



# EUROPEAN STEEL REVIEW

December 2025

## ***CBAM clarification raises importers' cost expectations***

EU steel importers have expressed concern that CBAM will present significantly higher costs than previously thought.

Documentation, that has yet to be officially published by the European Commission, shows that its CBAM Committee has accepted a series of revisions to previously leaked draft implementation proposals. These include lower definitive benchmark emissions values, above which CBAM taxes will be charged at 100% of the carbon cost determined by the bloc's Emissions Trading Scheme (ETS).

The revisions have also raised some of CBAM's country-specific default emissions values. These fixed values, which are applied to both finished and semi-finished steel, vary by country and production route and must be used to determine CBAM taxes in the absence of verified mill data.

Preliminary calculations, based on these factors, indicate that CBAM taxes will make imports from certain countries uncompetitive. The costs added to material produced via the blast furnace route in China, India and Indonesia, in particular, are likely to be significant.

### **EU mills to realise CBAM benefit after tough 2025**

The clarification of CBAM's potential costs, just weeks before the mechanism's January 1 implementation, will be welcomed by most EU steelmakers. Some have already begun extended Christmas shutdowns amid hopes that CBAM taxes will deliver an uptick in both demand and prices in the new year.

## **Flat Rolled Products - Negotiated Domestic Basis Prices - Germany**

EUR/tonne		Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
<b>Hot Rolled Coil</b>	High	570	570	590	590	620	630
	Low	550	550	560	560	590	600
<b>Hot Rolled Plate</b>	High	650	650	660	660	670	680
	Low	630	620	620	620	640	650
<b>Cold Rolled Coil</b>	High	670	670	690	690	720	730
	Low	650	650	660	660	690	700
<b>Hot Dipped Galvanised Coil</b>	High	690	690	700	700	730	740
	Low	670	670	670	670	700	710
<b>Electro-Zinc Coated Coil</b>	High	730	730	730	730	750	760
	Low	700	700	700	700	730	740

A 12-month period of subdued domestic demand and international trade volatility has seen mills operate at 60-67% capacity utilisation, according to European Commission data. Worldsteel data showed that crude steel production among the 27 EU countries it monitors had declined by 3.4% year-on-year by the end of October, falling to 107.7 million tonnes. The output of mills in Germany has declined by 9.9% during the first 10 months of the year, falling to 28.5m tonnes.

Global crude steel production decreased by 2.1% in the same period, to 1.52bn tonnes. This overall decline was largely driven by a 3.9% decline (to 817.9m tonnes) in China.

US President Donald Trump's blanket reintroduction of Section 232 tariffs on steel in March, and its subsequent doubling to 50% in June, has exacerbated the effects of limited domestic steel demand in the EU. In 2024, 16% of EU steel exports were shipped to the US.

Eurofer's latest Economic and Steel Market Outlook said that apparent steel consumption reversed its short-lived recovery in quarter two, declining by 1.8% year-on-year following a 2.2% year-on-year uptick in the first quarter. The report said that the EU steel sector is expected to record a 0.2% decline in apparent consumption in 2025.

### Reduced EU steel production failed to support prices

Against this backdrop of weak demand, the decline in EU steelmakers' output has done little to tighten supply or support domestic steel prices. Over the first eight months of 2025, imports edged up by 0.3%, with a market share of 27%.

Consequently, despite modest price increases during quarter four, the MEPS Europe Average price for hot rolled coil has declined by 6.4% year-on-year in 2025. The price of hot rolled coil averaged EUR599-625 per tonne during the past 12 months. In the longs sector, MEPS Europe Average price for rebar has declined by a lesser 2% year-on-year.

Eurofer has forecast a 3% growth in apparent steel consumption in the EU for 2026. The influence of CBAM taxes and the replacement for the European Commission's safeguard measures will restrict imports further, supporting prices and improving local mills' profit margins. However, for some importers, stockists and rerollers, the added cost and complexity of imports, and the prospect of increased domestic prices, pose a threat to their business model.

### Long Products - Negotiated Domestic Basis Prices - Germany

EUR/tonne		Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
<b>Wire Rod (Drawing Quality)</b>	High	650	640	630	620	610	610
	Low	620	610	600	590	580	580
<b>Medium Sections and Beams</b>	High	760	755	750	750	740	740
	Low	750	745	740	730	720	720
<b>Reinforcing Bar</b>	High	380	370	360	350	340	340
	Low	370	360	350	340	330	330
<b>Merchant Bar</b>	High	270	265	260	250	240	245
	Low	260	255	250	240	230	230

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

	<b>Hot Rolled Plate</b>		<b>Hot Rolled Coil</b>	
	Q3/25	Q4/25	Q3/25	Q4/25
<b>Europe Av</b>				
Non Sour	120.3	120.3	129.5	134.7
Sour	138.1	138.1	136.3	141.3

\* Q4/06 = 100 - based on euro values

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

	Oct-25	Nov-25	Dec-25
<b>Europe Average</b>	94.8	98.1	99.5
<b>Year-on-year % +/-</b>	2.8	4.3	5.4

\* Jan 2007 = 100 - based on transaction prices

## Flat Products

### Coil

#### UK stable as CBAM uncertainty raises North EU prices

Negative sentiment following the UK government's annual budget combined with plentiful coil supply and low demand to keep prices stable in the United Kingdom, this month.

