

EUROPEAN STEEL REVIEW

August 2025

Lobbying intensifies on Europe's trade defence measures

Divisions are growing between Europe's steelmakers and importers amid lobbying of the European Commission on the future of the bloc's trade defence measures.

The July 28 announcement of a new EU-US trade deal revealed that EU steel exports would remain subject to the United States' 50% Section 232 import tariffs. Eurofer said that the agreement, which applies a 15% "reciprocal" tariff on other products, will place a "huge burden" on Europe's steel industry. It said that the continued tariff risks eliminating EU steel exports to the US, which totalled 3.8 million tonnes in 2024.

Following trade negotiations with the Trump administration, both EU and UK delegations voiced an expectation that a future quota would be agreed, resulting in reduced or zero US steel tariffs. President Trump had previously asserted that the UK's newly agreed provisional steel tariff rate of 25% would be dependent on tighter trade defences.

This month, MEPS respondents indicated that incoming CBAM taxes, due to be implemented from January 1, will provide the market's only upwards price pressure in the coming months. Amid low demand, exacerbated by Europe's summer holidays, attention has quickly switched to further measures that could protect mills from the influence of low-cost imports. Such measures could bolster the EU and UK's hopes of securing improved trade terms with the US.

Both the EU and UK have tightened their trade defence measures in recent months. Last month, this report reflected on the anger felt by many UK importers after revisions to its safeguard quotas. Intervention from the country's Secretary of State for Business and Trade resulted in a halving of previously proposed caps on individual nations' use of the quarterly quotas, just a day before the new regime's implementation.

Flat Rolled Products - Negotiated Domestic Basis Prices - Germany

EUR/tonne		Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
Hot Rolled Coil	High	640	650	650	620	570	570
	Low	610	630	630	600	550	550
Hot Rolled Plate	High	700	710	700	670	650	650
	Low	660	670	660	650	630	620
Cold Rolled Coil	High	730	750	750	720	670	670
	Low	710	720	720	700	650	650
Hot Dipped Galvanised Coil	High	750	760	760	730	690	690
	Low	720	740	740	710	670	670
Electro-Zinc Coated Coil	High	760	780	780	750	730	730
	Low	740	760	760	730	700	700

MEPS International
263 Glossop Road
Sheffield S10 2GZ
United Kingdom

+44 114 275 0570
support@mepsinternational.com
mepsinternational.com

£1550 per year

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The next edition of MEPS European Steel Review will be sent on **17 September 2025**.
The next Express will be sent on **10 September 2025**.

Growing threat to importers' business models

Tensions are rising among importers in both the UK and EU as increased restrictions on international trade threaten their business model. In the EU, most have stopped placing orders, this month. The European Commission's failure to publish the benchmark emissions that will allow them to calculate the cost of CBAM taxes means that new orders pose too much of a financial risk.

Many MEPS respondents suggest that the charges associated with CBAM could be delayed to July 2026 or January 2027. A delay to 2027 would align with the UK's planned CBAM implementation. Talks are now underway, between the EU and UK, to align their respective Emissions Trading Systems (ETS). This should eliminate future CBAM charges between the two trading partners.

In mid-July, a group of EU importers questioned the legality of the application of CBAM taxes, in just over four months' time, given the lack of transparency over costs. In a series of questions submitted to the European Commission, it highlighted that "without calculation certainty, there are competitive disadvantages and in the worst cases, insolvency".

The group also asked why the benchmark emissions values had been withheld, so far, and whether they would be linked to an updated ETS, which is not expected until spring 2026. One European importer has also asked the Commission to consider making small and medium-sized enterprises exempt from CBAM taxes.

Steelmakers call for urgent change

Lobbying on behalf of the bloc's steelmakers calls for greater import restrictions, however. A group of 11 EU countries filed a "non paper" with the Commission, requesting that stringent new import safeguard measures be implemented six months earlier than planned, on January 1. Among their recommendations are a 40-50% cut in annual safeguard quotas and the doubling of above-quota duties, from 25% to 50%.

Recent financial updates from EU mills highlight the importance of regulation, which might help increase domestic steel demand, applying upward pressure to prices.

Salzgitter's production declined by 7.4% year-on-year, to 2.49 million tonnes, in the first half of this year. Revenues declined by 6.1% year-on-year, to EUR1.7bn, due partly to reduced prices. The low end of the MEPS Europe Average hot rolled coil price range declined by 10.7% year-to-date in the January to June period.

Thyssenkrupp's share price declined by 7%, on July 14, after it cut its sales forecasts as a consequence of weak demand and continued 50% US import tariffs on steel. It expects sales to fall by 5-7% in its current fiscal year, down from an earlier estimate of 3%. Chief executive Miguel Lopez said that the past quarter had been characterised by "enormous macroeconomic uncertainty".

Long Products - Negotiated Domestic Basis Prices - Germany

EUR/tonne		Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
Wire Rod (Drawing Quality)	High	650	665	670	660	650	640
	Low	630	635	640	630	620	610
Medium Sections and Beams	High	790	800	790	780	760	755
	Low	770	780	780	770	750	745
Reinforcing Bar	High	380	410	425	400	380	370
	Low	370	390	400	380	370	360
Merchant Bar	High	300	300	300	290	270	265
	Low	280	280	280	270	260	255

MEPS - Steel Price Index API Line Pipe X60/65 Composite

	Hot Rolled Plate		Hot Rolled Coil	
	Q1/25	Q2/25	Q1/25	Q2/25
Europe Av				
Non Sour	123.9	123.9	136.5	134.7
Sour	141.9	141.9	143.0	141.3

* Q4/06 = 100 - based on euro values

MEPS - Steel Purchasing Price Index - Automotive Auto Body Parts Composite Index

	Jun-25	Jul-25	Aug-25
Europe Average	98.6	94.2	94.3
Year-on-year % +/-	-3.4	-7.1	-6.3

* Jan 2007 = 100 - based on transaction prices

Flat Products

Coil

CBAM uncertainty Northern Europe's main price stimulus

Northern Europe's mills and stockists fear that demand will not support an uptick in coil prices before the end of 2025.

