

# MEPS EUROPEAN STEEL REVIEW

KEYNOTE

NOVEMBER 2013

## AS MEPS PREDICTED - EU STEEL PRICES TURNED DOWN IN NOVEMBER

Flat products demand is slow across the region. Customers, wanting to keep stocks low for the remainder of the year, are purchasing cautiously. Recently, many steelmakers have been prepared to accept slightly lower prices as they try to fill their rolling schedules. In early November, ArcelorMittal announced its intention to lift first quarter 2014 basis values by €30/40 per tonne, citing higher raw material costs and anticipated customer restocking. Other suppliers are likely to make similar moves. Many buyers believe it unlikely that the increase will be secured for January production.

In Germany, steelmakers have found it impossible to maintain basis figures at the higher level achieved at the start of this quarter. Mill order

intake has slowed as companies reduce stocks and only buy what they require for the next two months. Service centres will probably need to purchase in early January which could lead to a small uptick in prices then. Buyers are still in the process of finalising deals for the first trimester. For the moment, third country offers are not viewed as particularly attractive.

There has been a downward price adjustment in France but some stabilisation is now expected. On the distribution side, resale values are still depressed. Demand remains moderate, following the slight upward momentum of September. End-users are still booking material for the short term. Large service centres are reported to be keeping their stocks as low as possible. Studies

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

price/metric ton		2013					
		JUN	JUL	AUG	SEP	OCT	NOV
Hot-Rolled Coil	High:	500	470	470	500	500	490
	Low:	450	420	420	450	450	440
Hot-Rolled Plate	High:	550	530	530	545	545	540
	Low:	510	490	490	505	505	500
Cold-Rolled Coil	High:	570	560	560	570	570	560
	Low:	530	520	520	530	530	520
Hot Dipped Galvanised Coil	High:	570	560	560	570	570	560
	Low:	530	520	520	530	530	520
Electro-Zinc Coated Coil	High:	580	570	570	580	580	570
	Low:	530	520	520	530	530	520
Stainless Steel Type 304	High:	1100	1100	1100	1090	1100	1120
	Low:	1000	1000	1000	990	1000	1020
Stainless Steel Type 430	High:	1110	1090	1090	1090	1090	1090
	Low:	1060	1040	1040	1040	1040	1040

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from the main steel-consuming industries of auto and construction all point to a revival in activity in 2014.

In Italy, overall demand is poor. There is a great deal of competition between suppliers for the small amount of business available. Following a modest upturn in late October, there is now downward pressure on ex-mill prices. Moreover, producers are concerned that if basis figures rise further, this will attract more third country imports. Service centres report slow order intake and reducing resale values.

There is a slightly negative price trend in the UK spot market at present. Most quarterly contracts were finalised at the higher figures reported last month. A number of stockists are reporting better demand conditions across a wide variety of customers, together with improving resale values. Traders have very little material at the ports so supply has tightened. For new business, importers are using exchange rate volatility to their advantage. Chinese prices have come down but buyers

are still cautious because delivery lead times are now out to April next year.

October was a quiet month in Belgium, with the result that ex-mill values have come under negative pressure recently. However, producers are pushing for a rise of €20 per tonne for period one, 2014. The building industry is still weak but auto and machine manufacturing are a little better. Consumption indicators for next year are more positive. German stockists are selling quite aggressively across the border, so end-users are calling for similar discounts from domestic distributors. There are third country import offers but buyers show little interest.

Spanish consumption has not really improved but many market players believe the worst is over. Investors are coming back to the market, although recovery will be slow. Steel prices have softened further due to a lack of demand. Service centres are reluctant to build inventories. Third country offers are not particularly competitive but traders are buying some material for stock.

## FLAT PRODUCTS

### HOT ROLLED COIL

Activity has waned in Germany, causing mills to offer discounts for the remainder of fourth quarter business. Moreover, steelmakers seem less confident during discussions for the first trimester 2014. The pipemakers are not fully booked. Market demand is very quiet at the moment, both at home and abroad. French prices have lost €30 per tonne for the rest of fourth trimester deliveries. There were very few deals in October. Negotiations for the start of next year will commence in the coming weeks. Producers are hoping to implement a €20 per tonne increase to make up for the recent decline. There

are some imports from India. We have noted price erosion in Italy over the last two to three weeks. There are no signs of a demand recovery, despite government statements that the economic crisis is over. However, tubemakers' sales are improving, albeit from a low point.

