



CORE REPORT

05.01.26

COST

01

- ⊖ scrap
- ▲ iron ore
- ⊖ energy
- ▼ zinc
- ⊖ coking coal

SUPPLY

04

- ⊖ lead times
- ▼ production
- ⊖ imports
- ⊖ shipments

DEMAND

05

- ⊖ automotive
- ▲ construction
- ⊖ appliance
- ⊖ manufacturing
- ⊖ agriculture
- ▲ durable goods

ECONOMIC

09

- ▲ employment
- ⊖ GDP
- ⊖ inflation
- ▲ confidence
- ⊖ retail sales



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**MAJESTIC
STEEL USA**

COST

▲ SPOT IRON ORE¹

Spot iron ore ticked up slightly again this week, now up six out of the last seven weeks.

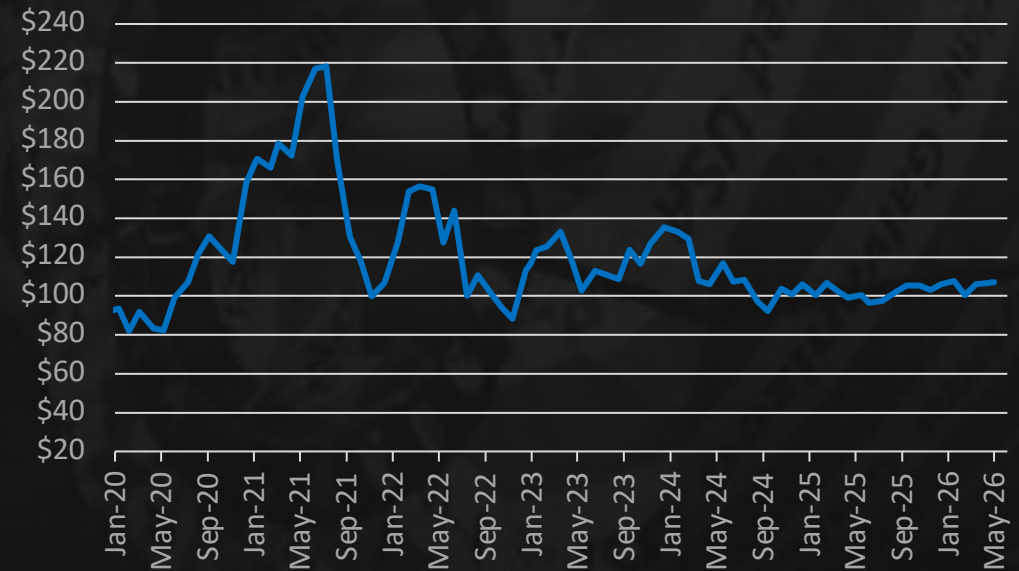
Spot iron ore pricing ended the week at \$107.18/mt, up slightly from \$107.15/mt a week ago.

- This is up 6.8% since the recent bottom in mid-February.

Steady restocking demand in China ahead of the Labor Day holiday on May 1st helped prop up pricing.

- The ongoing Middle East conflict continues to disrupt vessel shipments and raise shipping costs.

IRON ORE COST



WEEKLY ZINC PRICING



ZINC²

Zinc pricing slipped this week, ending a stretch of four consecutive weekly increases.

Zinc pricing ended the week at \$3,347/mt (\$1.518/lb), down from \$3,483/mt (\$1.580/lb) previously.

- This was down 3.9% following news that Swedish miner Boliden plans to reopen production at one of its largest mines.
- This eased some supply concerns; however high energy prices will likely limit production capacity in the near term.

Global zinc inventory dropped again, now down five out of the last six weeks.

- LME warehouse inventory dropped to a two-month low, slipping from 104,300 metric tons to 98,650 metric tons.

