

DEVELOPING MARKETS' STEEL REVIEW

INCORPORATING BRIC COUNTRY DATA

COMPARISON OF TRANSACTION PRICES (US\$/metric ton)

		HR Coil	HR Plate	CR Coil	HD Galv	W Rod	M Sect	Rebar	Merc Bar
Brazil	Low	382	400	473	536	545	608	591	561
Russia	Low	281	298	350	457	223	431	222	264
India	Low	361	376	437	556	371	370	361	362
China	Low	248	231	344	360	251	243	243	251
BRIC Average	Low	318	326	401	477	348	413	354	360
Ukraine	Low	331	360	378	539	315	552	278	370
Turkey	Low	300	340	385	550	335	400	320	360
UAE*	Low	275	300	365	500	300	410	325	360
South Africa	Low	414	401	498	583	428	579	421	462
Mexico	Low	507	559	588	639	502	599	513	518
D Markets' Avg	Low	356	376	434	545	377	494	379	407

MONTH on MONTH % CHANGE

Brazil	Low	-5.2	-5.2	-5.2	-5.3	-6.2	-5.3	-4.5	-4.1
Russia	Low	-13.3	-11.0	-15.0	-10.2	-9.7	-9.1	-14.6	-16.5
India	Low	-7.0	0.0	-4.6	-0.9	12.8	7.9	9.1	7.4
China	Low	6.0	4.1	14.7	6.2	2.4	-5.1	1.7	-2.0
BRIC Average	Low	-5.6	-3.8	-3.8	-3.4	-0.9	-3.7	-2.2	-3.7
Ukraine	Low	-6.8	-11.5	-12.1	-0.6	-4.5	-0.7	-5.1	-1.1
Turkey	Low	-1.6	0.0	-1.3	1.9	-5.6	1.3	-3.0	-5.3
UAE	Low	0.0	0.0	2.8	0.0	0.0	-8.9	0.0	1.4
South Africa	Low	-7.6	-7.8	-7.8	-7.6	-7.6	-7.8	-7.9	-7.6
Mexico	Low	-1.4	1.5	1.2	-1.2	-4.7	1.0	-4.6	-4.8
D Markets' Avg	Low	-5.6	-4.1	-5.2	-3.0	-3.8	-3.1	-3.8	-4.0

* Import prices

ISSN 1759-3352

MEPS (INTERNATIONAL) LTD
263 Glossop Road, Sheffield, S10 2GZ, England
Tel: (0114) 275 0570 Fax: (0114) 275 9808
E-mail: subs@meps.co.uk Web Site: <http://www.meps.co.uk>

Copyright © 2016 by MEPS. All rights reserved.
No information contained in this report may be
used or reproduced in any manner whatsoever
without written permission from the publisher.

MARKET HIGHLIGHTS

MIXED SENTIMENT RE-EMERGES IN THE BRIC STEEL MARKETS

The MEPS BRIC average transaction price, measured in US dollars, declined in January for all eight finished steel product types published in this report.

The Brazilian steel industry has struggled to adapt to the country's deteriorating economic environment. Domestic steel producers are now faced with the stark choices of permanent job losses, production cuts or idling equipment. The Instituto Aço Brasil (IABr) has reported that domestic finished steel sales in December 2015 totalled 1.12 million tonnes – down 26.1 percent, compared with last year's figure.

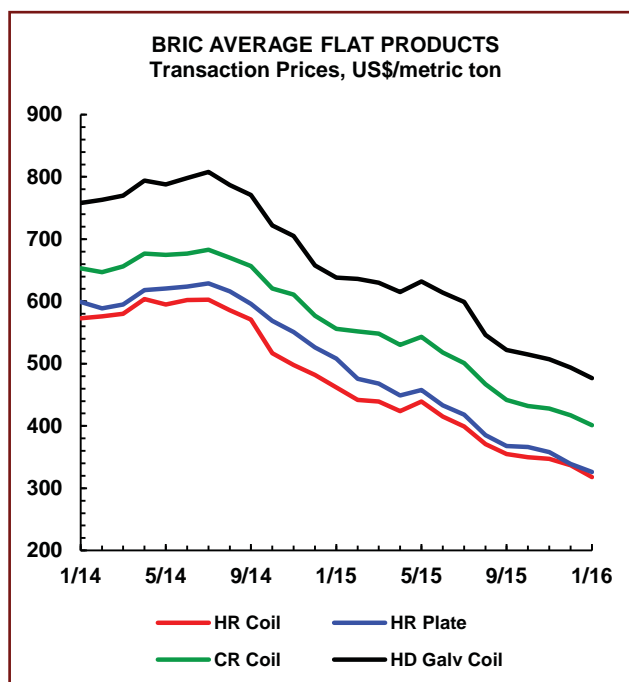
Russian steelmakers have been under a lot of pressure to make additional price concessions for January's production campaign. Business confidence has been unsettled by the weakness of the rouble against the US dollar, and the on-going weak export environment. Moreover, construction firms have been hampered by working capital problems.

