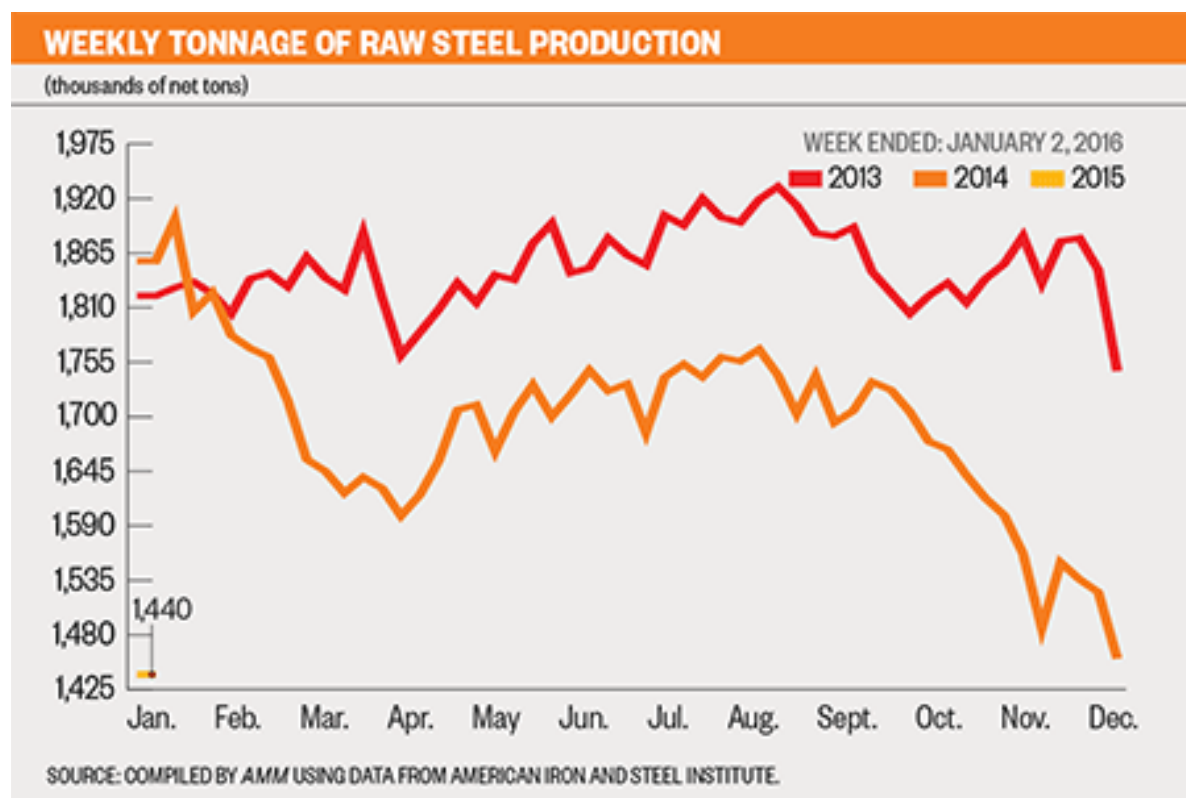
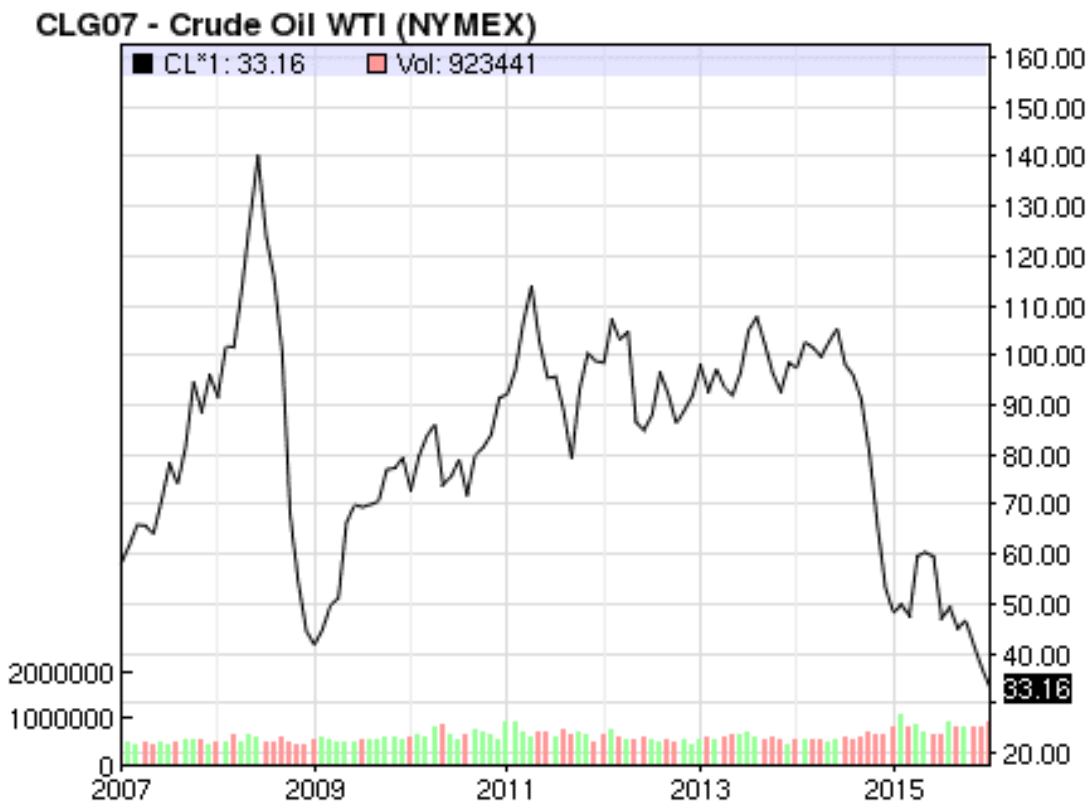


