

MEPS EUROPEAN STEEL REVIEW

KEYNOTE

AUGUST 2013

MEPS PREDICTS A BUMPY RIDE AHEAD FOR EUROPEAN STEEL SECTOR

The European steel sector has endured a very tough time over the past year, mirroring the situation in the wider economy. Steel prices were approximately 10 percent lower in the first seven months of 2013, compared with the corresponding period in 2012. Mill margins have been continuously squeezed. Our assessment for the price of iron ore fines (Fe 64%, FOB - Brazil) has declined by only 2 percent in the same period.

A number of steelmakers have announced hikes to their list prices, recently, in an attempt to improve their financial position. The MEPS - EU Average All Products Composite transaction value reached a forty month low in July. We believe that modest increases will be achieved

after the summer break. Inventories are low and a slight pickup in purchasing is expected to take place to cover customer requirements for the final trimester. Rising scrap costs should enable producers of long products to implement higher selling figures. However, any upward movement is likely to be short-lived. The fourth quarter is traditionally a period of weak demand and prices are predicted to fall in October and November.

A more pronounced upturn in transaction values is foreseen around the turn of the year as customers start to place orders for delivery at the beginning of 2014. Steelmakers are expected to make production cuts, during the winter break. This should lead to more equilibrium between

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

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

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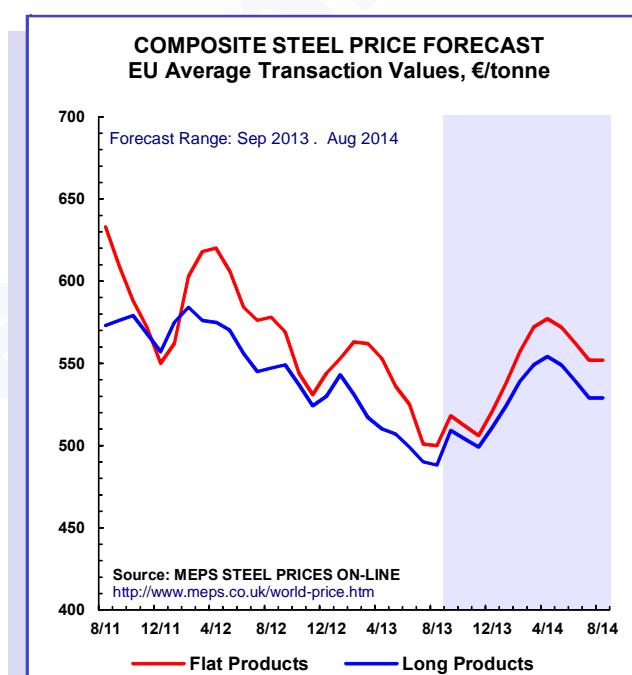
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supply and demand in the new year. Consumption should also improve during this period. The top of the price cycle is forecast to occur in the spring because selling figures usually slip back as the holiday season approaches.

Demand from end-user sectors has been subdued this year. The main consuming industry, construction, has suffered from a shortage of investment from both public and private sources. Activity in the automotive segment has also been lacklustre. In the first half of 2013, new passenger car registrations, in the six countries monitored in this report, decreased by 4.6 percent, year-on-year. The fall was softened by rising activity in the UK. Double-digit declines were recorded in France and Italy. At just over 5 million, registrations were three quarters of the figure in the first half of 2006 and have contracted each year since then. New commercial vehicle registrations were also down in the January/June 2013 period - by 6.5 percent compared with the previous year's figure. Sales have been undermined by reduced expenditure at fleet operators. In the mechanical engineering segment, the level of investment has reduced, due to weak confidence and credit restrictions. This has considerably depleted order books. Consequently, output by firms in this industry is expected to fall this year. The prospects for companies manufacturing steel intensive goods are fair. We expect a modest recovery in 2014. Any growth will be led by exports because domestic demand is expected to remain fairly constrained.

