

MEPS EUROPEAN STEEL REVIEW

KEYNOTE

JANUARY 2014

MODEST STEEL PRICE UPTURN IN EU CONTINUES IN JANUARY

There has been very little activity in the European flat products market in the first two weeks following the Christmas and New Year holidays. The domestic mills still have little competition from third country suppliers who are offering at similar levels but with much longer delivery lead times. We noted some small basis increases in several countries in late December when producers withdrew most of their cheapest deals. Steelmakers do not consider that current prices are satisfactory and insist they need to lift them by €30/40 per tonne for April deliveries. Most first half 2014 contracts with the auto industry have been concluded at the same price as in the second half of last year.

In the German market, many companies that did

not order from the mills at the end of 2013 may now need to restock. So far, there has been only steady purchasing activity. Chinese suppliers are trying to sell material but their offers are at similar levels to those from the domestic producers.

The French market started up very slowly, following the end-of-year break. Market participants expect only a small number of new orders to be placed before mid-January. The mills are currently consolidating the modest rise obtained in December and pushing for further increases. Meanwhile, buyers are waiting to see if producers can really implement those advances or whether prices will just remain at the same level as at the end of 2013.

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

price/metric ton		2013					2014
		AUG	SEP	OCT	NOV	DEC	JAN
Hot-Rolled Coil	High:	470	500	500	490	490	490
	Low:	420	450	450	440	440	440
Hot-Rolled Plate	High:	530	545	545	540	540	540
	Low:	490	505	505	500	500	500
Cold-Rolled Coil	High:	560	570	570	560	560	560
	Low:	520	530	530	520	520	520
Hot Dipped Galvanised Coil	High:	560	570	570	560	560	560
	Low:	520	530	530	520	520	520
Electro-Zinc Coated Coil	High:	570	580	580	570	570	570
	Low:	520	530	530	520	520	520
Stainless Steel Type 304	High:	1100	1090	1100	1120	1120	1120
	Low:	1000	990	1000	1020	1020	1020
Stainless Steel Type 430	High:	1090	1090	1090	1090	1090	1090
	Low:	1040	1040	1040	1040	1040	1040

ISSN 1369-8583

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Annual Subscription
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We have noted a marginal improvement in Italian flat product basis numbers but there is a great deal of caution in the market. Sales have been better than expected but economic recovery is likely to be very fragile. Business at Ilva's Taranto works has not fully returned to normality, although there should be less uncertainty from now on. However, customers complain that delivery schedules cannot be guaranteed, especially where there are "just in time" requirements. There is strong competition from third country sources, with an influx of Russian material during December.

Growing optimism has developed in the UK steel industry. However, the strengthening pound makes the market more vulnerable to import offers, whilst at the same time stifling exports. A number of service centres report a promising start to 2014 and November was the busiest month of last year for large stockholders. Resale values are reasonably firm. The basis figures we last reported for January business also apply now for February. Steelmakers are hoping to achieve higher selling figures

for March but demand will dictate how hard they push. Mainland European suppliers are already benefiting from the currency exchange rate differential.

The Belgian market remains quiet. Delivery lead times from the mills are short. Producers are offering the same prices as quoted in December for March production. There is talk of increases for the second quarter together with reductions in output. Stocks at the distributors are normal and there is no speculative purchasing. Recent offers from third countries are at the European level or even slightly higher.

Most Spanish service centres have sufficient stock for the first quarter. They are keeping inventories as low as possible due to poor demand. Their resale prices have been hit severely, leading to very tight profit margins. There was some upward movement in ex-mill basis figures in late December and today's numbers are similar. Buyers believe the newly proposed hikes will be hard to achieve.

FLAT PRODUCTS

HOT ROLLED COIL

Many German service centres stocked up during the third and fourth quarters of last year and, consequently, were hesitant to order more material for the first trimester 2014. This lack of sales prevented the mills from implementing their planned price rise. Distributors still have quite a lot of inventory and general demand is not particularly high. However, the pipe makers are fairly satisfied with the number of incoming orders for the first six months of the year. French prices moved up a little in late December as delivery lead times extended. Activity remains subdued at the start of the new year. The Italian market

is described as "sleeping" since the holidays. Many distributors placed orders just before Christmas and are now covered for period one 2014. They paid around €10 per tonne more than in the previous month. Pipe makers have purchased quantities from Serbia at low prices and with very short delivery lead times. Indian material is now arriving at €430 per tonne CFR Marghera (Italy).

