

FIS STEEL AND SCRAP REPORT

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US HRC

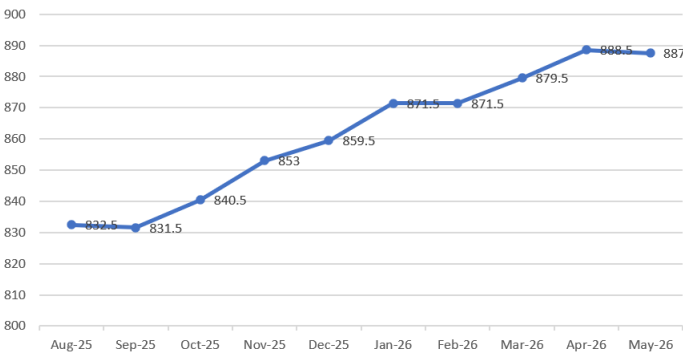
The hot-rolled coil (HRC) market delivered another sideways trading session yesterday, with limited liquidity and muted volumes. The lone trade of note came in the Q4 2025 futures contract, where 3,000 tons per month were transacted at \$858/st, representing a \$4 premium to prevailing closing levels. Beyond that, trading remained subdued as participants digested the latest set of spot assessments. The new cluster of spot prints is again highlighting the persistent disconnect between published indices and mill-offered levels: SMU at \$805, Platts at \$820, CRU at \$832, Nucor at \$865, and Cleveland-Cliffs holding fast to its June16 \$950 announcement. The breadth of this spread underlines the ongoing tension between mills’ attempts to defend higher offers and the transactional reality faced by buyers. Sub-\$820 spot prints are now regularly reported, yet mills remain intent on clinging to elevated price sheets, symptomatic of a market struggling to locate balance.

Sentiment – Defensive Consensus, Outlier Optimism

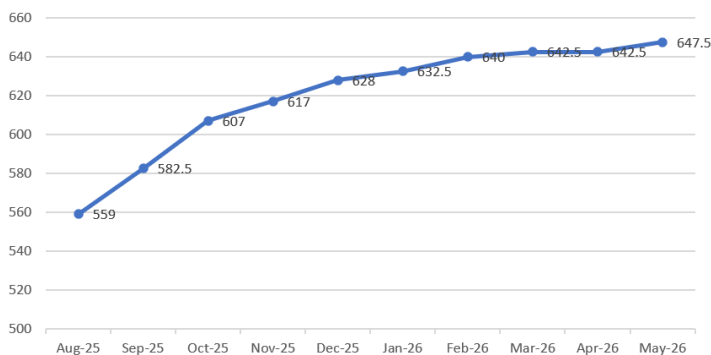
The dominant tone remains cautious and defensive. Traders and service centers continue to sit on the sidelines, unwilling to chase offers or extend risk without compelling justification. Futures players prefer to sell into brief rallies, rather than accumulate long positions in anticipation of recovery. Still, a handful of outliers continue to outline more constructive scenarios. On the longer horizon, some argue that a 2026 cyclical rebound could emerge if interest rates fall, unlocking pent-up demand across housing, automotive, and broader construction. Lower financing costs would provide a broad-based boost to steel consumption, potentially leading to a decisive pricing rebound.

On the shorter-term horizon, a few bullish voices see room for HRC to test \$900/st by year-end, provided two conditions align: (1) a tangible reduction in import arrivals during Q4, and (2) ongoing destocking that leaves buyers with lean inventories. If these occur simultaneously, mills could regain leverage to implement meaningful price hikes. While this view is far from consensus, it serves as a reminder that steel markets have a history of pivoting abruptly, punishing those overly anchored to one directional view.

CME US HRC INDIC



CME EURO HRC INDIC



CME– US HRC

Period	CME Value	Prior	Diff	Open Int	Chg
Aug 25	831	834	-3	4980	-2
Sep 25	828	831	-3	5547	+22
Oct 25	842	844	-2	4180	+72
Nov25	858	857	+1	2447	0
Dec25	861	860	+1	3237	+44
Jan26	872	871	+1	1155	0
Feb26	872	871	+1	807	0
Mar26	879	878	+1	780	0
Apr26	879	884	-5	187	+2
May26	876	880	-4	150	+2
Jun26	880	884	-4	87	0
Jul26	884	880	-4	49	0

CME Block Trades – US HRC LAST

Oct25 US HRC @844 in 1kt
Q425 US HRC @858 in 1ktpm
Q425 US HRC @858 in 1ktpm
Sep25 v Oct25 US HRC @-19 in 1ktpm (827 v 846)



Indices	Price	Change
Platts TSI HMS 1/2 80:20 (\$/mt CFR)	347	0
Turkish Rebar (\$/mt FOB)	540	0
CRU HRC (\$/mt)	832	-6
Nucor CSP HRC (\$/mt)	865	-10
Cleveland Cliff HRC (\$/mt)	950	+40
Argus FOB China HRC (\$/mt)	478	-1

Source: FIS, Nucor, Cliff

LME HRC FOB TIANJIN CHINA USD/mt			
Period	Bid	Ask	Value
Aug-25	465	475	470
Sep-25	469	479	474
Oct-25	469	479	474
Nov-25	471	481	476
Dec-25	472	482	477
Q4-25	470	480	475

LME HMS 80:20 CFR TK			
Period	Bid	Ask	Value
Aug-25	344	350	347
Sep-25	347	353	350
Oct-25	348	354	351
Nov-25	353	359	356
Dec-25	356	362	359
Q4-25	352	358	355

LME REBAR FOB TK			
Period	Bid	Ask	Value
Aug-25	535	545	540
Sep-25	539	549	544
Oct-25	543	553	548
Nov-25	549	559	554
Dec-25	558	568	563
Q4-25	550	560	555

CME US BUSHELING			
Period	Bid	Ask	Value
Aug-25	462	470	465
Sep-25	512	520	515
Oct-25	522	530	525
Nov-25	527	535	530

CME US HRC USD/short ton			
Period	Bid	Ask	Value
Aug-25	830	840	833
Sep-25	825	835	832
Oct-25	835	845	841
Nov-25	850	860	853
Dec-25	855	865	860
Q4-25	845	855	851

CME NWE HRC EUR/metric ton			
Period	Bid	Ask	Value
Aug-25	555	565	559
Sep-25	580	590	583
Oct-25	600	610	607
Nov-25	610	620	617
Dec-25	625	635	628
Q4-25	610	620	617

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