MAJESTIC STEEL USA

# CORE REPORT

07.31.26

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# COST

## ⊖ SPOT IRON ORE[1]

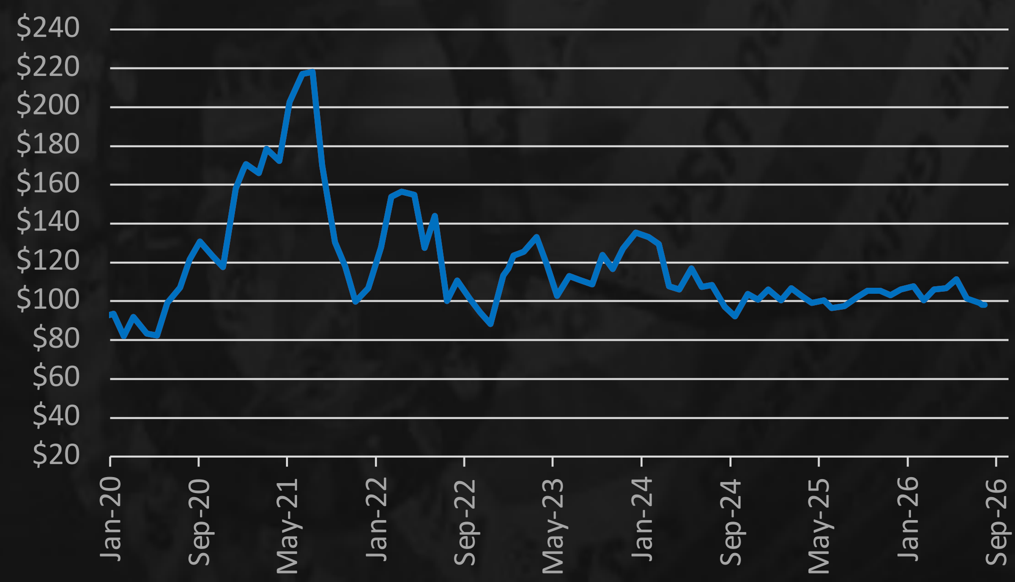
Spot iron ore settled flat this week, holding at the lowest level since July 2025.

Spot iron ore pricing ended the week at $98.10/mt, flat from the previous week.

- This is down a sharp 12% since mid-May.

Weak spot buying and abundant supply continued to offset higher freight and energy costs.

## IRON ORE COST



# WEEKLY ZINC PRICING


COST

# ZINC[2]

Zinc pricing spiked sharply again this week to the highest level since June 2022.

Zinc pricing ended the week at $3,710/mt ($1.683/lb), up sharply from $3,631/mt ($1.647/lb) previously.

- Zinc continues to hover near four-year highs as supply remains in a deficit and as global construction and industrial demand remains strong.

Global zinc inventory dropped slightly for the fifth consecutive week.

- LME warehouse inventory decreased again this week, sliding from 106,075/mt to 100,700/mt.

- Shanghai warehouse inventory increased slightly, climbing from 150,567/mt to 151,530/mt.

COST

# COKING COAL[3]

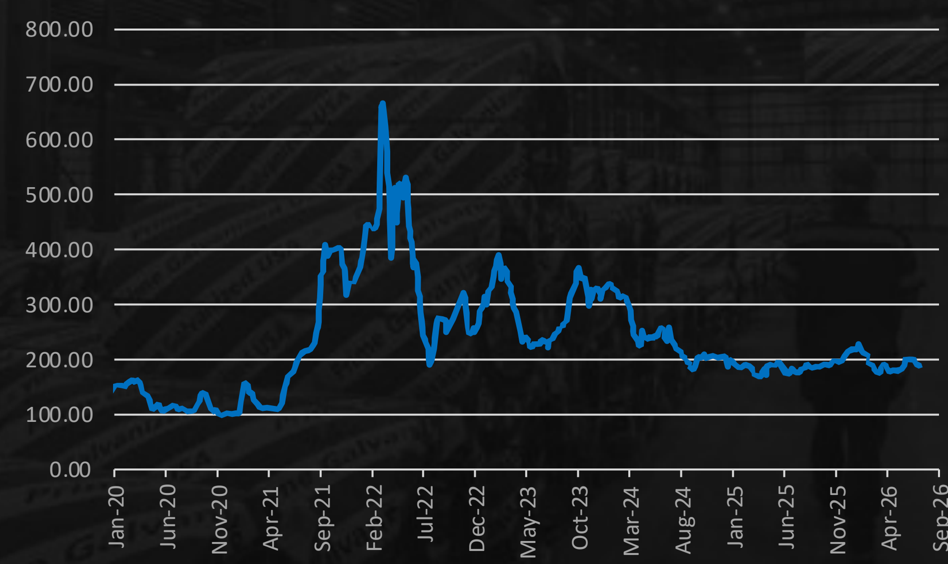
Coking coal pricing dropped again this week, now down for the sixth consecutive week.

