

EUROPEAN STEEL REVIEW

KEYNOTE

APRIL 2015

EU STEEL MARKET STEADY BUT THE IMPORT THREAT STILL EXISTS

Activity in the European market for flat products slowed a little, ahead of the Easter holidays in early April. However, many domestic mills have delivery lead times extending into the end of June or even July, thanks to improved export business on the back of a weak euro. Second quarter prices in continental Europe are generally flat at similar levels to those in the first trimester. In contrast, price erosion continues in the UK as mainland European steel suppliers take advantage of currency movements which have enabled them to offer more cheaply than in the recent past.

The German market is quiet with few developments. Suppliers have continued to push for price increases but without any real

success. In certain instances, customers may have paid €5 per tonne more but, overall, basis numbers for strip mill products are flat. Buyers are not expecting rises in the third trimester as mill costs are relatively low and demand is similar to 2014. At present, some customers are experiencing delays to their deliveries because of production problems at ThyssenKrupp. This has created a temporary feeling of supply tightness in some areas. However, the situation is expected to ease at the end of this month. Service centres continue to keep stock levels down. The utilisation rate in that sector is quite low and profit margins have shrunk.

A lack of substantial demand continues to mar the French market, where activity is still weak

FLAT ROLLED PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES - GERMANY

price/metric ton		2014		2015			
		NOV	DEC	JAN	FEB	MAR	APR
Hot Rolled Coil	High	450	440	440	440	440	440
	Low	410	400	400	400	400	400
Hot Rolled Plate	High	555	545	530	530	530	520
	Low	515	505	490	490	490	480
Cold Rolled Coil	High	530	520	520	520	520	520
	Low	490	480	480	480	480	480
Hot Dipped Galvanised Coil	High	530	520	520	520	520	520
	Low	490	480	480	480	480	480
Electro-Zinc Coated Coil	High	540	530	530	530	530	530
	Low	490	480	480	480	480	480
Stainless CR Coil Type 304	High	1150	1130	1120	1120	1120	1120
	Low	1050	1030	1020	1020	1020	1020
Stainless CR Coil Type 430	High	1090	1070	1070	1070	1070	1070
	Low	1040	1020	1020	1020	1020	1020

ISSN 1369-8583

MEPS (INTERNATIONAL) LTD
 263 Glossop Road, Sheffield, S10 2GZ, UK
 Tel: (0114) 275 0570 Fax: (0114) 275 9808
 E-mail: subs@meps.co.uk Web Site: <http://www.meps.co.uk>

Copyright © 2015 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 2015 - £1320

and producers are struggling to hold on to basis numbers. Prices are being affected by rising volumes of imported material. Chinese and Indian offers have now returned to European levels, despite the decline in value of the euro. There is not enough business available to satisfy all the distributors, who are finding it impossible to improve their poor margins. Market participants do not envisage any real improvement in the coming months.

With the exception of the auto sector, flat product consumption remains low in Italy. Mechanical engineering demand is particularly depressed. However, expectations are for a slow, if fragile, economic recovery. End-users refuse to pay more, so service centre profits are lacklustre. The weak euro is helping to deter prospective importers. Ilva is back in the market with offers for cold rolled and hot dipped galvanised coil, following an extended break. However, the volumes are small in comparison with past production levels.

UK distributors continue to report healthy business activity. Their sales in March were good and this has continued into April. Steelmakers are no longer pushing

for increases. In reality, mill prices have declined again due to a weak euro, which has offered advantages to mainland European suppliers and allowed them to grow their market share. Although service centre resale values have fallen in tandem with the mill figures, margins remain acceptable.

The Belgian market is relatively stable. We have noted a small number of quarterly contracts being settled at around €5/10 per tonne more than in the first trimester but, in general, basis figures are unchanged. Demand is rather quiet. Buyers expect little, or no, change before the summer holidays. However, there are some positive signals that activity will improve later in the year as the economy revives.

Despite attempts to lift basis figures further, suppliers to the Spanish market have been unable to secure increases. Customers are only purchasing for their immediate needs, although underlying demand is stable. Substantial volumes of third country material, due to arrive in June/July, could depress selling values in the summer. After increasing their prices when the euro first plummeted, overseas suppliers have now lowered their new offers back to the original level.

