

EUROPEAN STEEL REVIEW

May 2025

EU steelmakers hope for easing of global trade tensions

European steelmakers are hopeful that global trade tensions might ease after the United Kingdom became the first nation to negotiate a trade deal with the United States.

The US will remove its 25% Section 232 tariff on UK-origin steel imports as part of an agreement revealed on May 8. Furthermore, it will reduce the tariff on automotive products to 10% for 100,000 vehicle imports, after which a 27.5% tariff will be levied. There remains little detail about the new terms, or the date of their implementation, however.

On May 12, a 90-day reduction of import tariffs between the US and China provided further hope of a de-escalation of trade restrictions. The agreement will see the US cut its tariff rate on various Chinese goods (excluding steel) from 145% to 30% and China cut its rate from 125% to 10%.

US trade deficit

MEPS respondents in the EU are not optimistic that the European Commission will quickly negotiate a UK-style agreement to cut US import tariffs in the near term. The UK accounted for just 240,395 tonnes of the US's 26.2 million tonnes of steel imports in 2024, while 3.89m tonnes of EU-origin material was imported into the US. Eurofer data shows that EU steel exports to the US resulted in a trade surplus of around 2.6m tonnes.

Although negotiations are ongoing, plans are being made for an unsuccessful outcome to talks between the EU and US. The European Commission has launched a public consultation on a list of US-origin steel imports that could be subject to EU countermeasures. It is also consulting on possible restrictions on EU exports of steel scrap to the US.

Flat Rolled Products - Negotiated Domestic Basis Prices - Germany

EUR/tonne		Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25
Hot Rolled Coil	High	570	580	610	640	650	650
	Low	550	560	580	610	630	630
Hot Rolled Plate	High	670	680	680	700	710	700
	Low	640	650	650	660	670	660
Cold Rolled Coil	High	670	670	700	730	750	750
	Low	650	650	670	710	720	720
Hot Dipped Galvanised Coil	High	680	690	715	750	760	760
	Low	660	660	685	720	740	740
Electro-Zinc Coated Coil	High	720	720	730	760	780	780
	Low	690	690	700	740	760	760

EU steel producers will be keen to maintain access to the US market. MEPS respondents report a further slowdown in demand, across Europe, this month. Drawing quality wire rod was the only product monitored by MEPS not to register an average price decline as prices edged down.

Central to the UK's steel trade deal with the US is an agreement over the two nations' approach to trade defence. White House documents state that the US "recognises the economic security measures taken by the UK to combat global steel excess capacity" adding that the deal creates a "new trading union" for steel and aluminium.

Proposed UK quota revisions

On May 13, the UK's Trade Remedies Authority (TRA) revealed proposed updates to the nation's import safeguards measures.

The main focus of the TRA's proposed measures is to reduce the dominance of individual nations in certain quotas. Consequently, it proposes a 40% cap on individual countries' use of the quotas for Category 4 (metallic coated sheet), 7 (non-alloy and other alloy quarto plates), and 13 (rebar).

During 2024, Vietnamese-origin material accounted for 62% of goods imported under Category 4's quota, with around 37% imported from South Korea. The utilisation rate of Category 7 was 52% last year, but South Korean-origin imports accounted for 80% of imports. The Category 13 quota was exhausted in each quarter, with Algerian-origin material accounting for 86% of imports.

The TRA's proposals would also remove the "carry-over" facility, which allows unused quotas to be made available in the following quarter. Furthermore, countries with a country-specific quota would no longer be given access to the residual quota in the final quarter and country-specific quotas for developing countries excepted from the measure would not be redistributed. Nonetheless, the 3% liberalisation of TRQs, from July 1, will still go ahead.

If the plan is approved by the UK's Secretary of State, the carry-over of unused quotas will end from July 1. However, the country-specific caps will be implemented from October 1. The TRA said that this would "allow steel importers time to adjust".

Despite the proposed revisions, the UK will remain a key target for exports redirected from the US if its sizeable steel market remains closed to producers in the EU and Asia.

Long Products - Negotiated Domestic Basis Prices - Germany

EUR/tonne		Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25
Wire Rod (Drawing Quality)	High	640	650	650	650	665	670
	Low	620	630	630	630	635	640
Medium Sections and Beams	High	780	780	780	790	800	790
	Low	770	770	770	770	780	780
Reinforcing Bar	High	365	380	380	380	410	425
	Low	350	360	360	370	390	400
Merchant Bar	High	290	290	280	300	300	300
	Low	260	260	260	280	280	280

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

	Hot Rolled Plate		Hot Rolled Coil	
	Q4/24	Q1/25	Q4/24	Q1/25
Europe Av				
Non Sour	123.9	123.9	136.5	136.5
Sour	141.9	141.9	143.0	143.0

* Q4/06 = 100 - based on euro values

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

	Mar-25	Apr-25	May-25
Europe Average	100.3	102.3	101.9
Year-on-year % +/-	-8.1	-0.8	-0.2

* Jan 2007 = 100 - based on transaction prices

Flat Products

Coil

North European prices stagnate amid Easter slowdown

Many of Northern Europe's steel mills paused their attempts to increase coil prices as the region's Easter holiday period reduced the number of trading days in MEPS's latest research period, further stalling demand.