Price volatility continues to hamper trading in India. Several traders are opting for caution. The prospect of the imposition of safeguard duties and minimum import pricing have made it too risky for importers to finalise any deals at this stage. The Joint Plant Committee (JPC) has reported that domestic finished steel production in November, totalled 7.1 million tonnes, down 9.8 percent compared with October figures.

Chinese steelmakers are under growing pressure to downgrade their production capacity, as a result of weak domestic sales volumes. Business sentiment has been shaped by expectations of further price fluctuations and the close proximity of the Lunar New Year holidays (February 7-13).

The business environment is unchanged in Ukraine. The local association of metal producers, Metallurgprom, has forecast that crude steel production in February will reach 1.8 million tonnes – down 6.5 percent compared with December's output.

Procurement tonnages in Turkey were weaker than forecast in the post New Year period. Distributors expect underlying demand to remain subdued in the near term. The Turkish Statistical Institute (TUIK) has



specified that imports of flat finished steel products totalled 733,105 tonnes in November – up 8.3 percent, month-on-month.

The trading climate in the United Arab Emirates is unchanged since our December report. Local service centres are extremely reluctant to purchase material in, what they deem as, tricky trading conditions. Moreover, Emirati rolling mills have opted to rollover their selling figures.

South African stockists are bearish over the prospects for domestic steel consumption in the first quarter of 2016. Meanwhile, the local Iron & Steel Institute (SAISI) has stated that imports of finished carbon steel products totalled 56,117 tonnes in November – down 9.2 percent, month-on-month. Finished flat products accounted for 46,795 tonnes.

Mexican steelmakers had mixed success in their efforts to advance transaction values to distributors. End-users are reluctant to take positions. Additionally, the National Chamber of Iron and Steel Industry (CANACERO) has reported that imports of finished steel in the January-November 2014 period, stood at 12.23 million tonnes – up 7.5 percent, compared with the same time span a year ago.

FLAT PRODUCTS

HOT ROLLED COIL

Brazilian stockists remain adamant that further price growth would be counterproductive and stifle what little buying interest exists. Moreover, these firms have expressed concerns that the domestic market has entered a period of stagnation. MDIC has reported that imports of hot rolled coil totalled 6,646 tonnes in December.

The business environment in the Russian Federation has deteriorated since our last report. Weak economic fundamentals have negatively impacted steel consumption. CherMK's concessions, for February delivery, granted to customers based in Moscow stood at 3.5 percent (previously 5.0 percent). The figure for St. Petersburg was cut to 1.1 percent (previously 2.5 percent).

In January, the upturn in Indian transaction values was

short lived amid bearish sentiment and uncertainty surround the government's willingness to impose minimum import prices (MIP). Meanwhile, Tata Steel's Kalinganagar plant is scheduled to commence commercial production in April.

Chinese traders queried the viability of Baosteel's pricing position for February and March deliveries (up RMB150 per tonne), citing weak economic fundamentals and subdued underlying demand. Moreover, inventory levels continue to exceed current requirements. The MEPS BRIC average hot rolled coil transaction value in January was US\$318 per tonne (down 5.6 percent, month-on-month).

Buying sentiment remains subdued in Ukraine. Shipments to local construction and industrial companies are still low. Turkish stockists and end-users have been wary about confirming orders for domestically manufactured hot rolled coil, citing the

FLAT ROLLED PRODUCTS - TRANSACTION PRICES

price/metric ton		Brazil (R\$)	Russia (RUB)	India (Rs)	Ukraine (UAH)	Turkey (US\$)	UAE* (US\$)	S Africa (R)	Mexico (MEX\$)
Hot Rolled Coil	High	1750	20995	26250	8450	320	310	6911	9550
	Low	1550	20560	24000	8000	300	275	6464	8800
Hot Rolled Plate	High	2030	22176	26000	10500	355	325	6629	10000
	Low	1625	21840	25000	8700	340	300	6270	9700
Cold Rolled Coil	High	1980	26370	30000	9888	410	380	8148	10600
	Low	1920	25595	29100	9130	385	365	7788	10200
Hot Dipped Galvanised Coil	High	2360	35300	39000	14121	590	520	9465	11400
	Low	2178	33432	37000	13000	550	500	9105	11100

MONTH on MONTH % CHANGE

Hot Rolled Coil	Low	0.0	-4.8	-7.0	-5.9	-1.6	0.0	0.0	3.5
Hot Rolled Plate	Low	0.0	-2.1	0.0	-10.8	0.0	0.0	0.0	6.6
Cold Rolled Coil	Low	0.0	-6.6	-4.4	-11.4	-1.3	2.8	0.0	6.3
HD Galv Coil	Low	0.0	-1.4	-0.8	0.0	1.9	0.0	0.0	3.7

PRODUCT DEFINITIONS

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

Hot Rolled Plate - 15-40mm thickness, width over 2.0 metres - except China width less than 2.0 metres.

