	Iran	22.126	(-)2.7
Top 10 Total		1188.394	(-)1.7
World		1373.805	(-)1.6
Source: worldsteel			

Major observations:

- China remained the leader in world crude steel production with an output of 746.250 Mt in January-September 2025, registering a decline of 2.9% compared with January-September 2024. The country accounted for 54.3% of world crude steel production during the period under review.
- India was the 2nd largest producer of crude steel with an output of 122.402 Mt in January-September 2025, showing a yoy growth of 10.5% over the same period of the previous year. The country accounted for 8.9% of world crude steel production during the period.
- USA was the 3rd largest producer of crude steel with an output of 61.357 Mt in January-September 2025, up by 2.1% compared with the previous year. The USA accounted for 4.5% of world crude steel production during the period.
- With crude steel production of 60.473 Mt (down 4.4% yoy), Japan was the 4th largest producer of crude steel in January-September 2025.
- Russia's crude steel production stood at 51.306 Mt (down 4.7% yoy) in January-September 2025 and the country was the 5th largest producer of crude steel.

- The top 10 countries' cumulative production in January-September 2025 stood at 1188.394 Mt (down 1.7% yoy) and they accounted for 86.5% of world crude steel production during the period.
- Among the top 10 steel producing countries, only India, the USA and Turkey reported year-on-year growth in production, while others registered y-o-y decline in output during the first nine months of 2025.
- Asian crude steel production stood at 1012.670 Mt in January-September 2025, showing a decline of 1.5% yoy, led primarily by China and India, with their respective shares of 73.7% and 12.1% in total Asian crude steel production during the period.

GLOBAL DRI PRODUCTION

India led global DRI production in January-September 2025

World DRI production stood at 95.375 Mt in January-September 2025, showing a year-on-year growth of 5.1%, according to provisional data released by worldsteel.

World DRI Production (Prov)			
Rank	Top 5	Jan-Sep 2025 (Mt)	% yoy change
1	India	43.761	8.4
2	Iran	26.550	1.7
3	Russia	6.208	3.2
4	Saudi Arabia	5.080	0.2
5	Egypt	4.862	(-)1.8
Top 5 Total		86.461	4.8
World		95.375	5.1
Source: worldsteel			

Major observations:

- India remained the leader in world DRI production with an output of 43.761 Mt (up 8.4% y-o-y) in January-September 2025 compared with the same month of the previous year. The country accounted for 45.9% of world DRI production during the period under review.
- Iran was the 2nd largest producer of DRI with an output of 26.550 Mt in January-September 2025 (up by 1.7% y-o-y). It accounted for 27.8% of world DRI production during the period under review.
- Russia ranked third in terms of DRI production with an output of 6.208 Mt (up 3.2% y-o-y) in January-September 2025 compared with January-September 2024. The country accounted for 6.5% of world DRI production during the period.
- The top 5 countries accounted for 90.7% of total world DRI production in January-September 2025 with a cumulative output of 86.461 Mt, up by 4.8% y-o-y.

WORLD STEEL PRICE TRENDS

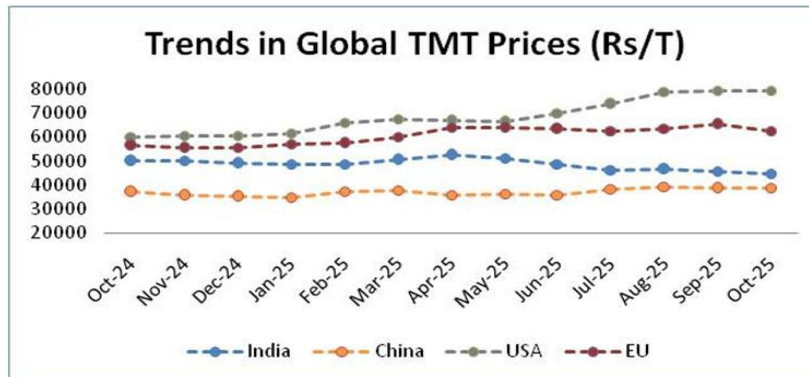
Steel prices witnessed a mixed trend in October 2025 in major steel markets like China, India, the USA and the European Union. Prices generally moved up year-on-year in major steel markets, barring only India. A similar picture could also be seen when month-on-month price data of key finished steel products were taken into consideration, barring a few aberrations. Steel prices were under pressure in India as markets continued to face headwinds from weak demand and high supply, while trading activity remained subdued in view of the festival season. For China, though prices improved y-o-y, the market sentiment was largely influenced by high inventory levels and unsatisfactory order intake, both domestically and for exports. Meanwhile, long prices remained steady with an upward bias in the USA, as buyers reported steady demand amidst expectations of a recovery in the housing market in coming months. Going forward, the movement of steel prices will be contingent upon a number of factors, including the factors as stated below.