MEPS's prices stabilised across all coil products assessed in the European Steel Review, with no price movement seen in Belgium, France, Germany or the United Kingdom. Buyers across Northern Europe say that prices have peaked.

The recent pause on production at ArcelorMittal's plants in Dunkirk and Fos-sur-Mer, combined with production cuts by other steelmakers in the region, have failed to enable the producers to implement further price increases.

Importers continue to assess the effect of revised EU import safeguard duties, implemented from April 1, on import prices. Recent months' weakening of the US dollar had added to the appeal of low-priced Asian-origin material.

MEPS respondents in Belgium and Germany say that large volumes of Indonesian-origin hot rolled coil, which remains tariff-free, have been sold to Europe. Some say that the influx could attract scrutiny from the European Commission.

European mills are struggling to fill their order books for hot dipped galvanised coil. Imported material from Taiwan and Vietnam is over EUR100 per tonne cheaper than their domestic equivalents, in some cases. Nonetheless, rising EU safeguard duties are creating uncertainty among importers. An increase in the value of the US dollar, since the United States negotiated trade deals with the UK and China, may further erode the price advantage presented by imports.

Tension around UK tariff revisions

In the UK, market participants are concerned about revisions to the nation's safeguard measures, which could be implemented from October 1. In April and May, importers backed away from hot dipped galvanised coil imports from South Korea and Vietnam in anticipation of a potential tightening of quotas. Domestic steelmaker Tata Steel UK has announced price increases in July, MEPS respondents report.

France's coil distributors continue to feel the pressure of low selling prices. With demand low, competition remains fierce, and many businesses face financial difficulties.

MEPS respondents fail to see any recovery in demand, which is described as stable at a very low level. European car manufacturers have withdrawn their guidance for the remainder of 2025, amid uncertainty about US tariffs.

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	720	720	796	812
France	730	730	807	823
Italy	710	700	785	789
UK	595	595	780	790
Belgium	720	720	796	812
Spain	725	715	801	806

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	650	650	625	550	647	650	635
	Low	630	630	605	520	612	630	615
Hot Rolled Plate	High	700	660	650	620	729	680	660
	Low	660	650	630	590	694	660	640
Cold Rolled Coil	High	750	750	720	615	724	750	735
	Low	720	730	700	595	700	720	715
Hot Dipped Galvanised Coil	High	760	760	735	620	729	760	760
	Low	740	740	715	600	706	740	730
Electro-Zinc Coated Coil	High	780	780	760	680	800	780	770
	Low	760	760	740	650	765	760	740

Month on Month % Change

Hot Rolled Coil	Low	0.0	0.0	-1.6	0.0	-0.8	0.0	-1.6
Hot Rolled Plate	Low	-1.5	-3.0	-1.6	0.0	-0.9	-1.5	-1.5
Cold Rolled Coil	Low	0.0	0.0	-1.4	0.0	-0.8	0.0	-1.4
HD Galv Coil	Low	0.0	0.0	-1.4	0.0	-0.8	0.0	-1.4
EZ Coated Coil	Low	0.0	0.0	-1.3	0.0	-0.8	0.0	-1.3

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.

Many of Northern Europe's mills and distributors express hopes that the German government's spending plans will boost sentiment and steel sales. However, Germany has now cut its GDP growth forecast from 0.3% to zero for 2025.

South European mills concede list price concessions

Coil buyers in Italy and Spain confirm that European mills made concessions to their list prices in a context of subdued demand and the availability of low-cost imports, this month.

As a result, prices have decreased by EUR10-20 per tonne compared with last month. Meanwhile, import prices declined by up to EUR40 per tonne.

Offers for hot rolled coils from Asia were heard at around EUR510 per tonne CIF, local port. However, delivery lead times are long, and importers remain uncertain about the cost of potential duties following revisions to the EU import safeguard quotas.

Importers believe that Indonesia, which is currently quota-free, may become subject to some restrictions in the next safeguard review.

MEPS respondents say that many import purchases completed this month are of Turkish-origin hot rolled coil, with prices around EUR540 per tonne CIF – down from EUR580 last month. There have also been purchases of cold rolled coil from Turkey, which has now exceeded its cap within the quarter two safeguard quota.

