



MAJESTIC  
STEEL USA

# CORE REPORT

07.25.25

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- ⬆ iron ore
- ⊖ energy
- ⬆ zinc
- ⬆ coking coal

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## COST

### ▲ SPOT IRON ORE<sup>1</sup>

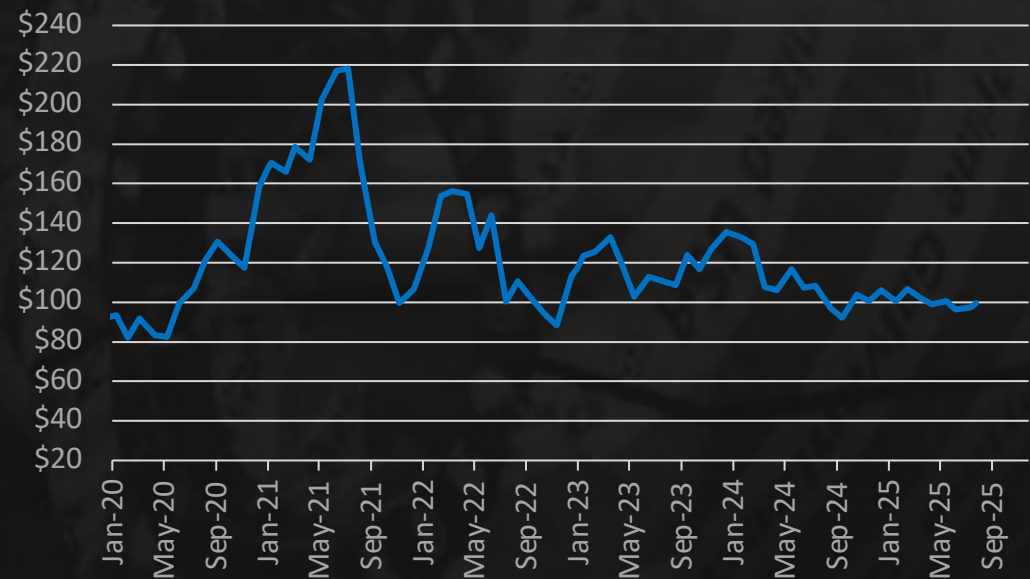
Spot iron ore increased again this week to the highest level in nearly four months.

Spot iron ore pricing ended the week at \$99.70/mt, up from \$98.45/mt a week ago.

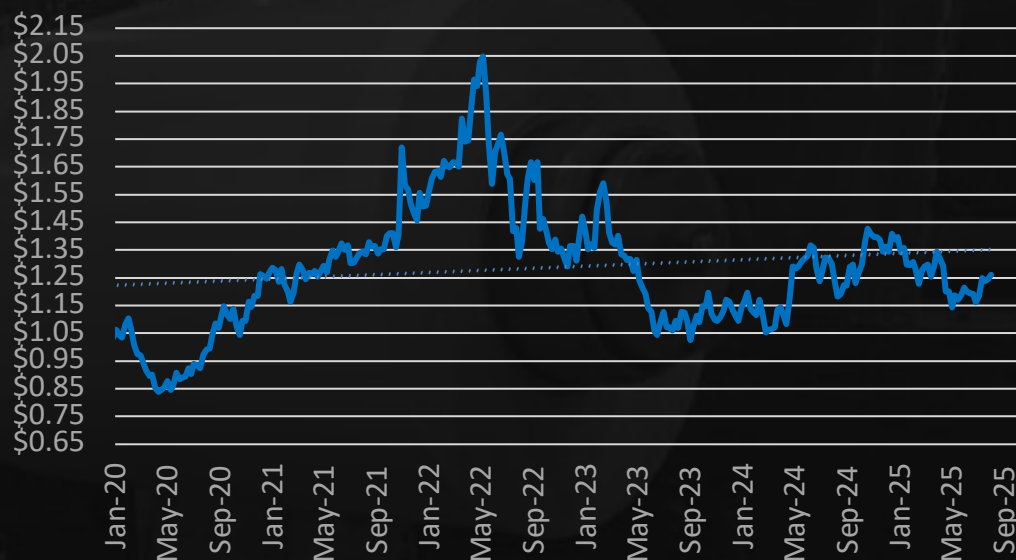
- This is up nearly 10% over the last three weeks and approaching \$100/mt for the first time since early-May.