Despite recent interest rate cuts in the EU and United Kingdom, and positivity around the German government's plans to invest in infrastructure and defence, sentiment remained negative, this month.

MEPS's prices were unchanged month-on-month in Belgium, France, Germany and the UK. This was despite two ArcelorMittal list price increases, totalling EUR50 per tonne.

Sales stalled and most mills implemented maintenance stoppages of two-to-three weeks during the summer holiday period. Some of Europe's major steelmakers are implementing longer-term production cuts.

Domestic mills' reduced output and increased offer prices may have mitigated a decline which has left Northern EU values at their lowest point this year. Buyers in France said that prices bottomed in mid-July, before rising moderately. They add that EU mills' delivery lead times have lengthened to October or November for certain sizes of galvanised coils, possibly helping to stabilise prices of that product.

Importers' uncertainty intensifies

Uncertainty around the cost of new CBAM taxes, from January 1, and the future of the EU import safeguard measures (see keynote article), are stifling the import market. All MEPS respondents in the EU expect these factors to be the main source of upward price pressure in the coming months.

German importers say that suppliers in Indonesia and South Korea and starting to offer "free on truck" delivery terms or offering to absorb the as-yet-unknown cost of CBAM taxes. Furthermore, hedging against CBAM is now being offered by certain European banks.

The UK government's tightening of its import safeguard quotas has increased duties on galvanised coil, in particular. High volumes of galvanised coil are now sitting at UK docks, awaiting customs clearance in October.

Offers of Asian-origin hot rolled coil into the UK are around GBP50 per tonne cheaper than the EU equivalent. Furthermore, UK stockholders have high inventories of cold rolled coil.

Comparison of Low Market Domestic Basis Prices - Cold Rolled Coil

price/ tonne	Local currency		US dollars	
	Last Month	This Month	Last Month	This Month
Germany	650	650	766	751
France	650	650	766	751
Italy	625	635	736	734
UK	555	555	761	736
Belgium	650	650	766	751
Spain	620	640	730	740

Note: Exchange rates used for conversion are based on the figures given in our currency exchange rate table.

Flat Rolled Products - Negotiated Domestic Basis Prices

		Germany EUR/t	France EUR/t	Italy EUR/t	UK GBP/t	UK EUR/t	Belgium EUR/t	Spain EUR/t
Hot Rolled Coil	High	570	570	550	500	574	570	565
	Low	550	550	535	480	551	550	540
Hot Rolled Plate	High	650	650	620	600	689	650	640
	Low	620	620	590	575	660	620	610
Cold Rolled Coil	High	670	670	650	585	672	670	660
	Low	650	650	635	555	637	650	640
Hot Dipped Galvanised Coil	High	690	680	660	605	695	690	670
	Low	670	660	645	575	660	670	650
Electro-Zinc Coated Coil	High	730	730	700	650	746	730	705
	Low	700	700	685	620	712	700	685

Month on Month % Change

Hot Rolled Coil	Low	0.0	0.0	1.9	0.0	-1.4	0.0	1.9
Hot Rolled Plate	Low	-1.6	0.0	0.0	0.9	-0.6	0.0	0.0
Cold Rolled Coil	Low	0.0	0.0	1.6	0.0	-1.5	0.0	3.2
HD Galv Coil	Low	0.0	0.0	1.6	0.0	-1.5	0.0	1.6
EZ Coated Coil	Low	0.0	0.0	0.7	0.0	-1.5	0.0	0.7

Price & Product Definitions

MEPS International's published price assessments relate to regular business, between buyers and steel mills, for newly produced, prime material, negotiated during the current month, for forward delivery. They refer to commercial grade steel for use in general industrial applications.

Quarterly, half-yearly and annual contract prices are excluded from the MEPS published assessments. These longer-term agreements are calculated using various methods and may not reflect the movements or absolute level of prices negotiated for regular monthly business.

Carbon steel basis prices exclude extras for dimensions of the product – for example thickness, width and diameter. They also exclude extras for coating, when coating is traditionally charged at an additional cost.

All prices exclude carbon and energy surcharges.

Automotive sector in decline

Demand from high-margin projects has maintained sales for some stockists in Belgium and the UK. Generally, large projects are in short supply.

Northern Europe's automotive sector is struggling amid reduced sales and intense competition from Chinese electric vehicles. Despite new EU import taxes, Chinese brands' sales grew by 91% year-on-year in the first half of 2025, reaching 347,135 units, according to Jato Dynamics.

Eurofer expects EU vehicle production to decline by 2.6% year-on-year in 2025, following a 9.7% dip last year. UK car production was down 7.3% year-to-date, in June, at 385,810 units – its lowest level since 1953.

Steelmakers need coil prices to rise ahead of contract talks with automotive OEMs keen to make cost savings.

Prices rise as CBAM cost concerns grow in S. Europe

Coil prices in Italy and Spain have started to rise after bottoming mid-July, when hot rolled coils reached an average of EUR520 per tonne ex-works.

The increase spurred some purchasing ahead of the summer holidays, for September delivery.

Mills' lead times have lengthened to October, and even November for galvanised coils from integrated mills. European suppliers have been pushing for further price increases at a time when the end of the window to secure imports, ahead of the implementation of CBAM taxes, was nearing.

