

MEPS EUROPEAN STEEL REVIEW

KEYNOTE

FEBRUARY 2014

EU STEEL MILLS HAVING DIFFICULTY LIFTING PRICES FURTHER

We have noted a degree of price stability in the European flat products market over the last month. Steelmakers continue to push for higher prices, proposing between €30 and €40 per tonne, in order to boost their low profit margins. However, the announcements and the reality are somewhat different. Buyers believe the target figures are unrealistic, given the present state of end-user demand. Consequently, they continue to try to resist the mills' aspirations. Prices for some quarterly contracts have already been rolled over from period one to the second trimester. Third country imports are still not a major factor in the market.

With the exception of a small pickup in activity during January, as companies concluded business

for February/March, German demand has remained flat. Consumption in the second half of 2014 is expected to be better. The mills are talking of a price rise for strip mill products in the second quarter but have booked few orders so far. The situation is uncertain, so buyers are hesitant. Many negotiations will not begin until the end of this month. Service centres are struggling to obtain higher prices from end-users and OEMs, which makes them extremely reluctant to pay more for their supplies.

Despite the mills' announcements of increases, French basis numbers have been largely stable over the last month. Delivery lead times remain short, at around three weeks maximum for new production. There is limited third country import

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

price/metric ton		2013				2014	
		SEP	OCT	NOV	DEC	JAN	FEB
Hot-Rolled Coil	High:	500	500	490	490	490	490
	Low:	450	450	440	440	440	440
Hot-Rolled Plate	High:	545	545	540	540	540	540
	Low:	505	505	500	500	500	500
Cold-Rolled Coil	High:	570	570	560	560	560	560
	Low:	530	530	520	520	520	520
Hot Dipped Galvanised Coil	High:	570	570	560	560	560	560
	Low:	530	530	520	520	520	520
Electro-Zinc Coated Coil	High:	580	580	570	570	570	570
	Low:	530	530	520	520	520	520
Stainless Steel Type 304	High:	1090	1100	1120	1120	1120	1130
	Low:	990	1000	1020	1020	1020	1030
Stainless Steel Type 430	High:	1090	1090	1090	1090	1090	1090
	Low:	1040	1040	1040	1040	1040	1040

ISSN 1369-8583

MEPS (INTERNATIONAL) LTD

263 Glossop Road, Sheffield S10 2GZ, England

Tel: (0114) 275 0570 Fax: (0114) 275 9808

E-mail: subs@meps.co.uk Web Site: <http://www.meps.co.uk>

Copyright © 2014 by MEPS. All rights reserved. No information contained in this report may be used or reproduced in any manner whatsoever without written permission from the publisher.

Annual Subscription
Rate 2014 - £1295

Photocopying, faxing or forwarding by e-mail to a third party is strictly prohibited without the permission of MEPS (International) Ltd.

penetration. Stockholders report that activity has not revived significantly, with business levels, in January, similar to those in the final quarter 2013. End-users continue to have small order books.

The Italian economy is slow and steel market activity is not picking up, despite optimistic announcements on GDP. Final demand is weak, with only small tonnage orders being concluded. Distributors are unable to lift resale prices and, therefore, they are unwilling to pay more to steelmakers, regardless of producers' efforts to persuade them. Throughout the supply chain, companies are operating with very low stocks and many are implementing further cost cutting measures to reduce them even more for financial reasons. Imported material is available but buyers prefer to purchase domestically unless there is a significant price advantage.

Several UK service centres report a more encouraging business environment, with this January's volume much

higher than in the previous year. They have reasonably good order books and resale values are steady. However, a second quarter basis rise does not seem viable since Chinese, Russian and Indian suppliers are offering at lower prices. Moreover, demand is not yet strong enough to support an advance.

The Belgian economy is picking up and some good investments have been approved. However, the steel market remains rather quiet, although consumption is reasonable. Basis figures are stable with some light upward pressure. A small increase could be accepted for the second quarter.

Market sentiment has recovered a little in Spain, where steelmakers have successfully pushed for small basis increases, despite no sizeable improvement in demand. Distributors are now trying to lift resale values amidst resistance from end-users. Service centre objectives are to keep inventories as low as possible.