Iron ore increased after China announced plans to build the world's largest hydropower dam, which will significantly increase their overall steel consumption.

## IRON ORE COST



## WEEKLY ZINC PRICING



## ① ZINC<sup>2</sup>

Zinc pricing increased again this week to the highest level since early-March.

Zinc pricing ended the week at \$2,844/mt (\$1.290/lb), up from \$2,780/mt (\$1.261/lb) previously.

- Pricing was driven by higher demand in China and tightening global supply.
- Production at the Red Dog Mine in Alaska - the world's largest zinc mine - fell by 20% year-over-year in the first quarter.

Global zinc inventory increased for the second consecutive week.

- LME warehouse inventory decreased after a large spike the week prior, sliding from 121,475 metric tons to 116,900 metric tons.
- Shanghai warehouse inventory increased however, climbing from 54,630 metric tons to 59,419 metric tons.

## COST

### ▲ COKING COAL<sup>3</sup>

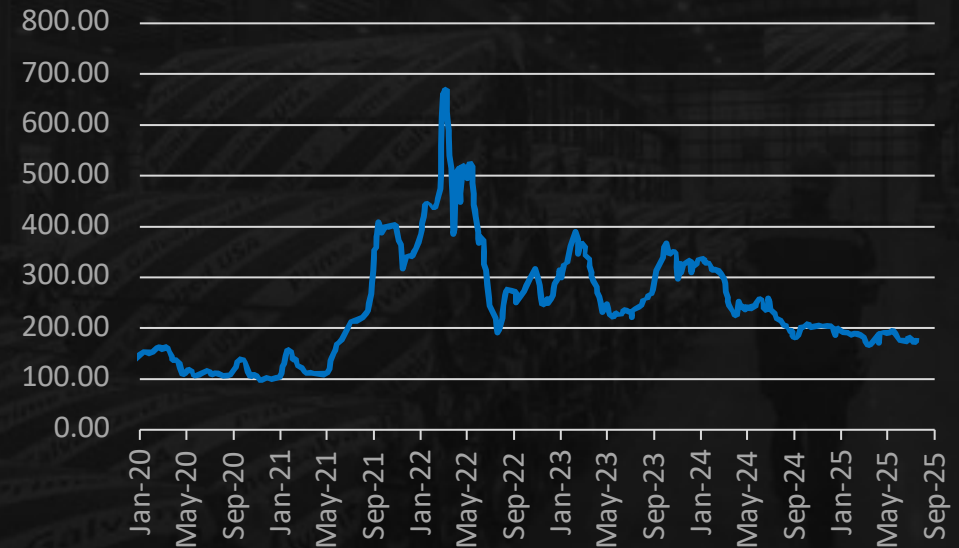
Coking coal pricing increased slightly this week after sliding seven out of the previous eight weeks.

Coking coal settled at \$176/mt, up from \$172/mt last week.

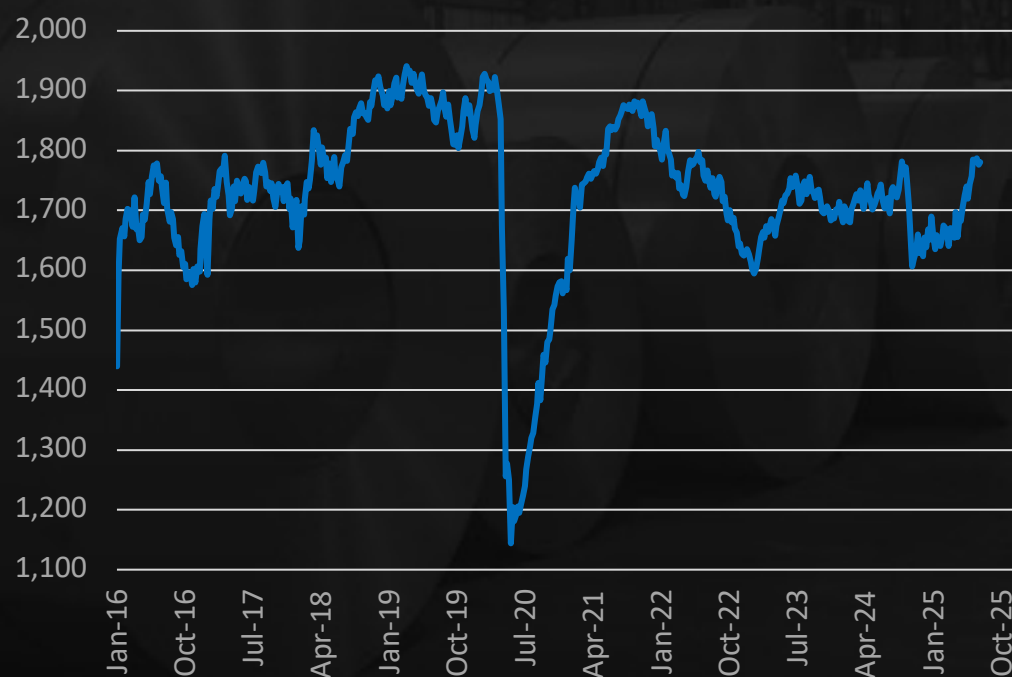
- This is up 2.3% from last week, but down nearly 10% from the recent peak in May.

