
Monday Market Monitor - EU (WEEK 43) - Suppliers adamant amidst slow demand

Monday, 26 Oct, 2009

The expectation of buyers for lower prices from Chinese sources has been frustrated as all Mills and Traders have offered conditions well above desired levels. This is due to a temporary price increase in the domestic Chinese market and in a simultaneous increase of freights by USD 20 to 25 per tonne.

After the rather good performance of September, when customers were placing orders on wave of low stock levels an extended period of stagnation seems to be on the offing as demand remains sluggish. Retail prices remains under pressure and financing is costly adding to the gloom. Buyers are decided in buying only when conditions are fully matching their expectations .Since stock levels are still not critical, they rather prefer to drop and wait.

Traders and Mills of Ukraine that have been able to book orders of HRC and HRP to South Europe at levels between Euro 350 -370 per tonne for HRC and Euro 360 - 370 per tonne for HRP, on CFR FO terms partially matching buyers expectation.

The happenings in November would be largely dependant on the movements in China, although December is expected to be somewhat better in South Europe owing to stock reshuffling and purchase for fiscal reasons.

1. Plates

HRP
S 235 / S275JR
5-20x2000

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

Change is on October 23rd as compared to October 16th 2009
In EUR per tonne

2. Hot Rolled Coils

HRC
S235JR
2-12x1000-1500

Country	Domestic	Import
Germany	-10	0
Spain	-20	-5
Italy	0	0

Change is on October 23rd as compared to October 16th 2009
In EUR per tonne

3. Cold Rolled coils

CRC
DC 01
0.60 Avx1250

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

Change is on October 23rd as compared to October 16th 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	0	-20
Spain	-5	-10
Italy	-10	-10

Change is on October 23rd as compared to October 16th 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

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(Sourced from www.steelprices-europe.com)

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	-10

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