STEEL SCRAP FREIGHT REPORT

09 Oct 2025

chartering@fisdry.com | freightinvestorservices.com | fis-live.com

Hot News

- **Aperam backed the EU's plan** to curb global steel overcapacity, calling it vital to restore fair competition and lift European mill **utilisation toward 80%**. The proposal cuts flat-rolled import quotas by 8.5 mn t—HRC to 5.2 mn t, CRC to 1.5 mn t, HDG to 2.85 mn t—and **imposes a 50% tariff above quota.**

- In a parallel signal of shifting trade dynamics, Washington's easing stance toward Ankara — highlighted by President Erdogan's comment that the "Halkbank problem is finished" after talks with Donald Trump — could open the door for **greater U.S.–Turkey scrap trade cooperation**. Turkey, already the **largest importer of U.S. ferrous scrap**, may find fresh incentive to deepen flows as political tension cools and market alignment strengthens.

Market Commentary

- Turkey: **Deepsea scrap $349/mt CFR**, ▲$1; bids $344–345, offers $355. Baltic/EU $345–347 benchmark; rebar $542–545/mt FOB steady. Freight main support.
- US: HMS 1/2 (80:20) $335.5/mt FOB, flat; **mills seek $10–20/lt cuts for Oct**. Exports slow, freight biting.
- UK/EU: **Exporters firm post-Sep** $345–347 CFR Turkey; **new offers $350–355 CFR**, tight yards, stainless €1,010/mt CIF R'dam steady.
- **Freight eased; 11TC $17,832/day, ▼$175**; HS7TC $15,631/day, ▲$153.
- Competition for cargoes has intensified, with an unusual twist — **ECSA grain exports**, normally a key seasonal driver, were subdued through the holiday period.
- The **Turkish market**, offering limited support all year, has seen **scrap imports down 29.1% y/y but up 5.5% m/m**, providing a modest lift to **Continent and Med sentiment**.
- Overall, freight remains under pressure, yet selective recovery in scrap-linked flows is helping steady tonnage in the northern basin.

- **Paper weaker – Nov $13,625** | Dec $13,200 | Q1-26 $10,750 | Cal-26 $12,200. Curve pricing in weaker prices going into the future, in line with seasonality.
- Volatility implied by the options market is still elevated, traders paying to hedge short-term risk.
- Put options (protect against falling rates) is more expensive, favour downside protection over upside exposure.

Scrap Freight Routes

Route	Spot	▲ W-O-W	Oct25	Nov25	Q425	Cal 26
NY → Iskenderun 7K SHINC bends (30kt)	**$40.5/ton**	**+$0.5**	**$40.5**	**$37.04**	**$37.79**	**$30.42**
ARAG → Iskenderun 12TTL days SHINC (35kt)	**$33.5/ton**	**Flat**	**$33.5**	**$30.61**	**$30.94**	**$25.12**
S4A_63 (USG to Skaw)	**$32361/day**	**-$2396**	**$32361**	**$29010**	**$29708**	**$25593**
HS4_38 (USG to Skaw)	**$22264/day**	**-$329**	**$22264**	**$20369**	**$20588**	**$16717**

FFFs - FFA, Ferrous & Fuel Benchmarks

Market	Spot	▲	Oct25	Nov25	Dec25	Q1 25	Cal 26
FFA S10TC (58dwt)	**$15798**	**-$705**	**$15450**	**$13850**	**$13250**	**$10900**	**$12250**
Turkey Scrap (80:20)	**$348**	**+$6**	**$346**	**$347**	**$350**	**$360**	**-**
EU HRC	**-**	**-**	**$573**	**$594**	**$608**	**$625**	**-**
Rott. 0.5% (Spot-Futures)	**$432**	**-$10**	**-**	**$429**	**$429**	**$429.5**	**426.5**
Gib 0.5% (Spot)	**$466**	**-$1**	**-**	**-**	**-**	**-**	**-**

