GLOBAL STEEL DYNAMICS FORUM

2026 Recap

Steel's Age of Realignment: Conflict, Tariffs, Oversupply – Will Steel Survive or Thrive?

By Sam Kusic

Here in the back half of the 2020s, steel producers find themselves in a faster, more fragmented and more politically charged operating environment. Heightened trade tensions and changing U.S. tariff policy arising from stubbornly persistent global overcapacity have recontoured the landscape. The challenges before steel producers are abundant, but so are the opportunities, the 2026 Global Steel Dynamics Forum revealed.

(L–R): André Bier Gerdau Johannpeter, Gerdau; Uğur Dalbeler, Çolakoğlu Metalurji; Mario Arvedi Caldonazzo, Arvedi Group; Henrik Adam, Tata Steel Nederlands, EUROFER; Edwin Basson, World Steel Association

It takes a lot of heat, a lot of inputs and a lot of know-how to make high-quality steel on an industrial scale. And these days, it also takes resiliency and the ability to adapt.

Lakshmi Mittal should know. For the past 20 years, he's been paying close attention to the global industry, watching it from the helm of one of world's largest steelmakers.

"Today, markets move faster, competition is more global, technology changes constantly and companies are expected to adapt in real time. Even traditional industries like ours operate in a faster, more global, more data-driven and more environmentally constrained world than they did in 2006," Mittal told attendees of the 2026 Global Steel Dynamics Forum.

Mittal's remarks came as part of a reflection on ArcelorMittal's 20th anniversary of its inception, but also helped to succinctly describe the world in which today's steelmakers are operating.

This was the fourth installment of the Global Steel Dynamics Forum, and it brought together leaders and decision-makers from around the world for two days of discussion on the state of steelmaking today. More than 400 attended this year's event, and they traded high-level perspectives on matters such as rapidly shifting trade relationships and supply chains, excess overcapacity, and business uncertainty.

Lakshmi Mittal, ArcelorMittal

It's been 20 years since Mittal led a takeover of Europe's Arcelor SA, and Mittal took the occasion to reflect on not only the business but the state of steelmaking. Mittal said that while a steelmaker in 2026 still physically resembles one from 2006, the economics, technology expectations, regulatory pressures and pace of decision-making are very different.

"Despite all the turbulence and unpredictability of today's world, the outlook for steel is very encouraging with several demand engines having the potential to align," he said. "There are plenty of reasons to remain optimistic and excited about the future. I have no doubt that we will continue to face plenty of challenges and unexpected events. But honestly, I can say that after 50 years in the steel industry, there is no place I would rather be."

(L–R): Navit Gill, YOGIJI DIGI; Thomas Kirk, ScrapChef; Karthikeyan Natarajan, Infinite Uptime; Kiara Nirghin, Emanate, Stanford University; Timothy Van Audenaerde, Accenture; Berk Birand, Fero Labs

Shared Opportunities

Mittal noted that India's steel industry is poised for substantial growth as the country industrializes.

"The last 20 years have been characterized by China's remarkable growth. Now it is India's turn, with massive infrastructure expansion, rapid urban housing growth and energy transition infrastructure all in the cards."

Indeed, Jindal Steel chairman Naveen Jindal predicted that India's steelmaking capacity will reach its national goal and exceed 300 million metric tons of steelmaking capacity in less than 10 years.

Jindal said he believes India will hit that target in the next seven to eight years.

And it will need it, he said. The country's 1.5 billion people consume about 109 kg of steel per person per year. That's roughly half of the global average, he said.

Naveen Jindal, Jindal Steel Ltd.

Mark Millett, Steel Dynamics Inc.

"So we are very confident that in the next 20, 30 years there is going to be a lot of steel demand. We need to build a lot of houses, a lot bridges and a lot of infrastructure. Steel is the backbone of India's economic development."

