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

CISA calls Chinese mills to strictly implement production controls

- China Iron & Steel Association (CISA) urged mills on **15 Sep** to control outputs and reduce inventories amid oversupply and weak downstream demand — call is industry **guidance, not mandatory**, but hitting even during traditional Sep peak season.
- Voluntary production pull-back suggests **bearish Cape/iron ore** tons into Q4/Cal-27; scrap-fed EAF substitution could firm scrap import demand at the margin.

LME Turkey Scrap futures push to 3-month high — paper catches physical

- LME Sep-26 **$394 (+$7.50 w/w)**, curve steepening through Mar-27 **$411**; physical CFR **$397.50 (+$16.50 w/w)** — futures now catching up but still trailing spot.
- Sustained forward curve strength = confidence in Q4/Q1 Turkey suggesting scrap demand → supports NY/ISK + ARAG/ISK voyage economics, USG Handy/Supra loads.

EU Parliament backs CBAM extension to downstream steel — vote 15 Sep

- European Parliament adopted position on 15 Sep to widen CBAM to downstream steel/ aluminum (fasteners, wire, springs, household goods) — broader than Commission's original list.
- Turkey (top rebar exporter to EU) faces higher carbon cost pass-through suggested that scrap-fed EAF is supported vs BOF, **Turkey CFR floor firmer** into 2027+.

MARKET COMMENTARY

STEEL SCRAP

- **Turkey (deepsea):** Turkish scrap extended the rally to **$397.50 CFR** (+$16.50 w/w) on 16 Sep with US sellers heard targeting **$400 CFR** for HMS 80:20. Rebar FOB firmed to **$615** (+$20 w/w) as mills recouped scrap costs into finished steel.
- **Bangladesh + Pakistan + India:** Subcontinent held firm on tighter Turkey-led CFR complex; India shredded steady at Nhava Sheva as domestic mills digest higher import costs, Pakistan quiet, Bangladesh PNS demand tracking Turkey higher.
- **Asian deepsea flow:** Post-Kanto tender, Japan H2 offers into Vietnam heard firming further w/w as regional buyers digested tighter US export supply and stronger yen dynamics.

PHYSICAL / FFA

- **UMX / SMX:** Headline **S11TC +$442 w/w to $22,097** — Atlantic momentum broadening. **S1B +$1,046 to $25,421** and **S3 +$784 to $20,542** as ECSA/USG grain pull deepens; **S4A flat +$7 to $32,966** and **S1C flat +$28 to $33,566** as USG Cape and Ultramax topped out.
- **Handy: HS4_38 rocketed +$2,950 w/w to $21,014** — Atlantic Handy caught fire behind ECSA/USG bid. **HS7TC +$554 to $17,305** as Pacific Handy dragged along.
- **FFA S10TC paper:** Curve nudged higher on the front — Sep **$20,061 (+$250)**, Oct **$21,554 (+$15)**, **Q4 $21,125 (+$57)**, **Cal-27 $16,473 (+$21)**. Paper barely twitched despite the physical firming — spot strength already priced into the curve, with a sustained but measured view on higher highs.

SCRAP FREIGHT ROUTES

ROUTE	SPOT	▲ W/W	SEP-26	OCT-26	Q4-26	CAL-27
NY → Iskenderun 7K (30kt) ($/mt)	51.75	+6.75	51.74	55.60	54.49	42.49
ARAG → Iskenderun 12TTL (35kt) ($/mt)	45.75	+4.75	45.74	49.15	48.17	37.57
S4A (USG → Skaw)	32,966	+7	32,963	35,417	34,712	27,067
HS4_38 (USG → Skaw)	21,014	+2,950	21,014	23,330	22,819	17,914

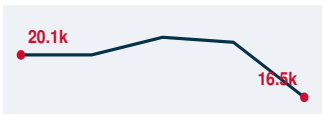
FFA · FERROUS & FUEL BENCHMARKS

MARKET	SPOT	▲ W/W	SEP-26	OCT-26	Q4-26	CAL-27
FFA S10TC (58dwt)	20,063	+442	20,061	21,554	21,125	16,473
FFA HS7TC	17,305	+554	16,965	18,835	18,422	14,462
Turkey Scrap (80:20)	397.50	+16.50	394.00	403.50	405.17	—
EU HRC (€/mt)	—	—	738	753	761	—
Rott. 0.5% (Spot–Fut.)	700	+7	649.25	647.50	629.25	528.25
Gib 0.5% (Spot)	759	+35	—	—	—	—

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 deepsea

- Turkey CFR benchmark to **$397.50** on 16 Sep — US sellers heard targeting **$400 CFR** for HMS 80:20
- Multiple US-origin, Baltic-origin and UK-origin cargoes heard booked into Marmara mills
- Turkish rebar exports firmed to **$615 FOB**, mills recouping scrap costs into finished steel

Asia deepsea & tender

- Post-Kanto tender Japan H2 offers heard firming further into Vietnam
- US-origin HS offers into Vietnam heard firmer w/w on tight US export supply
- Bangladesh PNS demand heard tracking Turkey CFR breakout higher

VOYAGE FIXTURES · SCRAP

TC FIXTURES · ULTRAMAX (ATLANTIC)

63k — **$33,000** aps NOLA to Med grains

63k — **$32,000** aps Norfolk to Sing–Japan grains

62k — **$33,000** aps Miss River to Vietnam grains

63k — **$25,200** dop Antwerp via Baltic to SAfr grains

63k — **$25,000** dop ARAG via Baltic to Mombasa grains

63k — **$23,000 + $750k GBB** aps Recalada to Vietnam agris

61k — **$32,000** aps Recalada to BSea

TC FIXTURES · ULTRAMAX (PACIFIC/ SAFR)

64k — **$30,000** dop Fangcheng to BDesh clinker

63k — **$17,500** aps Egypt to WAfr clinker

61k — **$18,700** dop Anyer via Indo to China coal

60k — **$25,000 + $250k GBB** aps SAfr to FEast

SCRAP VOYAGE FIXTURE

1.55 mio bale scrap ex 1sp ARAG to 1sp Greece bss 14ttl SHINC — fixed around **USD 1M LPSM**

TC FIXTURES · SUPRAMAX

58k — **$23,000 + $230k GBB** aps Saldanha Bay to Japan

57k — **$25,000** dop Gdansk via Baltic to SAfr grains

56k — **$29,500** aps Recalada to WCSA grains

56k — **$25,000** aps NCSA to Baltic coal

55k — **$30,000** dop Ghent via ARAG to China petcoke

56k — **$14,600** dop Sgp via Indo to China coal

TC FIXTURES · HANDY / HANDYMAX

33k — **$29,000** aps Aalborg to Turkey **scrap**

35k — **$23,000** dop ARAG to E Med **scrap**

38k — **$22,000** aps Recalada to Cont grains

38k — **$21,000** dop Georgetown via N Brazil to W Med grains

33k — **$26,000** aps Praia Mole to WCSA steels

33k — **$20,000** dop Baltimore to Cont

49k — **$16,000** dop Abidjan via Morocco to BDesh

32k — **$14,000** dop Dakar via ECSA to Sgp grains

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