MEPS's UK coil values were unchanged, apart from a GBP5 per tonne increase at the low end of the hot rolled coil price range. Northern EU countries recorded modest increases across all coil products as the unknown cost of CBAM taxes, applicable to imports from January 1, continued to create uncertainty.

MEPS coil prices in Northern EU countries have risen by EUR30-70 per tonne since August. UK prices have risen by GBP5-20 per tonne in the same period.

UK market participants said that the November 26 budget announcement failed to boost buyers' sentiment.

The outlook for UK manufacturing has improved. In November, the S&P Global UK Manufacturing PMI edged above 50 for the first time in 15 months, reaching 50.2. A score above 50 indicates a sector in growth. However, Society of Motor Manufacturers and Traders data showed that the UK's automotive output was down by 17% year-to-date at the end of October. Furthermore, the S&P Global UK Construction PMI fell from 44.1 to 39.4 in November – the steepest downturn for five-and-a-half years.

MEPS's UK respondents say that hot rolled coil supply is plentiful. Galvanised coil from South Korea and Vietnam has been restricted by import safeguard quotas, but the supply gap is being filled by Turkish-origin imports which avoid tariffs due to Turkey's categorisation as a "developing country".

#### Ample stocks remove procurement anxiety

In Northern EU countries, many buyers have procured material to arrive ahead of the extended Christmas shutdowns of mills and end-users. MEPS respondents in Belgium, France and Germany say that coil stocks are high and port storage heavily utilised. Consequently, many will not have to purchase more material until the end of the first quarter.

Galvanised and cold rolled coils are in short supply in Belgium and France. Domestic production is limited, and safeguard measures, the EU's ongoing cold rolled coil antidumping investigations, and forthcoming CBAM taxes have stalled imports.

Some Asian mills continue to gain traction with coil offers made on DDP terms, with the delivery and estimated CBAM costs included.

### Comparison of Low Market Domestic Basis Prices - Cold Rolled Coil

price/ tonne	<b>Local currency</b>		<b>US dollars</b>	
	Last Month	This Month	Last Month	This Month
<b>Germany</b>	690	700	796	814
<b>France</b>	710	720	819	837
<b>Italy</b>	680	700	784	814
<b>UK</b>	560	560	736	741
<b>Belgium</b>	690	700	796	814
<b>Spain</b>	715	735	825	855

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

		<b>Germany</b> EUR/t	<b>France</b> EUR/t	<b>Italy</b> EUR/t	<b>UK</b> GBP/t	<b>UK</b> EUR/t	<b>Belgium</b> EUR/t	<b>Spain</b> EUR/t
<b>Hot Rolled Coil</b>	High	630	635	630	520	592	630	635
	Low	600	610	595	490	557	600	610
<b>Hot Rolled Plate</b>	High	680	675	650	600	683	680	670
	Low	650	645	630	580	660	650	640
<b>Cold Rolled Coil</b>	High	730	740	730	590	671	730	755
	Low	700	720	700	560	637	700	735
<b>Hot Dipped Galvanised Coil</b>	High	740	740	735	625	711	740	745
	Low	710	720	710	590	671	710	720
<b>Electro-Zinc Coated Coil</b>	High	760	760	755	660	751	760	770
	Low	740	740	735	630	717	740	740

## Month on Month % Change

<b>Hot Rolled Coil</b>	Low	1.7	1.7	1.7	1.0	0.7	1.7	2.5
<b>Hot Rolled Plate</b>	Low	1.6	0.8	3.3	0.0	-0.2	1.6	1.6
<b>Cold Rolled Coil</b>	Low	1.4	1.4	2.9	0.0	-0.3	1.4	2.8
<b>HD Galv Coil</b>	Low	1.4	2.9	2.9	0.0	-0.3	1.4	2.9
<b>EZ Coated Coil</b>	Low	1.4	1.4	2.1	0.0	-0.1	1.4	1.4

## 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.

European steelmakers have begun adding their own carbon costs to invoices. This reflects the gradual removal of the EU's Emissions Trading Scheme's free carbon emissions allowances under CBAM.

As steelmakers push for price rises on Europe's spot market, they are targeting EUR75-110 per tonne increases in annual contract negotiations with the automotive sector. Most expect prices to be settled with a EUR10-25 per tonne increase as OEMs push to achieve cost savings. The MEPS Europe Average galvanised coil price declined by 4.6% year-on-year in 2025, from EUR820 to EUR782 per tonne.

### **South European coil price rises slow in December**

Coil prices in Italy and Spain have risen by a further EUR5-20 per tonne, this month, following the significant increases implemented in November.

After consolidating last month's increases, European mills have failed to realise the full extent of their new price quotations but continue to push for gains for their February and March deliveries.

Purchases have been limited this month. Southern Europe's service centres and stockholders are covered for at least the first quarter of next year, after buying large quantities ahead of the application of CBAM taxes, from January 1.

Large volumes of imported material will continue to arrive until the end of the year, to be stockpiled in warehouses and at ports. Consequently, a number of safeguard quotas are expected to fill up at the beginning of January.

