

# MEPS EUROPEAN STEEL REVIEW

KEYNOTE

DECEMBER 2013

## THE MEPS EU AVERAGE STEEL PRICE IN 2014 EXPECTED TO BE UP ON 2013

As anticipated, the basis increase proposed by the European flat products producers for the first quarter 2014 has not been secured for January production. Demand remains slow across the region. Negotiations for the remainder of period one are ongoing. Third country imports are being quoted at similar prices to those from domestic suppliers. Taking into account quantity, quality and delivery lead time issues, buyers are showing little interest.

Not all deals for delivery in the first trimester have been concluded, in Germany. However, those companies that have settled report a "no change" situation, certainly for January business. Some mills are still hoping to charge more for February/March but this may not be achievable. Demand

is still slow, although forecasts for 2014 are better. Stock levels are normal, with a number of service centres trying to offload material at cheap prices before their fiscal year-end. This could lead to a period of restocking in the New Year. Third country offers are comparable to European ones at present, with much longer delivery lead times.

In France, distributors are refilling their inventories for the start of 2014. However, prices for the first quarter have not yet been finally agreed as market participants wait for the outcome of the contract negotiations with the auto industry. Mill attitudes towards first trimester basis values range from ArcelorMittal's proposed €30 per tonne increase to stabilisation or even a decrease. Forecasts still predict a slight improvement in steel market

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

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

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activity next year.

Italian domestic demand is weak with few transactions being concluded in the final few weeks of this year. There is still a large amount of economic uncertainty which is especially affecting the auto and construction sectors. Activity in the latter industry is expected to reduce again in 2014, due to a lack of investment. The proposed price rises have succeeded in halting any further deterioration. Service centres report that the end-users are resisting any attempts to lift resale values and some distributors are making disastrously low offers. Delivery lead times from local suppliers are down to three to four weeks and six to eight weeks from elsewhere in Europe. Material from the Far East is looking more attractive due to the current exchange rates.

A number of UK distributors state that business levels in November were not quite as buoyant as the previous month but were still reasonably good. Resale values are firm, leading to improved profit margins. The rise proposed by the mills for the start of next year has not been charged

for January rollings. However, if demand continues to strengthen it may well be implemented for February or March. Importers are continuing to use exchange rate volatility to their advantage.

The Belgian market is quiet ahead of the Christmas/New Year holiday period. Market sentiment is cautiously optimistic now as the outlook for 2014 shows recovery. Producers are quoting around €30 per tonne more for first quarter deliveries. An increase may prove possible since the level of inventories at service centres and end-users is low.

The main steel consuming sectors of auto and construction are weak at present in Spain. Buyers have concluded January deals at the same price as in November. Negotiations for February/March deliveries are still underway but the outcome could be a rise of €15/20 per tonne. The resale market is poor. End-users do not want to pay more to the distributors. Service centre inventories are at a satisfactory level, with no necessity to restock or reduce.

## FLAT PRODUCTS

### HOT ROLLED COIL

During discussions for the first trimester, German customers have resisted the mills' moves to lift prices for January business. The pipemakers have seen a pickup in their order books for early 2014 delivery, so sentiment in that sector has improved. Their overseas sales, particularly in the US, are stronger. Third country coil is being quoted at similar levels to the domestic mills. Prices are generally unchanged in the French market, where lead times are extending. We have noted a small number

of late fourth quarter deals at €450 per tonne, basis. Activity remains somewhat subdued. Purchasing is almost at a standstill in Italy. Coil is on offer from Turkey, India and Russia, but the differential to European prices is tiny. Ilva is trying to lift basis figures but buyers refuse to pay more.