- a) **US trade tariff:** The USA has levied high tariffs on India, potentially affecting a significant portion of Indian exports. The move places India among the most heavily penalized nations under the new tariff regime. Ongoing trade negotiations between India and the USA aim to address these concerns. However, the move is expected to affect, at least in the short run, exports of certain value-added steel to the USA among other goods.
- b) **Geopolitical Uncertainty:** Geopolitical uncertainty, including Russia-Ukraine war and Israel-Iran conflicts, are impacting supply of key raw materials like ferroalloys and coking coal and leading to higher input costs for steelmakers. Besides, sanctions imposed on Russia and Iran are also disrupting normal trade channels.
- c) **Oversupply condition:** China's overcapacity, primarily due to weak domestic demand caused by the prolonged property market crisis, is resulting in a surge in exports of steel and pushing down international iron and steel prices. Besides, it is also leading to protectionist measures by other countries like tariffs and duties, affecting the normal trade situation.
- d) **EU CBAM:** EU's Carbon Border Adjustment Mechanism may pose a significant challenge to India's exports of steel with around 60 per cent of Indian steel exports headed to Europe in 2024. The government, however, has outlined a plan to decarbonise the steel industry. The CBAM imposes a carbon charge based on carbon emissions from steel entering the EU. It will take effect in January 2026.

Long Products

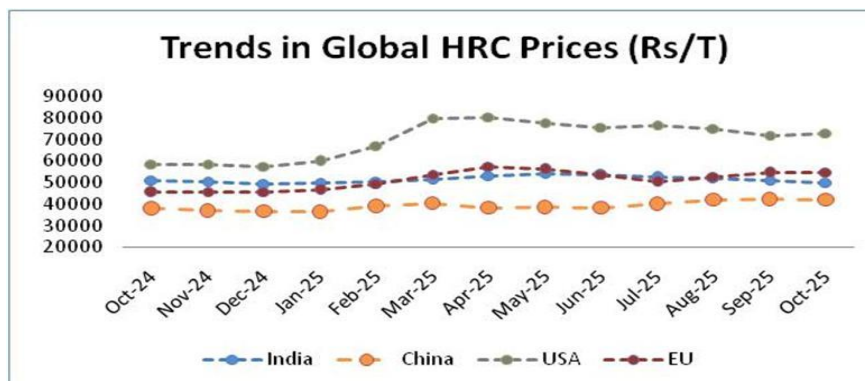
- In October 2025 TMT prices went up year-on-year in China, the USA and the European Union. In India, however, prices came down year-on-year. As regards month-on-month comparison, prices went up marginally in China and the USA, while it came down in EU and also marginally in India.

- Indian TMT prices softened with both offers and bids moving lower amid subdued demand. Prices also declined as workers have not returned to construction sites following the festival season, resulting in sluggish construction activities. In China, the market sentiment was largely influenced by high inventory levels and unsatisfactory order intake, both domestically and for exports. The approaching winter season has also contributed to a bearish outlook.
- US TMT prices held stable as most buyers reported steady demand. Distributors continued to point to “massive” TMT demand from data centers, and many expect the housing market will start to recover over the coming months.