This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off and Open Top Trailers and Raleigh and Goldsboro Metal Recycling, January 11th, 2016.

In this report, last week and this morning copper prices hit new multi-year lows, steel prices had a small uptick and China and U.S. manufacturing continues a very troubling trend lower.



Looking at the bottom left of this chart, in the last reporting week, steel production in the U.S. dropped to yet a new low in recent years.



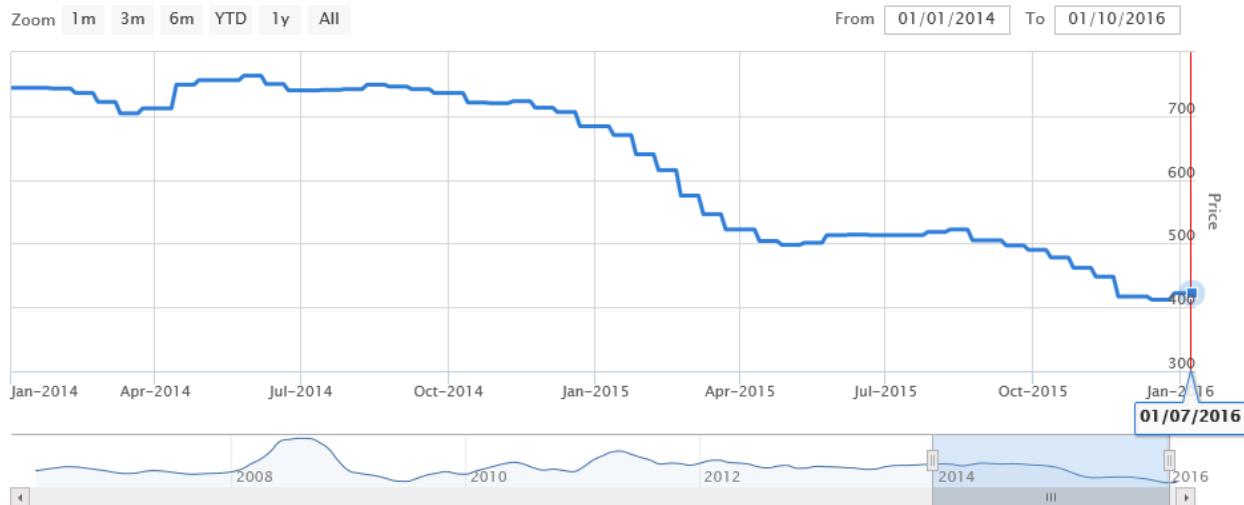
While this chart shows 10 years, oil hit new 12 year lows last week, therefore oil rigs that use huge amounts of steel remain shutting down in the U.S. and are now at an incredible one third, of what they were a year ago.