Deals were still being made on the import market in July. These were mainly for hot and cold rolled coils from Turkey and India, due to their shorter delivery lead times and available safeguard quota volumes. Third-country mills have since then increased their prices, while the US dollar-euro exchange rate is slightly increasing import prices in euro terms.

The fourth quarter safeguard quota for Turkish hot rolled coils is likely to fill up quickly, making it subject to above-quota duties, unless material is left in ports until January 1. Imports will attract a CBAM tax from quarter one, 2026, however. CBAM costs could be mitigated if the material comes from an EAF-based mill.

Buyers that have placed orders for quarter four delivery closed deals at below EUR600 per tonne CIF for Turkish-origin cold rolled coils and expect to pay a safeguard duty of about 8%. Indian-origin cold rolled coils have been booked at a slightly higher price as they should not attract a safeguard duty.

Opportunities for the purchase of galvanised coils are scarce, and many buyers have resorted to European material, even for thin gauges. Some importers are ordering via traders that are assuming the risk of duties and potential taxes to secure sales.

Import arrivals are expected to surge from October 1, as it is the last quarter for material to enter the EU free of CBAM charges. Congestion is already being reported at some Italian ports.

Inventories at stockholders and service centres are forecast to rise in the fourth quarter. Many buyers have covered their needs for the next four months or more, in a context of ongoing weak demand.

An expectation of stricter import safeguard measures, after the EU-US trade deal maintained steel tariffs at 50%, may limit future imports.

Meanwhile, importers emphasise the urgent need for measures to protect downstream products to ensure that European manufacturers remain competitive. They are facing strong competition on finished products, such as solar panels coming from China.

Plate

Slow restart expected after stagnant holiday period

Plate buyers expect a delayed restart to post-holiday procurement as CBAM-related market uncertainty exacerbates existing demand weakness.

Many European mills and rerollers have extended their summer maintenance periods, with some ceasing production for the whole of August, partly due to weak demand. Some plate stockists hope that prices will rise following these pauses in mill supply.

However, the combination of high plate inventories, low demand and uncertainty over the cost of CBAM taxes, due to be implemented from January 1, are expected to leave buyers in "wait and see" mode. The timing of possible further revisions to import safeguard measures in both the EU and United Kingdom – ahead of their June 2026 expiry – is also creating confusion.

Many of MEPS's EU respondents believe that plate prices have bottomed. Prices in France, Germany, Italy and Belgium are at their lowest level since December 2020.

EU mills to benefit from reduced imports

Reduced competition from plate imports is seen as the only significant support for EU prices. Most buyers have paused their overseas orders due to a lack of clarity around CBAM taxes and will increasingly turn to domestic sources. New import orders placed after the summer holiday period will be confined to Egyptian- and Turkish-origin sources, which can deliver by quarter four.

Large volumes of imports, ordered for delivery ahead of the application of CBAM taxes, could undermine EU plate price increases, however. Large stocks of plate are already stored at ports across Europe.

UK buyers say that South Korean imports continue to arrive at a busy Liverpool port. This is despite the recently applied 20% cap on individual nations' use of the residual category of the quarterly plate quota. Many importers are now switching to Indonesian-origin material, which is not subject to duties.

European rerollers' use of low-cost Russian slab was cited as a factor undermining attempts to raise EU plate prices. Russia's slab quota, allowing annual imports of around three million tonnes into the EU, will reopen on October 1.

Low-price sales "push" drives pre-holiday sales

MEPS respondents in Germany and the UK say that many plate purchases completed before the summer holidays were the result of a "sales push" rather than improved demand. Domestic producers competed with stockists by offering low prices and short delivery lead times.

Some stockists in France reported improved plate sales in July. The boat building sector and agricultural machinery producers showed some improvement. Despite this, pockets of demand remain rare. The UK government reduced its key interest rate by 0.25 percentage points, to a two-year low of 4%, on August 7. However, many market participants in that country do not expect any increase in demand until 2026. In Germany, the effect of increased defence and infrastructure spending will also take time to reach the plate market.

Long Products

Rebar & Wire Rod

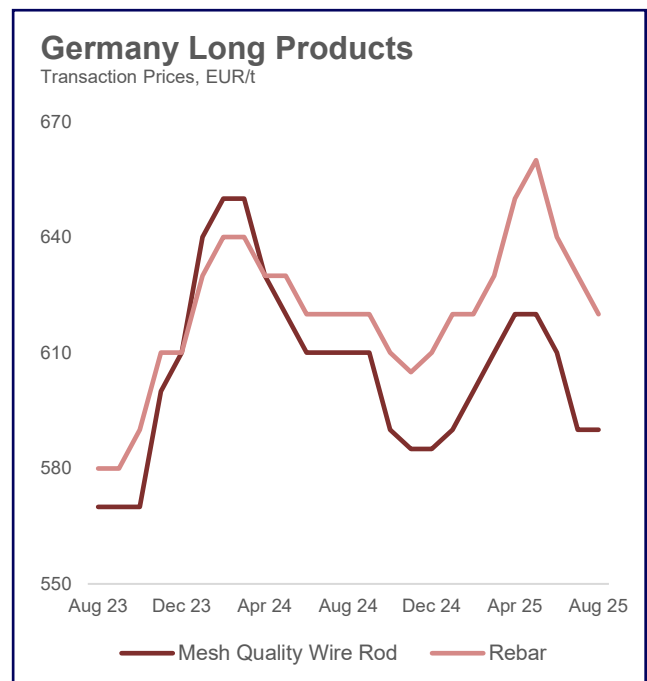
German producers cut output as demand stalls

German long product mills suspended production or embarked on extended maintenance stoppages due to the sector's summer holiday slowdown, this month.

Demand for wire rod remains subdued, with most respondents reporting that their July sales volumes declined further, on a year-on-year basis, with no indication of an imminent recovery.