Pricing increased on reports of Chinese coal mine inspections along with increasing demand related to construction projects.

### COKING COAL PRICE



## WEEKLY DOMESTIC PRODUCTION



## ▼ WEEKLY DOMESTIC STEEL PRODUCTION<sup>4</sup>

Domestic raw steel production dropped sharply last week after climbing the previous two weeks.

U.S. mills produced an estimated 1,768k tons at a 78.0% utilization rate; this is down from 1,783k tons and a 78.7% rate previously.

- Despite the drop, domestic production has still increased ten out of the last fourteen weeks.

Production decreased in four of the five regions, with the largest drop (in tons) coming from the Midwest region.

- Production from the Midwest region slipped from 233k tons to 223k tons.

Year-to-date production remains nearly flat from last year, down 0.4% year-over-year.

## SUPPLY

### GLOBAL STEEL PRODUCTION<sup>5</sup>

Global steel production continued to slide in June, now down for the third consecutive month.

Global production came in at a 5.048 million mt/day rate in June, down 0.8% from May and down 5.8% from the 5.359 million mt/day rate in June 2024.

- This is the third consecutive m/m decline for global production; sliding to its lowest daily rate since December.

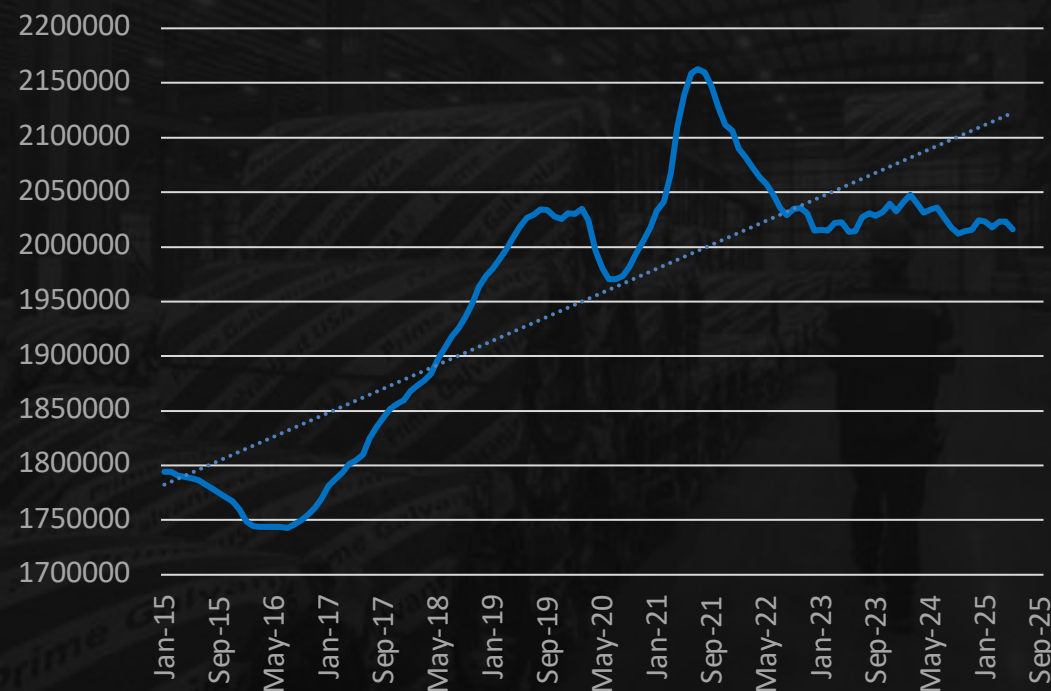
Chinese production saw a 0.7% m/m decline to a 2.773 million mt/day rate, also the lowest rate of the year.

