



MAJESTIC  
STEEL USA

# CORE REPORT

12.12.25

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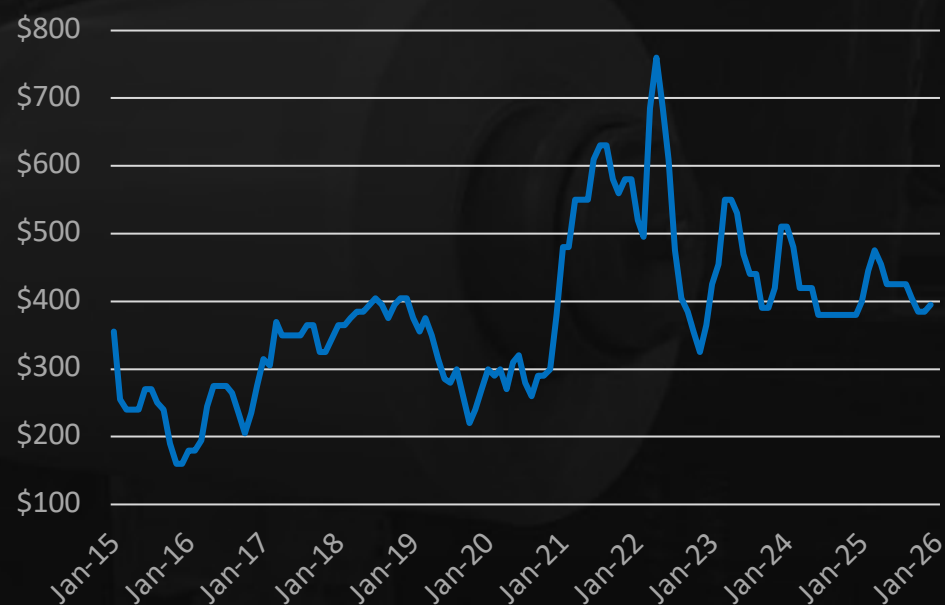
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## PRIME SCRAP

▲ SCRAP<sup>1</sup>

After bottoming in November, prime scrap pricing rebounded to end the year, climbing for the first time since March.

- Prime scrap settled at \$395/gt, up \$10/gt from November.

Rising steel prices, increased export demand, and winter weather disruptions all helped push pricing higher.

Shredded scrap pricing increased \$20/gt to \$385/gt.

Despite eight straight months without an increase, the full-year average for prime scrap was \$420/gt, up from \$409/gt in 2024.

- The floor for prime scrap will likely continue to inch higher with the increased appetite from new EAF production.

## COST

### SPOT IRON ORE<sup>2</sup>

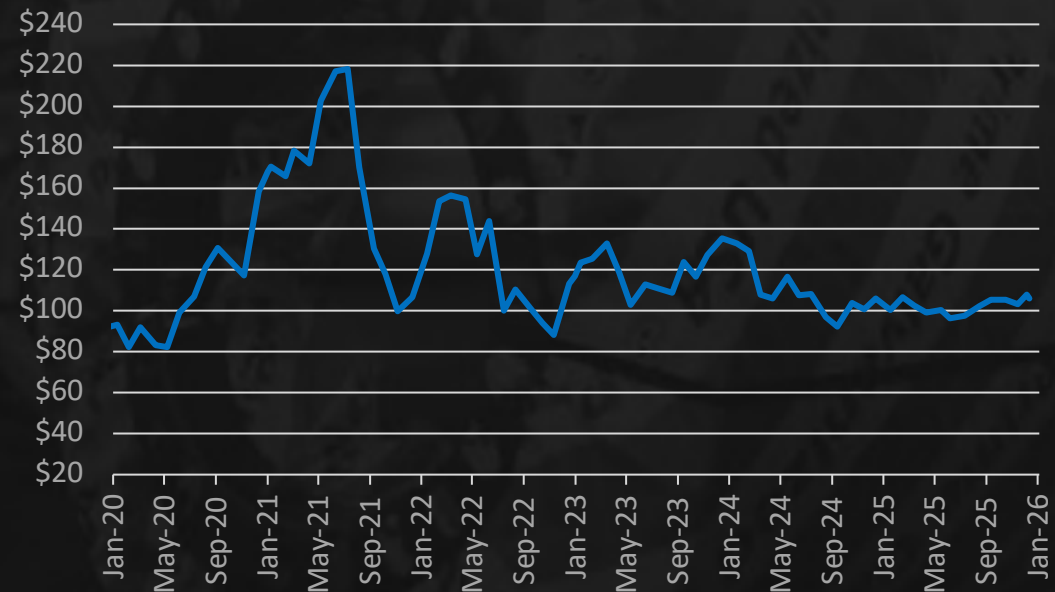
Spot iron ore dropped slightly this week after climbing during the previous two weeks and hitting its highest level since July 2024.