Scrap Steel HMS \$/GT



With U.S. Manufacturing slowing and scrap prices very low, steel scrap coming into scrap yards became so slow in the past month that last week, scrap prices came up about \$20/GT. That is a bit more than 75 cents per hundred pounds, which will help increase scrap flow.

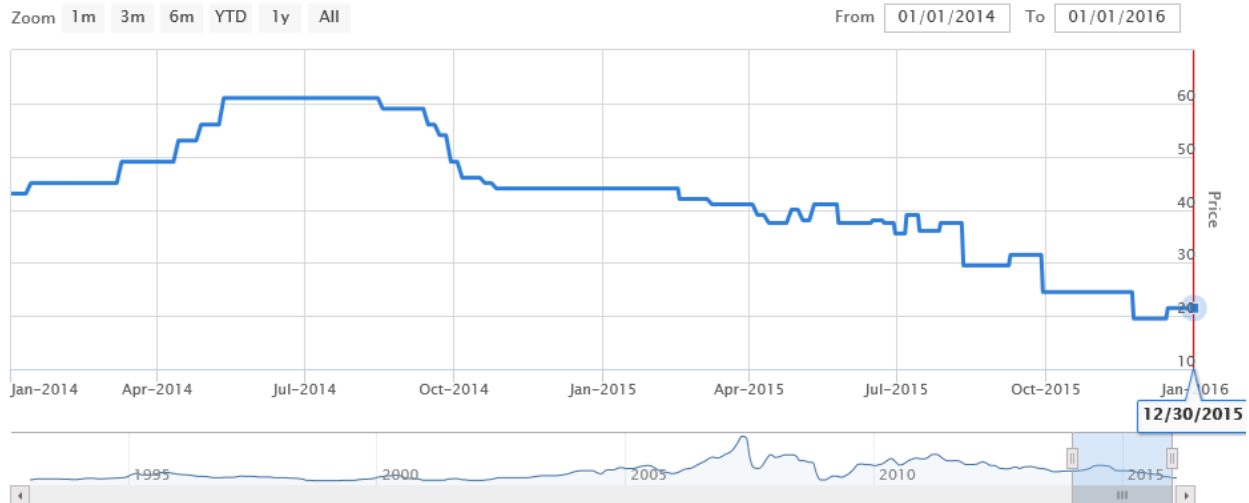
Hot Roll \$/Metric Ton



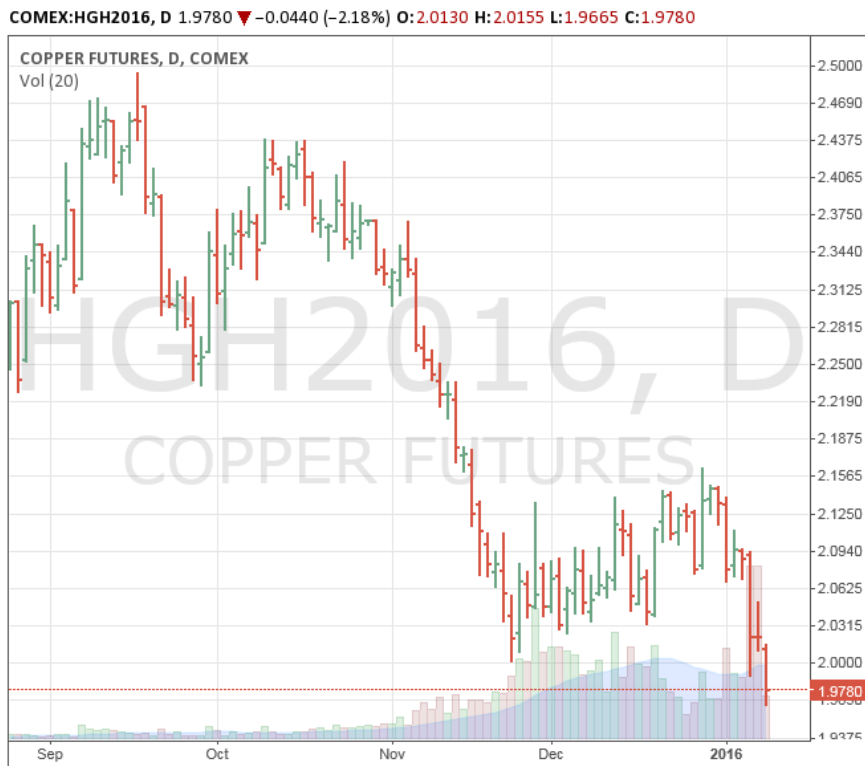
With scrap steel prices up, finished steel came up a bit as well, with some mills implementing a \$30/ton increase.