The German steel federation WV Stahl has forecast that domestic demand will end 2025 at a historic low of 29 million tonnes. Production has declined accordingly. In the first half of this year, German mills produced 17.1m tonnes of crude steel – down 12% year-on-year.

The German domestic price for drawing quality wire rod fell by EUR10 per tonne, while mesh quality wire rod was stable at EUR590 per tonne. Rebar base prices also decreased in Germany by EUR10 per tonne.



Declining scrap values are adding to the downward pressure on domestic prices. However, MEPS respondents say that competition from new import offers is now low. Material from overseas sources is now unattractive due to the European Commission's tighter safeguard quotas and uncertainty over the cost of CBAM taxes, applicable from January 1, 2026.

MEPS respondents expressed concern about the news that Dresselhaus, one of Germany's leading fastener suppliers, has initiated insolvency proceedings. This is a further blow to market sentiment, they say.

Elsewhere, there are signs of the sector's consolidation. Sulzle Stahlpartner has acquired the rebar operations of WesterwaldStahl, reinforcing its presence in western Germany. This acquisition increases Sulzle's network to 17 locations nationwide.

Export activity to the United States remains difficult for Northern Europe's long producers, with EU steel still subject to the country's 50% Section 232 tariff. The continued presence of this tariff hurdle has intensified calls for stronger import safeguard measures to protect EU steelmakers from low-cost imports. However, ongoing uncertainty surrounding the cost of CBAM taxes is currently deterring new import orders.

In Belgium, wire rod demand remains weak. Customers are delaying purchases due to high inventory levels and long-term buying remains on hold. However, some MEPS respondents anticipate an uptick in demand when the holiday season concludes, in September.

Belgian wire rod prices for both drawing and mesh quality wire rod fell by EUR10 per tonne this month. The number of orders being placed by the country's rebar importers has reduced following reductions in the steel import safeguard quotas. Furthermore, CBAM-related uncertainty is encouraging buyers to source within Europe.

In the United Kingdom, wire rod demand is low. A modest improvement was briefly experienced ahead of the traditional summer shutdown period. Both wire rod and rebar prices have remained unchanged this month. Domestic supply remains stable, with British Steel back in operation and ArcelorMittal Europe completing a shorter-than-anticipated maintenance outage.

July rise ends Italy's six-month rebar price decline

The price of rebar in Italy has increased by EUR30-50 per tonne from its low level at the beginning of July – the first increase in six months.

MEPS respondents cited cuts to domestic production and a pickup in the number of enquiries in the second half of July, ahead of summer shutdowns, when explaining the factors behind the rise.

The increase has started to reduce the gap between Italy's rebar prices and those in France and Spain. The latter country's prices remained stable, this month, while the values in France showed a slight downward adjustment of EUR5-10 per tonne.

Despite this month's upward price movement in Italy, the HCOB Italy Construction PMI indicates a decline in demand from that sector. The PMI fell from 50.2 to 48.3 in July, after four months above 50. A score below 50 indicates a sector in decline. The HCOB France Construction PMI continued to decrease in July, meanwhile, falling to a five-month low of 39.7.

The price of wire rod in Italy has stabilised. Delivery lead times for that product are stretching to the end of September or beginning of October due to summer shutdowns.

Prices in France and Spain have continued to decline, reducing by EUR5-10 per tonne this month. In France, the values of drawing and mesh quality wire rod are now at their lowest level since September and October 2023.

Mills are demonstrating an intent to raise their prices, but this is not reflected in the most recent transactions as some mills remained opened to negotiations in July. Buyers expect possible price rises in September, especially as scrap prices have continued to hold, even though the outlook for demand remains unclear.

Beams & Merchant Bar

German productivity slump undermines prices

The downturn in German productivity continues to undermine demand for beams and merchant bar, applying downward pressure to domestic prices.

The Hamburg Commercial Bank's PMIs for manufacturing (49.1) and construction (46.3) remain below 50 points, signalling ongoing contraction in both sectors. This downturn has been compounded by a 1.9% month-on-month fall in industrial production, the sharpest drop since July 2024.

Prices for both beams and merchant bar softened by EUR5 per tonne, in Germany, this month, with further reductions limited by mills' increasingly tight profit margins. Calls for more stringent import safeguard measures and quota reductions are increasing among domestic mills. They hope that increased protection against low-cost imports will support increased prices.

Long Products - Negotiated Domestic Basis Prices

		Germany EUR/t	France EUR/t	Italy EUR/t	UK GBP/t	UK EUR/t	Belgium EUR/t	Spain EUR/t
Wire Rod (Drawing Quality)	High	640	640	610	540	620	640	615
	Low	610	610	580	510	586	610	605
Medium Sections and Beams	High	755	770	780	660	758	755	750
	Low	745	760	760	640	735	745	740
Rebar	High	370	365	310	530	608	370	370
	Low	360	350	280	510	586	360	360
Merchant Bar	High	265	235	280	615	706	240	260
	Low	255	225	260	585	672	220	240

Month on Month % Change

Wire Rod	Low	-1.6	-1.6	0.0	0.0	-1.3	-1.6	-0.8
Medium Sections	Low	-0.7	0.0	0.0	0.0	-1.5	-0.7	0.0
Rebar	Low	-2.7	-2.8	12.0	0.0	-1.3	-1.4	0.0
Merchant Bar	Low	-1.9	-2.2	0.0	0.0	-1.5	-4.3	0.0

Price & Product Definitions

MEPS International's published price assessments relate to regular business, between buyers and steel mills, for newly produced, prime, commercial quality material, negotiated during the current month, for forward delivery.

All prices exclude carbon and energy surcharges.