In the U.S., Steel Dynamics Inc. (SDI) chairman and chief executive officer Mark Millett told attendees that SDI's Aluminum Dynamics business is finding eager buyers in an undersupplied market, along with rapid market penetration and product acceptance.

Product certifications for beverage cans and automotive sheet can take months, if not a year or more. But Millett said SDI has been receiving approvals in days and weeks.

As an example, Millett said Aluminum Dynamics recently shipped the first trial material from the first of two continuous annealing and solution heat treatment lines. The material went to a Big 3 automaker, which approved it for use in production in less than five weeks.

Philipp Englin, World Steel Dynamics

Steve Laxton, Nucor Corp.

"The market acceptance has been phenomenal," Millett said.

Meanwhile, at Nucor Corp., the company is rapidly closing in on completion of its West Virginia sheet mill, its single largest investment ever, president and chief operating officer Stephen Laxton told attendees.

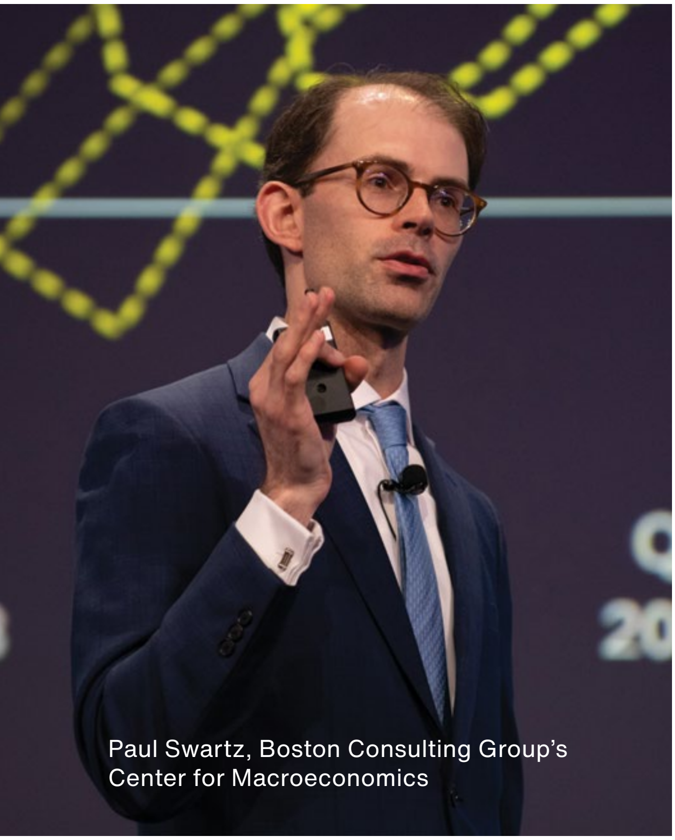
Laxton said commissioning began in May, and the company will sequence the work through the remainder of 2026.

Laxton said 2027 will be a ramp-up year for the facility, and, assuming the market bears out, the mill should be operating at 50% of capacity by then, he said.

At Cleveland-Cliffs, executives are continuing to work toward completing a transformative partnership with South Korean steel giant POSCO, chairman and chief executive officer Lourenco Goncalves said. He said that although the timing of a deal is uncertain, he is confident it will come to fruition.

"Something is going to happen. I don't know when. I'm not in a hurry. I don't know exactly what because we are not done yet," Goncalves said.

Lourenco Goncalves, Cleveland-Cliffs Inc.



Paul Swartz, Boston Consulting Group's Center for Macroeconomics

Stephen Montague, Midrex Technologies

Challenges Ahead

Despite the promising outlook for overall steel demand and successful projects that are lifting individual steelmakers, the industry faces a number of shared challenges. One of those, according to Stephen Montague, a board director for Midrex Technologies, is a projected shortage of iron ore that can be used in the direct reduction process. He said there is reason to be concerned.

The company projects 100 million tons in global direct reduced iron (DRI) demand between now and 2035. That equates to 150 million tons of iron ore. And it's not clear where that will come from.