Suppliers to the UK have held hot rolled coil basis numbers at the December level for February rollings. They would like to impose a small increase for March and for the second quarter. Basis values of €440 per tonne are no longer available in the Belgian market. Demand is

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

price/metric ton		2013					2014
		AUG	SEP	OCT	NOV	DEC	JAN
Wire Rod	High:	510	530	535	535	535	535
	Low:	490	510	515	515	515	515
Medium Sections and Beams	High:	570	580	590	580	585	585
	Low:	530	540	550	540	545	545
Rebars	High:	240	275	275	265	265	275
	Low:	220	255	255	245	245	255
Merchant Bars	High:	170	200	210	200	200	200
	Low:	130	160	170	160	160	160

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

	Hot Rolled Plate		Hot Rolled Coil	
	Q3/13	Q4/13e	Q3/13	Q4/13e
EU Average				
Non Sour	107.5	108.2	126.3	128.1
Sour	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**

	Nov-13	Dec-13	Jan-14
EU Average	76.7	76.9	77.6
Year-on-year % +/-	-2.4	-3.8	-3.7

* Jan 07 = 100 - based on transaction prices

** STEELPPI - Steel Purchasing Price Index

quite dull and resale values are depressed. Although sales are weak in Spain, producers have withdrawn the very low offers of early December.

HOT ROLLED PLATE

The German mills are short of orders and are laying off workers as a result. The linepipe sector, in particular, has been very quiet in the past few months. Business is better for the higher specifications but these do not provide enough volume to fill producers' rolling programmes. Prices are steady for January/February at the December level. At the moment, no increases look possible. Indeed, distributors are calling for reductions of around €20 per tonne. Stock levels at end November were lower than in the previous year but sales also fell. Plate makers are trying to impose higher basis values in the French market but increases will need to be implemented gradually. Demand for the higher qualities is dull with much poorer margins than in the past. However, a lot of projects, which were put on hold last year, should start up during 2014. Italian customers have agreed to pay slightly more for commodity grade plate. Slab prices have escalated significantly and the small rise does not cover the increased outlay on raw materials. Chinese and Indian mills were quoting €420/430 per tonne C/F in December but there was a lack of purchasing interest at the end of the year.

Ex-mill prices have not moved in the UK, month-on-month, despite the desire of steelmakers to lift them. Producers are short of work. Commodity grade Indian material is available from the dockside. Plate of Italian origin has become more expensive, easing the negative pressure from that source. Offshore demand is encouraging at the start of 2014 but resale prices remain low as more distributors compete in that market sector. Basis numbers have moved up a little in Belgium. A similar situation exists in Spain, where Chinese imports are quoted at €430/440 per tonne, effective.

COLD ROLLED COIL

There has been no change to the basis values agreed

between German customers and steelmakers last month. Prices in France hardened as December progressed. Currently, mill delivery lead times are still relatively short, allowing service centres to keep low stocks. There are few new transactions in Italy. Distributors who purchased just before Christmas conceded an increase of €10 per tonne for their first quarter requirements. Service centres are complaining of poor resale values which are squeezing their profit margins. Russian material is arriving at €510/520 per tonne, CFR Marghera.

In the UK, the negative pressure from Russian producers has eased. Their new offers, at £468 per tonne, effective delivered, are now slightly more expensive than domestic quotations, which are steady at the level reported a month ago. In Belgium, basis numbers are unchanged from those in our December report. Buyers continue to purchase only small quantities. Spanish demand has not improved and no significant upturn is expected in the near term. Service centres have reduced resale values even more as they fight for orders. However, buyers were forced to pay more for deals made with the mills immediately prior to the Christmas holidays. Distributors

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

	Local Currency		US\$/metric ton	
	last month	this month	last month	this month
Germany	520	520	705	711
France	520	530	705	725
Italy	500	510	678	698
UK	430	430	704	707
Belgium	520	520	705	711
Spain	490	520	664	711