Prices for low carbon drawing quality wire rod and medium sections (I beams) refer to effective values, including size extras. Prices for rebar and merchant bar refer to basis values, excluding size extras, with the exception of those in the UK.

Disclaimer

All price and market data, in this report, is researched by MEPS International's staff and its local correspondents. The information is obtained from respondents who the company consider provide accurate intelligence on the steel market. The company makes its best endeavours to be assured that the information is correct and that its analysis is reliable. MEPS International Ltd. cannot be made liable for any loss resulting from the use of the published data, however it may arise.

In Belgium, the beams and merchant bar markets remain quiet, with activity expected to improve after the summer holidays. While there are pockets of demand in the construction sector, overall demand remains weak. Beam prices declined by EUR5 per tonne this month, while merchant bar fell by as much as EUR10 per tonne.

The European Commission's consultation on trade defences to replace the existing import safeguard measures, which expire next June, has fuelled concerns about possible interim quota revisions. Many importers, which are already exercising caution ahead of the January 1 implementation of CBAM taxes, have delayed new orders until there is greater clarity.

In the United Kingdom, demand for beams and merchant bar is weak, with prices unchanged month-on-month. Steel stockists continue to compete aggressively for sales, resulting in tight profit margins. Many stockists are filling gaps in their inventories by buying from each other, rather than importing. This is due to competitive prices and short delivery lead times.

No scope for further price cuts in Italy and Spain

Beam and merchant bar prices remained stable in Spain and Italy, this month, as MEPS respondents indicated that there is no room for further reductions.

Mills are expected to try to push prices up after the summer holidays. However, buyers remain extremely cautious in uncertain market conditions.

Meanwhile, France continued to record some limited decreases, of up to EUR10 per tonne, even though sales volumes held in July. Strong price competition remains between the country's distributors, who continue to see their profit margins squeezed.

Pockets of demand from the construction industry are reported in some regions, including Northern France, with projects linked to social housing and the building of battery plants.

In Italy, ongoing infrastructure projects supported by EU funding have largely supported the beam market.

The European Commission's August 1 reintroduction of country-specific quotas for sections imported from the United Kingdom, South Korea and Turkey – in place of a 15% cap – could lead to an increase in import arrivals from these origins. The Turkish quota, which had been exceeded by July 31, has now doubled in size.

Market & Industry Scene

ArcelorMittal

ArcelorMittal has confirmed that it has suspended its planned development of a EUR1.8 billion DRI and hydrogen facility at Dunkirk.

The company cited market uncertainty, high energy costs, delays to CBAM, and insufficient safeguards against low-cost imports as reasons for the decision. The project required a long-term switch to green or low-carbon hydrogen to be eligible to receive up to EUR850 million in state funding. However, current electricity and hydrogen prices leave this model unviable.

While ArcelorMittal's DRI scheme is now on hold, the steelmaker still plans to install a EUR1.2 billion EAF at the site, targeted for completion in late 2028 or early 2029, pending a final investment decision.

EU trade defence

The European Commission has started monitoring imports and exports of steel scrap into and out of the EU.

The initiative is part of the Commission's Steel and Metals Action Plan and will aim to address falling scrap availability within the bloc, an issue partly attributed to "scrap leakage" to non-EU countries.

The Commission says that its new monitoring process will provide it with the information necessary to implement targeted trade measures. This follows recent moves by the Commission to introduce a new surveillance tool set up to identify import surges caused by trade diversion.

In another development of the EU's trade defence measures, the Commission has adjusted steel safeguard measures for Category 17 angles, shapes, and sections of iron or non-alloy steel. The change, implemented on August 1, includes the reintroduction of country-specific quotas for South Korea, Turkey and the United Kingdom.

For other countries importing under the residual quota, the usage cap will rise from 15% to 40%. South Korea, Turkey and the UK are excluded from accessing the residual quota in the final quarter of the safeguard year.

Thyssenkrupp

Thyssenkrupp Electrical Steel has awarded a contract to equipment manufacturer SMS to modernise the cold rolling reversing mill at its plant in Gelsenkirchen, Germany.

Specialising in grain-oriented silicon steel, the facility will receive upgraded electrical and automation systems along with new IT infrastructure. The project will be executed in two phases, with completion scheduled for 2027.

Thyssenkrupp Electrical Steel says that its aim is to advance automation and safety.

Medium Term Price Forecasts

Price recovery forecast amid tightening supply

MEPS International forecasts a steady rise in European flat steel prices through the remainder of 2025 and into mid-2026.

This upward trend will be supported initially by tighter supply conditions and, later, a gradual demand recovery.

In late 2025, prices are expected to gain upward momentum as low-cost Asian imports decline amid heightened uncertainty surrounding CBAM's potential cost implications. Production cuts at some European mills are also likely to support prices.

By December 2025, hot rolled coil and downstream coil products could return to the peaks last seen in April, after bottoming out in mid-July. Hot rolled plate prices are expected to follow a similar trend.

Key steel-consuming sectors underperform

Domestic mills are expected to leverage a degree of post-summer restocking and the slowdown in new import orders to continue pushing for price hikes. Steelmakers are also seeking coil price increases ahead of annual contract negotiations with automotive OEMs in the coming months.

Eurofer forecasts that EU vehicle production will fall by 2.6% in 2025, following last year's 9.7% decline. In the United Kingdom, car output has dropped 7.3% year-to-date, reaching its lowest level since 1953, meanwhile, weighed down by US tariff uncertainty and rising competition from Chinese vehicles. However, the Society of Motor Manufacturers and Traders forecasts a 6.4% rise in the UK's automotive sector output next year, with Eurofer projecting a 1.9% rise in the EU.