Cold Rolled Coil - 1mm thickness, width over 1.3 metres - except India 0.8mm thickness.

Hot Dipped Galvanised Coil - 1mm thickness, width over 1.1 metres, standard coating - except India 0.63-0.8mm, Russia 1.0-1.4mm and Ukraine 1.0-1.5mm thickness.

availability of low-priced foreign materials. Emirati traders plan to persevere with conservative inventory levels in the interim period. Costlier Chinese hot rolled coil imports have allowed Indian and CIS counterparts to reciprocate with higher quotations.

Prices in South Africa were unchanged over the period reviewed. Mexican service centres have questioned whether the latest domestic price levels are supported by market and economic fundamentals.

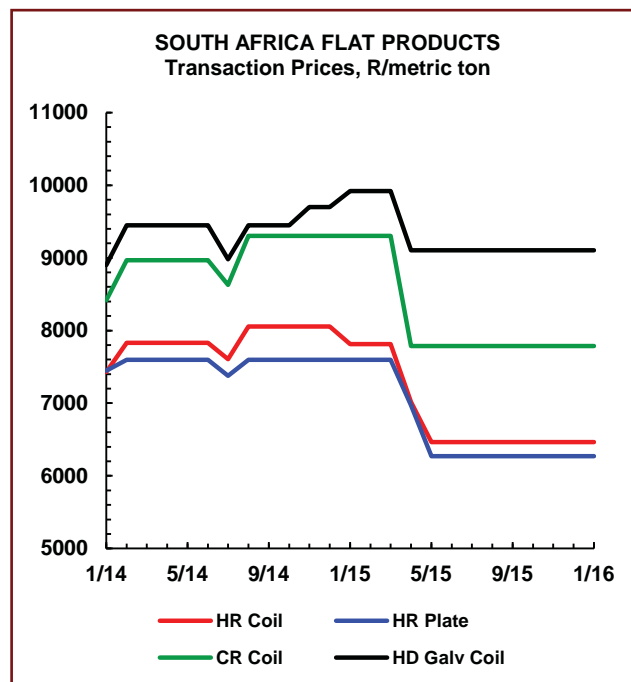
HOT ROLLED PLATE

Bearish Brazilian dealers have downgraded their 2016 forecasts for this product segment – particularly, shipments to pipe fabricators. Petrobras, the state-controlled oil producer, has cut its five-year investment plan by 25 percent to US\$98.4 billion (down US\$31.9 billion).

The Russian steel segment shows no signs of a substantial improvement in demand. Steel intensive industries have continued to press their domestic suppliers for lower transaction values. Similarly, underlying demand in the Indian market remains restrained. Mills have expressed their views that the government should either tighten BIS certification quality controls, or impose safeguard duties on plate imports.

Challenging trading conditions persist in China. Buying activity traditionally improves after the week-long Lunar New Year festival. The MEPS BRIC average hot rolled plate transaction value for January stands at US\$326 per tonne (down 3.8 percent, month-on-month).

Ukraine was effectively closed for business until the 8th January, for the New Year/Orthodox Christmas period. End users have adopted “wait and see” positions as a result. Business confidence is also fragile in South Africa. Free stock 16-40mm CQ grade plate sold by AMSA Saldanha Steel unit was traded at R5,702/5,777 per tonne (unchanged, compared with December’s figure).



COLD ROLLED COIL

Business confidence in the Brazilian market remains subdued. Local distributors plan to persevere with cautious purchasing strategies next month, citing weak market fundamentals. MDIC has reported that imports of cold rolled coil totalled 6,522 tonnes in December (down 55.9 percent, compared with the previous month).

The Russian and Indian markets indicate no signs of improvement in underlying demand. Chinese stockists remain bullish over the strength of shipments to the automobile suppliers. Baosteel has also raised its basis figure, by RMB120 per tonne, for CQ grade soft steel and non-automotive steel products to RMB4,006 per tonne (February delivery). Additionally, this steelmaker has revealed a RMB80 per tonne increase for March. The MEPS BRIC average selling value for cold rolled material, in January, stood at US\$401 per tonne.

FLAT PRODUCTS TRANSACTION PRICE FORECASTS - INDIA (Rs/metric ton)

Based on low values	Actual			Forecast			
	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Hot Rolled Coil	24000	23600	24200	24800	25400	25100	24800
Hot Rolled Plate	25000	24600	25200	25800	26400	26100	25800
Cold Rolled Coil	29100	28700	29300	29900	30500	30200	29900
HD Galv Coil	37000	36300	36700	37100	37500	37100	36700

CURRENCY EXCHANGE RATES

		US dollars (US\$)	
		1-Dec	4-Jan
Brazil	R\$	3.847	4.062
Russia	RUB	66.58	73.21
India	Rs	66.47	66.57
Ukraine	UAH	23.97	24.14
Turkey	TL	2.893	2.967
UAE	AED	3.673	3.673
South Africa	R	14.43	15.63
Mexico	MEX\$	16.53	17.36
China	RMB	6.400	6.533
Eurozone	€	0.942	0.926

The outlook for the Ukrainian market is unchanged. Several traders are optimistic that demand from industrial and military enterprises will pick up this year. Business activity has been slow in the Turkish market. Local buyers still preferred to delay bookings, in anticipation of further price concessions from domestic suppliers.

