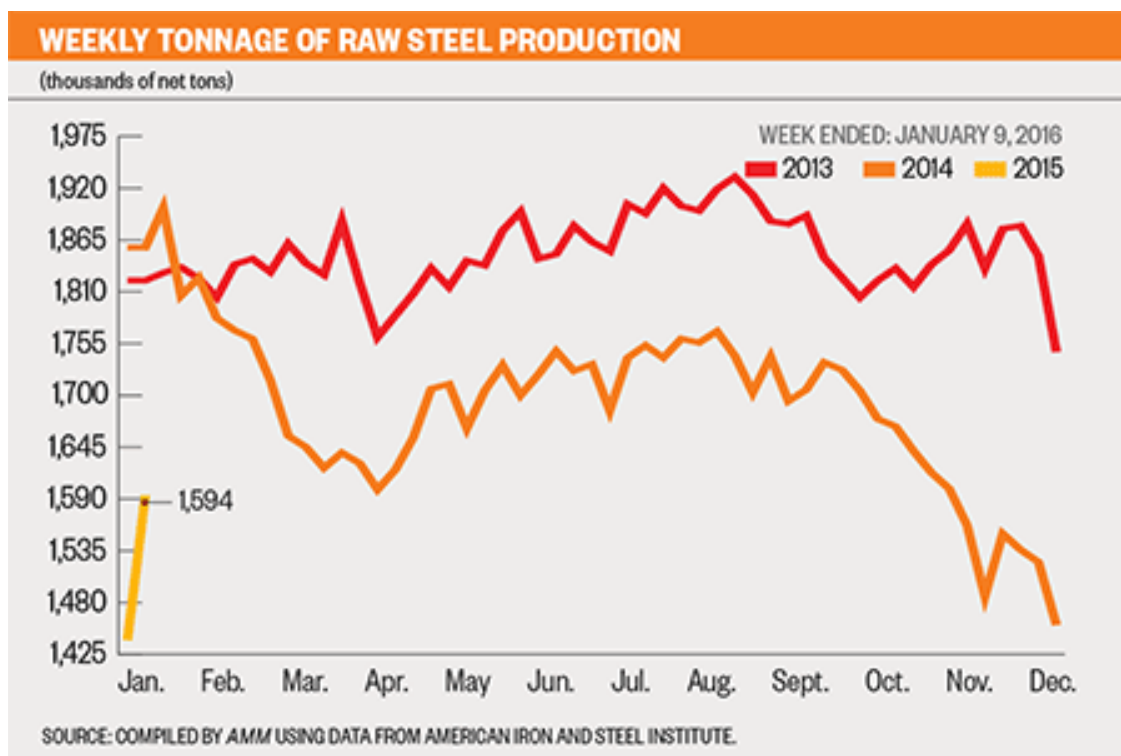


This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off and Open Top Trailers and Raleigh and Goldsboro Metal Recycling, January 18th, 2016.

In this report, last week copper prices hit new almost 7 year lows, steel prices remain near multi-year lows, oil hit new 12 year lows and despite government interventions around the world, global growth continues to slow.



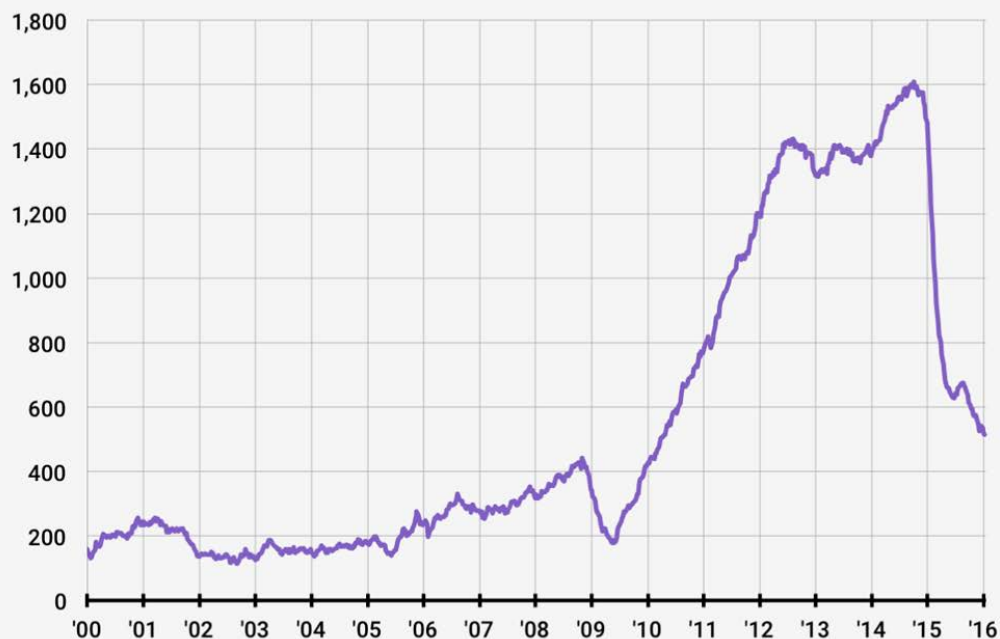
Looking at the bottom left of this chart, steel production was up in the last reporting week and was the highest it has been in many months, but it remains at very low levels.

