

MEPS EUROPEAN STEEL REVIEW

KEYNOTE

JULY 2013

"SPECIAL EVENT" SUMMER DISCOUNTS ON EU STEEL MILL PRICES

The EU flat products market is slow ahead of the summer vacation period. Order intake at the mills is very subdued, with few deals being concluded. Basis figures could deteriorate further as the producers become more desperate to book business before the shutdowns. However, many market participants believe that prices are bottoming out and some suppliers are considering an increase in September. There is very little interest in foreign material, even though overseas mills are reducing their prices.

The German market is already winding down, with some companies already on holiday. Basis figures are weakening. Customers are not interested in purchasing large quantities so the mills, lacking orders, are willing to negotiate.

Some buyers think that prices have gone as low as is possible, given today's input costs. Service centres continue to keep stock levels low as many are experiencing financial difficulties. There has been no pickup in demand but it is still reasonable in comparison with many other EU countries. It would seem that the reality is better than sentiment would suggest.

Activity remains weak in France and is expected to slow down towards the end of the month. Nonetheless, some sources note a slight improvement. This may be only apparent demand as a number of stockholders have been reordering a little before the summer so that they can start September with some material available. However, other participants report that better end-

TABLE 1. FLAT ROLLED PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES - GERMANY

price/metric ton		2013					
		FEB	MAR	APR	MAY	JUN	JUL
Hot-Rolled Coil	High:	550	540	530	510	500	470
	Low:	500	490	480	460	450	420
Hot-Rolled Plate	High:	560	575	560	560	550	530
	Low:	520	535	520	520	510	490
Cold-Rolled Coil	High:	620	610	600	580	570	560
	Low:	580	570	560	540	530	520
Hot Dipped Galvanised Coil	High:	620	610	600	580	570	560
	Low:	580	570	560	540	530	520
Electro-Zinc Coated Coil	High:	620	620	610	590	580	570
	Low:	570	570	560	540	530	520
Stainless Steel Type 304	High:	1130	1150	1150	1120	1100	1100
	Low:	1030	1050	1050	1020	1000	1000
Stainless Steel Type 430	High:	1110	1110	1110	1110	1110	1090
	Low:	1060	1060	1060	1060	1060	1040

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user activity has translated into a small increase in purchasing because distributors had so little stock. In the meantime, prices have continued to fall, as the market is still oversupplied. Also, third country imports are getting cheaper. Although the differential is small, they are more attractive than three months ago.

The Italian market continues to contract as tough government austerity measures take hold. This diminished demand has resulted in a virtually total lack of orders at the mills and further downward price pressure. Service centres claim their margins are being squeezed ever tighter. End-users and distributors are keeping inventories as low as possible. Several are closing for as long as four weeks over the summer because that is the easiest way to cope with the volume reductions. Chinese suppliers are back in the market as are Indian and South Korean mills. Many buyers are reluctant to do deals because they have to consider the risk of purchasing material that will not arrive until the end of October or even November. Moreover there is plenty of steel from European sources where deliveries are available in three to four weeks. Some speculative third country business has been concluded, however.

Mill order books are flat in the UK. Demand appears to be stabilising after falling earlier in the year. Currently, volumes are very small and suppliers have reduced basis values accordingly. Customers will need to see a substantial demand recovery before accepting steelmakers' proposals for increases in the autumn. There is tremendous competition, between distributors, for orders, resulting in low resale prices. Spot values are down again in Belgium - cheaper by €10/20 per tonne. Quarterly contract quotations for period three show even sharper drops. Mill delivery lead times are very short. Stockists from Germany and the Netherlands are visiting end-users and small service centres in Belgium with offers below current mill prices.

There is negative price pressure in Spain, where consumption is sluggish due to the dire economic situation. Market participants state that conditions become worse every month. Producers can be very flexible. Sometimes they will contemplate chargin special, lower than normal, basis figures for the higher specifications plus extras as per list. Service centres are only buying material for which they already have orders on their books, as they minimise their stock levels.

FLAT PRODUCTS

HOT ROLLED COIL

German prices continue to decline. We have reports of some "one-off" deals below the figures in our table. Producers are noting shortfalls in their rolling schedules and buyers believe it would be difficult for them to implement an increase at present. The pipemakers are suffering poor demand. Their incoming orders are at a low level because their customers are anticipating further reductions in hot rolled coil prices. The French market

is quiet and basis numbers have fallen by around €40 per tonne. Buyers are asking for even bigger discounts than those currently available. We have some reports of offers as low as €400 per tonne but these are not the norm. The problem in Italy is a lack of demand amidst overcapacity. Sales to the tube makers are down significantly as their business is also very slow. Coil from Turkey is too expensive at the moment because suppliers there are enjoying strong domestic activity. Some material has arrived recently from China but customers are uninterested.