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:	490	490	470	405	487	490	450
	Low:	440	450	430	380	457	450	430
Hot Rolled Plates	High:	540	550	520	480	578	540	510
	Low:	500	500	480	450	542	500	460
Cold Rolled Coil	High:	560	570	560	465	560	570	560
	Low:	520	530	510	430	517	520	520
Hot Dipped Galvanised Coil	High:	560	570	540	490	590	570	560
	Low:	520	530	490	450	542	520	520
Electro-Zinc Coated Coil	High:	570	570	580	500	602	590	580
	Low:	520	540	540	460	554	540	540
Stainless Cold (a) Rolled Type 304	High:	1120	1080	1020	965	1161	1060	1010
	Low:	1020	1030	970	895	1077	1010	960
Stainless Cold (a) Rolled Type 430	High:	1090	1070	935	1015	1221	—	1007
	Low:	1040	1020	885	990	1191	—	977
MONTH on MONTH % CHANGE								
Hot Rolled Coil	Low:	0.0	2.3	2.4	0.0	-0.4	2.3	2.4
Hot Rolled Plates	Low:	0.0	2.0	2.1	0.0	-0.2	2.0	1.1
Cold Rolled Coil	Low:	0.0	1.9	2.0	0.0	-0.4	0.0	6.1
H.D. Galv Coil	Low:	0.0	1.9	2.1	0.0	-0.2	0.0	6.1
E.Z. Coated Coil	Low:	0.0	0.0	1.9	-1.1	-1.4	0.0	1.9
S/S CR Type 304	Low:	0.0	-0.5	-1.0	-1.1	-1.5	0.0	0.0
S/S CR Type 430	Low:	0.0	0.0	0.0	-1.0	-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.

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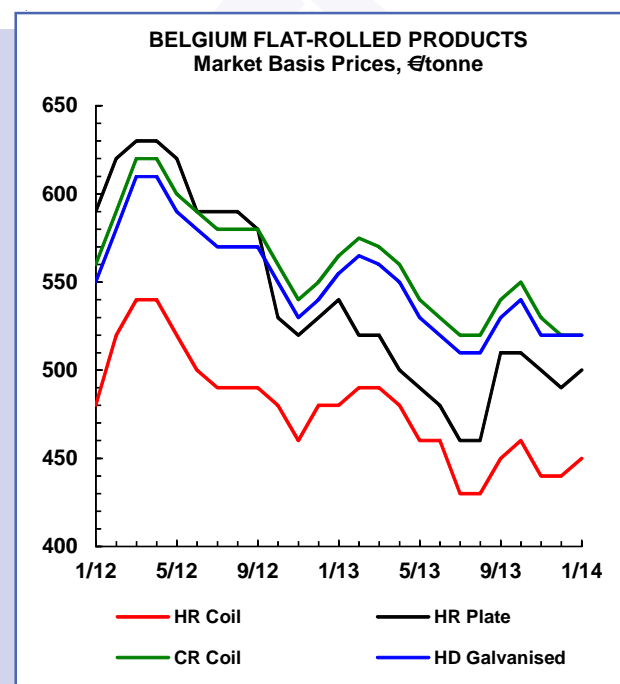
report that quotations from Chinese sources for April/May deliveries look interesting.

COATED COIL

The auto sector continues to function well in Germany. Sales of hot dipped galvanised coil to the construction industry are less buoyant but projects are still underway due to the mild weather. Basis numbers have not changed from last month. French auto demand is muted. Coated material is available on a relatively rapid turnaround. Selling values are slightly above those of early December. The Italian vehicle manufacturing sector remains depressed and the prospects for 2014 are pessimistic. Sales of coated steel are slow and there is a great deal of competition both internally and from third country sources. Indian material is quite competitively priced. Nevertheless, domestic deals completed in late December were €10 per tonne higher than previously.

In the UK, new Chinese offers of galvanised coil are not attractive at present; although cargoes of Chinese and Indian steel are due to arrive during the first trimester. European suppliers have maintained basis numbers at the level first established in November. 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. Stocks of Chinese material at the port of Antwerp have reduced considerably. Forecasts suggest that expectations for the Spanish auto sector in 2014 are good.

In Germany, the steelmakers have agreed to roll over December prices for first quarter sales of electro zinc coated coil. French figures are the same as those quoted in our last issue. Prices have advanced in Italy by €10



per tonne. In the UK, there has been further downward pressure on selling numbers. Customers in Belgium have agreed a “no change” situation. Values have moved up slightly in Spain.

COLD ROLLED STAINLESS COIL

In December, cold rolled austenitic stainless steel basis figures were unchanged in Germany, Belgium and Spain, where the markets were undergoing a typical seasonal slowdown. There were small negative movements in France, Italy and the UK. Producers were looking to implement basis rises during the early part of 2014, especially if alloy surcharges fall. Ferritic numbers were steady in all six countries under review.

