



EUROPEAN STEEL REVIEW

KEYNOTE

APRIL 2014

MEPS CELEBRATES THE 30th ANNIVERSARY OF EUROPEAN STEEL REVIEW

In 1984, MEPS produced its first carbon steel price and market report – European Steel Review. The main six countries in the EU9 were analysed. The pricing information and market insight proved to be popular. Several manufacturers started to use the published figures to create monthly indices to agree, with their customers, changes in their input costs. Such index pricing continues to this day.

After enlargement of the EU, similar research was conducted in a further six European countries and the results incorporated in a second carbon steel report. This was issued as a supplement to the original version. Over the past thirty years the steel industry has undergone massive changes. However, the selling price remains a key element in the buyers' decision making process. As the

market has become more international, local mills are usually required to consider foreign competition when setting offers to domestic customers.

Important decisions for the management of manufacturing organisations are often associated with steel procurement. Selling values are also a key element to be considered in the operations of the steelmakers. Independently researched steel price data and market information is useful for both sides.

To provide further assistance to its clients, MEPS set out to test the prospects of producing steel price forecasts. These were made available in April 2004. The first subscriber recently renewed his order for this service for the eleventh consecutive year.

FLAT ROLLED PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES - GERMANY

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

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FLAT PRODUCTS

An imbalance in supply and demand has continued to weigh heavily on European flat product prices. Despite optimistic macroeconomic indicators in several countries, customers are still hesitant to place orders. Last month's sudden dip in raw material costs caused a negative reaction in the market. Now that the trend has reversed somewhat, we may see prices bottom out. Indeed, several buyers have commented that the mills have recently become quite resistant to granting further discounts. ArcelorMittal has conveyed to buyers its intention to lift June shipments by €20 per tonne in both the northern and southern markets.

Although the business climate is relatively good in Germany, steel prices have been under pressure because the market is being targeted by producers in other EU countries, where demand is more subdued. After pushing for second quarter rises of €30/40 per tonne, the mills have settled for a 'no change' situation, with basis numbers back to where they were at the start of the year, or even lower. Service centres that are short of orders and selling very aggressively, cannot afford to pay more for their supplies.

There has been no improvement in French activity. End-user demand on the service centres is poor and resale prices are described as 'awful'. Meanwhile, the mills have tried to resist downward price pressure as best they can. However, basis figures have continued to fall. Producers are now looking for them to stabilise or even go back to February's levels.

In Italy, Ilva reduced prices for new orders due to competitive offers from China and a reduction in iron

ore costs. Business activity is slow, with very few deals being concluded. Market sentiment is poor. There is a lack of demand from end-users. Consequently, service centres are reluctant to purchase new material. Buyers are postponing placing orders because they fear that the bottom has not been reached.

UK flat product service centres report that both demand and profit margins, in March, remained stable to good. However, mill basis figures have deteriorated since our last report. They began to fall when raw material costs declined but have steadied now. Nevertheless, buyers are sceptical that the, recently announced, June hike can be secured, due to oversupply.

In Belgium, the positive economic indicators are not reflected in distributors' sales. There are many imports from Southern Europe that, even with relatively high transport costs, are very competitively priced. This has created negative pressure in the marketplace. Even though the mills are proposing an increase for June, buyers do not appear to be prepared to pay more. Resale values have also weakened, although they are now stabilising. Import offers are around €10 per tonne below domestic values. Few deals have been concluded.

Sentiment is starting to recover a little in Spain due to better economic forecasts for 2014. However, the steel market remains quiet and prices have continued to slump. Very little business was actually placed at the lower prices because, in late March, buyers believed further discounts were possible. Opinion has now changed because the mills have become reluctant to make commitments at those levels.

LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES - GERMANY

price/metric ton		2013		2014			
		NOV	DEC	JAN	FEB	MAR	APR
Wire Rod	High	535	535	535	535	530	530
	Low	515	515	515	515	510	510
Medium Sections and Beams	High	580	585	585	585	575	570
	Low	540	545	545	545	535	530
Reinforcing Bar	High	265	265	275	280	260	250
	Low	245	245	255	260	240	230
Merchant Bar	High	200	200	200	195	185	180
	Low	160	160	160	155	145	140

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

	Hot Rolled Plate		Hot Rolled Coil	
	Q1/14	Q2/14e	Q1/14	Q2/14e
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				

HOT ROLLED COIL

There is still a lot of downward pressure on German basis values. Those companies that postponed early second quarter settlements have now negotiated a €10 per tonne decrease on the figures we published in March. We have reports that a number of deals have been done below this level. Buyers believe a significant improvement in demand is necessary before any rises can be implemented. Chinese and Russian mills are offering attractive prices, albeit with long delivery lead times. Pipemakers are reasonably busy but still have capacity available. French basis values have also been under threat, despite producers' attempts to obtain second quarter increases. There is little imported material because the price differential is not that significant. Market participants do not expect demand to revive in the short term because the economic situation lacks dynamism. We have noted a substantial decline in Italian basis figures as producers react to import competition and a lack of business activity.