HOT DIPPED GALVANISED COIL

Brazilian stockists are extremely reluctant to purchase

material in, what they deem as, precarious trading conditions. Meanwhile, MDIC has reported that imports of galvanised products totalled 9,957 tonnes in December – down 44.0 percent, month-on-month.

The business climate in Russia also remains arduous. Local trading houses are forecasting that the current market conditions will spill over into, at least, February. Buying sentiment has also weakened in the Indian market. Domestic steelmakers are under pressure to offer additional price concessions.

Chinese transaction values were supported by planned production cutbacks and costlier cold rolled feedstock. Exporters have also held on to the price gains achieved in latter half of December. The MEPS BRIC average hot dipped galvanised coil selling figure is US\$477 per tonne this month.

Ukrainian stockists report that very little business was conducted over the period surveyed. However, the majority are forecasting that buying volumes will rebound in the spring months. Meanwhile, Turkish galvanised producers continue to face stiff competition from foreign suppliers.

The trading environment in the United Arab Emirates is likely to remain slow in the interim. South African traders are divided over whether buying activity will improve in February. AMSA Saldanha Steel's basis selling figure for free stock stood at R8,028 per tonne for 1-1.09 mm Z275 coil - unchanged, month-on-month.

EXPORT/IMPORT PRICES - FLAT PRODUCTS (US\$/metric ton)

		EXPORT (FOB)				IMPORT (CFR)					
		CIS Black Sea	CIS Far East	China	Turkey	Brazil	India	Turkey	UAE	S Africa	Mexico
Hot Rolled Coil	High	260	275	280	285	330	310	290	310	310	440
	Low	245	260	275	270	325	300	275	275	305	435
Hot Rolled Plate	High	290	305	275	-	325	295	325	325	305	-
	Low	280	295	270	-	320	285	310	300	300	-
Cold Rolled Coil	High	315	330	345	-	390	355	340	380	370	440
	Low	310	325	335	-	385	340	330	365	365	430
Hot Dipped Galvanised Coil	High	-	-	395	-	445	-	-	520	425	-
	Low	-	-	385	-	435	-	-	500	415	-

MONTH on MONTH % CHANGE

Hot Rolled Coil	Low	-3.9	-1.9	5.8	-6.9	4.8	11.1	1.9	0.0	5.2	0.0
Hot Rolled Plate	Low	-8.2	-9.2	3.8	-	3.2	3.6	-4.6	0.0	1.7	-
Cold Rolled Coil	Low	5.1	6.6	15.5	-	13.2	11.5	-1.5	2.8	14.1	0.0
HD Galv Coil	Low	-	-	8.5	-	7.4	-	-	0.0	7.8	-

LONG PRODUCTS

WIRE ROD

Construction activity in Brazil has stagnated. Bearish traders are now wary of carrying too much inventory as a result. Customer requirements are low in Russia. Buyers still preferred to delay bookings, in anticipation of further price concessions from domestic suppliers. Meanwhile, Severstal's mid-January basis selling figure for CherMK was RUB16,358 per tonne and offers from its Balakovo facility were slightly higher at RUB17,363 per tonne (excluding volume and regional discounts).

Purchasing activity remains limited in India. Local traders have found current transaction values unattractive, citing subdued economic fundamentals and a fragile construction sector.

Bearish Chinese traders have cautioned that weak underlying demand is likely to unsettle price sentiment

in the near future. Internal wire rod mill quotations, in US dollar terms, this month, are US\$251 per tonne – up 2.4 percent, compared with the figure four weeks ago. The MEPS BRIC average wire rod transaction value for January is US\$348 per tonne (down 0.9 percent relative to the December outturn).

The trading climate in Turkey is unchanged since our December report. Export opportunities remain limited. Emirati stockists plan to persevere with conservative purchasing programmes, citing a slowdown in real estate and infrastructure projects. The country's capital expenditure programme has been curtailed by low oil prices.

Similarly, trading volumes in South Africa are forecast to remain subdued in February. Mexican distributors report that underlying demand for wire rod and other long products had underperformed industry projections.