# Oil Price per Barrel



Oil prices hit new 12 year lows last week and this morning. They could continue down, due to about 36 hours ago, decades old sanctions against Iran were lifted so within months Iranian oil will begin to freely flow to global markets.

## US OIL RIG COUNT



SOURCE: Baker Hughes

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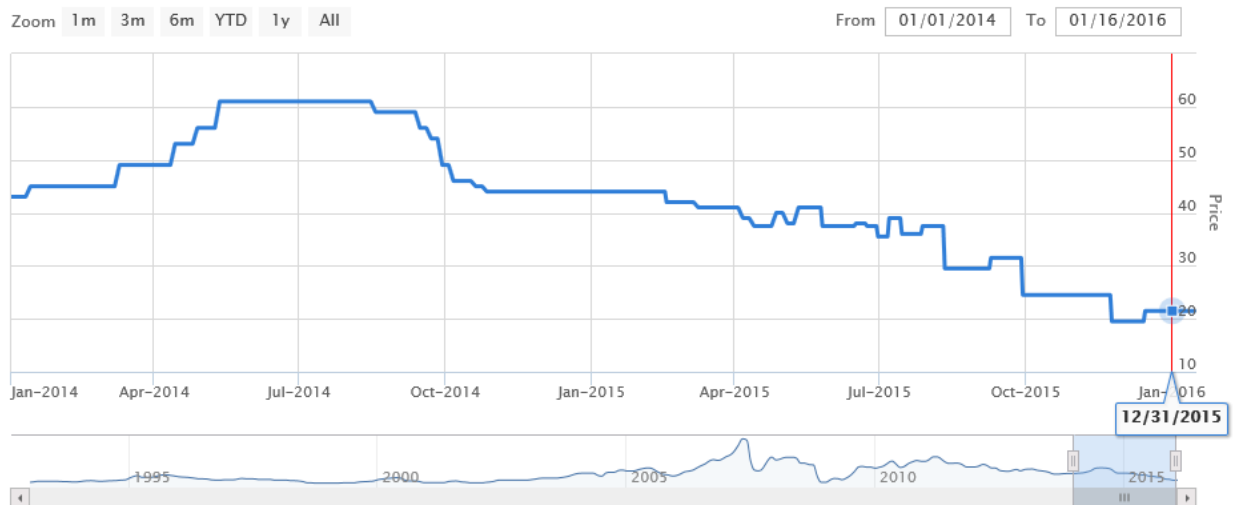
Low oil prices remain having a devastating effect on the amount of steel used in U.S. oil drilling rigs, as the U.S. oil rig count hit yet new multi-year lows and is less than a third of what it was about 14 months ago.

# Scrap Ferrous Steel HMS #1



Despite this, steel scrap prices have come up a bit, but remain near their multi-year lows. The higher prices are due to at very low prices, scrap steel was not coming into yards at a high enough rate to meet demand.

## Stainless Steel 304 Scrap Price



Somewhat related, stainless steel scrap prices have stayed a bit higher than they have been, but they too are near multi year lows.