Suppliers to the UK have reduced basis figures by a further £10 per tonne. Russian mills appear to have stopped quoting for hot rolled coil. The Belgian market is weak with slow demand and falling prices. However, buyers have commented that, more recently, producers have refrained from offering further discounts. Southern European decoilers are selling very cheaply into Belgium. Demand is weak in Spain. Prices have not picked up. In fact, we have monitored a €20 per tonne drop. Current offers from China are at €420/425 per tonne, CFR. Material is also available from India and Ukraine.

HOT ROLLED PLATE

Basis values for commodity grade plate have remained more or less stable in Northern Europe, despite subdued demand and very competitive third country offers. The higher specifications are performing better now and those mills capable of producing them have firmer order books than of late. However, other

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

	Feb-14	Mar-14	Apr-14
EU Average	77.6	77.9	75.7
Year-on-year % +/-	-5.4	-5.0	-6.5
* Jan 07 = 100 - based on transaction prices ** STEELPPI - Steel Purchasing Price Index			

steelmakers are not fully loaded. In Southern Europe, the producers are battling with a shortage of slab, which has resulted in ever rising input costs, while plate prices fall.

German mills have benefited from the upturn in the linepipe market. Order intake has improved, although prices are still slow to recover. The yellow goods sector is showing some signs of positive movement and demand for offshore applications is reasonable. Service centres have plenty of stock but it is not at critically high levels. In France, traders are reported to have large quantities of cheap Chinese, Indian and Indonesian inventory, which they are selling at €523/535 per tonne, effective delivered. Commodity material is available from EU sources at similar figures to a month ago. It is possible for them to sell higher grade plate at better prices. Italian domestic customers continue to resist any moves by the rerollers to charge more, despite escalating slab costs. In fact, basis numbers have softened. Third country import prices are very low. Moreover, the traditional export markets in the 'Mediterranean' area are suffering weak demand due to the unstable economic and political situation.

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

price/ metric ton	Local currency		US dollars	
	Last Month	This Month	Last Month	This Month
Germany	530	520	729	718
France	530	510	729	704
Italy	505	480	695	663
UK	430	410	719	682
Belgium	520	510	715	704
Spain	530	500	729	691

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

price/metric ton		Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Belgium (€)	Spain (€)
Hot Rolled Coil	High	490	475	450	375	452	470	440
	Low	440	435	410	350	422	430	420
Hot Rolled Plate	High	545	560	500	480	578	530	520
	Low	505	510	460	450	542	490	470
Cold Rolled Coil	High	560	550	530	445	536	560	540
	Low	520	510	480	410	494	510	500
Hot Dipped Galvanised Coil	High	560	540	510	470	566	560	530
	Low	520	500	460	430	518	510	490
Electro-Zinc Coated Coil	High	570	550	550	490	590	580	550
	Low	520	520	510	450	542	530	510
Stainless CR Coil Type 304 (a)	High	1130	1090	1070	965	1163	1070	1050
	Low	1030	1040	1020	895	1078	1020	1000
Stainless CR Coil Type 430 (a)	High	1090	1070	935	1015	1223	—	1007
	Low	1040	1020	885	990	1193	—	977

MONTH on MONTH % CHANGE

Hot Rolled Coil	Low	-2.2	-2.2	-3.5	-2.8	-3.4	-4.4	-4.5
Hot Rolled Plate	Low	0.0	0.0	-3.2	0.0	-0.9	-3.9	0.0
Cold Rolled Coil	Low	-1.9	-3.8	-5.0	-4.7	-5.4	-1.9	-5.7
HD Galv Coil	Low	-1.9	-5.7	-5.2	-2.3	-3.2	-1.9	-7.5
EZ Coated Coil	Low	-1.9	-3.7	-4.7	-2.2	-3.0	-1.9	-5.6
SS CR Coil 304	Low	0.0	0.0	2.0	0.0	-0.8	0.0	2.0
SS CR Coil 430	Low	0.0	0.0	0.0	0.0	-0.8	—	0.0

BASIS PRICE AND PRODUCT DEFINITIONS

Negotiated basis prices 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.