Despite poor demand in the region, we believe that finished steel imports into the EU-27 will rise this year by almost 10 percent relative to 2012. However, this gain comes from a low base - imports fell by 30 percent in the previous twelve month period. The higher volumes will be in the strip mill category - hot rolled, coil rolled



and galvanised. Chinese producers, along with their Turkish and CIS counterparts, have been selling aggressively in an attempt to relieve pressure on their domestic markets.

Crude steel production in the EU-27 is forecast to be 164.5 million tonnes this year - down 2.5 percent on the 2012 outturn. This equates to a capacity utilisation rate of approximately 70 percent - well below a healthy rate of 85 percent. Consequently, the financial performance of regional steelmakers continues to deteriorate. Mills have chosen to idle plants temporarily or run at a reduced level of operation. Decisions to permanently close facilities have come up against significant opposition by political and labour forces. The future of a number of plants in Europe remains unresolved.

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

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

QUARTERLY NEGOTIATED BASIS PRICES - GERMANY (€/tonne)

		Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13(f)
Hot Rolled Coil	High:	560	567	540	515	540	513	475
	Low:	510	517	490	465	490	463	425
Hot Rolled Plates	High:	643	653	620	558	565	557	530
	Low:	613	623	587	518	525	517	490
Cold Rolled Coil	High:	630	637	610	588	610	583	565
	Low:	590	597	570	548	570	543	525
Hot Dipped Galvanised Coil	High:	630	637	610	588	610	583	565
	Low:	590	597	570	548	570	543	525
Electro-Zinc Coated Coil	High:	667	667	630	608	620	593	575
	Low:	617	617	580	558	570	543	525
Stainless Cold (a) Rolled Type 304	High:	1143	1173	1127	1117	1137	1123	1100
	Low:	1043	1073	1027	1017	1037	1023	1000
Stainless Cold (a) Rolled Type 430	High:	1087	1110	1110	1110	1110	1110	1090
	Low:	1037	1060	1060	1060	1060	1060	1040
Wire Rod (b)	High:	583	583	567	537	543	530	515
	Low:	563	563	547	517	523	510	495
Medium Sections & Beams (c)	High:	667	662	630	613	633	590	575
	Low:	627	622	590	573	593	550	535
Rebar (d)	High:	333	312	287	297	297	253	245
	Low:	313	292	267	277	277	233	225
Merchant Bar (e)	High:	313	297	257	212	227	187	175
	Low:	273	257	217	172	187	147	135

PRICE 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.

- Notes:
- (a) Basis - 1.5mm thick.
 - (b) Drawing quality. This product incorporates a quality extra.
 - (c) Category C1. Includes size extras.
 - (d) High Yield - deformed.
 - (e) Round Bar.
 - (f) Forecast

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.

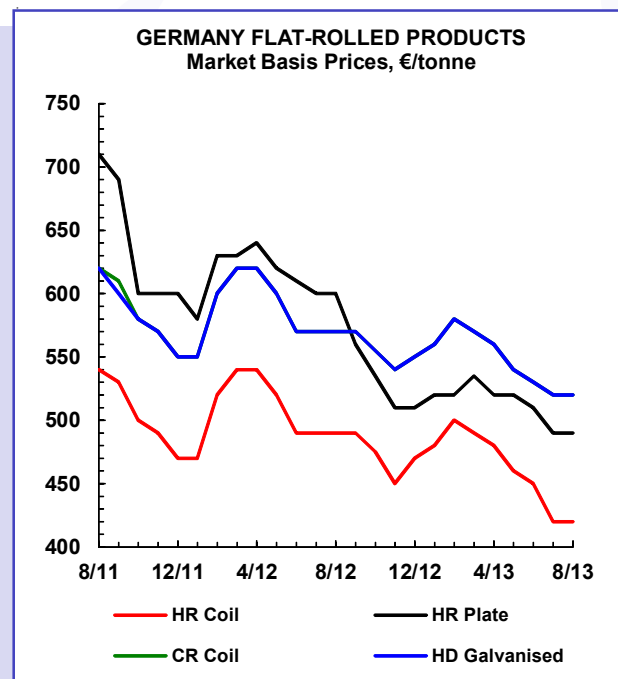
FLAT PRODUCTS

Price investigations are not carried out in August due to the holiday breaks which take place in the majority of West European nations during that period. We take the opportunity to review the trends over the past twelve months in this issue.