COST

⊖ COKING COAL³

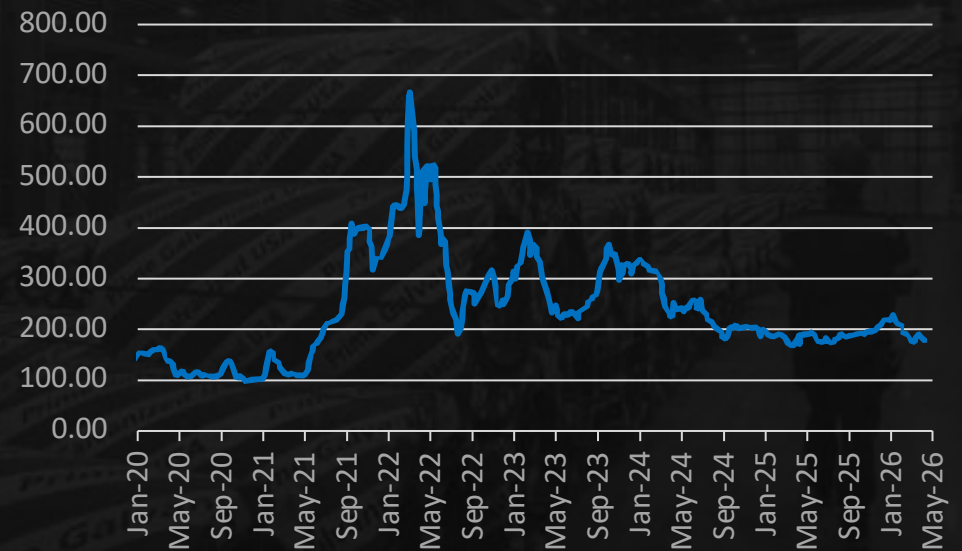
Coking coal pricing settled flat this week after a small increase last week.

Coking coal pricing held steady at \$180.00/mt.

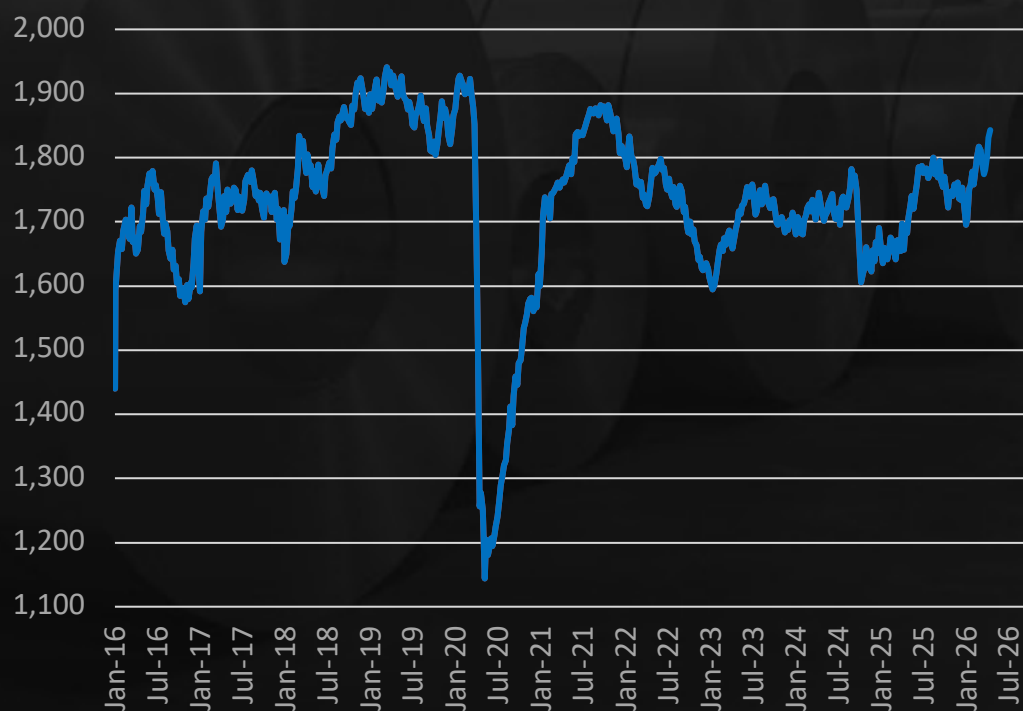
- Despite the increase, this is still down 6% from the recent peak in early-April.

Prices for coking coal remain stable, however market sentiment is being shaped by uncertainty surrounding the conflict in the Middle East.

COKING COAL PRICE



WEEKLY DOMESTIC PRODUCTION



▼ WEEKLY DOMESTIC STEEL PRODUCTION⁴

Domestic steel production dropped slightly last week, ending a stretch of five consecutive increases.

U.S. mills produced an estimated 1,830k tons at a 79.3% utilization rate, down from 1,848k tons and an 80.0% rate previously.

