EUROPEAN STEEL REVIEW

KEYNOTE

MAY 2013

NO SPRING UPTURN IN SIGHT FOR EU STEEL PRICES

Underlying demand for flat products remains subdued in Europe, ruling out any chance of price recovery, despite the high costs of production. Moreover, the market is oversupplied due to a number of blast furnace restarts at the beginning of the year. Basis values are generally down in all member states. The competition for orders is purely between European suppliers, since there is very little third country competition. As the euro is stronger now, any increase in local prices could start to attract more imports.

Although still fair, the German economic situation is weaker than in 2012. There has been no real improvement in steel demand, causing the mills to reduce prices again this month, with some customers voicing calls for further decreases in the third quarter. Buyers are only ordering what they need and are refusing to rebuild stocks because they believe the price trend will remain negative. Service centre resale values are very low as they rush to offload relatively expensive stock.

Activity remains weak in France. Some market participants found that end-user demand improved slightly in April compared with the previous month, which was poor. Others see the situation as stable or deteriorating with end-users' order books "melting like snow in the sun". The first part of May saw little business being concluded due to the three public holidays. Basis figures are lower than in April. However, the mills are becoming more reluctant to offer discounts because they

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

price/metric ton		2012	2013				
		DEC	JAN	FEB	MAR	APR	MAY
Hot-Rolled Coil	High:	520	530	550	540	530	510
	Low:	470	480	500	490	480	460
Hot-Rolled Plate	High:	550	560	560	575	560	560
	Low:	510	520	520	535	520	520
Cold-Rolled Coil	High:	590	600	620	610	600	580
	Low:	550	560	580	570	560	540
Hot Dipped Galvanised Coil	High:	590	600	620	610	600	580
	Low:	550	560	580	570	560	540
Electro-Zinc Coated Coil	High:	610	620	620	620	610	590
	Low:	560	570	570	570	560	540
Stainless Steel Type 304	High:	1130	1130	1130	1150	1150	1120
	Low:	1030	1030	1030	1050	1050	1020
Stainless Steel Type 430	High:	1110	1110	1110	1110	1110	1110
	Low:	1060	1060	1060	1060	1060	1060

ISSN 1369-8583

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are losing money. Some producers are even talking of increases but this is unlikely to happen, given the general economic environment. Distributors' resale prices have also continued to fall.

Despite reductions in mill output, Italian basis numbers continue to weaken. There is a great deal of uncertainty as consumption erodes, both at home and in export markets. Domestic business activity is low with very few large quantity orders. Most companies are focusing on reducing inventories to the absolute minimum. Service centres claim that their biggest concern is credit control as customers, many in dire financial difficulty, are suspending payments for long periods of time. Traders are finding business conditions difficult.

Mainland European producers appear keen to secure orders in the UK, where basis numbers are strong, despite drifting downwards this month. The majority of the recent increases have now been lost, partly due to oversupply. Although some distributors report an improvement in sales compared with the second half of 2012, there is still tremendous competition for orders, resulting in falling resale values. There is little new disruption from third country sources but trader stocks are still sufficient.

The market situation in Belgium is not improving as demand remains flat. There are virtually no third country imports, the battle for orders is between mills from the north and south of Europe. Although producers claim rises, basis figures are, in fact, slowly reducing. Wholesalers from neighbouring countries, particularly Germany and the Netherlands, are now trying to secure orders from Belgian customers. Basis values continue to deteriorate in Spain, where demand is dismal, especially from the traditionally key consuming sectors of automotive and construction. Neither domestic mills nor traders are selling any great quantities.

FLAT PRODUCTS

HOT ROLLED COIL

There is more material available in the German market than current demand requires and deliveries can be made within four weeks of order placement. Turkish and Russian import offers are still more expensive than domestically produced ones but there are some cheap quotations from Slovakia and Hungary. The tubemakers' order books are softening as their customers push for cheaper prices, due to strong competition from pipemakers in Eastern Europe. French demand is quiet. There are, currently, a few imports from Russia but Chinese delivery lead times are stretching out to July/August, which is not a good time to receive material. Domestic spot values have fallen by €25 per tonne. The business environment is tough in Italy, with a great deal of aggressive selling to obtain the few orders available. We believe figures as low as €445 per tonne, basis, could be achieved for large volumes. Distributors claim that resale values are coming down even more quickly than ex-mill basis prices. There are some import offers at €450 per tonne, CIF, which are interesting the pipemakers.