"I think there's significant reason to be worried," he said.

He said technologies exist that allow lower-quality feedstocks to be used in producing higher-quality pellets, such as the cold agglomeration method Midrex is working on with iron ore miner Vale. The process, as an alternative to traditional pelletizing, uses chemical binders to create iron ore briquette from fines.

(L–R): Jeffrey Miller, TerraPower; Kevin Dempsey, American Iron and Steel Institute; Phillip Graeter, Energy Ventures Analysis; Edwin Basson, World Steel Association

"I think if we can validate that and make that a real technology, it gives us another good possibility to use a range of lower-quality ores."

Not only does the process allow for the use of lower-grade ores in making direct reduction-grade pellets, it can help reduce carbon emissions as it skips the need for pelletizing, he said. But that aside, DRI might not be the best choice in metallics for electric arc furnace (EAF) applications, according to Millett.

"DRI is absolutely the last thing you want to go into an electric arc furnace. It just slows the operations down. It is energy intensive. And it's high cost. The only way it makes sense is if you own the mine and you can get the fines (inexpensively)."

Decarbonization remains a shared challenge for the industry, and one participant called for greater collaboration.

Uğur Dalbeler, general manager of Türkiye's Çolakoğlu Metalurji, said decarbonization as a topic was missing from the meeting.

Uğur Dalbeler, Çolakoğlu Metalurji

"The reason we didn't discuss any of the decarbonization in this meeting for the last two days is because we don't have that global approach. We don't have that global consensus," he said. "I think this dialogue is very, very important for us to discuss all these issues sincerely in trying to find a way to achieve what we need."

He pointed out that the origin of the European Union lies in the 1952 European Coal and Steel Community Treaty. That spirit of cooperation is needed here, he said.

"If you cannot meet at a certain level, at a certain point, and make an agreement, it will always be difficult for us to achieve the final goal at the end of the day," he said.

Timothy Van Audenaerde, Accenture

Chinese Car Capacity: A New Twist in an Old Knot

For those who have grown weary of discussions on excess steelmaking capacity, Abey Abraham, managing principal of Ducker Carlisle's

(L–R): Philipp Englin, World Steel Dynamics; Max Wolman, Willy Korf Foundation; André Bier Gerdau Johannpeter, Gerdau; Guilherme Chagas Gerdau Johannpeter, Gerdau; Astrid Korf-Wolman, Willy Korf Foundation; John Lichtenstein, World Steel Dynamics; Ron Ashburn, Association for Iron & Steel Technology

automotive and materials division, offered attendees a fresh problem to consider — excess Chinese automotive capacity.

Abraham warned that Chinese auto manufacturers are ascendent and that their capacity to produce vehicles outstrips domestic demand. According to Abraham, domestic Chinese manufacturers have production scale, EV growth and domestic brand momentum. Because of it, they are increasingly setting the pace for global competition.