Spot iron ore pricing ended the week at \$106.10/mt, down slightly from \$107.90/mt a week ago.

- Despite the drop, iron ore has remained within a tight range since October.

After hitting a one-year high, iron ore pricing has taken a breather ahead of China's year-end economic policy meetings, which will dictate steel production in the new year.

### IRON ORE COST



## WEEKLY ZINC PRICING



Zinc pricing increased slightly this week after ticking down last week.

Zinc pricing ended the week at \$3,240/mt (\$1.470/lb), up from \$3,221/mt (\$1.461/lb) previously.

- Zinc briefly hit \$1.505/lb earlier in the week on news of an interest rate cut by the U.S. Federal Reserve.
- Steel Dynamics joined Nucor, Cliffs, and Wheeling-Nippon this week, in increasing their coating extras starting in January.

Global zinc inventory dropped for the second consecutive week.

- LME warehouse inventory increased to the highest level since August, climbing from 54,325 metric tons to 60,350 metric tons.
- Shanghai warehouse inventory decreased, sliding from 91,916 metric tons to 80,577 metric tons.

## COST

### ▲ COKING COAL<sup>4</sup>

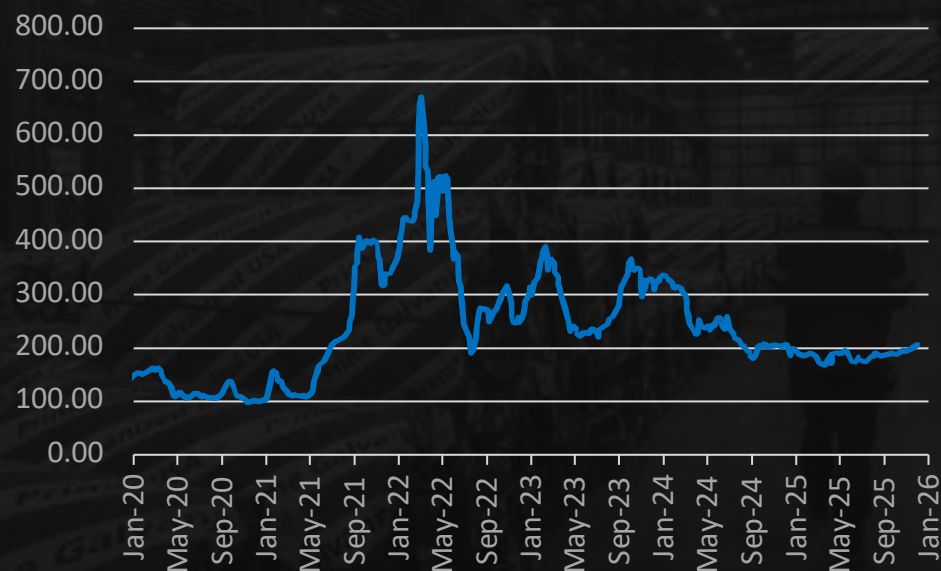
Coking coal pricing increased for the third consecutive week, reaching a new one-year high.