UK customers are buying hand-to-mouth. The mills have lost the £20 per tonne they gained from their March price initiative. Third country offers are still in excess of local ones. Belgian demand is very weak. Producers have failed to hold on to basis figures, which are €20 per tonne

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

price/metric ton		2012	2013				
		DEC	JAN	FEB	MAR	APR	MAY
Wire Rod	High:	540	550	550	530	530	530
	Low:	520	530	530	510	510	510
Medium Sections and Beams	High:	620	640	640	620	610	580
	Low:	580	600	600	580	570	540
Rebars	High:	295	310	300	280	260	260
	Low:	275	290	280	260	240	240
Merchant Bars	High:	210	240	230	210	200	180
	Low:	170	200	190	170	160	140

MEPS - API LINEPIPE STEEL PRICE INDEX X60/65 COMPOSITE

	Hot Rolled Plate		Hot Rolled Coil	
	Q1/13	Q2/13e	Q1/13	Q2/13e
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

MEPS - STEELPPI - AUTOMOTIVE Auto Body Parts Composite Index

	Mar-13	Apr-13	May-13
EU Average	82.0	81.0	78.9
Year-on-year % +/-	-6.2	-7.5	-8.3

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

lower than a month ago. Delivery lead times are short. Distributors are not happy to see their stocks devalued but expect numbers to go down slightly more before the summer. Service centre margins are smaller than normal. Steelmakers have conceded a €20 per tonne decrease in Spain, where demand remains muted. There are offers at €460 per tonne, CFR, from China. With delivery in four months' time, traders are loath to take the risk but some tubemakers are showing a little interest.

HOT ROLLED PLATE

The commodity grade platemakers have been unable to secure the rises they were seeking, due to flat market conditions. Imports are not a major factor in the market at present. The scenario for the higher specifications is more healthy.

For the moment, commodity prices remain unchanged in Germany but there is negative pressure from Italian and Czech sources who have insufficient demand from their domestic customers. Stocks are at a satisfactory level. Buyers are very cautious, only ordering what they need to fill gaps in their inventories. However, construction activity is now restarting after the prolonged winter. The more sophisticated grades of plate are showing signs of increased demand, with machinery building being particularly buoyant. In France, there has been an uptick in the number of serious enquiries for middle-sized deals which leads suppliers to hope for an improvement in order books for June. There is some concern regarding two major Italian rerollers who may redirect their exports into other EU member states. Italian domestic prices have fallen once again and the processors are struggling to cover their costs. The market situation is very poor, with no foreseeable recovery in the near term.

UK demand for commodity quality plate remains dismal due to a lack of new major infrastructure projects. We can detect no signs that the proposed price hike has been implemented, despite a scarcity of third country imports at present. Although some larger sizes are due soon from the Far East. Distributors complain that resale prices are "brutal", with some service centres not considering replacement costs. The higher specifications are performing better. The yellow goods industry is picking up. We have noted another downward price development in Belgium. Offers from third countries are becoming cheaper in Spain. At €450/460 per tonne, CFR, they could be attractive. However, demand is extremely soft, so service centres do not have sufficient finance to take advantage. Many distributors are only buying against orders already on their books.

COLD ROLLED COIL

The price trend in Germany is negative but not dramatically so. French values have slipped by around €10 per tonne. Cold rolled basis numbers have steadied in Italy, after falling in the previous month. No significant change to market conditions is expected before the summer vacation.

There is less competition for business on this product than for hot rolled coil in the UK but basis prices have still been cut by around £15 per tonne. Russian and Indian material is being quoted at £480 per tonne, effective

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	560	540	720	712
France	550	540	707	712
Italy	530	530	681	699
UK	475	460	723	717
Belgium	560	540	720	712
Spain	560	540	720	712

Note: Exchange rates used for conversion are based on the figures given in our currency exchange rate table.

