Scrap Metal Market Report

No. 124 *compiled and edited by J. Hanke 15. October 2026*

Green Scrap for Green Steel!

Scrap supply maintained despite low water levels and the German railway's "organised irresponsibility": Quo Vadis?

Scrap Metal Market Report – October 2026
Editorial Deadline: 15.10.2026

General Developments

The German Economic Institute (IW) concludes in its latest study that the German economy has only grown over the past six years because the government has increased its spending. The study further states that the private sector as a whole is currently unable to generate any growth on its own. In the period from 2021 to 2025 alone, the private sector dragged down growth by 0.5%. Government consumption and investment contributed a positive 0.6%. This resulted in a sluggish growth rate of almost 0.2% for Germany.

Looking back at the 2010s, shows that the private sector contributed an average of 1.4% annually, while the government contributed only 0.5%. Real public investment was recently 20% higher than the 2019 annual average. Private consumption is 10% below the pre-pandemic level of 2019. In summary, the institute notes that government consumption has increased by 16% since 2019, while private consumption expenditure has risen by only 4.5%.

Even when special effects such as the pandemic, energy price shocks and the global turning point are factored in, the German economy can no longer move forward on its own, concludes Economic Research Chief, Michael Grömling.

Scrap Market

At the beginning of the month, price expectations amongst traders were still relatively high. Some predicted price increases in October of €10 per tonne to €15 per tonne. On the international scrap market, the continuously weakening euro against the US dollar allowed for greater pricing flexibility, enabling concessions to be made without incurring significant margin losses. The German scrap market initially presented a stronger picture, which faded over the course of the month. As a result, early deals were generally valued higher than those concluded later.

Discussions among market participants clearly highlighted the persistent logistical bottlenecks across all transport routes. Shipping on the Rhine has not improved significantly and remains in a dire state regarding transport and supply. Some scrap dealers, as well as consumers, are literally cut off from supplies via this mode of transport; one steel mill has even been forced to adjust production volumes accordingly. Furthermore, rail transport is extremely chaotic and, in many areas, is no longer suitable even for scrap metal, a sector it is ideally suited for. Whilst local HGV transport in the Ruhr region, for example, costs around €5-10 per tonne, rail freight comes in at just under €30 per tonne. Deliveries from the Ruhr region to distant Austria are said to incur similar freight rates. These are routes that simply no longer make sense and are no longer competitive. Low water levels, an organised irresponsibility on the part of the railway (quote from DB boss Evelyn Palla in an interview with the weekly newspaper "Welt am Sonntag"), increased energy costs and driver shortages: What options does the scrap trade actually still have?

One market participant reported a noticeable exodus of the industry and with it the associated volumes of scrap metal. An automotive manufacturer is relocating significant production to Hungary, which is clearly reflected in the tender volumes for automotive contracts. The relocation of steel processing companies is disrupting supply chains, reducing the availability of high-quality steel scrap in Germany. These quantities are crucial for the transformation of the steel industry and also for the foundry market.

No responsibility for errors or omissions.

Across the entire German scrap metal market, prices have remained stable overall, with slight price increases depending on price catch-up or the timing of the sale.

Regional Developments

In the **north**, prices remained unchanged on average. One steel mill caught up to current pricing, increasing scrap prices by €5 per tonne, whilst another largely left prices unchanged, but raised some by up to €5 per tonne depending on the grade and previous month's price level. In the **east**, there were slight price increases for early contracts; this tendency will likely be reversed later in the month. In the **west**, sales volumes were generally low; one mill increased prices by up to €10 per tonne for high-quality new scrap, while shavings were purchased at unchanged prices. In the **southwest**, one steel mill purchased the required scrap quantities at unchanged prices. With reduced demand in the area, prices also remained unchanged along the **Saar** river. In the **south**, a consumer made a purchase whilst prices remained unchanged.

Neighbouring Foreign Markets

French steelworks purchased steel scrap at unchanged prices in October. In **Luxembourg**, purchasing activity was unremarkable, with prices moving sideways. In **Austria**, a catch-up effect became apparent, with €10/t more being paid for scrap steel overall than in the previous month. Although the **Italian** market had already signalled the previous month that it intended to purchase higher volumes in October, scrap prices did not rise as high as market participants had originally expected. Apparently, Italian mills had no particular difficulties in sourcing materials. They sought to counteract the upward pressure. Little interest was observed in high-quality scrap such as new scrap, whilst other materials generated higher demand. Imported scrap from Germany rose by €5-8/t, but remained below the expected €10-15/t. As expected, the **Spanish** market closed with slightly higher prices. Price increases ranged from €5/t to €15/t for higher-grade scrap.
The **Polish** market presented a very stable picture, with prices ranging from unchanged levels to increases of 5 €/t. Ukraine is expected to resume its scrap exports to the EU next month, which will have a significant impact on the Polish market and, consequently, on the domestic price structure.