- Despite the drop, production has increased twelve out of the first seventeen weeks of the year.

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

- Production in the Great Lakes region slipped from 525k tons to 510k tons.

Year-to-date production is now up 7.8% compared to the same time frame last year.

DEMAND

RESIDENTIAL CONSTRUCTION⁵

After slipping in February, new housing starts increased sharply in March.

March new housing starts came in at a 1.502 million unit rate, up 10.8% from February and up 10.8% from the 1.355 million unit rate last March.

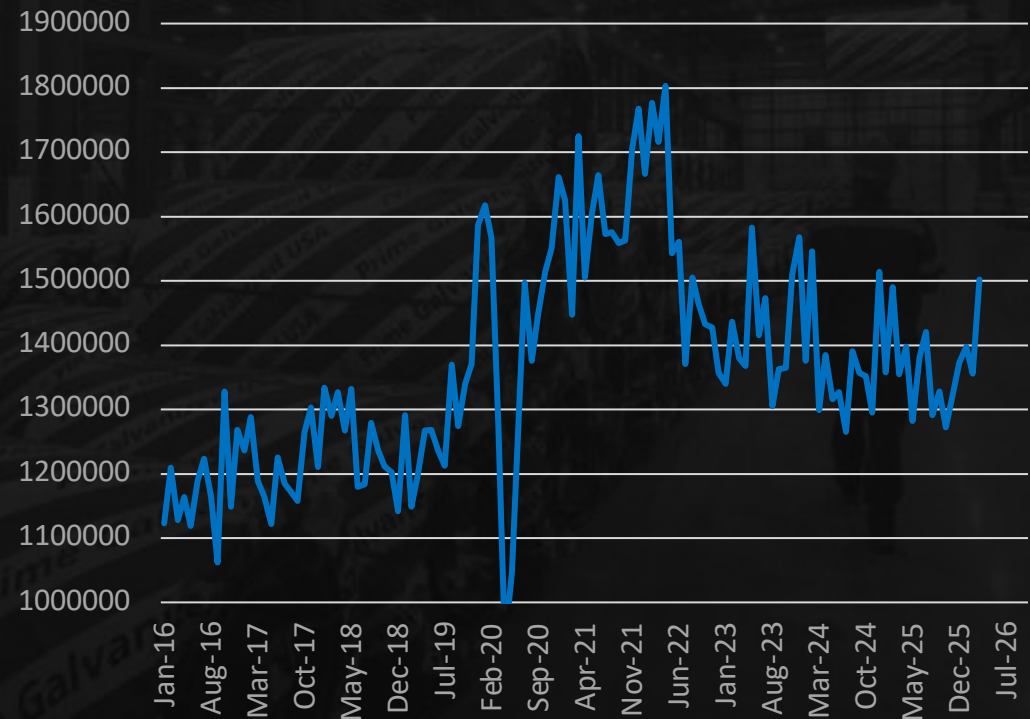
- New housing starts have now increased, on a month-over-month basis, for the fourth time in the last five months.
- The boost in March starts came from both single-family and multi-family units.

Permits, a leading indicator for future construction, dropped in March after a decent increase in February.

