

HOT MARKET TRENDS

Turkey holds >10 unfilled June cargo slots

Turkish mills are short more than **10 deepsea cargoes for June arrival** with the Eid-week pipeline still gapping. Physical at \$410/mt with paper anchored near \$400 limits any selling pressure; the unfilled buy-side keeps a floor under HMS 80:20 CFR despite the \$180/mt scrap-rebar squeeze.

Section 232 turns one — new EU safeguards land 1 Jul

The 50% US tariff on EU steel imports hits its anniversary today. EU shipments to the US have dropped **34% YoY to 1.94 Mt** (Jul 2025–Mar 2026). On 1 July, EU safeguards reset with tighter TRQs, a 50% over-quota duty (up from 25%) and stricter origin tracing — reshaping Atlantic steel and scrap flows.

SSAB resumes Lulea green-steel build

SSAB's Lulea construction restarted 27 May, with the EAF + hydrogen-DRI plant targeting **end-2029** start-up. A 9,000-profile SSAB Zero supply contract to Vattenfall's Juliusburg solar park was confirmed alongside — reinforcing the EU's long-dated scrap demand pipeline.

MARKET COMMENTARY

STEEL SCRAP

- ▶ Turkish HMS 80:20 CFR drifted to **\$410/mt** (-\$1 d/d, **-\$1 w/w**) with tradables centred **\$407–411/mt CFR**. The mill margin profile remains under water on a \$180/mt scrap-rebar spread, but South American + Yemeni rebar bookings keep procurement obligations live; Chinese billet at \$525/mt CFR remains the effective ceiling.
- ▶ India stayed offered through the week — containerized shredded **\$389/mt CFR Nhava Sheva (-\$1 w/w)**, with HMS 80:20 bids \$345–360 vs offers above \$400. Domestic pellet-DRI at Rs 24,600/mt (mid-Jan lows) and rupee at Rs 95.15/\$1 reinforce the local-sourcing preference. Asia container market softer too: HMS 80:20 CFR Taiwan \$356 (-\$1), Japan-origin HMS at \$360/mt CFR Vietnam (29 May).
- ▶ Americas + Atlantic floor firmer: **US Midwest shredded \$430/lt** (HRC-shred spread \$716/st), HMS 75:25 FOB Rotterdam +\$1.50 to \$365.75, Brazilian merchant pig iron +\$2.50 to **\$497.50/mt FOB**. Brazil's domestic HMS jumped **+Real 52.50 to Real 900/mt** on China antidumping; Tokyo Steel lifted purchase list prices ~+2.6% across H2 / Shindachi / Auto Shred grades.

PHYSICAL / FFA

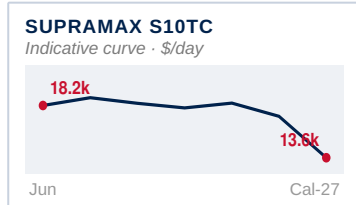
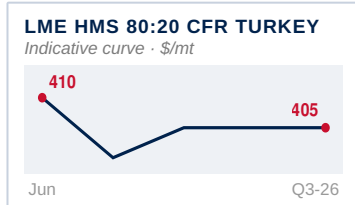
- ▶ **UMX / SMX**: Atlantic basin firmed materially. **S4A** (USG–Skaw) added **+\$517 w/w** to **\$28,571/day**, **S1C** (USG–FE) gained **+\$521 w/w** to **\$27,457/day**, while **S11TC** Pacific TC printed **\$20,006/day (+\$171 w/w)**. **BSI** composite firmed +14 pts to **1,583**.
- ▶ **Handy**: **HS7TC** printed **\$15,390/day (+\$136 w/w)** — broadly stable but firmer. **HS4_38** (USG–Skaw) firmed sharply, **+\$508 w/w** to **\$18,079/day**, mirroring Atlantic Supramax tightness.
- ▶ **FFA S10TC paper**: FIS curve firmed broadly W/W across the back end — Jun-26 **\$18,200 (-\$75)**, Jul-26 **\$18,900 (+\$375)**, Aug-26 **\$18,400 (+\$525)**, Q3-26 **\$18,425 (+\$450)**, Q4-26 **\$17,250 (+\$625)**, Cal-27 **\$13,575 (+\$75)**. Source: FIS 10TC Smx desk, 4 Jun close.

SCRAP FREIGHT ROUTES

ROUTE	SPOT	▲ W/W	JUN-26	JUL-26	Q3-26	CAL-27
NY → Iskenderun 7K (30kt)	44.50	+0.50	44.50	44.90	44.60	41.48
ARAG → Iskenderun 12TTL (35kt)	37.50	-0.50	37.50	37.67	37.54	36.20
S4A (USG → Skaw)	28,571	+517	28,571	29,201	28,774	24,409
HS4_38 (USG → Skaw)	18,079	+508	18,079	18,479	18,179	15,054
HS7TC (USG → Skaw)	15,390	+136	—	—	—	—

FFA · FERROUS & FUEL BENCHMARKS

MARKET	SPOT	▲ W/W	JUN-26	JUL-26	Q3-26	CAL-27
FFA S10TC (58dwt)	18,200	-75	18,200	18,900	18,425	13,575
FFA HS7TC	15,390	+136	15,625	16,025	15,725	12,600
Turkey Scrap (80:20)	410.0	-1.0	400.00	405.00	405.00	—
EU HRC (€/mt)	680	0	672	675	683	735
Rott. 0.5% (Spot–Fut.)	734.5	-4.5	631	622	601	516
Gib 0.5% (Spot)	737	-7	—	—	—	—



RECENT / TENDER / SALES

India (US/EU origin) — Containerized HMS 80:20 bids stayed in the **\$360–370/mt CFR Nhava Sheva** band against offers above \$400 with no executable deals through the week. Shredded held **\$389/mt CFR** (-\$1 w/w); rupee weakness (Rs 95.15/\$1) and falling domestic DRI continue to displace imports.

Turkey (US origin) — Tradable HMS 80:20 ranged **\$407–411/mt CFR** with mills still chasing **10+ June cargoes**, supporting the prompt floor. Bangladesh: US WC HMS 80:20 bulk offers **\$412–415/mt CFR Chittagong** vs bids \$403–404. Pakistan: shredded \$425/mt CFR Port Qasim, buyers cautious post-Eid.

FIXTURES · SCRAP & COMPETITIVE CARGOES

TC FIXTURES · ULTRAMAX

UMX 66k \$30,000 dop Paranagua via Recalada → E Med, grains

UMX 64k \$34,000 aps Fazendinha → Greece, bauxite

UMX 64k \$12,000 aps Garrucha → Savannah, gypsum

UMX 63k \$21,250 + \$212,500 aps Maputo → FEast, iron ore

UMX 63k \$18,000 dop Vizag via Indonesia → WCI, coal

UMX 63k \$25,500 dop Ennore via Indonesia → WCI, coal

UMX 61k \$22,000 dop Nigeria → Cont, minerals

UMX 60k \$12,000 aps Egypt → USEC, cement

TC FIXTURES · SUPRAMAX

SMX 56k \$20,000 dop Surabaya via Indonesia → China, coal

SMX 56k \$17,000 bss Singapore via Indonesia → China, coal

VOYAGE FIXTURES · SCRAP

1.5M bale ex 1sp France → 1sp Adriatic, 16ttl shinc — ~\$1.025M lpsm

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