Long product prices are likely to rise modestly in September on the back of reduced import competition ahead of the implementation of CBAM taxes. Still, persistently weak construction demand and elevated inventories are expected to temper price increases in late 2025.

Scrap prices are also forecast to remain under pressure, limiting any upward pressure from mills' input costs. Furthermore, the recent surge in seaborne coking coal prices, driven by supply disruptions in Australia following flooding at major mines, is expected to subside soon. However, prices are likely to remain elevated, supported by stronger demand in the Chinese market. Iron ore prices are also forecast to hold firm on the back of steady Chinese demand. MEPS does not expect these raw materials to exert any downward pressure on steel prices over the remainder of 2025.

Improved prospects for 2026

The outlook for steel prices is more positive in 2026. Demand increases will be supported by recent interest rate cuts in the EU and UK, and Germany's plans for large-scale infrastructure and defence investments. Cautious import buying may lead to stock depletion in last quarter of 2025, with reduced inventories and supply options providing further price support.

Economic growth is expected to remain subdued, however. According to the IMF's July 2025 World Economic Outlook, euro area growth is forecast to be 1.0% in 2025 – a 0.2 percentage point upgrade from April's estimate – and 1.2% in 2026. UK GDP is expected to grow by 1.2% in 2025 – a 0.1ppt increase over April's estimate – and 1.4% in 2026. The IMF's modest forecast upgrades reflect short-term front-loading in trade flows, prompted by the application of US import tariffs, and improved financial conditions.

EU steel exports to the US remain under pressure, as shipments continue to face Washington's 50% Section 232 tariff in the absence of a quota-based arrangement as anticipated by the EU steel market. Without progress on negotiations, exports are expected to weaken further in the coming months, although market participants remain hopeful of a deal to normalise trade conditions.

Europe Average Domestic Transaction Price Forecasts

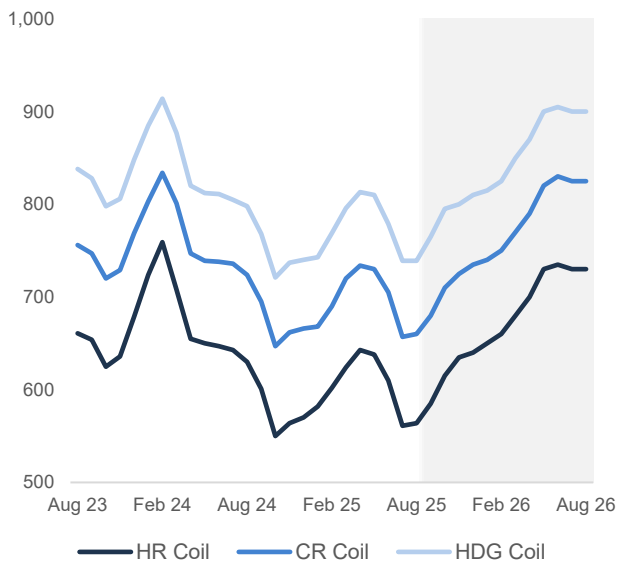
EUR/tonne	Actual	Forecast					
	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Hot Rolled Coil	564	585	615	635	640	650	660
Hot Rolled Plate	633	645	660	675	685	700	710
Cold Rolled Coil	660	680	710	725	735	740	750
HD Galv Coil	739	765	795	800	810	815	825
EZ Coated Coil	789	810	835	845	860	865	875
Wire Rod (Drawing)	598	610	630	645	655	670	670
Wire Rod (Mesh)	584	595	610	615	625	640	640
Sections (I Beam)	747	745	745	730	740	760	760
Sections (H Beam)	767	765	765	750	760	780	780
Reinforcing Bar	581	590	590	590	600	620	620
Merc Bar (Round)	673	685	690	675	685	705	705
Merc Bar (Eq Angle)	669	680	685	670	680	700	700

Price Definitions

MEPS regional average steel prices for Europe are computed from a weighted average of prices in Germany, France, Italy, Spain and the UK. The weighting is based on steel consumption in individual countries. Prices are collected in the appropriate local currency and converted into euros to provide a basis for comparison.

