



# Scrap Metal Market Report

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Green Scrap for Green Steel!



## Market Differentiation Requires Flexibility and Quick Responses

Scrap Metal Market Report – November 2025

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### General Developments

In addition to the regular budget, the €500 billion special "Infrastructure and Climate Neutrality" fund created by the German government was intended to address the investment backlog - to accelerate the construction of bridges, railway tracks and schools. Recent calculations by the German Economic Institute (IW) reveal that of the €271 billion in loans taken out and maturing up to 2029, €133 billion, that is nearly 50%, will be used for other purposes than originally intended. IW expert Tobias Hentze states: "With this misallocation of funds, the federal and state governments are jeopardising Germany's future viability. A special fund is fundamentally the right approach to rapidly improve the dilapidated infrastructure and advance the urgently needed transformation. However, in real terms, the German federal government is simply plugging budget gaps. Hentze further warned that politicians must keep their promises, otherwise they will forfeit the opportunity for long-term growth.

### Scrap Market

Whilst it was still unclear at the end of October in which direction the scrap metal market would develop, very stable trends were shown at the beginning of November. However, it is becoming increasingly apparent that market dynamics and differentiation are impacting the German scrap market more and more; flexibility and adaptability are gaining in importance, requiring constant realignment and targeted, rapid responses to market developments.

Compared to October, scrap prices during November were largely unchanged. However, some mills had to accept price increases in the range of €5 - €10 per tonne, an adjustment caused by varying material availability and catch-up effects. The generally improving export market stabilised the domestic market and prompted some buyers to adjust their prices accordingly. Positive signals from the political arena, which became apparent in the recent steel summit, contributed to a slightly more optimistic mood on the steel market. Even so, a largely apathetic mood on the scrap market prevailed, lacking any real enthusiasm for a new beginning. Especially, as German crude steel production in 2025 is expected to be significantly lower than last year.

The scrap industry is struggling with declining material volumes and shrinking margins along with sluggish demand. Experience shows that some metal processing companies usually launch special scrap campaigns towards the end of the year, so that some scrap dealers are reporting a fairly good supply of obsolete scrap, whilst others find the obsolete scrap situation similarly strained to that of industrial scrap.

### Regional Developments

The price structure in the **north** of Germany varied considerably. Generally, prices tended to be on the higher side, with price increases ranging from €5 - €10 per tonne. The more prominent export market in these regions had a greater influence on price setting; albeit, one mill lowered prices by €5 to €10 per tonne due to the catch-up effect from the previous purchasing round. In the **east**, consumers mostly bought at unchanged prices, although one mill reportedly increased scrap prices by €10 per tonne to come in line with prevailing prices. In November, a steel mill in the **west** purchased at unchanged prices. In the south-west, one mill reportedly had good stock levels and purchased its required scrap at unchanged prices. Due to the very short downtime over the holidays, securing material supplies appears to have been prioritised. Along the **Saar** river, scrap prices rose by €15 per tonne. The price level here had been below the prevailing market range for the past five months, so this price increase represents a catch-up effect. Prices remained stable in **southern** Germany.

## Neighbouring Foreign Markets

**French** buyers purchased scrap at unchanged prices. **Luxembourgish** consumers, having had lower prices during October, accepted obsolete scrap price increases of €5 - €10 per tonne. A more nuanced market analysis was conducted in **Austria** where obsolete scrap price decreased by €5 per tonne, whilst industrial scrap prices showed a larger decrease of €10 per tonne. In **Switzerland**, scrap transactions were predominantly concluded at unchanged prices, albeit slight price increases of €5 per tonne were reportedly paid for some lots. On the whole, Swiss scrap prices are on the low side compared to the German domestic market. **Italian** scrap metal prices remained largely unchanged during November. However, mills with full order books for December were open to negotiation. The **Polish** market saw price increases of €5 - €8 per tonne. In the neighbouring **Czech Republic**, scrap prices rose by up to €10 per tonne.