- Production from the rest of the world came in at a 2.275 million mt/day rate, down 0.8% from May.

U.S. production was up for the second consecutive month, climbing 3.6% from May to a 231k mt/day rate.

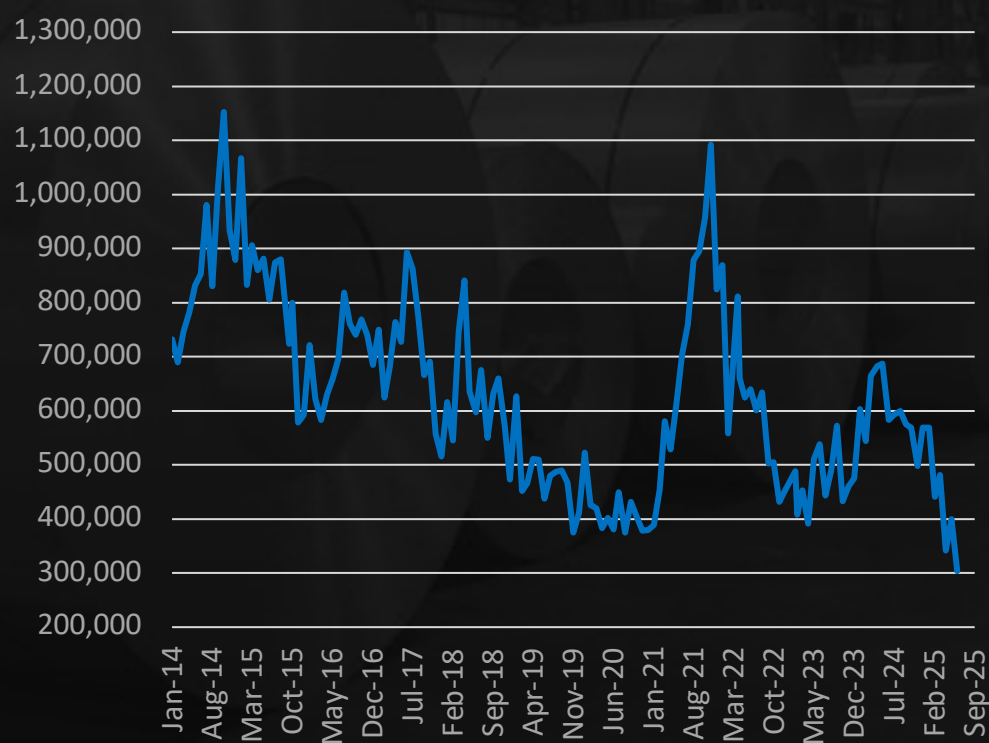
- Production was also up on a y/y basis, climbing 4.7% from the 221k mt/day rate in June 2024.

### GLOBAL STEEL PRODUCTION (R12)





## CARBON FLAT ROLLED IMPORTS



## ▼ CARBON STEEL IMPORTS<sup>6</sup>

Total carbon steel imports declined in June and continue to be limited by the recent doubling of the Section 232 tariffs to 50%.

Carbon steel imports totaled 1.658 million tons in June, down 12.5% from May but up slightly (1.0%) from last June.

- Carbon flat rolled imports declined to 303,663 tons, the lowest monthly total in nearly twenty years.
- Flat rolled imports were down 24% from May and 47.9% from last June.

Within flat rolled imports both hot-rolled and coated products saw sharp m/m declines, sliding 43.0% and 21.2%, respectively.

- Cold rolled imports increased slightly from May and were up 5.0% from last June.
- Coated flat rolled imports came in at a 5,003 ton/day rate in June, the lowest daily rate since December 2019.

Year-to-date flat rolled imports are now down 32.6% compared to the first six months of last year.