TABLE 4. FLAT ROLLED PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Belgium (€)	Spain (€)
Hot Rolled Coil	High:	510	505	500	425	502	500	480
	Low:	460	465	460	400	472	460	460
Hot Rolled Plates	High:	560	530	510	500	590	530	535
	Low:	520	480	470	470	555	490	485
Cold Rolled Coil	High:	580	590	580	495	584	590	580
	Low:	540	540	530	460	543	540	540
Hot Dipped Galvanised Coil	High:	580	570	560	510	602	580	570
	Low:	540	520	510	470	555	530	530
Electro-Zinc Coated Coil	High:	590	600	590	525	620	610	590
	Low:	540	560	550	485	573	560	550
Stainless Cold (a) Rolled Type 304	High:	1120	1080	1000	1025	1210	1090	1030
	Low:	1020	1030	950	955	1128	1040	980
Stainless Cold (a) Rolled Type 430	High:	1110	1090	935	1045	1234	——	1027
	Low:	1060	1040	885	1020	1204	——	997

MONTH on MONTH % CHANGE		Germany	France	Italy	UK (£)	UK (€)	Belgium	Spain
Hot Rolled Coil	Low:	-4.2	-5.1	-2.1	-4.8	-5.2	-4.2	-4.2
Hot Rolled Plates	Low:	0.0	0.0	-2.1	0.0	-0.4	-2.0	-1.0
Cold Rolled Coil	Low:	-3.6	-1.8	0.0	-3.2	-3.6	-3.6	-3.6
H.D. Galv Coil	Low:	-3.6	-3.7	-1.9	-6.0	-6.3	-3.6	-3.6
E.Z. Coated Coil	Low:	-3.6	-1.8	-1.8	-4.9	-5.1	-3.4	-3.5
S/S CR Type 304	Low:	-2.9	-1.9	-3.1	0.0	-0.4	0.0	0.0
S/S CR Type 430	Low:	0.0	0.0	-1.7	0.0	-0.4	——	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.

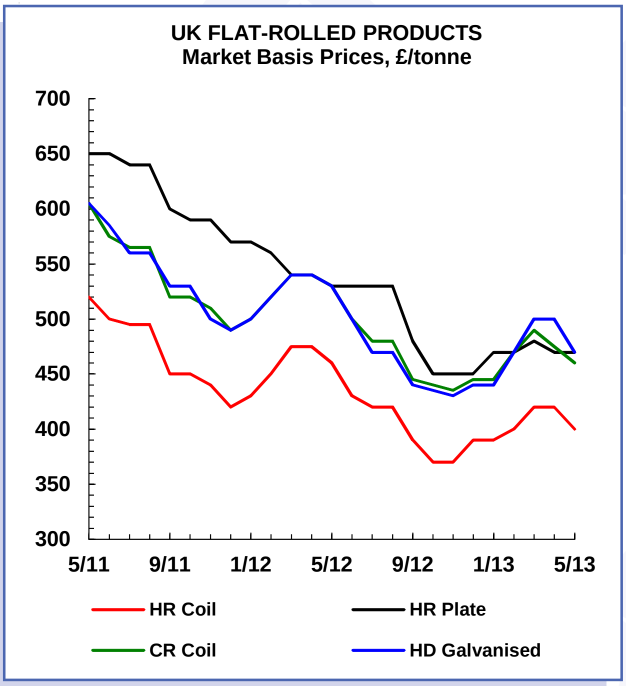
The data contained in this newsletter has been obtained from respondents who we consider provide accurate intelligence on the steel market. We make our best endeavours to be assured that the information is correct and that our analysis is reliable. MEPS (International) Ltd. cannot be made liable for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

delivered. Order books are poor in Belgium and mills can deliver very quickly. Although there is no real third country import competition, local producers are unable to lift prices because consumption is so muted. In fact, we have noted a discount of €20 per tonne compared with April. Local producers have been forced to make concessions in Spain.