TABLE 2. LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES - GERMANY

price/metric ton		2013					
		FEB	MAR	APR	MAY	JUN	JUL
Wire Rod	High:	550	530	530	530	530	510
	Low:	530	510	510	510	510	490
Medium Sections and Beams	High:	640	620	610	580	580	570
	Low:	600	580	570	540	540	530
Rebars	High:	300	280	260	260	240	240
	Low:	280	260	240	240	220	220
Merchant Bars	High:	230	210	200	180	180	170
	Low:	190	170	160	140	140	130

**MEPS - API LINEPIPE STEEL PRICE INDEX
X60/65 COMPOSITE**

	Hot Rolled Plate		Hot Rolled Coil	
	Q1/13	Q2/13p	Q1/13	Q2/13p
EU Average				
Non Sour	107.5	107.5	128.1	126.3
Sour	113.5	113.5	126.8	125.2

* Q4/06 = 100 - based on Euro values

** p = Provisional e = Estimate

**MEPS - STEELPPI - AUTOMOTIVE
Auto Body Parts Composite Index**

	May-13	Jun-13	Jul-13
EU Average	78.9	77.7	75.8
Year-on-year % +/-	-8.3	-6.8	-8.2

* Jan 07 = 100 - based on transaction prices

** STEELPPI - Steel Purchasing Price Index

Cautious purchasing, weak consumption and cheap offers from Russian players have forced down UK basis values. Russian mills have been offering at £345 per tonne but, now that the exchange rate has changed, this number may increase. Belgian demand has not improved, depressing domestic prices even more. The steelmakers are saying the bottom has been reached but the market is quiet. Resale margins continue to fall. Some Indian material has been purchased in Spain at €420 per tonne, CFR.

HOT ROLLED PLATE

The plate market is depressed throughout Europe and prices remain under pressure. Some end-user sectors, such as offshore oil and gas and heavy machinery are doing quite well. In contrast, those steelmakers involved in supplying the large diameter linepipe industry are seeing a slowdown in order intake and reduced volumes. Investment has been negatively affected by developments in shale gas technology which could eventually change the gas pricing structure. There is minimal plate import activity, although Russian volumes are picking up a little. Material from China and Ukraine is only marginally cheaper than that from the Italian rerollers.

In Germany, construction activity is a little reduced so demand for commodity grade plate is weakening. However, although the service centres' resale values are being forced down, their inventories are well controlled. Local producers are looking to export markets to escape from the poor situation in the rest of Europe. French customers note that material is expected to arrive soon from India and Ukraine with a price differential to domestic plate of around €30/70 per tonne, depending on the origin. The market is still sluggish. Most major projects have been put on hold because of the financial crisis. All the investments that had been planned on the French railways, including construction of new stations, have been cancelled. The only positive note is that plate stocks are extremely low and any slight improvement in activity will boost steel demand immediately.

Italian suppliers are trying to match the price of imported

material, despite their high costs of production. The domestic market is stagnant. Finance and credit facilities are lacking and investment is virtually non-existent. The UK markets show no signs of improvement. Import offers are plentiful, creating negative pressure on domestic values. We have noted another downward price development in Belgium. Participants declare that the Spanish market is dead.

COLD ROLLED COIL

The price trend in Germany is still negative. Basis figures have fallen due to poor demand and oversupply. French distributors are reporting cold rolled coil from China available from Antwerp at €500 per tonne delivered to the client. Our basis price range has decreased by €20 per tonne. Some customers are calling for figures as low as €510/515 per tonne, which some suppliers refuse but others do not. The Italian market is quiet ahead of the long summer break. The downward price tendency persists. Service centres report that business is virtually at a standstill and that competition in that sector is extremely keen. Resale values have slipped even further.

**TABLE 3. COMPARISON OF LOW MARKET
DOMESTIC BASIS PRICES - COLD ROLLED COIL**

	Local Currency		US\$/metric ton	
	last month	this month	last month	this month
Germany	530	520	694	679
France	540	520	707	679
Italy	510	490	668	640
UK	450	440	690	671
Belgium	530	520	694	679
Spain	520	490	681	640