FLAT PRODUCTS

HOTROLLED COIL

German service centres still have sufficient stock for their first quarter requirements as general demand has not strengthened substantially since the start of the year. Although the mills are planning price hikes for April, buyers are not convinced they will realise the full amount being proposed. Pipe makers report sufficient orders for the first three months of 2014 but are not yet fully booked for the second quarter. There are hot rolled coil offers from Russian suppliers for February production at slightly higher prices than from West European sources. Turkish quotations, though falling, are still unacceptable. Producers are unable to boost prices in the French

market, where activity is dull. There is hardly any trade ongoing in Italy. Buyers feel that the mills' proposals are not practicable, given that final demand is lacking. Material from India, Russia and China is arriving at €425/430 per tonne, CFR. However, buyers are very cautious regarding ordering quantities from overseas.

Suppliers to the UK have held hot rolled coil basis numbers at the January level for March rollings. They are unlikely to win a proposed a £20 per tonne advance for the second quarter. In Belgium, there is only modest activity both at the mills and service centres. Producers have achieved around €5/10 per tonne of their proposed €30/40 per tonne hike for April deliveries. However, January

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

price/metric ton		2013				2014	
		SEP	OCT	NOV	DEC	JAN	FEB
Wire Rod	High:	530	535	535	535	535	535
	Low:	510	515	515	515	515	515
Medium Sections and Beams	High:	580	590	580	585	585	585
	Low:	540	550	540	545	545	545
Rebars	High:	275	275	265	265	275	280
	Low:	255	255	245	245	255	260
Merchant Bars	High:	200	210	200	200	200	195
	Low:	160	170	160	160	160	155

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

	Hot Rolled Plate		Hot Rolled Coil	
	Q4/13	Q1/14e	Q4/13	Q1/14e
EU Average				
Non Sour	108.2	108.2	128.1	128.1
Sour	114.1	114.1	126.8	126.8

* Q4/06 = 100 - based on Euro values

** p = Provisional e = Estimate

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

	Dec-13	Jan-14	Feb-14
EU Average	76.9	77.6	77.6
Year-on-year % +/-	-3.8	-3.7	-5.4

* Jan 07 = 100 - based on transaction prices

** STEELPPI - Steel Purchasing Price Index

bookings at the distributors were slow and resale prices to end-users are under renewed negative pressure. Spanish ex-mill figures are up by €10 per tonne, compared to the previous month, and more may be possible for the second quarter, although sales are still weak.

HOT ROLLED PLATE

The market for commodity grade plate is very quiet throughout Western Europe, as service centres are sufficiently stocked for day-to-day business, well in to the first trimester. Steelmakers have introduced short shift working to lower availability. The next round of price discussions is unlikely to be until late February but the mills are already indicating that they want €10/30 per tonne more. The higher specifications are faring better. The machine building industry has good order books but their volumes are not sufficient to compensate for the missing quantities on the commodity side. Producers are also suffering because of low line pipe demand and weak export activity. Very few import transactions have been concluded because European suppliers are keen to compete.

A number of German plate makers continue to be short of orders as demand from distributors and from the building industry remains flat. Business for the higher specifications is more robust. Basis figures are steady at the January level. Although sales to construction and public works are muted in France, plate prices have finally moved up. Orders are coming in on a regular basis now and supply is tightening. Italian consumption is low due to the slow economic situation. Service centres have sufficient material for the first quarter. There is a great deal of internal competition as well as import pressure. Supply is in surplus. Last month's cost-driven price rise has been maintained.

The commodity plate market in the UK is still fragile but ex-mill basis figures have held up, month-on-month. Producers do not appear to be making any strong attempts to lift them. A number of distributors report good volumes during January, especially on the higher specifications. However, resale values remain steady.

Imports from Italy have become more expensive and are now fractionally above those from other European sources. Traders' stocks are on the low side. Basis numbers have moved up again in Belgium. We have noted a 'no change' situation in Spain, where Chinese imports are attractively priced.

COLD ROLLED COIL

Basis values agreed between German customers and their suppliers are unaltered from last month. There is stiff competition from Russian importers. Prices are also generally static in France, where mill delivery lead times are relatively short. Business is being transacted in Italy well below the mills' target levels. Demand is flat, with few real signs of any recovery. Imports are available, mainly from Russia, at competitive prices.