Coking coal pricing dropped to $182.00/mt, down from $187.50/mt previously.

- Coal pricing has now dropped 9% since the recent peak in May.

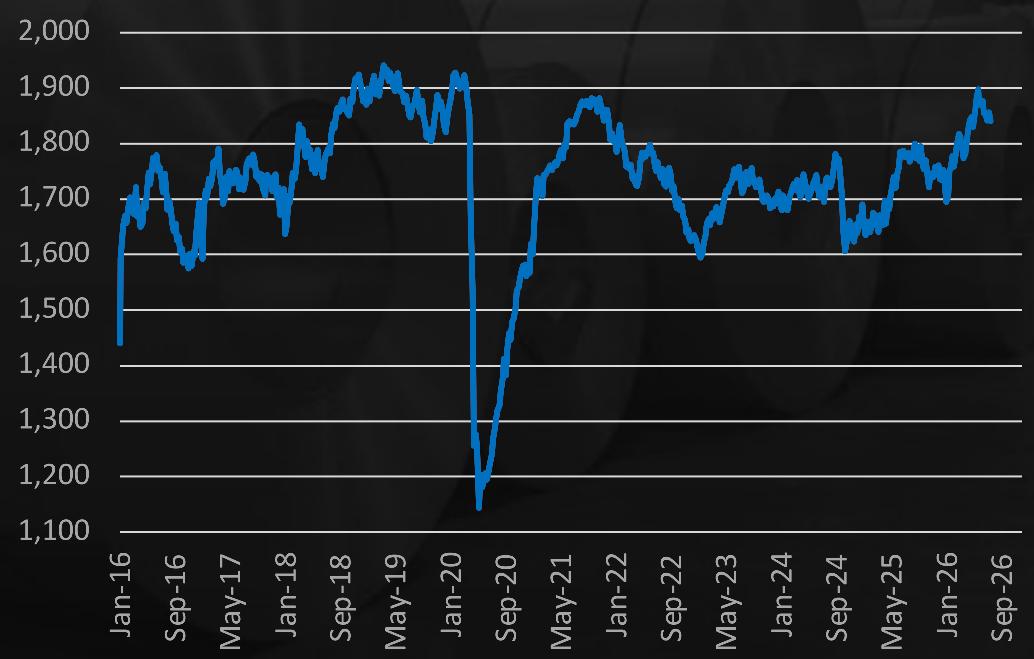
Weak demand from both China and India continues to limit spot buying.

## COKING COAL PRICE



SUPPLY

# WEEKLY DOMESTIC PRODUCTION




## WEEKLY DOMESTIC STEEL PRODUCTION[4]

Domestic steel production rebounded sharply last week after sliding five out of the previous six weeks.

U.S. mills produced an estimated 1,858k tons at an 80.5% utilization rate, up from 1,830k tons and a 79.3% rate previously.

- This was the highest weekly tonnage output since early-June.

Production rose in three of the five regions, with the largest increase (in tons) coming from the Southern region.

- Production from the Southern region spiked from 829k tons to 848k tons.

Year-to-date production is now up 6.7% compared to the same time frame last year.