LONG PRODUCTS

Long products producers are pushing for price rises to compensate for high production costs. However, so far, sales have been disappointing, despite favourable weather conditions for construction.

WIRE ROD

Low carbon wire rod producers have rolled over the December numbers in Germany. The mills have succeeded in lifting recoil prices by €10 per tonne, which will help to cover their rising scrap costs. Nevertheless, demand remains weak with very few large volume orders available. In France, values for the drawing rod are static, having moved up marginally in December. Those for the

mesh quality have also remained unchanged, in spite of more expensive scrap. Italian low carbon wire rod figures have hardened once again, although order intake is relatively dull. A poorly performing construction sector has led to lacklustre demand for recoil. Producers have held on to prices this month but increases have proved impossible.

Sales of the basic drawing qualities are flat in the UK. There is quite a spread of prices at present, with a few customers still able to purchase at sub-£440 per tonne but others forced to place business well above that level. The market has, more recently, seen the emergence of limited supply from Ukraine. Finished mesh

consumption is slightly improved. Recoil numbers are tracking the rebar. Drawing quality figures are firm in Belgium, where sales are muted. In Spain, we can report a marginal upward movement for low carbon material. Sales of mesh quality rod remain depressed but prices are €10 per tonne higher than a month ago.

MEDIUM SECTIONS AND BEAMS

German customers were reluctant to place orders before the end of the year and we have seen no signs of increased activity in the early part of January. Effective values are unchanged. French figures are also the same as in the previous month. A number of suppliers

are struggling to implement a €20 per tonne rise for category C1 products as competition remains strong. It may prove easier to secure an increase on the large sections. In Italy, the small advance won by suppliers last month has been maintained. However, further proposed hikes have not been implemented because demand from an ailing construction sector remains muted.

In the UK, service centres are not busy and resale pricing is very aggressive. Activity is quieter than in October/November 2013. Generally, stocks are low. A small demand pickup is forecast during the course of this year. Initial indications suggest that the mills will try to lift

TABLE 5. LONG PRODUCTS - NEGOTIATED DOMESTIC BASIS PRICES

price/metric ton		Germany (€)	France (€)	Italy (€)	UK+ (£)	UK+ (€)	Belgium (€)	Spain (€)
Wire Rod (b)	High:	535	545	545	475	572	545	540
	Low:	515	515	525	435	523	515	520
Medium Sections & Beams (c)	High:	585	580	550	510	614	620	575
	Low:	545	550	530	480	578	570	525
Rebar (d)	High:	275	280	265	470	566	280	265
	Low:	255	250	255	440	529	250	245
Merchant Bar (e)	High:	200	180	165	515	620	180	195
	Low:	160	160	145	495	596	160	145
MONTH on MONTH % CHANGE								
Wire Rod	Low:	0.0	0.0	1.9	-1.1	-1.5	0.0	1.0
M.Sect. & Beams	Low:	0.0	0.0	0.0	0.0	-0.3	3.6	0.0
Rebar	Low:	4.1	0.0	4.1	0.0	-0.4	0.0	6.5
Merchant Bar	Low:	0.0	0.0	0.0	3.1	2.8	0.0	0.0

BASIS PRICE AND PRODUCT DEFINITIONS

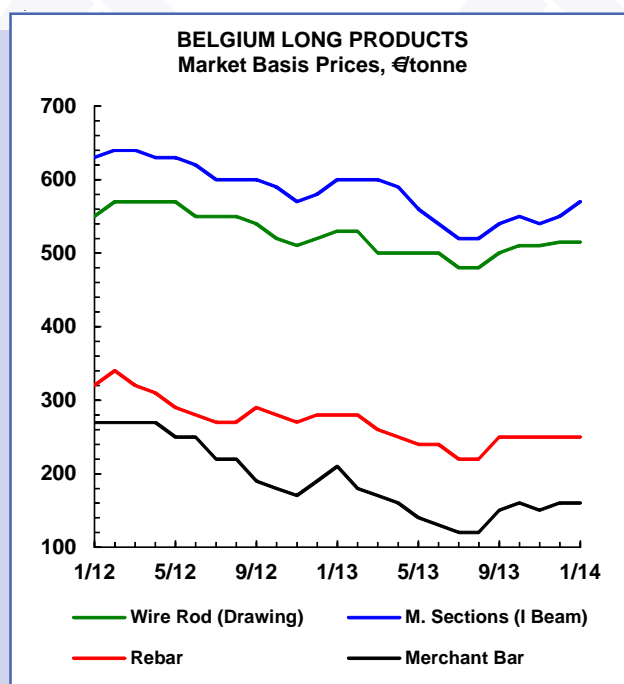
* Due to the suspension of scrap surcharges by all major European producers from June 2010, MEPS basis prices for Medium Sections & Beams are now equivalent to transaction prices for category C1 beams.