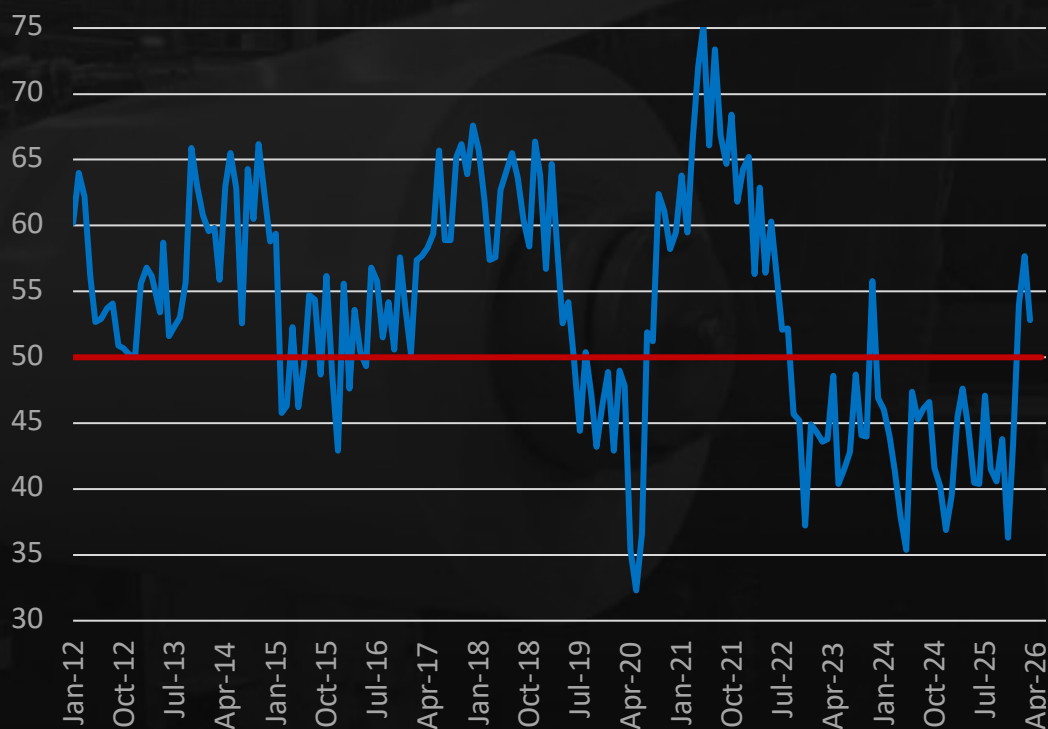
- Permits came in at a 1.372 million unit rate, down 10.8% from February and down 7.4% from the 1.481 million unit rate last March.

The sales-to-complete ratio increased to 1.15, the highest level since February 2022.

NEW HOUSING STARTS (SAAR)



CHICAGO PMI



CHICAGO PMI⁶

A key gauge of economic health of the manufacturing sector in Chicago turned lower in April.

The April Chicago Purchasing Managers Index came in at 49.2, down from 52.8 in March.

- The drop in April pushed the index below 50 after three consecutive readings above that key threshold.
- Any reading above 50 shows an expansion in activity, while any reading below 50 shows a contraction.

Despite the pullback in April, the 12-month average (45.6) is the best since February 2024.

Overall uncertainty around broader economic conditions and sector-specific issues, negatively impacted the overall index in April.

DEMAND

ISM MANUFACTURING INDEX⁷

Economic activity in the manufacturing sector expanded for the fourth consecutive month in April.

The April ISM Manufacturing PMI came in at 52.7, flat from March and up from 48.7 last April.

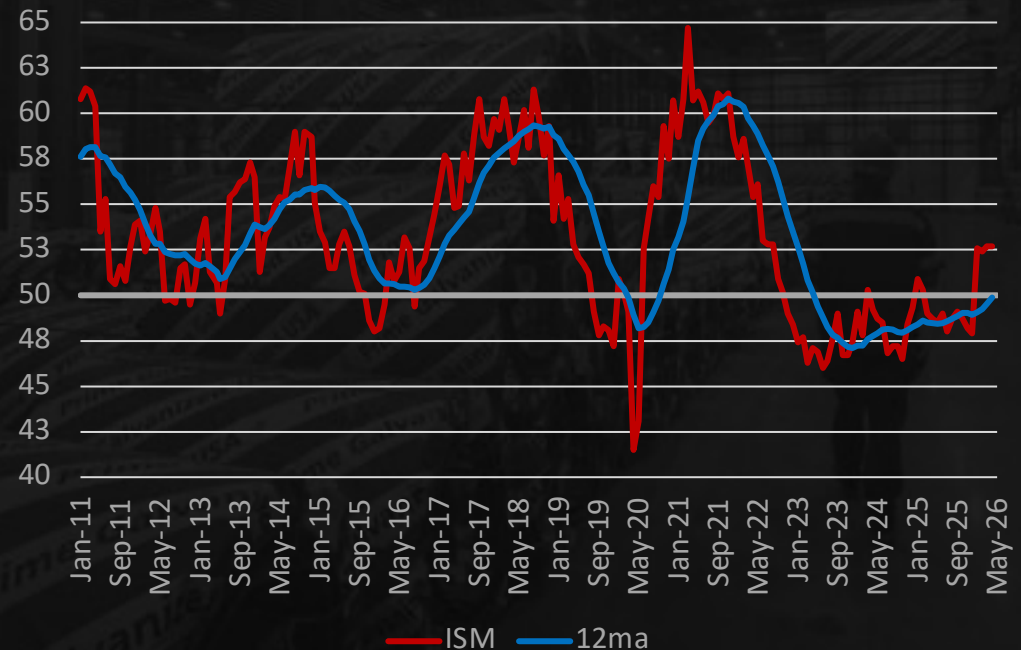
- The twelve-month average increased to 49.9, up from 49.5 previously and the highest level since April 2023.
- Any reading above 50 shows an expansion in activity, while any reading below 50 shows a contraction.

