Time and again new geopolitical conflicts push costs higher

Scrap Metal Market Report – September 2026

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General Developments

Markus Küpper, president of the Federal Association of the German Foundry Industry (BDG), opened Foundry Day 2026 in Göttingen with a compelling appeal directed politicians and businesses. Numerous representatives from industry, politics and science discussed the challenges and future of Germany as an industrial location.

High energy prices, lengthy approval procedures, extensive bureaucracy and rising labour costs are increasingly burdening competitiveness, Küpper stated. The BDG President expressed concern about the structural changes within the industry. Many foundries have disappeared from the market in recent years, resulting in significant job losses. Millions of jobs in downstream industrial sectors, such as automotive manufacturing and mechanical engineering as well as the metal, construction and electric power industries, are directly or indirectly linked to the productive capacity of foundries.

Küpper described the increasing willingness of political decision-makers to engage in dialogue as positive. The association is significantly expanding its lobbying, conducting intensive dialogue with politics and authorities at national and international levels.

In conclusion, BDG President Küpper reaffirmed his commitment to the foundry sector: The foundry industry is an indispensable component for the creation of industrial wealth and plays a key role for numerous future-oriented industries.

Scrap Market

Discussions concerning logistical challenges dominated the German scrap market. Low water levels continue to hinder shipping, especially for scrap on the busy Rhine waterway. Material is either not arriving at scrap yards at all or only under very difficult conditions. Material outflow from the yards is proving equally difficult. In summary, the scrap supply to steel mills via waterways is still not running smoothly. Some mills also complained about substantial restrictions on the shipping of finished steel products.

In addition to low water levels, increased diesel surcharges, which can now be between 10-20 percent, as well as significant toll increases in neighbouring Netherlands are pushing costs further upwards. The biggest challenge is getting material to customers via an economically viable route, reported one market participant.

In addition to waterways and roads, rail transport also poses major difficulties, particularly when it comes to the delivery of railway wagons. It appears that the focus is solely on block train services – which are more lucrative for the railway companies – whilst single-wagon or group-wagon transport, which is vital to the scrap metal industry, is mercilessly neglected.

Some industry experts entered the month of September with high price expectations. It was speculated that after the summer shutdowns many steel mills would really pick up steam during September. However, in the end, things turned out differently than many had expected. The German scrap market closed the new month with a sideways movement, largely at unchanged prices. Minor changes resulted from price adjustments deviating from the norm market pricing during August.

Regional Developments

Scrap prices in the **north** of Germany generally remained unchanged during September. The market tightened as a result of increased logistic costs and growing international scrap demand. Steel mills in the **east**, largely purchased scrap at unchanged price levels. However, some mills were prompted to make small price adjustments, ranging from €2-3 per tonne, depending on the August price level, the region and scrap grade concerned. One mill increased its price by €5 per tonne compared to the previous month. In neighbouring countries, more significant scrap price increases were seen. The market in the **west** adopted price levels from August, already showing a sideways movement early on in the month. In **southwest** Germany, a major scrap consumer initially struggled, being particularly hit by low water levels, but concluded prices at unchanged levels. Prices along the **Saar** river also remained unchanged, compared to August. One mill is reportedly operating on short-time work, thus only showing low scrap demand. In the **south**, a buyer purchased goods at unchanged prices, but in smaller quantities.

Neighbouring Foreign Markets

French steelworks concluded September with unchanged scrap prices. Luxembourg acted in the same way, committing early to a sideways movement. **Austrian** steelworks also saw a sideways movement across all scrap grades. Demand in **Switzerland** was good, with production running at a decent capacity utilisation rate. Scrap prices remained unchanged in September. Some market analysts claim to have detected a turnover at Swiss steelworks.
When **Italian** steelworks returned to the market in September, their stock levels were quite high. They only purchased small quantities from abroad, at minus €5 per tonne, otherwise prices generally remained unchanged. A market participant reported that there had been no significant changes during September. In **Spain**, the domestic market is in a critical demand phase. Steelworks complained about increased energy costs, with some even reducing production volumes. The current situation of low water levels also caused logistical difficulties in Spain. On the **Polish** market, scrap prices rose by an equivalent of €5-7 per tonne. In the **Czech Republic**, price increases were slightly lower, ranging between €3-5 per tonne.