Source: FIS, LME, CME, EEX, Baltic Exchange, Platts

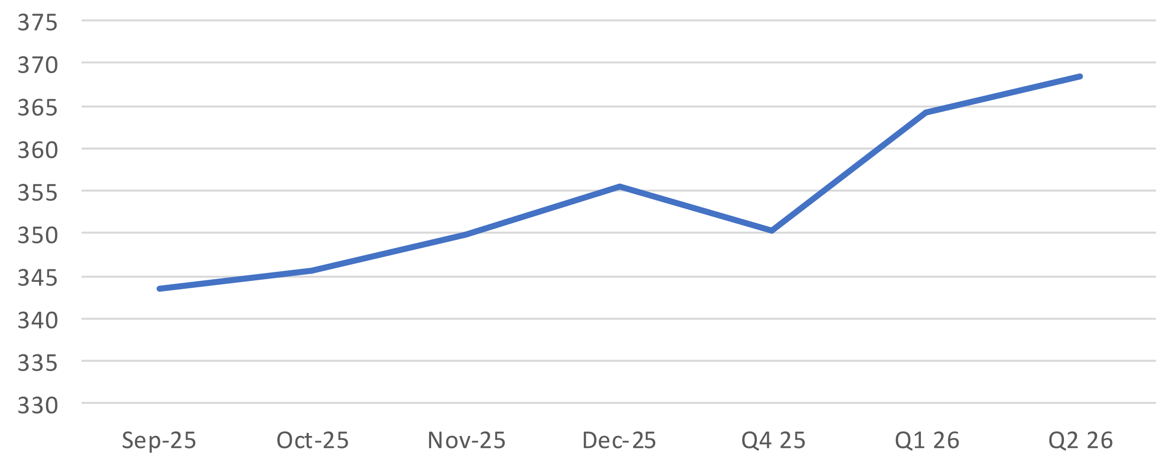
Recent/Tender/Sales

- **Turkey (late Sep / Oct 1–3):** Baltic & EU-origin HMS 1/2 (80:20) sold at **$345–347/mt CFR Turkey** – benchmark deepsea deals.
- **Vietnam (Oct 3):** HS-grade scrap sold at **$350.20/mt CFR Vietnam** – confirmed regional trade.
- **Taiwan (Oct 3):** US-origin HMS 1/2 (80:20) containerized cargoes sold at **$295–296/mt CFR Taiwan**.
- **Brazil (week to Oct 6):** Domestic HMS 1/2 equivalent around **$152/mt FOT** (R 837.5/mt), clean scrap **$173/mt FOT** (R 950/mt).

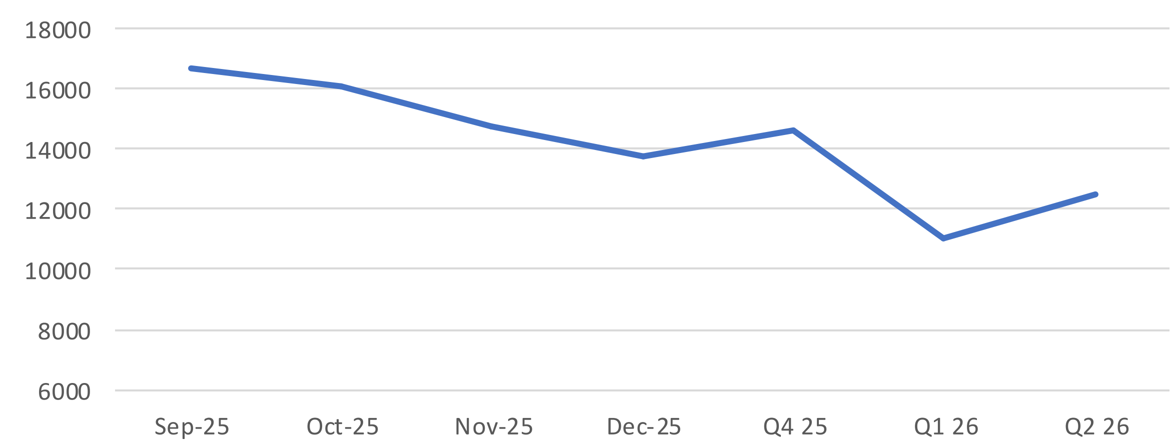
Fixtures (Scrap + Competitive cargoes)