Coking coal pricing ended the week at \$210.00/mt, up from \$205.50/mt last week.

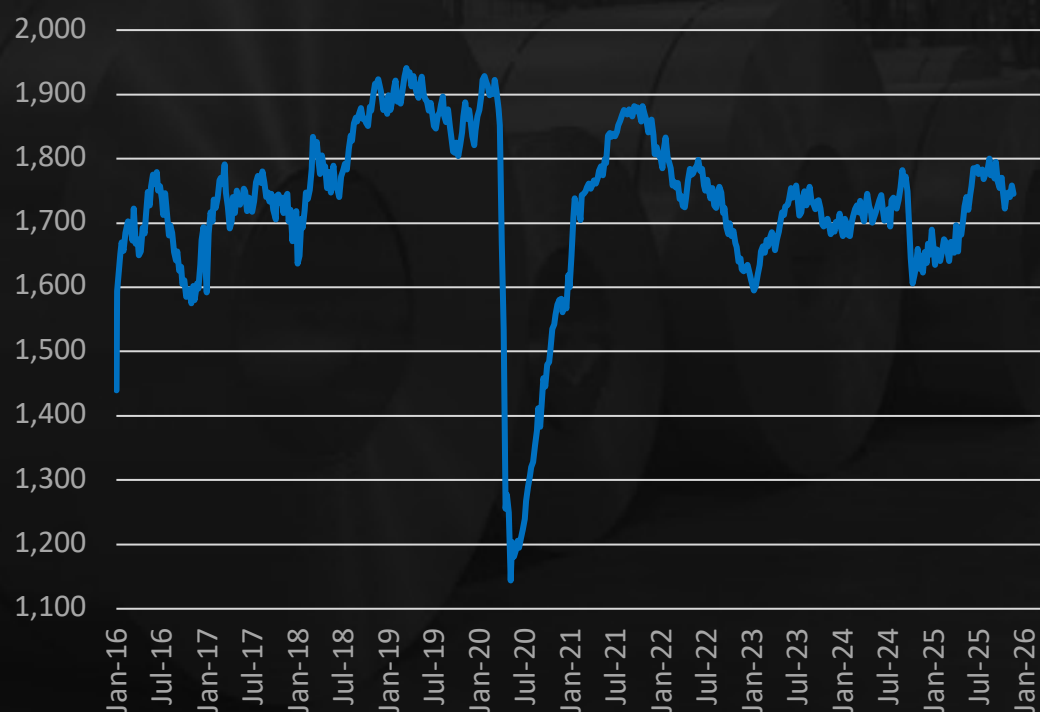
- This is the highest price for coal since mid-October 2024 when it reached \$211.00/mt.

China's government is expected to continue to put pressure on overproduction among coal miners in the region, limiting supply through the end of the year.

### COKING COAL PRICE



## WEEKLY DOMESTIC PRODUCTION



## WEEKLY DOMESTIC STEEL PRODUCTION<sup>5</sup>

Domestic raw steel production was relatively flat following a sharp drop the previous week.

U.S. mills produced an estimated 1,734k tons at a 75.7% utilization rate; down slightly from 1,736k tons and a 75.8% rate previously.

- This remains the lowest weekly output and utilization rate since the first week of October.