Importing options for galvanised coils are much more limited in Southern Europe. Vietnamese mills, which have continued to offer competitive prices, have not attracted much interest following the application of a safeguard duty of around EUR50 per tonne last month. A further duty is expected for quarter three customs clearance – from July 1 – as a lot of material has been left in ports.

Short-term price correction

The Made in Steel fair, held in Milan at the beginning of May, attracted many market participants and a lot of enquiries were made. However, few turned into orders as several buyers spoken to by MEPS expect prices to decline in the near term.

The introduction of CBAM should support prices in the medium term. Market participants are awaiting much needed clarification on the calculation of CBAM costs. Data has to be filed from January 1, 2026. However, if proposals put forward by the European Commission in February are passed by the European Parliament and Council, payments may be delayed until 2027.

Activity remains low in Southern Europe's main steel-consuming sectors. Automotive and white goods manufacturers are still postponing deliveries of steel to their production facilities. Many investments have been delayed, notably in the renewable energy sector.

As a result, needs are reduced and purchases limited. Many stockists continue to work from existing inventories, which remain high. Margins are squeezed as the distribution price for sheets has been under pressure.

Against this challenging backdrop, ArcelorMittal is continuing to streamline its downstream processing and distribution divisions with the partial closure of its Legasa plant, in Spain's Navarra region. In Italy, the company has already overseen the closures of its Bologna distribution centre and its coating facility near Avellino.

The steelmaker has also been cutting production at a number of plants in France and Spain. Meanwhile, Acciaierie d'Italia has had to stop a blast furnace at its Taranto site following a fire, which may jeopardise plans to sell the company.

Plate

Plate prices decline despite import duty uncertainty

Europe's hot rolled plate prices declined for the first time in six months as low demand and high stocks applied downward pressure to values, this month.

The United Kingdom is the only country to register stable prices, in local currency terms.

Some MEPS respondents said that Europe's recent price rises had only been achieved as a consequence of supply uncertainty created by revisions to the EU import safeguard measures and US import tariffs.

Competitively priced plate offers from South Korea have been withdrawn from the market. This is largely attributed to the new 20% cap on individual countries' use of the EU's tariff-free plate quota. Furthermore, a new antidumping duty on Chinese-origin plate imports into South Korea may have refocused its producers on their domestic market.

Importers in the United Kingdom say that large stocks of South Korean plate previously stored at Liverpool's heavily congested port are slowly being cleared. A proposed 40% cap on individual counties' use of the UK's tariff-rate quota for plate could reduce the imports from the country, from October 1. South Korean-origin material accounted for 80% of UK plate imports in 2024, according to the UK's Trade Remedies Authority.

Europe's integrated mills and rerollers have been unable to benefit from any reduced competition from South Korean import offers. In Spain, Taiwanese-origin material is filling the void. Spot market demand across the region was insufficient to support producers' attempts to raise plate prices.

MEPS respondents in France report that rerollers have reduced their plate prices due to a decline in slab prices, this month. Electricity prices have also declined from their February high across Europe. Nonetheless, these price reductions achieved limited extra sales.

Demand hopes centre on infrastructure spending

The short April-May trading period created by Europe's Easter holiday period usually creates some spikes in procurement activity. Market participants in France and Italy said that activity had remained subdued, this year, however.

In Italy, infrastructure projects are helping to maintain sales. The Italian government is investing EUR6 billion in a new high-speed rail line linking Naples and Bari.

Mills in Germany are hopeful of an uptick in demand related to the German government's planned EUR500 billion infrastructure investment. The initial effect of this investment is unlikely to be felt until next year, however.

Demand for high grade plate continues to be more stable than its commodity counterpart. In Germany, shipbuilding and wind farm projects provide pockets of demand. Mills supplying the Spanish market, meanwhile, report that demand from renewable energy projects is "strong".

One UK respondent said that, despite the slow release of new plate-consuming projects, the opportunity from wind farms was "huge". However, Danish energy company Orsted later cancelled plans for one of the world's largest wind farms, off England's East Coast.

Long Products

Rebar & Wire Rod

UK buyers likely to reassess import strategies

Rebar importers in the United Kingdom are likely to realign their supply chains if proposed revisions to the nation's import safeguard measures are introduced.

The majority of rebar imports, in the residual quotas in 2024, came from Algeria and Egypt. Most wire rod imports originate from Turkey. If recommendations proposed by the UK's Trade Remedies Authority are implemented, country-specific caps will be applied from October 1, limiting these countries' dominance of the rebar and wire rod quotas.

Rebar and wire rod transaction prices in the UK remain unchanged, this month. Trading conditions remain weak, with stockists describing April as "uneventful". MEPS respondents expect this subdued activity to persist throughout the remainder of the year.