Despite concerns about third country competition, UK domestic suppliers have held hot rolled basis numbers at the lower level established last month. The market is quiet as the Christmas holiday period approaches. At

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

price/metric ton		2013					
		JUL	AUG	SEP	OCT	NOV	DEC
Wire Rod	High:	510	510	530	535	535	535
	Low:	490	490	510	515	515	515
Medium Sections and Beams	High:	570	570	580	590	580	585
	Low:	530	530	540	550	540	545
Rebars	High:	240	240	275	275	265	265
	Low:	220	220	255	255	245	245
Merchant Bars	High:	170	170	200	210	200	200
	Low:	130	130	160	170	160	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

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

	<b>Oct-13</b>	<b>Nov-13</b>	<b>Dec-13</b>
<b>EU Average</b>	78.0	76.7	76.9
<b>Year-on-year % +/-</b>	-2.6	-2.4	-3.8

\* Jan 07 = 100 - based on transaction prices

\*\* STEELPPI - Steel Purchasing Price Index

present, in Belgium, the mills are reportedly only taking bookings for January and February. They have not secured the proposed increase as current demand is quite dull. Resale values continue to move down. However, a number of distributors are considering rebuilding stocks a little because they expect activity to be better next year. Spanish sales are slow with no significant improvement in demand. Customers have opposed suggested price hikes for January business.

### HOT ROLLED PLATE

There is overcapacity in the European plate market, where demand remains subdued. However, recent economic forecasts suggest some improvement in consumption during 2014/2015, albeit from a low level. At present, the construction and line-pipe sectors, especially, are hard hit. The latter industry has seen many projects delayed but a major Black Sea development suggests better sales next year. Import penetration for the commodity grades of plate is low. Current offers from overseas are only slightly cheaper than their European counterparts, offering no significant advantage to buyers. Stocks are well controlled.

German basis values for commercial qualities are unchanged from last month. Distributors continue to keep inventories under control as their sales to end-users are lacklustre. French plate buyers have become more active. However, a price war is developing. While rerollers have been attempting to raise their basis figures, following an increase in slab prices coming from Russia and Ukraine, integrated suppliers are discounting in order to conclude deals. Meanwhile, third country material is also being offered cheaply. Plate consumption has fallen considerably during the course of this year. Nevertheless, sales to stockholders are reviving. Although Italian rerollers need to lift basis numbers because of escalating slab costs, they have so far been unable to do so in the local market. There is a lack of purchasing activity at home and abroad.

Despite a number of UK distributors reporting that enquiry

levels have climbed recently, resale values are unchanged. Ex-mill prices have not moved, month-on-month, despite the desire of steelmakers to lift them. Delays in the arrival of imported material are creating shortages at some service centres. Overseas suppliers have boosted prices for forward business by around £10 per tonne but this initiative is not demand-driven. Basis numbers continue to drop in Belgium, whereas they are unchanged in Spain, where Chinese and Indian imports are quoted at €440/445 per tonne, effective.

### COLD ROLLED COIL

In Germany, customers and steelmakers have agreed to roll over last month's basis values for the early part of the first quarter 2014. Mill delivery lead times are still fairly short in France, allowing the service centres to keep low stocks. Basis figures are firm. There are few transactions in Italy. Market values are volatile. Turkish suppliers are offering but their quotations are not competitive. Russian material is available at €480/490 per tonne CIF Marghera, depending on product.

**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>	520	520	701	705
<b>France</b>	520	520	701	705
<b>Italy</b>	500	500	674	678
<b>UK</b>	440	430	701	704
<b>Belgium</b>	530	520	714	705
<b>Spain</b>	490	490	660	664

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	460	405	489	480	440
	Low:	440	440	420	380	459	440	420
<b>Hot Rolled Plates</b>	High:	540	540	510	480	580	530	505
	Low:	500	490	470	450	543	490	455
<b>Cold Rolled Coil</b>	High:	560	560	550	465	562	570	530
	Low:	520	520	500	430	519	520	490
<b>Hot Dipped Galvanised Coil</b>	High:	560	560	530	490	592	570	530
	Low:	520	520	480	450	543	520	490
<b>Electro-Zinc Coated Coil</b>	High:	570	570	570	505	610	590	570
	Low:	520	540	530	465	562	540	530
<b>Stainless Cold (a) Rolled Type 304</b>	High:	1120	1085	1030	975	1178	1060	1010
	Low:	1020	1035	980	905	1093	1010	960
<b>Stainless Cold (a) Rolled Type 430</b>	High:	1090	1070	935	1025	1238	—	1007
	Low:	1040	1020	885	1000	1208	—	977
<b>MONTH on MONTH % CHANGE</b>								
<b>Hot Rolled Coil</b>	Low:	0.0	0.0	2.4	0.0	2.2	0.0	0.0
<b>Hot Rolled Plates</b>	Low:	0.0	-2.0	0.0	0.0	2.3	-2.0	0.0
<b>Cold Rolled Coil</b>	Low:	0.0	0.0	0.0	-2.3	0.0	-1.9	0.0
<b>H.D. Galv Coil</b>	Low:	0.0	0.0	0.0	0.0	2.3	0.0	0.0
<b>E.Z. Coated Coil</b>	Low:	0.0	0.0	0.0	-1.1	1.3	0.0	0.0
<b>S/S CR Type 304</b>	Low:	0.0	0.5	0.5	0.0	2.3	0.0	0.0
<b>S/S CR Type 430</b>	Low:	0.0	0.0	0.0	0.0	2.3	—	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.