Very little mill business is being transacted in the UK at present. Basis figures are £10 per tonne lower than in the previous month. There is still concern that they could be eroded further as a result of increased third country competition. Customers have won discounts in Belgium. Resale values are under pressure, with a great deal of rivalry between distributors. Consequently, service

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

price/metric ton		2013					
		JUN	JUL	AUG	SEP	OCT	NOV
Wire Rod	High:	530	510	510	530	535	535
	Low:	510	490	490	510	515	515
Medium Sections and Beams	High:	580	570	570	580	590	580
	Low:	540	530	530	540	550	540
Rebars	High:	240	240	240	275	275	265
	Low:	220	220	220	255	255	245
Merchant Bars	High:	180	170	170	200	210	200
	Low:	140	130	130	160	170	160

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

	<b>Hot Rolled Plate</b>		<b>Hot Rolled Coil</b>	
	<b>Q3/13</b>	<b>Q4/13e</b>	<b>Q3/13</b>	<b>Q4/13e</b>
<b>EU Average</b>				
<b>Non Sour</b>	107.5	108.2	126.3	128.1
<b>Sour</b>	113.5	114.1	125.2	126.8

\* Q4/06 = 100 - based on Euro values  
\*\* p = Provisional e = Estimate

centre margins are shrinking. Inventories are being kept under control. Spanish activity is slow, with no significant improvement in demand. The price advance, gained during the summer, has now all been lost. Third country imports are not competitive at present.

**HOT ROLLED PLATE**

The market for commodity grade plate remains dull. Service centres throughout the region do not want to take delivery of material before their fiscal year-end. Imports are becoming more attractive because of the favourable exchange rate but few deals are being concluded because delivery would fall in the Christmas season. Demand for the higher specifications is faring better, but those quantities alone do not yield enough tonnage for the mills.

Distributors are keeping stocks at a very low level in Germany as their sales to end-users are subdued. Service centres are not ordering from European mills nor importing any sizable quantities. The French market has been very quiet over the last month. Basis numbers have come down, even though slab costs have gone up. Buyers are postponing order placement. The steelmakers have few orders from the linepipe industry. There is a lack of domestic purchasing activity in Italy so the rerollers are in dire need of orders. This has led to lower price offers. In addition, the traditional export market is extremely depressed. The closure of capacity at Riva and Palini e Bertoli has had hardly any impact on an oversupplied, weak market. Indian material is very competitively priced.

Conditions in the UK commodity plate market are described as "tough". Prices have not moved, month-on-month. Although the domestic producer would like to lift basis numbers, it is impossible in the current climate of declining demand. Italian and Indian imports are available. The higher specifications are holding up at their previous levels. The quenched and tempered market is relatively quiet. Orders from the yellow goods sector are slow at this time of year but demand for boiler plate is reasonable. Basis numbers have started to drop in Belgium. Spanish

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

	<b>Sep-13</b>	<b>Oct-13</b>	<b>Nov-13</b>
<b>EU Average</b>	78.1	78.0	76.7
<b>Year-on-year % +/-</b>	-4.6	-2.6	-2.4

\* Jan 07 = 100 - based on transaction prices  
\*\* STEELPPI - Steel Purchasing Price Index

consumption is dismal and selling values continue to move down.

**COLD ROLLED COIL**

In Germany, customers have won a small discount on last month's basis values. Service centres are finding that the cold rolled coil requirement has slowed as the automakers instigate their cost reduction measures. French basis figures have lost €30 per tonne compared with the previous month. Import volumes have picked up slightly with material coming from China. Italian distributors, reluctant to build stocks, are only purchasing to replenish material already sold. There is little business being concluded and they still have the difficult task of raising resale values, amidst fierce competition.

UK prices have fallen by £10 per tonne, as the steelmakers try to close deals before Christmas. Russian and Chinese suppliers are offering at £420 per tonne, effective delivered, but the lead times are extended. In Belgium, basis numbers are €20 per tonne below those

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

	<b>Local Currency</b>		<b>US\$/metric ton</b>	
	<b>last month</b>	<b>this month</b>	<b>last month</b>	<b>this month</b>
<b>Germany</b>	530	520	717	701
<b>France</b>	550	520	744	701
<b>Italy</b>	510	500	690	674
<b>UK</b>	450	440	729	701
<b>Belgium</b>	550	530	744	714
<b>Spain</b>	510	490	690	660

