



MAJESTIC
STEEL USA

CORE REPORT

09.25.26

COST

01

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

SUPPLY

04

- ⊖ lead times
- ⬇ production
- ⬆ imports
- ⊖ shipments

DEMAND

07

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

ECONOMIC

10

- ⬆ employment
- ⊖ confidence
- ⊖ inflation
- ⬆ transportation
- ⬆ retail sales



THE RIGHT STEEL SUPPLY CHAIN HAS NEVER MATTERED MORE

MANAGE COST. MITIGATE RISK. MORE RELIABLE.

LEARN MORE

COST

▲ SPOT IRON ORE¹

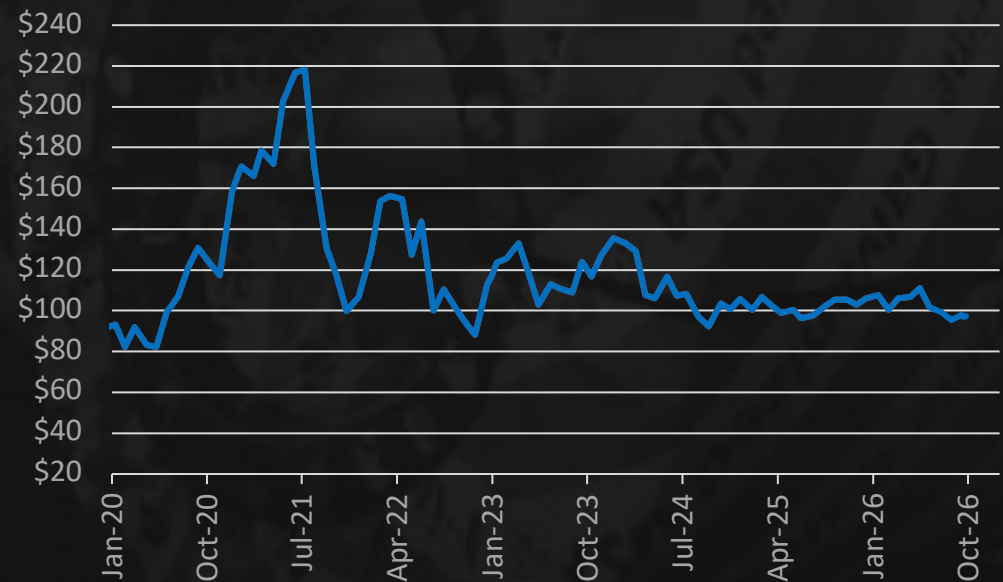
Spot iron ore ticked up slightly this week after hitting the lowest level since mid-August.

Spot iron ore pricing ended the week at \$97.40/mt, up from \$97.10/mt previously.

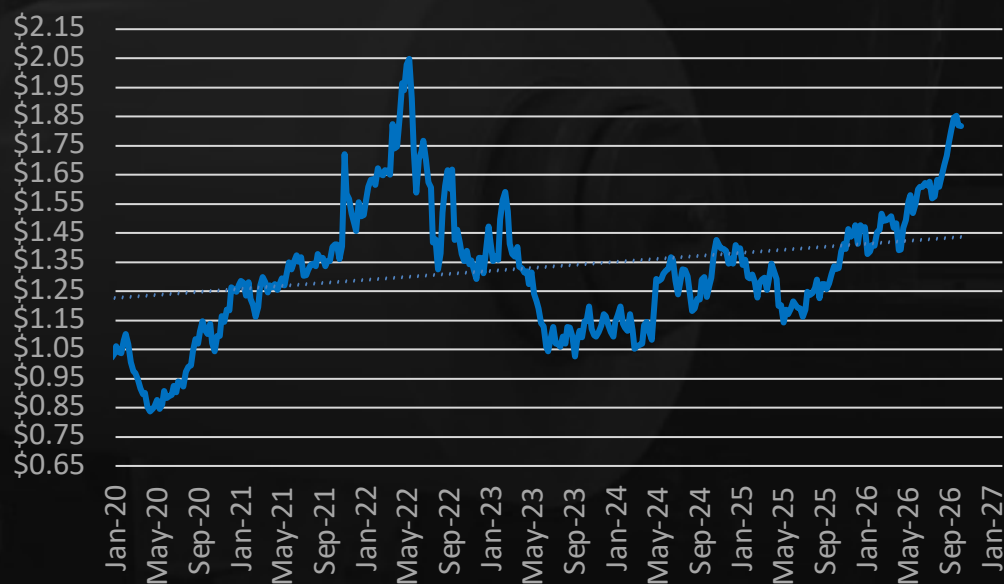
- Despite the increase, this is still down over 12% since the recent peak in May.

