FIS

STEEL SCRAP FREIGHT REPORT

Freight Investor Services · Dry Bulk Desk

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FFA · OIL · FERROUS · ENERGY · METALS · EMISSIONS · PHYSICAL

HOT MARKET TRENDS

POSCO switches on 2.5 Mt/y Gwangyang EAF

POSCO confirmed completion of its **2.5 million mt/yr electric arc furnace** at Gwangyang, moving the Korean major into full-scale low-carbon steel production. Marks a structural lift in Pacific-basin ferrous scrap import demand — a permanent new EAF buyer layered on top of the existing Indian/SE Asian pull, supportive of paper bids through 2027.

Turkish mill margins squeezed — scrap-rebar spread $184/mt

Turkish rebar mills pushed scrap offers lower into soft downstream demand — exported rebar held at **$585/mt FOB Turkey**, domestic offers slipping to $590–595. Scrap-to-rebar spread sat at **$184/mt**, well under historical breakeven. Risk skews to deepsea scrap demand stalling further if Turkish mill output keeps drifting and Med-basin EAFs trim runs.

MARKET COMMENTARY

STEEL SCRAP

- **Turkey (deepsea):** Turkish HMS drifted lower w/w to the **high $390s/mt CFR** (**-$9**). Premium-origin stems tightened into the high $380s/upper $390s by Wednesday; a Romanian shortsea reportedly cleared in the high $360s. Mill margins stay pressed — scrap-rebar gap around **$184/mt**.
- **Bangladesh + Pakistan + India:** Pakistan shredded held in the **low $400s CFR Port Qasim**. Bangladesh Australian HMS bulk in the high $380s/low $390s CFR Chittagong. India stuck in the **mid-$380s CFR Nhava Sheva**, virtually nothing clearing on weak rupee + competitive DRI.
- **Asian deepsea flow:** East Asia HMS in the **mid-$380s/mt CFR** (**-$9 w/w**); Japan H2 FOB eased ~¥900 to the mid-¥51,000s. Vietnam offers **$370–380/mt CFR**. Asian flow softer as Chinese buyers wait for further weakness.

PHYSICAL / FFA

- **UMX / SMX:** Atlantic market is tight and the **S4A** (USG–Skaw) ripped **+$3,222 w/w** to **$32,879/day**, **S1C** (USG–FE) gained **+$3,897** to **$32,111/day**, **S1B** firmed **+$2,413** to **$22,171/day**. **S11TC $21,558** (**+$1,109**).
- **Handy: HS7TC** printed **$16,502** (**+$758 w/w**) with the back end up. **HS4_38** (USG–Skaw) firmed **+$1,585 w/w** to **$20,146/day**, mirroring Atlantic Supramax tightening.
- **FFA S10TC paper:** Jul-26 ground through the week from **$20,111** (11 Jun) to **$19,414** (17 Jun) — **-$697** as the front pulled back after the Atlantic-led rally. Q4-26 held up better, easing from **$17,938** to **$17,806** (**-$132**) — back-end conviction intact even as nearby contracts paused.

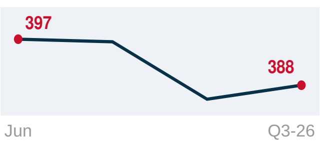
SCRAP FREIGHT ROUTES

ROUTE	SPOT	▲ W/W	JUN-26	JUL-26	Q3-26	CAL-27
NY → Iskenderun 7K (30kt)	$46.50	+$1.00	$45.15	$47.60	$46.25	$35.95
ARAG → Iskenderun 12TTL (35kt)	$39.50	+$1.00	$38.35	$40.45	$39.30	$30.55
S4A (USG → Skaw)	32,879	+3,222	31,889	32,694	32,234	22,995
HS4_38 (USG → Skaw)	20,146	+1,585	19,551	20,632	20,046	15,578

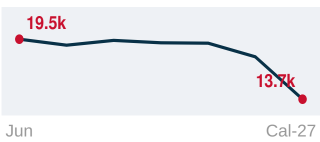
FFA · FERROUS & FUEL BENCHMARKS

MARKET	SPOT	▲ W/W	JUN-26	JUL-26	Q3-26	CAL-27
FFA S10TC (58dwt)	19,524	+1,109	18,936	19,414	19,141	13,655
FFA HS7TC	16,502	+758	16,015	16,900	16,420	12,760
Turkey Scrap (80:20)	397.0	-9.0	396.50	385.50	388.17	—
EU HRC (€/mt)	—	—	676	677	685	—
Rott. 0.5% (Spot–Fut.)	576	-79	578.00	541.50	522.13	475.00
Gib 0.5% (Spot)	609	-101	—	—	—	—

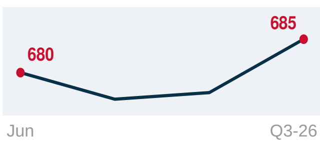
LME HMS 80:20 CFR TURKEY
Indicative curve · $/mt



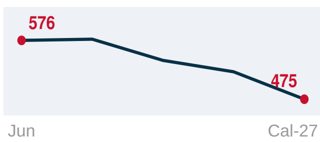
SUPRAMAX S10TC
Indicative curve · $/day



EC HRC
Indicative curve · €/mt



ROTT. 0.5% VLSFO
Indicative curve · $/mt



RECENT / TENDER / SALES

Turkey + Med (deepsea bookings) — An Izmir-based mill was reported to have **booked a Baltic-origin HMS 80:20 deepsea cargo around $387/mt CFR** at the tail end of the prior week (unconfirmed by close). Premium-origin tradable range opened at **$400–409 CFR**, tightened to **$385–398 CFR** by Wednesday with EU-origin shading to $385–392. A Romania shortsea also reportedly cleared **around $367 CFR** midweek.

South + East Asia (deepsea bulk) — Pakistan tradable for shredded held in the **low $400s CFR Port Qasim** through the week. Bangladesh saw Australia-origin HMS 80:20 bulk shown **around $390 CFR Chittagong** against bids near $380. Vietnam Japan H2 offers ran **$370–380/mt CFR**, mainstream defending $380. East Asia HMS pegged the **mid-$380s CFR**, buyers waiting for further softness before stepping in.

FIXTURES · SCRAP & COMPETITIVE CARGOES

TC FIXTURES · ULTRAMAX

63k — $24,500 dop Nemrut Bay via Ecsa, fhaul

63k — $17,000 dop Damietta via Alexandria to St Lawrence

63k — $22,000 dop Singapore via Meulaboh to Wci

63k — $30,000 delivery Swp to Singapore–Japan

62k — $33,000 aps Fazendinha to Aughinish

TC FIXTURES · SUPRAMAX

58k — $14,000 dop Iskenderun via E Med to Usg, clinker

58k — $13,500 dop Chitta via Eci to China, iron ore

56k — $22,000 passing Gib via Jorf Lasfar to India, phosrock

56k — $13,500 dop Vizag via Indonesia to Vietnam

50k — $24,000 dop Recalada to Bejaia, sugar

TC FIXTURES · HANDY

40k — $26,000 aps Houston to Dublin, petcoke

37k — $24,000 aps Barcarena to Tunisia, grains

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