SUPPLY

# CARBON STEEL IMPORTS[5]

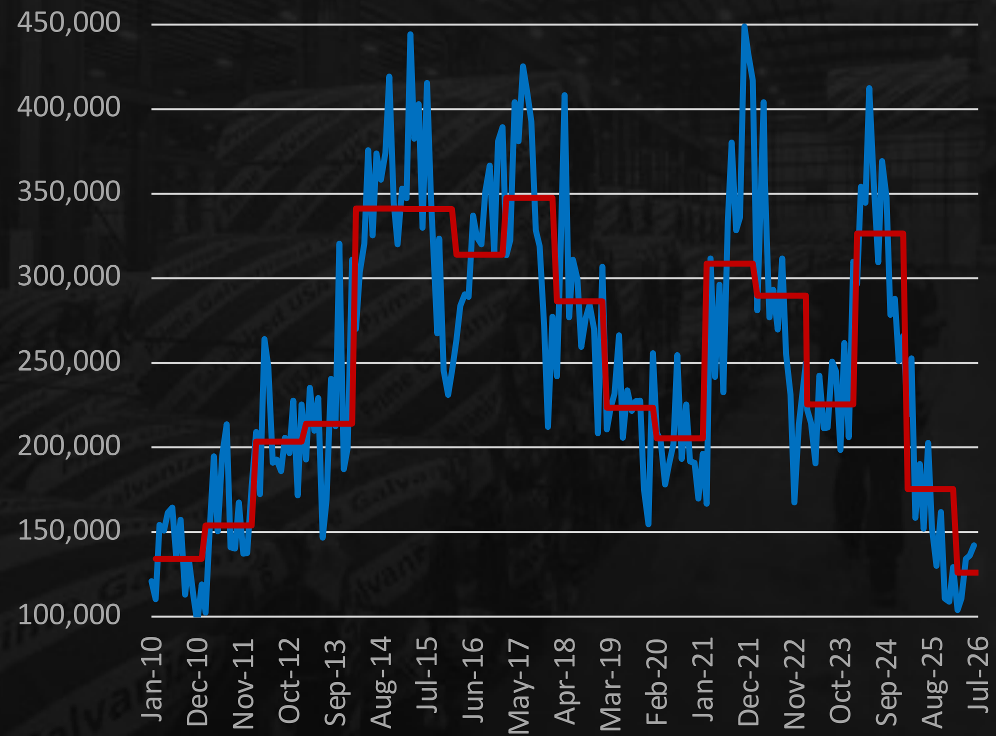
Total carbon steel imports came in at 1.606 million tons in June, down 5.8% from May and down 4.0% from June last year.

Carbon flat rolled imports saw a jump in June however, led by a strong increase in hot rolled imports.

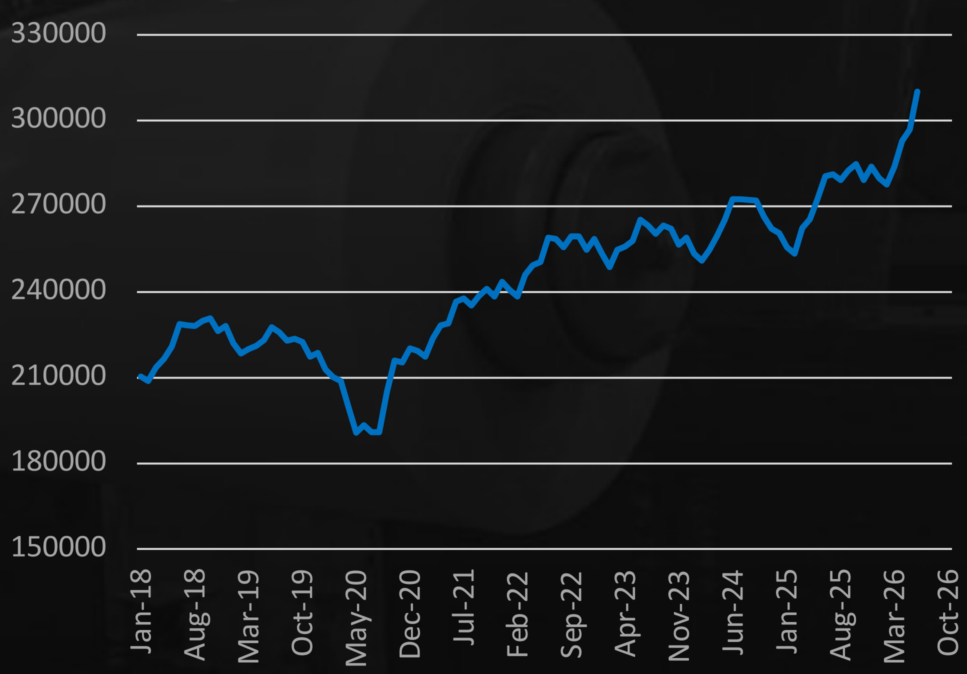
Flat rolled imports increased 13.1% from May to 327,491 tons.