Iron ore pricing has stabilized as Chinese steelmakers gradually completed pre-holiday restocking ahead national holidays in early October.

IRON ORE COST



WEEKLY ZINC PRICING



Zinc pricing resumed its upward momentum this week after dropping slightly the previous two weeks.

Zinc pricing ended the week at \$4,059/mt (\$1.841/lb), up from \$4,008/mt (\$1.818/lb) previously.

- This remains the highest price for zinc since April 2022, although some zinc supply pressure may be easing.

Global zinc inventory increased slightly again for the sixth straight week.

- LME warehouse inventory increased sharply this week, climbing from 114,250/mt to 123,200/mt.
- Shanghai warehouse inventory held stable at 149,016/mt.

COST

▼ COKING COAL³

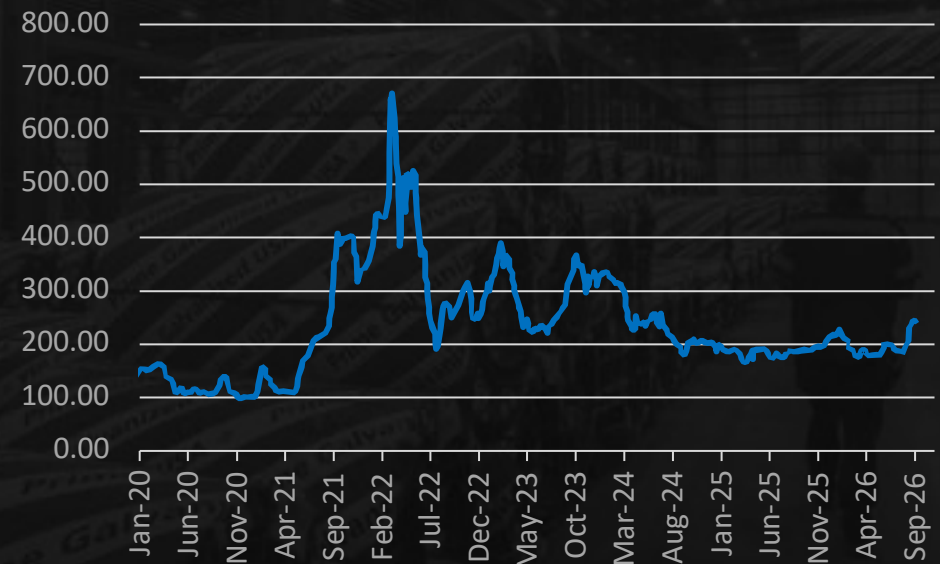
Coking coal pricing decreased slightly for the third straight week, coming down from the multi-month high seen in late-August.

Coking coal pricing settled at \$233.60/mt, down from \$239.40/mt previously.