In Germany, rebar values increased by EUR10-15 per tonne this month. Demand is stable, albeit at a modest level. Stock levels are being kept low.

Some German buyers report challenges securing price offers from Italian mills. The differential between prices in Germany and Italy continues to widen, now standing at EUR100 per tonne.

German mills have achieved further price increases. This is largely attributed to the extended closure at the Riva plant, in Brandenburg, which has been offline since the start of the year. MEPS respondents report that production is now resuming. Some expect the increased supply to apply downward pressure to prices.

MEPS respondents in Germany say that wire rod demand is stable, at a low level. They note that consumption is weaker than at the same point last year. Demand remains subdued in both the construction and automotive sectors.

Despite a reduction in scrap values, which reduced mills' production costs, this month, mesh quality wire rod transaction prices held steady. The price of drawing quality material edged up by EUR5 per tonne.

In Belgium, mesh quality wire rod prices remain unchanged, while an increase of EUR10 per tonne was recorded at the high end of MEPS's price range for drawing grades. Demand remains sluggish, however, and is insufficient to support further price gains. Across Western Europe, no significant uptick in market activity is expected during the summer months.

European suppliers of steel to the United States report a slowdown in demand following a spike in export activity resulting from efforts to "beat" the country's recently implemented tariffs. MEPS respondents report an increase in the purchase of mesh quality wire rod from European mills, this month. This was driven by concerns over a potential antidumping investigation into Chinese-origin threaded rods, which could lead to elevated import duties.

Reduced mill costs prompt South Europe rebar price decline

MEPS research shows that rebar prices declined in France and Italy following the decrease in scrap and electricity prices.

The high end of MEPS's price range also reduced in Spain, this month.

Mills continued to communicate stable prices in an effort to restore margins but made limited price concessions of EUR5-10 per tonne.

The largest adjustments have been made in Italy where the volume of offers remains high, buyers say. There is still strong price competition between domestic suppliers, several of which have been producing from low-cost imported billets to achieve competitive selling prices.

At the beginning of May, Spain's Grupo Gallardo Balboa announced the shutdown of its rebar mill in Getafe, near Madrid, for environmental reasons. This is not expected to have much impact on the market, however. The company plans to move the production to its other plants. Moreover, offers from the other domestic mills are more than enough to meet the current level of demand.

Rebar consumption slowed in the second half of April and into May. The lack of growth is reflected in S&P Global's PMIs for the construction sectors in Italy and France, which declined to 50.1 and 43.6, respectively, in April, from 52.4 and 43.8 a month earlier. A score below 50 indicates a sector in contraction.

Wire rod prices hold amid production cuts

MEPS's monthly research showed that the price of wire rod remained stable until the first week of May, despite expectation of some small price decreases.

European mills, particularly those in Italy, have been cutting production. The majority of the cuts have been made to low carbon rod production, due to the low number of orders for this material. Margins also continue to be squeezed for wire rod processors, which are attempting to stabilise their selling prices.

On the import market, purchases have been reported from Indonesia and Tunisia. Neither country is subject to safeguard quotas. Following quarter two customs clearance, importers have had to pay an above-quota import safeguard duty of around 8% on Turkish-origin wire rod.

Beams & Merchant Bar

Prices stable in Northern Europe

Beam and merchant bar transaction values stagnated in Belgium, Germany and the United Kingdom, this month.

Continued weakness in scrap prices and a lack of substantial new project activity is preventing any increase in prices in Northern Europe. Consumption remains limited, with stock levels maintained at low levels. MEPS respondents report that low sales margins are an ongoing challenge.

In Germany, the Hamburg Commercial Bank's manufacturing and construction PMIs showed improvement in April, reaching 48.4 and 45.1, respectively. These levels elevate manufacturing to its highest point since February 2023, and construction to its highest since August 2022. A score below 50 indicates a sector in contraction. Nonetheless, MEPS respondents noted a modest pickup in activity this month and are hopeful that government-led infrastructure spending will begin to support demand in the medium term.

Market participants in Belgium have also reported a rise in the number of enquiries. However, demand from the residential construction sector remains weak, and no change is anticipated in the short term.

The recent trade agreement announced by the United Kingdom and United States has been positively received by the UK steel sector. The proposed removal of duties on steel exports to the US has created a more optimistic outlook for producers.

S&P Global's UK manufacturing and construction PMIs both increased in May, reaching 45.4 (previously 44.9) and 46.6 (previously 46.4), respectively. Despite the gains, both readings remain below the 50-point threshold, indicating continued contraction.