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

TABLE 4. FLAT ROLLED PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany	France	Italy	UK	UK	Belgium	Spain
		(€)	(€)	(€)	(£)	(€)	(€)	(€)
Hot Rolled Coil	High:	470	460	450	385	449	470	430
	Low:	420	420	410	360	420	430	410
Hot Rolled Plates	High:	530	510	500	480	560	500	510
	Low:	490	460	460	450	525	460	460
Cold Rolled Coil	High:	560	560	540	475	554	570	530
	Low:	520	520	490	440	513	520	490
Hot Dipped Galvanised Coil	High:	560	540	520	480	560	560	540
	Low:	520	500	470	440	513	510	500
Electro-Zinc Coated Coil	High:	570	570	560	495	578	580	560
	Low:	520	540	520	455	531	530	520
Stainless Cold (a) Rolled Type 304	High:	1100	1050	1000	975	1138	1060	980
	Low:	1000	1000	950	905	1056	1010	930
Stainless Cold (a) Rolled Type 430	High:	1090	1070	935	1025	1196	—	1007
	Low:	1040	1020	885	1000	1167	—	977
MONTH on MONTH % CHANGE								
Hot Rolled Coil	Low:	-6.7	-8.7	-6.8	-10.0	-10.4	-6.5	-6.8
Hot Rolled Plates	Low:	-3.9	-2.1	-2.1	-3.2	-3.7	-4.2	-3.2
Cold Rolled Coil	Low:	-1.9	-3.7	-3.9	-2.2	-2.8	-1.9	-5.8
H.D. Galv Coil	Low:	-1.9	-3.8	-4.1	-4.3	-4.8	-1.9	-3.8
E.Z. Coated Coil	Low:	-1.9	-1.8	-1.9	-4.2	-4.7	-1.9	-1.9
S/S CR Type 304	Low:	0.0	0.0	0.0	-5.2	-5.7	0.0	0.0
S/S CR Type 430	Low:	-1.9	-1.9	0.0	-2.0	-2.4	—	-2.0

BASIS PRICE AND PRODUCT DEFINITIONS

Negotiated basis price ranges pertain to new purchases for mainstream business agreed with regional mills during the current month for delivery in the future. They relate to prime material ex basing point net of all rebates and discounts for the lowest quality product in the producers' price lists unless otherwise stated.

Extras for size cutting, testing, transport etc. are excluded except where specified.

Notes: (a) Basis - 1.5mm thick.

Prices in this table may relate to deliveries in different time periods. It is important that this table is read in conjunction with the text in the newsletter.

The data contained in this newsletter has been obtained from respondents who we consider provide accurate intelligence on the steel market. We make our best endeavours to be assured that the information is correct and that our analysis is reliable. MEPS (International) Ltd. cannot be made liable for any loss resulting from use of our published data, however it may arise.

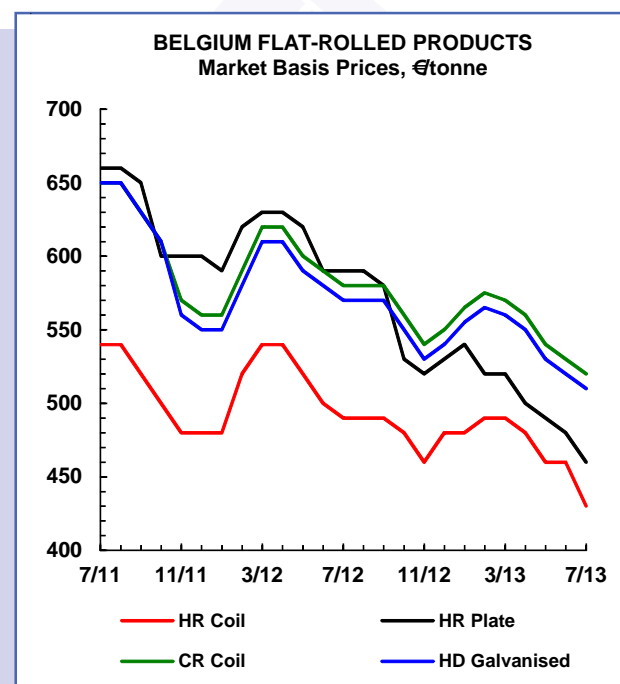
Recently, material has become available from Far Eastern sources.

There is plenty of cheap Chinese and Russian cold rolled coil on offer in the UK at figures of around £410/420 per tonne. European suppliers have lowered their quotations since our last report. In Belgium, basis numbers are below those of the previous month. The market is flat. Stockists, as well as end-users, are buying only what they need immediately. Local mills have been forced to make more concessions in Spain, where activity levels are dismal.

COATED COIL

Sales of German vehicles to European customers are quite weak but demand from Asia, for the premium brands, remains healthy. Basis prices in the general market continue to suffer. We have reports that, in France, second half 2013 negotiations with the vehicle industry have been closed with €20 per tonne decreases on the first six months. Auto-related service centres have finally committed to some volumes, albeit reduced quantities. Selling values in the general market are following a similar negative tendency. The Italian auto sector is very quiet at present and the companies are not yet purchasing for the fourth quarter. There is overcapacity in the galvanised market, which continues to weigh heavily on basis figures. There are some quotations from the Far East, mainly in the thinner gauges.

