

HOT MARKET TRENDS

Ankara and Brussels align on CBAM

- Trade chiefs Šefčovič and Bolat agreed at the third EU–Türkiye high-level trade dialogue to cooperate on CBAM and circular-economy policy, while Ankara pressed for equal footing under the EU's new industrial-preference rules.

Tokyo Steel lifts November prices

- Japan's biggest electric-furnace steelmaker put up its November offers for HRC, rebar and beams by **¥3,000/t (~\$19/t)**, pointing to higher energy costs and an expected seasonal pick-up in demand.

German steel use seen +6% in 2027

- WV Stahl, using worldsteel's numbers, sees German steel use climbing from **30.3 Mt** this year to **32.1 Mt** in 2027, but warns the gain mostly recovers lost ground and wants faster investment and an EU-made preference.

- Short term:** Turkish mills buying hand to mouth against squeezed rebar margins while freight soaks up sellers' room to cut, keeping CFR Turkey rangebound in the \$390s and US and European export scrap under pressure.
- Medium-to-long term:** a firmer Japanese EAF price cycle and a recovering German demand base pointing to more scrap consumed at source, while Turkey's move to an EU-aligned ETS lifts the premium on low-carbon, scrap-based output — keeping competition for exportable scrap tight over time.

MARKET COMMENTARY

STEEL SCRAP

- **Turkey (deepsea):** Turkish deepsea scrap edged up **\$3 w/w**, clawing back part of the previous week's fall, though appetite stays capped by weak long-steel demand. Rebar FOB came off **\$5 w/w**, narrowing the scrap-to-rebar spread **\$8 w/w** and leaving mill margins squeezed. On the supply side, export scrap eased on both sides of the Atlantic as Turkish buying slowed, but rising freight absorbed most of the room sellers had to cut, seemingly. Paper firmed alongside, LME 2026 balance contracts up **\$3-4 w/w** to the low/mid-\$390s, the curve holding its contango into 2027.
- **Bangladesh + Pakistan + India:** Subcontinent still subdued, buyers covering only immediate needs with domestic material competing hard against imports.
- **Asian deepsea flow:** Japan holding firm, Tokyo Steel putting up November product offers on higher energy costs and an expected seasonal lift, which keeps domestic scrap well bid. Regional deepsea buying patchy, seemingly.

PHYSICAL / FFA

- **UMX / SMX:** Scrap freight lost some of its earlier momentum. Cont cargoes had set the pace earlier in the month, with chrts paying up to the very high \$30ks/day, but activity slowed through the week and peak numbers look to have passed, Baltic stems picking up some of the slack. The USG gave ground alongside, **S4A -\$894 to \$31,094** and **S1C -\$1,744 to \$30,244**, while Med owners increasingly weigh ballasting elsewhere following limited enquiry. On the other side, it was the Pacific that kept the headline afloat, **S11TC +\$311 to \$23,638** on the back of **S3TC +\$601 to \$23,373**, while **S1B (Canakkale via Med)** added **\$1,100 to \$26,550** and **S4B \$455 to \$16,746**.
- **Handy:** **HS7TC +\$280 to \$18,336**, firming every day of the week, though the USG kept sliding with **HS4_38 -\$700 to \$19,943**, now under \$20,000.
- **FFA S10TC paper:** Curve firmer w/w but still trailing physical — Oct **\$21,118 (+\$307)**, Nov **\$19,786 (+\$172)**, Q4 **\$20,144 (+\$168)**, Cal-27 **\$15,907 (+\$183)**, all below spot. Handy mixed, **HS7TC Oct \$18,260 (-\$25)**, Nov **\$18,265 (+\$290)**, Q4 **\$18,242 (+\$167)**, the whole strip now under spot.