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	670	650	630	550	647	660	635
	Low	640	630	610	530	624	630	625
Medium Sections and Beams	High	790	785	800	680	800	790	780
	Low	780	770	780	650	765	770	760
Rebar	High	425	375	320	560	659	405	355
	Low	400	365	300	530	624	385	340
Merchant Bar	High	300	255	290	630	741	270	260
	Low	280	245	270	600	706	250	250

Month on Month % Change

Wire Rod	Low	0.8	0.0	-0.8	0.0	-0.8	0.0	0.0
Medium Sections	Low	0.0	-1.3	0.0	0.0	-0.8	0.0	0.0
Rebar	Low	2.6	-1.4	-3.2	0.0	-0.8	1.3	0.0
Merchant Bar	Low	0.0	-2.0	0.0	0.0	-0.8	0.0	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.

Market activity remains subdued. Stockists in the UK report that margins are under pressure, while demand from the construction sector continues to be weak. Privately funded projects are scarce.

The Bank of England's May 8 decision to reduce interest rates from 4.5% to 4.25% has been welcomed by the UK steel sector and may help to stimulate some new investment.

Southern Europe's beam and merchant bar prices hold

Beam and merchant bar prices have remained largely stable, despite April's significant fall in scrap prices and a slowdown in demand during the second half of MEPS's monthly research period.

Buyers in Southern Europe expect possible price reductions as they do not believe that mills have been booking many orders.

The merchant bar market leader is attempting to stabilise prices in Italy, but delivery lead times are short. Meanwhile, in Spain, high stocks are reported at some domestic suppliers.

In France, Spanish suppliers had to abandon their attempted price increases, while the country's domestic producer kept quotations stable in an effort to preserve market share.

Many French stockholders had no desire to replenish their inventories ahead of a national holiday period which started in the second half of April and ran into the first week of May.

On the beams market, buyers in Italy see good material availability. Following quarter two customs clearance, the EU's tariff-free import safeguard quota for Turkish sections has filled up.

In Spain, stockholders report stable beam sales volumes, compared with last year, adding that mills' inventories are relatively low.

Demand seems to be holding better for beams than for other products, in France. However, metallic house-frame manufacturers are suffering the effects of subdued construction activity. Many investments have been postponed due to the current global uncertainty, which is damaging business.

The lack of profitability remains a severe problem across Southern Europe's beam and merchant bar sector.

Market & Industry Scene

ArcelorMittal

ArcelorMittal has announced that it will resume its decarbonisation plans in France after the summer, confirming EUR1.2 billion investment in the construction of an EAF in Dunkirk.

The newly announced investment takes the steelmaker's overall investment in its French operations to EUR2bn following its recently announced investments in Dunkirk (EUR254m) and Fos-sur-Mer (EUR53m), respectively.

Meanwhile, the new electrical steel production unit is under construction in Mardyck (EUR500m investment). Completion of that project is due at the end of this year.

ArcelorMittal had delayed investment due to what it described as the European steel industry's "worst crisis since the financial crisis in 2009".

However, the European Commission's Steel and Metals Action Plan, announced in March 2025, has provided optimism about the implementation of efficient trade defence and carbon border adjustment mechanisms (CBAM), the steelmaker said.

It has requested that the European Commission limits imports to 15% of market demand.

Salzgitter Flachstahl

Salzgitter Flachstahl has revealed plans to install a new walking beam furnace and waste gas heat recovery system at its hot strip mill in Salzgitter, Germany.

The project, due for completion in 2028, is part of the company's drive to reduce energy use and carbon emissions.

Supplied by Tenova Italimpianti, the new walking beam furnace is expected to cut slab heating energy consumption by up to 30%.

Reinforcing Steel Europe

Van Merksteijn Steel Group and Südwest Beteiligungen, the parent of Badische Stahlwerke (BSW), have finalised their merger.

The two companies will now form a new company, Reinforcing Steel Europe, which will be headquartered in Almelo, Netherlands.

The new entity consolidates operations from BSW's EAF-based facilities in Kehl and Trier, which collectively produce up to two million tonnes of long products annually, including wire rod and rebar.

Van Merksteijn will contribute processing and mesh production capabilities to the new company, via its sites in the Netherlands, Belgium and France.

UK trade defence

Steel market participants in the United Kingdom have been asked to contribute to consultation over the nation's import safeguard measures and Carbon Border Adjustment Mechanism (CBAM).

The UK's Trade Remedies Authority (TRA) has recommended introducing a 40% country-specific cap to the "other countries" residual quotas for metallic coated sheet, non-alloy and other alloy quarto plates, and rebar.

This proposal, and an end to the carry-over of certain unused quotas, is now open to feedback from interested parties. Comments must be submitted via the TRA's public file by May 26.

Separately, the UK government has released draft primary legislation for technical consultation on the UK CBAM, which is scheduled to take effect from January 1, 2027. Stakeholders have until July 3, 2025, to submit feedback.