The recent fragility in UK car industry appears to be stabilising and the number of new orders is picking up. There is not much general buying of galvanised steel at present. Cheap Chinese offers have led to negative pressure on domestic values. Producers have marked down basis numbers in Belgium. Distributors are complaining that their profit margins are badly squeezed. Spanish customers have negotiated another decrease. Auto activity has steadied at a low level.



In Germany, the steelmakers have failed to hold on to last month's basis values for sales of electro-zinc coated coil. French figures are also lower than those quoted in our last issue. Prices continue to trend down in Italy. In the UK, selling numbers from mainland European suppliers are below those of the previous month. Producers have conceded a €10 per tonne discount in Belgium. The situation is similar in Spain.

COLD ROLLED STAINLESS COIL

In June, cold rolled austenitic stainless steel basis figures fell in the UK but were unchanged elsewhere. Sales were lacklustre and it was felt that negative forces could lead to lower prices in July, although surcharges will also decrease. Ferritic basis numbers slipped in Germany, France, UK, Belgium and Spain.

LONG PRODUCTS

WIRE ROD

Low carbon wire rod producers in Germany have failed to hold on to their June prices. Customers have negotiated a €20 per tonne decrease. Activity is slow in the recoil market, with very few large tonnage orders available. Nevertheless, selling figures have been maintained. In France, values for drawing rod are down by €20 per tonne as are those for mesh quality material. Italian low carbon wire rod prices are lower than in June, amidst dull order intake caused by the stagnant economy. Sales of recoil are poor, with orders difficult to acquire. Producers have

been forced to agree another small discount on last month's figures.

Sales of the basic drawing grades are described as dire in the UK. The higher specifications have also been hit hard because of reduced purchasing by the auto industry. After hanging on to prices last month, the mills have had to concede a decrease during recent settlements. Recoil demand is also slow. Basis values have slipped since our last report. The market for the finished mesh is very competitive. Drawing quality values are on a downward cycle in Belgium, where sales are quite slow. The mills'

capacity cuts have not been sufficient to balance supply and demand. In Spain, we have similar developments to report for low carbon material. The mesh quality market is depressed, with suppliers marking down prices.

MEDIUM SECTIONS AND BEAMS

Demand is slow throughout Europe. Continuously reducing prices are making buyers increasingly cautious when placing forward orders.

In Germany, values are down by €10 per tonne, following last month's stabilisation, due to weak sales and oversupply. In the French beam market, producers are

still fighting for orders and small discounts of €10 per tonne have been negotiated. However, suppliers are now becoming more resistant to price decreases. In February and March a significant decline in demand was reported as distributors, faced with low construction activity, were emptying their stocks. Since then, both consumption and order placement have become a little better. Ongoing problems in Italy's building sector are creating renewed price pressure but, for the moment, producers are refusing further concessions. A shortage of investment, both private and public, continues to have a detrimental effect on demand.

There is little optimism in the UK market. Sales are slow,

TABLE 5. LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany	France	Italy	UK+	UK+	Belgium	Spain
		(€)	(€)	(€)	(£)	(€)	(€)	(€)
Wire Rod (b)	High:	510	510	500	460	537	510	500
	Low:	490	480	480	420	490	480	480
Medium Sections & Beams (c)	High:	570	560	545	490	572	570	570
	Low:	530	530	525	460	537	520	520
Rebar (d)	High:	240	240	225	455	531	250	240
	Low:	220	210	215	425	496	220	220
Merchant Bar (e)	High:	170	140	165	480	560	140	180
	Low:	130	120	145	460	537	120	130
MONTH on MONTH % CHANGE								
Wire Rod	Low:	-3.9	-4.0	-4.0	-4.5	-5.0	-4.0	-4.0
M.Sect. & Beams	Low:	-1.9	-1.9	0.0	-2.1	-2.5	-3.7	-1.9
Rebar	Low:	0.0	-8.7	-6.5	-2.3	-2.7	-8.3	-4.3
Merchant Bar	Low:	-7.1	-14.3	-6.5	-2.1	-2.5	-7.7	-10.3