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

Notes: (a) Basis - 1.5mm thickness.

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 the use of our published data, however it may arise.

UK plate figures remain flat, despite extending delivery lead times. Distributors report that sales of all grades are reasonable but competition for commodity material is intense and, therefore, resale values have failed to improve. Stockists from mainland Europe have entered the UK market and are selling quite aggressively. Inventories are generally in balance with current demand. Basis numbers have moved down again in Belgium. The Spanish market is quiet. Third country imports are available at €420/440 per tonne.

COLD ROLLED COIL

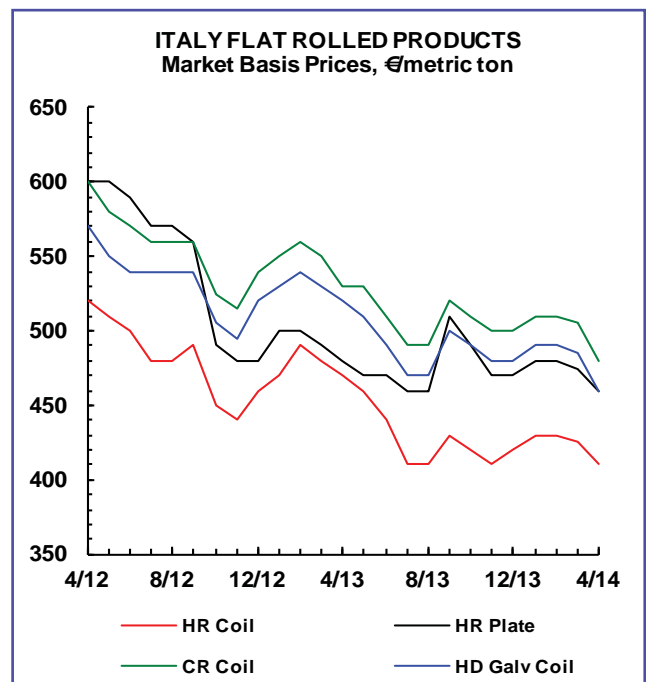
Basis values agreed between German customers and their suppliers are €10 per tonne lower than a month ago – back to the levels of January. Competition from Russian importers persists. They are offering at €470/480 per tonne. Prices are €20 per tonne down in the French market, compared with March. Buyers are only purchasing for their immediate requirements. In Italy, the demand situation is described as 'critical'. General economic difficulties are causing financial problems at many end-users. Basis figures have tumbled since our last report. Turkish offers are €10/20 per tonne higher than local ones at present.

Domestic quotations in the UK are £20 per tonne lower than a month ago. Russian figures are at £400 per tonne, basis, for July arrival. Oversupply and a lack of demand have led producers to cut basis numbers in Belgium. At the distributors, there is also negative pressure on resale values because of poor sales to end-users. In Spain, the advances secured by the mills in February/March have been lost due to significant imports arriving from Russian, Turkish and Chinese suppliers. Distributors' margins are tight in a competitive sales environment.

COATED COIL

The automotive outlook continues to be positive in Germany. Sales of hot dipped galvanised coil to the construction industry are reasonable. Basis numbers have lost the €10 per tonne they gained in the previous month. In France, both mills and distributors are looking to maintain volumes in a climate of reduced sales. They are accepting lower prices to win business. Vehicle demand is muted. Auto output is improving slightly in Italy but from a very low level. The galvanised steel market is extremely weak with substantial internal competition. The latest settlements were concluded at prices €25 per tonne cheaper than in the previous month.

General demand for hot dipped material is relatively



good in the UK but prices for May/June are beneath those of March. Buyers report that there are few cheap Chinese offers at present. In Belgium, vehicle manufacturers' order books are better now. Customers in the general market have won discounts. Forecasts suggest that expectations for Spanish carmaking in 2014 are good. In the rest of the market, import pressure and poor demand have led to a significant steel price reduction.

In Germany, the steelmakers have agreed a decrease of €10 per tonne for sales of electro-zinc coated coil. French figures are €20 per tonne lower than those quoted in our last issue. Italian producers have offered a hefty discount. In the UK, mainland European suppliers have reduced basis values slightly. South Korean coil is too expensive at present. Customers in Belgium have forced the mills to cut prices a little. The decrease in Spain was more significant.