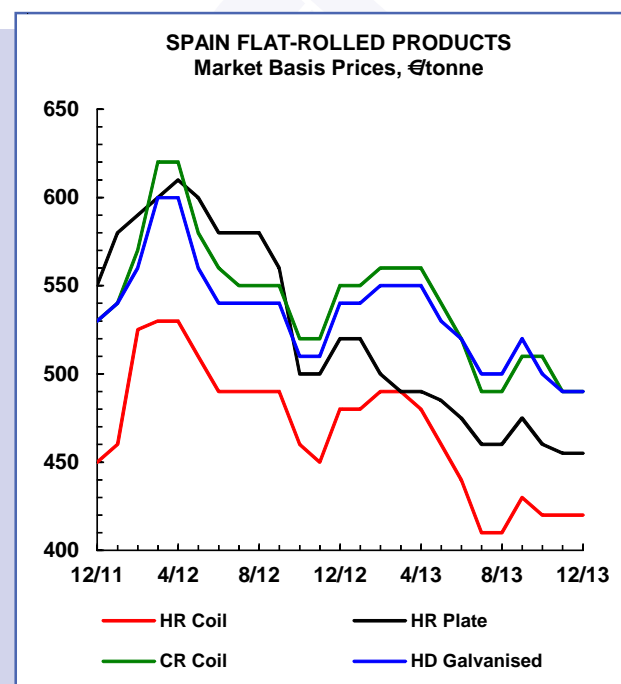
UK prices have fallen by another £30 per tonne. There is negative pressure from Russian producers who are establishing a good supply base in the UK. Currently, they are quoting £460/465 per tonne, effective delivered. In Belgium, basis numbers are €10 per tonne below those in our November report as buyers only purchase small quantities ahead of the year-end. The amount of business being transacted in Spain is extremely small. Demand is dismal. Suppliers have agreed not to impose a price hike for January business.

## COATED COIL

With the exception of Opel, auto production is still on a good level in Germany. Demand for hot dipped galvanised coil from the construction sector is less buoyant. Basis numbers have not changed from November. French auto demand remains muted. Coated material is available on quite a rapid turnaround. Selling values have stopped falling. The Italian vehicle manufacturing sector is depressed at present and the prospects for next year are pessimistic. Sales of coated steel are slow and there is a great deal of internal competition.

In the UK, suppliers of galvanised material have maintained basis numbers at the lower level established in November. Cargoes of Chinese and Indian steel are due to arrive during the first trimester 2014. However, there is less tonnage ordered for further ahead, although Indian mills have reduced their offers for April by £5 per tonne. Signals for future growth in the car industry are healthy.

Similarly, in Belgium, vehicle sales are improving. Buyers in the rest of the market are paying the same as a month ago. Distributors expect that prices from their customers will improve shortly. Third country imports are becoming more attractive to Spanish clients as European steelmakers push for price advances. Auto activity is steady at a low level.



In Germany, the steelmakers have agreed to roll over November prices for January sales of electro-zinc coated coil. French figures are the same as those quoted in our last issue. Prices have contracted in Italy. In the UK, there has been further downward pressure on selling numbers from mainland European suppliers. Customers in Belgium agreed a “no change” situation. Values are also stable in Spain.

## COLD ROLLED STAINLESS COIL

In November, cold rolled austenitic stainless steel basis figures were unchanged in many European countries. There were small upward movements in France and Italy but they were quite insignificant compared with the alloy surcharge fluctuations. Quotations from the Far East were substantially lower than from local producers, although the long delivery lead times discouraged many buyers. Ferritic materials were steady.