In the UK, Russian suppliers are offering at £450 per tonne, effective delivered, through to June delivery. Chinese material is also competitive. Domestic quotations are steady at the level reported a month ago. In Belgium, basis numbers are unchanged from those in our January

**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	520	520	711	704
France	530	530	725	717
Italy	510	510	698	690
UK	430	430	707	701
Belgium	520	520	711	704
Spain	520	530	711	717

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:	490	490	470	405	489	495	460
	Low:	440	450	430	380	458	455	440
Hot Rolled Plates	High:	540	565	520	480	579	560	510
	Low:	500	515	480	450	543	520	460
Cold Rolled Coil	High:	560	570	560	465	561	570	570
	Low:	520	530	510	430	519	520	530
Hot Dipped Galvanised Coil	High:	560	570	540	485	585	570	570
	Low:	520	530	490	445	537	520	530
Electro-Zinc Coated Coil	High:	570	570	580	500	603	590	580
	Low:	520	540	540	460	555	540	540
Stainless Cold (a) Rolled Type 304	High:	1130	1090	1050	965	1164	1070	1030
	Low:	1030	1040	1000	895	1080	1020	980
Stainless Cold (a) Rolled Type 430	High:	1090	1070	935	1015	1224	—	1007
	Low:	1040	1020	885	990	1194	—	977
MONTH on MONTH % CHANGE								
Hot Rolled Coil	Low:	0.0	0.0	0.0	0.0	0.2	1.1	2.3
Hot Rolled Plates	Low:	0.0	3.0	0.0	0.0	0.2	4.0	0.0
Cold Rolled Coil	Low:	0.0	0.0	0.0	0.0	0.4	0.0	1.9
H.D. Galv Coil	Low:	0.0	0.0	0.0	-1.1	-0.9	0.0	1.9
E.Z. Coated Coil	Low:	0.0	0.0	0.0	0.0	0.2	0.0	0.0
S/S CR Type 304	Low:	1.0	1.0	3.1	0.0	0.3	1.0	2.1
S/S CR Type 430	Low:	0.0	0.0	0.0	0.0	0.3	—	0.0

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.

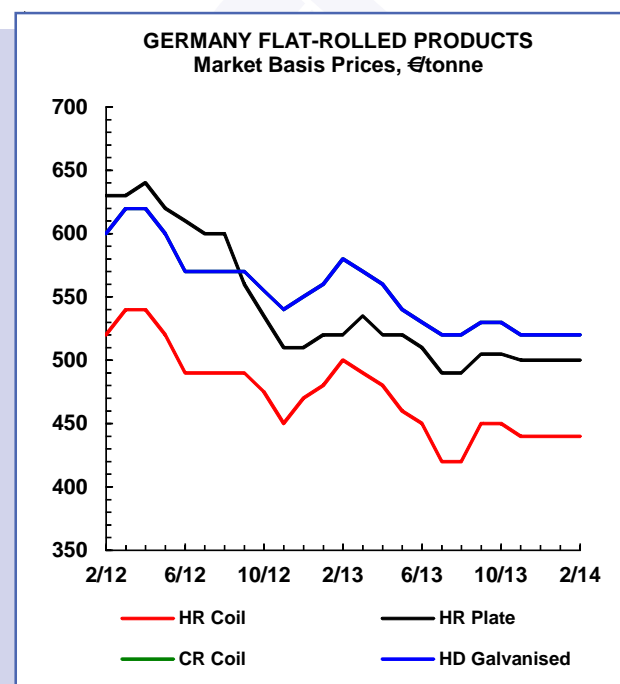
issue. Buyers continue to purchase only small quantities. In Spain, customers have accepted a €10 per tonne advance as market sentiment improves. However, distributors' margins are tight as they fight for the few available orders. It may prove difficult for steelmakers to lift prices much further since there is significant third country import pressure.

COATED COIL

Sales of hot dipped galvanised coil to the German construction industry are better than expected for the time of year because of unseasonably mild weather. The auto sector continues to function well. French vehicle demand is muted. Coated material is available on a relatively rapid turnaround. Selling values are static. The Italian market is very weak, with substantial internal competition. The latest settlements were concluded at the same price as in the previous month. The vehicle manufacturing sector remains depressed and the prospects for 2014 are pessimistic.

Although the UK auto industry is performing well, domestic suppliers have been unable to hold galvanised basis numbers at the level first established last November. Chinese and Indian material is available at £10/15 per tonne below European quotations. Vehicle sales are improving in Belgium. Steel buyers in the rest of the market are paying the same as a month ago. There are some offers from third country sources for thin gauge material. Forecasts suggest that expectations for Spanish car making in 2014 are good. In the general market, customers have conceded a €10 per tonne rise.