Medium Term Price Forecasts

European steel prices to decline amid economic uncertainty

MEPS International forecasts a further decline in Europe's steel coil prices over the next two months.

The price decline follows an easing of the uncertainty surrounding steel imports and the absence of an anticipated post-Easter rebound in apparent demand. Clarification of revisions to the European Commission's safeguard quotas could lead to an increased volume of low-cost offers from Asian suppliers, applying downward pressure to domestic prices.

The European steel market continues to face subdued demand in key steel-consuming sectors and increasing geopolitical tensions. Despite recent interest rate cuts implemented by the European Central Bank and the Bank of England, any signs of recovery from the earlier economic slowdown – largely induced by efforts to mitigate inflation – have been absent from the market.

The European Commission recently revised its GDP growth forecast for the euro area down to just 0.9% for 2025, a downgrade from the 1.3% prediction issued in November. Adding to the region's economic uncertainty are growing trade tensions between the EU and the United States, particularly in relation to steel tariffs. Recent trade deals have been announced between the US and both the United Kingdom and China. However, an EU deal may take longer to agree.

The slowdown in Europe's automotive industry is contributing to weaker steel demand. According to the European Automobile Manufacturers' Association (ACEA), EU new car registrations declined by 1.9% year-on-year in the first quarter of 2025. Commercial vehicle registrations fared even worse, with vans, trucks and buses all seeing significant declines. ACEA partly attributed the decline to the EU's subdued economy and an increasingly complex regulatory environment.

Reduced input costs erode long product prices

MEPS analysts predict that European long products prices will decline over the next two-to-three months. Domestic mills face weak demand and expect to continue offering price discounts in the short term, as the easing of scrap and electricity prices reduces their production costs. Oversupply is adding further downward pressure to beam and merchant bar prices.

MEPS respondents say that new orders from the construction sector are significantly below historical averages. The HCOB Eurozone Construction PMI reported that business expectations are low, and there are no signs of near-term improvement.

The recent depreciation of the US dollar against the euro has made import offers more competitive. However, with tariff agreements already reached between the US and both the UK and China, further meaningful trade breakthroughs could significantly strengthen the US dollar against the euro, limiting the appeal of imports.