## LONG PRODUCTS

### WIRE ROD

Low carbon wire rod producers have rolled over the November numbers in Germany. The mills have been trying to lift recoil prices by €10 per tonne to help cover their higher scrap costs but, so far, customers have resisted the move. Demand is weak, with very few large volume orders available. In France, values for the drawing rod have moved up marginally. Those for the mesh quality

have gained €10 per tonne, on the back of more expensive scrap. Italian low carbon wire rod figures have hardened a little. Some Russian material is arriving now at €450/480 per tonne, CIF. Order intake is dull. A poorly performing construction sector has led to lacklustre demand for recoil. However, producers have held on to prices this month.

Sales of the basic drawing qualities are flat in the UK but

values have climbed by £10 per tonne, as steelmakers push to recover their growing expenditure on raw materials. Finished mesh consumption is slightly improved. We have noted some positive influence on recoil numbers, mainly driven by rising scrap costs. Drawing quality figures have begun to move up again in Belgium, despite muted sales. In Spain, we have similar developments to report for low carbon material. The mesh quality remains depressed but prices are marginally higher than a month ago.

## MEDIUM SECTIONS AND BEAMS

In Germany, last month's negative price trend has been

reversed. However, the upward movement is only slight as customers are reluctant to place orders before the end of the year. French figures have climbed a little. Any further increases for Category C1 products may prove difficult to implement because competition is likely to remain strong, with Celsa selling significant quantities on the French market. It may prove easier to secure a rise on the bigger sections, which account for around thirty percent of consumption. Despite muted demand from an ailing construction sector, suppliers have won an increase in Italy, albeit a very small one.

It is proving difficult to lift prices in the UK, even though the rolling programmes of some suppliers are full for

**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	545	535	480	580	545	535
	Low:	515	515	515	440	531	515	515
<b>Medium Sections &amp; Beams (c)</b>	High:	585	580	550	510	616	600	575
	Low:	545	550	530	480	580	550	525
<b>Rebar (d)</b>	High:	265	280	255	470	568	280	250
	Low:	245	250	245	440	531	250	230
<b>Merchant Bar (e)</b>	High:	200	180	165	500	604	180	195
	Low:	160	160	145	480	580	160	145
<b>MONTH on MONTH % CHANGE</b>								
<b>Wire Rod</b>	Low:	0.0	1.0	1.0	2.3	4.5	1.0	1.0
<b>M.Sect. &amp; Beams</b>	Low:	0.9	0.9	1.0	0.0	2.3	1.9	1.0
<b>Rebar</b>	Low:	0.0	8.7	2.1	1.1	3.3	0.0	4.5
<b>Merchant Bar</b>	Low:	0.0	0.0	3.6	0.0	2.3	6.7	3.6

## BASIS PRICE AND PRODUCT DEFINITIONS

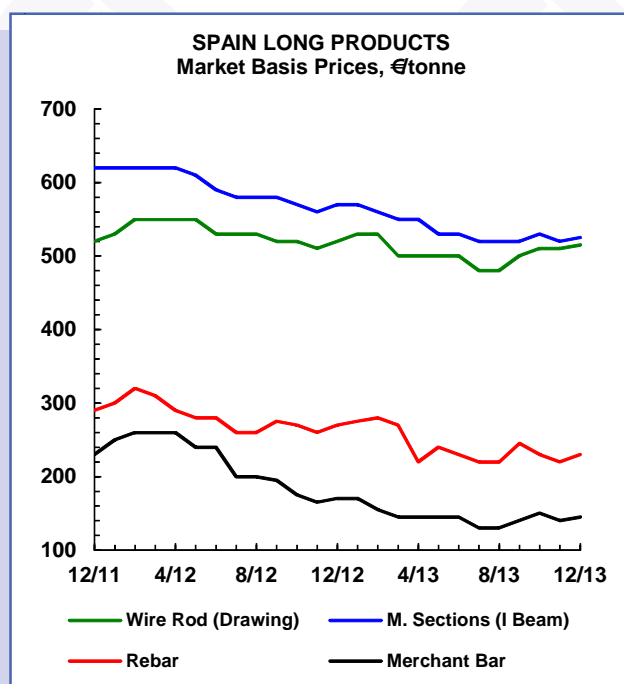
\* Due to the suspension of scrap surcharges by all major European producers from June 2010, MEPS basis prices for Medium Sections & Beams are now equivalent to transaction prices for category C1 beams.