COATED COIL

German auto production is still relatively strong but even sales of the premium brands are starting to suffer and there is some nervousness in the market. Basis prices for hot dipped galvanised coil in the general market continue to weaken. The French vehicle industry has revised its forecasts down significantly, which is having a major impact on service centres. Selling values of galvanised steel have lost another €20 per tonne. The Italian market is very depressed. There is severe oversupply leading to renewed negative price pressure. Domestic car sales have plummeted and construction activity is dire. Auto schedules in the UK are generally down on last year with one or two exceptions. Ex-mill basis figures have been trimmed by £30 per tonne since our last report. Distributors are also discounting heavily to keep steel moving. Offers from the Far East are reducing in price but, because arrival time is quoted as September, the majority of buyers are not willing to take the risk. Ex-mill basis figures have been marked down in Belgium, where distributors' margins are very depressed. Spanish customers have negotiated a €20 per tonne decrease.

In Germany, the steelmakers have failed to hold on to last month's basis values for sales of electro-zinc coated coil. French figures are also lower than those quoted in our last issue. Prices continue to trend downwards in Italy, where domestic appliance output has slumped in recent times.



In the relatively small UK market, selling numbers from mainland European suppliers are below those in the previous month. Producers have conceded a €20 per tonne discount in Belgium and Spain.

COLD ROLLED STAINLESS COIL

In April, there was a moderate drop in cold rolled austenitic stainless steel basis figures in Germany and France – mostly in response to the availability of cheap material from southern Europe. A fall was also noted in Italy, where prices were very low and the mills may even be prepared to apply further discounts for large volumes. Elsewhere, basis numbers were unchanged but sales were slow. Ferritic basis prices held up generally but some weakness was starting to develop in the Italian market.

LONG PRODUCTS

A large number of public holidays across Europe has slowed purchasing activity during May. Long product prices continue to drift downwards. A softening scrap market has not helped the situation.

WIRE ROD

Low carbon wire rod producers in Germany have held on to their April figures. Order intake for recoil is slow, despite the onset of spring. There is negative price pressure from Eastern Europe. Customers question how these cheap offers are achievable. Unfair trading practices are suspected. In France, selling values for drawing rod are stable, whereas those for mesh quality material have slipped since our last report. Italian low carbon wire rod prices are unchanged from April, even though order intake is dull as the economy stagnates. Sales of recoil are poor, with orders very difficult to acquire. Nevertheless, producers have managed to roll over last month's figures.

UK domestic sales activity in the basic drawing grades remains subdued. We have noted marginal price deterioration. However, the mills are seeing more enquiries from customers in mainland Europe. The increase achieved on recoil selling values in April has been maintained. Drawing quality values have not changed in Belgium, although there is a lack of demand for the higher specifications. In Spain, we have no price developments to report for low carbon material. The mesh quality market remains weak but suppliers have implemented a small rise.

MEDIUM SECTIONS AND BEAMS

A lack of orders is preventing the European mills from lifting structural sections' prices. Customers are waiting as long as possible before concluding business. The mills have offered lower effective values again this month, to try to stimulate the market.

In Germany, we have noted downward movement of around €30 per tonne. Demand remains weak. There is oversupply. Moreover, scrap costs are also reducing. The French construction and public works sector has improved slightly. Nevertheless, effective values are lower by €20 per tonne, compared with April. Competition is fierce amongst distributors. A number are offering very low resale prices. For the second consecutive month, Italian producers of structural sections have refused to concede any further discounts. A shortage of investment in the construction industry continues to have a detrimental effect on demand.

In the UK, ex-mill values for May rollings have eased down

TABLE 5. LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany (€)	France (€)	Italy (€)	UK+ (£)	UK+ (€)	Belgium (€)	Spain (€)
Wire Rod (b)	High:	530	530	520	480	567	530	520
	Low:	510	500	500	440	519	500	500
Medium Sections	High:	580	590	545	505	596	610	580
& Beams (c)	Low:	540	560	525	475	561	560	530
Rebar (d)	High:	260	265	250	470	555	270	260
	Low:	240	235	240	440	519	240	240
Merchant Bar (e)	High:	180	160	175	490	579	160	195
	Low:	140	140	155	470	555	140	145
MONTH on MONTH % CHANGE								
Wire Rod	Low:	0.0	0.0	0.0	-1.1	-1.5	0.0	0.0
M.Sect. & Beams	Low:	-5.3	-3.4	0.0	-1.0	-1.4	-5.1	-3.6
Rebar	Low:	0.0	-4.1	9.1	0.0	-0.4	-4.0	9.1
Merchant Bar	Low:	-12.5	-9.7	3.3	-1.1	-1.4	-12.5	0.0

