The problem is not the sale of scrap, but its procurement

Scrap Metal Market Report – June 2026

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General Developments

The German Federal Cabinet has launched the Circular Economy Action Programme which aims to strengthen investments in circular technologies and business models in order to realise goals to reduce waste, reduce raw material consumption and support the development of sustainable business models.

The bvse sees the Circular Economy Action Programme as an important step in the right direction, but, according to bvse Managing Director, Eric Rehbock, it falls short of expectations. Already in the run-up to the launching of the programme, the bvse voiced demands for an acceleration in approval timelines for recycling plants, in order to fast-track the urgently needed expansion of recycling capacities. The reduction of red tape for waste disposal and recycling companies must also finally be systematically implemented. Simple funding programmes are needed to transfer recycling processes from pilot scale to wider operational practice. The bvse is particularly critical that the recycling industry has been investing in facilities, technologies and capacities for years, but stable markets are still lacking.

Only if these central points are included in the aforementioned action programme can it achieve its goals of actually strengthening the circular economy in Germany, i.e., securing sustainable investments in recycling and resource protection in the long term.

Scrap Market

At the beginning of the month, scrap buyers tried to take advantage of the softened export market to place lower bids on the market. A reduced price expectation of up to €5 per tonne was initially offered on the market. However, after the slight weakness, the export market quickly tightened. As domestic scrap availability was limited, steel mills quickly shifted their stance to unchanged prices, which were generally agreed to on the market. Just as there were different valuations during the previous month, there was no uniform picture of the scrap market this month either. Resultingly, regional price adjustments repeatedly took place, ranging from unchanged to a peak of €10 per tonne. Overall, the market showed itself as stable and balanced with unchanged pricing. Many scrap dealers are complaining about the tight situation regarding scrap availability. The procurement of scrap and the low material inflow to the yards are the problem, not the actual sales thereof.

Regional Developments

In the **north** of Germany, scrap prices in June were generally unchanged, with one consumer only offering €5 per tonne more for turnings. Another consumer compensated for lower prices during the previous month and increased prices by up to €10 per tonne. Steel mills in the **east** of the country purchased scrap at unchanged prices. However, one steel manufacturer only sourced light industrial scrap, grade E8, at unchanged prices, for other grades slight price increase of €3-5 per tonne were offered. In the **west**, one scrap consumer increased its purchase prices by €10 per tonne, a catch-up adjustment from the previous month. Another mill positioned itself similarly. In the **south west**, one consumer could not push through its envisaged scrap price reductions. There were differing price assessments for the individual grades; some lots were purchased at unchanged prices, albeit, generally price increases of €5 per tonne were seen and even up to €10 per tonne for better qualities. In the **south**, scrap prices increased by €5 per tonne.

Neighbouring Foreign Markets

On the **French** market, the June purchasing campaign ended with unchanged prices. In neighbouring **Luxembourg**, consumers also followed this approach and prices only showed a sideways movement. Price increases of €10 per tonne across all grades was seen on the **Austrian** market. **Swiss** steel mills closed the current month for German imports with unchanged pricing. While scrap dealers generally noted a good price structure, strained credit limits are seen as problematic. Occasionally, dealers are having to resort to guarantees, making business transactions more risky. **Italian** steel mills generally purchased with unchanged scrap prices compared to the previous month. Later deals during the course of the month were lower, with price reductions of €2-3 per tonne, due to the then generally softer market environment. The weak sales market for finished steel led to restrained purchasing behaviour for scrap. Market participants do not expect any major impulses before the summer shutdowns, which are mostly likely to take place during August. On the **Polish** market, a sideways movement was largely observed. Some buyers tried to negotiate price reductions of up to €5 per tonne. Scrap demand reached a normal level. Market participants noted difficulties with bonus scrap; this material achieved high domestic demand, but some container-loaded quantities also made their way to Asia. The **Czech** scrap market moved sideways.

Global Scrap Market

Overall, industry experts rated the export market as balanced at the beginning of the month and domestic demand was strong; with the exception of Great Britain, where consumption remained extremely low. At the same time, the monsoon season began in Asia, causing falling material demand.

Turkish steel mills initially rejected concrete offers for larger quantities of steel scrap. As a result, import activity remained subdued, with prices unchanged. Some older contracts from May entered into negotiation discussions but were not relevant to the stated price level. Turkish consumers aimed for a maximum of $400 per tonne (CFR Türkiye) and below for European scrap. A price level of $405 per tonne (CFR Türkiye) was derived for US scrap. However, US offers were not present on the international import market.

A Scandinavian exporter sold HMS 1/2 (80:20) to a mill in Samsun at a price of $409 per tonne (CFR Türkiye). Given weaker demand and low bids, exporters tried to reduce collection costs. Some European exporters reduced yard prices for HMS 1/2 (80:20) to €290 per tonne, free delivery to port. Material supply proved increasingly difficult.

After returning from the Eid al-Adha (Feast of the Sacrifice) religious holiday, Turkish steel producers showed little urgency to secure sales agreements. Steel mills continued to aim for lower scrap prices, but no concrete offers were available. No improvement was seen in the Turkish rebar segment. Consumers actively sought alternative sources to build up inventories. Some mills purchased domestic billet after an integrated mill from the Karabük region opened its billet sales in addition to its rebar sales.

European sellers did have the opportunity to accept lower prices as the Euro weakened. However, exporters continued to maintain a clear and firm stance.

Outlook

In their helplessness regarding the future course of the scrap market, scrap dealers are turning to AI to obtain valid predictions. Several inquiries led to different results, ranging from existing price levels to increased scrap prices at the end of the year. No AI query predicted falling prices, however, this may be due to the wording of the input query.

The consensus among industry experts is that the market is firm. In general, they assess the availability of scrap as limited. Some grades, such as steel shavings of grade E5, are difficult to obtain. Although foundry materials are putting pressure on the steel scrap market, the availability of deep drawing scrap is currently particularly limited. Even with summer shutdowns looming, market participants foresee a firm market ahead. Reduced production volumes go hand in hand with lower industrial scrap generation.

Dealers are facing increasing challenges. Market participants are scaling back non-core material flows to concentrate on the core business of scrap trading. Difficulties in implementing operational processes, attracting suitable labour to companies, an increasing number of regulatory obstacles and new investment projects necessitate this focus.