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.



prices during the first quarter. Some suppliers are already quoting a £25 per tonne proposed advance for February rollings. Although Belgian buyers report some competitively-priced offers from Turkey, domestic basis values gained €20 per tonne in late December as producers made concerted efforts to move prices up. End-users are still reluctant to purchase more than necessary. The trading environment for Spanish suppliers remains lethargic, both at home and abroad.

REINFORCING BAR

The European rebar market is still extremely quiet as the majority of players did not return from the Christmas/New Year holidays until January 7. Some mills are trying to negotiate a modest price rise because energy and scrap costs remain high. It is too early to establish any firm trend since so few transactions have taken place. Italian and Spanish suppliers are offering at €460/465 per tonne FOB to North Africa, where demand is subdued at present and there is competition from Turkish mills for the available business.

German customers accepted a small rise just before Christmas and current prices are similar. There is some competition from Turkish and Polish suppliers. Fabricators continue to purchase small quantities at any one time. They have fixed price contracts for ongoing projects that they accepted when rebar values were much lower than today. In France, producers have failed to implement any further increases, despite their outlay on scrap escalating. Market participants do not expect any improvement in end-user activity during the first quarter. A small uptick in sales has allowed the mills to lift basis values slightly in

Italy. Overcapacity remains a problem, particularly as export business is poor.

The advance secured in the UK last month has been maintained. Unconfirmed rumours suggest the arrival in February/March of considerably cheaper imported material from China and Turkey, which could cause some negative price pressure. Construction demand in Belgium is reasonable but there is a lot of competition from German and Dutch contractors. Rebar basis numbers are quite stable. The Spanish building sector is described as "totally dead". Nevertheless, for the small amount of domestic business concluded, the mills have been forced to hike their basis figures because of high raw material costs. Suppliers are exporting to the UK, Scandinavia and US in order to take some of the pressure off the local market.

MERCHANT BAR

Although European producers are keen to boost prices in the New Year, so far, a lack of activity has thwarted their efforts.

In Germany, construction is still the weakest of the local steel consuming sectors, despite being better than elsewhere in the eurozone. Customers have refused to accept a rise. French distributors were still trying to secure discounts from the mills in late December. We understand that some suppliers turned down orders rather than drop their prices. Indeed, they are hoping to instigate a €20 per tonne rise. Order intake in Italy remains dismal in a weak economic climate. Business levels are not high enough to support an increase.

There is more confidence in the UK market. Steelmakers report reasonably good activity in December. The £15 per tonne hike announced last month to cover rising scrap costs has been accepted, although distributors may find

MEPS INDUSTRIAL SECTOR STEEL PURCHASING PRICE INDICES - EU AVERAGE

January 2007=100	Dec-13	Jan-14	% change
Construction Industry	102.4	104.3	1.9
Household Appliances	81.0	82.6	2.0
Machinery Sector	92.5	94.0	1.6
Shipbuilding Industry	78.7	80.0	1.7
Shipping Containers	91.0	92.5	1.6
Yellow Goods	94.4	96.3	2.0

it difficult to recoup the full amount from their customers. Turkish suppliers are offering quite cheaply in Belgium. The further price advances anticipated before Christmas did not materialise. Expectations are for demand

improvements in 2014 but there is still a lot of uncertainty. Sales to Spanish end-users are lacklustre. Producers have failed to lift prices further, following the cost-driven rise in early December.

MARKET/INDUSTRY SCENE

CAPACITY/INVESTMENT

ThyssenKrupp has recently completed a modernisation project at its hot strip mill 1 in Duisburg-Bruckhausen, northwest Germany. It cost €240 million and was carried out during a period of more than two years. The capacity of the unit is unchanged at approximately 3 million tonnes per year.

Salzgitter has revamped converter A at its Flachstahl plant in Germany. The volume of the unit has been increased by 25 percent. The company has also replaced a ladle turret at its continuous caster No.2. A range of flat products are produced at the steelworks, including hot rolled, cold rolled and galvanised steel coil.