## DEMAND

### ▲ NEW HOME SALES<sup>7</sup>

New home sales increased slightly in June although at a slower rate than expected.

June new home sales came in at a 627,000 unit annual rate, up 0.6% from May but down 6.6% from the 671,000 unit rate in June 2024.

- This was the largest y/y decline since last October.

The inventory of unsold new homes increased throughout June to finish the month at 511,000 units.

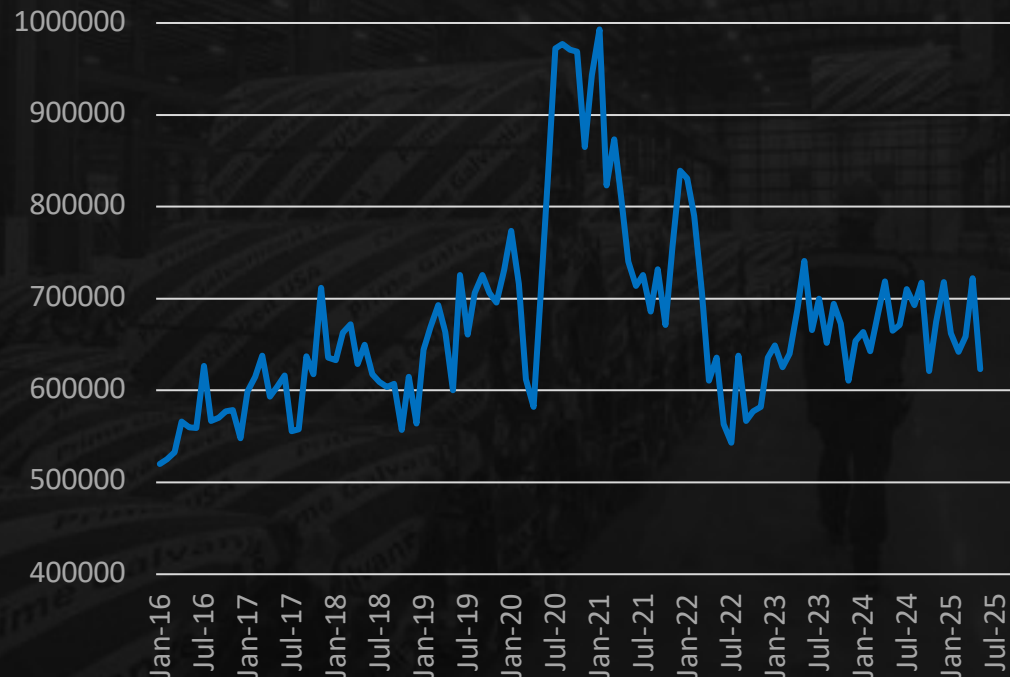
- This is up 2.0% from May and is at the highest level since October 2007.

The current inventory, when combined with June's sales pace, equates to 9.5 months of supply.

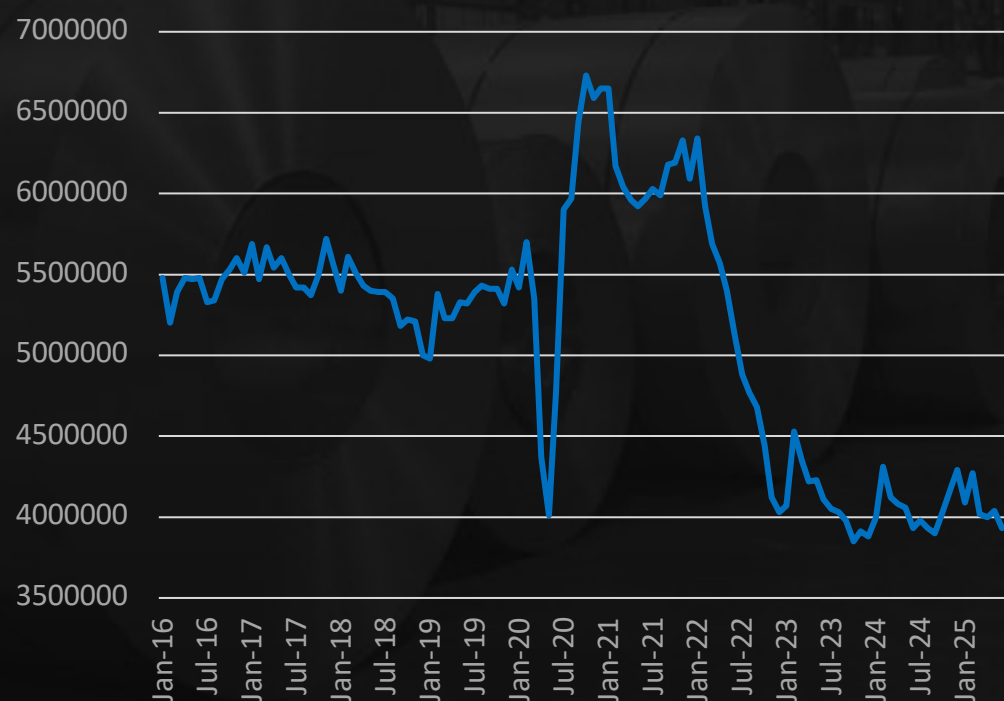
- This is up from the 8.9 months in May and above the five-year average (7.8 months).

