

Fastmarkets averages



Methodology and price
specifications – October 2024

Mission statement

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Fastmarkets Metals, Minerals And Mining is the leading global provider of pricing intelligence for the non-ferrous metal, steel, steelmaking raw materials, industrial minerals, ferrous and non-ferrous scrap markets, producing price assessments via Fastmarkets MB and Fastmarkets AMM since 1913 and 1882 respectively.

Fastmarkets Forest Products is the leading global provider of pricing intelligence for the global forest products industry, incorporating Fastmarkets RISI, Fastmarkets FOEX and Random Lengths.

And Fastmarkets Agriculture Products has delivered pricing transparency to opaque agriculture and energy markets in the form of market-moving reporting and commentary, trusted pricing and price forecasting since 1865.

Our mission is to meet our markets' data requirements honestly and independently, acting with integrity and care to ensure that the trust and confidence placed in the reliability of our pricing methodologies is maintained. We do not have a vested interest in the markets on which we report.

Introduction

Fastmarkets has the world's largest dedicated price-reporting team for metals and minerals, agricultural products, forest products and energy transition markets. We have a global reach, with hubs in London, Brussels, Sofia, Helsinki, Kyiv, New York, Boston, Eugene, Memphis, Sao Paulo, Shanghai and Singapore.

Fastmarkets is completely independent and has no vested commercial interest in any of the markets it prices. Our price reporters are required to abide by a code of conduct and clear pricing procedures during their market reporting and pricing activities.

Fastmarkets is committed to bringing consistency and trust to its price assessments through a rigorous methodology, which is governed by Fastmarkets' highest standards of compliance, quality and integrity. Each methodology is designed to fit the specific market it covers and to reflect the way the market is traded.

Methodologies are reviewed regularly to ensure that they are in line with industry practice and meet the needs of market participants and users, who are also regularly consulted for their views and feedback.

The aim of this document is to provide a clear overview of how Fastmarkets calculates its simple averages.

If you have any questions about the Fastmarkets' averages methodology, please contact Editorial & Pricing Director for Non-Ferrous Metals & Mining Fleur Ritzema at fleur.ritzema@fastmarkets.com, Editorial & Pricing Director for Ferrous Metals & Mining Andrew Wells at andrew.wells@fastmarkets.com, Forest Products Senior VP of Indices Matt Graves at mgraves@fastmarkets.com for forest products or Editorial Director Ryan Standard at ryan.standard@fastmarkets.com for agricultural products.

Average publication

Fastmarkets' simple average methodology

Fastmarkets averages are a simple average calculation. Fastmarkets' simple monthly averages are calculated automatically by dividing the sum of all price quotations within a calendar month by the number of quotations published that month. For assessments, Fastmarkets derives both the monthly average high price and the monthly average low price using this method. For indices, a single monthly average price point is calculated automatically.

Weekly, quarterly and yearly averages are calculated in the same way.

Midpoint averages

Fastmarkets made a change to the calculation methodology for mid-prices for published averages on March 1, 2023.

To align with market convention, Fastmarkets changed the calculation of averages to represent the monthly average of the midpoint of each pricing session during the month.

As of that date, the average function, when used for assessments, calculates the midpoint of the monthly average high assessment and monthly average low assessment.

Although an average derived using this new calculation may result in a difference of +/- 0.01 when calculating averages to two decimal places, it will typically be no higher or lower. Fastmarkets has not retrospectively changed any averages.

Month-to-date averages

Fastmarkets' month-to-date averages are calculated by dividing the sum of all price quotations by the number of quotations that have been published within a calendar month at the time of access/prior to the publication of the official monthly average.

Fastmarkets makes available the month-to-date average after the publication of the first price quotation in that calendar month. The month-to-date average figure is then recalculated and updated automatically after each price quotation publication. Once the official monthly average is published, the month-to-date average will no longer be visible.

Exceptions to Fastmarkets simple averages

Metals

Fastmarkets publishes weighted averages of trades for MB-CO-0004 and MB-CO-0005, in addition to weekly, monthly, quarterly and yearly simple averages.

Fastmarkets' averages for calculated composite prices for ferrous scrap are the exception to simple averages. These are calculated using a rolling average methodology by dividing the sum of the daily price quotations - including prices republished on non-assessment days - by the number of quotations published during the calendar month (see [Appendix A](#)).

In a rolling-average scenario, prices are published daily, regardless of how frequently they are updated. Daily price quotations are rolled over on working days until the following price change, excluding holidays and weekends. No pricing inputs are published on holidays or weekends.

Weekly scrap composite prices are an average of the daily composite prices calculated for the week from Friday to Thursday. Published monthly averages are not available for these prices. The corresponding daily composite prices (see [Appendix B](#)) should be used to retrieve monthly average prices. The averages price calculation methodology for Fastmarkets US prices changed as of [January 2021](#).

