

FIS STEEL AND SCRAP REPORT

Sep 03 2025

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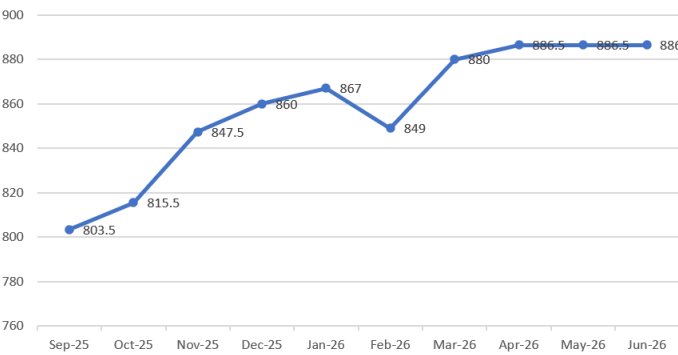
US HRC

As we wait this morning for the release of the weekly HRC index print, futures continue to trade with a distinctly defensive tone. The front-month September contract remains pinned below the \$800 threshold, underscoring the pressure weighing on near-term values. Meanwhile, what had recently been one of the few bright spots on the curve — the early 2026 strip — gave back an average of \$10 in value, with block trades executed yesterday at \$865 for Q1 2026. That retreat reflects how fragile even the longer-dated part of the curve has become. The selling was not panicked, but it was deliberate, and it mirrors the prevailing mood of caution among market participants who see little in the way of near-term catalysts to turn sentiment around. The September contract has become particularly noteworthy because of how closely it is tracking the erosion in the physical index. Futures that once traded with a degree of independence from the day-to-day spot market are now tightly tethered, moving almost in lockstep with the weakening spot assessments. This behavior speaks volumes about the lack of conviction in the market today: traders are unwilling to put distance between paper and physical when visibility on demand is so low and confidence in published benchmarks is eroding.

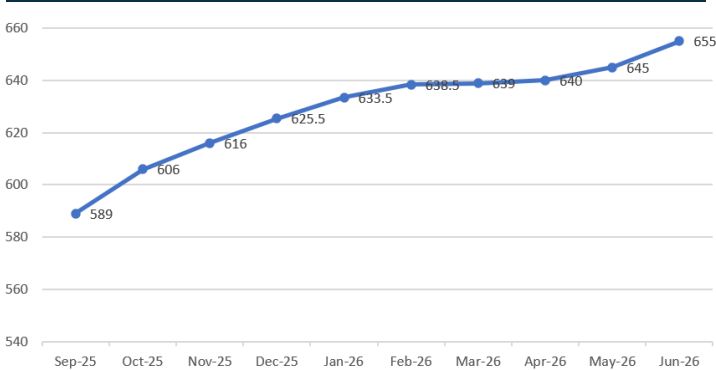
Production Snapshot

Adding another layer of context, domestic production figures show a market that is not yet constraining supply meaningfully. For the week ending August 30, 2025, U.S. mills produced 1,769,000 net tons, with a capability utilization rate of 78.1%. That compares with 1,726,000 tons and a 77.7% utilization rate during the same week in 2024, a modest 2.5% year-on-year increase. On a week-over-week basis, output dipped slightly, down 0.6% from the prior week’s 1,780,000 tons and 78.6% utilization. While production is not surging, the industry has clearly not taken enough supply offline to tighten the market materially. This backdrop of steady output against lackluster demand continues to reinforce the oversupplied conditions that are pushing spot prices lower.

CME US HRC INDIC



CME EURO HRC INDIC



CME– US HRC

Period	CME Value	Prior	Diff	Open Int	Chg
Sep 25	795	793	+2	5372	-25
Oct 25	817	820	-3	5229	+147
Nov25	845	844	+1	2492	+24
Dec25	858	858	0	3483	+4
Jan26	865	873	-8	1341	+65
Feb26	865	878	-13	1056	+65
Mar26	875	883	-8	1041	+65
Apr26	878	883	-5	192	0
May26	879	884	-5	140	0
Jun26	878	881	-3	68	0
Jul26	879	882	-3	50	0
Aug26	879	882	-3	18	0

CME Block Trades – US HRC LAST

Nov25 US HRC @845 in 500t
Q425 US HRC @840 in 500tpm (weighted 817/845/858)
Sep25 v Oct25 US HRC @-21 in 500tpm (797 v 818)
Q126 US HRC @865 in 500tpm
Q126 US HRC @865 in 800tpm
Oct25 US HRC @818 in 740t
Sep25 v Oct25 US HRC @-21 in 500tpm (797 v 818)
Oct25 US HRC @817 in 1.18kt
Oct25 US HRC @820 in 500t
Oct25 US HRC @820 in 500t
Oct25 US HRC @820 in 2kt



Indices	Price	Change
Platts TSI HMS 1/2 80:20 (\$/mt CFR)	344	+0.5
Turkish Rebar (\$/mt FOB)	538	0
CRU HRC (\$/mt)	821	-11
Nucor CSP HRC (\$/mt)	875	0
Cleveland Cliff HRC (\$/mt)	950	+40
Argus FOB China HRC (\$/mt)	475	0

Source: FIS, Nucor, Cliff

LME HRC FOB TIANJIN CHINA USD/mt			
Period	Bid	Ask	Value
Sep-25	465	475	470
Oct-25	460	470	465
Nov-25	470	480	475
Dec-25	472	482	477
Jan-26	474	484	479
Q4-25	467	477	472

LME HMS 80:20 CFR TK			
Period	Bid	Ask	Value
Sep-25	340	346	343
Oct-25	344	350	347
Nov-25	344	350	347
Dec-25	352	358	355
Jan-26	357	363	360
Q4-25	346	352	349

LME REBAR FOB TK			
Period	Bid	Ask	Value
Sep-25	536	546	541
Oct-25	539	549	544
Nov-25	543	553	548
Dec-25	550	560	555
Jan-26	554	564	559
Q4-25	544	554	549

CME US BUSHELING			
Period	Bid	Ask	Value
Sep-25	462	470	465
Oct-25	512	520	515
Nov-25	512	520	515
Dec-25	512	520	515

CME US HRC USD/short ton			
Period	Bid	Ask	Value
Sep-25	800	810	804
Oct-25	810	820	816
Nov-25	845	855	848
Dec-25	855	865	860
Jan-26	860	870	867
Q4-25	835	845	841

CME NWE HRC EUR/metric ton			
Period	Bid	Ask	Value
Sep-25	585	595	589
Oct-25	600	610	606
Nov-25	610	620	616
Dec-25	620	630	626
Jan-26	630	640	634
Q4-25	610	620	616

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