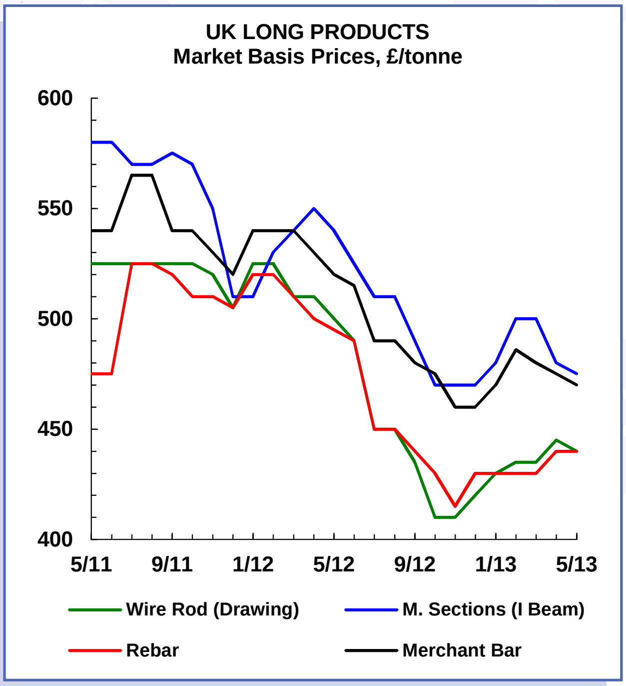
BASIS PRICE AND PRODUCT DEFINITIONS

* 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.

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.



fractionally. There is renewed pressure on distributors' resale prices. So far, 2013 business has been slow and confidence has been undermined further by recent financial failures in the fabrication sector. End-users are keeping their stocks very low. South Korean offers are around £30 per tonne below current market prices but the order quantities required are on the high side. In Belgium, effective figures have declined by as much as €30 per tonne. Some suppliers are talking of price rises now the winter is over, bringing expectations of greater construction activity. However, market participants are not seeing any improvement, so far. Service centres are fighting for a share of a very small cake. Prices have fallen in Spain where sales are tepid.

REINFORCING BAR

The demand situation is dire throughout Europe. Stocks at the cutters and benders are overfull. Material, ordered at the back end of last year and delivered in January/February, did not start to be consumed until the beginning of last month because of the severe weather conditions. The mills are also carrying excess inventories which enable customers to buy small quantities at short notice. Despite the closure of one producer, there is still significant oversupply. It is difficult to predict if and when prices will see any substantial recovery.

In spite of a number of ongoing construction projects, German basis values remain under pressure due to excessive levels of supply. There are very few deals being concluded and large volumes could command lower prices than those tabled. Moreover, there remains a threat from offers of East European material. French demand is weak, even though sales were slightly higher in April than in March. Prices have come down over the last four weeks. The shortness of the month of May, due to the number of public holidays, together with a fall in scrap costs, may put further negative pressure on basis figures. There has been a slight uptick in sales activity in the Italian market, which has had a small beneficial effect on domestic values this month. However, despite offering at low prices, producers are not concluding the volume of export business they need.

UK demand, which is steady, albeit at a low level, has not revived as much as expected following the Easter break. Customers are postponing ordering and then only buying what they really need. The £10 per tonne rise, implemented in early April and reported last month, remains in place. However, recent scrap weakness could force producers to discount, despite their already dismal margins. Mill order books are poor in Belgium even though there were hopes that, as the weather improved, so would construction activity. Spanish local values, which were at a particularly low level, have been boosted a little. In contrast, export offers are being made at €455/460 per tonne, FOB. The North African market is especially slow, with very few enquiries.

MERCHANT BAR

Customers have a surfeit of stock, thus creating a slowdown in mill orders. Producers are offering discounts to try to kick-start business activity.