However, several importers are expected to customs clear material before the end of the year, to avoid CBAM taxes. Moreover, the Italian steel distribution association Assofermet has asked the European Commission for transitional exemptions to the application of CBAM taxes.

Most buyers have shifted their purchasing to European producers. However, some large-volume importers are still placing small orders. They say that current import offers remain attractive despite estimated CBAM taxes and safeguard duties and expect overseas offers to become increasingly competitive as EU prices rise.

Traders' import offers are being made on DDP terms (with the cost of delivery and duties included) with some quoting hot rolled coil prices of EUR600 per tonne for March arrival. CIF offers are around EUR100 per tonne lower, on average, to which importers are adding an estimated CBAM cost of around EUR60 per tonne.

### **Importers seek clarification on CBAM**

November's leaked European Commission document, detailing proposed CBAM default values, created confusion. High values for Indonesia, Vietnam and India are deterring many importers. Most want to know when overseas mills' actual carbon emissions will be verified, allowing them to avoid the use of the current default values to calculate CBAM taxes.

As part of attempts to reduce costs, importers are now considering offers from new origins without safeguard quotas, such as Thailand and Pakistan. Alternative origins in the Middle East, notably Saudi Arabia, have already attracted orders.

Imports of cold rolled coils have nearly stopped, as new orders from India, Japan, Taiwan, Turkey and Vietnam could face preliminary antidumping duties. The European Commission's recently announced requirement to register imports had also raised the possibility of retroactive duties.

Consequently, there is some supply tightness for cold rolled coil. This is especially true in Spain where the only domestic suppliers are ArcelorMittal and Galvacolor. The latter will focus on the supply of cold rolled coil following its recent takeover by CSN.

The price of coil derivatives has increased in Southern Europe, with hot rolled sheets reaching EUR700 per tonne. Nonetheless, the distribution sector warns that resale values are not keeping pace with the hikes in their feedstock in a context of strong competition.

Market activity remains flat at a subdued level. The slight boost in apparent demand triggered by CBAM-related speculation only lasted for a few weeks. End-users have kept their orders to a minimum as they exercise tight stock control to maintain their cash positions. However, some MEPS respondents believe that the downstream market may be misjudging the full effect of CBAM and the EU's new tariff-rate quota system, which will lead to much higher prices and possible supply shortages from quarter two of next year.

## Plate

### Imports lose competitive edge as costs rise

Imported plate is losing its price advantage over domestically produced material as CBAM taxes and safeguard tariffs erode its competitive advantage.

MEPS respondents say current import offers are around EUR680-700 per tonne, including delivery and duties. Sellers are making attempts to offset the estimated cost of CBAM taxes. However, buyers are shifting their procurement away from imports and towards domestic mills.

Domestic mills have increased their prices on the back of uncertainty about the added cost of safeguard tariffs and CBAM costs on imports and have realised modest gains. The MEPS Europe Average price for plate increased by EUR8-10 per tonne, in December, rising to EUR661-688 per tonne.

Amid continued low demand, most plate buyers are limiting their purchases to immediate needs. Stockholders and end-users are sourcing missing dimensions or grades only. Nonetheless, some stockists that are carrying high stocks remain positive. They anticipate that increased prices will allow them to achieve improved profit margins on sales in the new year.

MEPS respondents in Belgium say that traders are holding significant plate inventory and offering prices above the market average.

Despite the seasonal slowdown in plate demand, limited enquiries from Germany's defence sector emerged towards the end of the year, providing some support amid generally weak demand.

### Markets diverge as CBAM influences prices

Although plate consumption remains limited, MEPS respondents in Germany say that mills are attempting to increase prices by EUR40-70 per tonne, citing increased carbon costs. However, MEPS's hot rolled plate price for Germany increased by a lesser EUR10 per tonne to EUR650-680 per tonne, this month.

In the United Kingdom, where a domestic CBAM will not be implemented until 2027, limited project activity is adding to a market downturn. Buyers say that domestic producers are focused on securing sales rather than increasing their selling prices. Although overall import pressure from Asian suppliers has eased, Indonesian material is being offered from existing UK stocks at low prices, undermining any attempted price increases. MEPS UK plate price was unchanged at GBP580-600 per tonne in December, just GBP10 per tonne above its July low.

In Southern Europe, Italy's integrated mills and rerollers realised increased selling prices, this month. Buyers' increased focus on restocking from domestic sources, rather than from imports, is supporting the increases.

Some Italian rerollers are seeking new sources of slab supply following the European Commission's 19th package of sanctions against Russia. The measure will limit their access to this established source of low-cost feedstock, squeezing their profit margins. Plate prices increased by EUR10-20 per tonne, in Italy, during December, reaching EUR630-650 per tonne.

## Long Products

### Rebar & Wire Rod

#### North European buyers continue to exercise caution

Rebar and wire rod demand across Northern Europe remained weak this month, with buyers in Germany, Belgium and the United Kingdom continuing to limit their procurement to short-term requirements.

Subdued construction activity and uncertainty surrounding the January implementation of CBAM taxes contributed to buyers' increasingly cautious approach. CBAM taxes will raise the cost of imports, reducing their appeal. This will increase demand from European producers, supporting their efforts to increase selling prices.