While both the new order and production components are in expansion, they moved in opposite directions in April.

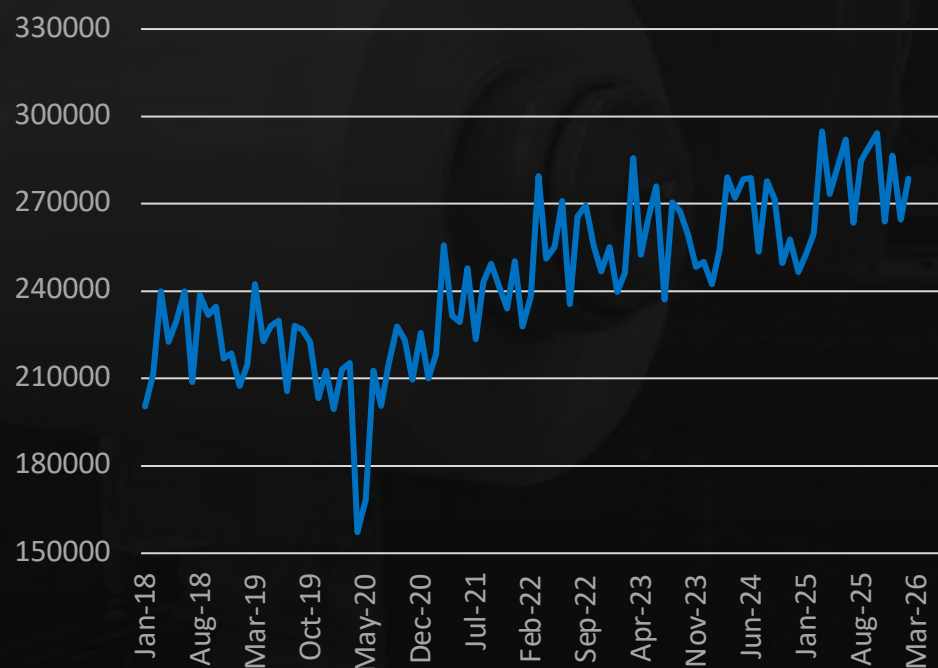
- The new order component increased to 54.1, while the production component slipped to 53.4.
- The new order component is now in expansion for the fourth consecutive month.

The backlog of orders continued to expand (51.4), but at a much slower rate than in March.

ISM MANUFACTURING INDEX



ACTUAL DURABLE GOODS NEW ORDERS



▲ DURABLE GOODS⁸

New orders for manufactured durable goods increased in March, climbing 0.8% to a \$318.9 billion rate.

- The March increase follows a 1.2% decline in February.
- Excluding the volatile transportation sector, new orders increased 0.9%.
- New orders for both primary metals and fabricated metal products increased in March, climbing 0.4% and 0.2%, respectively.

New orders for nondefense capital goods excluding aircraft increased sharply in March, climbing 3.3%.

Unfilled orders increased 0.1% to a \$1,540.9 billion rate and is now up in twenty of the last twenty-one months.

Inventories of durable goods increased 0.2%, to a \$596.9 billion rate, increased for the sixth straight month.

WEEKLY INITIAL JOBLESS CLAIMS⁹

The number of Americans filing new unemployment claims plunged last week to the lowest level since 1969.

The Department of Labor's Weekly Initial Jobless Claims report came in at 189,000 claims, down from 215,000 previously.