Forest products

Monthly averages appear in the Random Lengths weekly publication and in Yardstick. Prior to September 2020, these averages were calculated using the ISO 8601 rule, whereby the first week of the year was the week containing the first Thursday. Random Lengths subsequently expanded that rule, determining that the first week of a month was the week that contained the first Thursday of the month.

From September 2020, Random Lengths uses the simple arithmetic average of all prices published in the calendar month to calculate its monthly averages.

Fastmarkets publishes weighted averages of trades for Loglines (see [Appendix C](#)).

Fastmarkets does not publish averages for any softwood product add/deduct markets (see [Appendix D](#)).

Corrections and delays

If an average is published incorrectly, it will be rectified and republished as soon as possible. A pricing notice explaining the reasons for the correction will also be published promptly.

Fastmarkets uses several procedures and measures to avoid delays in the publication of its averages. In the event of a delay, however, Fastmarkets will inform subscribers as soon as possible.

Retrospective changes to the published values will only be made in cases of technical, administrative or interpretation error in line with **Fastmarkets' Correction Policy**.

Methodology and price specification review process

Methodology review and pricing notices

Fastmarkets aims to continually develop and periodically review its methodologies in consultation with industry participants, with the objective of adopting product specifications, trading terms and conditions that reflect and are representative of typical working practices in the industries it serves.

Fastmarkets carries out a formal review and approval of its methodology and price specifications on an annual basis. The process is initiated by Fastmarkets publishing on its website an open consultation at least one month (or around 20 working days) before the annual methodology review is due, inviting market feedback over the duration of that period. The timeframe for the consultation and method of submission are both clearly stated.

Following a review of market participants' feedback, comments and suggestions, Fastmarkets concludes the consultation by publishing a notice stating whether or not any methodology changes are proposed. If suggested, changes are classified either as 'material' or 'immaterial'. Material changes are those that, once implemented, may result in fundamental changes to the published price. These include specification changes or structural changes to assessments. Immaterial changes are those that will not result in a different price level once they are implemented.

If a material change to the methodology is required, Fastmarkets includes in its pricing notice: the outline of the proposed change; the rationale or motivation for proposing such a change; and a proposed timetable for the date on which, if the change goes ahead, it would be implemented. If received feedback is considered

insufficient to support a material change, Fastmarkets publishes a new notice extending the consultation and inviting comments on the new proposal.

A record of the methodology review is sent to Fastmarkets' Risk & Compliance team. All comments received from the market are assumed to be confidential and are treated as such unless stated otherwise.

When Fastmarkets proposes a change to the methodology, it should be understood that no decision has yet been made and that the proposal to make a change should not automatically be understood as confirmation that the change will happen.

For prices subject to EU Benchmark Regulation (BMR), any change to the methodology requires approval from the Managing Director of our benchmark administrator, Fastmarkets Benchmark Administration Oy.

Outside of the formal methodology review process, editors may from time to time suggest changes or additions to reflect market developments. As with the formal review, changes to the existing methodology will either be classed as 'material' or 'immaterial'. The process for implementing the change will be the same as outlined above for formal reviews. The minimum duration of one month (or around 20 working days) for the consultation process normally provides market participants sufficient opportunity to analyze and comment on the impact of the proposed change.

For more details on the formal review of the methodology and the consultation process to propose changes to the methodology, refer to Fastmarkets' **Methodology Review and Change Consultation Process** available on the Fastmarkets website.

Queries and complaints

Fastmarkets encourages engagement from the market on its pricing principles and methodology. The company promotes understanding of its pricing procedures and is committed to responding to requests for further information and clarification on a timely basis.

There are multiple channels for interaction with the pricing team including email, telephone and instant messenger services.

If a subscriber has an issue with the published prices, then they may contact the pricing team. In the event that the response is not satisfactory the issue may be escalated to the internal compliance department. For more details refer to Fastmarkets' [Complaint Handling Policy](#) available on Fastmarkets' website.

Fastmarkets takes all queries and complaints seriously and will seek to provide an explanation of the prices wherever possible. It is important to note, however, that input data remain confidential and cannot be provided to third parties.