ArcelorMittal plans to spend €2.9 million to install a zinc quench facility at its Avilés site, in Asturias, northern Spain. Testing will commence when a galvanising line restarts in April. The No.1 unit was brought offline in late 2011. The investment will expand the product range to

include advanced high-strength steels for the vehicle manufacturing sector.

Germany's Badische Stahlwerke is revamping its wire rod mill to enable it to produce higher quality grades of steel. The work should be completed during the first quarter of 2014.

SERVICE CENTRE

Tata Steel has completed a £3.1 million investment at its Wednesfield service centre in the West Midlands, UK. Plate processing capability has been raised by around 50 percent.

MERGERS/ACQUISITIONS

The European Commission has approved Renova's takeover of Swiss-based special steel producer, Schmolz + Bickenbach. The Russian investment group already holds a 40 percent stake in the company.

MEDIUM TERM PRICE FORECASTS

The MEPS - EU Average Hot Rolled Coil price increased by €5 per tonne in January. Selling figures for hot rolled plate moved up by a similar amount.

Steelmakers' ambitions to improve profitability should result in further price hike announcements in the coming months. These rises should partially be achieved, particularly as buyers replenish depleted inventories in anticipation of a pickup in end-user consumption in the spring. The upturn in selling figures is forecast to stall during the second trimester as customers re-evaluate stock levels.

Transaction values are expected to be under negative pressure, going into the summer holidays, as a result of a traditional lull in demand. There is the possibility for a marginal seasonal uptick, in selling figures, in the third quarter. However, overall, the price trend is likely to be negative until the year-end. A revival in purchasing activity is forecast to boost transaction values early in 2015.

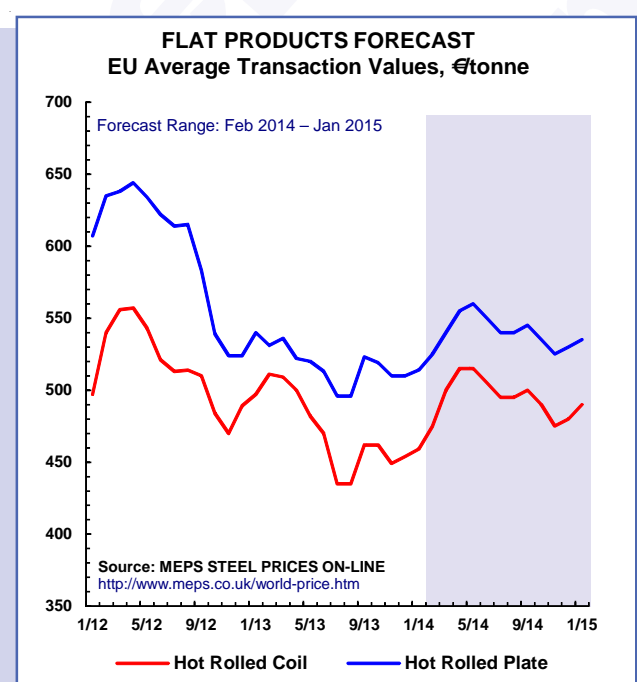
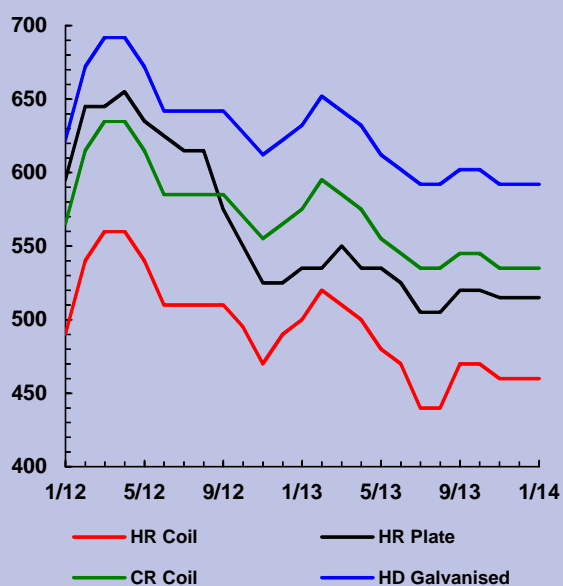
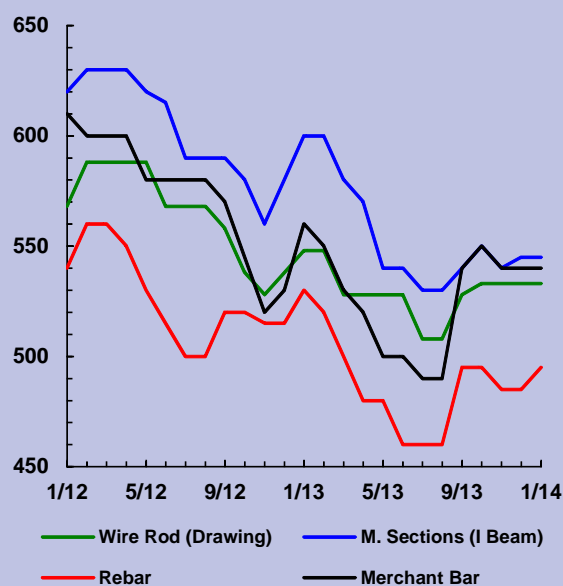