In Germany, the steelmakers have agreed to roll over last month's prices for sales of electro-zinc coated coil. French figures are the same as those quoted in our last issue.



The €10 per tonne advance secured by producers in Italy last month has been carried over. In the UK, mainland European suppliers have held basis values steady through to May. South Korean, thin gauge material is attractively priced. Customers in Belgium have agreed a 'no change' situation. The circumstances in Spain are similar.

COLD ROLLED STAINLESS STEEL

In January, small basis price hikes were agreed for cold rolled austenitic stainless steel in Germany, France, Italy, Belgium and Spain. Further advances were expected as activity levels picked up. Although sales volumes were climbing in the UK, no increases had proved possible. Ferritic numbers were steady in all six countries.

LONG PRODUCTS

Long product sales continue to be disappointing, despite favourable weather conditions for construction in most countries. Prices remain under negative pressure.

WIRE ROD

Low carbon wire rod producers have rolled over the January numbers in Germany. Although recoil demand is better than expected, the market is oversupplied. As scrap prices soften, the mills have lost the €10 per tonne rise they gained last month. In France, values for drawing quality rod are static at the level reported four weeks ago. Those for the mesh quality have succumbed to a little downward pressure. The construction sector

has failed to rally. Italian low carbon wire rod figures have declined as a result of relatively dull order intake in a weak economic climate. A poorly performing construction sector has led to lacklustre demand for recoil. Producers have held on to prices this month but increases have proved impossible.

Selling values of the basic drawing qualities are flat in the UK, where the market is now relatively small, due to an influx of imported finished wire products. Prices for the higher specifications are stable. Recoil numbers are tracking the rebar in a downward direction. Demand is reasonable. Drawing quality figures are firm in Belgium, where sales are muted. In Spain, we can report a 'no

change' situation for low carbon material. Sales of mesh quality rod remain depressed, resulting in some negative price developments.

MEDIUM SECTIONS AND BEAMS

We have seen no signs of increased activity in the German market, as customers seem inclined to postpone ordering. Effective values are unchanged. They are also stable in France. Some suppliers are focusing on the larger size ranges, where they can obtain better margins. Celsa is reported to be selling the smaller categories, 1 and 2 at very attractive prices. In Italy, producers have lost the advance they won at the turn of the year. Proposed

hikes are unlikely to be implemented, especially as scrap values are no longer climbing and demand from an ailing construction sector remains tepid.

There is weakening sentiment in the UK structural sections market. Resale values have softened. Some of the large distributors are, reportedly, making disruptively cheap offers. There is uncertainty in the market. The mills have been trying to lift prices a little for February rollings. However, service centres, who are quite well stocked, can afford to hold back from purchasing for a while in order to see if the increases are implemented. Mainland European suppliers may not push too hard as the current currency exchange rate has already delivered them a rise. South

TABLE 5. LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany (€)	France (€)	Italy (€)	UK+ (£)	UK+ (€)	Belgium (€)	Spain (€)
Wire Rod (b)	High:	535	545	540	475	573	545	540
	Low:	515	515	520	435	525	515	520
Medium Sections & Beams (c)	High:	585	580	540	510	615	600	570
	Low:	545	550	520	480	579	550	520
Rebar (d)	High:	280	270	250	460	555	280	265
	Low:	260	240	240	430	519	250	245
Merchant Bar (e)	High:	195	175	160	510	615	170	190
	Low:	155	155	140	490	591	150	140
MONTH on MONTH % CHANGE								
Wire Rod	Low:	0.0	0.0	-1.0	0.0	0.4	0.0	0.0
M.Sect. & Beams	Low:	0.0	0.0	-1.9	0.0	0.2	-3.5	-1.0
Rebar	Low:	2.0	-4.0	-5.9	-2.3	-1.9	0.0	0.0
Merchant Bar	Low:	-3.1	-3.1	-3.4	-1.0	-0.8	-6.3	-3.4