With these increases, Nucor Steel announced they will restart their scrap metal substitute manufacturing plant making DRI, which will help keep scrap steel prices at very low levels. Note, this will help increase steel mill profits.

Stainless 304 Scrap Prices



Last week, along with steel, stainless steel scrap prices came up a bit.



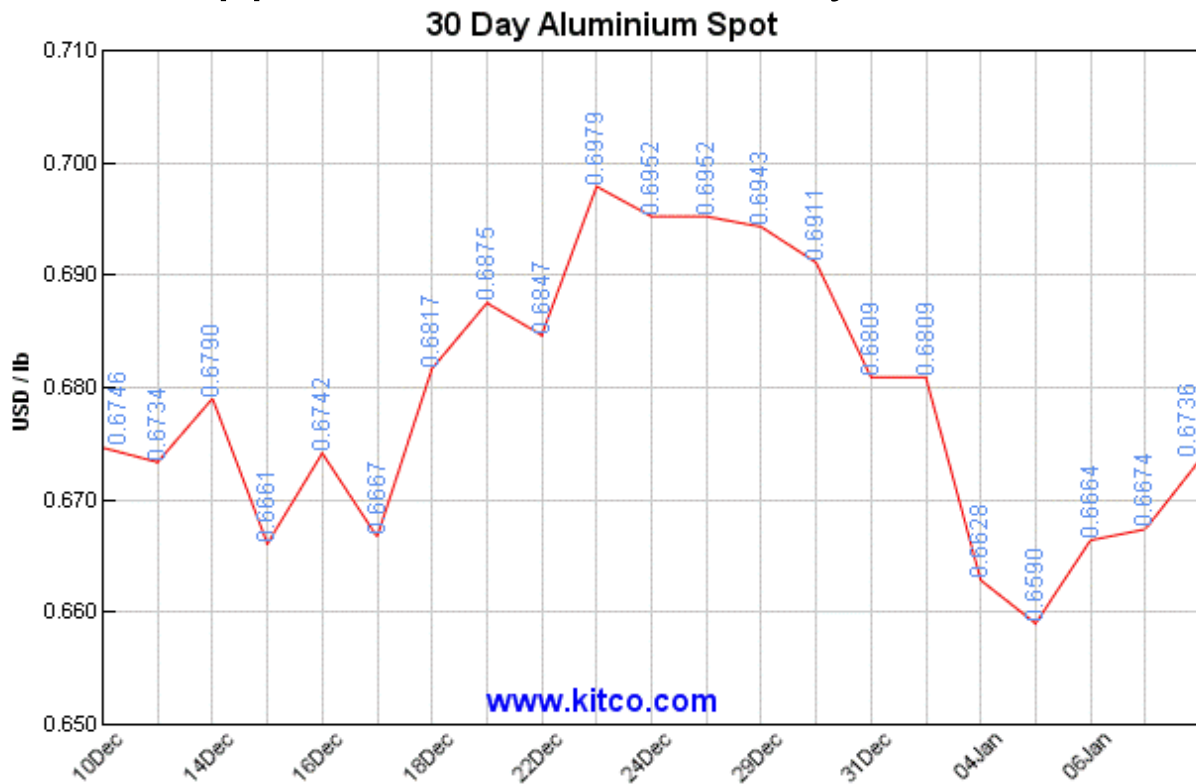
CME Group
Powered by TradingView.com

Copper was very different. With bad manufacturing data out of China, copper prices fell to almost 7 year lows last Monday and then

they fell even further in the past 12 hours to yet new lows,



Importantly, looking at the 5 year chart we see prices copper have declined for years.