TABLE 6. EU AVERAGE DOMESTIC TRANSACTION PRICE FORECASTS

Euro/metric ton	Actual	Forecast					
	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14
Hot Rolled Coil	459	475	500	515	515	505	495
Hot Rolled Plate	514	525	540	555	560	550	540
Cold Rolled Coil	534	550	575	590	590	580	570
H.D. Galv Coil	591	605	630	645	640	630	620
E.Z. Coated Coil	592	610	635	650	650	640	630
Wire Rod (Drawing)	527	540	555	565	560	545	535
Wire Rod (Mesh)	493	505	520	530	525	515	505
M. Sections (I Beam)	546	560	575	585	585	580	570
M. Sections (H Beam)	600	615	630	640	640	635	625
Rebar	495	505	515	525	520	510	500
Merc Bar (Round)	543	553	563	573	568	558	548
Merc Bar (Eq Angle)	560	570	580	590	585	575	565

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.

GERMANY FLAT-ROLLED PRODUCTS
Transaction Prices, €/tonneGERMANY 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:	499	510	510	490	421	507	470
	Low:	459	460	470	450	396	477	450
Hot Rolled Plates	High:	555	555	565	535	494	594	525
	Low:	514	515	515	495	464	558	475
Cold Rolled Coil	High:	577	575	585	575	478	575	575
	Low:	534	535	545	525	443	533	535
Hot Dipped Galvanised Coil	High:	634	632	642	612	543	653	632
	Low:	591	592	602	562	503	605	592
Electro-Zinc Coated Coil	High:	635	629	629	639	543	653	639
	Low:	592	579	599	599	503	605	599
Stainless Cold (a) Rolled Type 304	High:	1091	1120	1080	1020	965	1161	1010
	Low:	1017	1020	1030	970	895	1077	960
Stainless Cold (a) Rolled Type 430	High:	1071	1090	1070	935	1015	1221	1007
	Low:	1025	1040	1020	885	990	1191	977
LONG PRODUCTS price/metric ton		EU AVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Wire Rod (Drawing quality)*	High:	552	553	545	545	487	586	540
	Low:	527	533	515	525	447	538	520
Wire Rod (Mesh quality)	High:	517	520	525	490	470	566	530
	Low:	493	500	495	470	440	529	500
Medium Sections and Beams (I beam)	High:	582	585	580	550	510	614	575
	Low:	546	545	550	530	480	578	525
Medium Sections and Beams (H beam)	High:	644	655	630	635	555	668	615
	Low:	600	605	590	600	515	620	575
Reinforcing Bars	High:	513	515	520	505	470	566	505
	Low:	495	495	490	495	440	529	485
Merchant Bars (50mm diameter)	High:	573	580	560	545	515	620	575
	Low:	543	540	540	525	495	596	525
Merchant Bars (Equal Angle)	High:	590	600	580	565	515	620	595
	Low:	560	560	560	545	495	596	545

* Includes supplementary surcharge in the UK.

CURRENCY EXCHANGE RATES

	US Dollars (US\$)		Euros (€)	
	2-Dec	2-Jan	2-Dec	2-Jan
Eurozone (€)	0.738	0.731	-	-
UK (£)	0.611	0.608	0.828	0.831

NEXT MONTH'S ISSUE

The February issue of the European Steel Review will be dispatched by post & PDF on 18 February, 2014.