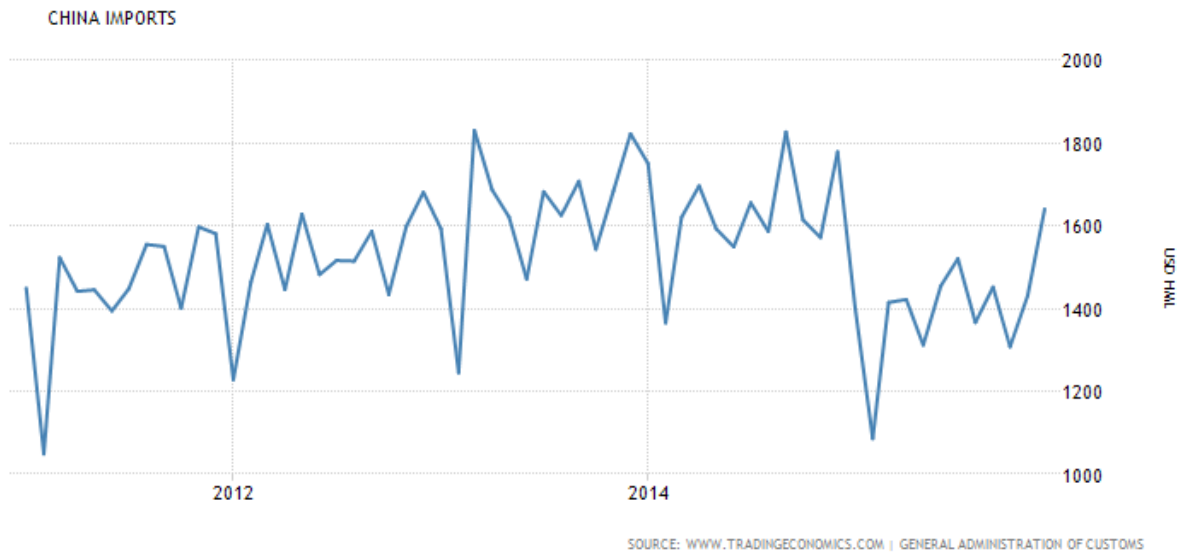
 **CME Group**  
Powered by TradingView.com

With global weakness in manufacturing, and copper production remaining high, copper prices hit almost new 7 year lows last week



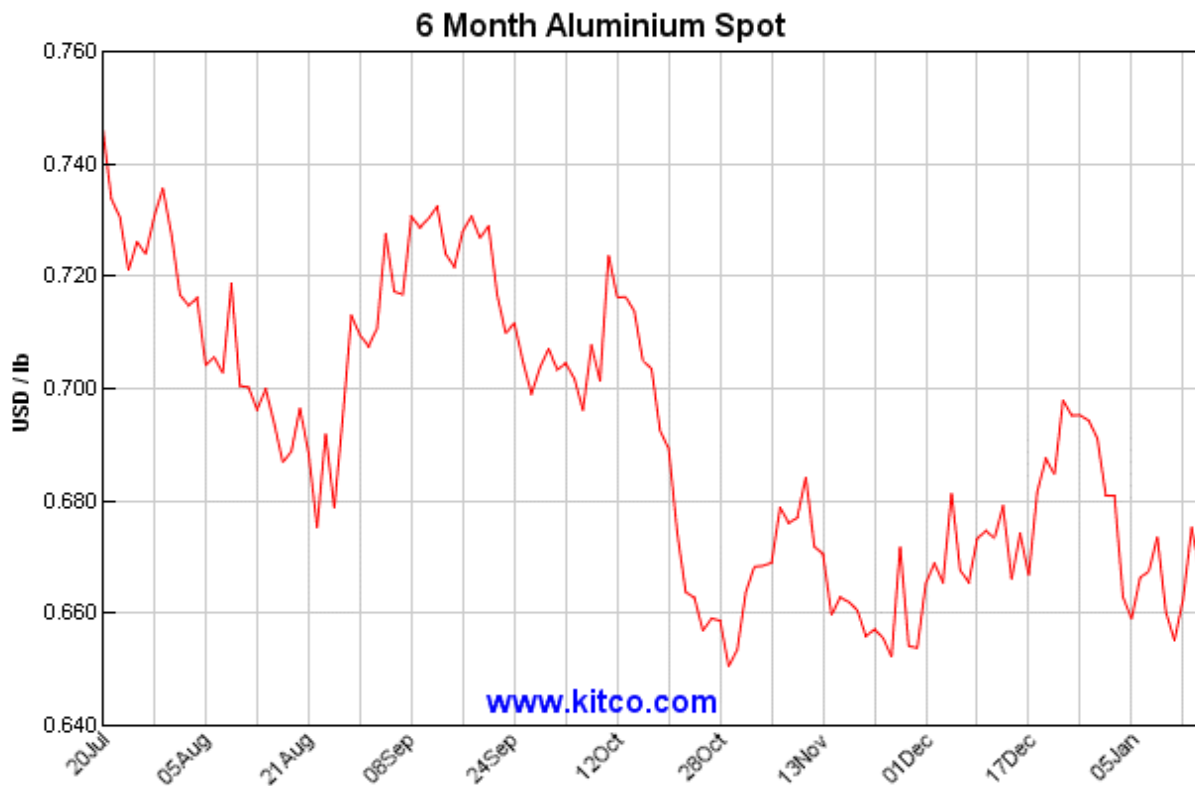
and this 5 year chart shows copper prices have been declining for more than 5 years. Freeport McMoRan, one of the largest copper miners in the world had their stock hit new multiyear lows last week. Their stock price is now about 1/10<sup>th</sup> of what it was in 2008.