FLAT PRODUCTS

HOT ROLLED COIL

Overall demand in Germany is similar to that in 2014. However, the drop in the oil price has led to a lack of investment in new pipelines, negatively affecting order intake for the pipemakers. Domestic hot rolled coil basis values have been rolled over for second quarter deliveries. Russian mills are offering quite attractive deals. In France, cheap imported material

from Russia and China continues to create downward pressure on local prices, leading to a loss of €10 per tonne since the previous month. Italian basis numbers are slightly lower than in March, despite attempts by domestic steelmakers to raise them. There are many offers from Russia, France and Ukraine. Chinese mills are quoting €385 per tonne, CFR, for arrival beginning of September and there is also material already at the ports at a similar level.

LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES - GERMANY

price/metric ton		2014		2015			
		NOV	DEC	JAN	FEB	MAR	APR
Wire Rod	High	520	520	520	520	510	505
	Low	500	500	500	500	490	485
Medium Sections and Beams	High	540	540	540	550	550	550
	Low	500	500	500	510	510	510
Reinforcing Bar	High	220	210	210	210	200	200
	Low	200	190	190	190	180	180
Merchant Bar	High	140	130	130	140	140	140
	Low	100	90	90	100	100	100

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

	Hot Rolled Plate		Hot Rolled Coil	
	Q4/14	Q1/15p	Q4/14	Q1/15p
EU Average				
Non Sour	111.2	105.1	128.9	128.9
Sour	117.0	111.2	127.6	127.6
* Q4/06 = 100 - based on euro values ** p = Provisional				

We have noted further price erosion in the UK. Chinese coil, due to be landed in July, is being offered at very competitive prices. This has already started to cause some weakness in the resale market. In Belgium, buyers report that Eastern European producers are still trying to lift basis figures for forward orders, albeit without success. General demand is stable at an acceptable level. Russian and Chinese material is proving popular at €380 per tonne, CFR, Antwerp. This coil is due to arrive in two months' time. Russian and Chinese steelmakers are also offering in Spain. Moreover, there are some new quotations from Turkey at a similar level. Domestic suppliers have rolled over last month's small rise, during recent negotiations.

HOT ROLLED PLATE

The European plate market is difficult at present but some segments, such as machine building, yellow goods, offshore oil/gas and offshore wind are performing relatively well. Demand from the mining industry will be poor for the remainder of the year and the linepipe market is depressed at the moment, although there are some new projects under discussion. Imports continue to apply pressure to domestic commodity grade prices, which have weakened in the last four/five weeks.

In Germany, stock levels at the distributors moved up sharply in February, compared with the previous year. At the same time, ex-stock sales fell by 4 percent. Consequently, service centres are placing few new orders on either domestic or overseas mills. There are not so many large construction projects at present. On the French plate market, prices have gone down by a further €15 per tonne as demand remains flat and there is strong competition between the various suppliers. Delivery lead times have shrunk. Italian rerollers continue to benefit from low slab prices ex Russia and Ukraine. They have maintained plate values at the March level, for now, despite import offers at €400 per tonne.

UK commodity plate figures have moved down

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

	Feb-15	Mar-15	Apr-15
EU Average	73.2	73.2	72.8
Year-on-year % +/-	-5.7	-6.0	-3.8
* Jan 07 = 100 - based on transaction prices ** STEELPPI - Steel Purchasing Price Index			

further in response to cheap imports, which have been aided by the strength of sterling. Resale prices are also under pressure. Distributors report a loss of margins. The recent lack of investment in the oil industry means that sales to that sector have plummeted. However, construction-related demand has held up but prices have been damaged by the availability of cheap Chinese material. We have noted no price movements in Belgium. The Spanish market is quite active but, as the domestic supplier is focussing on the higher qualities, most purchases are of overseas material, mainly of Chinese origin and currently quoted at €400 per tonne. There are smaller quantities of Russian plate on offer. Ukrainian mills are trying to sell but are not competitive. Moreover, buyers are not confident that delivery promises will be kept.