Appendix A

Symbol	Description
MB-STE-0217	Alabama Shredded auto scrap consumer buying price \$/gross ton
MB-STE-0228	Chicago No. 1 heavy melt scrap consumer buying price \$/gross ton
MB-STE-0232	Chicago No. 1 busheling scrap consumer buying price \$/gross ton
MB-STE-0233	Chicago Shredded auto scrap consumer buying price \$/gross ton
MB-STE-0257	Cleveland No. 1 busheling scrap consumer buying price \$/gross ton
MB-STE-0285	Philadelphia No. 1 heavy melt scrap consumer buying price \$/gross ton
MB-STE-0289	Philadelphia Shredded auto scrap consumer buying price \$/gross ton
MB-STE-0303	Pittsburgh No. 1 heavy melt scrap consumer buying price \$/gross ton
MB-STE-0306	Pittsburgh No. 1 busheling scrap consumer buying price \$/gross ton
MB-STE-0308	Pittsburgh Shredded auto scrap consumer buying price \$/gross ton

Appendix B

Daily Composite		Weekly Composite – Mon-Fri weekly average	
Symbol	Description	Symbol	Description
MB-STE-0217	Alabama Shredded auto scrap consumer buying price \$/gross ton	MB-STE-0519	Steel scrap shredded auto scrap, consumer buying price, delivered mill Alabama, \$/gross ton, weekly composite
MB-STE-0228	Chicago No. 1 heavy melt scrap consumer buying price \$/gross ton	MB-STE-0528	Chicago no. 1 heavy melt consumer buying price US \$/gross ton weekly composite
MB-STE-0232	Chicago No. 1 busheling scrap consumer buying price \$/gross ton	MB-STE-0524	Chicago no. 1 busheling scrap consumer buying price US \$/gross ton weekly composite price
MB-STE-0233	Chicago Shredded auto scrap consumer buying price \$/gross ton	MB-STE-0520	Chicago shredded auto scrap consumer buying price US \$/gross ton weekly composite
MB-STE-0257	Cleveland No. 1 busheling scrap consumer buying price \$/gross ton	MB-STE-0525	Cleveland no. 1 busheling scrap consumer buying price US \$/gross ton weekly composite
MB-STE-0285	Philadelphia No. 1 heavy melt scrap consumer buying price \$/gross ton	MB-STE-0529	Philadelphia no. 1 heavy melt consumer buying price US\$/gross ton weekly composite
MB-STE-0289	Philadelphia Shredded auto scrap consumer buying price \$/gross ton	MB-STE-0521	Philadelphia shredded auto scrap consumer buying price US \$/gross ton weekly composite
MB-STE-0303	Pittsburgh No. 1 heavy melt scrap consumer buying price \$/gross ton	MB-STE-0530	Pittsburgh no. 1 heavy melt consumer buying price US \$/gross ton weekly composite
MB-STE-0306	Pittsburgh No. 1 busheling scrap consumer buying price \$/gross ton	MB-STE-0526	Pittsburgh no. 1 busheling consumer buying price US \$/gross ton weekly composite
MB-STE-0308	Pittsburgh Shredded auto scrap consumer buying price \$/gross ton	MB-STE-0522	Pittsburgh shredded auto scrap consumer buying price US \$/gross ton weekly composite
MB-STE-0426	No. 1 heavy melt scrap daily composite \$/gross ton	MB-STE-0531	No. 1 heavy melt consumer buying price US \$/gross ton weekly composite
MB-STE-0427	Shredded auto scrap daily composite \$/gross ton	MB-STE-0523	Shredded auto scrap consumer buying price US \$/gross ton weekly composite
MB-STE-0428	No. 1 busheling scrap daily composite \$/gross ton	MB-STE-0527	No. 1 busheling scrap consumer buying price US \$/gross ton weekly composite

