FIS

STEEL SCRAP FREIGHT REPORT

Freight Investor Services · Dry Bulk Desk

3 SEP 2026

WEEKLY · ISSUE 35/26

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

HOT MARKET TRENDS

Ukraine pellet supply squeeze — Ferrexpo output -54% y/y H1

- Ferrexpo H1 2026 iron ore output **1.55 Mt (-54% y/y)**; premium pellet **1.22 Mt (-41% y/y)**. Cash runway flagged only through mid-Sep on export blockades.
- Metinvest H1 pellet **2.71 Mt (-17% y/y)** — Atlantic BF pellet premium remains north of **$30/dmt**, bullish Turkey CFR floor.

Bunker rally pushing freight economics — Rott $733 (+$104 w/w), Gib $732 (+$65)

- Physical bunker spots surged w/w on renewed geopolitical risk premium in the oil complex.
- Rott VLSFO Sep futures **$624 vs $733 spot** — steep backwardation, direct hit to Atlantic spot voyage economics.

ArcelorMittal to invest $962M in Tubarao

- ArcelorMittal announced up to **$962M** Tubarao (Brazil) expansion — major slab + merchant PI complex, medium-term capacity add.
- Forward-looking: more slab/PI export tons → firmer ex-Brazil Panamax/Supra freight; bearish US EAF scrap demand via PI substitution.

MARKET COMMENTARY

STEEL SCRAP

- **Turkey (deepsea):** Turkish scrap broke out **+$5 w/w to $380 CFR** on 3 Sep after four weeks flat around $375 — Baltic and US bookings drove the move. Rebar exports firmed to **$595 FOB**.
- **Bangladesh + Pakistan + India:** Subcontinent tone firmer w/w with India restocking supportive into North; Pakistan quiet on funding, Bangladesh steady on PNS demand. Container flows tracking Turkey's move higher.
- **Asian deepsea flow:** Japan H2 FOB firmed w/w into month-end despite thin activity on Vietnam National Day (29 Aug–2 Sep). Med HBI steady — Libyan absent, Russian volumes stranded in BSea.

PHYSICAL / FFA

- **UMX / SMX:** Headline **S11TC +$160 w/w to $20,949** as Atlantic firmed — **S4A +$634 to $30,959**, **S1C +$909 to $31,222** on tight USG tonnage. Offset by **S1B -$132**, **S4B -$394**, **S3 -$41**.
- **Handy: HS7TC +$125 w/w to $15,974** continued firming on Pacific pull. **HS4_38 +$136 w/w to $15,179** also up as Atlantic Handy caught the S4A bid.
- **FFA S10TC paper:** Front rolled to Sep with the whole curve firming — Sep **$20,121 (+$514)** post-roll, Oct **$22,571 (+$1,721)**, **Q4 $21,760 (+$1,665)**, **Cal-27 $16,665 (+$772)**. Structural longs stacking on grain season + Turkey CFR breakout.

SCRAP FREIGHT ROUTES

ROUTE	SPOT	▲ W/W	SEP-26	OCT-26	Q4-26	CAL-27
NY → Iskenderun 7K (30kt) ($/mt)	42.00	+2.75	42.00	45.93	44.24	34.24
ARAG → Iskenderun 12TTL (35kt) ($/mt)	40.00	+1.50	40.00	44.00	42.20	32.99
S4A (USG → Skaw)	30,959	+634	30,959	33,853	32,613	25,241
HS4_38 (USG → Skaw)	15,179	+136	16,965	18,660	17,898	13,991

FFA · FERROUS & FUEL BENCHMARKS

MARKET	SPOT	▲ W/W	SEP-26	OCT-26	Q4-26	CAL-27
FFA S10TC (58dwt)	18,915	+160	20,121	22,571	21,760	16,665
FFA HS4_38	15,179	+136	17,080	19,340	18,660	14,243
Turkey Scrap (80:20)	380.00	+5.00	385.50	394.00	397.33	—
EU HRC (€/mt)	742	+21	742	754	761	778
Rott. 0.5% (Spot–Fut.)	733	+104	623.75	611.50	595.25	533.00
Gib 0.5% (Spot)	732	+65	—	—	—	—

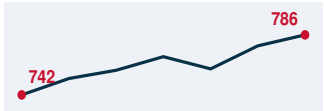
LME HMS 80:20 CFR TURKEY
Indicative curve · $/mt



SUPRAMAX S10TC
Indicative curve · $/day



EC HRC
Indicative curve · €/mt



ROTT. 0.5% VLSFO
Indicative curve · $/mt



RECENT / TENDER / SALES

Turkey deepsea

- **Baltic-origin** HMS cargo heard booked into Turkey
- **EU-origin** HMS cargo heard booked into Turkey
- **US-origin** HMS cargo heard booked — the print that lifted CFR benchmark to $380

Asia deepsea & container

- Japan-origin HS activity heard into Vietnam
- Singapore-origin PNS cargo heard into Chittagong

VOYAGE FIXTURES · SCRAP

TC FIXTURES · ULTRAMAX (ATLANTIC)

63k — **$33,000** aps Corpus Christi to E Med petcoke

60k — **$30,000** aps Wilmington to Cont wood pellets

61k — **$25,000** dop Vlissingen via ARAG to E Med coal

63k — **$19,250 + $925k GBB** aps Santos to Sing–Japan

63k — **$19,000 + $900k GBB** aps Bahia Blanca to Indo

61k — **$20,500** passing Skaw via Baltic to Lagos grains

TC FIXTURES · ULTRAMAX (PACIFIC/ SAFR)

64k — **$25,000 + $250k GBB** aps Port Elizabeth to China

63k — **$25,000 + $250k GBB** aps Port Elizabeth to Sing–Japan

63k — **$22,000** del Sgp via Indo to Thailand

63k — **$21,000** dop Lianyungang for NoPac r/v

TC FIXTURES · SUPRAMAX

58k — **$27,500** aps SWP to Med grains

58k — **$22,000** passing Skaw via ARAG to Med scrap

58k — **$22,000** aps ARAG to Med scrap

57k — **$28,000** dop Barcarena to Egypt grains

56k — **$18,500 + $185k GBB** aps Port Elizabeth to FEast

56k — **$12,500** bss Gib via Morocco to USG

TC FIXTURES · HANDY / HANDYMAX

42k — **$17,000** dop Acajutla via NoPac to Sing

40k — **$17,200** dop Rotterdam via Morocco to BDesh

34k — **$13,500** dop Vietnam via Vietnam to Korea

30k — **$16,800** aps Recalada to Fortaleza grains

28k — **$19,000** del Recalada to Spain grains

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