COLD ROLLED COIL

In Germany, Russian material is attractively priced. Demand for auto sheet is good and sales in the general market are similar to those of last year. Basis numbers are unchanged for second quarter business. In France, the domestic mills have failed to hold on

**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	480	480	537	517
France	500	495	559	533
Italy	460	460	515	495
UK	355	345	545	512
Belgium	485	485	543	522
Spain	470	470	526	506

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	440	440	430	315	434	445	425
	Low	400	400	390	290	399	405	405
Hot Rolled Plate	High	520	500	490	395	544	510	490
	Low	480	450	450	365	503	470	440
Cold Rolled Coil	High	520	535	510	380	523	535	510
	Low	480	495	460	345	475	485	470
Hot Dipped Galvanised Coil	High	520	530	495	390	537	540	515
	Low	480	490	445	350	482	490	475
Electro-Zinc Coated Coil	High	530	530	530	415	572	530	515
	Low	480	500	490	375	517	480	475
Stainless CR Coil Type 304 (a)	High	1120	1090	1000	860	1185	1070	1020
	Low	1020	1040	950	790	1088	1020	970
Stainless CR Coil Type 430 (a)	High	1070	1050	955	870	1198	—	987
	Low	1020	1000	905	845	1164	—	957

MONTH on MONTH % CHANGE

Hot Rolled Coil	Low	0.0	-2.4	-1.3	-3.3	-3.2	0.0	0.0
Hot Rolled Plate	Low	-2.0	-3.2	0.0	-1.4	-1.0	0.0	-2.2
Cold Rolled Coil	Low	0.0	-1.0	0.0	-2.8	-2.7	0.0	0.0
HD Galv Coil	Low	0.0	-2.0	-1.1	-1.4	-1.2	0.0	0.0
EZ Coated Coil	Low	0.0	0.0	0.0	-2.6	-2.3	0.0	0.0
SS CR Coil 304	Low	0.0	1.0	0.0	-3.1	-2.9	0.0	0.0
SS CR Coil 430	Low	0.0	0.0	0.0	-5.6	-5.3	—	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.

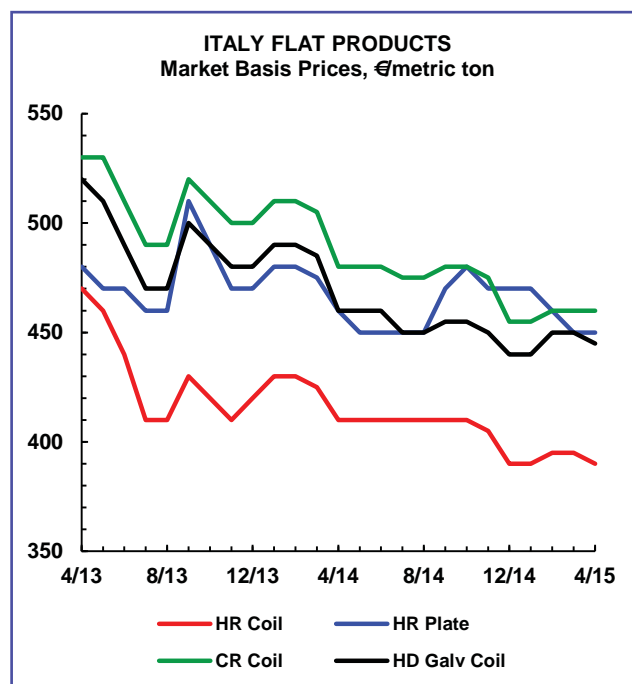
to the previous month's figures. Very competitively priced Chinese cold rolled coil is still available. There are also cheap offers from third country sources in the Italian market. Chinese mills are quoting €445 per tonne, CFR, for arrival beginning September. Supply is plentiful but domestic values are stable for now.

UK buyers report that Russian cold rolled coil is available at £365 per tonne, effective delivered, for June arrival. This is around £15 per tonne cheaper than offers for May. Domestic basis figures have dropped by £10 per tonne. In Belgium, no rise has proved possible for the second quarter. Demand is reasonable. Local basis numbers have not changed in Spain, despite offers of €450/455 per tonne, CFR, from Russia and China.

COATED COIL

The auto sector continues to perform well in Germany. The euro/dollar exchange rate is helping to support car sales in export markets. Construction-related demand for hot dipped galvanised coil is better than a year ago and is expected to recover further with the spring weather. However, basis numbers have not revived. Demand from the French vehicle industry has improved since last year, with car manufacturers increasing their output slightly. Nevertheless, steel contracts are fixed until June or even September/December. In the general market, coated steel consumption remains tepid. During recent settlements, producers have been forced to concede a €10 per tonne discount. The Italian auto sector is also faring much better now. No improvement is envisaged in construction investment in the near term. Basis prices have weakened slightly.