Medium-to-long-term outlook remains positive

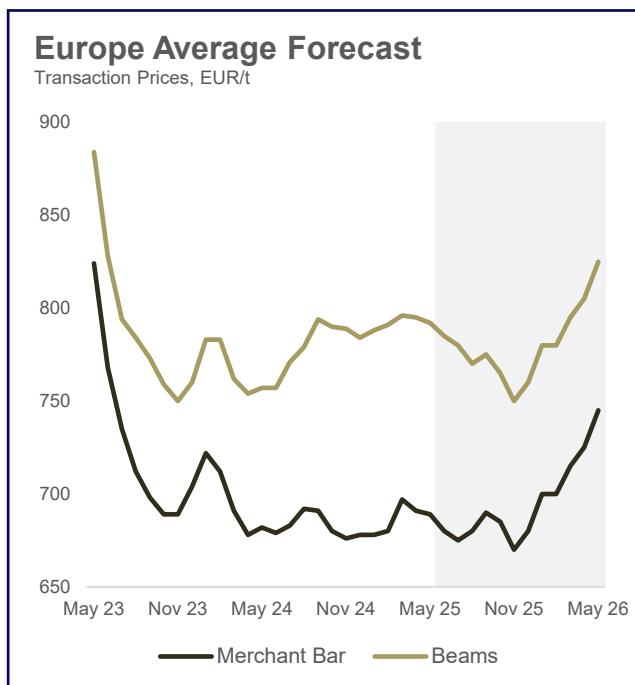
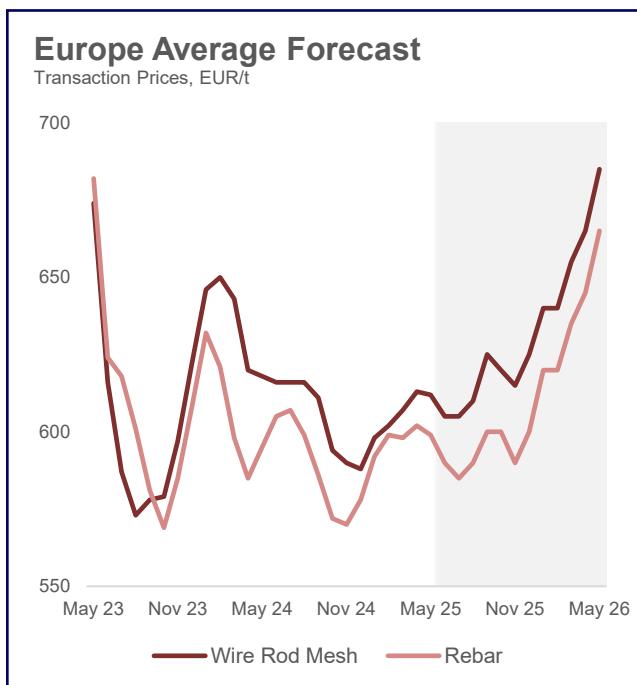
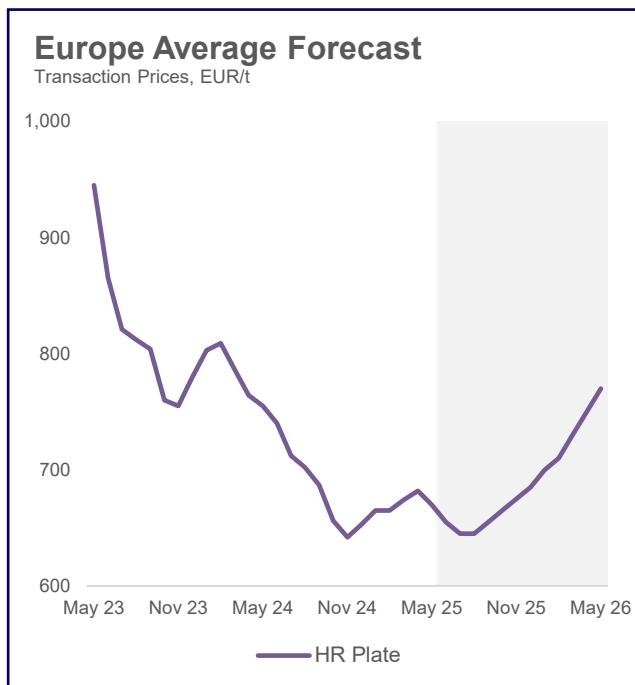
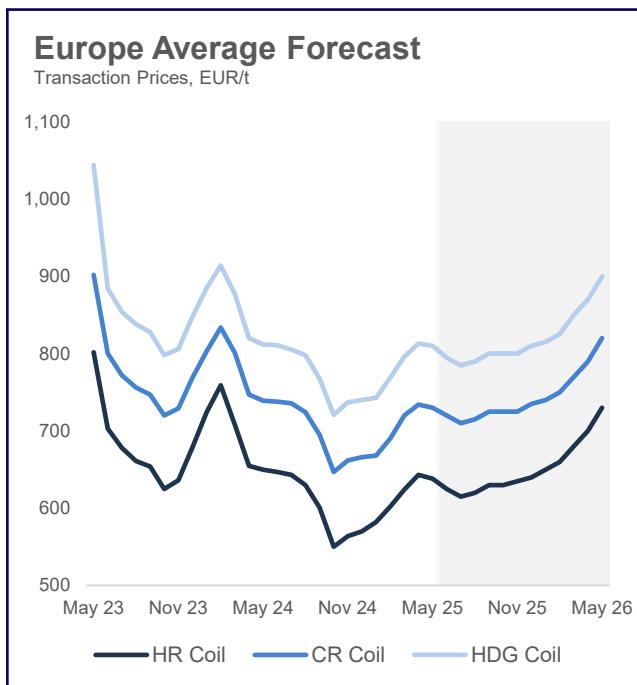
Continued interest rate reductions across the eurozone should improve the purchasing power of consumers and businesses alike during the second half of the year, stimulating demand in various sectors, including construction and automotive. Furthermore, Germany's planned government spending measures, which are expected to be rolled out later this year, could provide a much-needed boost to the steel market.

From 2026, the introduction of the European Commission's Carbon Border Adjustment Mechanism (CBAM) will increase the cost and complexity of imports, creating a more level playing field for European producers. This should provide some support for steel prices.

Europe Average Domestic Transaction Price Forecasts

EUR/tonne	Actual		Forecast				
	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Hot Rolled Coil	638	625	615	620	630	630	635
Hot Rolled Plate	670	655	645	645	655	665	675
Cold Rolled Coil	730	720	710	715	725	725	725
HD Galv Coil	810	795	785	790	800	800	800
EZ Coated Coil	847	835	825	830	840	840	845
Wire Rod (Drawing)	627	620	620	625	645	640	645
Wire Rod (Mesh)	612	605	605	610	625	620	615
Sections (I Beam)	773	765	760	750	755	745	730
Sections (H Beam)	792	785	780	770	775	765	750
Reinforcing Bar	599	590	585	590	600	600	590
Merc Bar (Round)	693	685	680	685	695	690	675
Merc Bar (Eq Angle)	689	680	675	680	690	685	670

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.