The median sales price dropped to 4401,800, down nearly 5.0% from May.

### NEW HOME SALES (SAAR)



## EXISTING HOME SALES (SAAR)



## EXISTING HOMES SALES<sup>8</sup>

Sales of existing homes continued to slide in June, now down for the fourth time in the last six months.

June existing home sales came in at a 3.930 million unit rate, down 2.7% from May and flat from June last year.

- This was the lowest monthly sales rate since September.

Year-to-date actual sales are now down 1.5% compared to the same timeframe last year and down 4.7% from the first six months of 2023.

The inventory of unsold existing homes declined slightly after climbing the previous five months.

- Inventory ended June at 1.530 million units, still up 15.9% compared to last June.

The current inventory, when combined with June's sales, equates to 4.7 months of supply, still well above the 10-year average of 3.5 months.

## DEMAND

### Ⓢ ARCHITECTURE BILLINGS INDEX<sup>9</sup>

Billings activity at the architecture firm level declined at a faster pace in June after showing a slight improvement in May.

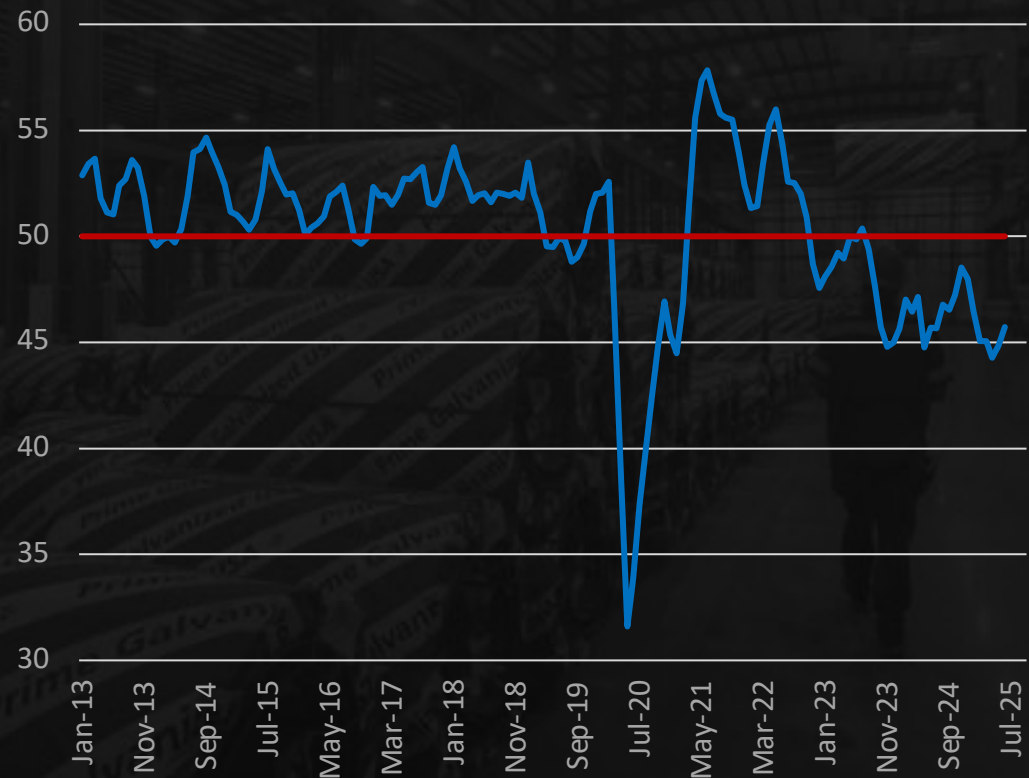
The June ABI came in at 46.8, down from 47.2 in May but up from 46.4 in June 2024.

