MAJESTIC STEEL USA

# CORE 08.14.26 REPORT

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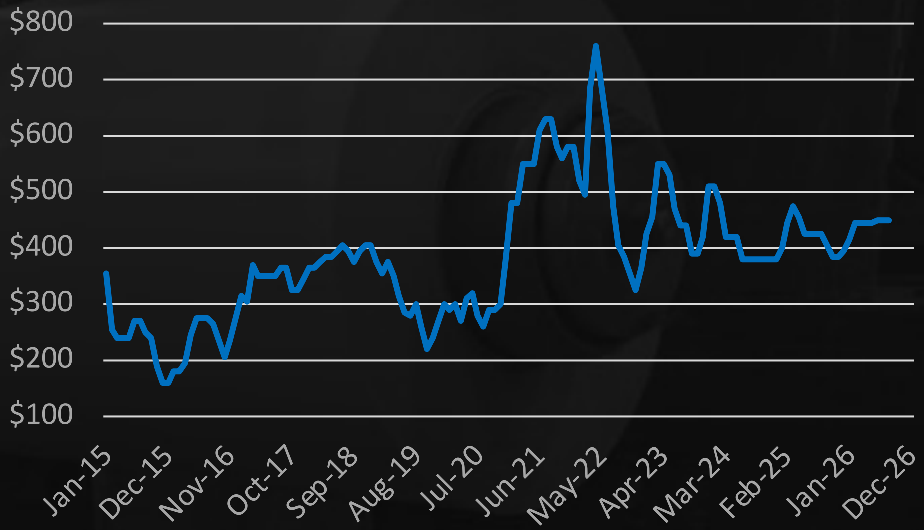
# PRIME SCRAP




COST

## ⊖ SCRAP[1]

Prime scrap settled flat again in August, supported by favorable steel market fundamentals.

August prime scrap pricing held steady at $450/gt.

Prime grades remain the strongest segment, supported by healthy steel pricing and strong mill order books extending into October.

- Improving export demand also helped limit a decline.

Shredded scrap pricing dropped $5/gt for the second consecutive month, slipping to $415/gt.

COST

# SPOT IRON ORE[2]

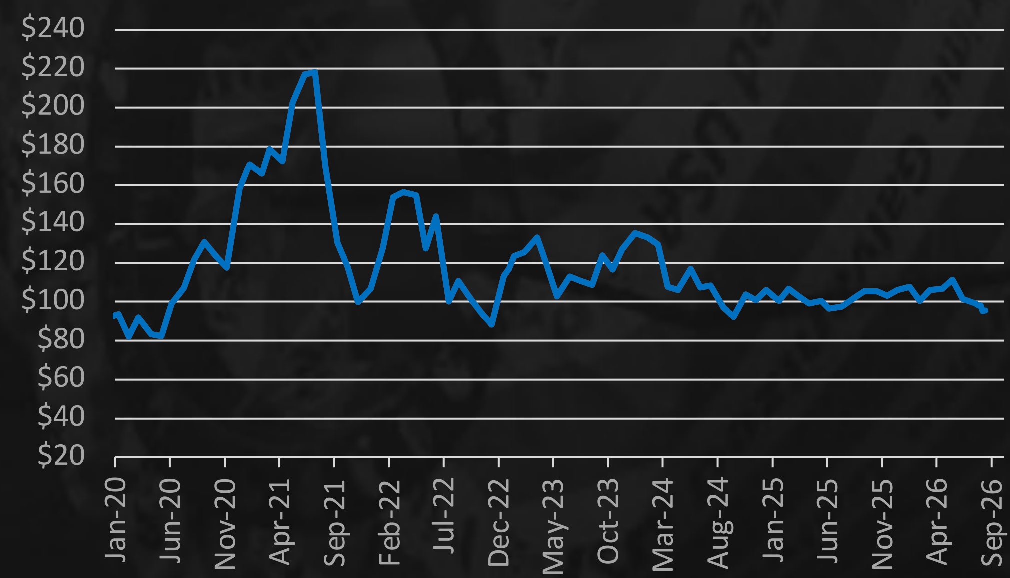
Spot iron ore rebounded slightly this week after hitting the lowest level since September 2024.