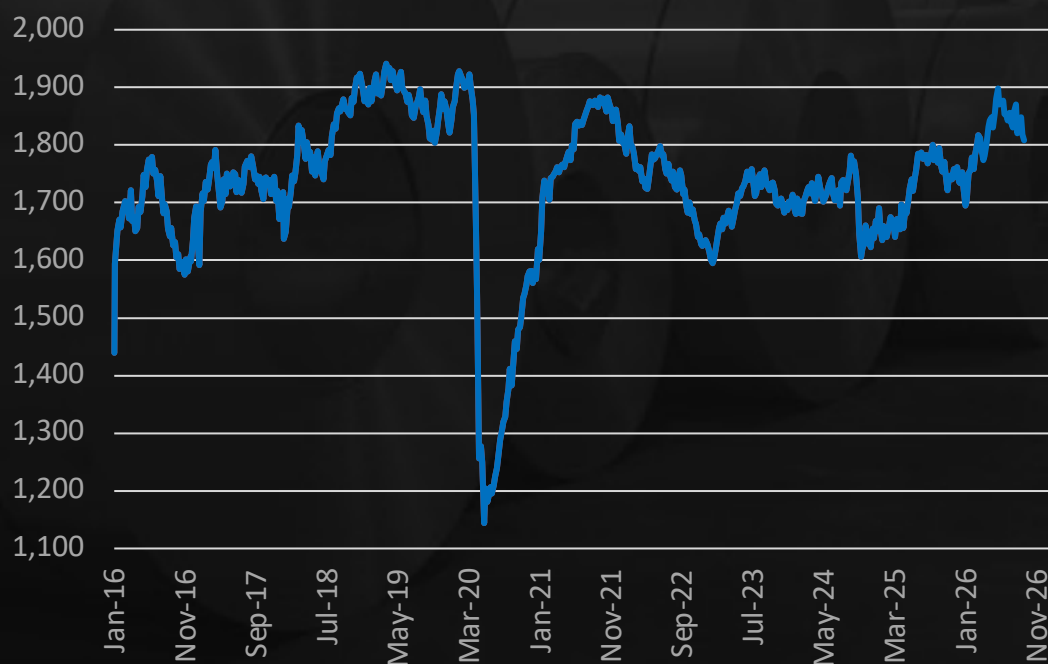
- Despite the slight drop for the third consecutive week, coking coal is still up 31% since the recent bottom in May.

Coking coal is now at a fresh one-month low as Chinese steel mills have slowed buys ahead of national holidays and potential steel production cuts.

COKING COAL PRICE



WEEKLY DOMESTIC PRODUCTION



WEEKLY DOMESTIC STEEL PRODUCTION⁴

Domestic steel production dropped sharply last week after one of the largest week-over-week increases on record the week prior.

U.S. mills produced an estimated 1,785k tons at a 77.9% utilization rate, down from 1,900k tons and an 82.3% rate previously.

- This was down a sharp 6.1% after climbing 5.1% the week prior, now the lowest output since mid-March.

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

- Production from the Southern region dipped from 876k tons to 818k tons.

Year-to-date production is now up 5.9% compared to the same time frame last year.

SUPPLY

GLOBAL STEEL PRODUCTION⁵

Global raw steel production continued to slow in August, now sliding for the fourth consecutive month.