SCRAP FREIGHT ROUTES

ROUTE	SPOT	▲ W/W	OCT-26	NOV-26	Q4-26	CAL-27
NY → Iskenderun 7K (30kt) (\$/mt)*	43.75	-0.25	42.77	40.07	40.79	32.21
ARAG → Iskenderun 12TTL (35kt) (\$/mt)*	51.50	+0.65	51.29	51.30	51.24	40.21
S4A (USG → Skaw)	31,094	-894	30,395	28,477	28,993	22,894
HS4_38 (USG → Skaw)	19,943	-700	19,860	19,866	19,841	15,571

*Voyage forwards bootstrapped from S4A / HS4_38; S4A / HS4_38 forwards from BFA S10TC / HS7TC (21 Oct). LME, N.EU HRC and Rott. 3.5% at 21 Oct close (mid), W/W on Oct-26. Rott. 0.5% VLSFO futures TBN.

FFA · FERROUS & FUEL BENCHMARKS

MARKET	SPOT	▲ W/W	OCT-26	NOV-26	Q4-26	CAL-27
FFA S10TC (58dwt)	21,604	+311	21,118	19,786	20,144	15,907
FFA HS7TC	18,336	+280	18,260	18,265	18,242	14,316
Turkey Scrap (80:20)	—	+3.00	395.50	391.50	393.83	404.13
EU HRC (€/mt)	—	-2	736	757	751	—
Rott. 0.5% (Spot–Fut.)	748	-6	TBN	TBN	TBN	TBN
Rott. 3.5% (Fut.)	—	—	607.25	628.75	613.75	532.75
Gib 0.5% (Spot)	766	+15	—	—	—	—

LME HMS 80:20 CFR TURKEY

Indicative curve · \$/mt



SUPRAMAX S10TC

Indicative curve · \$/day



EC HRC

Indicative curve · €/mt



ROTT. 3.5% HSFO

Indicative curve · \$/mt



TENDER / SALES · SCRAP CARGOES

- Dutch and UK cargoes heard done into Iskenderun and Izmir in the mid-to-high \$380s delivered.
- US-origin material talked around the mid-\$390s delivered Iskenderun.

FIXTURES

TC FIXTURES · UMX / SMX (ATLANTIC)

UMX 64k — \$25,500 dop Paulsboro via Barcarena / Egypt Med grains

UMX 60k — \$25,500 dop Jorf Lasfar via N Brazil / EMED grains

UMX 64k — \$25,000 dop Douala via WAFR / Baltic

SMX 55k — \$22,000 dop Lagos via Santos / Bejaia

SMX 58k — \$18,500 + \$850k aps Santos / Chitta

SMX 58k — \$16,750 + \$675k aps Recalada / SEAsia grains

UMX 63k — \$16,000 aps ARAG / EC Mexico

SMX 56k — \$16,000 aps Ashdod / Brazil ferts

UMX 62k — \$14,750 aps Garrucha / Sepetiba

SMX 53k — \$14,250 aps Iskenderun / Takoradi-Douala clinker

TC FIXTURES · UMX / SMX (PACIFIC/SAFR)

UMX 63k — \$27,000 dop Mizushima via NOPAC / Salalah

UMX 61k — \$25,000 dop Tianjin via NOPAC / Chitta

UMX 61k — \$23,000 dop Kobe NOPAC r/v

SCRAP VOYAGE FIXTURES

2.3m bale — 1sp USEC / 1sp Turkey, 15TTL days SHINC @ ~\$2.2m lumpsum

2.4m bale — 1sp ARAG / 1sp Egypt, 12TTL days SHINC @ ~\$1.75m lumpsum

1.65m bale — 1sp ARAG / 1sp Turkey, 9TTL days SHINC @ ~\$1.35m lumpsum

TC FIXTURES · SCRAP / STEELS

UMX 63k — \$36,000 aps UK / Med scrap

SMX 58k — \$20,000 dop Tuticorin via SEAsia / EMED steels

TC FIXTURES · HANDY / HANDYMAX

Handy 33k — \$25,000 dop Santos / Jacksonville

Handy 29k — \$20,250 aps Hamburg / Casablanca

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