BASIS PRICE AND PRODUCT DEFINITIONS

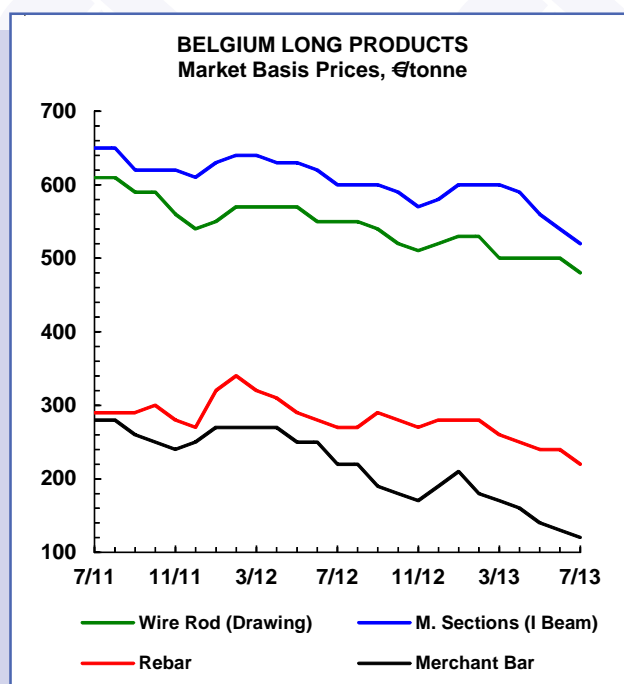
* Due to the suspension of scrap surcharges by all major European producers from June 2010, MEPS basis prices for Medium Sections & Beams are now equivalent to transaction prices for category C1 beams.

Negotiated basis price ranges pertain to new purchases for mainstream business negotiated with regional mills during the current month for delivery in the future. They relate to prime material ex basing point net of all rebates and discounts for the lowest quality product in the producers' price lists unless otherwise stated.

Extras for size cutting, testing, transport etc. are excluded except where specified.

- Notes:
- + All UK prices include size extra
 - (b) Drawing quality. This product incorporates a quality extra.
 - (c) Category C1. Includes size extras.
 - (d) High Yield - deformed.
 - (e) Round Bar.

Prices in this table may relate to deliveries in different time periods. It is important that this table is read in conjunction with the text in the newsletter.



with gaps appearing in the fabricators' order books. The steelmakers are in an aggressive selling mode and ex-mill values have come down. Very large orders could possibly command figures £20 per tonne below those tabled. Resale values have softened by more than the mill decrease. Without some improvement in consumption and the firm resolve of suppliers, prices will stay under negative pressure but have probably reached the bottom. There are no significant offers from third countries. We have noted further price erosion in Belgium. Much of this took place in late June. Some mills are targeting a rise for August of around €20 per tonne but demand is extremely low, making it difficult to implement a hike. Business conditions remain lacklustre in Spain.

REINFORCING BAR

The export market is quiet because of Ramadan, leading to increased pressure on domestic sales. The local construction sector is experiencing lethargic activity levels, ahead of the European holiday season. Low raw material costs helped to push down prices in late June. Now that scrap numbers are moving upwards, the mills are trying to claw back those losses. If they do succeed, the higher figures may be hard to maintain when the vacation period is over.

Demand for rebar is reasonable in Germany, where the construction industry has been less affected by the financial crisis than elsewhere in Europe. There are no massive new investments but plenty of smaller projects are on-going. Basis figures are unchanged from the previous month. We have noted further negative

movements in France, compared with our June figures. However, the tendency in recent days has become slightly upwards. Demand remains feeble. In Italy, sales to the building industry are very weak, leading suppliers to offer further discounts to domestic customers in late June. There are now indications that basis values may be improving slightly. Producers are having difficulties in concluding the volume of overseas business they require.

The construction outlook remains disappointing in the UK. Stockists are nervous, causing them to purchase only small quantities at any one time. We have detected a marginal negative price movement since our last report. Belgian distributors report that summer building activity is expected to be better than in previous years because the long winter, followed by heavy rainfall, led to building delays that must now be made up. It is anticipated that prices may stabilise during August. Recent scrap price gains have lifted Spanish values marginally, following falls in mid/late June. Sales activity has shown some small signs of improvement. The long August holiday will reduce production and perhaps help to tighten the supply situation.

MERCHANT BAR

Selling values continue to slide in Germany, even though the construction outlook is better than in many other countries in the eurozone. In France, where demand remains tepid, prices have dipped by around €20 per tonne, following a brief period of stabilisation. Basis numbers are down by €10 per tonne in Italy, amidst dismal levels of order intake in a weak economic climate.

UK market sentiment is poor as a result of the general financial gloom. Demand for merchant bar is subdued. Customers are carrying minimal stocks. Producers have failed to hold on to the figures reported in our last issue.

MEPS INDUSTRIAL SECTOR STEEL PURCHASING PRICE INDICES - EU AVERAGE

January 2007=100

	Jun-13	Jul-13
Construction Industry	96.8	94.4
Household Appliances	80.9	78.2
Machinery Sector	87.9	84.9
Shipbuilding Industry	76.3	73.7
Shipping Containers	89.3	84.5
Yellow Goods	93.1	87.8

We have noted further negative pressure in Belgian ex-mill basis values. Sales are slow and competition between distributors is fierce. Market participants are purchasing cautiously. Third country offer prices are not particularly

competitive at present and delivery lead times are extended. Demand from Spanish end-users is lacklustre. Service centres are also buying less. Steelmakers have been unable to maintain June basis numbers.