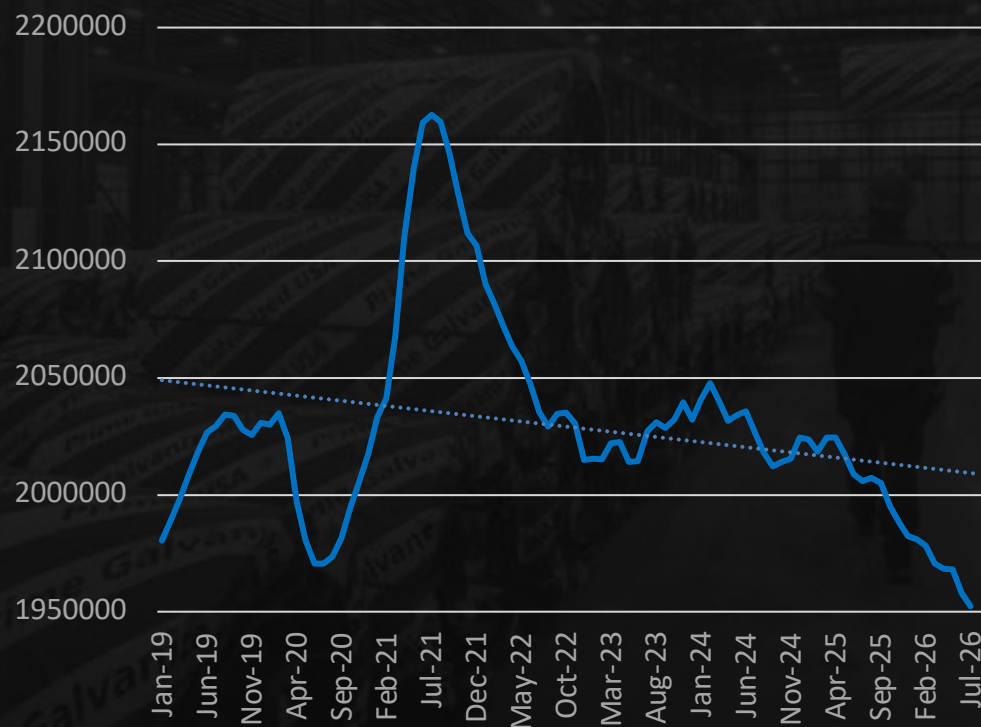
Global steel production came in at a 4.652 million mt/day rate, down 3.1% from July and down 3.4% from the 4.708 million mt/day rate last August.

The stated Chinese goal to reduce capacity continued to show in August as their daily production rate was down 3.0% from July to a 2.407 million mt/day rate.

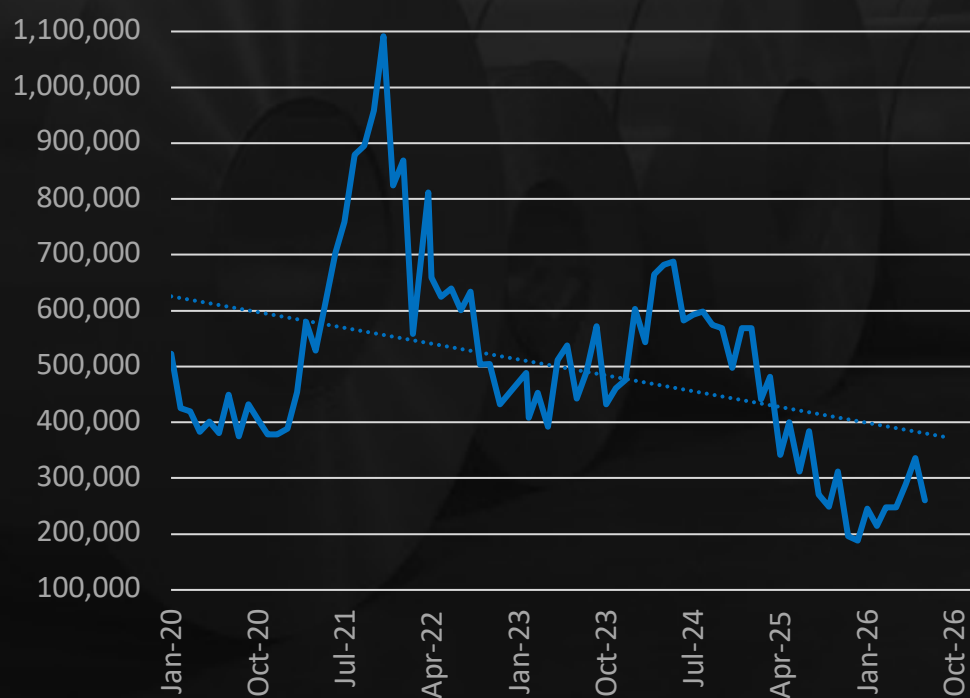
- Chinese daily production was also down on a year-over-year basis, sliding 6.3% from last August, marking the fifteenth consecutive y/y decline.

Global production, excluding China, declined as well, sliding 3.2% from July, the second consecutive monthly decline.