BASIS PRICE AND PRODUCT DEFINITIONS

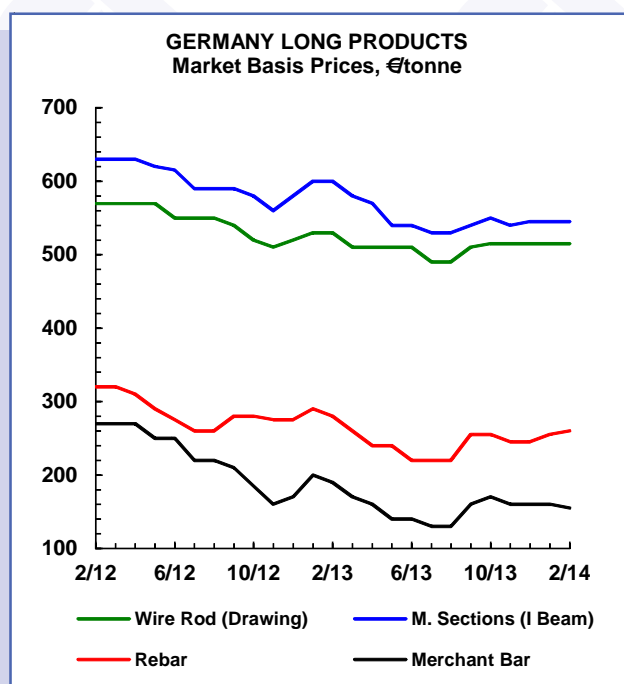
* Due to the suspension of scrap surcharges by all major European producers from June 2010, MEPS basis prices for Medium Sections & Beams are now equivalent to transaction prices for category C1 beams.

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.



Korean mills have made some competitive offers. However, the confidence to take the risk involved with three/four month delivery lead times is lacking. Construction activity in Belgium is subdued, despite fair weather conditions enabling site work to progress without the usual winter stoppages. Sales volumes are poor, causing effective figures to fall by €20 per tonne. Market participants are not expecting any big changes over the next few months, even though macro-economic improvements are forecast. There have been some quotations from the Far East for April delivery but buyers are not concluding deals. They will not gamble whilst domestic prices are trending downwards. We can report a marginal, negative movement in the Spanish market, where the trading environment for suppliers remains lethargic both at home and abroad.

REINFORCING BAR

German demand is getting better. The winter, so far, has been mild, enabling construction work to go ahead unhindered. Consequently, customers' stocks are being rundown more quickly than anticipated. Steelmakers, aware that buyers need to replenish inventories, have no intention of offering price reductions at this stage. Despite only small individual orders, the overall tonnage is providing good business for the mills at decent prices. In contrast, sales have slowed significantly in France, leading to lower selling values. Market participants do not expect any improvement in end-user activity until spring at the earliest. Wet weather has further hampered building work in Italy and rebar sales have suffered accordingly. Underlying demand is very depressed. The residential construction sector has been suffering for some time and forward

building applications are also down, even through to 2015. Rebar suppliers are concentrating their efforts on export markets.

UK volumes have picked up a little, despite waterlogged sites in the south of the country. However, talk of falling scrap costs next month has filtered through to customers who are now calling for price reductions. Buyers are in 'wait and see' mode, so there is a very little speculative purchasing. The strong domestic currency is helping exporters who aspire to sell in the UK. A steady influx of Chinese and Turkish material is inflicting the greatest damage at present, with net delivered prices around £10 per tonne cheaper than local ones. Fabricators are well covered forward in terms of overseas material, so cut and bend prices are likely to stay low for some time. Belgian demand is quiet, with resale values under intense pressure. Distributors complain that credit insurance has become even more difficult to obtain. The Spanish situation is dire, with very few sales being concluded. There was a massive decline in rebar consumption during 2013 compared to the previous year. Nevertheless, although raw material costs have fallen a little, suppliers have held on to the January numbers. They are exporting as much as possible in order to relieve pressure on the local market.

MERCHANT BAR

In Germany, customers have negotiated a small discount, amidst subdued demand. Despite producers' proposals to lift prices in France, they are actually softening. Business in the distribution sector is very aggressive at present. The outlook is poor in Italy, where the mills' profit margins are under threat. Order intake is dismal and this is reflected in basis values.