HOT ROLLED COIL

There was a great deal of uncertainty in the market ahead of the 2012 summer holidays. Despite price rise proposals by the leading domestic mills, customers were unwilling to pay any more as the financial crisis in the eurozone was undermining business confidence. Selling values came under renewed pressure in the third quarter. Cheap third country offers were available but buyers had no appetite for foreign material because of the long delivery lead times involved.

Eventually, planned reductions in domestic capacity, plus supply uncertainty surrounding events at Ilva's Taranto plant, worked in the producers' favour. Basis numbers started to revive just before the turn of the year but the success was limited, given the poor state of demand. The hikes were purely driven by the steelmakers' needs to restore profits in a climate of high raw material costs. However, as consumption failed to improve, the suppliers' determination to lift basis numbers crumbled. By the middle of the first trimester 2013, the trend turned negative again. Prices continued to weaken during negotiations for second quarter business. In mid-July, several companies, including ArcelorMittal, announced price hikes on all strip



mill products for September deliveries, on the back of growing input costs and positive international movements. The initiative is likely to be partially successful.

HOT ROLLED PLATE

At the start of the review period, demand for commodity grade plate was poor and falling raw material costs were creating negative price pressure. During the latter half of 2012, basis figures were steadily revised downwards. They picked up briefly at the turn of the year, following price hike announcements by most major producers as their input costs escalated. However, values could not be maintained due to subdued demand and easy availability. Basis figures ended the twelve months significantly below those registered a year earlier.

Despite high costs of production, heavy plate prices were not included in the recent round of proposed flat product increases. The outlook remains bleak. The eurozone crisis has not been solved, causing investments to be cancelled or delayed. Consequently, the higher specifications are also negatively affected. However, throughout the last twelve months, the market share of overseas suppliers to Europe has fallen.

COLD ROLLED COIL

Over the review period we recorded basis falls of between 8.3 and 12.5 percent in local currencies. Advances

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	679	690
France	520	520	679	690
Italy	490	490	640	650
UK	440	440	671	672
Belgium	520	520	679	690
Spain	490	490	640	650

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	2012:	490	500	480	420	523	490	490
	2013:	420	420	410	360	420	430	410
Hot Rolled Plates	2012:	600	600	570	530	660	590	580
	2013:	490	460	460	450	525	460	460
Cold Rolled Coil	2012:	570	590	560	480	598	580	550
	2013:	520	520	490	440	513	520	490
Hot Dipped Galvanised Coil	2012:	570	575	540	470	585	570	540
	2013:	520	500	470	440	513	510	500
Electro-Zinc Coated Coil	2012:	580	610	600	500	623	580	580
	2013:	520	540	520	455	531	530	520
Stainless Cold (a) Rolled Type 304	2012:	1030	1030	960	890	1108	1040	970
	2013:	1000	1000	950	905	1056	1010	930
Stainless Cold (a) Rolled Type 430	2012:	1060	1010	900	980	1220	. .	997
	2013:	1040	1020	885	1000	1167	. .	977
YEAR on YEAR %CHANGE								
Hot Rolled Coil	Low:	-14.3	-16.0	-14.6	-14.3	-19.7	-12.2	-16.3
Hot Rolled Plates	Low:	-18.3	-23.3	-19.3	-15.1	-20.5	-22.0	-20.7
Cold Rolled Coil	Low:	-8.8	-11.9	-12.5	-8.3	-14.2	-10.3	-10.9
H.D. Galv Coil	Low:	-8.8	-13.0	-13.0	-6.4	-12.3	-10.5	-7.4
E.Z. Coated Coil	Low:	-10.3	-11.5	-13.3	-9.0	-14.8	-8.6	-10.3
S/S CR Type 304	Low:	-2.9	-2.9	-1.0	1.7	-4.7	-2.9	-4.1
S/S CR Type 430	Low:	-1.9	1.0	-1.7	2.0	-4.3	. .	-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.