GLOBAL STEEL PRODUCTION (12MMA)



CARBON FLAT ROLLED IMPORTS



⬆ CARBON STEEL IMPORTS⁶

Initial August carbon steel imports saw an increase from July, hitting the highest monthly total since May 2025.

Carbon steel imports came in at 1.770 million tons, up 3.1% from July and up 33.3% from last August.

Carbon flat rolled imports totaled 345,936 tons in August, up 33.1% from July and up 27.6% from last August.

- This was the highest flat rolled imports level since July 2025.

While all three flat rolled product groups saw increases in August, hot rolled sheet & strip saw the largest increase, climbing 67.4% from July.

- Cold rolled sheet & strip and coated imports were up as well, climbing 37.5% and 8.0%, respectively.

Despite the recent increase, flat rolled imports are still down 31.7% compared to the same timeframe last year.

DEMAND

▼ ARCHITECTURE BILLINGS INDEX⁷

Activity at the architecture firm level contracted again in August, now down for the 46th time in the last 47 months.

The August Architecture Billings Index came in at 47.2, up slightly from the 46.6 reading in July but remaining below the key 50 threshold.

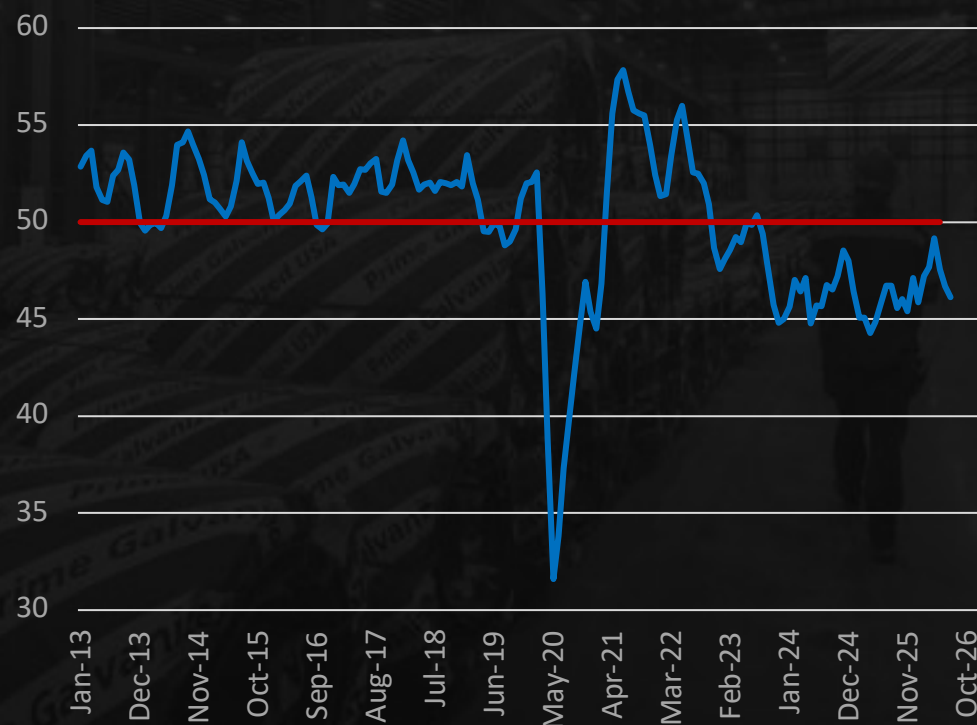
- Any reading over 50 shows an increase in billing activity, while any reading below 50 shows contraction.

Regionally, the Midwest (50.7) saw slight growth for the first time in nearly a year.

