
Monday Market Monitor - EU (WEEK 32) - Prices continue to go up

Monday, 10 Aug, 2009

Despite the summer holiday season, the factors influencing previous week continued to work last week. There was an overall growth in prices across the products in Europe last week resulting from a spurt in demand from the stockiest to replenish their inventory. However, supply shortage remained an impediment. Moreover bulk quantities have been sold to greener havens of China and India. The combination of such factors has led to growth in prices recently.

As a result, both import offers as well as domestic offers in Italy, Germany and Spain increased by EUR 10 per tonne to EUR 20 per tonne for most of the flat products.

It is true that the number of enquiries in the market has gone up but they are mainly for specific qualities and dimensions to complete the assortment.

Different signs of slightly improved overall economic situation are slowly but constantly changing the feeling of the operators which can be determinant in driving towards a more positive approach and thus to decide for a more aggressive purchase policy.

However, it is not exactly clear whether or not the situation has definitely improved. People are still afraid of sudden and unpredictable changes and they do not want to take too long steps that could be fatal. However everybody agrees that, most probably, the worst is gone and that is now a question of time to get back to a normal situation.

On the other side, demand is still low and weak as major industrial sectors such as car and white products are still suffering of quite important sales fall. The advertised realigning of BF's will increase availability and thus offer will become less tight. In case demand will remain at present levels, we expect a price decrease during the next months. Prices will not go back to the minimum reached 4 months ago but certainly will not be able to resist to a corrosion of some tenth of EUR vs USD.

1. Plates

HRP

S 235 / S275JR

5-20x2000

?Country	Domestic	Import
Germany	0	20
Spain	10	10
Italy	20	20

Change is on August 7th 2009 as compared to July 31st 2009

In EUR per tonne

2. Hot Rolled Coils

HRC

S235JR

2-12x1000-1500

?Country	Domestic	Import
Germany	0	0
Spain	10	10
Italy	10	10

Change is on August 7th 2009 as compared to July 31st 2009

In EUR per tonne

3. Cold Rolled coils

CRC
DC 01
0.60 Avx1250

?Country	Domestic	Import
Germany	20	20
Spain	10	20
Italy	20	20

Change is on August 7th 2009 as compared to July 31st 2009

In EUR per tonne

4. Hot Dipped Galvanized

HDG
DX 51 D / Z100-120 / AS
0.55 - 0.57x AW

?Country	Domestic	Import
Germany	20	0
Spain	10	10
Italy	10	10

Change is on August 7th 2009 as compared to July 31st 2009

In EUR per tonne

All prices are net to the final customer with following payment terms

A. Italy & Spain

1. Domestic prices are EXW or DDP with payment 90 days from delivery
2. Import prices are CIF FO with LC at 90 days from B/L date

B. Germany

1. Domestic prices are EXW or DDP with payment on the 15th of the following month
2. Import prices are CFR FO with open term payment at 30 days from date of arrival

5. Antwerp - Import offers continue improving

CNF FO Antwerp

?Product	Grade	Thick mm	Change
HRP	S235JR	10-60x2500	10
HRP	S355J2+N	10-60x2500	10
HRC	S235JR	2-12x1250	10
CRC	DC 01	0.60 Avx1250	0
HDG	DX 51 D/Z 180/NA-C	0.60 Avx1250	0

Change is on August 7th 2009 as compared to July 31st 2009

In EUR per tonne

To keep tab on steel prices in Europe, subscribe to services of www.steelprices-europe.com by registering or sending a mail to admin@steelprices-europe.com with full contact details. Please note that this is a paid service with subscription charges of EUR 500 for 12 months.

(Sourced from www.steelprices-europe.com)

For more news visit at www.steelguru.com