Low basis prices for July 2012 and July 2013.

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.

**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				

proposed by the mills failed to materialise after the summer holidays of 2012. A lack of orders forced producers to offer price concessions in the second half of the year. An upward movement began in the first quarter of 2013, driven by the steelmakers' need to cover their manufacturing costs. The recovery was short-lived due to poor demand and oversupply. The negative price trend, which still persists, began at the start of the second trimester.

Throughout the twelve months, finance was a major problem, with banks and credit insurers operating with great caution. Consumption has decreased significantly, particularly by the vehicle building sector. However, the threat from third country importers has reduced.

COATED COIL

Coated steel demand continued to decline over the last twelve months. The negative tendency was primarily due to oversupply caused by a poorly performing construction sector and cuts in vehicle output throughout the region, particularly in Spain and Italy because of the dire state of their economies.

Although producers managed to keep basis numbers steady in the third quarter of 2012, extremely weak demand, on both stockists and mills, led to reductions in the final trimester. The deterioration continued until the year-end, when a determination on the part of suppliers to improve their profitability, together with fears over the

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

	Jun-13	Jul-13	Aug-13
EU Average	77.7	75.8	75.7
Year-on-year % +/-	-6.8	-8.2	-8.5
* Jan 07 = 100 - based on transaction prices			
** STEELPPI - Steel Purchasing Price Index			

supply situation at Taranto, drove prices upwards. The rise began to run out of steam at the end of period one of this year due to lacklustre consumption and declining sales as construction customers were hit by the inclement weather. There was reluctance on the part of buyers to commit to forward orders or to build up stocks. They are now only ordering their minimum requirements. Basis figures for hot dipped galvanised coil finished the review period between 6.4 and 13.0 percent lower than in July 2012. The trend for electro-zinc coated steel was similar.

STAINLESS COLD ROLLED COIL

Basis values lost on average 2.0 percent in domestic currencies over the past twelve months for 304 grades. Low activity levels led to slippage in the third quarter of 2012. There were serious finance and credit difficulties in Italy and Spain. The mills made a concerted effort to seek advances for despatches in the final trimester. This, together with anticipated higher alloy surcharges, encouraged customers to try to maximise their orders for October delivery. The initiative was successful, despite subdued end-user activity. Offers from Asia were cheaper than local ones in Italy but most buyers preferred to pay a little more to secure short delivery lead times. Basis numbers peaked in February of this year. Since then, the trend has been negative, in response to slow demand and the availability of cheap material from Southern Europe. Sales were still lacklustre ahead of the summer vacation period and it was felt that negative forces could lead to further discounts.

LONG PRODUCTS

WIRE ROD

Drawing quality wire rod values contracted by between 6.7 and 12.7 percent in local currencies over the twelve month evaluation period. Producers were forced to concede decreases throughout the second half of 2012. Consumption was dull because of the poor state of the overall European economy. Some price recovery proved possible towards the end of the year but was short-lived. A brief period of stability ensued before the negative trend

resumed in March. Capacity cuts were not sufficient to balance supply and demand. The traditional price differential between this product and the mesh quality material has been almost completely eroded. Moreover, the premium for the higher specifications has been squeezed due to overcapacity.

MEDIUM SECTIONS AND BEAMS

At the beginning of the assessment span, the market

outlook was negative since the West European construction sector continued to be badly affected by the financial crisis. Despite output cuts, the mills were unable to implement a proposed rise. In fact, during the final quarter of 2012, they were forced to concede discounts in order to secure more bookings, even though scrap costs were moving up. Further rises in raw material and energy costs, together with extended mill shutdowns over the Christmas period, enabled a small rise to be implemented in early 2012. However, wintry weather conditions returned, stifling already slow construction activity. Sales of structural sections contracted further and producers began to offer lower effective values to try to stimulate the market. Since then, all further efforts to

lift prices have met with firm resistance. Continuously reducing figures made buyers increasingly cautious when placing forward orders.