LONG PRODUCTS - TRANSACTION PRICES

price/metric ton		Brazil (R\$)	Russia (RUB)	India (Rs)	Ukraine (UAH)	Turkey (US\$)	UAE* (US\$)	S Africa (R)	Mexico (MEX\$)
Wire Rod	High	2430	17370	25000	8200	350	325	6837	8950
	Low	2215	16330	24700	7613	335	300	6687	8710
Medium Sections	High	2840	33520	26000	13633	425	440	9285	10800
	Low	2470	31580	24600	13321	400	410	9055	10400
Reinforcing Bar	High	2617	17195	26200	7446	345	345	6988	9300
	Low	2402	16255	24000	6700	320	325	6588	8900
Merchant Bar	High	2600	20340	26700	9342	375	375	7238	9100
	Low	2280	19300	24100	8925	360	360	7218	9000

MONTH on MONTH % CHANGE

Wire Rod	Low	-0.9	-0.7	12.8	-3.7	-5.6	0.0	0.0	0.0
M Sect	Low	0.0	0.0	7.9	0.0	1.3	-8.9	0.0	6.1
Reinforcing Bar	Low	0.8	-6.0	9.1	-4.6	-3.0	0.0	0.0	0.0
Merchant Bar	Low	1.3	-8.3	7.6	-0.4	-5.3	1.4	0.0	0.0

PRODUCT DEFINITIONS

Wire Rod (Mesh Quality) - 8-12mm diameter - except China 6.5mm (high speed).

Medium Sections and Beams - 240 x 240mm H-beam - expect China 300 x 300mm and Turkey IPE-NPI (220-250mm).

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

Merchant Bar - 50 x 50 x 6mm equal angle - except Ukraine 50 x 50 x 3-5mm and Turkey 50 x 50 x 5mm.

MEDIUM SECTIONS AND BEAMS

Bearish market sentiment persists in Brazil. Traders plan to tightly control inventory levels for the foreseeable future, citing deteriorating economic fundamentals and a weak construction sector. Purchasing activity remains limited in Russia. Stockists are worried that the festive pause in construction activity will be longer than last year.

Indian buyers still preferred to delay bookings, in the face of low end-user demand and doubts surrounding the sustainability of current transaction values.

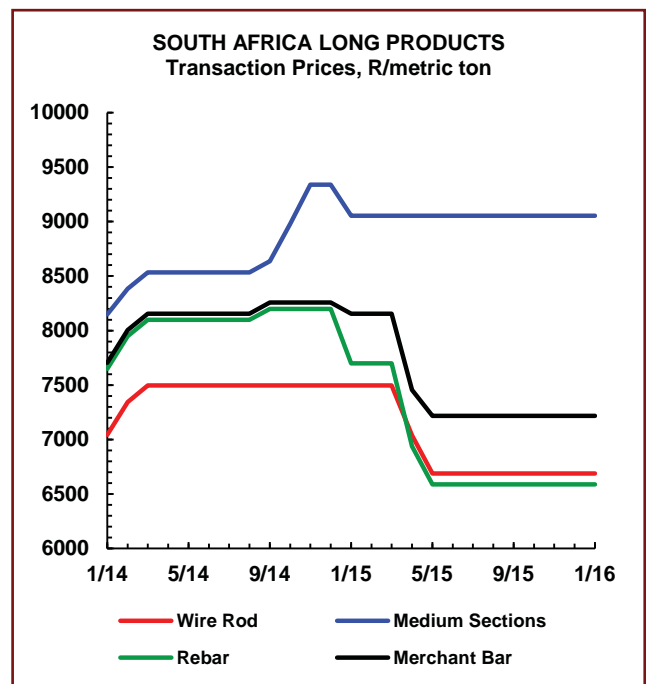
Bearish Chinese stockists remained pessimistic about future price trends. Several firms have expressed concerns that transaction values will soften in the period following the country's Spring Festival holiday. The MEPS BRIC average structural shapes benchmark value for January is US\$413 per tonne (down 3.7 percent).

The outlook for the Ukrainian market is unchanged. Supply continues to exceed market capacity. Domestic distributors have requested additional discounts as a result. Turkish stockists report that very little business was conducted over the period surveyed. Purchasing activity remains limited in the United Arab Emirates. Price competition between South Korean and GCC suppliers has intensified.

In South Africa, there is little appetite for purchasing at present. Meanwhile, the future of Evraz Highveld remains unresolved. Mexican stockists have reiterated that the current wire rod quotations are unattractive and run the risk of fuelling import activity.

REINFORCING BAR

Brazil's foreign trade secretariat (Secex) has commenced an anti-dumping investigation into rebar



imports from Turkey. The enquiry was initiated by a complaint filed by ArcelorMittal and Gerdau. MDIC has reported that supply of foreign reinforcing bar totalled 6,924 tonnes in December – up 470.4 percent, month-on-month.

Russian stockists report that the domestic market is oversupplied. Pressure is mounting on domestic steelmakers to either grant further concessions or downgrade output targets. Revyakino Metal-Rolling Plant and Severstal's Balakovo steelworks have temporarily suspended production.