MARKET/INDUSTRY SCENE

CAPACITY/INVESTMENT

ArcelorMittal has recently modernised an electric arc furnace at the Esch-Belval works in Luxembourg. The upgrade has raised production capacity by around 10 percent and reduced operating costs.

Ovako intends to install at new €15 million continuous casting machine at its Smedjebacken steel mill in Sweden. The work will be carried out over the next two years. The company aims to improve product quality and expand the size range offered.

Tata Steel has announced that the third campaign by the steel industry's ULCOS (Ultra-Low Carbon dioxide Steelmaking) project has been completed successfully. The pilot scheme involved HIsarna technology to make liquid iron using thermal coal and fine iron ore, thus avoiding the coking and ore agglomeration processes. The trial was carried out at the IJmuiden works in the Netherlands.

SERVICE CENTRES

ArcelorMittal has completed a £2.6 million modernisation of its Willenhall processing centre in the UK. The upgrade of the slitting and blanking lines enables the facility to handle 200,000 tonnes per year.

Barrett Steel has acquired a steel stockholding business in Northern Ireland from the Sherling Group. It will be part of the parent company's General Steel Division and trade as Barrett Steel Ireland.

Stemcor, one of the world's largest independent steel traders, has closed one of its mainland European units, WSK Stahlhandels GmbH. The facility was involved with the importing of steel, particularly tube and pipe, into Germany. The company states that the decision stems from "a combination of adverse market conditions and an increase in mills supplying direct to WSK's traditional customer base of local stockists".

MEDIUM TERM PRICE FORECASTS

The MEPS - EU Average price for structural sections (H-beams) decreased by €9 per tonne in July. Transaction values for merchant bar (equal angle) declined by a slightly larger amount.

We anticipate a temporary uptick in steel selling figures on the return from the summer break as customers purchase material to meet requirements for the fourth quarter. Furthermore, a traditional rise in raw material costs should support price advances at this time. Transaction values are expected to soften during the final quarter due to seasonally weak demand.

A revival in selling figures is anticipated around the turn of the year as restocking programmes commence and supply tightens. The upward price trend should continue into the spring. Scrap costs traditionally move lower in the summer as collection rates improve. This, combined with a seasonal slowdown in mill order intake, is forecast to place downward pressure on selling figures during this period.

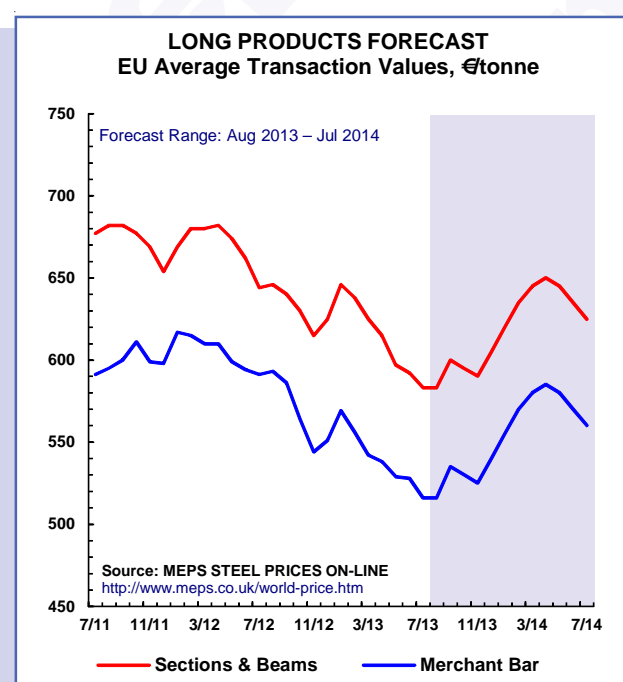


TABLE 6. EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

Euro/metric ton	Actual	Forecast					
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14
Hot Rolled Coil	435	435	455	450	445	460	480
Hot Rolled Plate	496	496	510	500	500	515	530
Cold Rolled Coil	524	524	540	535	525	540	555
H.D. Galv Coil	575	575	590	585	575	590	605
E.Z. Coated Coil	584	584	600	595	585	600	615
Wire Rod	460	460	480	475	470	480	495
M. Sect. & Beams	583	583	600	595	590	605	620
Rebars	460	460	480	475	470	480	490
Merchant Bar	516	516	535	530	525	540	555