Local steelmakers are presently trying to advance effective values by "20 per tonne as a direct result of their higher outlay on scrap. The July EU average transaction figure is 9.5 percent below that in the same month last year.

REINFORCING BAR

Over the last twelve months the rebar market was badly hit by the on-going financial crisis in Western Europe. Governments significantly reduced their infrastructure

TABLE 5. LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany (€)	France (€)	Italy (€)	UK+ (£)	UK+ (€)	Belgium (€)	Spain (€)
Wire Rod (b)	2012:	550	540	525	450	560	550	530
	2013:	490	480	480	420	490	480	480
Medium Sections & Beams (c)	2012:	590	590	565	510	635	600	580
	2013:	530	530	525	460	537	520	520
Rebar (d)	2012:	260	255	250	450	560	270	260
	2013:	220	210	215	425	496	220	220
Merchant Bar (e)	2012:	220	200	200	490	610	220	200
	2013:	130	120	145	460	537	120	130
YEAR on YEAR % CHANGE								
Wire Rod	Low:	-10.9	-11.1	-8.6	-6.7	-12.5	-12.7	-9.4
M.Sect. & Beams	Low:	-10.2	-10.2	-7.1	-9.8	-15.4	-13.3	-10.3
Rebar	Low:	-15.4	-17.6	-14.0	-5.6	-11.4	-18.5	-15.4
Merchant Bar	Low:	-40.9	-40.0	-27.5	-6.1	-12.0	-45.5	-35.0

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.

Low basis figures for July 2012 and July 2013.

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.

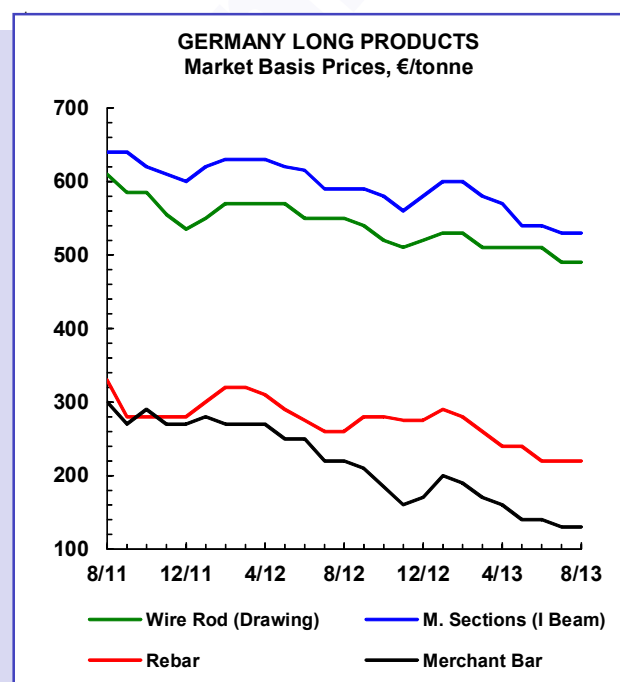
budgets and private investment was slow. The demand situation was dire, especially through the extended winter season, when weather conditions were extremely severe. Customers did not need to order large quantities ahead as stock availability at the mills was plentiful. Oversupply has characterised the market, exerting negative pressure on prices. Basis values fluctuated in line with scrap movements but the overall trend was downward. Over the review period they lost between 5.6 and 18.5 percent in local currencies.

The construction industry shows no signs of recovery in the near-term. Export prices from Southern Europe have now started to rise a little in the wake of recent gains in scrap values, although trading activity remained subdued due to Ramadan. Meanwhile, the domestic market is particularly quiet, as both construction and steel output contract, due to the long summer holidays.

MERCHANT BAR

The current EU average transaction figure is 13.2 percent lower than the number recorded twelve months ago. Real consumption was dull throughout the period due to the on-going deep recession in the European manufacturing and construction industries. Buyers proceeded with caution, only purchasing for their immediate needs and carrying minimal inventories.