The UK vehicle sector is healthy and distributors are busy with sales of galvanised coil to the building industry. However, basis figures from domestic and mainland European sources, have fallen by a further £5 per tonne, due to cheap Chinese offers and a weak euro. In Belgium, buyers report that the cheapest European offers are from Italian suppliers. Demand from Spanish carmakers has improved. Attractively



priced overseas quotations are keeping the lid on domestic basis numbers.

In Germany, the steelmakers have, again, rolled over the previous month's figures for recent sales of electro-zinc coated coil. In France, prices have stabilised, following weakness in March. Italian buyers are also paying the same as a month ago. Mainland European suppliers have cut prices in the UK, after holding them steady last month. Belgian producers have rolled over the March figures during recent settlements. The situation in Spain is comparable.

COLD ROLLED STAINLESS STEEL

In March, cold rolled austenitic stainless steel basis figures were maintained in Germany, Italy, Belgium and Spain. Alloy surcharges were being kept 'artificially flat', by the weak euro, despite decreasing nickel values. Demand was slightly improved in France where basis numbers edged upwards. Sales volumes were fair in the UK but profit margins, for all supply chain participants, were poor. The mills wanted higher basis values but buyers were resisting.

LONG PRODUCTS

WIRE ROD

German mills have failed to maintain low carbon wire rod prices, again, this month. Recoil values have stayed flat since our last report. In France, selling values for drawing rod are €5 per tonne lower

than those displayed in our March issue. For the mesh quality, suppliers have been unable to resist downward price pressure during recent settlements. Italian low carbon wire rod figures have also lost €5 per tonne. Recoil producers have held values steady, after agreeing a small discount in March.

In the UK, selling figures for the basic drawing qualities have been maintained, after slipping last month. Recoil transaction numbers are also unchanged. Sales to the building sector are healthy. In Belgium, drawing quality prices have moved down a little since March. Steelmakers are short of orders as demand is slow. Spanish producers have agreed a small discount, during negotiations for supplies of low carbon material. Although sales of the mesh quality are flat, selling figures have moved back up to the February level.

MEDIUM SECTIONS AND BEAMS

While the makers of structural sections have raised

their offers by €10/15 per tonne in mainland Europe, due to rising scrap costs, buyers are holding back from placing orders at the new price. Demand from end-users is relatively subdued. However, the weak euro is enabling steelmakers to export their spare capacity.

In Germany, producers have maintained last month's figures. There is still strong competition for the little business available. The construction outlook is better for later in the year. Beam effective values have remained stable in France, despite shrinking volumes. Distributors' inventories are at a normal level but their sales are slow. Lack of activity in the building industry

LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany (€)	France (€)	Italy (€)	UK+ (£)	UK+ (€)	Belgium (€)	Spain (€)
Wire Rod (b)	High	505	515	505	395	544	515	505
	Low	485	485	485	355	489	485	485
Medium Sections and Beams (c)	High	550	545	510	420	579	570	550
	Low	510	515	490	390	537	520	500
Rebar (d)	High	200	200	190	350	482	210	210
	Low	180	170	180	320	441	180	190
Merchant Bar (e)	High	140	120	125	410	565	110	155
	Low	100	100	105	390	537	90	95

MONTH on MONTH % CHANGE

Wire Rod	Low	-1.0	-1.0	-1.0	0.0	0.2	-1.0	-1.0
Medium Sections	Low	0.0	0.0	0.0	-3.7	-3.4	0.0	0.0
Rebar	Low	0.0	0.0	0.0	0.0	0.2	0.0	0.0
Merchant Bar	Low	0.0	0.0	0.0	-2.5	-2.2	0.0	0.0