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

	Dec-13	Jan-14	% change
Hot Rolled Coil	173.9	175.9	1.2
Hot Rolled Plate	177.7	179.1	0.8
Cold Rolled Coil	144.8	146.7	1.3
HD Galv Coil	126.9	128.2	1.0
E-Z Coated Coil	140.4	140.6	0.1
SS CR Coil 304	83.2	82.8	-0.5
SS CR Coil 430	91.3	91.0	-0.3
Wire Rod (Drawing)	198.1	198.9	0.4
Wire Rod (Mesh)	206.3	208.0	0.8
M Sect (I Beam)	177.9	177.9	0.0
M Sect (H Beam)	171.9	171.9	0.0
Reinforcing Bar	214.1	218.1	1.9
Merc Bar (Round)	203.0	204.1	0.5
Merc Bar (Eq Angle)	216.3	217.1	0.4

Note:- Stainless Steel - Excluding alloy surcharge.

NEGOTIATED DOMESTIC TRANSACTION PRICES - MONTH ON MONTH % CHANGE
January 2014 versus December 2013

		EUAVG. (€)	Germany (€)	France (€)	Italy (€)	UK (£)	UK (€)	Spain (€)
Hot Rolled Coil	Low:	1.1	0.0	2.2	2.3	0.0	-0.2	2.3
Hot Rolled Plate	Low:	0.8	0.0	2.0	2.1	0.0	-0.4	1.1
Cold Rolled Coil	Low:	1.3	0.0	1.9	1.9	0.0	-0.4	5.9
HD Galv Coil	Low:	1.0	0.0	1.7	1.8	0.0	-0.3	5.3
E-Z Coated Coil	Low:	0.2	0.0	0.0	1.7	-1.0	-1.5	1.7
SS CR Coil 304	Low:	-0.5	0.0	-0.5	-1.0	-1.1	-1.5	0.0
SS CR Coil 430	Low:	-0.3	0.0	0.0	0.0	-1.0	-1.4	0.0
Wire Rod (Drawing)	Low:	0.4	0.0	0.0	1.9	-1.1	-1.5	1.0
Wire Rod (Mesh)	Low:	0.8	2.0	0.0	0.0	0.0	-0.4	2.0
M Sect (I Beam)	Low:	0.0	0.0	0.0	0.0	0.0	-0.3	0.0
M Sect (H Beam)	Low:	0.0	0.0	0.0	0.0	0.0	-0.3	0.0
Reinforcing Bar	Low:	1.9	2.1	0.0	2.1	0.0	-0.4	3.2
Merc Bar (Round)	Low:	0.6	0.0	0.0	0.0	3.1	2.8	0.0
Merc Bar (Eq Angle)	Low:	0.4	0.0	0.0	0.0	3.1	2.8	0.0

TRANSACTION PRICE AND PRODUCT DEFINITIONS

Transaction prices are the realised values obtained by the mills for the cheapest grade of steel in the size range specified for each product. These are determined by adding the relevant size extras to the negotiated ex-mill basis price for the selected product.

Transaction values relate to those paid by consumers and stockholders for prime material. The prices are for regular business between customers and their domestic steel mills, negotiated during the current month for delivery in the future. Delivery charges and local taxes are not included in the quoted prices. Contract deals arranged in the domestic market, or deals for lots of imported steel, are specifically excluded from our price evaluation.

Hot-Rolled Wide Coil - 2-3mm thickness, width over 1.1 metres.

Hot-Rolled Plates - 15-40mm thickness, width over 2.0 metres.

Cold-Rolled Coils - 1mm thickness, width over 1.3 metres.

Hot Dipped Galvanised Coils - 1mm thickness, width over 1.1 metres, coating thickness 275gm/m²

Electro-Zinc Coated Coils - 1mm thickness, width over 1.1 metres, standard coating.

Stainless Type 304 and 430 - 1.5mm thickness, width over 1.25 metres. - (excluding alloy surcharges).

Wire Rod (Drawing Quality) - 5.5mm diameter.

Wire Rod (Mesh Quality) - 8-12mm diameter.

Medium Sections and Beams - Category C1. I Beam.

Medium Sections and Beams - 240 x 240mm H Beam.

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

Merchant Bar - 50mm diameter.

Merchant Bar - 50 x 50mm x 6mm equal angle.

MEPS REGULAR PUBLICATIONS

EUROPEAN STEEL REVIEW SUPPLEMENT (monthly)

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

INTERNATIONAL STEEL REVIEW (monthly)

Each edition carries domestic steel pricing data in eleven countries across the globe, including - United States, Canada, China, Japan, South Korea, Taiwan, Poland, Czech/ Slovak Republics and the main five EU member states - covering 70 percent of world consumption. Details of World and Regional Average Steel Prices are incorporated together with regular forecasts.