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 (€)
<b>Hot Rolled Coil</b>	High:	490	480	450	405	478	480	440
	Low:	440	440	410	380	449	440	420
<b>Hot Rolled Plates</b>	High:	540	550	510	480	567	540	505
	Low:	500	500	470	450	531	500	455
<b>Cold Rolled Coil</b>	High:	560	560	550	475	561	580	530
	Low:	520	520	500	440	519	530	490
<b>Hot Dipped Galvanised Coil</b>	High:	560	560	530	490	579	570	530
	Low:	520	520	480	450	531	520	490
<b>Electro-Zinc Coated Coil</b>	High:	570	570	570	510	602	590	570
	Low:	520	540	530	470	555	540	530
<b>Stainless Cold (a) Rolled Type 304</b>	High:	1120	1080	1025	975	1151	1060	1010
	Low:	1020	1030	975	905	1068	1010	960
<b>Stainless Cold (a) Rolled Type 430</b>	High:	1090	1070	935	1025	1210	—	1007
	Low:	1040	1020	885	1000	1181	—	977

**MONTH on MONTH % CHANGE**

<b>Hot Rolled Coil</b>	Low:	-2.2	-6.4	-2.4	-2.6	-3.9	-4.3	0.0
<b>Hot Rolled Plates</b>	Low:	-1.0	-2.0	-4.1	0.0	-1.5	-2.0	-1.1
<b>Cold Rolled Coil</b>	Low:	-1.9	-5.5	-2.0	-2.2	-3.7	-3.6	-3.9
<b>H.D. Galv Coil</b>	Low:	-1.9	-1.9	-2.0	-2.2	-3.6	-3.7	-2.0
<b>E.Z. Coated Coil</b>	Low:	-1.9	-3.6	-1.9	-2.1	-3.5	-3.6	-1.9
<b>S/S CR Type 304</b>	Low:	2.0	2.0	2.6	0.0	-1.5	1.0	3.2
<b>S/S CR Type 430</b>	Low:	0.0	0.0	0.0	0.0	-1.4	—	0.0

**BASIS PRICE AND PRODUCT DEFINITIONS**

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

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

Notes: (a) Basis - 1.5mm thick.

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

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



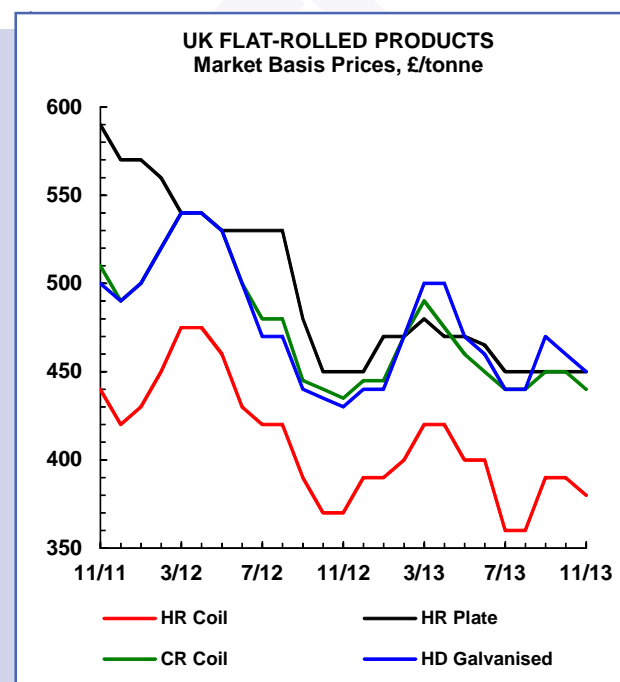
in our October report as mill order intake has reduced. Buyers are only purchasing small quantities ahead of the year-end. The amount of business being transacted in Spain is extremely small. Demand is dismal. Suppliers have offered concessions of up to €20 per tonne. Material is available from China at €450 per tonne, CFR, for January/February arrival.

## COATED COIL

Inventories of finished vehicles are higher than normal at a number of German carmakers. Many have implemented cost cutting programmes which will impact adversely on hot dipped galvanised coil demand. In France, the decrease in selling values for this product has been less than for the hot and cold rolled material because basis prices for coated material were already very low. Auto-related demand remains muted. This is by far the weakest strip mill product in Italy. Distributors serving the vehicle industry report that even the luxury carmakers are now much more aggressive regarding their purchasing policy. Internal competition between local mills continues to depress basis values.