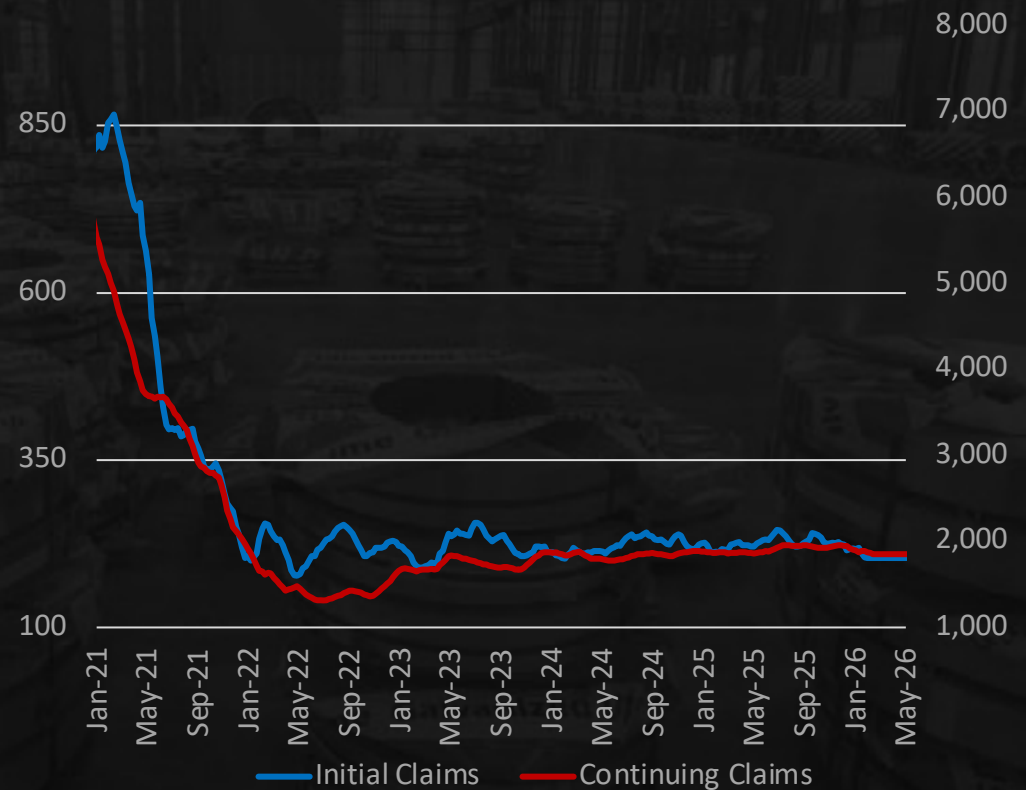
- The four-week moving average, considered a better measure of the labor market as it irons out week-to-week volatility, decreased to 207,500.

Continuing claims, or claims lasting longer than one week, dropped to the lowest level since April 2024.

- Continuing claims came in at 1.785 million claims, down from 1.808 million claims previously.

The job market has shown strength despite inflation holding well above the Fed's 2% target and uncertainty around the Middle East conflict.

WEEKLY INITIAL JOBLESS CLAIMS



 **CONSUMER CONFIDENCE¹⁰**

Confidence from U.S. consumers unexpectedly improved in April, climbing to 92.8.

This was up slightly from 92.2 in March's upwardly revised reading.

While the Present Situation Index slipped slightly (0.3) points to 123.8, the Expectations Index increased by 1.2 points to 72.2.

A two-week ceasefire and a rebound in the stock markets during the survey period helped ease concerns about financial indicators.

Buying plans for autos continued rising in April, with used cars remaining the preference over new cars.

Homebuying expectations staged a mild recovery for both existing and new homes.

Buying plans for white goods continued to improve in April as well.

SOURCES

- 1 Platts, Spot Iron Ore: May 1, 2026.
- 2 London Metal Exchange, Weekly Zinc Price and Inventory Report: May 1, 2026.
Shanghai Futures Exchange, Weekly Zinc Inventory Report: May 1, 2026.
- 3 Platts, Coking Coal Price: May 1, 2026.
- 4 American Iron & Steel Institute, Weekly Domestic Steel Production: April 28, 2026.
- 5 U.S. Census Bureau, New Residential Construction: March 2026.
- 6 Institute for Supply Managers, Chicago PMI: April 2026.
- 7 Institute for Supply Managers, Manufacturing PMI: April 2026.
- 8 U.S. Census Bureau, Durable Goods Report: March 2026.
- 9 Department of Labor, Weekly Initial Jobless Claims: April 30, 2026.
- 10 Conference Board, Consumer Confidence: April 2026.

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