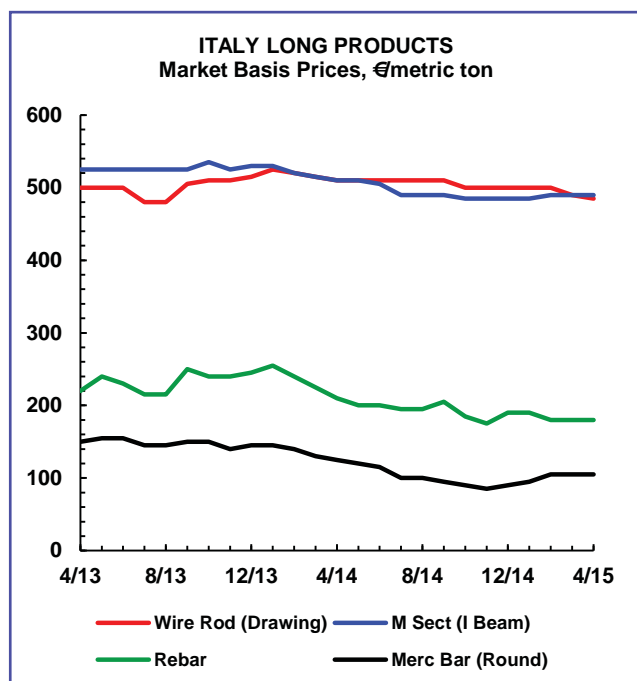
BASIS PRICE AND PRODUCT DEFINITIONS

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: + 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.



still poses problems for Italian mills that are reporting sluggish demand. Nevertheless, customers have agreed a rollover of the small advance implemented a month ago.

Real demand in the UK appears to have weakened a little, in the short term, but the outlook for the rest of 2015 is good. However, service centres are suffering as some larger contractors have moved to direct mill business. There is too much capacity throughout the supply chain, leading to aggressive selling by distributors, whose profit margins are falling as a result. Ex-mill prices have tumbled, after holding steady in March. The weak euro has allowed mainland European suppliers significant advantages. Belgian buyers can see no justification for mill increases. Distributors report that sales in March were better than in the equivalent month of 2014. Spanish domestic prices have been maintained as steelmakers focus on export markets. Local activity is quiet at present but some large public works projects are in the process of being announced.

REINFORCING BAR

Rebar demand is picking up for seasonal reasons, so customers need to place new orders. Basis values are fairly flat, despite a lack of import pressure. Export offers, at €415/420 per tonne, FOB, are around €10 per tonne higher than a month ago as scrap costs have climbed. However, few deals have been concluded, although Algerian demand is improving, at last.

German mills have been trying to lift basis prices above €180/185 per tonne. So far, no increases have been

achieved. French basis values went down slightly, in late March/early April, but have now recovered to their previous level. Producers are asking for a small advance of €5/10 per tonne on the back of slightly higher scrap prices in April. Rising raw material costs have failed to force up basis figures in Italy, where there are still negative signals from the construction sector, due to a lack of investment.

Pricing continues to present problems for the local producer in the UK, despite robust activity levels, thanks to a relatively healthy construction sector. Chinese material remains the principle source of concern for local steelmakers, although, more recently, the sterling exchange rate against the euro has created an ideal market for eurozone mills. Domestic prices are unchanged for now, but remain under threat. In Belgium, despite downward pressure, suppliers have held on to selling numbers this month. Building contractors expect their order books to improve for seasonal reasons. Rapidly climbing scrap costs in Spain have not, so far, resulted in higher rebar prices, as the domestic market is quiet. Suppliers are exporting some material to the USA as well as to North Africa.

MERCHANT BAR

The increase, proposed by market leader, Beltrame, last month, was not implemented in the German market. Purchasing activity is cautious because some buyers fear that the recent negative price trend may return. However, a small rise was negotiated last month in France but was then withdrawn as suppliers, other than Beltrame, did not support the initiative. Prices fell to just below €100 per tonne, basis, but are now back to that figure. The lack of building activity in the Italian market persists. Nevertheless, domestic producers have been able to

MEPS INDUSTRIAL SECTOR STEEL PURCHASING PRICE INDICES - EU AVERAGE

Jan 07 = 100	Mar-15	Apr-15	% change
Construction Industry	77.5	74.4	-4.0
Household Appliances	64.8	62.3	-3.9
Machinery Sector	71.7	68.4	-4.6
Shipbuilding Industry	62.7	59.4	-5.3
Shipping Containers	70.4	67.1	-4.7
Yellow Goods	73.1	69.6	-4.8

roll over the March figures for April business. There is less aggressive selling by Chinese mills because of the weak local currency.

Real consumption is relatively flat in the UK. Distributors, uncertain about future price developments, are only purchasing their absolute minimum requirements at

present. Selling values have come under renewed pressure. Basis figures have been maintained in Belgium, where service centres report that sales are lower than expected for the time of year. In Spain, steelmakers have hung on to the March numbers, despite subdued sales to end-users. Exporters are quoting €440/445 per tonne, FOB.