COLD ROLLED STAINLESS STEEL

In March, cold rolled austenitic stainless steel values were unchanged in Germany, France, UK and Belgium. Suppliers in France were more competitive as offers from Southern European producers became more expensive. Steelmakers requested a basis price hike of €50 per tonne in Italy but, in fact, only achieved around €20 per tonne from some buyers. Stocks throughout the Spanish supply chain were quite low. This resulted in a slight upturn in purchase tonnes, longer delivery lead times and marginally higher prices. Ferritic numbers were steady.

LONG PRODUCTS

Long product prices have continued to erode since our March report. Recently, producers have begun to make serious efforts to move basis figures back up as scrap costs increase.

WIRE ROD

Low carbon wire rod producers have held on to prices in Germany, following last month's decrease. There is little activity in the recoil market, which remains

oversupplied. Customers have won another €10 per tonne discount. In France, values for drawing rod are at the level reported four weeks ago. Those for the mesh quality have succumbed to further downward pressure.

Italian low carbon wire rod figures have continued to decline marginally as a result of dull order intake in a weak economic climate. A poorly performing construction sector has led to lacklustre demand for

LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany (€)	France (€)	Italy (€)	UK+ (£)	UK+ (€)	Belgium (€)	Spain (€)
Wire Rod (b)	High	530	540	530	460	554	540	535
	Low	510	510	510	420	506	510	515
Medium Sections and Beams (c)	High	570	540	530	495	596	560	560
	Low	530	510	510	465	560	510	510
Rebar (d)	High	250	250	220	435	524	240	240
	Low	230	220	210	405	488	210	220
Merchant Bar (e)	High	180	150	145	485	584	140	175
	Low	140	130	125	465	560	120	125

MONTH on MONTH % CHANGE

Wire Rod	Low	0.0	0.0	-1.0	-1.2	-1.9	0.0	0.0
Medium Sections	Low	-0.9	-4.7	-1.0	0.0	-0.9	-5.6	0.0
Rebar	Low	-4.2	0.0	-6.7	-3.6	-4.3	-12.5	-4.3
Merchant Bar	Low	-3.4	-3.7	-3.8	-2.1	-2.9	-14.3	-3.8

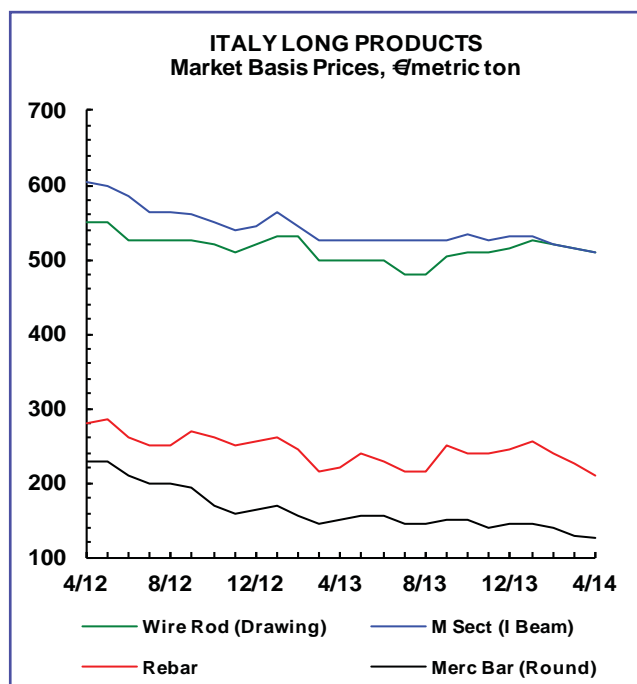
BASIS PRICE AND PRODUCT DEFINITIONS

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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) I beam, 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.



recoil. Producers have been forced to make price concessions.

Selling values of the basic drawing qualities have continued to ease down in the UK. They did not respond as quickly as the mesh grades to lower scrap costs because most business is conducted on a quarterly basis. Prices for the higher specifications are fairly static. Recoil numbers continue to track the rebar in a negative direction as demand is slow. Drawing quality figures are stable in Belgium, where sales are muted. There is oversupply in both distribution and production. In Spain, low carbon prices are unchanged. We can report a €25 per tonne dip for mesh quality material.

MEDIUM SECTIONS AND BEAMS

Activity in Germany's non-residential building sector is growing rapidly. Nevertheless, we have recorded another reduction in effective values. In the French market, competition between distributors is extreme. Service centre profit margins have shrunk significantly as resale values tumble. Although the mills' official price for Category 1 material is €530 per tonne, some suppliers, such as Celsa, Stefano and even ArcelorMittal, are reported to be accepting €510 per tonne, or even less.