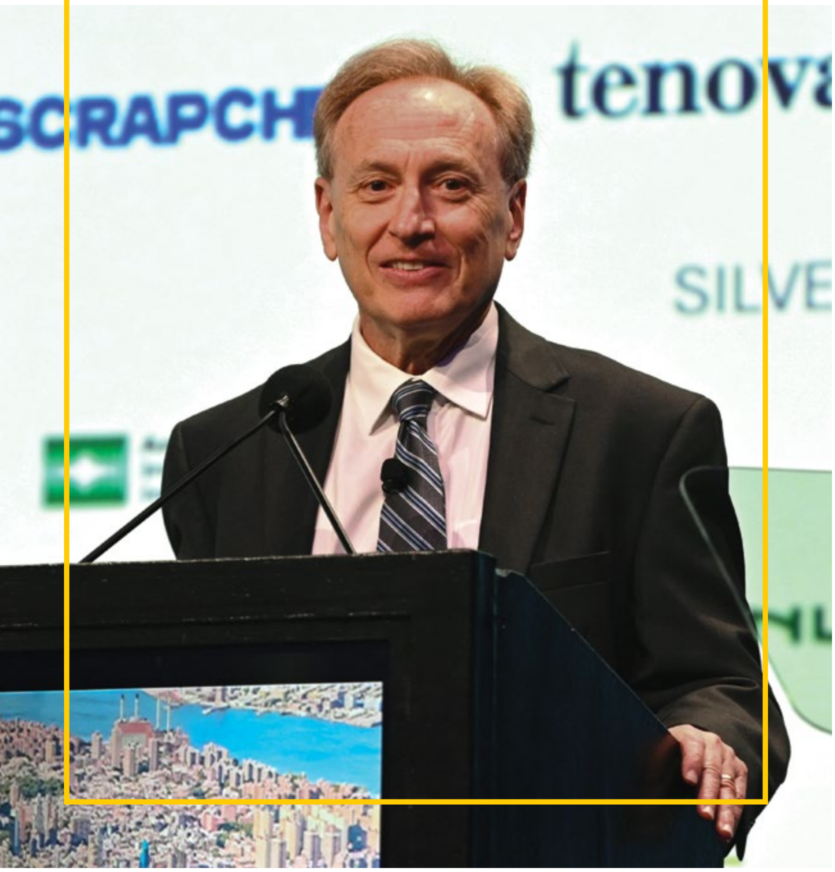
No wonder, then, that today, four of the five largest OEMs are Chinese.

And that capacity, he said, will be looking for a destination.

“Excess capacity does not stay within China,” Abraham said. “It gets exported through vehicle platforms and, increasingly, manufacturing footprints placed closer to end markets.”

Abey Abraham, Ducker Carlisle

Alan Price, Wiley



Abraham said that localization is the goal of Chinese OEMs, "and localization changes the procurement map," he said.

"This is a major strategic development. Once Chinese OEMs localize production, it becomes harder to contain through tariffs."

Abraham also said steel producers face another challenge amid an evolving automotive market. As production of hybrid and battery electric vehicles increases, the market is fragmenting by powertrain, and each carries different implications for body structures, enclosures, batteries, crash systems and manufacturing economics.

"What this means is that materials strategy becomes more complex," he said. "The winners will be the suppliers who can support a broad portfolio – advanced-grade steels for cost-effective lightweighting, low-carbon grades for compliance and procurement advantage and application engineering for the OEMs to manage their mixed material portfolio architectures."

(L–R): Francesco Memoli, Tenova; Lee Morgan, The Systems Group; Rolando Paolone, Danieli & C. S.p.A.; Ron Ashburn, Association for Iron & Steel Technology

(L–R): Saurabh Harnathka, Ashok Kumar, Boston Consulting Group

USMCA Discussions

This new capacity problem, in addition to all the others, underpin the Trump administration's aggressive pursuit of changes to the USMCA. Trade attorney Alan Price, who provided an update on discussions around the agreement, said the administration is pushing for changes that include an automotive content requirement that half of a vehicle's steel be melted and poured in the U.S.

Steel Manufacturers Association president and chief executive officer Phil Bell pointed out that in North America, the United States is responsible for 85% of the gross domestic product generated within the USMCA region.

"So it shouldn't come as any surprise that President Trump might be sitting in the

(L–R): Phil Bell, Steel Manufacturers Association; David Zabludowsky, IQOM Strategic Advisors; Catherine Cobden, Canadian Steel Producers Association; Alan Price, Wiley; John Lichtenstein, World Steel Dynamics

Oval Office, saying, 'If we're responsible for 85% of GDP, then why on Earth do we have such high trade imbalances with Canada and Mexico?'

"He could also be saying, 'Well, if we're responsible for 85% of the GDP in the region, why isn't there more American steel required in the domestic content requirements for automotive and other manufactured goods?'