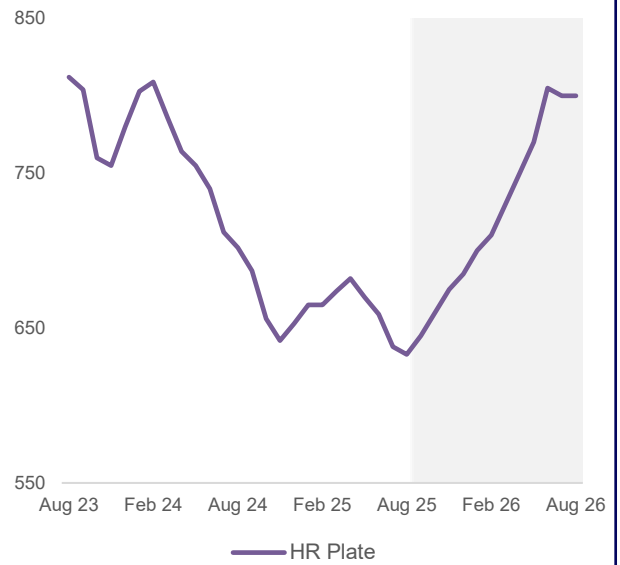
Europe Average Forecast

Transaction Prices, EUR/t



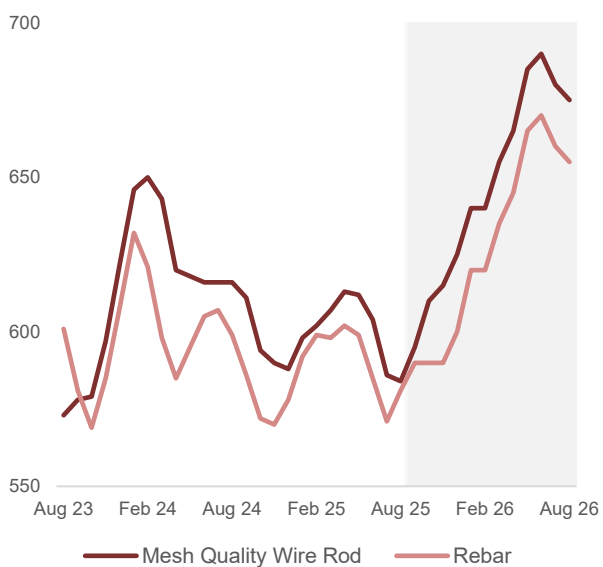
Europe Average Forecast

Transaction Prices, EUR/t



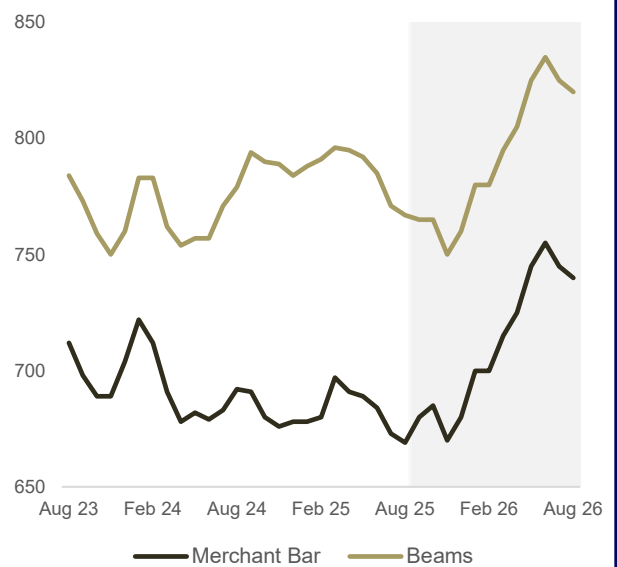
Europe Average Forecast

Transaction Prices, EUR/t



Europe Average Forecast

Transaction Prices, EUR/t



Transaction Price Data Sheet

Negotiated Domestic Transaction Prices

Flat Products		Europe Average	Germany	France	Italy	UK	UK	Spain
		EUR/t	EUR/t	EUR/t	EUR/t	GBP/t	EUR/t	EUR/t
Hot Rolled Coil	High	584	591	591	568	520	597	586
	Low	564	571	571	553	500	574	561
Hot Rolled Plate	High	663	665	665	635	614	705	655
	Low	633	635	635	605	589	676	625
Cold Rolled Coil	High	680	686	686	665	599	688	676
	Low	660	666	666	650	569	653	656
Hot Dipped Galvanised Coil	High	761	765	755	735	695	798	745
	Low	739	745	735	720	665	763	725
Electro-Zinc Coated Coil	High	816	823	823	793	720	827	798
	Low	789	793	793	778	690	792	778

Long Products		Europe Average	Germany	France	Italy	UK	UK	Spain
		EUR/t	EUR/t	EUR/t	EUR/t	GBP/t	EUR/t	EUR/t
Wire Rod (Drawing Quality)	High	627	640	640	610	540	620	615
	Low	598	610	610	580	510	586	605
Wire Rod (Mesh Quality)	High	604	610	610	590	540	620	600
	Low	584	590	590	570	510	586	590
Medium Sections (I Beam)	High	761	755	770	780	660	758	750
	Low	747	745	760	760	640	735	740
Medium Sections (H Beam)	High	781	775	790	800	675	775	770
	Low	767	765	780	780	655	752	760
Reinforcing Bar	High	601	630	625	570	530	608	630
	Low	581	620	610	540	510	586	620
Merchant Bar (Round)	High	690	690	660	705	615	706	685
	Low	673	680	650	685	585	672	665
Merchant Bar (Equal Angle)	High	686	685	655	700	615	706	680
	Low	669	675	645	680	585	672	660

All prices exclude carbon and energy surcharges.

Currency Exchange Rates

	US dollars USD		Euros EUR	
	1-Jul	1-Aug	1-Jul	1-Aug
Eurozone EUR	0.849	0.865	-	-
UK GBP	0.729	0.754	0.858	0.871

MEPS Industrial Sector Steel Purchasing Price Index - Europe Average

Jan 2007 = 100	Jul-25	Aug-25	% change
Construction Industry	108.3	106.5	-1.7
Household Appliances	88.1	86.3	-2.0
Machinery Sector	99.0	96.8	-2.2
Shipbuilding Industry	85.8	83.5	-2.7
Shipping Containers	99.3	97.6	-1.7
Yellow Goods	101.7	100.0	-1.7

Transaction Price Index - Europe Average

January 1997 = 100

	Jul-25	Aug-25	% change
Hot Rolled Coil	214.9	216.1	0.6
Hot Rolled Plate	222.3	220.6	-0.8
Cold Rolled Coil	180.5	181.3	0.4
HD Galv Coil	160.3	160.3	0.0
EZ Coated Coil	187.6	187.4	-0.1
Wire Rod (Drawing)	227.9	225.7	-1.0
Wire Rod (Mesh)	247.3	246.4	-0.4
Sections (I Beam)	244.6	243.3	-0.5
Sections (H Beam)	220.9	219.8	-0.5
Reinforcing Bar	251.5	255.9	1.7
Merc Bar (Round)	254.5	253.0	-0.6
Merc Bar (Eq Angle)	260.9	259.3	-0.6

Note: Based on low transaction values.