Price volatility has unsettled the Indian market. The upward trend has been exacerbated by speculation surrounding the imminent introduction of minimum import prices (MIP). The differential between offers from primary and secondary producers is now negligible (previously less than Rs2,000 per tonne).

LONG PRODUCTS TRANSACTION PRICE FORECASTS - INDIA (Rs/metric ton)

Based on low values	Actual		Forecast				
	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Wire Rod	24700	23700	23700	24200	24700	24400	24100
Medium Sections	24600	24000	24000	24500	25000	24700	24400
Reinforcing Bar	24000	23000	23000	23500	24000	23700	23400
Merchant Bar	24100	23400	23400	23900	24400	24100	23800

The MEPS BRIC average reinforcing bar transaction value for January is US\$354 per tonne – down 2.2 percent, month-on-month.

Buying activity in China, this month, was weaker than previously forecast. However, prices edged higher owing to an uptick in billet quotations and production cuts. In week 3, the benchmark price for Australian iron ore delivered to China (with an iron content of 62.5 percent), stood at US\$41.15 per tonne, CFR – up 6.8 percent on the December settlement figure.

The Ukrainian market has continued to endure challenging business conditions. Export opportunities are limited. Turkish reinforcing bar manufacturers have struggled to execute higher quotations over the surveyed period. The trading environment has not improved in the United Arab Emirates. There is little appetite for purchasing at present. Credit is more difficult and costlier now.

Traders operating in South Africa are divided over whether buying volumes will improve in the January-February period. Meanwhile, Mexican dealers expect their domestic suppliers to shadow the pricing strategies of their US counterparts in the next trading period.

MERCHANT BAR

Brazilian stockists remain adamant that further price growth would be counterproductive and stifle what

little buying interest exists. Profit margins remain thin.

Russian transaction values are unlikely to rebound next month. End-user demand continues to be frail. For January, Severstal's mid-month basis figure for CherMK was RUB22,807 per tonne, whereas material sold by the steelmaker's Balakovo facility stood at RUB22,570 per tonne (excluding volume and regional discounts).

Bearish Indian stockists contend that the transaction values could move downward over the coming weeks, citing sluggish finished product demand. The business environment in China remains arduous. Selling values, in local currency terms, are unchanged since our last report. The MEPS BRIC average price for merchant bar, in January, is US\$360 per tonne (down 3.7 percent this month).

Ukrainian merchant bar mills have continued to resist giving their domestic customers additional concessions. Meanwhile, Turkish steelmakers' ambitions to lift transaction values have been constrained by weak underlying demand. Watchful Emirati dealers state that they detect little appetite for purchasing at present amongst local construction firms.

Stockists operating in South Africa are tightly controlling inventory levels. Mexican dealers are now seriously considering sourcing large volumes of foreign material, blaming their local supplier's unrealistic price demands.

EXPORT/IMPORT PRICES - LONG PRODUCTS (US\$/metric ton)											
		EXPORT (FOB)				IMPORT (CFR)					
		CIS Black Sea	CIS Far East	China	Turkey	Brazil	India	Turkey	UAE	S Africa	Mexico
Wire Rod	High	300	290	275	345	325	280	-	325	305	370
	Low	285	280	265	330	315	275	-	300	295	360
Medium Sections	High	-	-	320	-	370	-	-	440	350	-
	Low	-	-	305	-	355	-	-	410	335	-
Reinforcing Bar	High	290	285	265	335	320	-	-	345	305	355
	Low	280	275	260	320	310	-	-	325	290	340
Merchant Bar	High	-	-	305	385	355	-	-	375	330	-
	Low	-	-	285	370	335	-	-	360	315	-
MONTH on MONTH % CHANGE											
Wire Rod	Low	-3.4	-5.1	1.9	-2.9	1.6	-1.8	-	0.0	1.7	-2.7
M Sect	Low	-	-	0.0	-	0.0	-	-	-8.9	0.0	-
Reinforcing Bar	Low	-1.8	-5.2	4.0	-3.0	3.3	-	-	0.0	1.8	-1.4
Merchant Bar	Low	-	-	0.0	-2.6	0.0	-	-	1.4	0.0	-

REGIONAL AVERAGE TRANSACTION PRICES (US\$/metric ton)

		BRIC		Latin America		CIS		Middle East	
		Last Month	This Month	Last Month	This Month	Last Month	This Month	Last Month	This Month
Hot Rolled Coil	High	363	342	514	491	357	319	305	310
	Low	337	318	459	445	340	306	275	275
Hot Rolled Plate	High	380	359	551	538	399	369	320	325
	Low	339	326	487	480	371	329	300	300
Cold Rolled Coil	High	432	414	564	549	437	385	375	380
	Low	417	401	540	531	421	364	355	365
Hot Dipped Galvanised Coil	High	537	506	651	619	563	534	520	520
	Low	494	477	607	588	526	498	500	500
Wire Rod	High	378	368	589	557	314	289	320	325
	Low	351	348	554	524	289	269	300	300
Medium Sections and Beams	High	468	450	672	661	550	512	490	440
	Low	429	413	618	604	515	492	450	410
Reinforcing Bar	High	392	382	619	590	297	272	350	345
	Low	362	354	579	552	277	250	325	325
Merchant Bar	High	414	395	610	582	379	333	370	375
	Low	374	360	565	540	345	317	355	360