"He's probably also thinking, 'If we're responsible for 85% of the GDP in this trading block, why aren't there more American steel making jobs and American manufacturing jobs?' So if you're President Trump, that is a very legitimate reason for keeping the [Section] 232 tariffs in place. I think it's important to know that there are other aspects of this equation. These tariffs allow the United States to negotiate from a position of strength.

"This administration firmly believes that the ability to sell your steel in the United States is not a right. It's a privilege. And it's time

Phil Bell, Steel Manufacturers Association

Catherine Cobden, Canadian Steel Producers Association

for our trading partners to understand and appreciate that privilege and to take their trading relationship with the United States more seriously," Bell said.

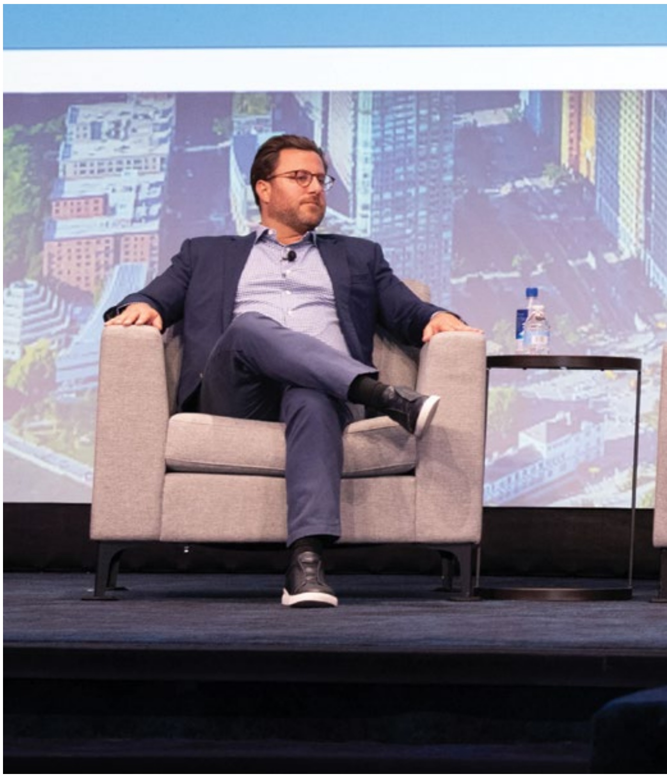
Yet, they do, Catherine Cobden, president and chief executive officer of the Canadian Steel Producers Association, told the audience.

Cobden said North America has one of the most successful trading relationships on the planet.

"I have the opportunity to represent the steel industry all over the world. And I know that our USMCA and our integration has been the envy of many other parts of the world. For that reason, many stakeholders in many boardrooms across all three countries believe in the trilateral," she said.

Stefan Rauber, SHS - Stahl-Holding-Saar GmbH & Co. KGaA

"We do think we're on a very strong track of aligning efforts against a very formidable foe in China. North America has done rather well in the big picture compared to many other regions in the world. And we frankly aspire in Canada, both of the Canadian steel industry and I think governmentally, to be the strongest trading partner we can be with the United States to combat that challenge."