- The bump in flat rolled imports almost solely came from hot rolled sheet imports, which increased 33.5% from May.
- Cold rolled and coated sheet imports increased slightly from May, climbing 4.4% and 4.3%, respectively.
- While coated sheet imports were up month-over-month, HDG imports declined to their second lowest level (behind February) since 2005.

## COATED FLAT ROLLED IMPORTS



## DURABLE GOODS NEW ORDERS (EX. AIRCRAFT)




## ▲ DURABLE GOODS[6]

New orders for manufactured durable goods increased in June, now up for the third time in the last four months.

June new orders came in at a $334.8 billion rate, up 0.3% from May.

- Excluding the volatile transportation component, new orders were up 0.6%.

While new orders for fabricated metal products slipped 0.5% from May, primary metal new orders increased 1.1%.

- New orders for nondefense capital goods (excluding aircraft) increased 0.9% in June after a 1.9% increase in May.

Inventory of durable goods increased 0.3% in May to a $602.0 billion rate.

- This was the ninth consecutive month-over-month increase.

ECONOMIC

# WEEKLY INITIAL JOBLESS CLAIMS[7]

The number of Americans filing new unemployment claims increased slightly after dropping the previous six weeks.

The Department of Labor's Weekly Initial Jobless Claims report came in at 197,000 claims, up from 188,000 previously.

- The four-week moving average, considered a better measure of the labor market as it irons out week-to-week volatility, dropped to 202,500.

Continuing claims, or claims lasting longer than one week, decreased slightly for the third consecutive week.

- Continuing claims came in at 1.782 million claims, down from 1.789 million claims previously.

Despite surging oil prices and inflation resulting from the U.S.-Iran war, the job market remains healthy.

## WEEKLY INITIAL JOBLESS CLAIMS



# CONSUMER CONFIDENCE[8]

Consumer confidence weakened again in July, with the Consumer Confidence Index falling to 90.8, extending the broader downtrend in consumer sentiment.

- Views of current economic conditions deteriorated, as the Present Situation Index declined to 114.9, its third consecutive monthly drop, reflecting softer perceptions of both business conditions and the labor market.
- Consumer expectations remain subdued, with the Expectations Index holding at 74.7, well below the 80 threshold that has historically been associated with elevated recession risk.

Inflation and labor market concerns persist, with consumers continuing to cite elevated food, grocery, and energy prices while references to unemployment increased during the month.

Consumers remain willing to spend selectively, as homebuying and vehicle purchase intentions continued to improve, while planned spending on travel, dining, and other services strengthened.