In Germany, the construction outlook is uncertain. Merchant bar basis prices continue to decline. French suppliers have been pushed into agreeing another €15 per tonne decrease, due to ongoing tepid demand. Resale values are reducing as distributors fight for orders. Concerted efforts by the Italian mills have resulted in a

MEPS INDUSTRIAL SECTOR STEEL PURCHASING PRICE INDICES - EU AVERAGE

January 2007=100	*Apr-13*	*May-13*
Construction Industry	96.5	98.4
Household Appliances	83.2	83.0
Machinery Sector	88.6	89.7
Shipbuilding Industry	76.4	77.9
Shipping Containers	92.5	91.8
Yellow Goods	95.9	95.7

marginal upward price movement, despite a dismal level of order intake in a weak economic climate.

UK customers are hesitant to place new business, leading to extreme pressure on the mills to concede discounts. Domestic suppliers are discouraged from exporting by the strengthening of sterling against the euro. Belgian demand is quite low – distributors report that sales volumes are down on last year. There is a great deal of competition between service centres, causing renewed pressure on resale figures. The lack of activity is forcing mill prices down. The mills have held on to April basis numbers in Spain, where demand from end-users is lacklustre.

MARKET/INDUSTRY SCENE

PRODUCTION

ArcelorMittal Flat Carbon Europe produced 7.279 million tonnes of crude steel in the first quarter of 2013. This represents an increase of 1.4 percent, year-on-year. In contrast, steel shipments declined by almost 8 percent, in the same period, to 6.890 million tonnes.

CAPACITY/INVESTMENT

Tata Steel intends to reline the Queen Anne blast furnace at the Scunthorpe plant in the UK. The work is expected to commence later this year and cost £50 million. Completion is scheduled for 2014.

NLMK DanSteel has commissioned a new DKr750 million rolling stand in Frederiksværk, Denmark. It will produce plate with a width of up to 4 metres and a thickness in the range of 5 to 200 millimetres. The company is part of NLMK Europe Plate, a division of the Russian NLMK Group.

Hüttenwerke Krupp Mannesmann (HKM) is to modernise a continuous slab caster at its Duisburg-Huckingen steelworks in Germany. The investment will improve product quality and increase capacity by approximately 10 percent. Start-up is expected by the end of 2013.

RESTRUCTURING

ThyssenKrupp has announced plans to sell its railway and construction businesses. GfT Gleistechnik and GfT Bautechnik have combined annual sales of approximately €400 million and around 800 employees. The German conglomerate is attempting to streamline its operations. ThyssenKrupp has recently sold its stainless steel business to Outokumpu and is disposing of its Steel Americas division.

MEDIUM TERM PRICE FORECASTS

The MEPS - EU Average Hot Rolled Coil price decreased by €18 per tonne in May. Hot rolled plate selling figures were relatively stable after falling in the previous month. Competition between mills for orders remained severe as supply continued to be in excess of demand.

Buyers anticipate further declines in transaction values during the coming months. As a result, they are expected to keep inventory levels to a minimum in the short term. However, a significant collapse in steel prices is unlikely because the producers' profit margins are already squeezed.

There is the potential for a temporary increase in selling figures, during the autumn, as customers procure material to meet their requirements for the fourth quarter. However, there are downside risks to our forecasts if the seasonal uptick in sales fails to materialise. Consequently, transaction values may fall further than predicted in the final trimester. A more pronounced upturn in prices is envisaged in the early part of 2014.