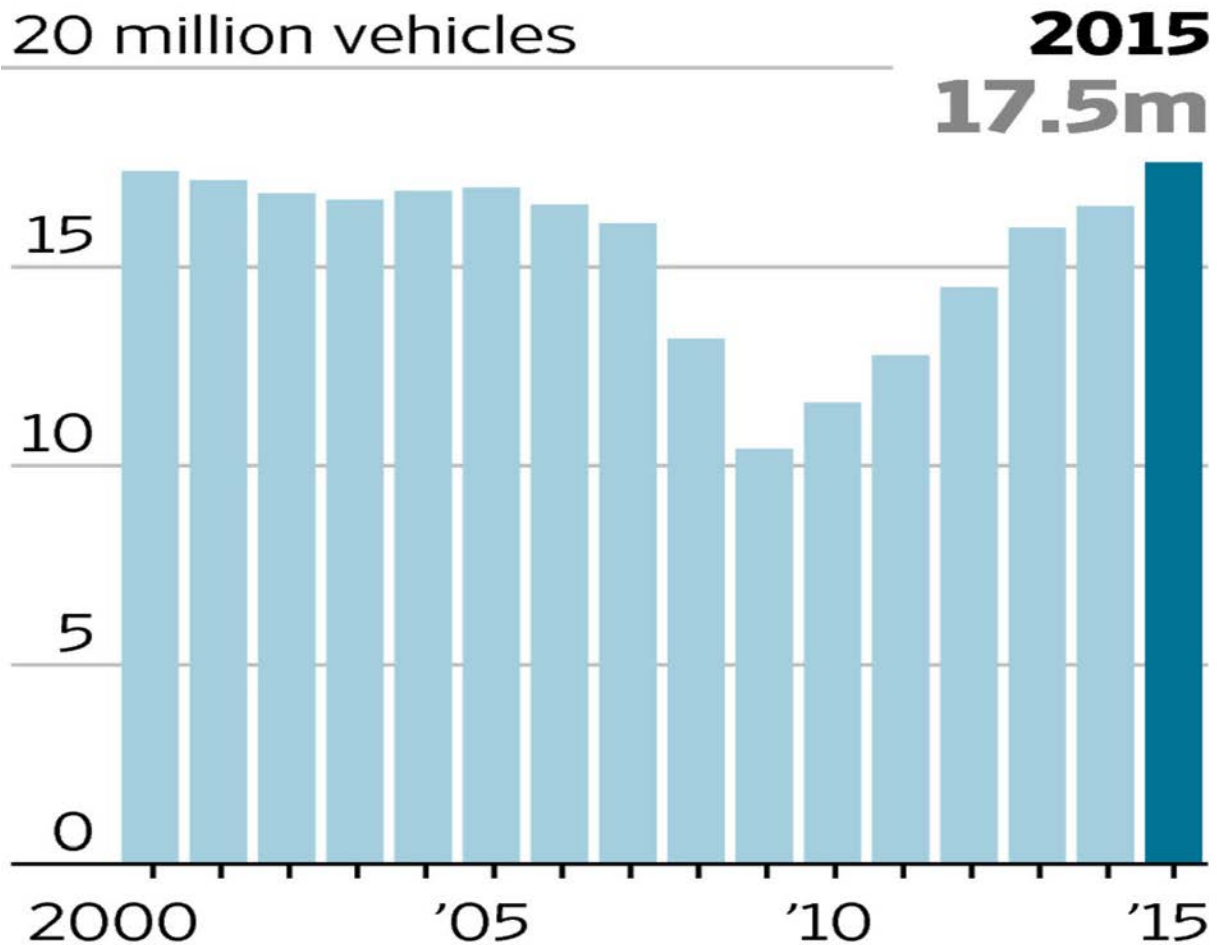
Aluminum was different and came up a bit last week, but not for a positive reason. Aluminum came up a bit due to Alcoa announced yet more smelter closings in the U.S.