In Italy, proposed hikes have not been implemented due to tepid demand from an ailing construction sector and weaker scrap values. In fact, we have noted a minor downward movement. The UK market is described by participants as a 'tough environment' at present. Enquiry levels are quieter than expected. The majority of recent growth in construction has been

in the house building sector, with civil engineering and fabrication slower to recover. Mills have failed to lift prices. Distributors complain it is difficult to increase resale values.

The Belgian market is described as a 'disaster'. Effective values have lost €30 per tonne, compared with a month ago. Large tonnages could well command even greater discounts. Demand remains exceedingly slow. In Spain, the trading environment for suppliers is still lacklustre, both at home and abroad. Following last month's negative tendency, effective numbers have stabilised.

REINFORCING BAR

Rebar basis values continued to contract following our March research. During the first week of April, they moved up slightly, driven by positive scrap developments. However, demand has not improved, leading buyers to wonder if the increases can be maintained. Southern European exporters have tried, but failed, to lift prices as overseas demand is weak.

German basis values dipped as low as €200 per tonne during March, as a result of import pressure. However, concerted mill efforts have brought them back up to €230 per tonne. Customers continue to purchase cautiously due to uncertainty regarding future price trends.

There is a lot of competition in the French market, with cheaper material coming from Italy and Spain. Local scrap prices are forecast to remain stable in April. However, the domestic rebar maker is offering material at around €10 per tonne higher than a month ago. Buyers are sceptical that this can be achieved. For now, our figures are unchanged. Italian consumption is expected to fall further during 2014

MEPS INDUSTRIAL SECTOR STEEL PURCHASING PRICE INDICES - EU AVERAGE

Jan 07 = 100	Mar-14	Apr-14	% change
Construction Industry	102.0	100.3	-1.7
Household Appliances	83.6	81.7	-2.3
Machinery Sector	93.3	92.3	-1.1
Shipbuilding Industry	80.9	80.5	-0.5
Shipping Containers	92.1	90.4	-1.8
Yellow Goods	96.8	94.8	-2.1

in a poor construction climate. Prices are suffering accordingly. Suppliers have failed to lift selling values, which are currently €15 per tonne lower than in the previous month.

There is little encouraging news in the UK rebar market. Although the economy is improving, this has not yet been reflected to any great extent in building activity, despite high expectations at the start of the year. While construction order books are better, buyers are only purchasing steel on a week by week basis. Prices came under pressure because of lower scrap costs. Imports still present a major problem for the domestic producer, especially from non-EU sources such as China and Turkey. Prices fell sharply in Belgium in late March – reducing to as low as €200 per tonne, basis. They have recovered slightly since then. Producers are now demanding €230/240 per tonne but there is no purchasing at this level. Spanish mills are focusing on exports but Algerian demand is relatively subdued. Moreover, the recent US business is now being reclaimed by Turkish suppliers who are in a better position to fulfil the technical and size requirements of US buyers. On the domestic front, there is very little demand in Spain, where prices are €10 per tonne lower than those reported in our last issue.

MERCHANT BAR

Construction output is reasonable in Germany but

market players consider it could be better. Customers have negotiated another small discount amidst cautious purchasing activity. French basis figures, which fell below €130 per tonne during March, have climbed back up a little as Beltrame has refused to sell at such levels any longer. The forecast improvement in demand has yet to materialise. The outlook remains dismal in Italy, where the mills' profit margins are under threat. Muted order intake is reflected in continuously declining basis numbers.

UK selling values have continued on a downward trajectory – losing another £10 per tonne since our last report. Customers are postponing purchasing decisions until they are sure the bottom has been reached. Import pressure is mainly from EU sources but volumes from Turkey have grown in the last few months.