ECONOMIC

# GROSS DOMESTIC PRODUCT[9]

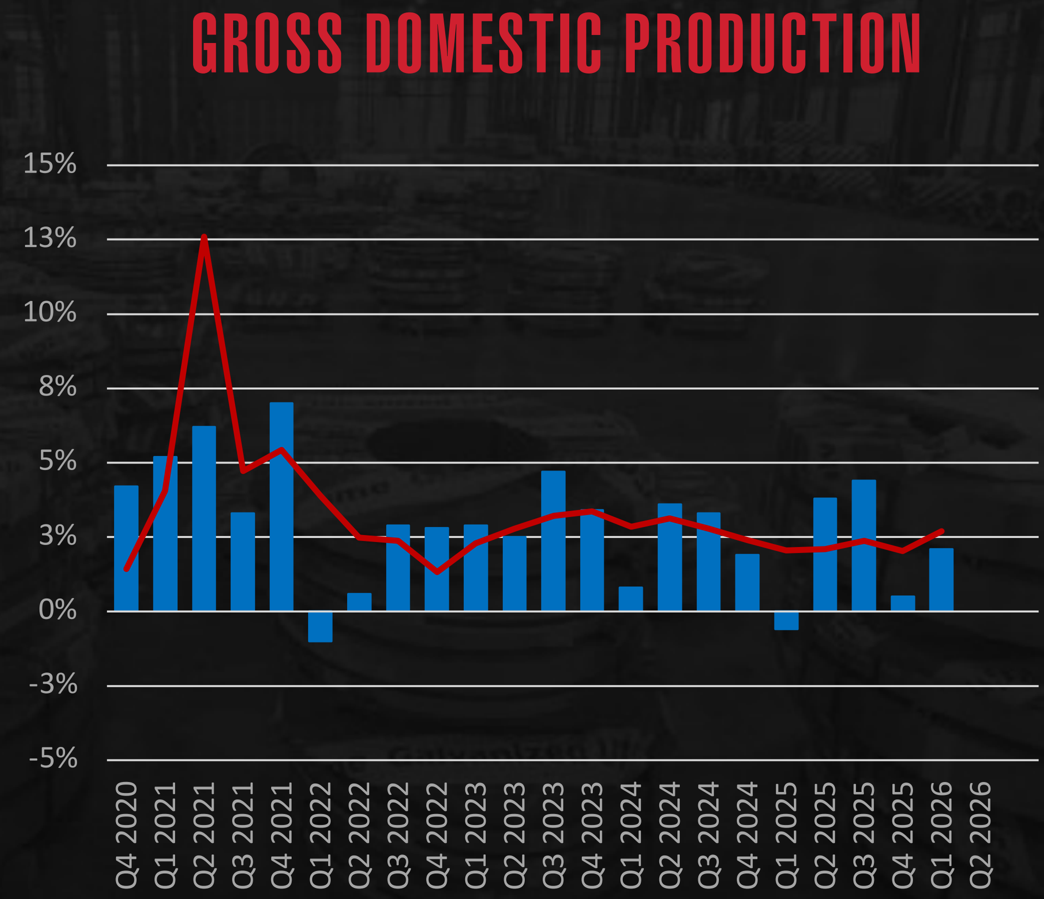
The U.S. economy grew at a slightly slower annual rate in Q2, increasing at a 1.5% annual rate.

This is down from a 2.1% growth rate in Q1 and a 3.8% rate in Q2 2025.

Increases in consumer spending, inventory investment, and exports were partly offset by a decline in government spending in Q2.

Imports, which are a subtraction to GDP, increased from Q1.

Compared to Q1, slowing government spending and inventory investment were the main factors in the Q/Q slowdown.



# PERSONAL SAVINGS RATE


# PERSONAL INCOME & OUTLAYS[10]

U.S. consumers continued to spend in June, but households are relying more heavily on their income and savings.

- Personal income and disposable income each increased just 0.2% in June, while personal consumption expenditures rose a stronger 0.3%, pushing the personal saving rate down to 2.7% from 3.0% in May.

The Federal Reserve's preferred inflation gauge provided some encouraging news, with the headline PCE price index declining 0.1% in June, though it remained 3.7% above year-ago levels.

- Core PCE, which excludes food and energy, increased a modest 0.1% for the month and 3.3% year over year.
- After adjusting for inflation, real consumer spending rose 0.4%, highlighting continued resilience.

While spending remains healthy, the combination of slowing income growth and a declining savings rate suggests consumers have less financial cushion.

# SOURCES

1 Platts, Spot Iron Ore: July 31, 2026.

2 London Metal Exchange, Weekly Zinc Price and Inventory Report: July 31, 2026.

Shanghai Futures Exchange, Weekly Zinc Inventory Report: July 31, 2026.

3 Platts, Coking Coal Price: July 31, 2026.

4 American Iron & Steel Institute, Weekly Domestic Steel Production: July 28, 2026.

5 U.S. Census Bureau, Preliminary Steel Imports: June 2026.

6 U.S. Census Bureau, Durable Goods: June 2026.

7 Department of Labor, Weekly Initial Jobless Claims: July 30, 2026.

8 Conference Board, Consumer Confidence: July 2025.

9 Bureau of Economic Analysis, Gross Domestic Product: Q2 2026.

10 Bureau of Economic Analysis, Personal Income and Outlays: June 2026.

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