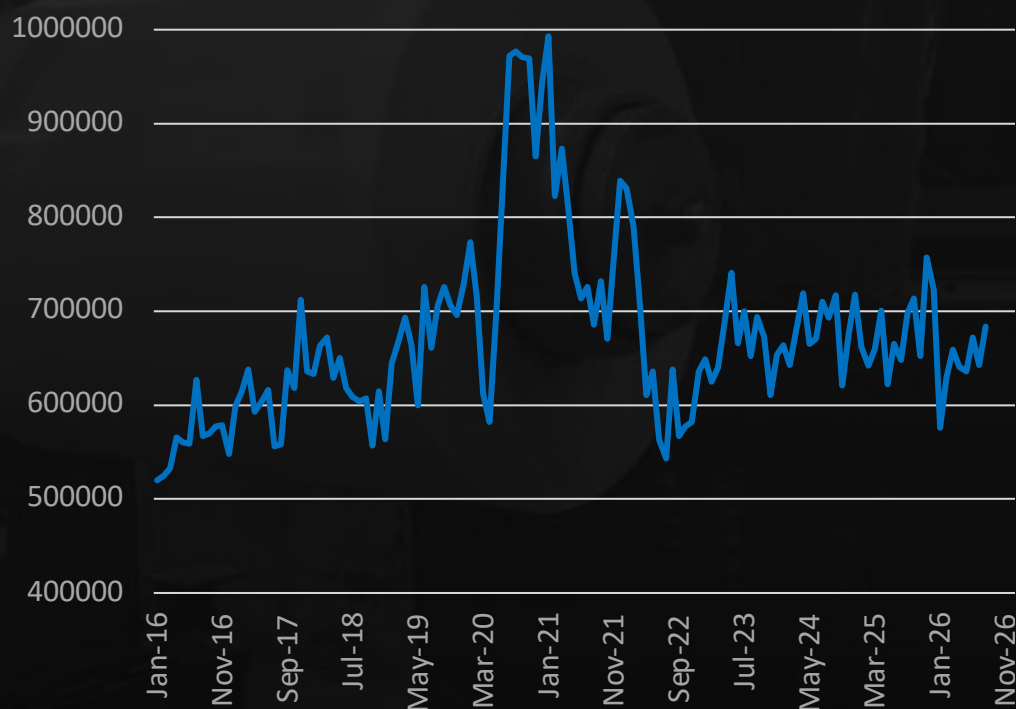
- All other regions continued to contract with the Northeast (40.7) being the weakest.

While the commercial/industrial (50.4) sector grew slightly, the institutional (47.0) and multifamily residential (47.8) continued to contract.

ARCHITECTURE BILLINGS INDEX (3MA)



NEW HOME SALES (SAAR)



NEW HOME SALES⁸

Sales of newly built homes rebounded in August, hitting their highest monthly total in a year.

New home sales came in at a 684,000 unit rate, up 6.4% from July but was still 2.0% below year-ago levels.

- Despite the rebound in August, YTD actual sales were still 3.0% below the total from the first eight months of last year.

Inventory of unsold new homes slipped to 487,000 units, down 0.6% from July and down 1.8% from 496,000 units last August.

- This was the tenth consecutive month in which inventory declined on a year-over-year basis.

The current inventory, when combined with August's sales pace, equates to 8.5 months of supply.

- This is down from 9.0 months in July and right on the five-year average.

DEMAND

▼ DURABLE GOODS⁹

New orders for durable goods slipped in August, down after two consecutive monthly increases.

New orders slipped slightly to a \$338.6 billion rate, after seeing a 0.9% increase in July.

- Excluding transportation, new orders increased 0.3% after a 0.7% increase in July.
- New orders for nondefense capital goods, excluding aircraft, increased 1.6% from July after climbing 0.6% in July.

Unfilled orders were up 0.6% to a \$1.609 trillion rate, now up in twenty-five of the last twenty-six months.

Inventories increased 0.5% to a \$608.1 billion rate, marking the eleventh consecutive month.

DURABLE GOODS NEW ORDERS (5MA)



WEEKLY INITIAL JOBLESS CLAIMS¹⁰

The number of Americans filing new unemployment claims dropped for the third consecutive week, nearing a 57-year low.

The Department of Labor's Weekly Initial Jobless Claims report came in at 197,000 claims, down from 198,000 previously.

