STEEL SCRAP FREIGHT REPORT

FIS

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

HOT MARKET TRENDS

EU mills restart ~10 Mt of capacity

- EUROFER's 100-day review of the new import regime counts roughly **10 Mt/yr** of idled European steelmaking brought back since July, backed by **€3.4B** in committed spend and another **€2.4B** pencilled in before year-end.

Donawitz EAF nears start-up

- voestalpine has largely finished fitting out its **~850 kt/yr** EAF in Styria and moved into cold testing, aiming for first heats in **H1 2027**, the same window as its Linz unit.

India sets 604 Mt capacity goal for 2047

- New Delhi's draft Steel Policy Vision 2047, now out for consultation, lifts the long-run capacity goal to **604 Mt/yr** from roughly **220 Mt** today, with output pencilled at **531 Mt**, exports at **45 Mt** and a wider role for scrap-based steelmaking.

- **Short term:** Turkish mills leaning on sellers against weak rebar while Atlantic freight stays firm, pressing CFR Turkey back into the $390s and squeezing deepsea margins on both sides, for now.
- **Medium-to-long term:** restarted EU capacity and Austria's two new EAFs pointing to more scrap melted at home, thinning ex-EU supply for Turkey, while India's push for a near-threefold capacity build with a bigger scrap-based route adds a structural new bidder for seaborne scrap over time.

MARKET COMMENTARY

STEEL SCRAP

- **Turkey (deepsea):** A softer week, Turkish deepsea scrap giving up **$9 w/w** as mills held out for lower numbers against weak long-steel demand, settling back into the $390s. Rebar FOB came off **$5 w/w**, widening the scrap-to-rebar spread **$4 w/w**. Firm Atlantic freight, with S1C and S4A both up on the week, kept a floor under delivered levels, and the market looks set to consolidate in the **$390-400** band through October, seemingly. Paper eased further, LME 2026 balance contracts slipping to the high-$380s to low-$390s (**-$4 to -$7 w/w**), though the curve holds its contango into 2027.
- **Bangladesh + Pakistan + India:** India subdued, a better-supplied domestic market pulling local scrap prices lower and leaving little appetite for imports. Pakistan and Bangladesh tame, buying kept to prompt requirements.
- **Asian deepsea flow:** Japan holding firm, Tokyo Steel raising scrap buying prices for the third time in October and the monthly Kanto Tetsugen export tender settling higher, though H2 trade stayed sparse. China back from Golden Week, but regional deepsea buying still slow to wake up, for now.

PHYSICAL / FFA

- **UMX / SMX:** Firmer across the board, headline **S11TC +569 to $23,327** with the Pacific leading on a tight NOPAC tonnage list, **S3TC +$1,091 to $22,772**, while the USG found better ground later in the week with **S4A +$182 to $31,988**, **S1C +$344 to $31,988**, **S1B (Canakkale via Med) +$50 to $25,450** and Cont/backhaul **S4B +$528 to $16,291**.
- **Handy: HS7TC unchanged at $18,056** w/w, the USG still the soft spot with **HS4_38 -$2,243 to $20,643** as tonnage kept building, offset elsewhere in the composite.
- **FFA S10TC paper:** Paper failed to follow physical higher, the curve coming off w/w and slipping to a discount to spot — Oct **$20,811 (-$235)**, Nov **$19,614 (-$1,129)**, **Q4 $19,976 (-$729)**, **Cal-27 $15,724 (-$492)**. Handy softer too, HS7TC Oct **$18,285 (-$485)**, Nov **$17,975 (-$845)**, Q4 **$18,075 (-$672)**, with Nov onwards now under spot.

SCRAP FREIGHT ROUTES

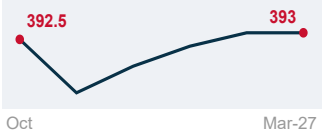
ROUTE	SPOT	▲ W/W	OCT-26	NOV-26	Q4-26	CAL-27
NY → Iskenderun 7K (30kt) ($/mt)*	44.00	-2.00	43.00	40.53	41.28	32.49
ARAG → Iskenderun 12TTL (35kt) ($/mt)*	50.85	-3.90	51.49	50.62	50.90	40.02
S4A (USG → Skaw)	31,988	+182	31,264	29,466	30,010	23,622
HS4_38 (USG → Skaw)	20,643	-2,243	20,905	20,550	20,665	16,245

FFA · FERROUS & FUEL BENCHMARKS

MARKET	SPOT	▲ W/W	OCT-26	NOV-26	Q4-26	CAL-27
FFA S10TC (58dwt)	21,293	+569	20,811	19,614	19,976	15,724
FFA HS7TC	18,056	0	18,285	17,975	18,075	14,209
Turkey Scrap (80:20)	—	-4.00	392.50	388.50	390.50	400.88
EU HRC (€/mt)	—	+6	738	755	752	—
Rott. 0.5% (Spot–Fut.)	754	+58	665.50	661.75	657.58	590.75
Gib 0.5% (Spot)	751	+40	—	—	—	—

**Voyage forwards bootstrapped from S4A / HS4_38; S4A / HS4_38 forwards from BFA S10TC / HS7TC (14 Oct). LME, N.EU HRC and Rott. VLSFO at 14 Oct close (mid); Turkey scrap, HRC and VLSFO W/W on Oct-26.*

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



TENDER / SALES · SCRAP CARGOES

- Deepsea bookings into Turkey thin on the ground, mills holding out for lower numbers.
- Kanto Tetsugen's monthly H2 export tender settled higher for October.

FIXTURES

TC FIXTURES · UMX / SMX (ATLANTIC)

UMX 63k — $34,000 aps USG / China petcoke

UMX 63k — $32,750 aps SWP / Lisbon grains

UMX 61k — $31,500 aps Cape Henry / W Med grains

UMX 64k — $22,000 + $950k aps Recalada / FEAST

UMX 60k — $20,000 + $1m wwr Upriver / SEAsia grains

SMX 56k — $18,000 aps Garrucha / Conakry

TC FIXTURES · UMX / SMX (PACIFIC/SAFR)

UMX 64k — $27,000 dop Japan NOPAC r/v redel Spore-Japan

UMX 60k — $28,000 + $280k aps Port Elizabeth / FEAST

UMX 63k — $25,000 dop Tianjin via NOPAC / Bdesh

UMX 63k — $23,200 dop Mutsure via N China / Bdesh slags

SMX 55k — $22,500 + $225k aps Richards Bay / Pakistan coal

TC FIXTURES · SCRAP / STEELS

Handymax 40k — $41,000 dop Police via Odense / Samsun scrap

SMX 58k — $30,000 dop ARAG / Med scrap

SMX 55k — $29,000 aps Boston / EMED scrap

SMX 56k — $28,000 passing Skaw via Baltic / Med steels

Handy 39k — $19,500 dop Panjang via China / Gib-CONT via Goa steels

Handy 39k — $19,500 dop Antwerp via Bremen / USG steels

TC FIXTURES · HANDY / HANDYMAX

Handy 39k — $33,500 aps Recalada / Algeria

Handy 34k — $26,000 dop Santos / Morocco

Handymax 40k — $25,000 aps Rouen / WAFR

Handy 37k — $21,000 dop Lisbon via Rouen / Nouakchott wheat

Handy 37k — $11,000 passing Canakkale via Iskenderun / NCSA

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