BRIC average prices are derived from an arithmetic average of the transaction values identified in Brazil, Russia, India and China. Latin America average prices are derived from an arithmetic average of the transaction values identified in Brazil and Mexico. CIS average prices are derived from an arithmetic average of the transaction values identified in Russia and Ukraine. Middle East average prices are derived from the transaction values identified in UAE. All prices are collected in national currencies and converted into US dollars using currency exchange rates effective at the start of each month to provide a basis for comparison.

REGIONAL AVERAGE TRANSACTION PRICE INDICES

	BRIC		Latin America		CIS		Middle East	
	Last Month	This Month	Last Month	This Month	Last Month	This Month	Last Month	This Month
Hot Rolled Coil	57.4	54.2	62.2	60.3	88.8	79.9	64.4	64.4
Hot Rolled Plate	49.1	47.2	49.2	48.5	73.2	64.9	50.3	50.3
Cold Rolled Coil	62.7	60.3	66.2	65.1	82.9	71.7	71.3	73.3
HD Galv Coil	59.1	57.1	59.1	57.3	70.2	66.5	82.4	82.4
Wire Rod	70.5	69.9	86.8	82.1	87.6	81.5	62.5	62.5
Medium Sections	64.3	61.9	81.6	79.8	77.1	73.7	75.0	68.3
Reinforcing Bar	72.4	70.8	103.0	98.2	82.0	74.0	69.9	69.9
Merchant Bar	71.0	68.3	81.4	77.8	100.6	92.4	68.3	69.2

Price indices are calculated using the low figures in the above table - January 2009=100.

WORLD/REGIONAL AVERAGE TRANSACTION PRICES (US\$/metric ton)

		World		EU		North America		Asia	
		Last Month	This Month	Last Month	This Month	Last Month	This Month	Last Month	This Month
Hot Rolled Coil	High	421	430	377	377	504	526	383	387
	Low	376	385	339	338	445	468	343	348
Hot Rolled Plate	High	473	483	447	447	555	581	417	421
	Low	425	436	401	401	496	523	379	384
Cold Rolled Coil	High	511	524	486	484	592	627	455	461
	Low	463	475	441	437	525	560	423	429
Hot Dipped Galvanised Coil	High	602	608	548	542	679	713	580	568
	Low	551	556	501	495	620	654	532	520
Wire Rod	High	440	439	393	389	525	535	403	393
	Low	398	397	366	363	455	465	372	362
Medium Sections and Beams	High	604	602	592	597	740	740	481	469
	Low	559	557	544	549	678	678	456	445
Reinforcing Bar	High	443	441	393	398	567	564	370	360
	Low	415	413	374	380	526	523	344	335
Merchant Bar	High	554	555	529	538	678	678	456	450
	Low	525	525	495	502	649	649	430	424

World prices are computed from an arithmetic average of the low transaction values identified in three regions (EU, Asia and North America). EU prices are computed from a weighted average (based on consumption) of the low transaction values identified in Germany, France, Italy, UK and Spain. North America prices are computed from a weighted average of the low transaction values identified in USA and Canada. Asia prices are computed from an arithmetic average of the low transaction values identified in Japan, Taiwan, South Korea and China. All prices are collected in national currencies and converted into US dollars using currency exchange rates effective at the start of each month to provide a basis for comparison. Individual product price forecasts are available. Please visit <http://www.meps.co.uk/world-price.htm>.

WORLD/REGIONAL AVERAGE TRANSACTION PRICE INDICES

	World		EU		North America		Asia	
	Last Month	This Month	Last Month	This Month	Last Month	This Month	Last Month	This Month
Hot Rolled Coil	106.8	109.4	104.6	104.3	111.3	117.0	103.6	105.1
Hot Rolled Plate	108.1	110.9	112.3	112.3	109.0	114.9	103.3	104.6
Cold Rolled Coil	97.5	100.0	97.6	96.7	101.9	108.7	92.2	93.5
HD Galv Coil	95.0	95.9	87.6	86.5	103.9	109.5	93.2	91.1
Wire Rod	128.4	128.1	124.5	123.5	146.8	150.0	113.8	110.7
Medium Sections	130.3	129.8	125.6	126.8	154.1	154.1	110.4	107.7
Reinforcing Bar	136.1	135.4	132.6	134.8	159.4	158.5	113.5	110.6
Merchant Bar	156.7	156.7	154.7	156.9	202.8	202.8	117.8	116.2

Price indices are calculated using the low figures in the above table - January 1997=100. Please note, EU price indices in this table are calculated using US dollar values and will differ from the euro figures listed on our website.