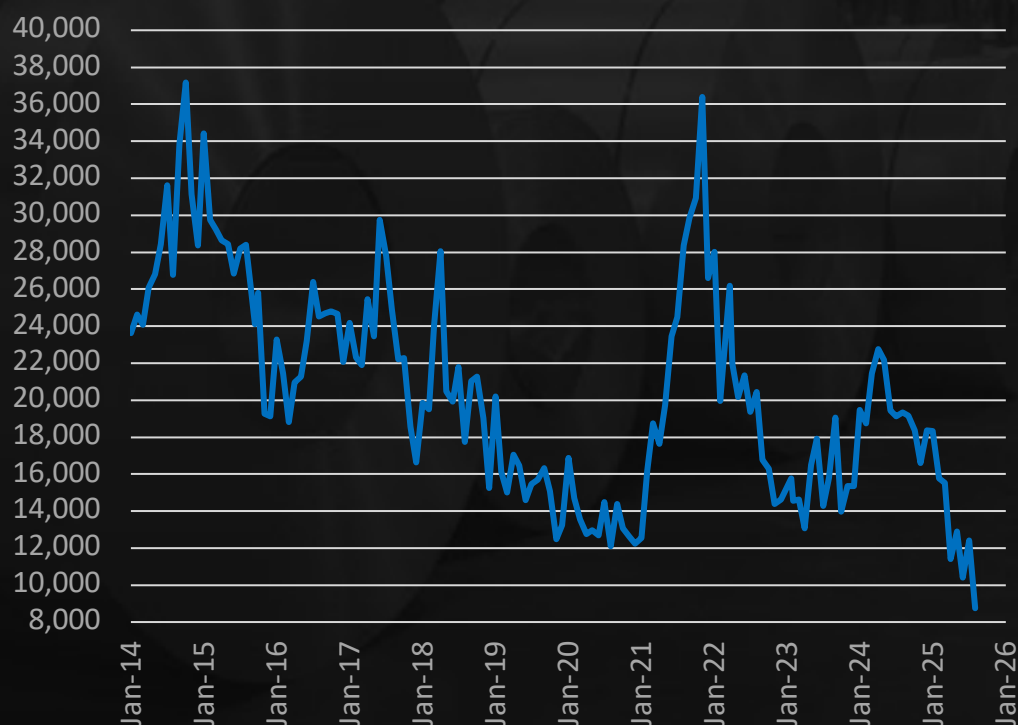
Production slipped in two of the five regions, with the largest decrease (in tons) coming from the Great Lakes region.

- Production in the Great Lakes region dropped from 513k tons to 495k tons.

Year-to-date production is now up 1.46% compared to the same time frame last year.



## FLAT ROLLED DAILY IMPORT RATE



## ▼ CARBON STEEL IMPORTS<sup>6</sup>

Carbon steel imports continued to drop sharply in September, reaching their lowest monthly total since November 2020.

Carbon steel imports totaled 1.079 million tons in September, down 18.7% from August and down 34.2% from 1.639 million tons in September 2024.

Carbon flat rolled imports continued to slide as well, sliding 8.3% from August and plunging 56.7% from last September.

- This was the lowest monthly total for flat rolled imports in at least twenty years.

While hot rolled imports were up slightly from August, cold rolled and coated imports continued to slide, down 9.8% and 14.6%, respectively.

YTD flat rolled imports are now down 37.6% compared to the same timeframe last year.



## DEMAND

### ⦿ LIGHT VEHICLE INVENTORY<sup>7</sup>

New U.S. light vehicle inventory increased slightly in November, marking its fourth consecutive monthly increase.