In the third quarter 2012, despite mills' efforts to secure a rise, basis figures continued on a downward trajectory, as demand faltered and scrap costs reduced. In



December, market sentiment appeared to improve a little, causing some customers to restock for the New Year. There was a concerted effort by producers to lift prices in order to improve their poor profit margins. The uptrend soon ran out of steam as seasonally bad weather conditions hit work on construction sites, creating a slowdown in mill order intake because customers had a surfeit of stock. The negative price tendency has persisted to date, as demand failed to recover.

MARKET/INDUSTRY SCENE

CAPACITY/INVESTMENT

Greece's Corinth Pipeworks is building a 400,000 tonnes per year mill for the manufacture of large diameter pipes. Commissioning is scheduled for early 2015.

Tata Steel has spent £1.3 million upgrading two bar finishing lines at its Stocksbridge plant. The newly installed equipment has been in the trial phase so far this year and is expected to be fully operationally by the end of 2013.

IDLING

Evraz plans to temporarily suspend operations at its Italian Palini e Bertoli plate mill in mid-August. It will remain idle until at least the end of October.

MERGERS/ACQUISITIONS

Mechel, the Russian mining and metals company, has

sold UK-based Invicta Merchant Bar to privately-owned Helium Miracle 127 LLP for £1.1 million. Production was stopped at the Queenborough site at the turn of this year.

MEPS INDUSTRIAL SECTOR STEEL PURCHASING PRICE INDICES - EU AVERAGE

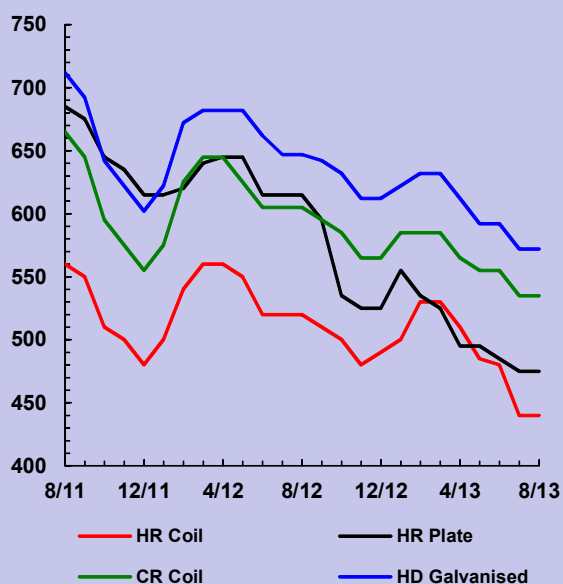
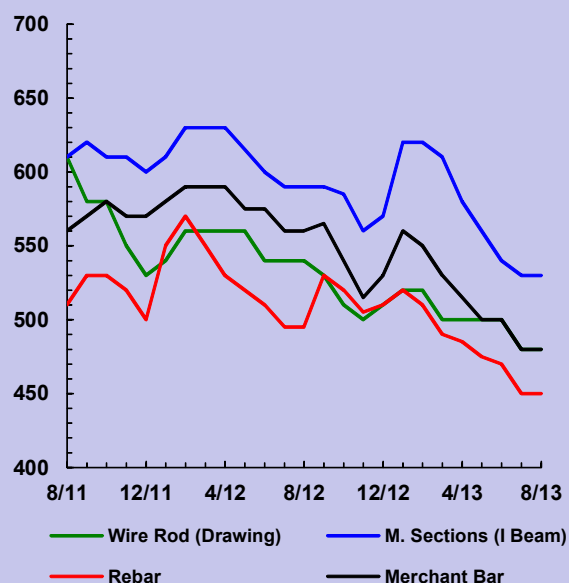
January 2007=100	Jul-13	Aug-13
Construction Industry	94.4	95.6
Household Appliances	78.2	79.0
Machinery Sector	84.9	86.1
Shipbuilding Industry	73.7	74.9
Shipping Containers	84.5	85.7
Yellow Goods	87.8	89.1