TRANSACTION PRICE INDICES (based on local currency per metric ton values)

	Brazil	Russia	India	China	Ukraine	Turkey	UAE	S Africa	Mexico
Hot Rolled Coil	79.5	154.2	85.4	52.2	266.2	121.1	64.4	109.3	106.0
Hot Rolled Plate	64.2	131.0	76.3	51.1	204.7	84.2	50.3	78.8	80.8
Cold Rolled Coil	89.3	147.5	95.7	65.9	224.0	142.9	73.3	115.4	110.7
HD Galv Coil	75.1	124.5	117.5	66.5	230.1	157.2	82.4	121.7	106.4
Wire Rod	158.2	170.1	81.1	57.8	243.3	149.9	62.5	108.1	97.3
Medium Sections	137.2	141.3	76.4	50.5	242.2	113.5	68.3	129.4	106.8
Reinforcing Bar	171.6	172.4	81.0	51.9	201.8	140.2	69.9	111.6	129.7
Merchant Bar	147.1	170.8	82.4	55.4	310.4	133.2	69.2	117.4	94.1

Price indices are calculated using the low figures in the transaction price tables - January 2009=100.

**The February issue of MEPS Developing Markets' Steel Review will be dispatched on:
24 February, 2016.**

TRANSACTION PRICE DEFINITIONS

Transaction values relate to those agreed by steelmakers and service centres for prime material in the specified steel products. Prices are for regular business between customers and their local steel mills, negotiated during the current month for delivery in the future. *The exception is United Arab Emirates where figures relate to import prices cfr, local port.

Transaction prices include extras for size and coating, where applicable, for the lowest priced grade of steel - sold ex-works/ex-mill. Additional extras for processing, packaging, testing and inspection are excluded. 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.

All price and market data is researched by MEPS staff and its local correspondents. High and low values are provided to reflect the range of prices in the market between major and minor customers. Research is conducted during the early weeks of each month. Changes in the latter part of the month would be incorporated in the next issue.

Please note the transaction references in the different geographic areas:-

Russia - Flat Products - Volga region

Russia - Long Products - Volga & North Caucasus

Ukraine - Long Products - Dnepropetrovsk

India - Flat Products - Delhi

India - Long Products - Mumbai

China - Spot transactions between the mills and first tier distributors across the main consuming regions.

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 the use of our published data, however it may arise.

MEPS PUBLICATIONS

EUROPEAN STEEL REVIEW (monthly)

This is our flagship publication. The first report was produced in 1984. Each monthly issue incorporates high and low market prices for eleven steel product forms in the EU - Germany, France, Italy, Spain, UK and Belgium. Data for flat and long products is supplied in each edition. Prices are displayed in Euros for easy comparison. Details of EU Average Steel Transaction Prices are incorporated together with regular forecasts.

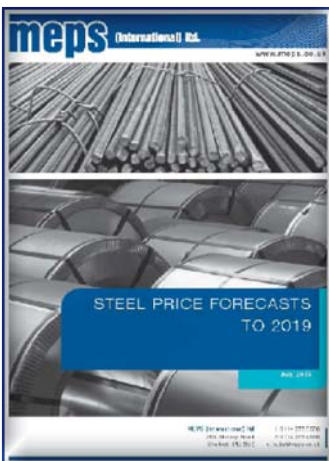


INTERNATIONAL STEEL REVIEW (monthly)

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.



MEPS STEEL PRICE FORECASTS TO 2019 - FIVE YEAR FORECAST - NOW AVAILABLE



The predictions in this report have been prepared using the key factors which MEPS have found to be statistically significant in affecting steel prices. They have been extensively researched and developed through rigorous formal analysis of the global market.

The research commenced with an evaluation of economic forecasts from a number of authoritative institutions. This was followed by an examination of the likely long term demand for steel. We then had discussions with a wide range of steel buyers to obtain their opinion of short and medium term market requirements. The final part of the research program involved an assessment of raw material supply, demand and costs to meet the anticipated consumption of steel products.

The data was drawn together for analysis by our experienced staff in the UK. It was incorporated in the unique model developed by MEPS for the preparation of steel price forecasts for clients over the past ten years. The final report was prepared giving the reasoning behind our predictions, together with charts and tables.

ORDER FORM

I wish to subscribe to the following publication(s):

European Steel Review

International Steel Review

MEPS Steel Price Forecasts to 2019

Multi- subscription discount rates available. Please contact our office or visit our website for further details.

Please send to:

Please Invoice:

Name:

Name:

Position:

Position:

Company:

Company:

Address:

Address:

Telephone No:

Telephone No:

Fax No:

Fax No:

Email:

Email:

Your VAT Number

(EU COUNTRIES ONLY)