As aluminum prices have come down for more than 5 years, with the last week's announcement, aluminum manufacturing in the U.S. will hit a 65 year low. A very bad statistic for U.S. jobs.

Climb to the Top

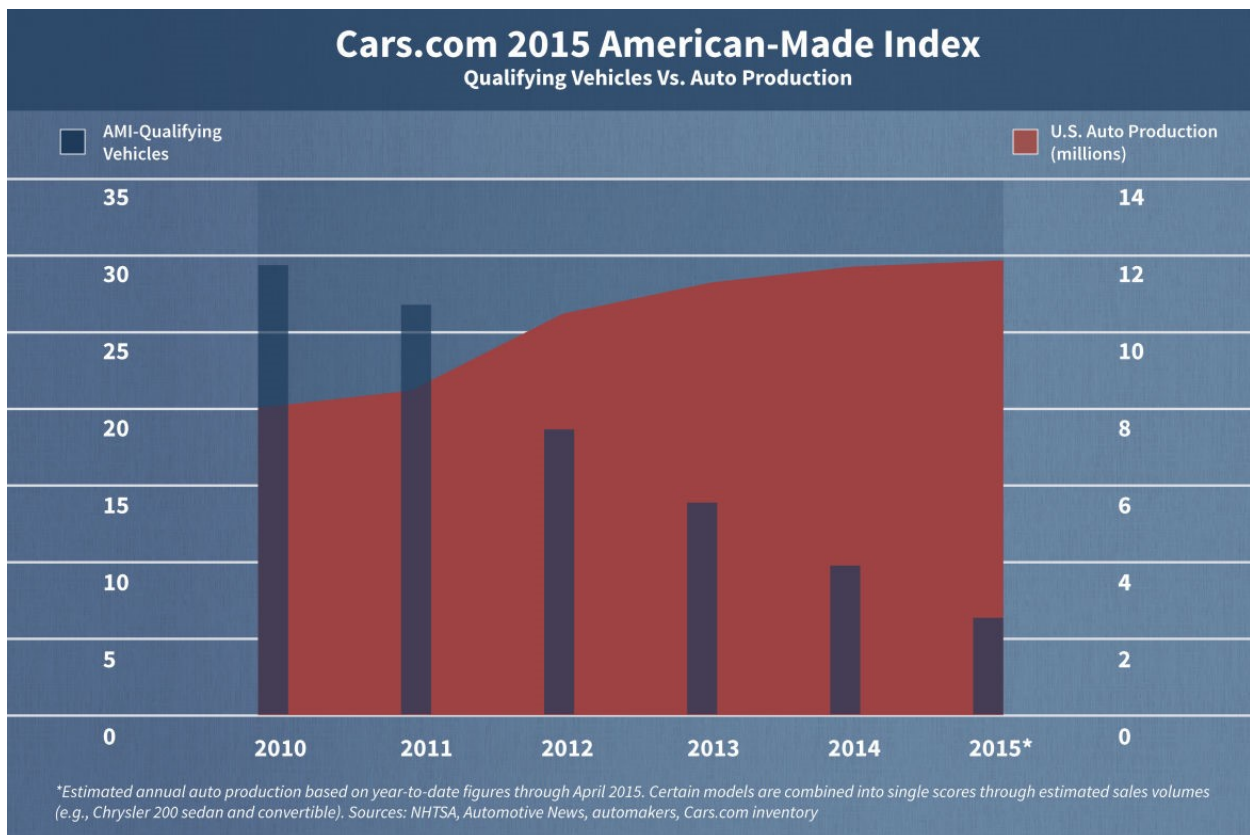
Annual U.S. light-vehicle sales



Source: Autodata

THE WALL STREET JOURNAL.