In Germany, consumption from both construction and wire-using sectors remains soft. Despite mills' efforts to lift rebar and wire rod prices, selling values were unchanged in December.

Rebar and wire rod prices were also unchanged in Belgium, this month. MEPS respondents in that country say that consumption is being supported by a small number of large-scale projects, while routine day-to-day business remains subdued.

Wire rod prices in Germany and Belgium are expected to start to increase before the Christmas holidays.

Sentiment in the UK construction sector continues to deteriorate, undermining demand. The S&P Global UK Construction PMI highlights the challenges in this sector. The PMI fell to 39.4 in November, its weakest reading in more than five years. A score below 50 indicates a sector in contraction.

Rebar prices recorded a GBP20 per tonne increase in the UK, this month. The number of offers from Spanish producers has reduced due to elevated prices, and relatively stable demand from the construction sector, in their domestic market.

The UK import safeguard measures' 35,304 tonne quarter four quota for Turkish-origin rebar was 96% full, as of December 9. Availability remained in the EU quota, however.

Wire rod prices were unchanged in the UK this month. Demand from the manufacturing industry continues to be subdued, and buyers remain unwilling to build inventory ahead of the year end. Supply is readily available from producers, with short delivery lead times.

In the UK, buyers remain reluctant to make long-term buying commitments. Many cite the broader economic environment and elevated financing costs. Uncertainty around the UK government's fiscal policy, ahead of its November budget announcement, was also cited as a reason for delaying procurement in MEPS's latest research period.

#### **South European wire rod and rebar prices start to rise**

The prices of wire rod in Italy and Spain have started to increase this month, rising by EUR5-15 per tonne, buyers have confirmed.

MEPS respondents in the two countries expect further price increases. Some mills' delivery lead times have lengthened as buyers procured material to increase their stocks ahead of these rises.

Nonetheless, material availability remains good. Pittini's Ferriere Nord facility resumed steelmaking operations on November 24, almost a month after the October 29 fire that stopped production. Buyers have also continued to receive material from imports ahead of the application of CBAM taxes, from January 1.

The importers that speak to MEPS reported no new deals on material for arrival in the new year, this month. Some are considering offers from third-country mills that claim to offer low levels of embedded carbon emissions. Furthermore, there have been a number of offers from Indonesian and Turkish sources.

Prices in France have remained stable this month, but buyers have been informed of increases effective from January 1. Some local wire rod processors experience strong competition for sales into certain industrial sectors in Spain, such as wood packaging. French processors face fierce competition in export markets. Chinese suppliers are increasingly present in Latin America, in particular. Their prospects are better in the United States where there is a need for imported material, despite 50% Section 232 tariffs.

On the rebar market, some price increases have also been reported in Italy and Spain, this month. In Italy, last month's rise has been consolidated and values continued to firm, backed by all domestic suppliers. Furthermore, the fire at Pittini Group's Ferriere Nord facility tightened local availability temporarily, applying upward pressure to prices.

Prices in Spain have also started to rise after mills announced price increases effective from early December. This trend should be supported by low inventories.

However, rebar prices have continued to come under downward pressure, in France, this month. This pressure is prevalent in the south of the country due to the competition from South European suppliers, mainly in Italy, where prices remain lower.

#### **Beams & Merchant Bar**

##### **Mill price rises falter as North European buyers pause**

Beam and merchant bar prices in Germany were unchanged, in December, despite mills' attempts to increase prices before the end of the year.

Producers continue to reference higher scrap, energy and carbon-related costs as justification for their proposed rises. However, distributors report that subdued demand has prevented this push for higher prices from gaining traction. Many stockists and end-users remain focused on working through their existing inventories.

German demand for beams, which had shown brief signs of improvement earlier in the fourth quarter, slowed again as sentiment in the construction sector weakened and activity slowed ahead of the Christmas holidays. This has led to expectations that some mills may extend their winter maintenance outages.

Merchant bar demand mirrored the trend in beams, with little appetite for forward orders. Despite increased production costs, mills were unable to lift their selling prices.

## Long Products - Negotiated Domestic Basis Prices

		<b>Germany</b> EUR/t	<b>France</b> EUR/t	<b>Italy</b> EUR/t	<b>UK</b> GBP/t	<b>UK</b> EUR/t	<b>Belgium</b> EUR/t	<b>Spain</b> EUR/t
<b>Wire Rod</b> <b>(Drawing Quality)</b>	High	610	610	580	510	580	610	590
	Low	580	580	570	495	563	580	575
<b>Medium Sections and Beams</b>	High	740	750	760	650	739	750	730
	Low	720	730	740	630	717	730	720
<b>Rebar</b>	High	340	335	310	530	603	340	370
	Low	330	325	280	520	592	330	350
<b>Merchant Bar</b>	High	245	220	270	600	683	240	255
	Low	230	210	250	570	648	220	235

## Month on Month % Change

<b>Wire Rod</b>	Low	0.0	0.0	1.8	0.0	-0.2	0.0	1.8
<b>Medium Sections</b>	Low	0.0	0.0	-0.7	1.6	1.4	0.0	1.4
<b>Rebar</b>	Low	0.0	-3.0	0.0	4.0	3.9	0.0	1.4
<b>Merchant Bar</b>	Low	0.0	0.0	0.0	0.0	-0.3	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.