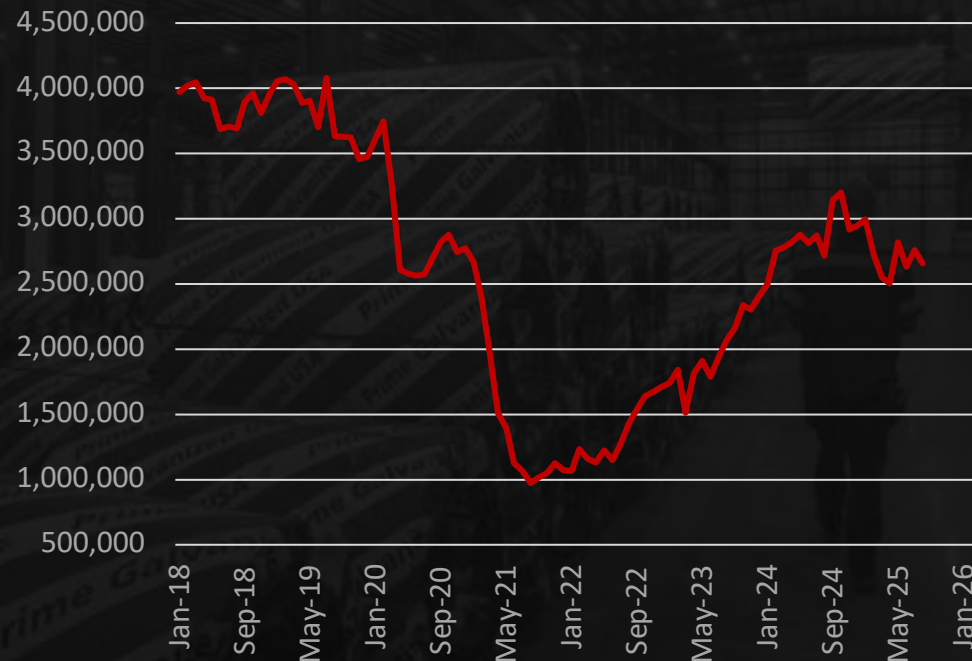
New light vehicle inventory ended November at 3.011 million units, up 1.5% from October but still below last year's level.

- Despite the increase recently, inventory levels were down 6.1% compared to the end of November 2024.
- This was the sixth year-over-year decline in the past seven months.

The current inventory, when combined with November's sales pace, equates to 90 days of supply.

- This is down slightly from the 91 days of supply heading into last December.

### U.S. LIGHT VEHICLE INVENTORY



## DEMAND

### ▼ DODGE MOMENTUM INDEX<sup>8</sup>

After climbing sharply during the mid-to-late summer, construction planning has slowed slightly in recent months.

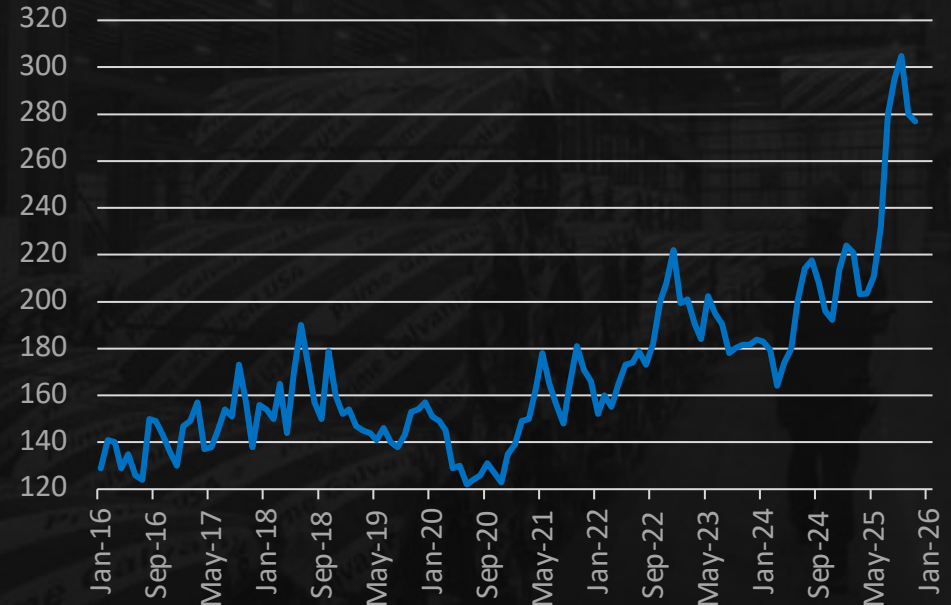
The November Dodge Momentum Index came in at 276.8, down slightly from the 280.0 reading in October but remains well above the 192.3 reading from last November.

Within the index, the commercial planning index was essentially flat, while the institutional planning index declined a sharper 3.4%.