UK demand is reasonable, albeit not exciting. Stock levels are sufficient for today's consumption. There has been some marginal downward pressure from large

MEPS INDUSTRIAL SECTOR STEEL PURCHASING PRICE INDICES - EU AVERAGE

January 2007=100	Jan-14	Feb-14	% change
Construction Industry	104.3	102.3	-1.9
Household Appliances	82.6	81.7	-1.1
Machinery Sector	94.0	92.7	-1.4
Shipbuilding Industry	80.0	79.4	-0.7
Shipping Containers	92.5	91.6	-1.0
Yellow Goods	96.3	95.5	-0.8

customers who are receiving cheaper offers from elsewhere. Service centre margins are tight at present. Belgian distributors report that their clients are purchasing very cautiously. The customary January restocking has

not taken place. Sales volumes are extremely low. Ex-mill basis figures have weakened. Orders from Spanish end-users are lacklustre. Producers have conceded a very small discount during recent settlements.

MARKET/INDUSTRY SCENE

MERGERS/ACQUISITIONS

In order to cut costs and improve competitiveness, Sweden's SSAB has announced that it intends to purchase Finland's Rautaruukki in a deal worth US\$1.6 billion. This, follows five consecutive quarters of losses for both companies totalling US\$540 million. SSAB expects annual cost savings of US\$215 million within three years.

CAPACITY/INVESTMENT

ArcelorMittal intends to make a series of investments to modernise its plants in Luxembourg. The steelmaker is spending US\$47 million to upgrade its sheet piling operation at the Belval works by 2015. It has also confirmed that production of sections will continue throughout 2014 at its long product rolling mill in Rodange.

Hüttenwerke Krupp Mannesmann is to modernise its slab caster at the Duisburg-Huckingen facility in Germany. This upgrade is designed to reduce tolerances and

increase the quality of the slabs produced. The improvement is scheduled for the end of 2014 during a temporary shutdown of the site.

MAINTENANCE

Tata Steel has refired one of four blast furnaces at its Scunthorpe plant in the UK ahead of planned maintenance on another furnace at the site. The seventy-five year old Queen Bess furnace has been relit in order to allow the Queen Anne furnace to be taken offline for a £30 million-plus rebuild. The revamp is scheduled to start at the end of March, subject to prevailing market conditions.

DIVESTMENT

Stemcor has sold its French stockholding business, located just outside Paris, to a French management team led by Philippe Muller. This is the first divestment made by Stemcor following its announcement at the end of 2013, which detailed its restructuring plans.

MEDIUM TERM PRICE FORECASTS

The MEPS - EU Average Reinforcing Bar price decreased by €7 per tonne in February. Selling figures for mesh quality wire rod moved down by the same amount.

We have downgraded our previous forecast, due to a recent downturn in scrap costs and poor market activity. In the immediate term, we expect steel prices to decline slightly. There is the possibility of marginal advances in transaction values, early in the second quarter, if raw material costs increase and demand improves. However, any potential gains are expected to be lost during the summer months.

We anticipate a slight uptrend in selling figures during the second half of 2014. Seasonally higher scrap costs should result in a temporary price rise in the third quarter. Transaction values are likely to be under negative pressure, in the final trimester, as demand usually wanes during this period. A revival in purchasing activity is forecast to boost selling figures early in 2015.