Spot iron ore pricing ended the week at $95.55/mt, up from $95.20/mt previously.

- Despite the increase, iron ore is still down a sharp 14.5% since mid-May.

Weak steel mill margins in China has kept spot iron ore buying interest subdued recently.

## IRON ORE COST



# ZINC[3]

## WEEKLY ZINC PRICING


Zinc pricing spiked sharply again this week, holding at the highest level since June 2022.

Zinc pricing ended the week at $3,874/mt ($1.757/lb), up from $3,784.50/mt ($1.717/lb) previously.

- Zinc continues to hover near four-year highs due to sharp inventory drawdowns and strong demand.

Global zinc inventory dropped for the seventh consecutive week.

- LME warehouse inventory decreased again this week, sliding from 97,475/mt to 92,550/mt.
- Shanghai warehouse inventory increased slightly, climbing from 151,530/mt to 154,773/mt.

COST

# COKING COAL[4]

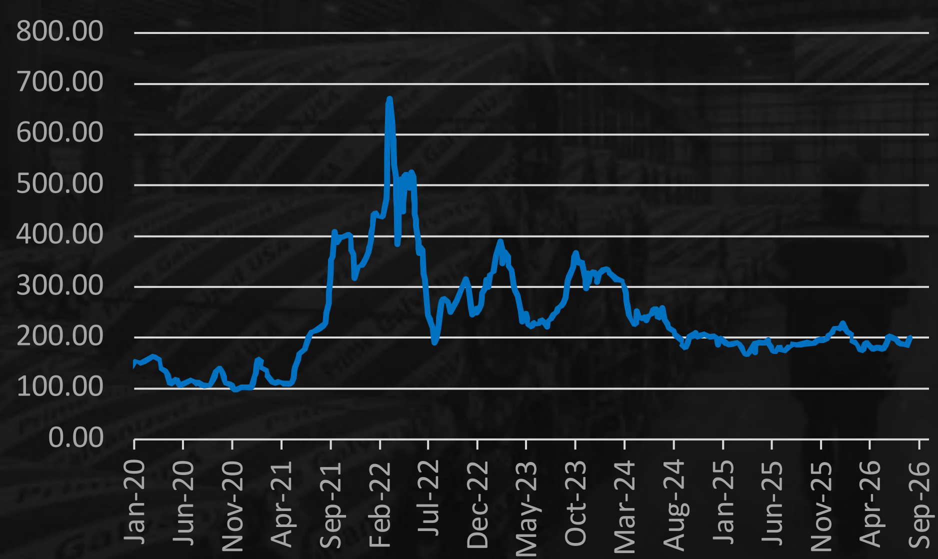
Coking coal pricing rebounded sharply for the second consecutive week.

Coking coal pricing settled at $200.00/mt, up from $187.20/mt previously.

- This was up 6.8% week-over-week, nearly wiping out the losses over the previous six weeks.

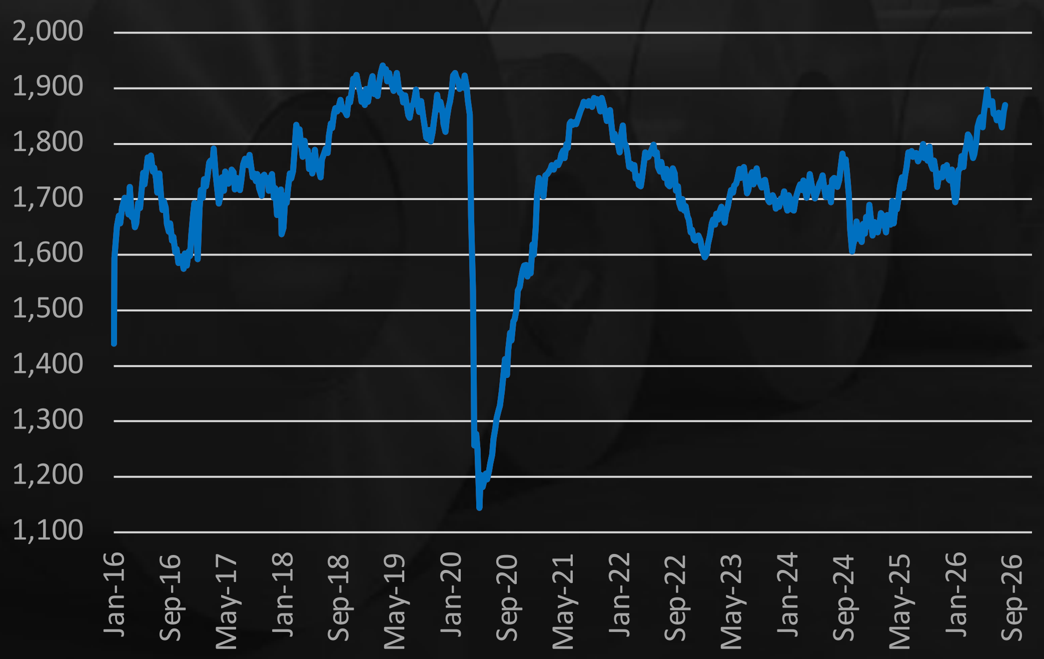
Ongoing concerns over a supply shortage is driving global coal prices higher of late.