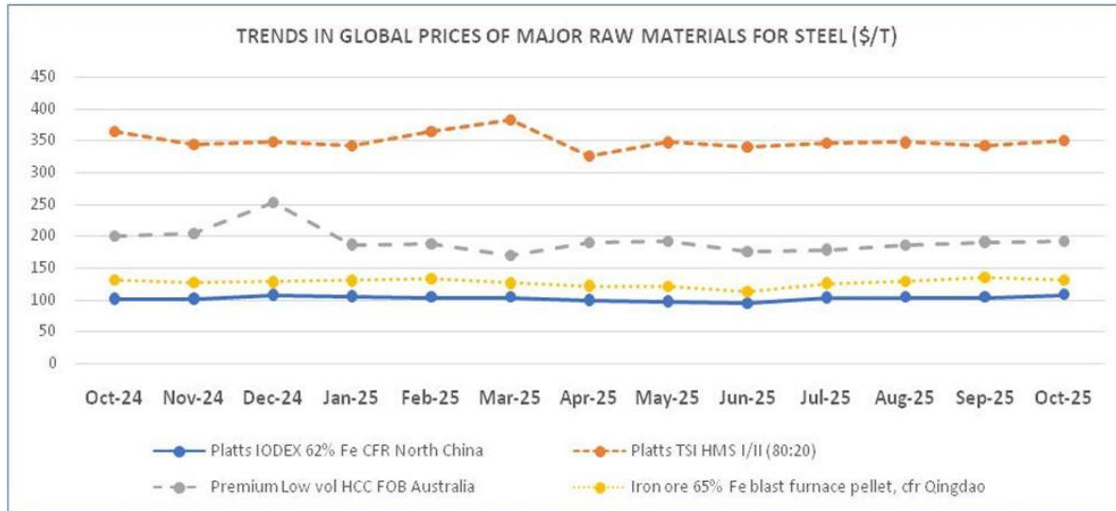
Flat Products

- In October 2025, HRC prices went up year-on-year in China, the USA and the European Union. In India, however, prices came down year-on-year. As regards month-on-month comparison, prices came down marginally in India and China, while went up in the USA and EU.
- Indian domestic hot-rolled coil prices were under pressure as the market continues to face headwinds from weak demand and high supply, while trading activity remained subdued in view of the festive season.
- European hot-rolled coil prices were on an upward trajectory as domestic mills held firm on higher offer levels for December and January delivery while import activity continued to fade ahead of the 2026 trade policy shift. Demand remained subdued across key sectors, but restocking discussions for the first quarter were beginning to pick up.



RAW MATERIAL SCENARIO

Prices of major raw materials for steel making witnessed a mixed trend in October 2025. Prices of Platts IODEX 62% Fe CFR North China and Iron Ore 65% Fe Blast Furnace Pellet went up year-on-year in October 2025. However, prices of Premium Low Vol HCC FOB Australia and Platts TSI HMS I/II (80:20) came down year-on-year in October 2025. Prices of raw material also saw a mixed trend month-on-month. (Data source: Platts)



[Source Credit: Fastmarkets Metal Bulletin, Platts, JPC (India news)]

NEWS AROUND THE GLOBE

- India's Supreme Court ruled that JSW Steel's acquisition of Bhushan Power and Steel (BPSL) could proceed. The Sept. 26 ruling comes after the court rejected JSW Steel's Rupees 193.5 billion (\$2.29 billion) resolution plan for BPSL on May 2.
- Turkish long steel producer Diler Iron and Steel targets to reduce carbon emissions by modernizing its electric arc furnace. Diler said it aims for a 20% reduction in scope 1 emissions, carbon neutrality in scope 2 emissions and a 10% reduction in scope 3 emissions by 2030.
- Eurometal has called on the European Commission to take decisive steps to tackle the escalating threat posed by imported steel derivatives and regulatory loopholes in the EU's trade defense frameworks.
- Spain's Industry Ministry awarded Eur600 million (\$700 million) to approximately 220 industrial companies to subsidize indirect CO2 costs, marking a significant doubling of funding from 2024 levels as European carbon prices continued their upward trajectory.
- The London Metal Exchange plans to introduce a new automated expiry process as a step to develop its electronic options market, and so eliminate the manual expiry process, which has been a source of operational complexity and risk.