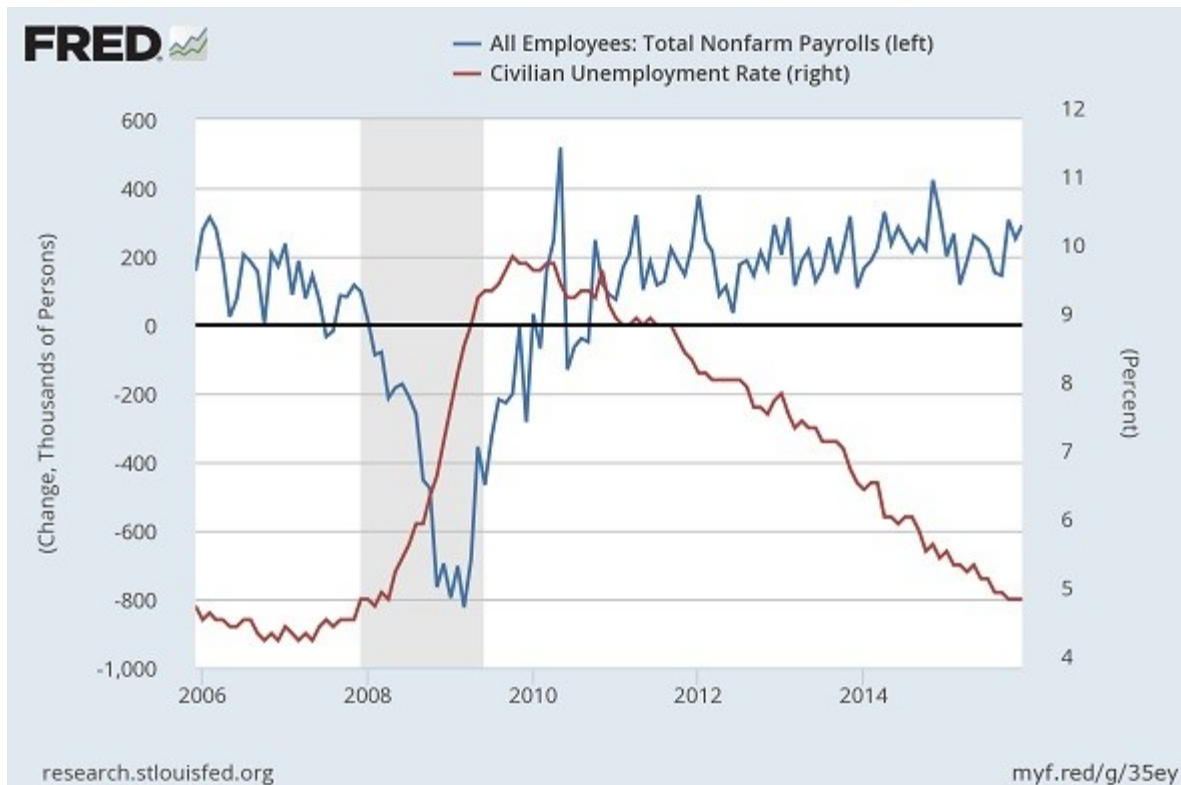
As forecast last week, U.S. Auto sales did hit a new all-time record of 17.5 million vehicles, which of course has many positives



Again, that data is U.S. Sales, not U.S. manufacturing. While U.S. manufacturing of vehicles has been increasing and was just under 12 million units last year, only 7 vehicles made in the U.S. have more than 75% U.S. content.

This is down from about 30 vehicles 5 years ago. This means many high value jobs engineering and manufacturing items like engines, axles and electronics are being done in other countries and the U.S. is the final assembly point where we use German and Japanese made robots to reduce U.S. labor.

A positive is that the most profitable car company in the world Toyota, has two of the seven highest U.S. content cars. Maybe other companies making vehicles in the U.S. will follow them and add more U.S. content.



On a positive almost 300,000 jobs were created last month in the U.S. and the unemployment rate remains near a multi year low at 5%.

Lastly, we had a great visit at Raleigh Metal Recycling last week with the freshman Senator from North Carolina, Tom Tillis. We had an open discussion on economic growth, healthcare, metal theft and gun control.

We complement him greatly for his outreach to democrats across the aisle. Getting the best of the best ideas out of both parties is needed to create good middle class jobs to increase growth.

With that we hope all have a Safe and Profitable week. My name is Greg Brown