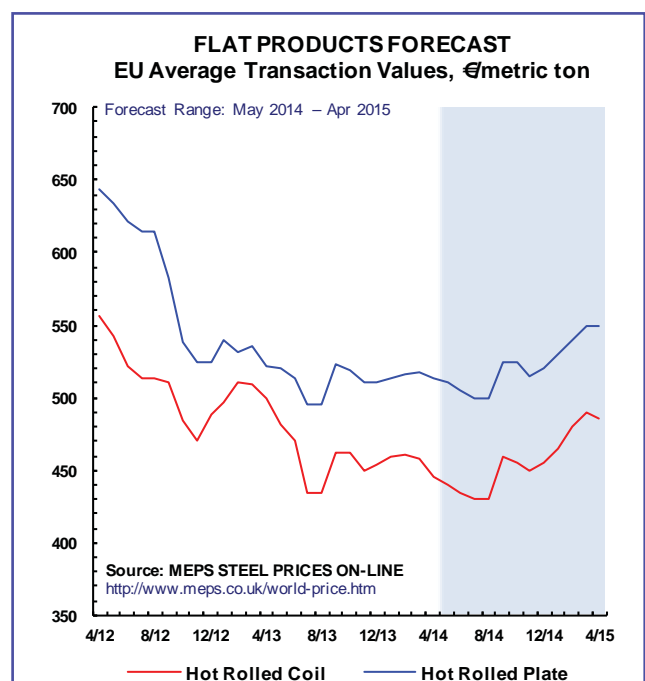
Belgian merchant bar selling numbers dropped to €110 per tonne, basis and are only just above that at present. Producers intend to impose increases because of slightly more expensive scrap. However, demand is subdued and service centres worry that they will not be able to pass on higher prices to their customers. There is a great deal of competition in the distribution sector, where resale values have tumbled in line with mill figures. Sales to Spanish end-users are lacklustre. Steelmakers have conceded further small discounts during recent settlements.

MEDIUM TERM PRICE FORECASTS

The MEPS - EU average hot rolled coil price declined by €13 per tonne in April. Hot rolled plate selling figures moved down by €4 per tonne.

We believe that the mills' latest attempts to lift prices will fail in the short term. Transaction values are expected to remain under negative pressure in the coming months. Market sentiment is likely to stay subdued, with buyers keeping purchases to a minimum. Producers may be forced to concede further discounts in order to attract sales. However, any declines in selling figures are predicted to be only modest because prices are currently at a very low level and margins are already squeezed.

An increase in transaction values is foreseen in the third quarter. We believe that the steelmakers will become more disciplined in their price negotiations. Customers are expected to increase their purchases in an attempt to beat the price hike - a similar situation to that which occurred in 2013.

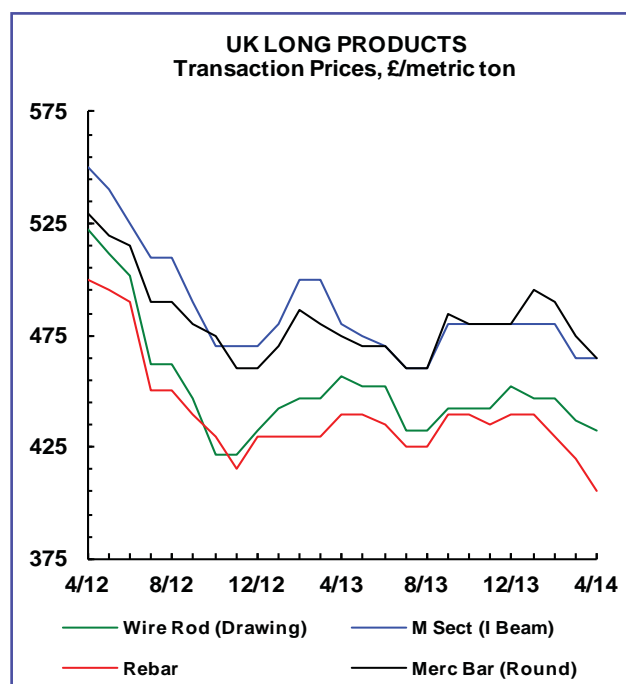
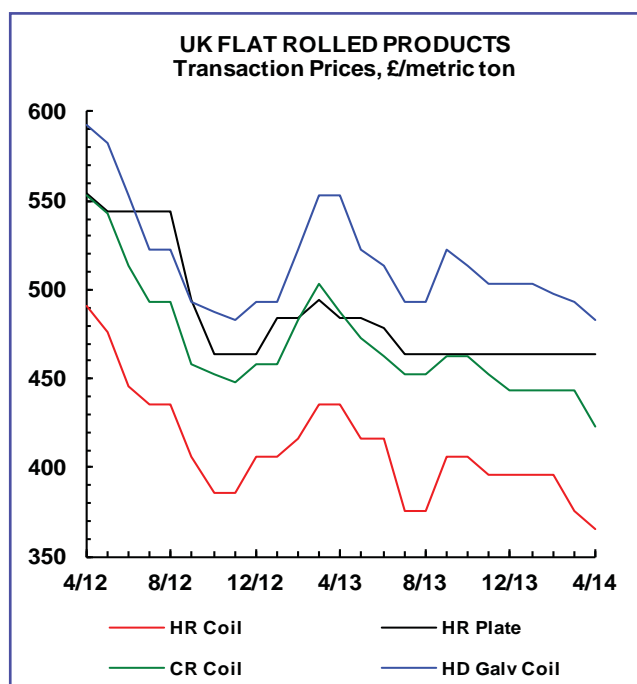


EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

Euro/metric ton	Actual	Forecast					
	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14
Hot Rolled Coil	445	440	435	430	430	460	455
Hot Rolled Plate	514	510	505	500	500	525	525
Cold Rolled Coil	519	515	510	505	505	535	530
HD Galv Coil	573	570	565	560	560	590	585
EZ Coated Coil	579	575	570	565	565	595	590
Wire Rod (Drawing)	518	515	510	500	500	520	520
Wire Rod (Mesh)	460	470	465	460	460	485	480
M Sect (I Beam)	526	525	525	520	520	540	545
M Sect (H Beam)	580	580	580	575	575	595	600
Reinforcing Bar	460	470	465	460	460	485	480
Merc Bar (Round)	519	518	513	508	508	533	533
Merc Bar (Eq Angle)	536	535	530	525	525	550	550

PRICE DEFINITIONS

Steel prices are computed from a weighted average (based on consumption) of the low transaction values identified in Germany, France, Italy, UK and Spain, collected in national currencies and converted into euros using currency exchange rates effective at the start of each month to provide a basis for comparison.



Transaction Price Data Sheet

NEGOTIATED DOMESTIC TRANSACTION PRICES

FLAT PRODUCTS price/metric ton		EU AVG	Germany	France	Italy	UK	UK	Spain
		(€)	(€)	(€)	(€)	(£)	(€)	(€)
Hot Rolled Coil	High	484	510	495	470	391	471	460
	Low	445	460	455	430	366	441	440
Hot Rolled Plate	High	556	560	575	515	494	595	535
	Low	514	520	525	475	464	559	485
Cold Rolled Coil	High	562	575	565	545	458	552	555
	Low	519	535	525	495	423	510	515
Hot Dipped Galvanised Coil	High	616	632	612	582	523	630	602
	Low	573	592	572	532	483	582	562
Electro-Zinc Coated Coil	High	621	629	609	609	533	642	609
	Low	579	579	579	569	493	594	569
Stainless CR Coil Type 304	High	1109	1130	1090	1070	965	1163	1050
	Low	1035	1030	1040	1020	895	1078	1000
Stainless CR Coil Type 430	High	1071	1090	1070	935	1015	1223	1007
	Low	1025	1040	1020	885	990	1193	977

LONG PRODUCTS price/metric ton		EU AVG	Germany	France	Italy	UK	UK	Spain
		(€)	(€)	(€)	(€)	(£)	(€)	(€)
Wire Rod (Drawing Quality)*	High	542	548	540	530	472	569	535
	Low	518	528	510	510	432	520	515
Wire Rod (Mesh Quality)	High	484	480	490	475	435	524	480
	Low	460	460	460	455	405	488	450
Medium Sections (I Beam)	High	562	570	540	530	495	596	560
	Low	526	530	510	510	465	560	510
Medium Sections (H Beam)	High	624	640	590	615	540	651	600
	Low	580	590	550	580	500	602	560
Reinforcing Bar	High	477	490	490	460	435	524	480
	Low	460	470	460	450	405	488	460
Merchant Bar (Round)	High	549	560	530	525	485	584	555
	Low	519	520	510	505	465	560	505
Merchant Bar (Equal Angle)	High	567	580	550	545	485	584	575
	Low	536	540	530	525	465	560	525

* Includes supplementary surcharge in the UK.

CURRENCY EXCHANGE RATES

	US dollars (US\$)		Euros (€)	
	3-Mar	1-Apr	3-Mar	1-Apr
Eurozone (€)	0.727	0.724	-	-
UK (£)	0.598	0.601	0.823	0.83

NEXT MONTH'S ISSUE

The May issue of the European Steel Review will be dispatched by post & PDF on 20 May, 2014.

Express Price Tables will be dispatched by e-mail in excel format on 13 May, 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 - EU AVERAGE
JANUARY 1997 = 100**

	Mar-14	Apr-14	% change
Hot Rolled Coil	175.5	170.5	-2.8
Hot Rolled Plate	180.5	179.1	-0.8
Cold Rolled Coil	147.8	142.6	-3.5
HD Galv Coil	128.9	124.3	-3.6
EZ Coated Coil	141.6	137.5	-2.9
SS CR Coil 304	84.0	84.3	0.4
SS CR Coil 430	91.2	91.0	-0.2
Wire Rod (Drawing)	196.6	195.5	-0.6
Wire Rod (Mesh)	200.4	194.1	-3.1
M Sect (I Beam)	173.6	171.3	-1.3
M Sect (H Beam)	168.2	166.2	-1.2
Reinforcing Bar	207.9	202.6	-2.5
Merc Bar (Round)	197.4	195.1	-1.2
Merc Bar (Eq Angle)	210.5	207.8	-1.3

Note:- Stainless Steel - Excluding alloy surcharge.