- Ultramax (63k) - Fixed $31,000 aps Arag for scrap to Turkey
- Ultramax (63k) - Fixed $18,500 aps UK to Usec scrap
- Ultramax (63k) – Fixed $17,750 aps Garrucha to Usec gypsum
- Ultramax (60k) – Fixed $15,250 dop to Eci slag
- Supramax (55k) – Fixed $16,000 dop Tema to China bauxite
- Supramax (52k) – Fixed $14,500 aps Conakry to China bauxite
- Handy (42k) – Fixed $16,000 dop Singapore via W Aussie to Spore-Japan
- Handy (42k) – Fixed $13,000 dop Japan via Nopac to Australia potash
- Handy (39k) – Fixed $15,000 passing Singapore via Port Hedland to Taiwan salt
- Handy (37k) – Fixed $17,500 aps Morocco to Nigeria
- Handy (37k) – Fixed $20,000 dop Ushant via Arag to Emed scrap
- Handy (37k) – Fixed $16,250 dop CJK to Wci
- Handy (37k) – Fixed $25,500 dop Amsterdam via UK to Emed scrap
- Handy (34k) – Fixed $22,000 aps Lake Charles to Wmed petcoke
- Handy (34k) – Fixed $15,750 dop Matadi to Spore-Japan
- Handy (34k) – Fixed $26,000 dop Rotterdam to Emed grains
- Handy (34k) – Fixed $18,500 dop Rotterdam via Baltic to Egypt grains
- Handy (31k) – Fixed $11,000 dop Kushiro via Portland (US) to Japan potash
- Voyage - 2,5mio cft scrap ex 1sp Baltic to 1sp Turkey bss 12 ttl days shinc fixed usd 1.6 mio lpsm
- Voyage - 21,500mts scrap ex 1sp UK to 1sp Morocco bss 12ttl days shinc fixed/failed usd mid 600's lpsm

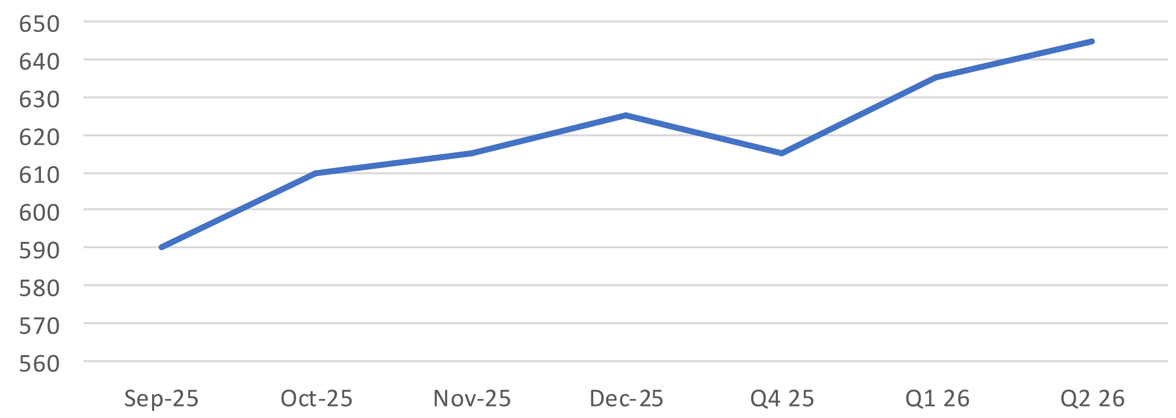
LME HMS 80:20 CFR Turkey Indic Curve



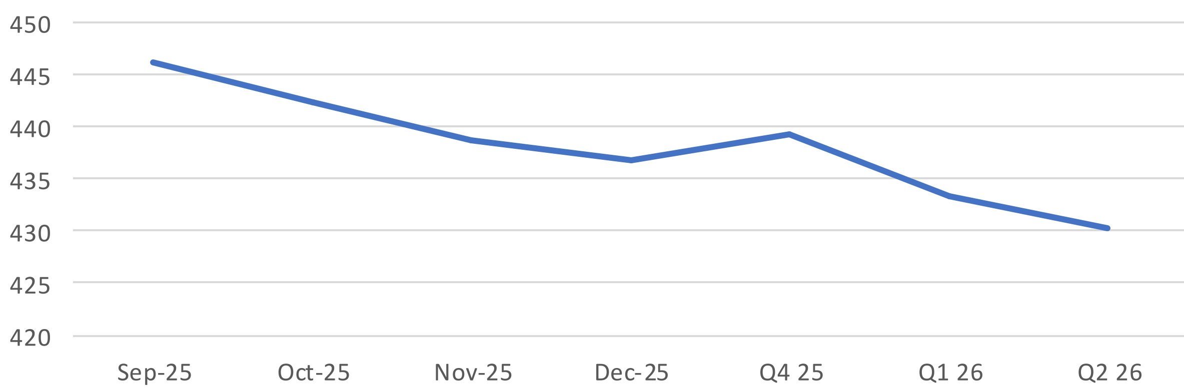
Supramax 10TC Indic Curve



EC HRC Indic Curve



Rott. 0.5% Indic Curve



Source: FIS

CONTACT chartering@fisdry.com