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.



December. It could be that distributors have ordered material ahead of a perceived rise in the New Year. Certainly, there is talk of prices going up in the first quarter. Service centre stocks are in balance with current low demand. Consumption is expected to improve somewhat in 2014. In general, resale values have firmed. There is no real threat from third country imports. Belgian buyers report that there is little mill availability until the second half of January 2014. Consequently, a price advance proposed by producers has been accepted, at least in part. Steelmakers are pushing for more. Third country material has recently arrived in Antwerp but this is not undermining the market as prices are similar to European values. Spanish mills have gained a small rise. The trading environment remains lethargic, both at home and abroad.

## REINFORCING BAR

The overall situation in the European rebar market is still poor, with overcapacity amidst depressed domestic consumption. Nevertheless, raw materials are still expensive, leaving the steelmakers with little leeway for price reductions. Export opportunities are few in the traditional overseas markets of North Africa. The southern European producers are showing more interest in the US, where customers are looking for alternatives to Turkish supply since the instigation of antidumping proceedings against mills in that country.

German demand is flat as many companies do not want to commit to new orders at present. Moreover, the rebar makers are reluctant to build large order books into the

New Year in case scrap becomes even more expensive. Import volumes from Italy, Poland and Turkey are relatively low. In France, suppliers have implemented a €20 per tonne rise as their outlay on scrap escalates. Prices have hardened a little in Italy, despite overcapacity. The mills are quoting €450/460 per tonne, FOB, for overseas deals. However, they are finding that demand from the Algerian market is weak. New capacity will come on stream there during 2014.

UK figures are moving up in reaction to higher scrap costs. Mills report that market conditions are a little better than might be expected at this time of year, although they continue to closely monitor production. There is still import pressure from China and Turkey, with material arriving that was purchased earlier in the year. Belgian prices are quite stable. Supplies from domestic sources are plentiful. Despite extremely low activity in Spain's construction sector, local mills have been forced to hike their basis figures because of higher raw material costs. Market participants believe the building industry will require another two years, or more, to recover. Steelmakers are offering at €450 per tonne to export clients.

## MERCHANT BAR

Recently, the price tendency has turned slightly positive in a number of countries, with producers confident that they can impose further advances in the New Year as December rollings are now closed.

In Germany, the mills have failed to claw back the €10 per tonne decrease they conceded last month. Construction is still the weakest sector, despite being more active than elsewhere in the eurozone. French merchant bar prices are firm. Delivery lead times remain quite short. Italian steelmakers have won back a

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

January 2007=100	Nov-13	Dec-13	% change
<b>Construction Industry</b>	101.0	102.4	1.4
<b>Household Appliances</b>	80.7	81.0	0.4
<b>Machinery Sector</b>	91.5	92.5	1.1
<b>Shipbuilding Industry</b>	78.2	78.7	0.6
<b>Shipping Containers</b>	89.6	91.0	1.6
<b>Yellow Goods</b>	93.3	94.4	1.2

proportion of the discount they gave up in November. Nevertheless, order intake remains dismal in a weak economic climate.

Market sentiment has improved in the UK, where the general feeling is that the worst is over. Now that scrap costs are climbing, the mills will push for an increase on merchant bar values. Despatches from December 12 will cost £15 per tonne more. Producers are not anticipating any resistance, although resale values are soft. Belgian

distributors believe that the bottom of the market has now been reached. They are placing bookings ready for 2014. This has enabled the steelmakers to lift basis numbers by €10 per tonne and further hikes are anticipated before Christmas. Moreover, they have instigated new, higher extras of €20/30 per tonne on certain non-standard sizes. Having been forced to reduce selling figures in November, steelmakers have recently secured a small, cost-driven increase in Spain. Demand from end-users is lacklustre.

## MARKET/INDUSTRY SCENE

### ECONOMY

According to Eurostat, the statistical office of the European Union, construction output in the EU-28 expanded by 0.2 percent in September 2013, year-on-year. Industrial production grew by 1.2 percent in the same period. GDP increased by 0.2 percent in the third quarter, relative to the same three month period in 2012.