Global Scrap Market

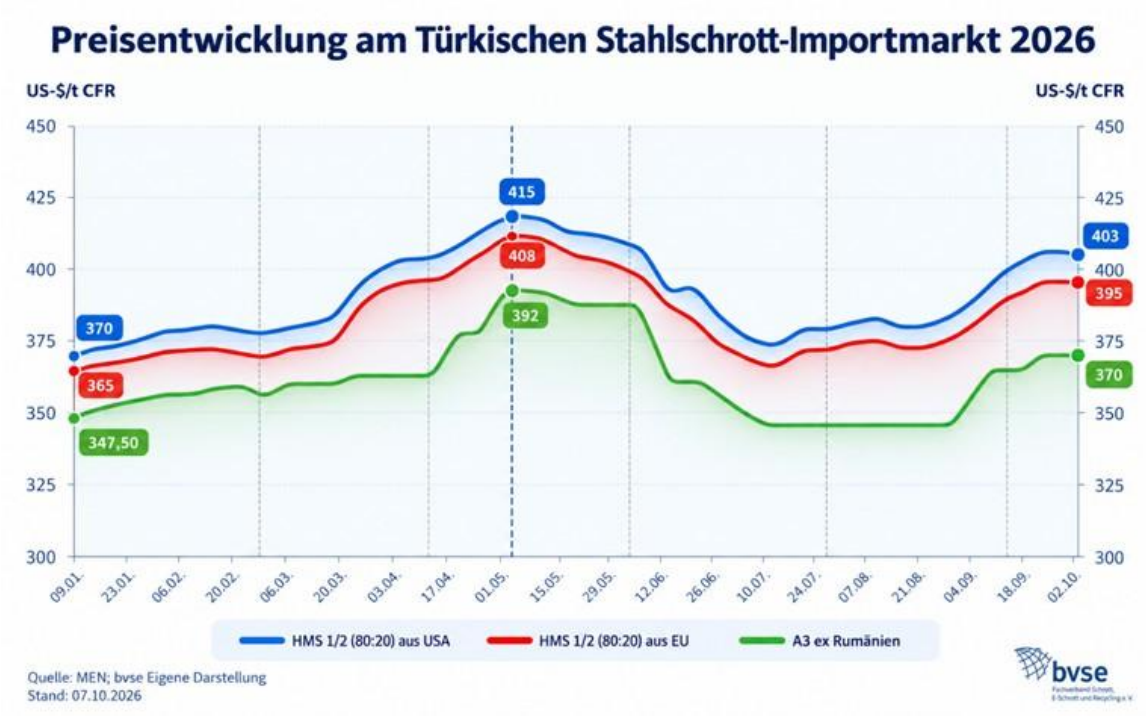
Turkish activity on the international scrap market remained quiet in October. However, a Dutch sale of HMS 1/2 (80:20) at US-$395 per tonne CFR Türkiye to a steel mill in the Marmara region was reported at the beginning of the month. Current difficulties with Turkish investment funds are exacerbating liquidity difficulties, particularly for construction projects.

Challenges on the export market continued to mount. Off the coast of Romania, in the Romanian exclusive economic zone, the freighter "Royad Mammadov" sank after a fire broke out on board. According to the Romanian Ministry of the Interior, the incident occurred approximately 30 nautical miles from Sfântu Gheorghe. Two crew members lost their lives, while eleven others were rescued. This is just one of many such incidents.

The extent of supply chain disruptions was evident in the challenges of rerouting around the Black Sea. Russian scrap sellers deemed steel deliveries from Baltic Sea ports difficult, especially as rail capacity was primarily used for grain exports. Nevertheless, some steel deliveries did still arrive in Türkiye.

The Turkish scrap import market generally remained under pressure. Although lower prices were reported on the market, the US export market showed little to no willingness to follow suit. The US domestic market was simply too strong.

Türkiye – Price Developments Steel Scrap Imports Market 2026
Price in US-Dollar per tonne ($/t)



Steel Scrap Import Prices HMS1/2 (80:20) from the USA US-$/t CFR HMS1/2 (80:20) from the EU US-$/t CFR A3 ex Romania

Figure 1: Türkiye – Price Developments Steel Scrap Import Market 2026

Foundry Market

The rumour of another foundry closure made the rounds, this time the final closure of the 134-year-old Coswig roller foundry, which was unable to find an investor after filing for insolvency. As early as November 2025, around 220 employees were affected; the self-administered insolvency proceedings were opened in February this year, after which the workforce shrank to 170 employees.



The foundry sold its products under the name Coswig Guss and manufactured components for mechanical engineering and wind turbines. Reasons identified were in particular increased material costs in addition to massively increased energy costs. The union also brought management errors into play.

Fact is: *once again, a traditional company is closing its doors for the very last time.*

Outlook

It is remarkable with which consistency the scrap trade manages to supply steelworks with scrap, despite severe logistical challenges. The low water level on the Rhine has almost completely halted shipping in the south of Germany. After an initial flurry of activity, the issue seems to have disappeared under the political radar once again.

An alternative, such as the shifting of material to rail transport, is just not feasible due to the pronounced unreliability and enormous costs involved. One steelwork has been waiting for a full train load for over four weeks, and this is on a medium-range transport route. The provision of wagons leaves much to be desired. The difficulties concerning road transport are well-known. Worldwide, individual actors depending on their personal or political whim seem to close and open waterways at will. Supply chains are being increasingly disrupted by the destabilisation of transport routes.

For the month of November, market participants are divided in their opinions. Some see the market softening somewhat, whilst others believe in a continued sideways movement. Key points will be how domestic demand develops, what quantities of scrap metal will be added to supply volumes and how stable international trade proves to be.