- Despite the slowing, the 3-month average improved to 45.7, the highest level since January.
- Any reading below 50 shows a contraction in activity, while any reading above 50 shows an expansion.

Regionally, a slight expansion from the South (50.6), could not overcome continued declines from the other three regions.

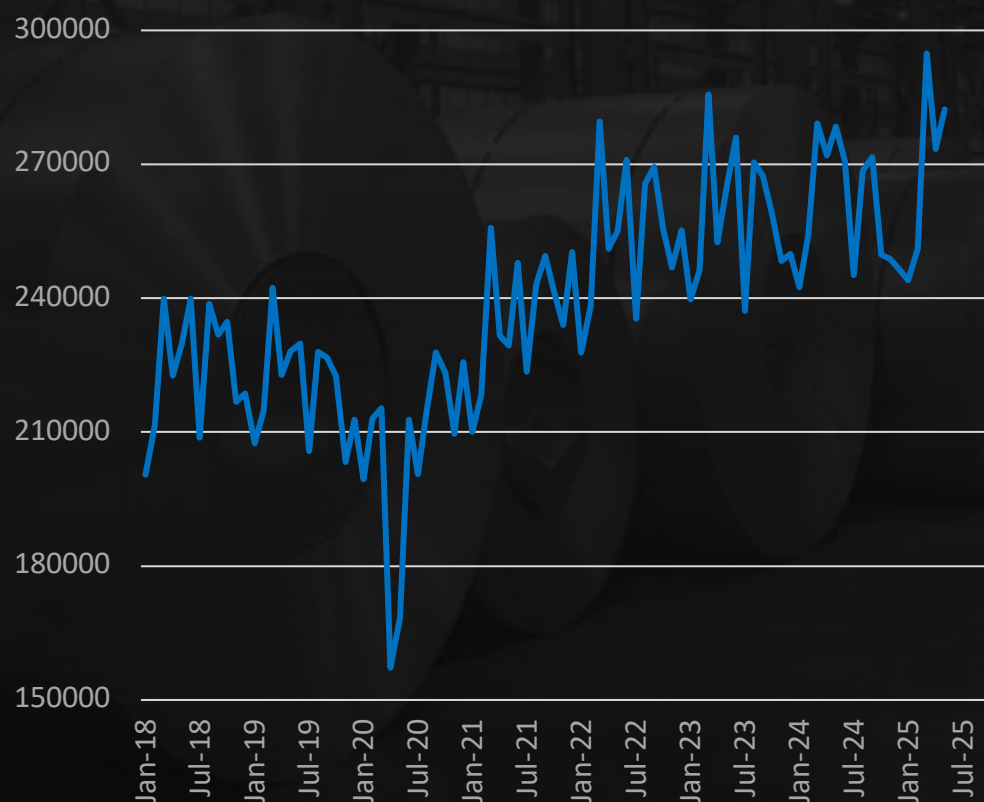
- The Midwest (45.7) was the weakest in June.
- All of the sectors continued to contract in June with the multi-family residential (43.8) being the weakest.

### ARCHITECTURE BILLINGS INDEX





## DURABLE GOODS NEW ORDERS



## ▼ DURABLE GOODS<sup>10</sup>

New orders for durable goods declined in June after a sharp jump in May.

June durable good new orders came in at a \$311.8 billion rate, down 9.3% from May.

- Excluding the transportation sector, new orders increased slightly, climbing 0.2% from May.

New orders for both primary metals and fabricated metal products increased in June, climbing 0.6% and 0.2%, respectively.

New order for nondefense capital goods, excluding aircraft, slipped slightly after a 2.0% increase in May.

- This is a key indicator of business investment and economic health, and reflects companies willingness to expand their operations.

## ▼ WEEKLY INITIAL JOBLESS CLAIMS<sup>11</sup>

The number of Americans filing new claims for unemployment benefits dropped for the sixth straight week to the lowest level since April.