In the UK, suppliers have cut basis numbers by another £10 per tonne due to competition, primarily from Chinese and Russian importers. Signals for future growth in the car industry continue to be healthy. Similarly, in Belgium, vehicle sales are improving. However, buyers in the rest of the market have negotiated a €20 per tonne decrease. Distributors continue to complain that they cannot obtain satisfactory prices from their customers. Spanish auto activity is steady at a low level. We have noted another small negative price movement. Chinese mills are quite competitive on the thin gauges, offering at €485 per tonne, effective.

In Germany, the steelmakers have conceded a small basis decrease for sales of electro-zinc coated coil.



French figures are €20 per tonne less than those quoted in our October issue. Prices have contracted in Italy. In the UK, there has been further downward pressure on selling numbers from mainland European suppliers. Customers have negotiated a €20 per tonne discount in Belgium. Values have also fallen in Spain.

## COLD ROLLED STAINLESS COIL

In October, cold rolled austenitic stainless steel basis figures climbed in Germany, France, Italy, Belgium and Spain. Effective values were predicted to remain fairly stable in November. Buyers in Italy reported that imports from the Far East were significantly cheaper than local products. However, the four-month delivery lead times made these offers less attractive. UK stock levels were very low. Ferritic numbers were steady.

## LONG PRODUCTS

### WIRE ROD

Low carbon wire rod producers in Germany have maintained the small rise instigated in October. The mills have been trying to lift recoil prices by €10 per tonne to help cover their production costs but, in reality, selling figures have moved down marginally. Demand remains weak, with very few large volume orders available. In France, values for the drawing rod are stable, whereas those for the mesh quality material have softened slightly. Italian low carbon wire rod figures are the same as in October. Order intake is dull due to a stagnant economy.

A poorly performing construction sector has led to lacklustre demand for recoil and a subsequent fall in prices.

Sales of the basic drawing qualities are flat in the UK. Values are unchanged from the previous month. Small volumes of Ukrainian material have been offered over the last month. Finished mesh consumption is poor, creating a little, negative influence on recoil numbers. Drawing quality figures have ceased their upward projection in Belgium, where sales are muted. In Spain, we have similar developments to report for low carbon material.

The mesh quality market remains depressed, leading to marginally lower prices this month.

### MEDIUM SECTIONS AND BEAMS

In Germany, the positive price trend that began in September has been reversed. Figures are down by €10 per tonne as customers are reluctant to place orders before the end of the year. There has been more activity in the French market, even though some large distributors are reported to be keeping stocks as low as 30 days. Following the slip in scrap costs in October, structural section effective values fell slightly. The small upward movement that took place in the Italian market last

month proved unsustainable due to muted demand from an ailing construction sector.

Steelmakers are finding it difficult to advance effective numbers any further in the UK. Customers report that the producers' stance on prices has been less aggressive, with more willingness to negotiate. However, the supply environment has tightened. There is virtually no material to be offered ahead of January and some mills are also running late on deliveries and/or availability of certain sizes. The end-user market is quiet with no significant new projects envisaged in the short term. Distributors report negative pressure on resale figures. Belgian customers feel that the European mills are now eager to

**TABLE 5. LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES**

price/metric ton		Germany (€)	France (€)	Italy (€)	UK+ (£)	UK+ (€)	Belgium (€)	Spain (€)
<b>Wire Rod (b)</b>	High:	535	540	530	470	555	540	530
	Low:	515	510	510	430	508	510	510
<b>Medium Sections &amp; Beams (c)</b>	High:	580	575	545	510	602	590	570
	Low:	540	545	525	480	567	540	520
<b>Rebar (d)</b>	High:	265	260	250	465	549	280	240
	Low:	245	230	240	435	514	250	220
<b>Merchant Bar (e)</b>	High:	200	180	160	500	590	170	190
	Low:	160	160	140	480	567	150	140
<b>MONTH on MONTH % CHANGE</b>								
<b>Wire Rod</b>	Low:	0.0	0.0	0.0	0.0	-1.4	0.0	0.0
<b>M.Sect. &amp; Beams</b>	Low:	-1.8	-0.9	-1.9	0.0	-1.4	-1.8	-1.9
<b>Rebar</b>	Low:	-3.9	-6.1	0.0	-1.1	-2.5	0.0	-4.3
<b>Merchant Bar</b>	Low:	-5.9	0.0	-6.7	0.0	-1.4	-6.3	-6.7