TABLE 6. EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

Euro/metric ton	Actual	Forecast					
	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14
Hot Rolled Coil	435	455	450	445	460	480	500
Hot Rolled Plate	496	510	500	500	515	530	545
Cold Rolled Coil	523	540	535	525	540	555	575
H.D. Galv Coil	574	590	585	575	590	605	625
E.Z. Coated Coil	583	600	595	585	600	615	635
Wire Rod (Drawing)	492	510	505	500	515	530	545
Wire Rod (Mesh)	459	480	475	470	480	495	510
M. Sections (H Beam)	581	600	595	590	605	620	635
Rebar	459	480	475	470	480	490	505
Merc Bar (Round)	497	518	513	508	523	538	553
Merc Bar (Eq Angle)	515	535	530	525	540	555	570

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

FLAT PRODUCTS price/metric ton		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	2012:	513	510	520	500	436	543	510
	2013:	435	440	440	430	376	439	430
Hot Rolled Plates	2012:	614	615	615	580	544	677	594
	2013:	496	505	475	475	464	541	475
Cold Rolled Coil	2012:	588	585	605	575	493	614	565
	2013:	524	535	535	505	453	529	505
Hot Dipped Galvanised Coil	2012:	637	642	647	612	523	651	612
	2013:	575	592	572	542	493	575	572
Electro-Zinc Coated Coil	2012:	654	639	669	659	543	676	639
	2013:	584	579	599	579	498	581	579
Stainless Cold (a) Rolled Type 304	2012:	1024	1030	1030	960	890	1108	970
	2013:	994	1000	1000	950	905	1056	930
Stainless Cold (a) Rolled Type 430	2012:	1039	1060	1010	900	980	1220	997
	2013:	1022	1040	1020	885	1000	1167	977
LONG PRODUCTS price/metric ton		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Wire Rod (Drawing quality) *	2012:	548	568	540	525	462	575	530
	2013:	493	508	480	480	432	504	480
Wire Rod (Mesh quality)	2012:	514	515	500	500	450	560	520
	2013:	460	450	460	460	425	496	460
Medium Sections and Beams (I beam)	2012:	592	590	590	565	510	635	580
	2013:	529	530	530	525	460	537	520
Medium Sections and Beams (H beam)	2012:	644	650	630	635	535	666	630
	2013:	583	590	570	595	495	578	570
Reinforcing Bars	2012:	499	500	495	490	450	560	500
	2013:	460	460	450	455	425	496	460
Merchant Bars (50mm diameter)	2012:	574	580	560	560	490	610	560
	2013:	498	490	480	505	460	537	490
Merchant Bars (Equal Angle)	2012:	591	600	580	580	490	610	580
	2013:	516	510	500	525	460	537	510

* Includes supplementary surcharge in the UK.

Note: Low transaction prices for July 2012 and July 2013

CURRENCY EXCHANGE RATES

August 2 - 2013

		Units/ US\$	Units/ Euro
Eurozone	(")	0.754	1
UK	(£)	0.655	0.869

NEXT MONTH'S ISSUE

The September issue of the European Steel Review will be dispatched by post & PDF on 18 September, 2013.

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

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**

<i>Based on Euro values</i>	Jul-13	Aug-13
Hot Rolled Coil	166.7	166.7
Hot Rolled Plate	172.8	172.8
Cold Rolled Coil	144.0	143.7
H.D. Galvanised Coil	124.7	124.5
Electro Zinc Coated Coil	138.7	138.5
Stainless Steel Type 304	80.9	80.8
Stainless Steel Type 430	90.8	90.6
Wire Rod (Drawing)	186.0	185.7
Wire Rod (Mesh)	194.1	193.7
M. Sections (I Beam)	172.3	172.0
M. Sections (H Beam)	167.0	166.5
Reinforcing Bar	202.6	202.2
Merc Bar (Round)	187.2	186.8
Merc Bar (Equal Angle)	200.0	199.6

Note: - Stainless Steel - Excluding alloy surcharge.

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.

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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