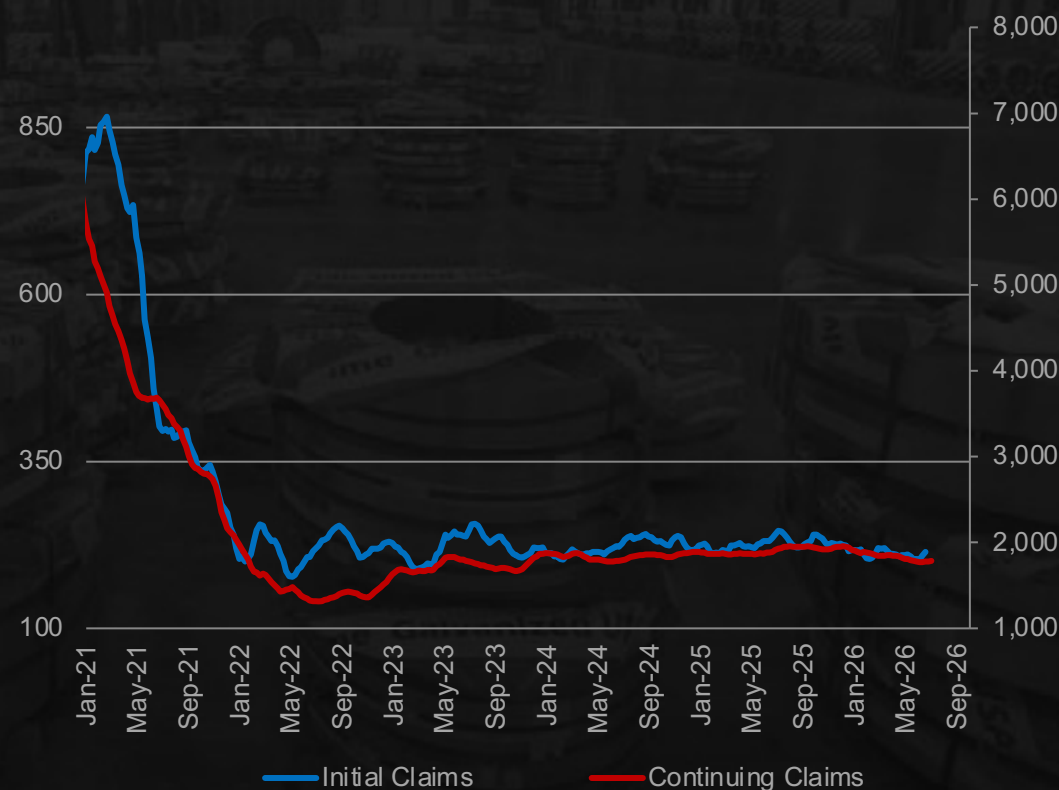
- The four-week moving average, considered a better measure of the labor market as it irons out week-to-week volatility, decreased to 202,000

Continuing claims, or claims lasting longer than one week, ticked up slightly.

- Continuing claims came in at 1.719 million claims, up from 1.717 million claims previously.

The labor market is regaining stability after a difficult summer, although employers remain reluctant to hire new workers.

WEEKLY INITIAL JOBLESS CLAIMS



SOURCES

- 1 Platts, Spot Iron Ore: September 25, 2026.
- 2 London Metal Exchange, Weekly Zinc Price and Inventory Report: September 25, 2026.
Shanghai Futures Exchange, Weekly Zinc Inventory Report: September 25, 2026.
- 3 Platts, Coking Coal Price: September 25, 2026.
- 4 American Iron & Steel Institute, Weekly Domestic Steel Production: September 22, 2026.
- 5 WorldSteel, Global Steel Production: August 2026.
- 6 U.S. Census Bureau, Preliminary Carbon Steel Imports: August 2026.
- 7 American Institute of Architects, Architecture Billings Index: August 2026.
- 8 U.S. Census Bureau, New Home Sales: August 2026.
- 9 U.S. Census Bureau, Durable Goods Orders: August 2026.
- 10 Department of Labor, Weekly Initial Jobless Claims: September 24, 2026.

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