### BASIS PRICE AND PRODUCT DEFINITIONS

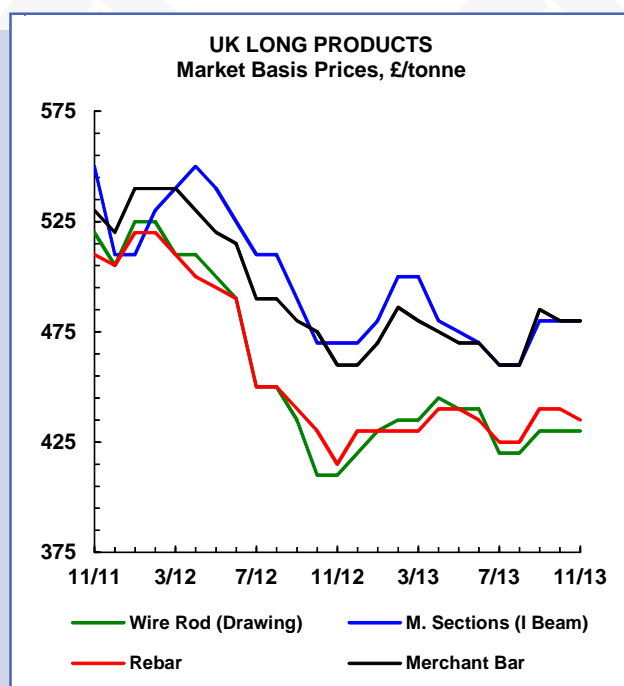
\* Due to the suspension of scrap surcharges by all major European producers from June 2010, MEPS basis prices for Medium Sections & Beams are now equivalent to transaction prices for category C1 beams.

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

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

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

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



make deals, with the result that effective values have dropped back to the September level. Resale prices are also under threat, although service centre volumes improved a little. Spanish producers have lost the small rise they secured for October. The trading environment is lethargic, both at home and abroad.

## REINFORCING BAR

Rebar basis numbers are relatively stable with just a little negative pressure in some countries. The market remains weak and the likelihood of improvement in the near future is minimal. Customers continue to hold back from purchasing anything other than small quantities. South European mills are being forced to try to hike their export prices because of higher scrap costs. However, demand from North Africa is flat. Consequently, the chances of implementing any increases are poor. Imports are not a significant factor in the EU market as overseas suppliers do not find the current prices or potential sales volumes attractive.

Although German construction activity is at a reasonable level, sales of rebar are flat. Buyers consider today's prices to be too high. No significant price movements are anticipated for the remainder of 2013. Falling scrap values in October have undermined French basis numbers. Italian mills are offering exports at €450 per tonne, FOB. However, the Algerian market is not performing well at present, so orders are thin. Moreover, it is difficult to compete with the special tariffs enjoyed by Turkish suppliers.

UK construction activity is slowly improving, particularly

in the residential sector. Mill business in October was fairly good in terms of volume, although November has started more quietly, with customers in "wait and see" mode. As scrap and other raw material costs are climbing again, the pricing environment could be more positive for the producers but whether an increase is achievable in the present climate is debatable. Imports, purchased earlier in the year, are still arriving from China and Turkey. Belgian prices are quite stable, despite offers from Turkish suppliers at up to €30 per tonne below domestic ones. Delivery is so fast from local mills that buyers are not interested in a one month delay from foreign sources. Building activity is at a virtual standstill in Spain, so rebar demand is tepid. We have noted further downward pressure on domestic basis numbers. Producers are offering to overseas markets at €450 per tonne, FOB, but very little business has been transacted.

## MERCHANT BAR

Continental European basis values have started to soften. The major mills have weaker order books now. The amount of new business being placed has slowed because customers have sufficient material for their immediate needs. They are loath to rebuild stocks this side of Christmas.

German basis figures have gone down by €10 per tonne, reverting to September values. Nevertheless, the construction outlook remains better than in many other eurozone countries. The price situation is unchanged in France. Medium-to-small, independent distributors are still ordering quantities for the fourth quarter and producers are reported to remain firm during negotiations. Italian order intake is dismal in a weak economic climate. Despite ongoing efforts by the steelmakers to lift prices, customers have successfully claimed a small discount.

Both UK demand and selling values are pretty stable.