## COKING COAL PRICE



SUPPLY

## WEEKLY DOMESTIC PRODUCTION




## WEEKLY DOMESTIC STEEL PRODUCTION[5]

Domestic steel production dropped sharply last week to a four-month low.

U.S. mills produced an estimated 1,820k tons at a 78.8% utilization rate, down from 1,870k tons and an 81.0% rate previously.

- This was the lowest weekly tonnage output since the last week of March.

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

- Production from the Great Lakes region dropped from 496k tons to 467k tons.

Despite the steady drop in production over the last month, year-to-date production is still up 6.5% compared to the same time frame last year.

# LIGHT VEHICLE INVENTORY[6]

The inventory of light vehicles on dealer lots declined again in July, now down for the second consecutive month and for the third time in the last four months.

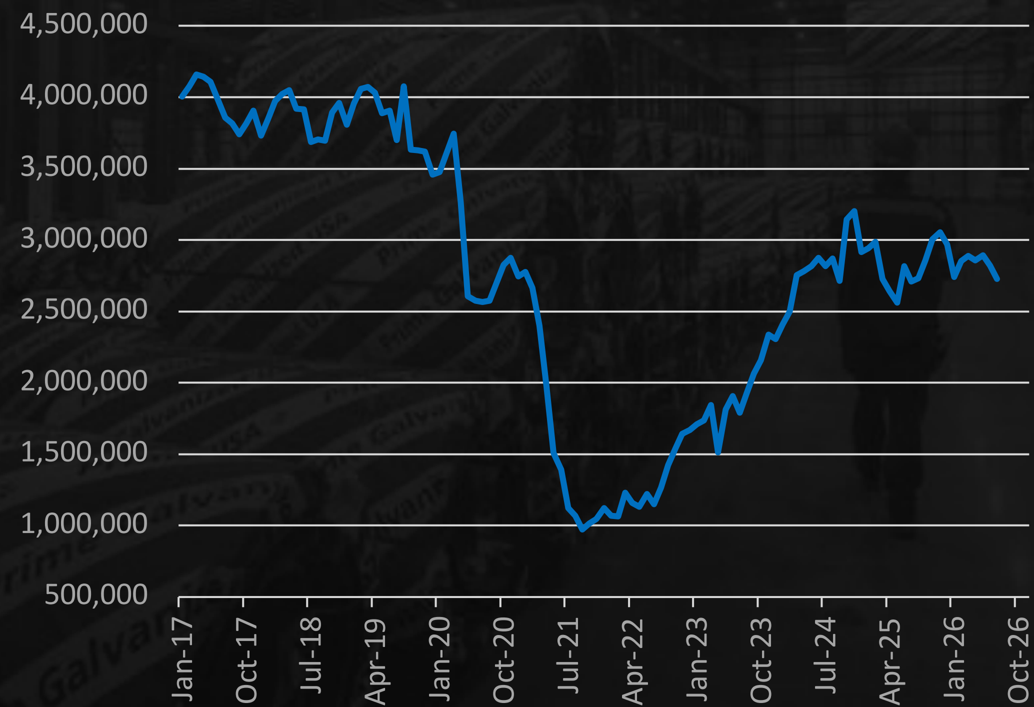
U.S. light vehicle inventory ended July at 2.725 million units, down 3.5 % from June but up 0.6% from last July.