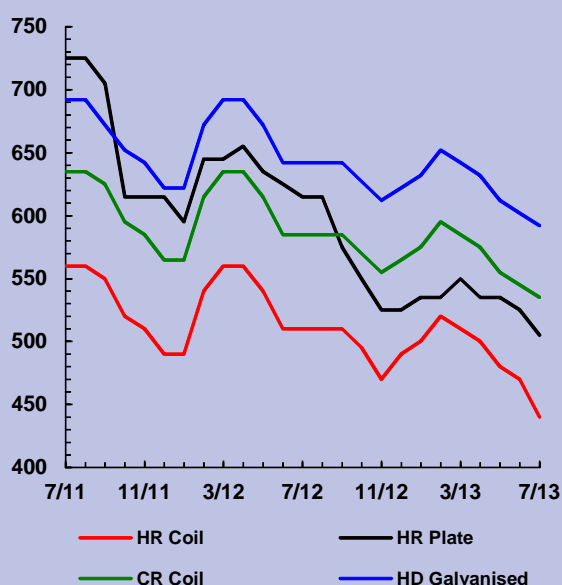
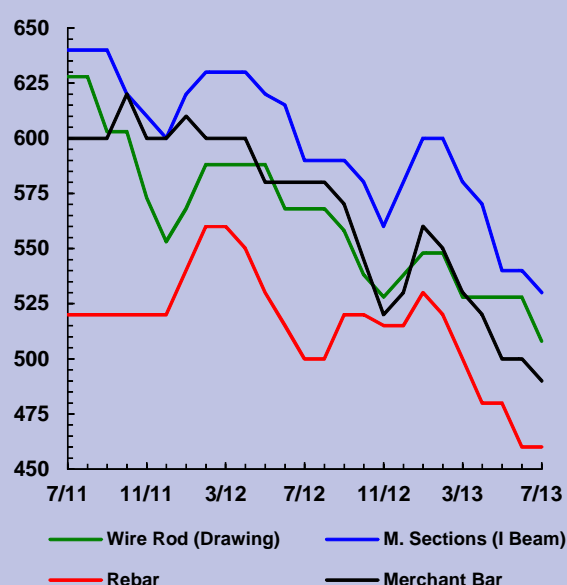
PRICE AND PRODUCT DEFINITIONS

Wire Rod - Mesh Quality

Medium Sections and Beams - H Beam

Merchant Bar - Equal Angle

Steel prices are computed from a weighted average (based on consumption) of the low values identified in the top five consuming countries for each product in the relevant period - collected in national currencies and converted into Euros using currency exchange rates effective at the start of each month to provide a basis for comparisons.

GERMANY FLAT-ROLLED PRODUCTS
Transaction Prices, €/tonneGERMANY LONG PRODUCTS
Transaction Prices, €/tonne

Transaction Price Data Sheet

TABLE 7. NEGOTIATED DOMESTIC TRANSACTION PRICES

FLAT PRODUCTS price/metric ton		EU AVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	High:	475	490	480	470	401	468	450
	Low:	435	440	440	430	376	439	430
Hot Rolled Plates	High:	538	545	525	515	494	576	525
	Low:	496	505	475	475	464	541	475
Cold Rolled Coil	High:	567	575	575	555	488	569	545
	Low:	524	535	535	505	453	529	505
Hot Dipped Galvanised Coil	High:	618	632	612	592	533	622	612
	Low:	575	592	572	542	493	575	572
Electro-Zinc Coated Coil	High:	626	629	629	619	538	628	619
	Low:	584	579	599	579	498	581	579
Stainless Cold (a) Rolled Type 304	High:	1067	1100	1050	1000	975	1138	980
	Low:	994	1000	1000	950	905	1056	930
Stainless Cold (a) Rolled Type 430	High:	1067	1090	1070	935	1025	1196	1007
	Low:	1022	1040	1020	885	1000	1167	977
LONG PRODUCTS price/metric ton		EU AVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Wire Rod (Drawing quality) *	High:	517	528	510	500	472	551	500
	Low:	493	508	480	480	432	504	480
Wire Rod (Mesh quality)	High:	484	470	490	480	455	531	490
	Low:	460	450	460	460	425	496	460
Medium Sections and Beams (I beam)	High:	565	570	560	545	490	572	570
	Low:	529	530	530	525	460	537	520
Medium Sections and Beams (H beam)	High:	626	640	610	630	535	624	610
	Low:	583	590	570	595	495	578	570
Reinforcing Bars	High:	477	480	480	465	455	531	480
	Low:	460	460	450	455	425	496	460
Merchant Bars (50mm diameter)	High:	529	530	500	525	480	560	540
	Low:	498	490	480	505	460	537	490
Merchant Bars (Equal Angle)	High:	546	550	520	545	480	560	560
	Low:	516	510	500	525	460	537	510

* Includes supplementary surcharge in the UK.