MARKET AND INDUSTRY SCENE

CAPACITY/INVESTMENT

Italian steelmaker, Acciaierie Arvedi, has announced its intention to install a new electric arc furnace at its Cremona facility. The unit will have capacity to melt up to 1.57 million tonnes of crude steel annually and is scheduled to come on line in the summer of 2016.

Cevital has confirmed that it is to build two new electric arc furnaces at the former Lucchini integrated steelworks in Piombino, Italy. The units will have a combined annual capacity of 2 million tonnes and will replace the blast furnace currently idled at the site. The first EAF is due for commissioning in 2016 and the second in 2018. This is part of a €300 million investment package which was agreed as a condition of the sale of the site.

JOINT VENTURE

ArcelorMittal has announced that it will form a joint venture merging its Italian distribution assets with independent supplier Coils Lamiere Nastri (CLN). The new company, ArcelorMittal CLN Distribuzione Italia, will supply hot rolled, cold rolled and coated steels from fifteen sites in Italy.

ANTI-TRUST

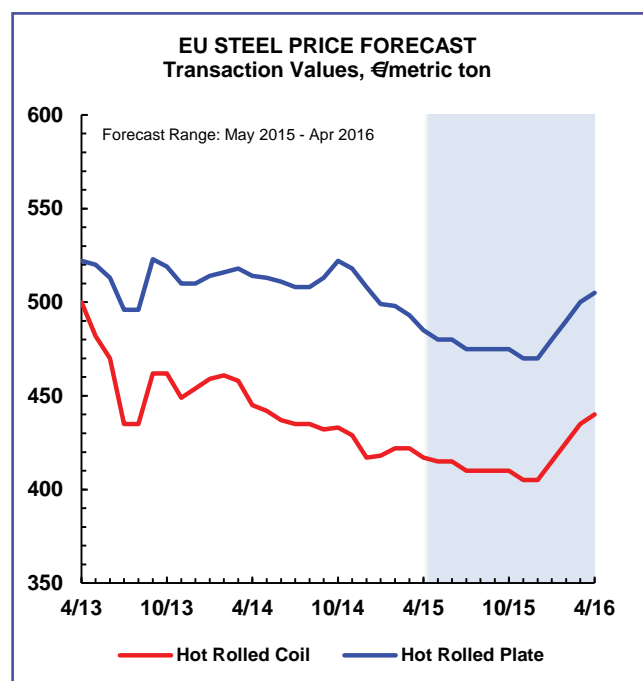
WV Stahl, acting on behalf of German steel companies, has filed a complaint with the European Commission regarding the €2 billion that the Italian government provided to the troubled steelmaker Ilva. The complaint states that the funds given to Ilva amount to 'operating aid' which is prohibited under current EU legislation.

MEDIUM TERM PRICE FORECASTS

The MEPS - EU Average Hot Rolled Coil price declined by €5 per tonne in April. Selling figures for hot rolled plate moved down by €8 per tonne, in the same period. The steel market slowed ahead of the Easter holidays. However, export business improved due to the depreciation of the euro.

European strip mills, currently, have reasonable order books. Consequently, coil transaction values should hold steady in the near term. However, commodity plate selling figures are expected to soften due to weak market fundamentals. Purchasing activity is expected to weaken during the summer months. This, coupled with low iron ore expenditure, could lead to a modest price decrease early in the third quarter. Subdued market activity is envisaged in the final trimester of the year.

Steel demand and raw material costs are expected to increase in early 2016. This could lead to an upturn in selling figures at that time.