### MEPS INDUSTRIAL SECTOR STEEL PURCHASING PRICE INDICES - EU AVERAGE

January 2007=100	Oct-13	Nov-13	% change
<b>Construction Industry</b>	102.9	101.0	-1.8
<b>Household Appliances</b>	82.6	80.7	-2.3
<b>Machinery Sector</b>	93.5	91.5	-2.1
<b>Shipbuilding Industry</b>	79.9	78.2	-2.1
<b>Shipping Containers</b>	92.0	89.6	-2.6
<b>Yellow Goods</b>	96.0	93.3	-2.8

There could be another push for price hikes now that scrap costs are climbing. Mills report that, although current volumes are reasonable, most purchases for this year will be complete by the end of November. Belgian service centres say activity levels have been better of late as their clients have started enquiring for the first quarter 2014. Although quantities are

acceptable, resale margins are under huge pressure. There were few ex-mill sales at last month's inflated prices, so producers have dropped basis numbers to €150 per tonne. Having secured a small increase in October, steelmakers have recently been forced to reduce selling figures in Spain, due to lacklustre demand from end-users.

## MARKET/INDUSTRY SCENE

### CAPACITY/INVESTMENT

ArcelorMittal plans to modernise blast furnace No.2 at the Dunkerque steelworks in France. The revamp is set to cost €92 million and take place in the second half of 2015. The plant supplies slabs to other parts of the ArcelorMittal group including Florange in France and Liège in Belgium.

ThyssenKrupp has recommenced production at the No.9 blast furnace in Duisburg-Hamborn, Germany. The decision has been made in preparation for a reline of the No.2 unit in Duisburg-Schwelgern, next year.

Tata Steel's Speciality business is to install a vacuum induction melting (VIM) furnace at its Stocksbridge site in the UK. The investment is expected to cost £15 million and be commissioned in early 2015. Output will be sold

to the aerospace and oil/gas industries.

Voestalpine Austria Draht has announced plans to replace a wire rod line at the Leoben-Donawitz plant by the start of 2016. The revamped mill will be able to produce 550,000 tonnes per year of high quality material for the automotive and energy sectors.

Tata Steel has opened a new heat treatment facility for longer wear-resistant rails at the Hayange plant in Lorraine, northeast France. Annual capacity has been raised from 55,000 tonnes to 120,000 tonnes. The investment enables the company to process rails up to 108 metres in length.

Böhler-Uddeholm Precision Strip, a subsidiary of Voestalpine, has inaugurated a €113 million cold rolling mill in Kematen, Austria. Capacity has been raised by 30 percent to 60,000 tonnes per year.

## MEDIUM TERM PRICE FORECASTS

The MEPS - EU Average Reinforcing Bar price decreased by €6 per tonne in November. Transaction values for merchant bar declined by a similar amount. Steelmakers failed to maintain recent price hikes due to poor demand and overcapacity. The majority of deals concluded were only for small volumes of material.

A recent uptick in scrap values should result in modest steel price increases before the year-end. However, demand is expected to remain subdued for the remainder of 2013 as many customers undertook a certain degree of inventory rebuilding during the summer.

We anticipate a boost in mill order intake early next year, as customers increase their purchasing to meet the traditional upturn in demand in the spring. As a result, steel prices are forecast to move higher during this period. Selling figures are forecast to peak in the spring. A seasonal slowdown in purchasing activity is expected to place downward pressure on transaction values as the summer approaches.