Global Scrap Market

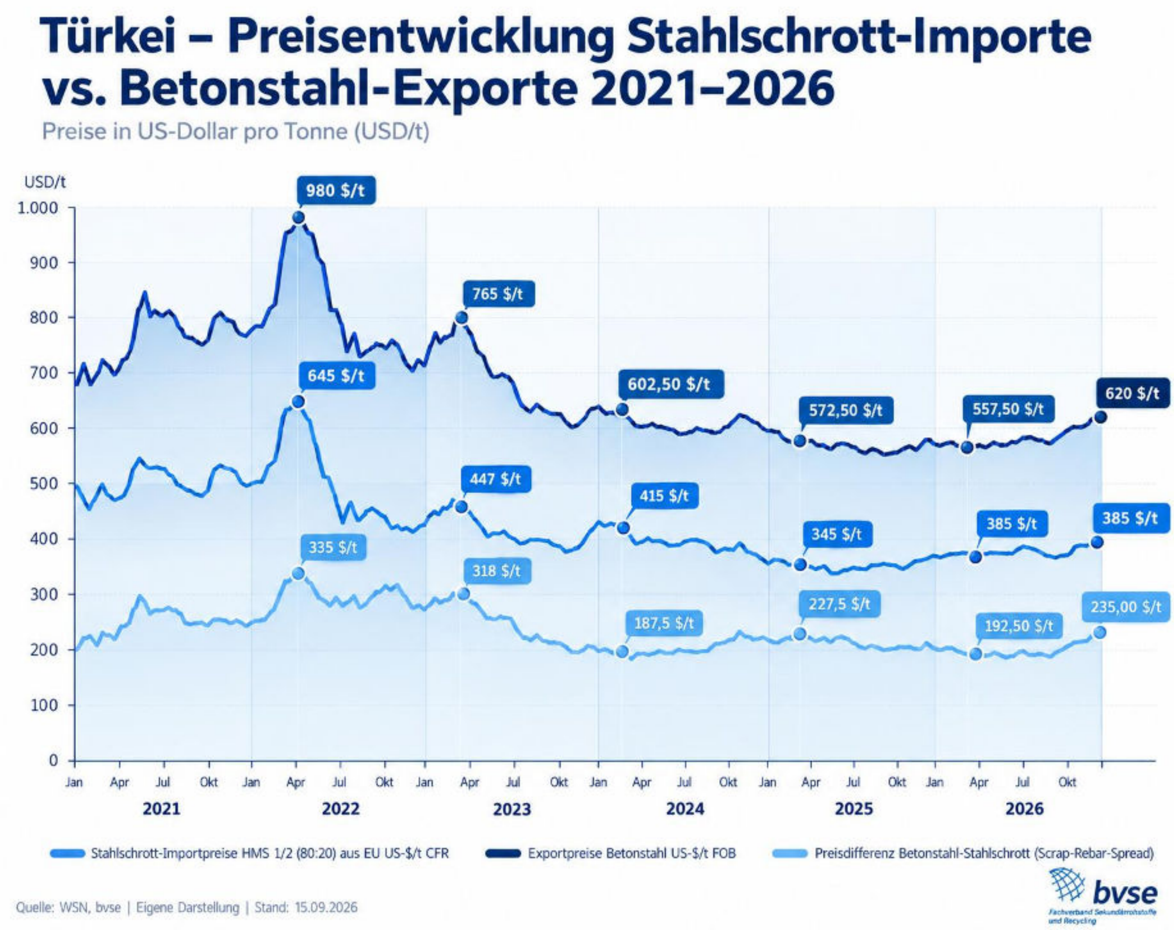
The Turkish import scrap market started September without any new deals or any significant expectations. At the beginning of the month, the daily Argus valuation for HMS 1/2 (80:20) was US-$375 per tonne CFR Türkiye. Some deals were concluded in the first week of trading. A Dutch exporter sold HMS 1/2 (80:20) for US-$370.50 per tonne and bonus material for US-$390.50 per tonne CFR Türkiye.

In the first weeks of September, prices rose in many finished steel sectors whilst scrap prices lagged behind. On the Asian scrap market, although the Japanese Kanto Tetsugen scrap export tender continued its downward trend, the US dollar equivalent rose by US-$3 per tonne compared to August.

Turkish steel mills began to complete October loadings. According to scrap traders, US exporters were testing HMS 1/2 (80:20) prices of US-$380-385 per tonne (CFR Türkiye). These price demands were supported by higher freight and collection prices, limited scrap availability and alternative sales markets. In the first half of September, Turkish steel mills increased domestic scrap purchase prices. At this point, price increases by Turkish mills were between US-$7-8 per tonne; one mill even increased scrap prices by up to US-$20 per tonne, depending on the scrap grade concerned. This brought local prices more in line with price increases for imported scrap and finished materials.

In the middle of the month, an apparent US sale of HMS 1/2 (80:20) at US-$395 per tonne CFR Türkiye did the rounds. Several market participants then demanded a minimum price of US-$400 per tonne CFR Türkiye for HMS 1/2 (80:20) deliveries.

Türkiye – Price Developments Steel Scrap Imports vs. Rebar Exports 2021 – 2026
Price in US-Dollar per tonne ($/t)



Steel Scrap Import Prices HMS1/2 (80:20) from the EU US-$/t CFR   Export Prices Rebar US-$/t FOB   Scrap Rebar Spread

Source: WSN, bvse – own representation – 15.09.2026

Figure 1: Price Developments Steel Scrap Imports vs. Rebar Exports 2021 – 2026

Foundry

Although the pendulum on the foundry market seemed to swing more to the positive side, the expected recovery clouded over again. Industry insiders reported that there was hardly any activity during August. According to market observers, momentum will only pick up from mid-September, when the holiday season is over even in the south of Germany. The glimmer of hope has been put on the back burner. The current attacks on the Saudi pipeline are once again putting pressure on the already existing energy crisis and the outlook for the foundries is becoming increasingly opaque.

Outlook

The market situation in October is dependent on the incoming order situation of German steel mills and on international demand, especially from Türkiye, but also on alternative markets such as Asia and the MENA countries, above all Egypt and Morocco. Trade activities are overshadowed by recent attacks on the important 1,200 km long Saudi East-West pipeline connection, which supplies crude oil from the eastern production areas to the port of Yanbu on the Red Sea. As soon as the thought arises that energy markets might calm down, new attacks completely destabilize them again. As a consequence, company costs are rising, particularly energy-intensive logistics costs. It remains to be hoped that the global political situation will calm down as quickly as possible. More and more wild fires are spreading, which can no longer be extinguished definitively. Not only in this figurative sense is the scrap metal industry stricken, but also through the constant ignition of fires at our recycling plants, primarily caused by lithium-ion batteries, which are exposing the industry to an ever-increasing risk.