Appendix C

Symbol	Description
FP-LGS-0004	Douglas-Fir #2 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0005	Douglas-Fir #3 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0006	Douglas-Fir #4 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0007	Douglas-Fir Chip & Saw 5"+, delivered Puget Sound & Twin Harbors
FP-LGS-0008	Douglas-Fir Pulpwood, delivered Puget Sound & Twin Harbors
FP-LGS-0009	Douglas-Fir China 12L, delivered Puget Sound & Twin Harbors
FP-LGS-0011	Whitewoods #2 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0012	Whitewoods #3 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0013	Whitewoods #4 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0014	Whitewoods Pulpwood, delivered Puget Sound & Twin Harbors
FP-LGS-0015	Whitewoods China 12H, delivered Puget Sound & Twin Harbors
FP-LGS-0016	Whitewoods China 12L, delivered Puget Sound & Twin Harbors
FP-LGS-0017	Whitewoods Korea 8 Export, delivered Puget Sound & Twin Harbors
FP-LGS-0018	Red Cedar Camp Run, delivered Puget Sound & Twin Harbors
FP-LGS-0019	Red Alder #2 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0020	Red Alder #3 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0021	Red Alder #4 Sawmill, delivered Puget Sound & Twin Harbors
FP-LGS-0022	Red Alder Pulpwood, delivered Puget Sound & Twin Harbors
FP-LGS-0023	Maple Pulpwood, delivered Puget Sound & Twin Harbors
FP-LGS-0024	Douglas-Fir #2 Sawmill, delivered Columbia River
FP-LGS-0025	Douglas-Fir #3 Sawmill, delivered Columbia River
FP-LGS-0026	Douglas-Fir #4 Sawmill, delivered Columbia River
FP-LGS-0027	Douglas-Fir Japan 14, delivered Columbia River
FP-LGS-0028	Douglas-Fir Japan 12, delivered Columbia River
FP-LGS-0029	Douglas-Fir Japan 8, delivered Columbia River
FP-LGS-0030	Douglas-Fir China 12H, delivered Columbia River
FP-LGS-0031	Douglas-Fir China 12L, delivered Columbia River
FP-LGS-0033	Whitewoods #2 Sawmill, delivered Columbia River
FP-LGS-0034	Whitewoods #3 Sawmill, delivered Columbia River
FP-LGS-0035	Whitewoods #4 Sawmill, delivered Columbia River
FP-LGS-0036	Whitewoods Pulpwood, delivered Columbia River
FP-LGS-0037	Whitewoods China 12L, delivered Columbia River
FP-LGS-0038	Whitewoods Korea 8, delivered Columbia River
FP-LGS-0039	Red Cedar Camp Run, delivered Columbia River
FP-LGS-0040	Douglas-Fir Special Mill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0041	Douglas-Fir #2 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0042	Douglas-Fir #3 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0043	Douglas-Fir #4 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0044	Douglas-Fir Pulpwood, delivered Southern Oregon and the Willamette Valley
FP-LGS-0047	Whitewoods #2 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0048	Whitewoods #3 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0049	Whitewoods #4 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0050	Whitewoods Pulpwood, delivered Southern Oregon and the Willamette Valley
FP-LGS-0053	Red Cedar Camp Run, delivered Southern Oregon and the Willamette Valley
FP-LGS-0054	Red Alder #2 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0055	Red Alder #3 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0056	Red Alder #4 Sawmill, delivered Southern Oregon and the Willamette Valley
FP-LGS-0057	Red Alder Pulpwood, delivered Southern Oregon and the Willamette Valley

Appendix D

Symbol	Description
FP-LBR-0510	Kiln-dried western spruce-pine-fir 2x4 delivered Chicago freight add
FP-LBR-0511	Kiln-dried western spruce-pine-fir 2x6 delivered Chicago freight add
FP-LBR-0512	Kiln-dried western spruce-pine-fir 2x8 delivered Chicago freight add
FP-LBR-0513	Kiln-dried western spruce-pine-fir 2x10 delivered Chicago freight add
FP-LBR-0514	Kiln-dried western spruce-pine-fir 2x12 delivered Chicago freight add
FP-LBR-0899	Kiln-dried stud full 8-ft fob mill add
FP-LBR-0899	Kiln-dried stud full 8-ft fob mill add
FP-LBR-0900	Inland kiln-dried deduct
FP-LBR-0901	Southern yellow pine (eastside) fob mill add
FP-LBR-0901	Southern yellow pine (eastside) fob mill add
FP-LBR-0902	Treated southern yellow pine fob mill kdat add for boards/RED
FP-LBR-0902	Treated southern yellow pine fob mill kdat add for boards/RED
FP-LBR-0903	Treated southern yellow pine fob treating plant kdat add for framing lumber
FP-LBR-0903	Treated southern yellow pine fob treating plant kdat add for framing lumber
FP-LBR-0904	Green western red cedar fencing dog-ear fob mill add
FP-LBR-0904	Green western red cedar fencing dog-ear fob mill add
FP-LBR-1203	Green douglas fir (Portland) 2x4 to 2x8 fob mill light-wane add
FP-LBR-1204	Green douglas fir (Portland) select struc fob mill add
FP-LBR-1205	Green douglas fir (Portland) 1&btr 100% fohc fob mill add
FP-PNL-0007	Western plywood sheathing p&ts fob mill add
FP-PNL-0008	Southern plywood sheathing p&ts fob mill add
FP-PNL-0152	Oriented strand board sheathing struc 1 delivered Sacramento/Los Angeles/Phoenix add
FP-PNL-0152	Oriented strand board sheathing struc 1 delivered Sacramento/Los Angeles/Phoenix add
FP-PNL-0286	Western plywood BC p&ts fob mill add
FP-PNL-0339	Plywood spruce sheathing (Western Canada) select add C\$
FP-PNL-0340	Plywood Canadian spruce sheathing (Western Canada) t&g add C\$
FP-PNL-0341	Plywood douglas fir sheathing (Western Canada) select add C\$
FP-PNL-0342	Plywood douglas fir sheathing (Western Canada) t&g add C\$

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