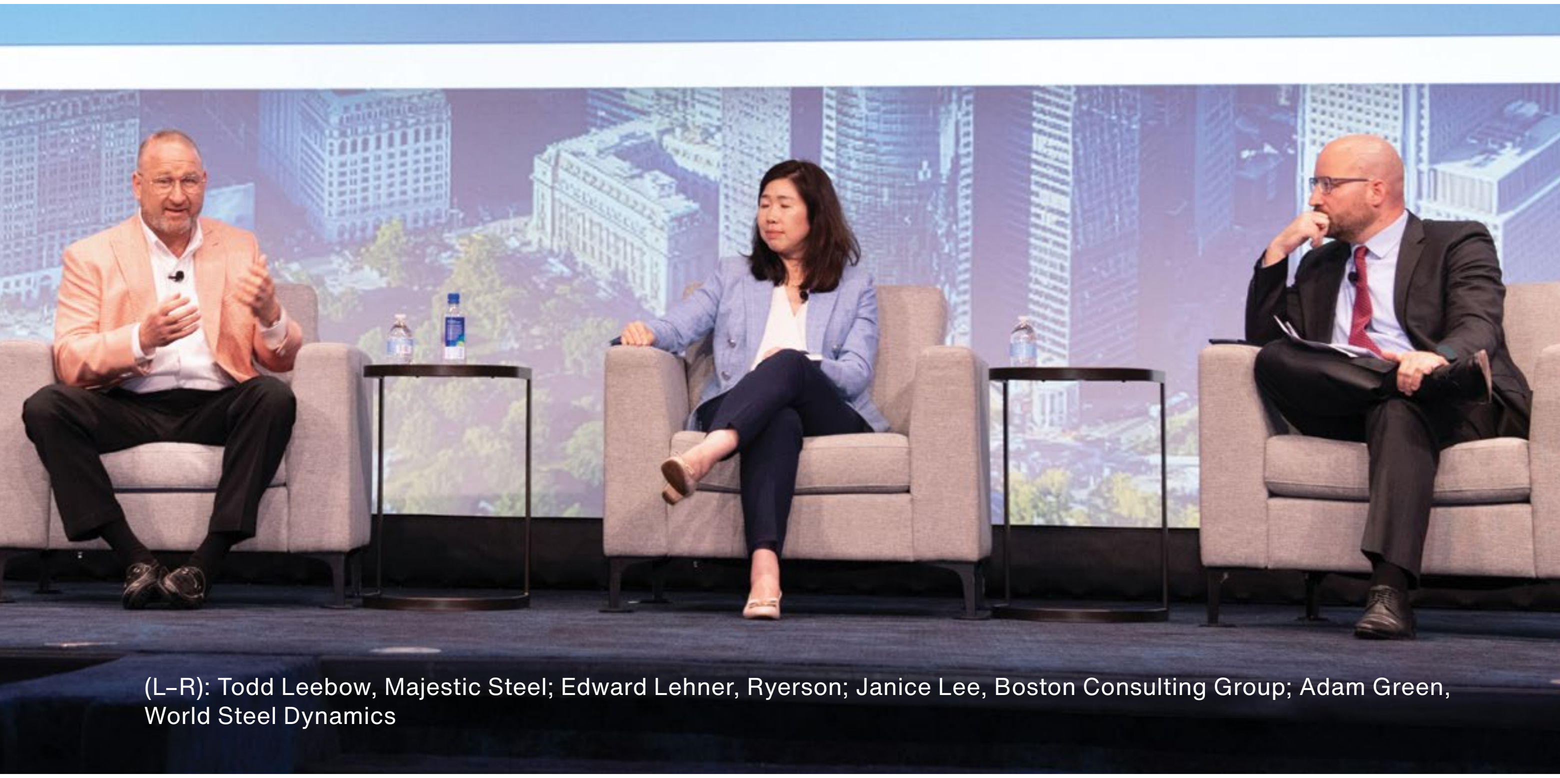
Last Word

Given that the conference was focused on change and realignment, it was perhaps fitting that the final speaker was United States Steel Corporation chief executive officer David Burritt, who has been leading the iconic American steelmaker's transition under foreign ownership.

Burritt spoke to the difficulties of bringing the deal to its conclusion but also to the immense potential that the transaction offers.