- July marked the lowest month-end inventory level since last July.

Stronger sales outpacing automaker replenishment rates helped to push the days of supply lower and back into a more balanced level.

- The current days of supply are 75, down from 81.6 at the end of June and 76.7 at the end of last July.

## U.S. LIGHT VEHICLE INVENTORY



DEMAND

# EXISTING HOMES SALES[7]

Sales of existing homes declined again in July, now down for the second consecutive month.

Existing home sales came in at a 4.060 million unit rate, down 1.7% from June but up a slight 0.7% from last July.

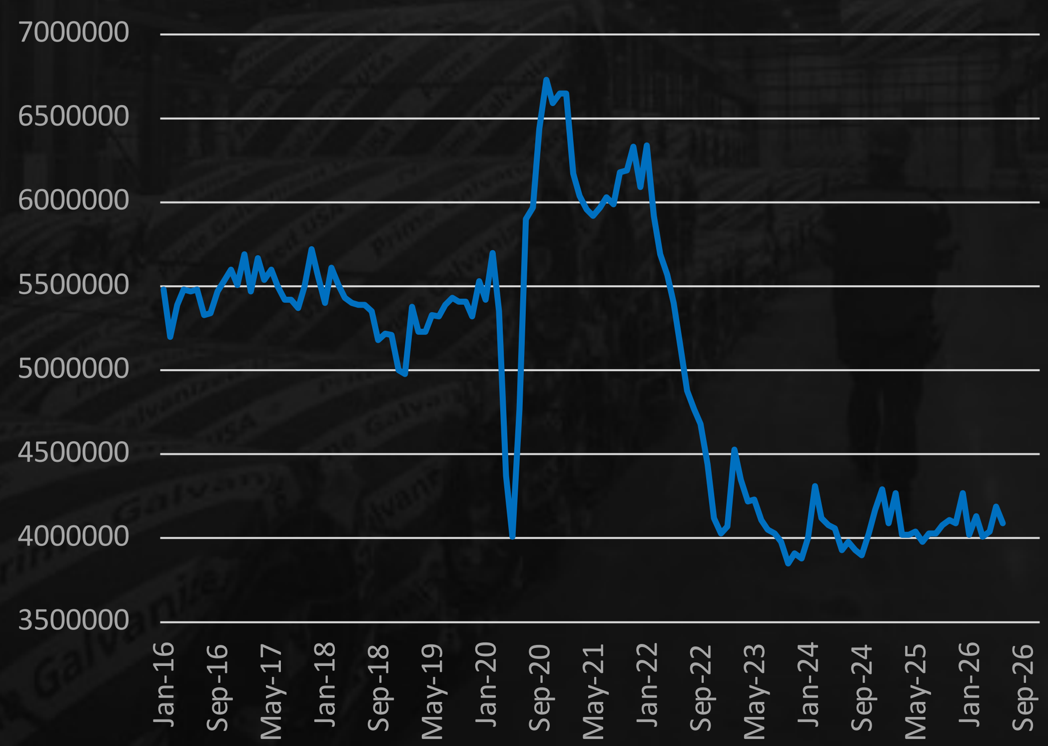
- Actual sales were up 2.8% from last July and are up 2.4% compared to the first seven months of last year.

The inventory of unsold existing homes slipped to 1.540 million units, down from 1.570 million units the previous two months.

- The current inventory, when combined with July's sales pace, equates to 4.6 months of supply.