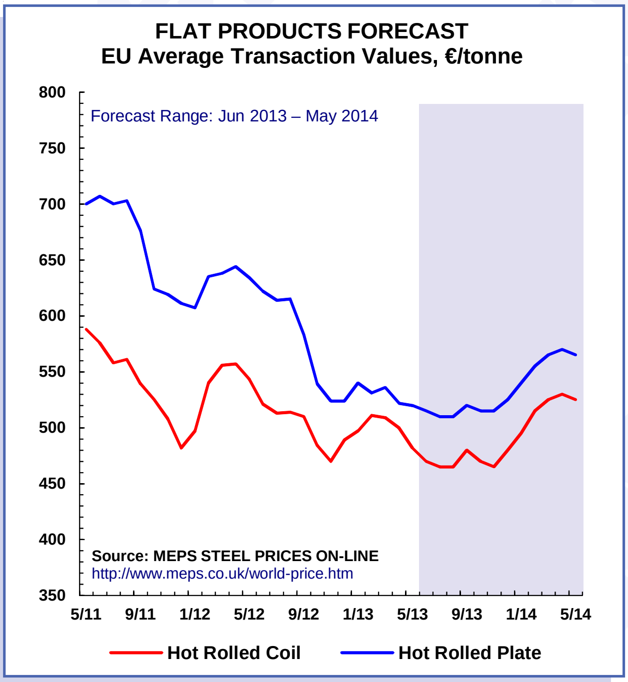


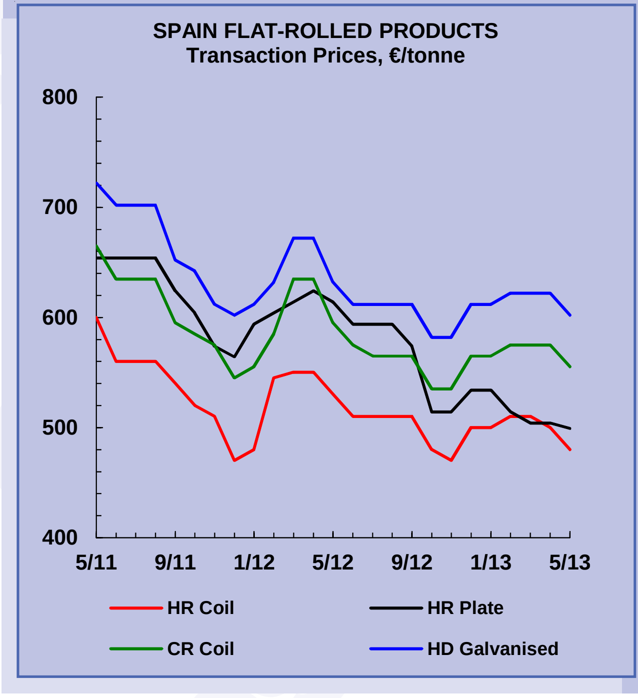
TABLE 6. EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

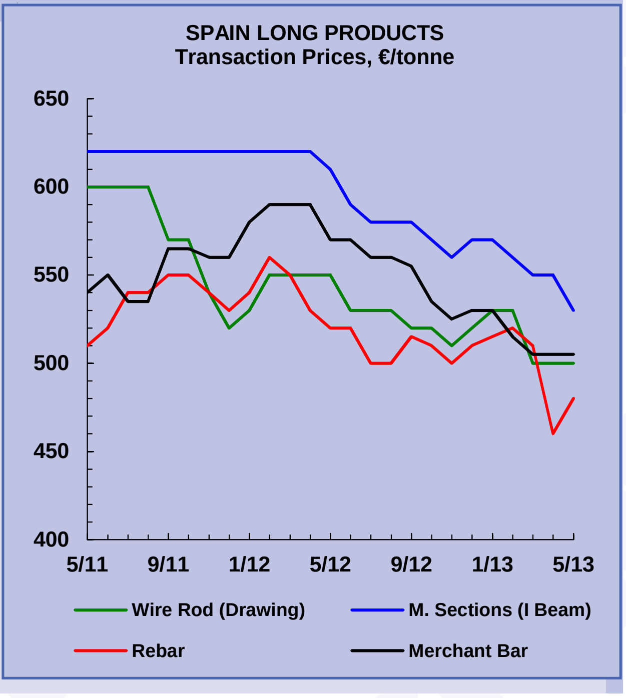
Euro/metric ton	Actual	Forecast					
	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Hot Rolled Coil	482	470	465	465	480	470	465
Hot Rolled Plate	520	515	510	510	520	515	515
Cold Rolled Coil	553	540	535	535	550	540	535
H.D. Galv Coil	602	595	590	590	605	595	590
E.Z. Coated Coil	609	600	595	595	615	610	605
Wire Rod	478	475	480	480	495	490	485
M. Sect. & Beams	597	590	595	595	615	610	605
Rebars	482	470	470	470	480	475	470
Merchant Bar	529	525	530	530	545	540	535

PRICE AND PRODUCT DEFINITIONS

Wire Rod - Mesh Quality **Medium Sections and Beams** - H Beam **Merchant Bar** - Equal Angle

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.