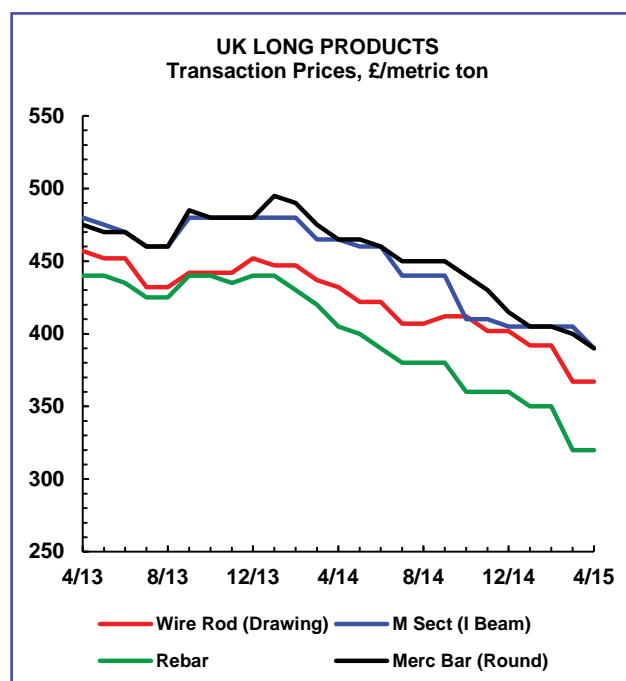
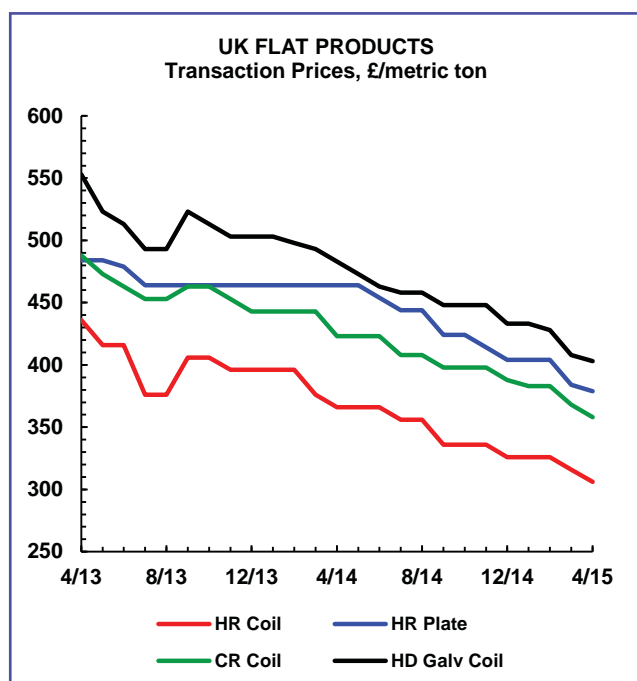


EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

Euro/metric ton	Actual	Forecast					
	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
Hot Rolled Coil	417	415	415	410	410	410	410
Hot Rolled Plate	485	480	480	475	475	475	475
Cold Rolled Coil	492	490	490	485	485	485	485
HD Galv Coil	548	545	545	540	540	540	540
EZ Coated Coil	550	545	545	540	540	540	540
Wire Rod (Drawing)	494	495	495	485	485	490	485
Wire Rod (Mesh)	435	435	435	425	425	430	425
M Sect (I Beam)	511	510	510	500	500	505	500
M Sect (H Beam)	566	565	565	555	555	560	555
Reinforcing Bar	423	425	425	415	415	420	415
Merc Bar (Round)	497	498	498	488	488	493	488
Merc Bar (Eq Angle)	514	515	515	505	505	510	505

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	454	460	460	450	331	456	445
	Low	417	420	420	410	306	421	425
Hot Rolled Plate	High	527	535	515	505	409	563	505
	Low	485	495	465	465	379	522	455
Cold Rolled Coil	High	535	535	550	525	393	541	525
	Low	492	495	510	475	358	493	485
Hot Dipped Galvanised Coil	High	592	592	602	567	443	610	587
	Low	548	552	562	517	403	555	547
Electro-Zinc Coated Coil	High	594	589	589	589	458	631	574
	Low	550	539	559	549	418	576	534
Stainless CR Coil Type 304	High	1094	1120	1090	1000	860	1185	1020
	Low	1018	1020	1040	950	790	1088	970
Stainless CR Coil Type 430	High	1057	1070	1050	955	870	1198	987
	Low	1011	1020	1000	905	845	1164	957

LONG PRODUCTS price/metric ton		EU AVG	Germany	France	Italy	UK	UK	Spain
		(€)	(€)	(€)	(€)	(£)	(€)	(€)
Wire Rod (Drawing Quality)*	High	519	523	515	505	407	561	505
	Low	494	503	485	485	367	506	485
Wire Rod (Mesh Quality)	High	459	445	450	455	380	523	470
	Low	435	425	420	435	350	482	440
Medium Sections (I Beam)	High	548	550	545	510	420	579	550
	Low	511	510	515	490	390	537	500
Medium Sections (H Beam)	High	611	620	595	595	465	640	590
	Low	566	570	555	560	425	585	550
Reinforcing Bar	High	440	440	440	430	350	482	450
	Low	423	420	410	420	320	441	430
Merchant Bar (Round)	High	530	530	510	515	410	565	545
	Low	497	490	490	495	390	537	485
Merchant Bar (Equal Angle)	High	547	550	530	535	410	565	565
	Low	514	510	510	515	390	537	505

* Includes supplementary surcharge in the UK.