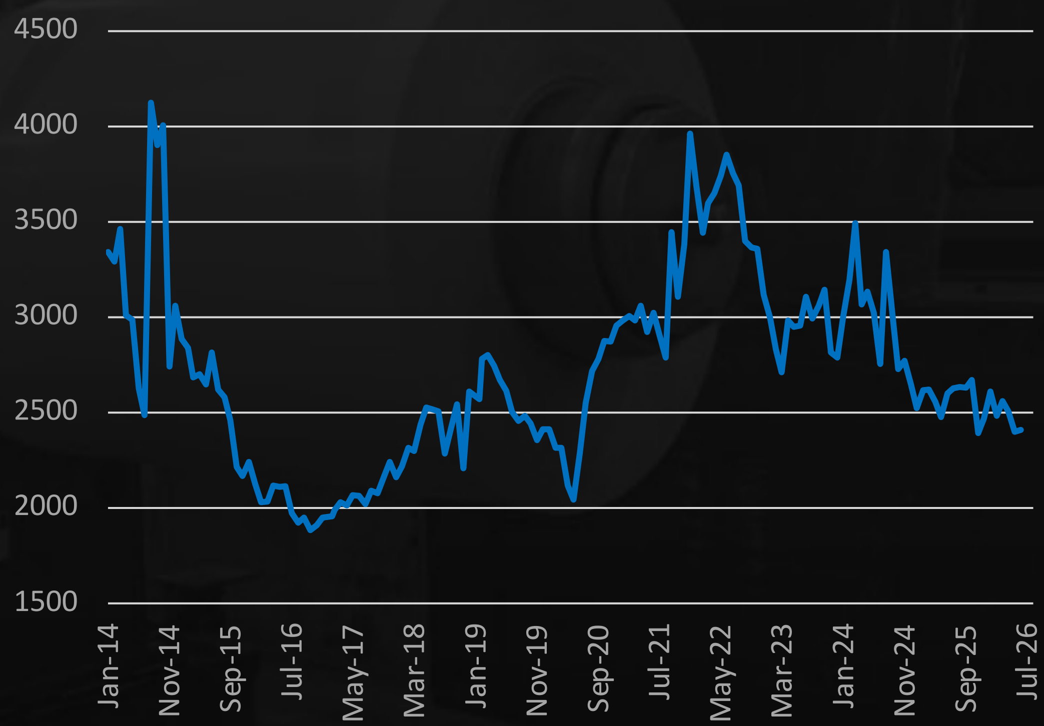
The median sales price declined to $434,100, down from $442,800 in June and the first month-over-month decline since January.

## EXISTING HOME SALES (SAAR)



DEMAND

# TRACTOR & FARM EQUIPMENT SHIPMENTS




## TRACTOR & FARM SHIPMENTS[8]

U.S. tractor and farm equipment shipments increased slightly in June after sliding the previous two months.

Shipments came in at a $2.408 billion rate, up 0.3% from May but down 7.5% from last June.

- This is the fifth consecutive month in which shipments declined on a year-over-year basis.

YTD shipments are currently running 2.8% below the rate from the same timeframe last year.

Weak farm economics from low crop prices, compressed margins from tariffs, and elevated borrowing costs are pushing equipment replacement decisions out, not off the table.

- Looking forward, the sector could be nearing a bottom as expectations for larger purchases over the next six-to-twelve months are increasing.

ECONOMIC

# WEEKLY INITIAL JOBLESS CLAIMS[9]

The number of Americans filing new unemployment claims increased ticked up slightly for the third consecutive week.

The Department of Labor's Weekly Initial Jobless Claims report came in at 209,000 claims, up slightly from 200,000 previously.

- The four-week moving average, considered a better measure of the labor market as it irons out week-to-week volatility, held stable at 198,500.

Continuing claims, or claims lasting longer than one week, decreased for the fourth time in five weeks.