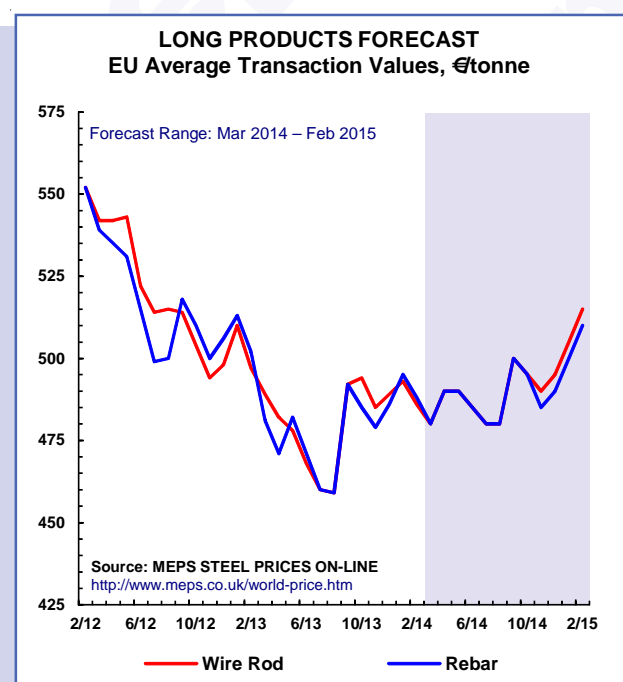
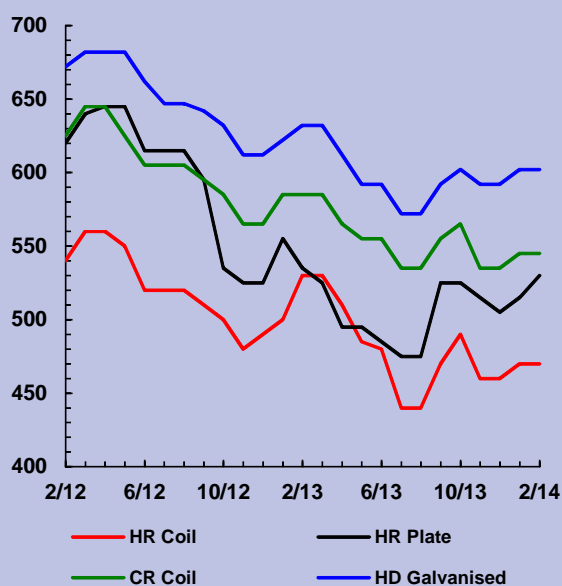
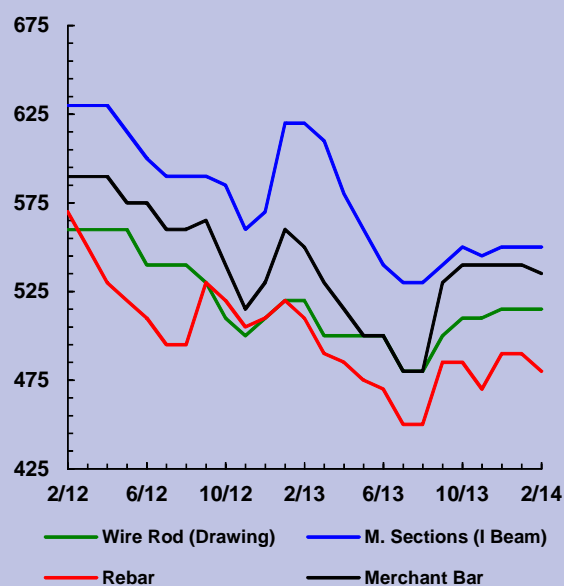


TABLE 6. EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

Euro/metric ton	Actual	Forecast					
	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
Hot Rolled Coil	461	465	475	475	470	465	465
Hot Rolled Plate	516	520	525	530	525	520	520
Cold Rolled Coil	535	540	550	550	545	540	540
H.D. Galv Coil	591	595	605	605	600	590	590
E.Z. Coated Coil	593	600	610	610	605	600	600
Wire Rod (Drawing)	526	520	530	530	525	520	520
Wire Rod (Mesh)	486	480	490	490	485	480	480
M. Sections (I Beam)	544	540	550	550	545	540	540
M. Sections (H Beam)	598	595	605	605	600	595	595
Rebar	488	480	490	490	485	480	480
Merc Bar (Round)	538	533	543	543	538	533	533
Merc Bar (Eq Angle)	555	550	560	560	555	550	550

PRICE AND PRODUCT DEFINITIONS

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.

FRANCE FLAT-ROLLED PRODUCTS
Transaction Prices, €/tonneFRANCE LONG PRODUCTS
Transaction Prices, €/tonne

Transaction Price Data Sheet

TABLE 7. NEGOTIATED DOMESTIC TRANSACTION PRICES

FLATPRODUCTS price/metric ton		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	High:	500	510	510	490	421	508	480
	Low:	461	460	470	450	396	478	460
Hot Rolled Plates	High:	558	555	580	535	494	596	525
	Low:	516	515	530	495	464	560	475
Cold Rolled Coil	High:	578	575	585	575	478	577	585
	Low:	535	535	545	525	443	534	545
Hot Dipped Galvanised Coil	High:	634	632	642	612	538	649	642
	Low:	591	592	602	562	498	601	602
Electro-Zinc Coated Coil	High:	635	629	629	639	543	655	639
	Low:	593	579	599	599	503	607	599
Stainless Cold (a) Rolled Type 304	High:	1104	1130	1090	1050	965	1164	1030
	Low:	1030	1030	1040	1000	895	1080	980
Stainless Cold (a) Rolled Type 430	High:	1071	1090	1070	935	1015	1224	1007
	Low:	1026	1040	1020	885	990	1194	977
LONGPRODUCTS price/metric ton		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Wire Rod (Drawing quality) *	High:	550	553	545	540	487	587	540
	Low:	526	533	515	520	447	539	520
Wire Rod (Mesh quality)	High:	510	510	520	490	460	555	510
	Low:	486	490	490	470	430	519	480
Medium Sections and Beams (I beam)	High:	580	585	580	540	510	615	570
	Low:	544	545	550	520	480	579	520
Medium Sections and Beams (H beam)	High:	642	655	630	625	555	669	610
	Low:	598	605	590	590	515	621	570
Reinforcing Bars	High:	506	520	510	490	460	555	505
	Low:	488	500	480	480	430	519	485
Merchant Bars (50mm diameter)	High:	568	575	555	540	510	615	570
	Low:	538	535	535	520	490	591	520
Merchant Bars (Equal Angle)	High:	585	595	575	560	510	615	590
	Low:	555	555	555	540	490	591	540