The Department of Labor's Weekly Initial Jobless Claims report came in at 217,000 claims, down from 221,000 claims previously.

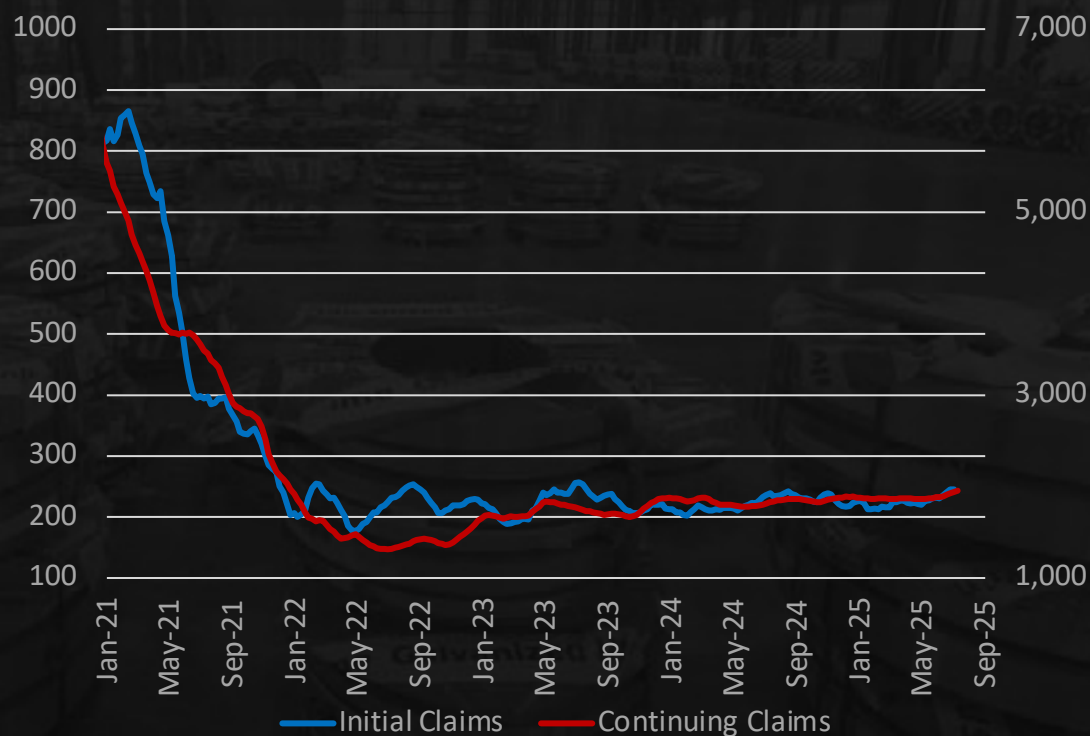
- The four-week moving average, considered a better measure of the labor market as it irons out week-to-week volatility, decreased to 224,500.

Continuing claims, or claims lasting longer than one week, increased slightly.

- Continuing claims came in at 1.955 million claims, up slightly from 1.951 millions claims previously.

While layoffs remain low and the job market is healthy, many companies say they are postponing major decisions about hiring and investment until trade policy is clear.

## WEEKLY INITIAL JOBLESS CLAIMS



## SOURCES

- 1 Platts, Spot Iron Ore: July 25, 2025.
- 2 London Metal Exchange, Weekly Zinc Price and Inventory Report: July 25, 2025.  
Shanghai Futures Exchange, Weekly Zinc Inventory Report: July 25, 2025.
- 3 Platts, Coking Coal Price: July 25, 2025.
- 4 American Iron & Steel Institute, Weekly Domestic Steel Production: July 22, 2025.
- 5 WorldSteel, Global Steel Production: June 2025.
- 6 U.S. Census Bureau, Carbon Flat Rolled Imports: June 2025.
- 7 U.S. Census Bureau, New Home Sales: June 2025.
- 8 National Association of Homebuilders, Existing Home Sales: June 2025.
- 9 American Institute of Architects, Architecture Billings Index: June 2025.
- 10 U.S. Census Bureau, Durable Goods: June 2025.
- 11 Department of Labor, Weekly Initial Jobless Claims: July 24, 2025.

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