### AUTOMOTIVE

New commercial vehicle registrations in the EU-27 + EFTA declined by 2.8 percent in the first ten months of 2013, compared with the same period in the previous

year, according to data released by ACEA, the European Automobile Manufacturers' Association. A double-digit decrease was recorded in Italy, whereas a smaller decline was noted in France and Germany. Rises of 9.6 and 4.3 percent, respectively, were witnessed in the UK and Spain. The total number of new commercial vehicles registered in January to October 2013 was 1,448,868.

### CAPACITY/INVESTMENT

Salzgitter Mannesman Line Pipe has installed a new hydrostatic pipe tester at its Siegen plant in the German state of North Rhine-Westphalia. The company manufactures welded and seamless pipe.

## MEDIUM TERM PRICE FORECASTS

The MEPS - EU Average Hot Rolled Coil price increased by €5 per tonne in December. Selling figures for cold rolled material were stable.

Steelmakers' ambitions to lift transaction values should be partially realised early next year. A rise in iron ore costs and restocking activity are likely to underpin increases. Greater equilibrium between supply and demand, due to mill maintenance work in the winter break, should also support the anticipated upturn. The positive trend is likely to continue into the start of the second quarter but the recovery is likely to be short lived.

Steel prices are forecast to stall during the second trimester and are expected to be under negative pressure, going into the summer period. Purchasing activity additionally slows at this time. There is the possibility for a marginal seasonal uptick, in selling figures, in the third quarter. However, the overall price trend is likely to be negative until the year-end.

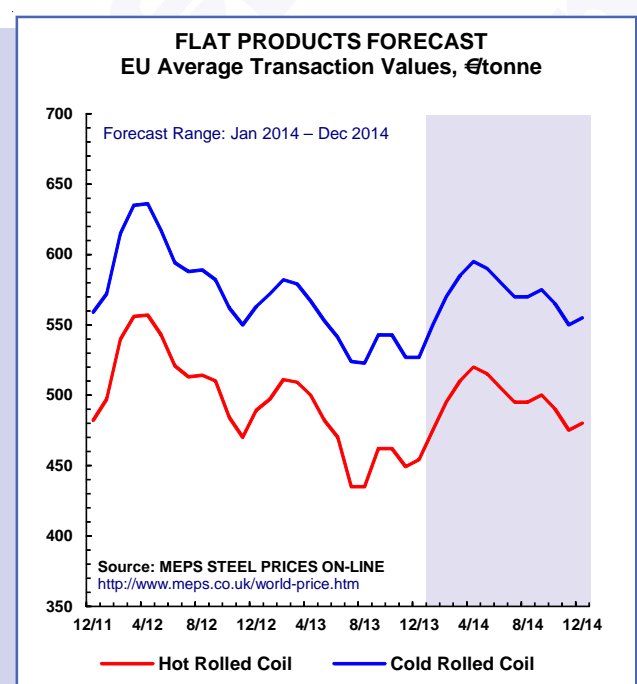


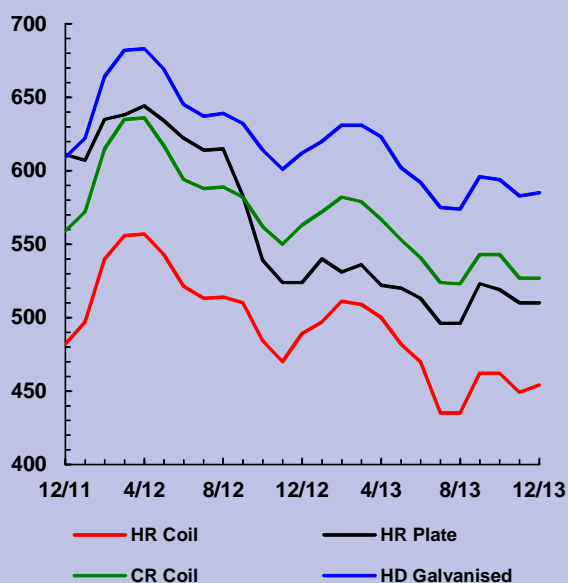
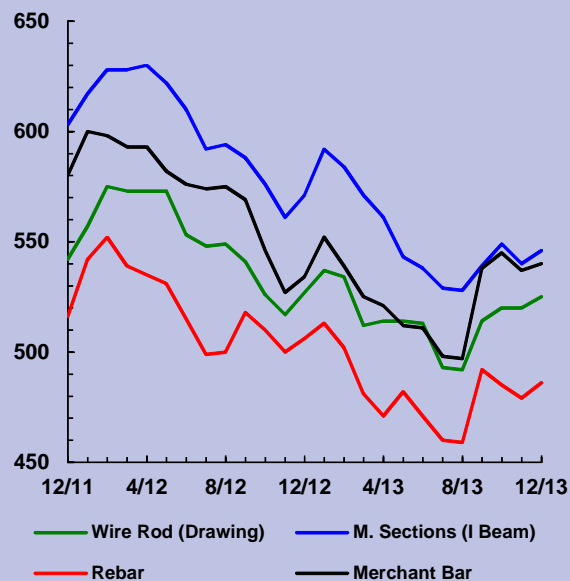