Beam and merchant bar prices in Belgium were also unchanged in December. Distributors report weak demand and fierce competition for sales. MEPS respondents report increased competition from producers in Southern Europe, in particular. Meanwhile, service centres continued to achieve small profit margins as they sold material at low prices to reduce inventories before the year end.

Beam prices in the United Kingdom increased by GBP10 per tonne in December amid a slight improvement in distributor restocking. However, market participants say that the increase was smaller than mills had targeted, reflecting the continued weakness of underlying demand. Activity across the construction sector remains subdued, and buyers remain reluctant to accumulate stock ahead of the winter slowdown.

Merchant bar prices in the UK were unchanged this month, with distributors reporting limited purchasing volumes and cautious procurement strategies. Mills are discussing potential increases for early 2026.

Delivery lead times for beams remain relatively short, in the UK, with British Steel offering quick delivery to fill their production schedules. Some stockists also report an increase in the number of merchant bar offers from European suppliers. Nonetheless, UK stockholders remain focused on their day-to-day requirements, prioritising cash flow management by maintaining lean inventories.

### **South European buyers anticipate upward price trend**

Beam buyers in Southern Europe expect to pay increasingly higher prices in the period before Christmas, after mills announced rises of up to EUR30 per tonne at the end of last month.

MEPS respondents say that consumption has remained at a fairly good level. Some distributors and service centres reported a slowdown in November compared with October, but others note that customers had been securing tonnages ahead of anticipated price rises.

The market leading producer of merchant bar has started to reduce its discounts in Italy and France, and increased list prices are expected very soon. In the meantime, Spanish mills have announced rises of EUR10-20 per tonne, this month.

Buyers in France, Italy and Spain all note that mills have become more determined and are no longer willing to negotiate on prices. Some are preparing for long Christmas breaks of up to a month to reduce supply, providing further support to prices.

Nonetheless, there is little optimism on the downstream market. Distribution prices have remained under downward pressure for both beams and merchant bars. Profit margins are being sacrificed to keep sales volumes at reasonable levels. Moreover, some distributors are still offering low prices in an attempt to convert their stocks into cash before the year end.

The S&P Italy Construction PMI fell back below 50, to 48.2, in November. The PMI for France rose to 43.6. A score below 50 indicates a sector in contraction. The Spanish construction sector continues to fare better than those in other European countries.

## **Market & Industry Scene**

### **Thyssenkrupp Steel**

Thyssenkrupp Steel has agreed a collective restructuring package covering its operations in Duisburg, Germany, with the IG Metall trade union, enabling implementation to begin immediately.

The plan includes cutting or outsourcing around 11,000 jobs – around 40% of the site's workforce – while reducing crude steel shipment capacity from 11.5 million tonnes to 9m tonnes per year. Funds have been secured to cover the duration of the restructuring programme, which is scheduled to run until 30 September 2030.

Thyssenkrupp has also confirmed that the DRI plant under development in Duisburg will continue unaffected. This decision was made amid ongoing talks with Jindal Group regarding the Indian steelmaker's potential acquisition of thyssenkrupp Steel.

### **ArcelorMittal developments**

#### **Germany**

ArcelorMittal has commissioned a series of upgrades to its reversing cold mill at Eisenhüttenstadt, Germany.

The modernisation, completed in December 2025, improves the plant's capability to produce higher-quality silicon steel by improving strip cleanliness, surface finish and process control. Furthermore, emissions are being reduced through an enhanced extraction and filtration system.

ArcelorMittal Eisenhüttenstadt is an integrated site with an annual production capacity of up to 2.4 million tonnes.

### France

The first three lines of a new EUR500 million electrical steel production unit are due to be commissioned at ArcelorMittal's Mardyck site, near Dunkirk, by the year end.

The initial phase of the steelmaker's project at Mardyck includes preparation, heat-treatment and coating and slitting units. It will increase the site's annual production capacity for electrical steels to 155,000 tonnes.

A second phase of construction is now underway, including additional heat-treatment and rolling capability, with a total of five new lines to be added by 2027.

### Spain

ArcelorMittal is temporarily halting the coating line at its Avilés facility to carry out upgrades, including replacement of hydrochloric acid tanks used in strip treatment.

Work on the project is expected to be completed on December 26, 2025.

Meanwhile, the restart of blast furnace B at the nearby Gijón integrated plant remains problematic following maintenance.

Repeated attempts have been made to reignite the furnace. If successful, the first pig iron could be produced by late December, with operations stabilised by late January to early February 2026.

## Medium Term Price Forecasts

### Upward price trend to resume after December slowdown

MEPS forecasts that European steel prices will continue to rise in the coming months, despite a December slowdown in the recent upward trend.

The cost implications of CBAM and the European Commission's replacement of its current import safeguard measures, which expire in June 2026, will raise the cost of imports and reduce volumes. This will increase demand for domestic production, supporting European mills as they continue to push for price increases after the Christmas holidays.

European flat product prices rose by EUR10-15 per tonne in December and are expected to gain a further EUR60-70 per tonne by April.