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:	521	530	525	520	441	521	500
	Low:	482	480	485	480	416	491	480
Hot Rolled Plates	High:	561	575	545	520	514	607	549
	Low:	520	535	495	480	484	571	499
Cold Rolled Coil	High:	597	595	605	595	508	600	595
	Low:	553	555	555	545	473	558	555
Hot Dipped Galvanised Coil	High:	647	652	642	632	563	665	642
	Low:	602	612	592	582	523	617	602
Electro-Zinc Coated Coil	High:	654	649	659	649	568	671	649
	Low:	609	599	619	609	528	623	609
Stainless Cold (a) Rolled Type 304	High:	1096	1120	1080	1000	1025	1210	1030
	Low:	1022	1020	1030	950	955	1128	980
Stainless Cold (a) Rolled Type 430	High:	1086	1110	1090	935	1045	1234	1027
	Low:	1041	1060	1040	885	1020	1204	997

LONG PRODUCTS price/metric ton		EU AVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Wire Rod (Drawing quality) ✹	High:	538	548	530	520	492	581	520
	Low:	514	528	500	500	452	534	500
Wire Rod (Mesh quality)	High:	502	490	510	495	465	549	510
	Low:	478	470	480	475	435	514	480
Medium Sections and Beams (I beam)	High:	579	580	590	545	505	596	580
	Low:	543	540	560	525	475	561	530
Medium Sections and Beams (H beam)	High:	641	650	640	630	550	649	620
	Low:	597	600	600	595	510	602	580
Reinforcing Bars	High:	500	500	505	490	470	555	500
	Low:	482	480	475	480	440	519	480
Merchant Bars (50mm diameter)	High:	543	540	520	535	490	579	555
	Low:	512	500	500	515	470	555	505
Merchant Bars (Equal Angle)	High:	560	560	540	555	490	579	575
	Low:	529	520	520	535	470	555	525

✹ *Includes supplementary surcharge in the UK.*

CURRENCY EXCHANGE RATES

May 1 - 2013

		Units/ US$	Units/ Euro
Eurozone	(€)	0.758	1
UK	(£)	0.642	0.847

NEXT MONTH'S ISSUE

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

Express Price Tables will be dispatched by e-mail in excel format on 11 June 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	*Apr-13*	*May-13*
Hot Rolled Coil	191.6	184.7
Hot Rolled Plate	181.9	181.2
Cold Rolled Coil	155.8	151.9
H.D. Galvanised Coil	135.1	130.6
Electro Zinc Coated Coil	148.9	144.7
Stainless Steel Type 304	85.0	83.2
Stainless Steel Type 430	92.7	92.5
Wire Rod	194.0	194.0
M. Sections & Beams	182.7	176.9
Reinforcing Bar	207.5	212.3
Merchant Bar	195.9	192.5

Note:-

Wire Rod (Drawing Quality) - 5.5mm diameter.
Medium Sections and Beams - Category C1. I Beam.
Merchant Bar - 50mm diameter.
Stainless Steel - Excluding alloy surcharge.

TRANSACTION PRICE AND PRODUCT DEFINITIONS

Transactions 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)

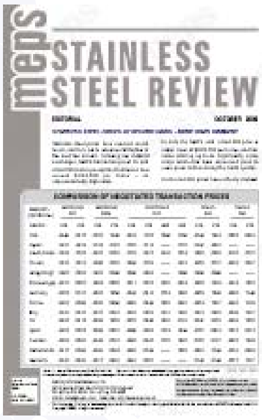
A sister publication to the European Steel Review. The range of data is extended in this report. Price and market information is supplied for a further six nations, including - Denmark, Sweden, Finland, Holland, Austria and Norway. Euro comparisons are also included. Details of Nordic Average Steel Transaction 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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