## Global Scrap Market

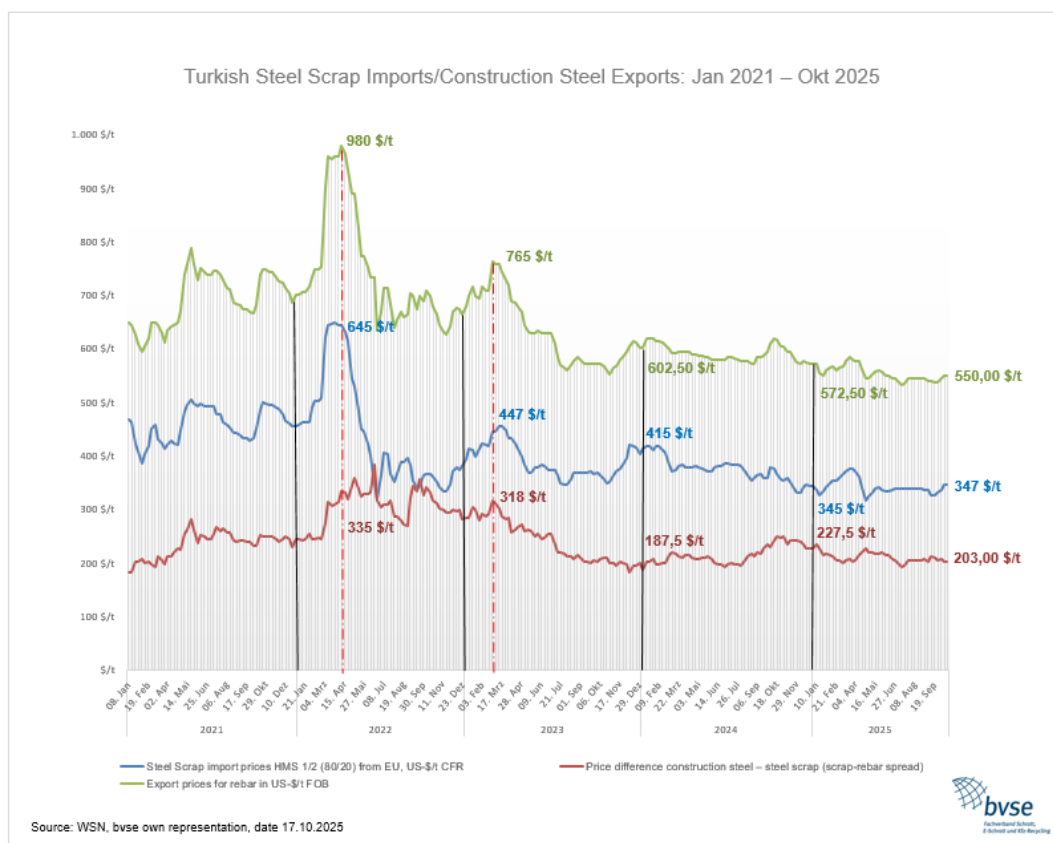
Turkish import activity remained subdued at the end of October as market participants continued to monitor influential economic and political events; such as the US-China tariff negotiations and the ongoing procurement negotiations on the US domestic scrap market. Given high freight rates, limited material availability and alternative sales markets, exporters saw no reason to budge from their stance; one market participant pointed to scrap metal demand from other regions outside Turkey, including increased scrap demand from Egypt and other North African countries. The global scrap market became increasingly more stable.

Egypt, Africa's largest steel producer with 10.7 million tonnes of liquid crude steel production in 2024, ranks among the world's top twenty steel producers. Since August, foreign scrap dealers have reported increased demand on the Egyptian and other North African markets. In fact, Belgian and Dutch exporters shipped 200,000 tonnes both in September and August and over 170,000 tonnes during October.

A key factor in global pricing was the US domestic scrap market. International steel producers reappeared on the US east coast bulk scrap market offering higher bids. US exporters primarily focused on the domestic market, which remained stable after several months of moderate price declines. This led to increased import pricing by US sellers. Scrap exporters, in the light of limited material availability ahead of the winter months and rising logistics costs, insisted on higher scrap prices accordingly.

In the first few days of November, Turkish steel producers secured imported scrap from the USA, the Baltic states and continental Europe. Scrap collectors from the Benelux countries increased their purchasing prices, raising them by €5 per tonne for HMS 1/2 (80:20) to €250 - €260 per tonne, delivered free to port.

Continuing weak import demand from Asia prompted scrap dealers on the US west coast to sell a 50,000-tonne scrap cargo of HMS 1/2 (80:20) to Turkey; the first west coast cargo shipped to Turkey since 2021. Following an agreement on November 10 between the USA and China, after previous increases in port fees and other sanctions, price reductions of up to US-\$10 per tonne bulk cargo freight loads were agreed. These price reductions provided the US west coast scrap dealers with arbitrage opportunities when selling to Turkey. An increase in supply volumes from the US West Coast seemed very likely. New global price agreements supported the market; as a consequence, US exporters increased their prices, seeking prices of up to US-\$365 per tonne for HMS 1/2 (80:20), CFR Turkey.



**Figure 1:** Price Developments in Turkish Steel Scrap Imports vs. Construction Steel Exports 2021- 2025

## Foundry Market

The increased involvement of foreign investors is being discussed on the foundry market. For example, last year a German subsidiary of the Indian Craftsman Automation Limited took over the business operations of Fronberg Guss, a subsidiary of the Gienanth Group, which manufactures large components for ship engines and construction machinery. In the middle of this year, the Turkish Kutluk Döküm Group took over the insolvent, tradition-steeped TEUTOGUSS GmbH in Hörstel-Gravenhorst. The company formerly belonged to the Hauße Group and produced high-quality castings with approximately 50 employees. The internationally active Kutluk Döküm Group is a foundry group based in Turkey with many years of experience in the production of grey and ductile iron, steel castings, hand-moulded aluminium castings and aluminium die-casting. The Turkish group hopes that this acquisition will give it access to modern know-how, expand its manufacturing capabilities and create a strong international network. The takeover trend, already advanced in the steel industry through predominantly Indian investors and owners, appears to have now set foot on the foundry market, albeit to a lesser extent with smaller market players.

## Outlook

Some steel mills announced in November that they would be making cross-month purchases. A key question remains how large the demand volumes will actually be in December and what the operating modes of the steel mills will look like. Many steel producers are aligning their production methods with new political insights, waiting for information on industrial electricity pricing in order to foresee how the cost structure will present itself. It is not clear for some plants how production will continue beyond the Christmas period. Circumstances such as additional demand before or between the holidays could change the market picture.

Generally, many market participants are observing a certain degree of stability in the scrap market.