NEGOTIATED DOMESTIC TRANSACTION PRICES - MONTH ON MONTH % CHANGE

April 2014 versus March 2014

		EU AVG (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	Low	-2.8	-2.1	-2.2	-3.4	-2.7	-3.5	-4.3
Hot Rolled Plate	Low	-0.8	0.0	0.0	-3.1	0.0	-0.9	0.0
Cold Rolled Coil	Low	-3.5	-1.8	-3.7	-4.8	-4.5	-5.2	-5.5
HD Galv Coil	Low	-3.5	-1.7	-5.0	-4.5	-2.0	-2.8	-6.6
EZ Coated Coil	Low	-2.9	-1.7	-3.3	-4.2	-2.0	-2.8	-5.0
SS CR Coil 304	Low	0.4	0.0	0.0	2.0	0.0	-0.8	2.0
SS CR Coil 430	Low	-0.2	0.0	0.0	0.0	0.0	-0.8	0.0
Wire Rod (Drawing)	Low	-0.6	0.0	0.0	-1.0	-1.1	-2.1	0.0
Wire Rod (Mesh)	Low	-3.2	-2.1	-2.1	-3.2	-3.6	-4.3	-5.3
M Sect (I Beam)	Low	-1.3	-0.9	-4.7	-1.0	0.0	-0.9	0.0
M Sect (H Beam)	Low	-1.2	-0.8	-4.3	-0.9	0.0	-1.0	0.0
Reinforcing Bar	Low	-2.5	-2.1	0.0	-3.2	-3.6	-4.3	-2.1
Merc Bar (Round)	Low	-1.1	-1.0	-1.0	-1.0	-2.1	-2.9	-1.0
Merc Bar (Eq Angle)	Low	-1.3	-0.9	-0.9	-0.9	-2.1	-2.9	-0.9

TRANSACTION PRICE AND PRODUCT DEFINITIONS

Transaction values relate to those agreed by steelmakers and service centres for prime material in the specified steel products. Prices are for regular business between customers and their local steel mills, negotiated during the current month for delivery in the future.

Transaction prices include extras for size and coating, where applicable, for the lowest priced grade of steel - sold ex-works/ex-mill. Additional extras for processing, packaging, testing and inspection are excluded. 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 Coil - 2-3mm thickness, width over 1.1 metres.

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

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

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

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

Stainless CR Coil 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 (I Beam) - 180-240mm, category C1.

Medium Sections (H Beam) - 240 x 240mm, category D3.

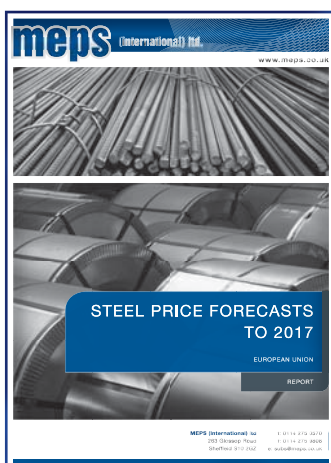
Reinforcing Bar (Deformed) - 16-20mm diameter, high yield.

Merchant Bar (Round) - 50mm diameter.

Merchant Bar (Equal Angle) - 50 x 50 x 6mm.

MEPS PUBLICATIONS

MEPS STEEL PRICE FORECASTS TO 2017 - FIVE YEAR FORECAST (Bi-annual)



The predictions in this report have been prepared using the key factors which MEPS have found to be statistically significant in affecting steel prices. They have been extensively researched and developed through rigorous formal analysis of the global market.

The research commenced with an evaluation of economic forecasts from a number of authoritative institutions. This was followed by an examination of the likely long term demand for steel. We then had discussions with a wide range of steel buyers to obtain their opinion of short and medium term market requirements. The final part of the research program involved an assessment of raw material supply, demand and costs to meet the anticipated consumption of steel products.

The data was drawn together for analysis by our experienced staff in the UK. It was incorporated in the unique model developed by MEPS for the preparation of steel price forecasts for clients over the past ten years. The final report was prepared giving the reasoning behind our predictions, together with charts and tables.