TABLE 6. EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

Euro/metric ton	Actual	Forecast					
	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Hot Rolled Coil	454	475	495	510	520	515	505
Hot Rolled Plate	510	530	550	560	565	560	550
Cold Rolled Coil	527	550	570	585	595	590	580
H.D. Galv Coil	585	605	625	640	645	640	630
E.Z. Coated Coil	591	615	635	650	655	650	640
Wire Rod (Drawing)	525	540	550	560	565	560	545
Wire Rod (Mesh)	489	505	515	525	530	525	515
M. Sections (I Beam)	546	565	580	590	595	590	580
M. Sections (H Beam)	600	620	635	645	650	645	635
Rebar	486	500	510	520	525	520	510
Merc Bar (Round)	540	553	563	568	573	568	558
Merc Bar (Eq Angle)	558	570	580	585	590	585	575

## 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.

EU AVERAGE FLAT-ROLLED PRODUCTS  
Transaction Prices, €/tonneEU AVERAGE LONG PRODUCTS  
Transaction Prices, €/tonne

# Transaction Price Data Sheet

**TABLE 7. NEGOTIATED DOMESTIC TRANSACTION PRICES**

FLATPRODUCTS price/metric ton		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	High:	493	510	500	480	421	508	460
	Low:	454	460	460	440	396	478	440
Hot Rolled Plates	High:	552	555	555	525	494	597	520
	Low:	510	515	505	485	464	560	470
Cold Rolled Coil	High:	570	575	575	565	478	577	545
	Low:	527	535	535	515	443	535	505
Hot Dipped Galvanised Coil	High:	628	632	632	602	543	656	602
	Low:	585	592	592	552	503	607	562
Electro-Zinc Coated Coil	High:	634	629	629	629	548	662	629
	Low:	591	579	599	589	508	614	589
Stainless Cold (a) Rolled Type 304	High:	1096	1120	1085	1030	975	1178	1010
	Low:	1022	1020	1035	980	905	1093	960
Stainless Cold (a) Rolled Type 430	High:	1073	1090	1070	935	1025	1238	1007
	Low:	1028	1040	1020	885	1000	1208	977
LONGPRODUCTS price/metric ton		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Wire Rod (Drawing quality)*	High:	549	553	545	535	492	594	535
	Low:	525	533	515	515	452	546	515
Wire Rod (Mesh quality)	High:	513	510	525	490	470	568	520
	Low:	489	490	495	470	440	531	490
Medium Sections and Beams (I beam)	High:	582	585	580	550	510	616	575
	Low:	546	545	550	530	480	580	525
Medium Sections and Beams (H beam)	High:	644	655	630	635	555	670	615
	Low:	600	605	590	600	515	622	575
Reinforcing Bars	High:	503	505	520	495	470	568	490
	Low:	486	485	490	485	440	531	470
Merchant Bars (50mm diameter)	High:	571	580	560	545	500	604	575
	Low:	540	540	540	525	480	580	525
Merchant Bars (Equal Angle)	High:	588	600	580	565	500	604	595
	Low:	558	560	560	545	480	580	545

\* Includes supplementary surcharge in the UK.