In addition to the CBAM taxes applicable from January 1, the proposed 47% reduction in import quotas is likely to bring a larger share of import volumes under the scope of import duties. Hot rolled coil will be most affected. The product currently accounts for around 20-25% of total EU steel imports, and any disruption to these volumes will exert upward pressure on domestic prices.

Furthermore, many of MEPS's research partners reported extended delivery lead times for cold rolled coil, in particular, during December. This will provide some price support for this product in the early months of next year.

In the long products segment, European prices have so far remained broadly stable and have not yet mirrored the increases seen in flat products. However, MEPS forecasts that prices will rise from January, as buyers shift their procurement back to domestic producers.

### Consumption outlook for 2026

As 2026 progresses, gradual improvements in steel consumption in key industrial sectors, notably construction, are expected to provide further support to Europe's long product prices. According to Eurofer's latest report, apparent steel demand in the EU is forecast to return to growth, rising by 1% year-on-year in the first quarter of 2026, following an overall decline over the last three quarters of 2025. Further increases in demand are forecast for the second and third quarters of 2026. Meanwhile, real steel demand is also forecast to grow, by 1.1% in 2026, following four consecutive years of decline.

Eurofer's forecast for demand from the EU construction sector shows an increase of 2.2%, in 2026, following minimal growth of 0.1% in 2025. This growth expectation is primarily driven by the anticipated effect of reduced interest rates.

In contrast, the European automotive sector is expected to end 2025 with a 3.8% decline due to headwinds resulting from continued trade tensions and very low consumer confidence. A modest recovery is expected in 2026, with 1.4% growth, although output will remain well below 2019 levels.

The mechanical engineering sector is projected to experience a modest recovery in 2026 with 1% growth. For electric domestic appliances, output has been on a declining trend since an unexpectedly strong post-Covid rebound ended in the second quarter of 2021. This negative trend is expected to gradually reverse over the coming quarters, with a modest recovery anticipated in 2026.

Gradually increasing carbon prices and a seasonal uptick in energy costs are expected to provide additional upward support to steel prices in the near term. Iron ore and coking coal prices are forecast to remain relatively stable.

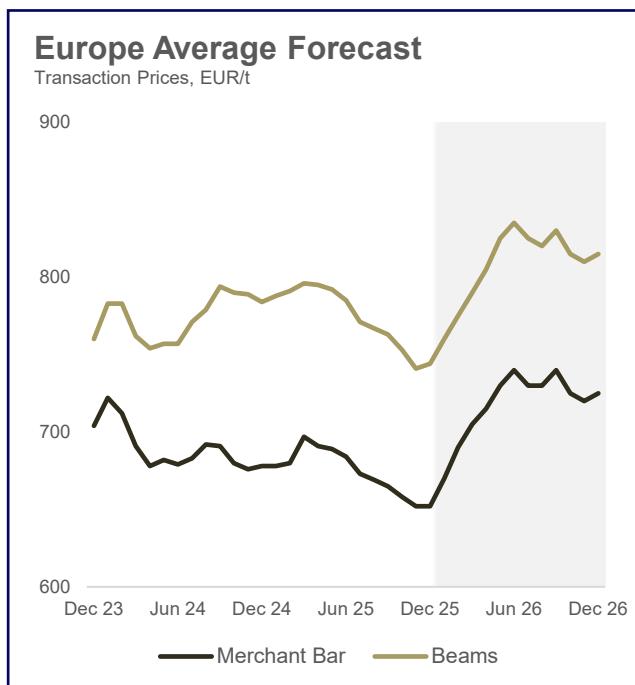
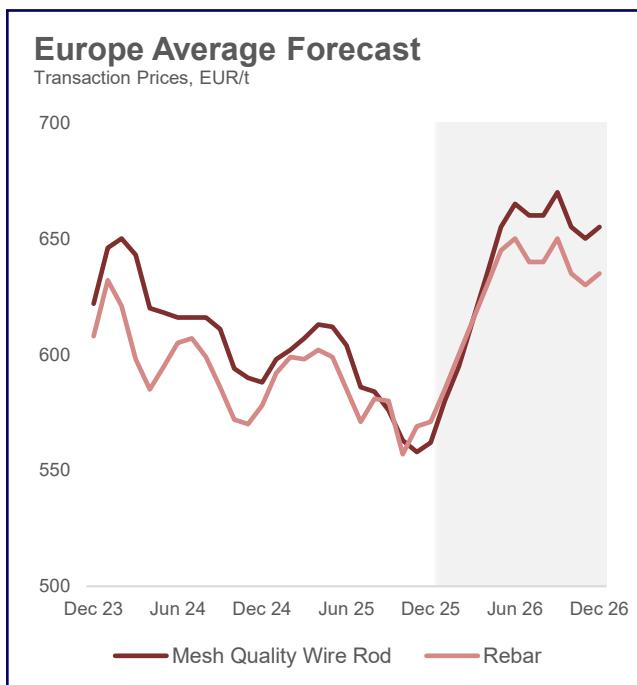
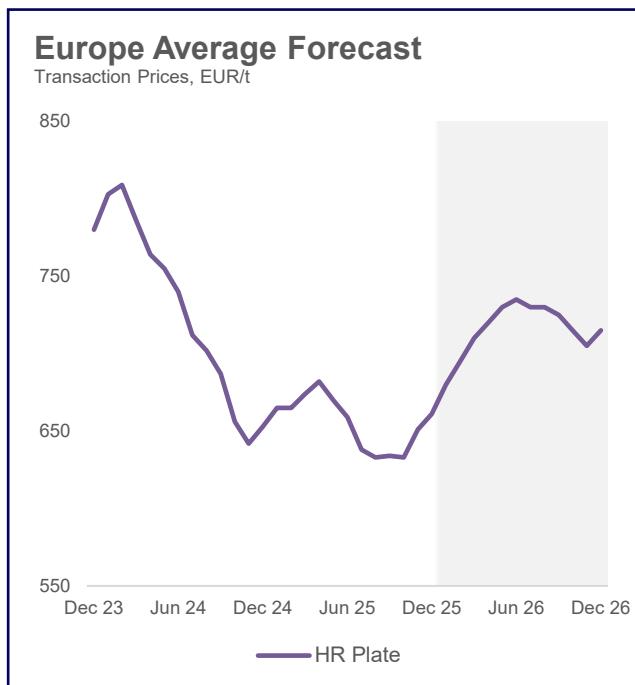
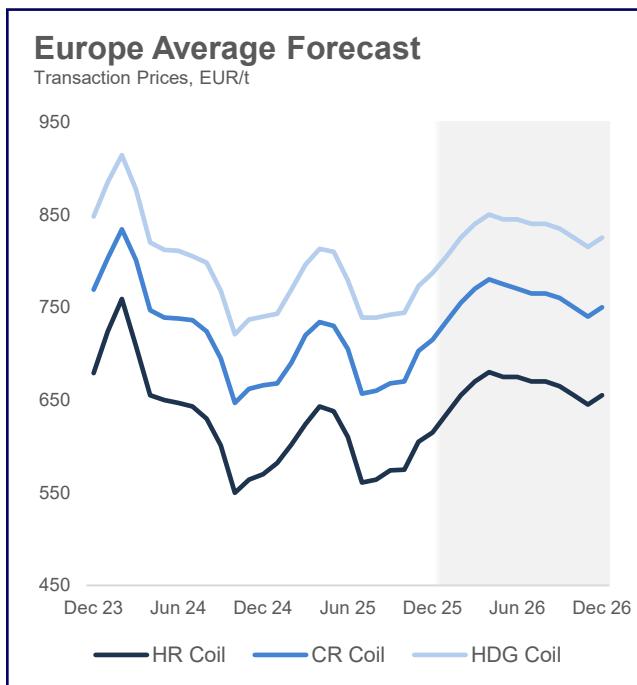
Despite the upward support to European steel prices by CBAM and the effect of more stringent trade defence measures, MEPS predicts that European steel prices will begin to soften in the second half of 2026. This is expected to occur as uncertainties around imports ease and the market's balance between supply and demand stabilises.