- Austria's largest steelmaker, Voestalpine, called on the European Commission to extend free carbon allowances in the EU Emissions Trading System beyond the planned 2034 phase out, in a press release.
- Malaysian steelmaker Lion Industries plans to upgrade its steel mills to make them more efficient and cost-competitive amid challenging market conditions.
- Saudi Arabia-based 1.5 million mt/year long steel producer Al Yamamah Steel has signed a Riyal 100.6 million (\$26.8 million) contract to supply steel towers to multinational Larsen & Toubro.
- Metinvest has confirmed a preliminary interest in Romania's 3 million mt/ year integrated iron and steel works Liberty Galati.
- EURANIMI, the association representing Europe's independent stainless steel and aluminum distributors, urged the EU to tax steel in imported finished goods, and not only actual metal imports, the association said in a statement.
- Bangladesh's Abul Khair Steel has started a 1.6 million mt/ year rebar plant in Sitakunda, Chattogram, to meet domestic construction demand. This will bring its overall output to 3 million mt/year.
- Brazilian flat steel distributors' institute Inda expects a "difficult" fourth quarter for domestic steel consumption and is likely to downgrade a growth estimate for its activities this year to 1.3% from 1.5%.
- Vietnam Steel Corp. has completed the \$4.8-million sale of its entire 65% stake in subsidiary Vicasa Steel to a domestic investor amid a production halt at Vicasa.

INDIAN STEEL MARKET ROUND-UP

The following is a status report on the performance of Indian steel industry during April-September 2025-26, based on provisional data released by Joint Plant Committee (JPC) in its Monthly Report: Iron & Steel for April-September 2025-26. It is to be noted that total finished steel includes both non-alloy and alloy (including stainless steel) and all comparisons are made with regard to same period of last year.

Item	Performance of Indian steel industry		
	April-September 2025-26*(Mt)	April-September 2024-25 (Mt)	% change*
Crude Steel Production	82.065	73.227	12.1
Hot Metal Production	47.211	43.991	7.3
Pig Iron Production	4.310	4.041	6.6
Sponge Iron Production	29.464	27.003	9.1
Total Finished Steel (alloy/stainless + non-alloy)			
Production	78.445	70.721	10.9
Import	3.345	4.735	-29.4
Export	2.810	2.311	21.6
Consumption	78.860	72.797	8.3
Source: JPC; *provisional; Mt=million tonnes			

Overall Production

- **Crude Steel:** Production at 82.065 million tonnes (Mt), up by 12.1%.
- **Hot Metal:** Production at 47.211 Mt, up by 7.3%.
- **Pig Iron:** Production at 4.310 Mt, up by 6.6%.
- **Sponge Iron:** Production at 29.464 Mt, up by 9.1%, led by coal-based route (85% share).
- **Finished Steel:** Production at 78.445 Mt, up by 10.9%.

Contribution of Other Producers

- **Crude Steel:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 46.414 Mt (57% share) during this period, up by 11.1%. The rest (35.651 Mt) came from the Remaining Producers, up by 13.4%.
- **Hot Metal:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 43.828 Mt (93% share) up by 8.2%. The rest (3.383 Mt) came from the Remaining Producers, down by 2.6%.
- **Pig Iron:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 1.002 Mt (23% share) down by 4.5%. The rest (3.307 Mt) came from the Remaining Producers, up by 10.5%.
- **Total Finished Steel:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 42.810 Mt (55% share) up by 10.6%. The rest (35.635 Mt) came from the Remaining Producers, up by 11.3%.

Contribution of Public Sector Units (PSU)

- **Crude Steel:** With 84% share, the Private Sector (68.913 Mt, up by 12.0%) led crude steel production compared to the 16% contribution of the PSUs (up by 12.5%).
- **Hot Metal:** With 70% share, the Private Sector (32.981 Mt, up by 5.6%) led hot metal production, compared to the 30% contribution of the PSUs (up by 11.5%).
- **Pig Iron:** With 90% share, the Private Sector (3.889 Mt, up by 8.3%) led pig iron production, compared to the 10% contribution of the PSUs (down by 6.7%).
- **Total Finished Steel:** With 85% share, the Private Sector (66.842 Mt, up by 9.4%) led production of finished steel, compared to the 15% contribution of the PSUs (up by 20.6%).