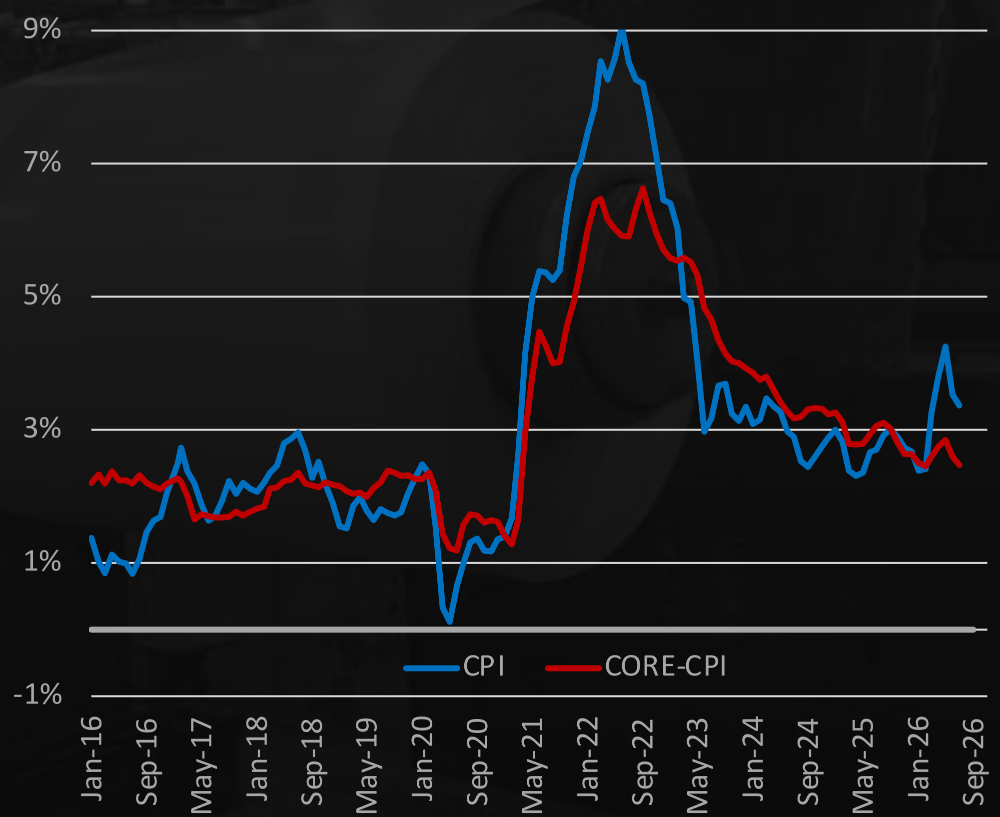
- Continuing claims came in at 1.777 million claims, down from 1.799 million claims previously.

The labor market has yet to show any sign of weakness from the surge in oil prices since the start of the war with Iran.

WEEKLY INITIAL JOBLESS CLAIMS

ECONOMIC

## CONSUMER PRICE INDEX




## CONSUMER PRICE INDEX[10]

Prices paid by consumers were up modestly in July after falling on a seasonally adjusted basis in June.

- The July Consumer Price Index, for all goods, was up 3.36% from last July, the lowest y/y increase since March.

The CORE-CPI, which excludes food and energy, was up 2.48% from last July and the twelve-month average slipped to a 2.70% increase from the 2.75% increase in June.

- This was the lowest twelve-month average increase since August 2021.

Looking on a year-over-year basis, prices for the shelter component were up 3.2% while airline fares were up 25.5%, medical care was up 1.7% and household furniture was up 2.2%.

ECONOMIC

# RETAIL SALES[11]

Sales from U.S. retail and food services slipped in July, sliding for the first time since October.

July retail sales came in at a $763.6 billion rate, down 0.6% from June but was up 5.0% from the $727.2 billion rate last July.

Total sales from the May - July period were up 6.3% compared to the same period last year.

The largest increases in July came from sales at clothing stores, health & personal care stores, and online retailers.

These increases were overcome by declines in sales from motor vehicle dealers, gas stations, and electronic stores.

Gas station stores fell 0.9% compared to June but were still up 16.2% from last July 2025.

## GAS STATION SALES

# SOURCES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2 Platts, Spot Iron Ore: August 14, 2026.

3 London Metal Exchange, Weekly Zinc Price and Inventory Report: August 14, 2026.

Shanghai Futures Exchange, Weekly Zinc Inventory Report: August 14, 2026.

4 Platts, Coking Coal Price: August 14, 2026.

5 American Iron & Steel Institute, Weekly Domestic Steel Production: August 11, 2026.

6 Cox Automotive, U.S. Light Vehicle Inventory: July 2026.

7 National Association of Realtors, Existing Home Sales: July 2026.

8 Association of Equipment Manufacturers, Tractor and Farm Equipment: June 2026.

9 Department of Labor, Weekly Initial Jobless Claims: August 13, 2026.

10 U.S. Bureau of Labor Statistics, Consumer Price Index: July 2026.

11 U.S. Census Bureau, Retail Sales: July 2026.


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