

# Economic press release

## Steel market outlook remains poor as uncertainty surrounding U.S. tariffs and weak demand continue

**Brussels, 11 September 2025** – The lack of a solution for steel in the EU-U.S. trade negotiations, the ongoing unpredictability of the global geoeconomic situation, and persistently weak demand against an ever-growing global steel overcapacity are squeezing the European steel market. In 2025, the outlook points to stagnation, with potential recovery only in 2026 — conditional on improvements in the global economy and an easing of trade tensions. According to EUROFER's latest *Economic and Steel Market Outlook*, another recession both in apparent steel consumption (-0.2%, revised upwards from -0.9%) and in steel-using sectors (-0.7%, revised downwards from -0.5%) is confirmed for 2025. Growth prospects are now delayed at least to 2026, with projections of a rebound for both apparent steel consumption (+3.1%) and steel-using sectors (+1.8%). However, steel imports continue to hold historically high market shares (25%) in 2025.

“The incapability of finding an agreement on steel and the vagueness of [the U.S.-EU Joint Statement on trade is detrimental](#) to our producers, who remain subject to a 50% tariff and *de facto* cut off from their second export market. It's everything but the certainty we need in these already turbulent times. With cheap imports continuing to be diverted to the EU, we cannot help but fear further closures and layoffs — including in our downstream sectors — with the irreversible loss of strategic EU assets to the benefit of our direct competitors in the U.S., Asia, North Africa and Middle East. Our last resort to tackle global overcapacity lies with the upcoming new EU trade measure. If the European Commission fails to deliver on its promises, our sector will have no backstop left”, said Axel Eggert, Director General of the European Steel Association (EUROFER), following the publication of the *Economic and Steel Market Outlook Q3 2025*.

### EU steel market overview

In the first quarter of 2025, apparent steel consumption increased for the second consecutive time (+2.2%, after +0.5% in the last quarter of 2024), reaching 33.8 million tonnes. However, the outlook for steel demand remains highly uncertain, with improvements expected no earlier than the first quarter of 2026, and consumption volumes still far below pre-pandemic levels.

Domestic deliveries also recorded a quarterly increase (+1.4%), following a drop at the end of 2024 (-2%) and an overall decrease in 2024 (-2.8%). During the same period, imports slightly contracted (-0.6%) after another surge (+6.3%) in the fourth quarter of 2024. However, the

import market share remained at historically high levels (25%) also in the first quarter of 2025, after 27% in 2024.

### EU steel-using sectors

In the first quarter of 2025, steel-using sectors's output contracted again (-3.2%), after the previous quarterly sharp drop (-4.6%) and the overall marked recession (-3.6%) in 2024. Uncertainty due to U.S. tariffs is likely to intensify, further weighing on all manufacturing sectors, and notably automotive, the most exposed to trade fluctuations. This situation is expected to impact the Steel Weighted Industrial Production index (SWIP), which is set for another downturn in 2025 (-0.7%, further down from -0.5%) as a result of a significant decline in automotive (-4.2%) and a very modest output increase in construction (+0.4%). Growth is projected to return in 2026 (+1.8%).

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### Notes for editors

#### Contact

Lucia Sali, Spokesperson and Head of Communications, +32 2 738 79 35, [l.sali@eurofer.eu](mailto:l.sali@eurofer.eu)

#### About the European Steel Association (EUROFER)

EUROFER AISBL is located in Brussels and was founded in 1976. It represents the entirety of steel production in the European Union. EUROFER members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations in the United Kingdom and Turkey are associate members.

The European Steel Association is recorded in the EU transparency register: 93038071152-83.

#### About the European steel industry

The European steel industry is a world leader in innovation and environmental sustainability. It has a turnover of around €215 billion and directly employs 298,000 highly-skilled people, producing on average 146 million tonnes of steel per year. More than 500 steel production sites across 22 EU Member States provide direct and indirect employment to millions more European citizens. Closely integrated with Europe's manufacturing and construction industries, steel is the backbone for development, growth and employment in Europe.

Steel is the most versatile industrial material in the world. The thousands of different grades and types of steel developed by the industry make the modern world possible. Steel is 100% recyclable and therefore is a fundamental part of the circular economy. As a basic engineering material, steel is also an essential factor in the development and deployment of innovative, CO2-

mitigating technologies, improving resource efficiency and fostering sustainable development in Europe.