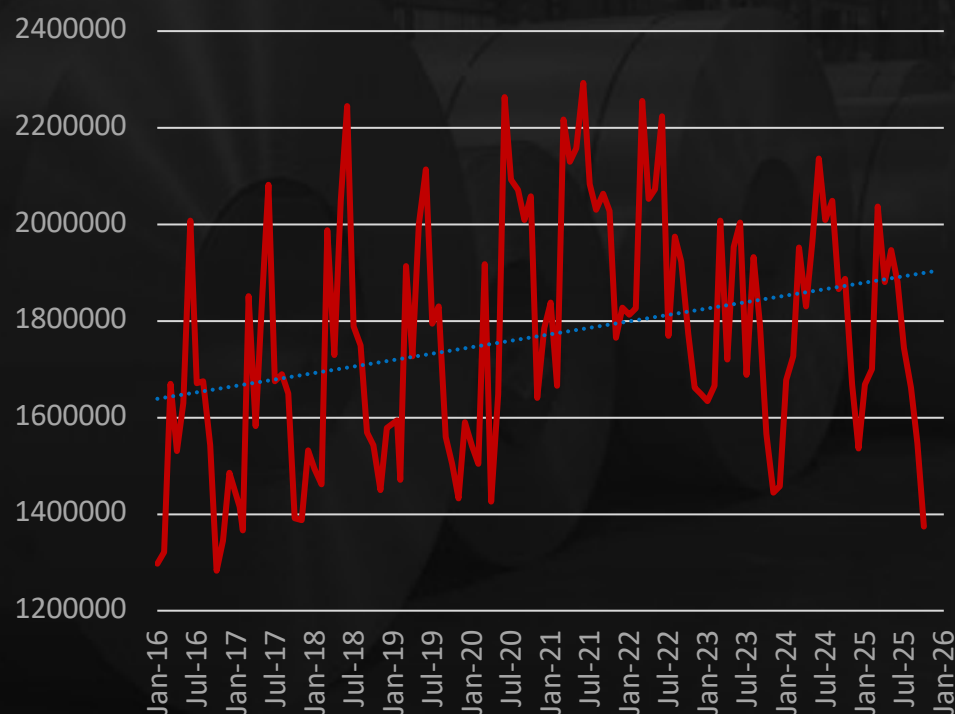
- On the commercial side, planning slowed for warehouses and hotels, while momentum remained strong for data centers, offices, and retail stores.
- Slowdowns in planning within the education, healthcare, and recreational sectors pulled the institutional index lower.
- Religious building planning accelerated.

Year-to-date, the DMI is up 36% from the average over the same period last year.

### DODGE MOMENTUM INDEX



## HVAC EQUIPMENT SHIPMENTS



## ▼ HVAC EQUIPMENT SHIPMENTS<sup>9</sup>

Shipments of heating and cooling equipment slowed in October, marking the fifth consecutive monthly decline.

HVAC equipment shipments totaled 1.375 million units in October, down 11.1% from September and down 27.2% from October of last year.

- Shipments have now declined on a year-over-year basis for six consecutive months.