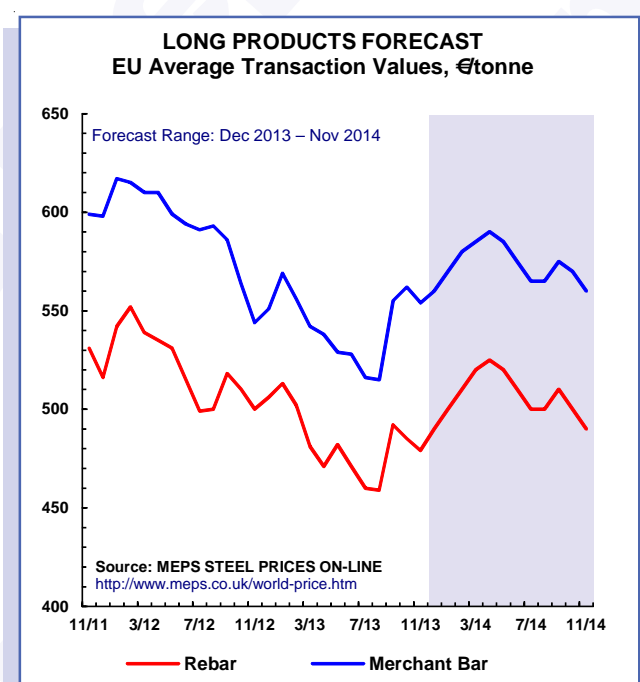


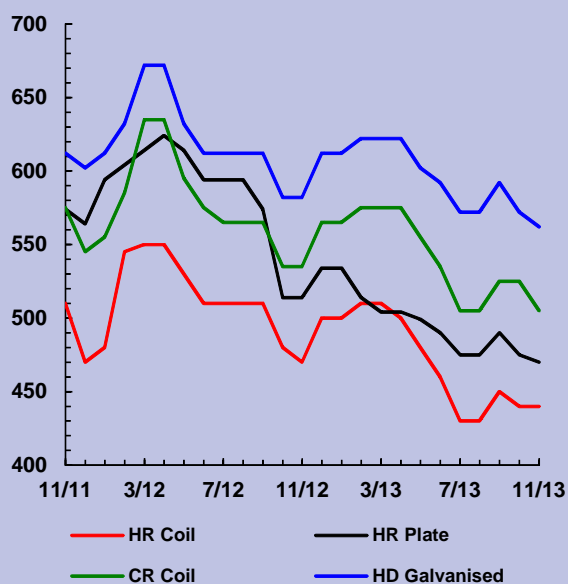
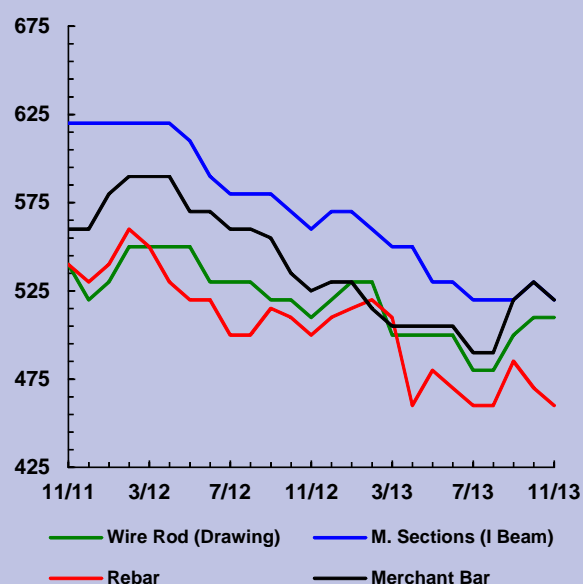


TABLE 6. EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

Euro/metric ton	Actual	Forecast					
	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14
Hot Rolled Coil	449	450	470	495	510	520	515
Hot Rolled Plate	510	505	530	550	560	565	560
Cold Rolled Coil	527	525	545	570	585	595	590
H.D. Galv Coil	583	580	600	625	640	645	640
E.Z. Coated Coil	590	590	610	635	650	655	650
Wire Rod (Drawing)	520	530	540	550	560	565	560
Wire Rod (Mesh)	485	495	505	515	525	530	525
M. Sections (I Beam)	540	550	565	580	590	595	590
M. Sections (H Beam)	594	605	620	635	645	650	645
Rebar	479	490	500	510	520	525	520
Merc Bar (Round)	537	543	553	563	568	573	568
Merc Bar (Eq Angle)	554	560	570	580	585	590	585

## 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.

SPAIN FLAT-ROLLED PRODUCTS  
Transaction Prices, €/tonneSPAIN LONG PRODUCTS  
Transaction Prices, €/tonne

# Transaction Price Data Sheet

**TABLE 7. NEGOTIATED DOMESTIC TRANSACTION PRICES**

FLAT PRODUCTS price/metric ton		EU AVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	High:	488	510	500	470	421	497	460
	Low:	449	460	460	430	396	468	440
Hot Rolled Plates	High:	552	555	565	525	494	583	520
	Low:	510	515	515	485	464	548	470
Cold Rolled Coil	High:	570	575	575	565	488	576	545
	Low:	527	535	535	515	453	535	505
Hot Dipped Galvanised Coil	High:	626	632	632	602	543	641	602
	Low:	583	592	592	552	503	594	562
Electro-Zinc Coated Coil	High:	632	629	629	629	553	653	629
	Low:	590	579	599	589	513	606	589
Stainless Cold (a) Rolled Type 304	High:	1090	1120	1080	1025	975	1151	1010
	Low:	1017	1020	1030	975	905	1068	960
Stainless Cold (a) Rolled Type 430	High:	1069	1090	1070	935	1025	1210	1007
	Low:	1024	1040	1020	885	1000	1181	977
LONG PRODUCTS price/metric ton		EU AVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Wire Rod (Drawing quality) *	High:	544	553	540	530	482	569	530
	Low:	520	533	510	510	442	522	510
Wire Rod (Mesh quality)	High:	509	510	515	490	465	549	510
	Low:	485	490	485	470	435	514	480
Medium Sections and Beams (I beam)	High:	576	580	575	545	510	602	570
	Low:	540	540	545	525	480	567	520
Medium Sections and Beams (H beam)	High:	638	650	625	630	555	655	610
	Low:	594	600	585	595	515	608	570
Reinforcing Bars	High:	496	505	500	490	465	549	480
	Low:	479	485	470	480	435	514	460
Merchant Bars (50mm diameter)	High:	567	580	560	540	500	590	570
	Low:	537	540	540	520	480	567	520
Merchant Bars (Equal Angle)	High:	585	600	580	560	500	590	590
	Low:	554	560	560	540	480	567	540