### Europe Average Domestic Transaction Price Forecasts

	EUR/tonne											
	HR Coil	HR Plate	CR Coil	HDG Coil	EZ Coil	DQ Wire Rod	Mesh Wire Rod	I Beam	H Beam	Rebar	Round Bar	Equal Angle
<b>Jul-25</b>	561	638	657	739	790	604	586	751	771	571	677	673
<b>Aug-25</b>	564	633	660	739	789	598	584	747	767	581	673	669
<b>Sep-25</b>	574	634	668	742	790	591	576	743	763	580	669	665
<b>Oct-25</b>	575	633	670	744	790	581	563	734	753	557	662	658
<b>Nov-25</b>	605	651	703	773	818	571	558	722	741	569	656	652
<b>Dec-25</b>	615	661	715	787	827	575	562	724	744	571	656	652
<b>Jan-26</b>	635	680	735	805	845	590	580	740	760	585	675	670
<b>Feb-26</b>	655	695	755	825	870	610	595	755	775	600	695	690
<b>Mar-26</b>	670	710	770	840	885	630	615	770	790	615	710	705
<b>Apr-26</b>	680	720	780	850	895	650	635	785	805	630	720	715
<b>May-26</b>	675	730	775	845	890	670	655	805	825	645	735	730
<b>Jun-26</b>	675	735	770	845	890	680	665	815	835	650	745	740
<b>Jul-26</b>	670	730	765	840	885	675	660	805	825	640	735	730
<b>Aug-26</b>	670	730	765	840	885	675	660	800	820	640	735	730
<b>Sep-26</b>	665	725	760	835	880	685	670	810	830	650	745	740
<b>Oct-26</b>	655	715	750	825	870	670	655	795	815	635	730	725
<b>Nov-26</b>	645	705	740	815	860	665	650	790	810	630	725	720
<b>Dec-26</b>	655	715	750	825	870	670	655	795	815	635	730	725