Contribution of Flat /Non-Flat in Finished Steel

- **Production:** Non-flat products accounted for 54% share (up by 9.3%), the rest 46% was the share of flats (up by 12.9%).
 - **Import:** Flat products accounted for 93% share (down by 30.7%), the rest 7% was the share of non-flats (up by 6.5%).
 - **Export:** Flat products accounted for 83% share (up by 21.1%), the rest 17% was the share of non-flats (up by 24.0%).
 - **Consumption:** Led by Non-flat steel (53% share; up by 8.4%) while the rest 47% was
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the share of flat steel (up by 8.3%).

Finished Steel Production Trends

- At 78.445 Mt, production of total finished steel was up by 10.9%.
- Contribution of the non-alloy steel segment stood at 71.848 Mt (92% share, up by 10.3%), while the rest was the contribution of the alloy steel segment (including stainless steel).
- In the non-alloy, non-flat segment, in volume terms, major contributor to production of total finished steel was Bars & Rods (32.897 Mt, up by 9.7%) while growth in the non-alloy, flat segment was led by HRC (29.385 Mt, up by 11.7%) during this period.

Finished Steel Export Trends

- Overall exports of total finished steel at 2.810 Mt, up by 21.6%.
- Volume wise, HR Coil/Strip (0.744 Mt) was the item most exported (26% share in total finished steel).
- Italy (0.511 Mt) was the largest export market for India.

Finished Steel Import Trends

- Overall imports of total finished steel at 3.345 Mt, down by 29.4%.
- India was a net importer of total finished steel in April-September 2025-26.
- Volume wise, HR Coil/Strip (1.163 Mt, down by 44.2%) was the item most imported (35% share in total finished steel).
- Korea (1.257 Mt) was the largest import market for India (38% share in total).

Finished Steel Consumption Trends

- At 78.860 Mt, consumption of total finished steel was up by 8.3%.
- Contribution of the non-alloy steel segment stood at 71.730 Mt (91% share, up by 8.1%), while the rest was the contribution of the alloy steel segment (including stainless steel).
- In the non-alloy, non-flat segment, in volume terms, major contributor to consumption of total finished steel was Bars & Rods (32.560 Mt, up by 8.4%) while growth in the non-alloy, flat segment was led by HRC (29.636 Mt, up by 7.6%) during this period.



INDIAN ECONOMY – HIGHLIGHTS OF PERFORMANCE

GDP: As per provisional estimates of the Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation, Real Gross Domestic Product (GDP) at Constant (2011-12) Prices in Q1 2025-26 is estimated to have attained a level of ₹47.89 lakh crore, as against ₹44.42 lakh crore in Q1 2024-25, showing a growth of 7.8 per cent. Barring Mining and Quarrying sector, all the other sectors reported positive growth during the quarter under review, with the Public Administration, Defence and Other Services sector reporting the highest growth at 9.8% and the Mining & Quarrying sector registering the worst performance showing a contraction of 3.1% during the period.

Industrial Production: Provisional CSO data show that the overall Index of Industrial Production for April-September 2025-26 rose by 3.0% over the same period of the previous fiscal, encouraged by similar high levels of growth trends noted for the various sectors /sub-sectors.

Infrastructure Growth: Provisional data released by the DPIIT indicate that the Index for the Eight Core Infrastructure Industries saw a growth of 2.9% in April-September 2025-26. While three sectors ~ Steel, Cement and Electricity ~ reported positive growth, the remaining five ~ Natural Gas, Crude Oil, Fertilizers, Coal and Refinery Products reported contraction in output in April-September 2025-26. The Steel sector reported the highest growth of 11.0% during the period under review, while the Natural Gas sector reported the steepest contraction of 2.9%.

Inflation: The rate of inflation based on Consumer Price Index stood at 0.25% and that on Wholesale Price Index stood at -1.21% in September 2025. Both CPI inflation and WPI inflation came down significantly compared with the previous month.