Negotiated Domestic Transaction Prices - Month on Month % Change

		Europe Average	Germany	France	Italy	UK	UK	Spain
		EUR	EUR	EUR	EUR	GBP	EUR	EUR
Hot Rolled Coil	Low	0.5	0.0	0.0	1.8	0.0	-1.5	1.8
Hot Rolled Plate	Low	-0.8	-1.6	0.0	0.0	0.9	-0.7	0.0
Cold Rolled Coil	Low	0.5	0.0	0.0	1.6	0.0	-1.5	3.1
HD Galv Coil	Low	0.0	0.0	0.0	1.4	0.0	-1.5	1.4
EZ Coated Coil	Low	-0.1	0.0	0.0	0.6	0.0	-1.5	0.6
Wire Rod (Drawing)	Low	-1.0	-1.6	-1.6	0.0	0.0	-1.3	-0.8
Wire Rod (Mesh)	Low	-0.3	0.0	-1.7	0.0	0.0	-1.3	-0.8
Sections (I Beam)	Low	-0.5	-0.7	0.0	0.0	0.0	-1.5	0.0
Sections (H Beam)	Low	-0.5	-0.6	0.0	0.0	0.0	-1.4	0.0
Reinforcing Bar	Low	1.8	-1.6	-1.6	5.9	0.0	-1.3	0.0
Merc Bar (Round)	Low	-0.6	-0.7	-0.8	0.0	0.0	-1.5	0.0
Merc Bar (Eq Angle)	Low	-0.6	-0.7	-0.8	0.0	0.0	-1.5	0.0

MEPS European Steel Review - Price & Product Specifications

MEPS International's published price assessments relate to regular business, between buyers and steel mills, for newly produced, prime, commercial quality material, negotiated during the current month, for forward delivery. Transactions which involve abnormally large or small volumes, non-repeatable deals or sale of ex-stock material are omitted from consideration in the formulation of the published prices. Long-term contract prices are also excluded from the MEPS monthly assessments. Unless included as standard, at no additional cost to the buyer, all extras charged for processing, packaging, testing and certification are excluded from the published prices. The majority of MEPS International's price assessments refer to material sold ex-works, excluding local taxes. When delivery charges or local taxes are incorporated in a published figure, this is stated in the relevant specification.

Basis prices exclude extras for dimensions of the product – for example thickness, width and diameter. They also exclude extras for coating, when coating is traditionally charged at an additional cost. Transaction prices include applicable extra charges, such as those for thickness, width, diameter and coating. All prices exclude carbon and energy surcharges.

Hot Rolled Coil

Germany (Ruhr), France, Italy, Belgium, Spain

Ex works. Grade S235JR.

Basis - excludes size extras.

Transaction - Thickness 2-3mm, Width 1100-1549mm.

UK

Ex works. Grade S275JR.

Basis - excludes size extras.

Transaction - Thickness 2-3mm, Width 1100-1549mm.

Hot Rolled Plate

Germany (Ruhr), France, Italy, Belgium, Spain

Ex works. Grade S235JR.

Basis - excludes size extras.

Transaction - Thickness 15-40mm, Width 2000-2500mm.

UK

Ex works. Grade S275JR.

Basis - excludes size extras.

Transaction - Thickness 15-40mm, Width 2000-2500mm.

Cold Rolled Coil

Germany (Ruhr), France, Italy, UK, Belgium, Spain

Ex works. Grade DC01.

Basis - excludes size extras.

Transaction - Thickness 1.00-1.24mm, Width 1100-1549mm.

Hot Dipped Galvanised Coil

Germany (Ruhr), France, Italy, UK, Belgium, Spain

Ex works. Grade DX51D+Z.

Basis - excludes size extras, Coating Z100.

Transaction - Thickness 1.00-1.24mm, Width 1100-1299mm, Coating Z275.

Electro Zinc Coated Coil

Germany (Ruhr), France, Italy, UK, Belgium, Spain

Ex works. Grade DC01+ZE.

Basis - excludes size extras.

Transaction - Thickness 1.00-1.24mm, Width 1100-1299mm, Coating 2.5µm.

Wire Rod (low carbon drawing quality)

Germany, France, Italy, UK, Belgium, Spain

Delivered. Grade C4D, SAE1006.

Transaction - Diameter 5.5mm.

Wire Rod (low carbon mesh quality)

Germany, France, Italy, UK, Spain

Delivered. Grade SAE1008.

Transaction - Diameter 6-12mm.

Sections (I beam)

Germany, France, Italy, Belgium, Spain

Delivered. Grade S235JR, S275JR.

Transaction - Category 1, Designation IPE 180-220.

UK

Delivered. Grade S275JR.

Transaction - Designation UB 203, UB 254.

Sections (H beam)

Germany, France, Italy, Spain

Delivered. Grade S235JR, S275JR.

Transaction - Category 3, Designation HEB 240.

UK

Delivered. Grade S275JR.

Transaction - Designation UC 254.

Rebar (deformed)

Germany, France, Belgium

Delivered. Grade B500B.

Basis - excludes size extras.

Transaction - Diameter 16-20mm.

Italy

Delivered. Grade B450C.

Basis - excludes size extras.

Transaction - Diameter 16-20mm.

UK

Delivered. Grade B500C.

Transaction - Diameter 16-20mm.

Spain

Delivered. Grade B500SD.

Basis - excludes size extras.

Transaction - Diameter 16-20mm.

Merchant Bar

Germany, France, Italy, Belgium, Spain

Delivered. Grade S235JR, S275JR.

Basis - excludes size extras.

Transaction (round bar) - Diameter 16-50mm.

Transaction (equal angle) - Dimensions 50x50x5mm.

UK

Delivered. Grade S275JR.

Transaction (round bar) - Diameter 16-50mm.

Transaction (equal angle) - Dimensions 50x50x6mm.