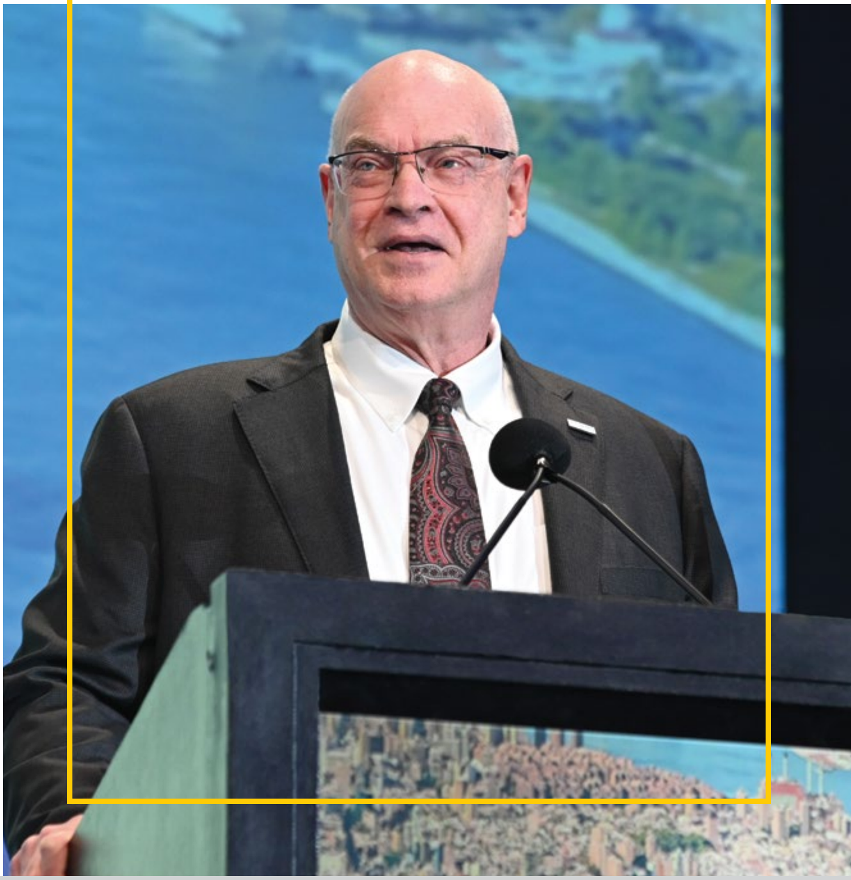
Case in point, Burritt said, is the hot strip mill that's being planned for United States Steel Corporation's Edgar Thomson

(L–R): Ricardo Monte Alto, Hatch; Stephen Montague, Midrex Technologies Inc.; Joe Dzierzawski, Primetals Technologies USA LLC; Ron Ashburn, Association for Iron & Steel Technology



(L–R): Todd Leebow, Majestic Steel; Edward Lehner, Ryerson; Janice Lee, Boston Consulting Group; Adam Green, World Steel Dynamics

David Burritt, United States Steel Corporation



plant. It will replace a line that dates to 1938 and enhance the steelmaker's rolling capabilities.

"For years, people have talked about the Mon Valley in terms of what it used to be. Now we're talking about what it will become," Burritt said.

Burritt's speech came nearly one year to the day that the transformative partnership with Nippon Steel Corp. was finalized, and he used the opportunity to call attention to several major capital projects that are getting underway at U.S. facilities.

Those projects include a new DRI plant in Arkansas, a reline of the Gary Works No. 14 blast furnace, and enhancements to its pipe and tube facility in Alabama, all part of a US$11 billion capital commitment from Nippon Steel.

Burritt said the new strip mill will improve yields, reduce energy consumption and

Ron Ashburn, Association for Iron & Steel Technology

boost product quality. It will be designed to produce 3.5 million metric tons annually, an improvement over the 2.2 million metric tons the old line is currently able to produce. Burritt said the line will make high-value, sophisticated steels for applications in the automotive and energy markets.

But Burritt said the investment itself is only part of the transformation underway at U. S. Steel.

"The most important thing about these investments isn't the money. It's the mindset. Behind every investment is a decision, a decision to lead, a decision to commit, a decision to act," he said.

"At U. S. Steel, we have made our choice. We are choosing to invest. We are choosing to grow. We are choosing to build. We are choosing long-term payoff over short-term gain," he said. ✦

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