\* Includes supplementary surcharge in the UK.

## CURRENCY EXCHANGE RATES

November 1 - 2013

		Units/ US\$	Units/ Euro
<b>Eurozone</b>	(€)	0.742	1
<b>UK</b>	(£)	0.628	0.847

## NEXT MONTH'S ISSUE

The December issue of the European Steel Review will be dispatched by post & PDF on December 13, 2013.

Express Price Tables will be dispatched by e-mail in excel format on 6 December, 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

Based on Euro values

	Oct-13	Nov-13	% change
<b>Hot Rolled Coil</b>	177.0	172.0	-2.8
<b>Hot Rolled Plate</b>	180.8	177.7	-1.7
<b>Cold Rolled Coil</b>	149.2	144.8	-2.9
<b>HD Galv Coil</b>	128.9	126.5	-1.9
<b>E-Z Coated Coil</b>	143.5	140.1	-2.4
<b>SS CR Coil 304</b>	81.4	82.8	1.7
<b>SS CR Coil 430</b>	91.1	90.9	-0.2
<b>Wire Rod (Drawing)</b>	196.2	196.2	0.0
<b>Wire Rod (Mesh)</b>	208.4	204.6	-1.8
<b>M Sect (I Beam)</b>	178.8	175.9	-1.6
<b>M Sect (H Beam)</b>	172.8	170.2	-1.5
<b>Reinforcing Bar</b>	213.7	211.0	-1.3
<b>Merc Bar (Round)</b>	204.9	201.9	-1.5
<b>Merc Bar (Eq Angle)</b>	217.8	214.7	-1.4

Note:- Stainless Steel - Excluding alloy surcharge.

NEGOTIATED DOMESTIC TRANSACTION PRICES - MONTH ON MONTH % CHANGE  
November 2013 versus October 2013

		EU AVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
<b>Hot Rolled Coil</b>	Low:	-2.8	-2.1	-6.1	-2.3	-2.5	-3.7	0.0
<b>Hot Rolled Plate</b>	Low:	-1.7	-1.0	-1.9	-4.0	0.0	-1.4	-1.1
<b>Cold Rolled Coil</b>	Low:	-2.9	-1.8	-5.3	-1.9	-2.2	-3.4	-3.8
<b>HD Galv Coil</b>	Low:	-1.9	-1.7	-1.7	-1.8	-1.9	-3.3	-1.7
<b>E-Z Coated Coil</b>	Low:	-2.3	-1.7	-3.2	-1.7	-1.9	-3.2	-1.7
<b>SS CR Coil 304</b>	Low:	1.7	2.0	2.0	2.6	0.0	-1.5	3.2
<b>SS CR Coil 430</b>	Low:	-0.2	0.0	0.0	0.0	0.0	-1.4	0.0
<b>Wire Rod (Drawing)</b>	Low:	0.0	0.0	0.0	0.0	0.0	-1.3	0.0
<b>Wire Rod (Mesh)</b>	Low:	-1.8	-1.0	-2.0	-3.1	-1.1	-2.5	-1.0
<b>M Sect (I Beam)</b>	Low:	-1.6	-1.8	-0.9	-1.9	0.0	-1.4	-1.9
<b>M Sect (H Beam)</b>	Low:	-1.5	-1.6	-0.8	-1.7	0.0	-1.5	-1.7
<b>Reinforcing Bar</b>	Low:	-1.2	-2.0	-3.1	0.0	-1.1	-2.5	-2.1
<b>Merc Bar (Round)</b>	Low:	-1.5	-1.8	0.0	-1.9	0.0	-1.4	-1.9
<b>Merc Bar (Eq Angle)</b>	Low:	-1.4	-1.8	0.0	-1.8	0.0	-1.4	-1.8

## 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/m<sup>2</sup>

**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.