CURRENCY EXCHANGE RATES

	US dollars (US\$)		Euros (€)	
	2-Mar	1-Apr	2-Mar	1-Apr
Eurozone (€)	0.894	0.929	-	-
UK (£)	0.651	0.674	0.728	0.726

NEXT MONTH'S ISSUE

The May issue of the European Steel Review will be dispatched by post & PDF on 19 May, 2015.

Express Price Tables will be dispatched by e-mail in excel format on 12 May, 2015.

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-15	Apr-15	% change
Hot Rolled Coil	161.7	159.8	-1.2
Hot Rolled Plate	171.8	169.0	-1.6
Cold Rolled Coil	135.7	135.2	-0.4
HD Galv Coil	119.7	118.9	-0.7
EZ Coated Coil	131.1	130.6	-0.4
SS CR Coil 304	83.1	82.9	-0.2
SS CR Coil 430	90.6	89.8	-0.9
Wire Rod (Drawing)	187.9	186.4	-0.8
Wire Rod (Mesh)	183.5	183.5	0.0
M Sect (I Beam)	167.4	166.4	-0.6
M Sect (H Beam)	163.0	162.2	-0.5
Reinforcing Bar	186.3	186.3	0.0
Merc Bar (Round)	187.6	186.8	-0.4
Merc Bar (Eq Angle)	200.0	199.2	-0.4

Note:- Based on low values. Stainless Steel - Excluding alloy surcharge.

NEGOTIATED DOMESTIC TRANSACTION PRICES - MONTH ON MONTH % CHANGE

April 2015 versus March 2015

		EU AVG (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	Low	-1.2	0.0	-2.3	-1.2	-3.2	-3.0	0.0
Hot Rolled Plate	Low	-1.6	-2.0	-3.1	0.0	-1.3	-0.9	-2.2
Cold Rolled Coil	Low	-0.4	0.0	-1.0	0.0	-2.7	-2.4	0.0
HD Galv Coil	Low	-0.7	0.0	-1.7	-1.0	-1.2	-0.9	0.0
EZ Coated Coil	Low	-0.4	0.0	0.0	0.0	-2.3	-2.0	0.0
SS CR Coil 304	Low	-0.2	0.0	1.0	0.0	-3.1	-2.9	0.0
SS CR Coil 430	Low	-0.9	0.0	0.0	0.0	-5.6	-5.3	0.0
Wire Rod (Drawing)	Low	-0.8	-1.0	-1.0	-1.0	0.0	0.4	-1.0
Wire Rod (Mesh)	Low	0.0	0.0	-1.2	0.0	0.0	0.2	1.1
M Sect (I Beam)	Low	-0.6	0.0	0.0	0.0	-3.7	-3.4	0.0
M Sect (H Beam)	Low	-0.5	0.0	0.0	0.0	-3.4	-3.1	0.0
Reinforcing Bar	Low	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Merc Bar (Round)	Low	-0.4	0.0	0.0	0.0	-2.5	-2.2	0.0
Merc Bar (Eq Angle)	Low	-0.4	0.0	0.0	0.0	-2.5	-2.2	0.0

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/regional 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.

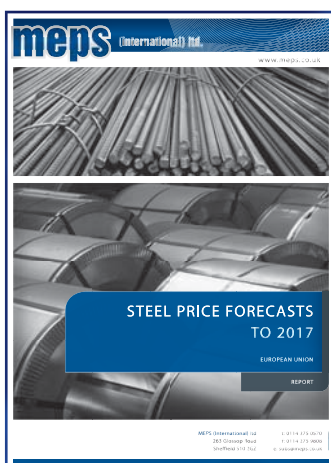
Reinforcing Bar (Deformed) - 16-20mm diameter, high yield.

Merchant Bar (Round) - 50mm diameter.

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

MEPS PUBLICATIONS

MEPS STEEL PRICE FORECASTS TO 2019 - FIVE YEAR FORECAST



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.