### 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	646	651	656	648	540	614	656
	Low	615	621	631	613	510	580	631
Hot Rolled Plate	High	688	695	690	665	614	699	685
	Low	661	665	660	645	594	676	655
Cold Rolled Coil	High	743	746	756	745	604	687	771
	Low	715	716	736	715	574	653	751
Hot Dipped Galvanised Coil	High	814	815	815	810	715	813	820
	Low	787	785	795	785	680	774	795
Electro-Zinc Coated Coil	High	850	853	853	848	730	830	863
	Low	827	833	833	828	700	796	833
Long Products		Europe Average	Germany	France	Italy	UK	UK	Spain
			EUR/t	EUR/t	EUR/t	GBP/t		
Wire Rod (Drawing Quality)	High	596	610	610	580	510	580	590
	Low	575	580	580	570	495	563	575
Wire Rod (Mesh Quality)	High	578	585	585	570	500	569	575
	Low	562	565	565	560	485	552	565
Medium Sections (I Beam)	High	743	740	750	760	650	739	730
	Low	724	720	730	740	630	717	720
Medium Sections (H Beam)	High	763	760	770	780	665	757	750
	Low	744	740	750	760	645	734	740
Reinforcing Bar	High	592	600	595	570	530	603	630
	Low	571	590	585	540	520	592	610
Merchant Bar (Round)	High	675	670	645	695	600	683	680
	Low	656	655	635	675	570	648	660
Merchant Bar (Equal Angle)	High	670	665	640	690	600	683	675
	Low	652	650	630	670	570	648	655

All prices exclude carbon and energy surcharges.

<b>Currency Exchange Rates</b>				
	<b>US dollars USD</b>		<b>Euros EUR</b>	
	<b>3-Nov</b>	<b>1-Dec</b>	<b>3-Nov</b>	<b>1-Dec</b>
<b>Eurozone EUR</b>	0.867	0.860	-	-
<b>UK GBP</b>	0.761	0.756	0.877	0.879

<b>MEPS Industrial Sector Steel Purchasing Price Index - Europe Average</b>			
Jan 2007 = 100	<b>Nov-25</b>	<b>Dec-25</b>	<b>% change</b>
<b>Construction Industry</b>	104.2	105.7	1.4
<b>Household Appliances</b>	89.5	91.6	2.3
<b>Machinery Sector</b>	97.3	98.9	1.6
<b>Shipbuilding Industry</b>	85.2	87.2	2.3
<b>Shipping Containers</b>	100.3	102.3	2.0
<b>Yellow Goods</b>	105.3	107.8	2.4

<b>Transaction Price Index - Europe Average</b>				
	<b>Nov-25</b>	<b>Dec-25</b>	<b>% change</b>	
<b>Hot Rolled Coil</b>	231.8	235.6	1.6	
<b>Hot Rolled Plate</b>	226.8	230.3	1.5	
<b>Cold Rolled Coil</b>	193.1	196.4	1.7	
<b>HD Galv Coil</b>	167.7	170.7	1.8	
<b>EZ Coated Coil</b>	194.3	196.4	1.1	
<b>Wire Rod (Drawing)</b>	215.5	217.0	0.7	
<b>Wire Rod (Mesh)</b>	235.4	237.1	0.7	
<b>Sections (I Beam)</b>	235.2	235.8	0.3	
<b>Sections (H Beam)</b>	212.3	213.2	0.4	
<b>Reinforcing Bar</b>	250.7	251.5	0.3	
<b>Merc Bar (Round)</b>	246.6	246.6	0.0	
<b>Merc Bar (Eq Angle)</b>	252.7	252.7	0.0	

Note: Based on low transaction values.

<b>Negotiated Domestic Transaction Prices - Month on Month % Change</b>								
		<b>Europe Average</b>	<b>Germany</b>	<b>France</b>	<b>Italy</b>	<b>UK</b>	<b>UK</b>	<b>Spain</b>
		EUR	EUR	EUR	EUR	GBP	EUR	EUR
<b>Hot Rolled Coil</b>	Low	1.7	1.6	1.6	1.7	1.0	0.7	2.4
<b>Hot Rolled Plate</b>	Low	1.5	1.5	0.8	3.2	0.0	-0.1	1.6
<b>Cold Rolled Coil</b>	Low	1.7	1.4	1.4	2.9	0.0	-0.3	2.7
<b>HD Galv Coil</b>	Low	1.8	1.3	2.6	2.6	0.0	-0.1	2.6
<b>EZ Coated Coil</b>	Low	1.1	1.2	1.2	1.8	0.0	-0.3	1.2
<b>Wire Rod (Drawing)</b>	Low	0.7	0.0	0.0	1.8	0.0	-0.2	1.8
<b>Wire Rod (Mesh)</b>	Low	0.7	0.0	0.0	1.8	0.0	-0.2	1.8
<b>Sections (I Beam)</b>	Low	0.3	0.0	0.0	-0.7	1.6	1.4	1.4
<b>Sections (H Beam)</b>	Low	0.4	0.0	0.0	-0.7	1.6	1.4	1.4
<b>Reinforcing Bar</b>	Low	0.4	0.0	-1.7	0.0	4.0	3.9	0.8
<b>Merc Bar (Round)</b>	Low	0.0	0.0	0.0	0.0	0.0	-0.3	0.0
<b>Merc Bar (Eq Angle)</b>	Low	0.0	0.0	0.0	0.0	0.0	-0.3	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.

### **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.

### **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.

### **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.