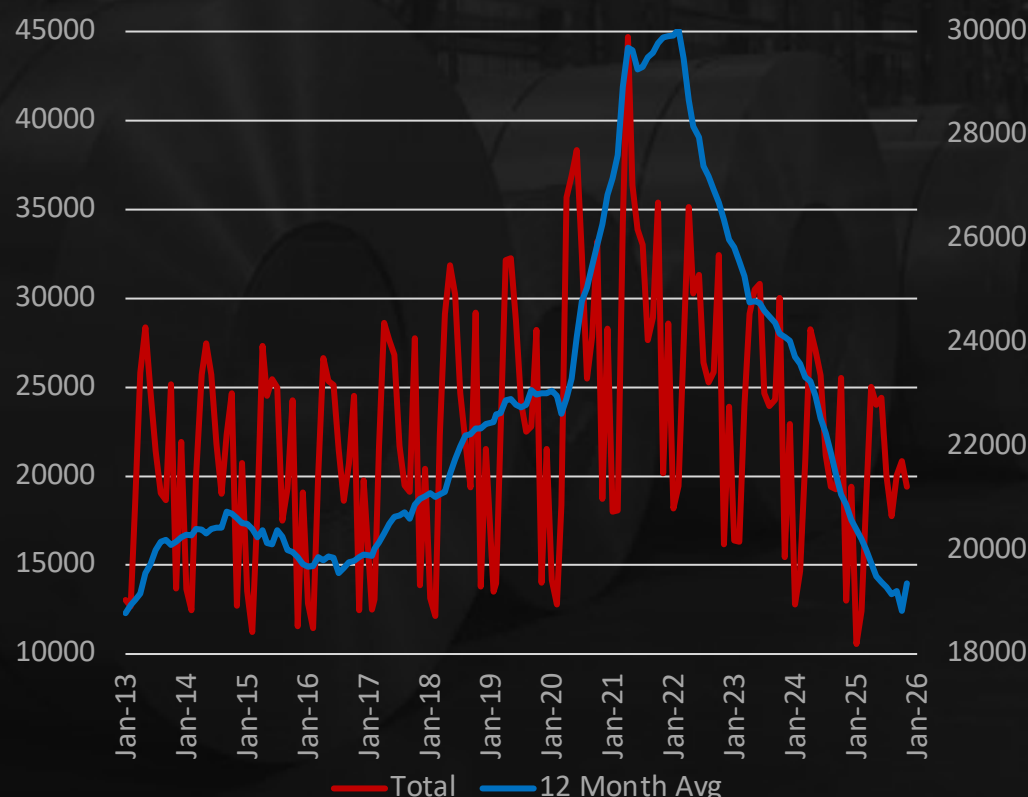
Looking on a y/y basis, to help smooth seasonality, shipments of all three product groups declined, with the sharpest drop occurring in A/C & heat pumps.

YTD HVAC equipment shipments totaled 17.441 million units, down 8.7% compared to the same timeframe last year.

- This is the lowest ten-month total to start a year since 2017.



## TRACTOR & COMBINE SHIPMENTS



## ▼ TRACTOR & COMBINE SHIPMENTS<sup>10</sup>

Shipments of North American (U.S. & Canada) tractors and combines dropped in November after climbing the previous two months.

Shipments totaled 19,390 units, down 7.0% from October but up 49.1% from last November.

- The month-over-month drop was more due to seasonality and the sharp year-over-year increase provides a more accurate barometer of demand.

Looking on a year-over-year basis, shipments of both tractors and combines increased sharply, climbing 48.0% and 129.7%, respectively.

Despite the jump in November, YTD shipments are still down 6.5% compared to the same timeframe last year.

Looking forward, hopes for financial relief from the recent \$12 billion "Farm Aid Bill" could translate into increased equipment purchases in 2026.

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

The number of Americans filing new unemployment claims spiked sharply last week after hitting the lowest level since September 2022.

The Department of Labor's Weekly Initial Jobless Claims report came in at 236,000 claims, up from 192,000 claims the previous week.