CURRENCY EXCHANGE RATES

July 1 - 2013

		Units/ US\$	Units/ Euro
Eurozone	(€)	0.766	1
UK	(£)	0.656	0.857

NEXT MONTH'S ISSUE

MEPS do not carry out research on steel prices in August because of the difficulties in contacting respondents during summer vacations. Moreover, very few deals are concluded during this period because of holidays. In next month's issue, we take the opportunity to review the trends over the past twelve months.

The August issue of the European Steel Review will be dispatched by post & PDF on 22 August, 2013.



The next Express Price Tables will be dispatched by e-mail in excel format on 11 September, 2013.

TRANSACTION PRICE INDEX - E.U. AVERAGE
JANUARY 1997 = 100

Based on Euro values	Jun-13	Jul-13
Hot Rolled Coil	180.1	166.7
Hot Rolled Plate	178.7	172.8
Cold Rolled Coil	148.6	144.0
H.D. Galvanised Coil	128.4	124.7
Electro Zinc Coated Coil	141.6	138.7
Stainless Steel Type 304	81.7	80.9
Stainless Steel Type 430	92.4	90.8
Wire Rod	193.6	186.0
M. Sections & Beams	175.2	172.3
Reinforcing Bar	207.5	202.6
Merchant Bar	192.1	187.2

Note:-

Wire Rod (Drawing Quality) - 5.5mm diameter.

Medium Sections and Beams - Category C1. I Beam.

Merchant Bar - 50mm diameter.

Stainless Steel - Excluding alloy surcharge.

TRANSACTION PRICE AND PRODUCT DEFINITIONS

Transactions prices are the realised values obtained by the mills for the cheapest grade of steel in the size range specified for each product. These are determined by adding the relevant size extras to the negotiated ex-mill basis price for the selected product.

Transaction values relate to those paid by consumers and stockholders for prime material. The prices are for regular business between customers and their domestic steel mills, negotiated during the current month for delivery in the future. Delivery charges and local taxes are not included in the quoted prices. Contract deals arranged in the domestic market, or deals for lots of imported steel, are specifically excluded from our price evaluation.

Hot-Rolled Wide Coil - 2-3mm thickness, width over 1.1 metres.

Hot-Rolled Plates - 15-40mm thickness, width over 2.0 metres.

Cold-Rolled Coils - 1mm thickness, width over 1.3 metres.

Hot Dipped Galvanised Coils - 1mm thickness, width over 1.1 metres, coating thickness 275gm/m²

Electro-Zinc Coated Coils - 1mm thickness, width over 1.1 metres, standard coating.

Stainless Type 304 and 430 - 1.5mm thickness, width over 1.25 metres. - (excluding alloy surcharges).

Wire Rod (Drawing Quality) - 5.5mm diameter.

Wire Rod (Mesh Quality) - 8-12mm diameter.

Medium Sections and Beams - Category C1. I Beam.

Medium Sections and Beams - 240 x 240mm H Beam.

Reinforcing Bar (Deformed) - 16-20mm diameter - high yield.

Merchant Bar - 50mm diameter.

Merchant Bar - 50 x 50mm x 6mm equal angle.

MEPS REGULAR PUBLICATIONS

EUROPEAN STEEL REVIEW SUPPLEMENT (monthly)

A sister publication to the European Steel Review. The range of data is extended in this report. Price and market information is supplied for a further six nations, including - Denmark, Sweden, Finland, Holland, Austria and Norway. Euro comparisons are also included. Details of Nordic Average Steel Transaction Prices are incorporated together with regular forecasts.

INTERNATIONAL STEEL REVIEW (monthly)

Each edition carries domestic steel pricing data in eleven countries across the globe, including - United States, Canada, China, Japan, South Korea, Taiwan, Poland, Czech/Slovak Republics and the main five EU member states - covering 70 percent of world consumption. Details of World and Regional Average Steel Prices are incorporated together with regular forecasts.

STAINLESS STEEL REVIEW (monthly)

This publication provides stainless steel price and market information for hot rolled plate, hot and cold rolled strip, plus two bar products. Two austenitic and ferritic grades are assessed in thirteen countries around the world covering 65% of global consumption. Details of basis price negotiations and alloy surcharge values, where applicable, are incorporated. Transaction price forecasts are included. Estimates of alloy surcharges three months ahead are also included in each issue.

DEVELOPING MARKETS' STEEL REVIEW (monthly)

This is a new report from MEPS outlining steel market trends in the increasingly important emerging markets around the world. Each edition carries steel prices in eight countries - India, UAE, Turkey, South Africa, Russia, Ukraine, Mexico and Brazil. Details of eight steel prices in the flat and long products sectors are available. Comprehensive commentaries are included.

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