Transaction Price Data Sheet								
Negotiated Domestic Transaction Prices								
Flat Products		Europe Average	Germany	France	Italy	UK	UK	Spain
			EUR/t	EUR/t	EUR/t	GBP/t		
Hot Rolled Coil	High	660	671	671	643	570	671	656
	Low	638	651	651	623	540	635	636
Hot Rolled Plate	High	700	715	675	665	634	746	675
	Low	670	675	665	645	604	711	655
Cold Rolled Coil	High	754	766	766	735	629	740	751
	Low	730	736	746	715	609	716	731
Hot Dipped Galvanised Coil	High	831	835	835	810	710	835	835
	Low	810	815	815	790	690	812	805
Electro-Zinc Coated Coil	High	870	873	873	853	750	882	863
	Low	847	853	853	833	720	847	833
Long Products		Europe Average	Germany	France	Italy	UK	UK	Spain
			EUR/t	EUR/t	EUR/t	GBP/t		
Wire Rod (Drawing Quality)	High	650	670	650	630	550	647	635
	Low	627	640	630	610	530	624	625
Wire Rod (Mesh Quality)	High	627	640	620	610	550	647	620
	Low	612	620	610	600	530	624	610
Medium Sections (I Beam)	High	791	790	785	800	680	800	780
	Low	773	780	770	780	650	765	760
Medium Sections (H Beam)	High	811	810	805	820	695	818	800
	Low	792	800	790	800	665	782	780
Reinforcing Bar	High	620	685	635	580	560	659	615
	Low	599	660	625	560	530	624	600
Merchant Bar (Round)	High	713	725	680	715	630	741	685
	Low	693	705	670	695	600	706	675
Merchant Bar (Equal Angle)	High	708	720	675	710	630	741	680
	Low	689	700	665	690	600	706	670

All prices exclude carbon and energy surcharges.

Currency Exchange Rates				
	US dollars USD		Euros EUR	
	3-Apr	1-May	3-Apr	1-May
Eurozone EUR	0.905	0.887	-	-
UK GBP	0.763	0.753	0.843	0.850

MEPS Industrial Sector Steel Purchasing Price Index - Europe Average				
Jan 2007 = 100	Apr-25	May-25	% change	
Construction Industry	106.8	108.5	1.6	
Household Appliances	90.6	92.0	1.5	
Machinery Sector	98.5	99.6	1.1	
Shipbuilding Industry	85.7	86.0	0.4	
Shipping Containers	102.5	103.9	1.4	
Yellow Goods	106.6	107.8	1.1	

Transaction Price Index - Europe Average				
	Apr-25	May-25	% change	
Hot Rolled Coil	246.4	244.4	-0.8	
Hot Rolled Plate	237.6	233.4	-1.8	
Cold Rolled Coil	201.6	200.5	-0.5	
HD Galv Coil	176.4	175.7	-0.4	
EZ Coated Coil	202.1	201.2	-0.4	
Wire Rod (Drawing)	236.6	236.6	0.0	
Wire Rod (Mesh)	258.6	258.2	-0.2	
Sections (I Beam)	252.4	251.8	-0.2	
Sections (H Beam)	227.8	226.9	-0.4	
Reinforcing Bar	265.2	263.9	-0.5	
Merc Bar (Round)	261.3	260.5	-0.3	
Merc Bar (Eq Angle)	267.8	267.1	-0.3	

Note: Based on low transaction values.

Negotiated Domestic Transaction Prices - Month on Month % Change							
		Europe Average	Germany	France	Italy	UK	UK
		EUR	EUR	EUR	EUR	GBP	EUR
Hot Rolled Coil	Low	-0.8	0.0	0.0	-1.6	0.0	-0.9
Hot Rolled Plate	Low	-1.8	-1.5	-2.9	-1.5	0.0	-0.7
Cold Rolled Coil	Low	-0.5	0.0	0.0	-1.4	0.0	-0.8
HD Galv Coil	Low	-0.4	0.0	0.0	-1.3	0.0	-0.9
EZ Coated Coil	Low	-0.5	0.0	0.0	-1.2	0.0	-0.8
Wire Rod (Drawing)	Low	0.0	0.8	0.0	-0.8	0.0	-0.8
Wire Rod (Mesh)	Low	-0.2	0.0	0.0	0.0	0.0	0.0
Sections (I Beam)	Low	-0.3	0.0	-1.3	0.0	0.0	-0.8
Sections (H Beam)	Low	-0.4	0.0	-1.3	0.0	0.0	0.0
Reinforcing Bar	Low	-0.5	1.5	-0.8	-1.8	0.0	-0.8
Merc Bar (Round)	Low	-0.3	0.0	-0.7	0.0	0.0	-0.8
Merc Bar (Eq Angle)	Low	-0.3	0.0	-0.7	0.0	0.0	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.