* Includes supplementary surcharge in the UK.

CURRENCY EXCHANGE RATES

	US Dollars (US\$)		Euros (€)	
	2-Jan	3-Feb	2-Jan	3-Feb
Eurozone (€)	0.731	0.739	-	-
UK (£)	0.608	0.613	0.831	0.829

NEXT MONTH'S ISSUE

The March issue of the European Steel Review will be dispatched by post & PDF on 21 March, 2014.

Express Price Tables will be dispatched by e-mail in excel format on 14 March, 2014.

Copies of our main basis price tables can be supplied by email direct to your desktop. These are available within hours of completing our research. They will reach you approximately one week before the publication dispatch date.

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

Based on Euro values

	Jan-14	Feb-14	% change
Hot Rolled Coil	175.9	176.6	0.4
Hot Rolled Plate	179.1	179.8	0.4
Cold Rolled Coil	146.7	147.0	0.2
HD Galv Coil	128.2	128.2	0.0
E-Z Coated Coil	140.6	140.9	0.2
SS CR Coil 304	82.8	83.9	1.3
SS CR Coil 430	91.0	91.1	0.1
Wire Rod (Drawing)	198.9	198.5	-0.2
Wire Rod (Mesh)	208.0	205.1	-1.4
M Sect (I Beam)	177.9	177.2	-0.4
M Sect (H Beam)	171.9	171.3	-0.3
Reinforcing Bar	218.1	215.0	-1.4
Merc Bar (Round)	204.1	202.3	-0.9
Merc Bar (Eq Angle)	217.1	215.1	-0.9

Note:- Stainless Steel - Excluding alloy surcharge.

NEGOTIATED DOMESTIC TRANSACTION PRICES - MONTH ON MONTH % CHANGE
February 2014 versus January 2014

		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	Low:	0.4	0.0	0.0	0.0	0.0	0.2	2.2
Hot Rolled Plate	Low:	0.4	0.0	2.9	0.0	0.0	0.4	0.0
Cold Rolled Coil	Low:	0.2	0.0	0.0	0.0	0.0	0.2	1.9
HD Galv Coil	Low:	0.0	0.0	0.0	0.0	-1.0	-0.7	1.7
E-Z Coated Coil	Low:	0.2	0.0	0.0	0.0	0.0	0.3	0.0
SS CR Coil 304	Low:	1.3	1.0	1.0	3.1	0.0	0.3	2.1
SS CR Coil 430	Low:	0.1	0.0	0.0	0.0	0.0	0.3	0.0
Wire Rod (Drawing)	Low:	-0.2	0.0	0.0	-1.0	0.0	0.2	0.0
Wire Rod (Mesh)	Low:	-1.4	-2.0	-1.0	0.0	-2.3	-1.9	-4.0
M Sect (I Beam)	Low:	-0.4	0.0	0.0	-1.9	0.0	0.2	-1.0
M Sect (H Beam)	Low:	-0.3	0.0	0.0	-1.7	0.0	0.2	-0.9
Reinforcing Bar	Low:	-1.4	1.0	-2.0	-3.0	-2.3	-1.9	0.0
Merc Bar (Round)	Low:	-0.9	-0.9	-0.9	-1.0	-1.0	-0.8	-1.0
Merc Bar (Eq Angle)	Low:	-0.9	-0.9	-0.9	-0.9	-1.0	-0.8	-0.9

TRANSACTION PRICE AND PRODUCT DEFINITIONS

Transaction 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.