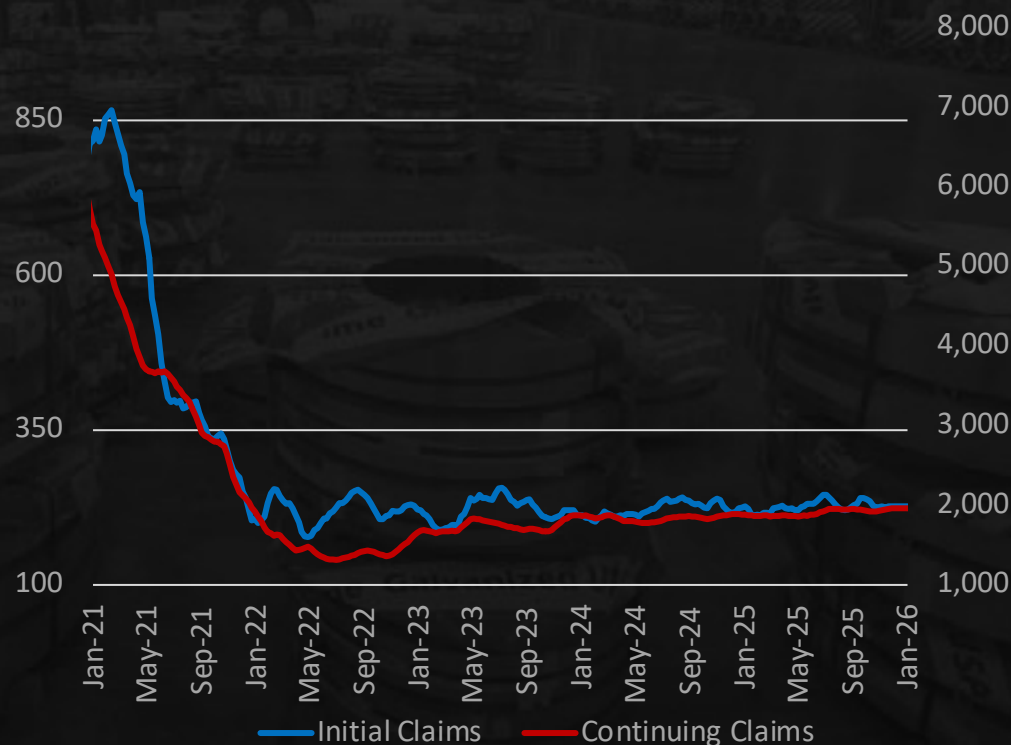
- This was the highest weekly increase in nearly 4-1/2 years.
- The four-week moving average, considered a better measure of the labor market as it irons out week-to-week volatility, increased to 217,000.

Continuing claims, or claims lasting longer than one week, dropped sharply, now down for the third consecutive week.

- Continuing claims came in at 1.838 million claims, down from 1.937 million claims previously.

Claims data are volatile around this time of year due to the holidays.

## WEEKLY INITIAL JOBLESS CLAIMS



### ⬆️ **MILL PRICE INCREASE<sup>12</sup>**

In the middle of the week, Nucor announced a minimum base price increase for galvanized steel products.

- The new minimum base price is now \$1,050/ton (\$52.50/cwt) for all producing mills, except CSI, where the minimum base price will be \$1,100/ton (\$55/cwt).

Nucor cited modest inventory levels for galvanized steel products in the supply chain, increased production costs, as well as resilient demand – demand that is expected to strengthen with continued reshoring of manufacturing in 2026.



## SOURCES

- 1 Prime Scrap Price, Market Conversations: Week ending December 12, 2025.
- 2 Platts, Spot Iron Ore: December 12, 2025.
- 3 London Metal Exchange, Weekly Zinc Price and Inventory Report: December 12, 2025.  
Shanghai Futures Exchange, Weekly Zinc Inventory Report: December 12, 2025.
- 4 Platts, Coking Coal Price: December 12, 2025.
- 5 American Iron & Steel Institute, Weekly Domestic Steel Production: December 9, 2025.
- 6 U.S. Census Bureau, Carbon Steel Imports: September 2025.
- 7 Cox Automotive, U.S. Light Vehicle Inventory: November 2025.
- 8 Dodge Construction Network, Dodge Momentum Index: November 2025.
- 9 A/C Heating & Refrigeration Institute, HVAC Equipment Shipments: October 2025.
- 10 Association of Equipment Manufacturers, Tractor & Combine Shipments: November 2025.
- 11 Department of Labor, Weekly Initial Jobless Claims: December 11, 2025.
- 12 Mill Price Increase Letter, Nucor: Week ending December 12, 2025.

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