## CURRENCY EXCHANGE RATES

	US Dollars (US\$)		Euros (€)	
	1-Nov	2-Dec	1-Nov	2-Dec
<b>Eurozone (€)</b>	0.742	0.738	-	-
<b>UK (£)</b>	0.628	0.611	0.847	0.828

## NEXT MONTH'S ISSUE

The January issue of the European Steel Review will be dispatched by post & PDF on 21 January, 2014.

Express Price Tables will be dispatched by e-mail in excel format on 14 January, 2014.

Copies of our main basis price tables can be supplied by email direct to your desktop. These are available within hours of completing our research. They will reach you approximately one week before the publication dispatch date.

TRANSACTION PRICE INDEX - E.U. AVERAGE  
JANUARY 1997 = 100

Based on Euro values

	Nov-13	Dec-13	% change
<b>Hot Rolled Coil</b>	172.0	173.9	1.1
<b>Hot Rolled Plate</b>	177.7	177.7	0.0
<b>Cold Rolled Coil</b>	144.8	144.8	0.0
<b>HD Galv Coil</b>	126.5	126.9	0.3
<b>E-Z Coated Coil</b>	140.1	140.4	0.2
<b>SS CR Coil 304</b>	82.8	83.2	0.5
<b>SS CR Coil 430</b>	90.9	91.3	0.4
<b>Wire Rod (Drawing)</b>	196.2	198.1	1.0
<b>Wire Rod (Mesh)</b>	204.6	206.3	0.8
<b>M Sect (I Beam)</b>	175.9	177.9	1.1
<b>M Sect (H Beam)</b>	170.2	171.9	1.0
<b>Reinforcing Bar</b>	211.0	214.1	1.5
<b>Merc Bar (Round)</b>	201.9	203.0	0.5
<b>Merc Bar (Eq Angle)</b>	214.7	216.3	0.7

Note:- Stainless Steel - Excluding alloy surcharge.

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

		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
<b>Hot Rolled Coil</b>	Low:	1.1	0.0	0.0	2.3	0.0	2.1	0.0
<b>Hot Rolled Plate</b>	Low:	0.0	0.0	-1.9	0.0	0.0	2.2	0.0
<b>Cold Rolled Coil</b>	Low:	0.0	0.0	0.0	0.0	-2.2	0.0	0.0
<b>HD Galv Coil</b>	Low:	0.3	0.0	0.0	0.0	0.0	2.2	0.0
<b>E-Z Coated Coil</b>	Low:	0.2	0.0	0.0	0.0	-1.0	1.3	0.0
<b>SS CR Coil 304</b>	Low:	0.5	0.0	0.5	0.5	0.0	2.3	0.0
<b>SS CR Coil 430</b>	Low:	0.4	0.0	0.0	0.0	0.0	2.3	0.0
<b>Wire Rod (Drawing)</b>	Low:	1.0	0.0	1.0	1.0	2.3	4.6	1.0
<b>Wire Rod (Mesh)</b>	Low:	0.8	0.0	2.1	0.0	1.1	3.3	2.1
<b>M Sect (I Beam)</b>	Low:	1.1	0.9	0.9	1.0	0.0	2.3	1.0
<b>M Sect (H Beam)</b>	Low:	1.0	0.8	0.9	0.8	0.0	2.3	0.9
<b>Reinforcing Bar</b>	Low:	1.5	0.0	4.3	1.0	1.1	3.3	2.2
<b>Merc Bar (Round)</b>	Low:	0.6	0.0	0.0	1.0	0.0	2.3	1.0
<b>Merc Bar (Eq Angle)</b>	Low:	0.7	0.0	0.0	0.9	0.0	2.3	0.9

## 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.

The image shows the cover of the 'MEPS SUPPLEMENT TO EUROPEAN STEEL REVIEW'. It features a table titled 'TABLE 1: PLAT HEAVY-ROLL PRODUCTS - NEGOTIATED BASIS PRICES' with columns for product, unit, and price. The table lists various steel products like hot-rolled coils, cold-rolled coils, and plates, along with their respective prices in different units.

### 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.

The image shows the cover of the 'MEPS INTERNATIONAL STEEL REVIEW'. It features a table titled 'SUPPLEMENT OF TRANSACTIONS PRICES' with columns for product, unit, and price. The table lists various steel products like hot-rolled coils, cold-rolled coils, and plates, along with their respective prices in different units.