# China Imports 2011 - 2015



China's total imports of all goods remain below last year, but there was spike up in December. Due to very low copper prices, China stocked up on copper in December, so December copper imports were 15.2% higher in than November and were the second highest in history.

This December spike could be a reason for the multi-year low copper prices now, due to high copper inventory levels in China.

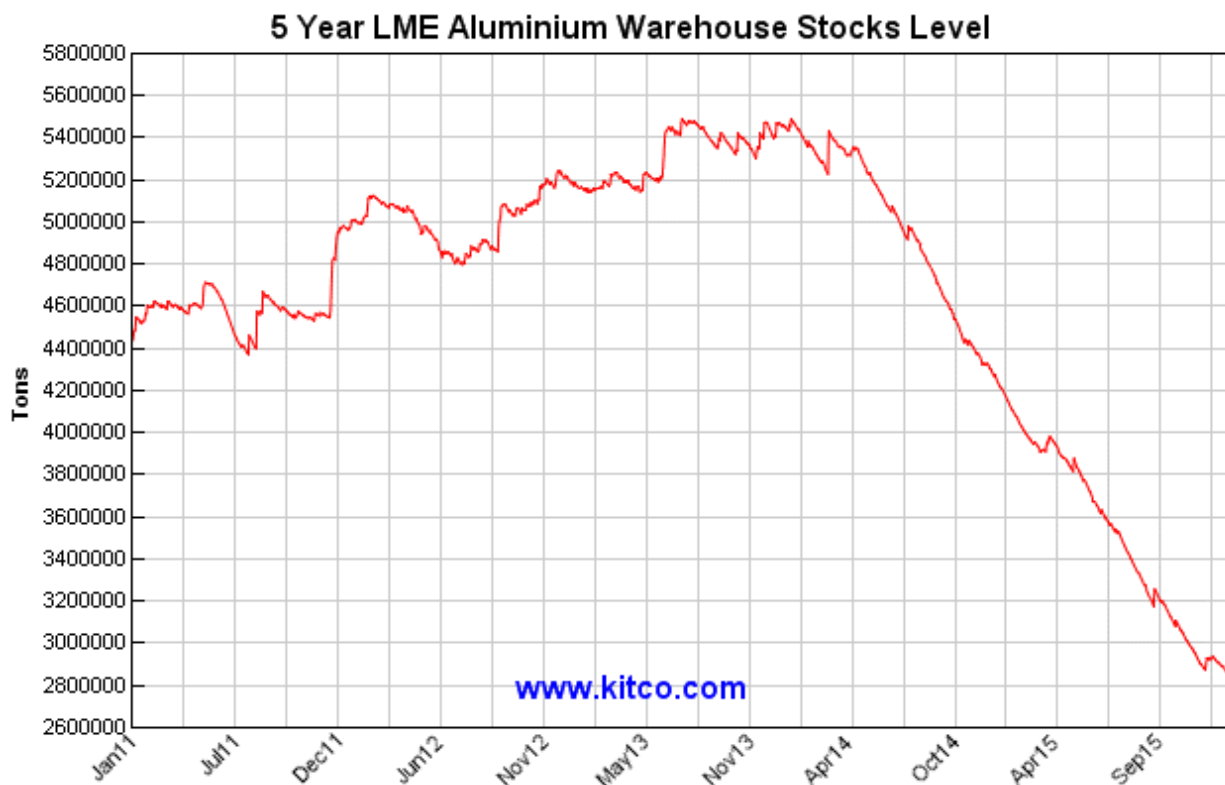


This six month Aluminum price chart shows prices have somewhat stabilized





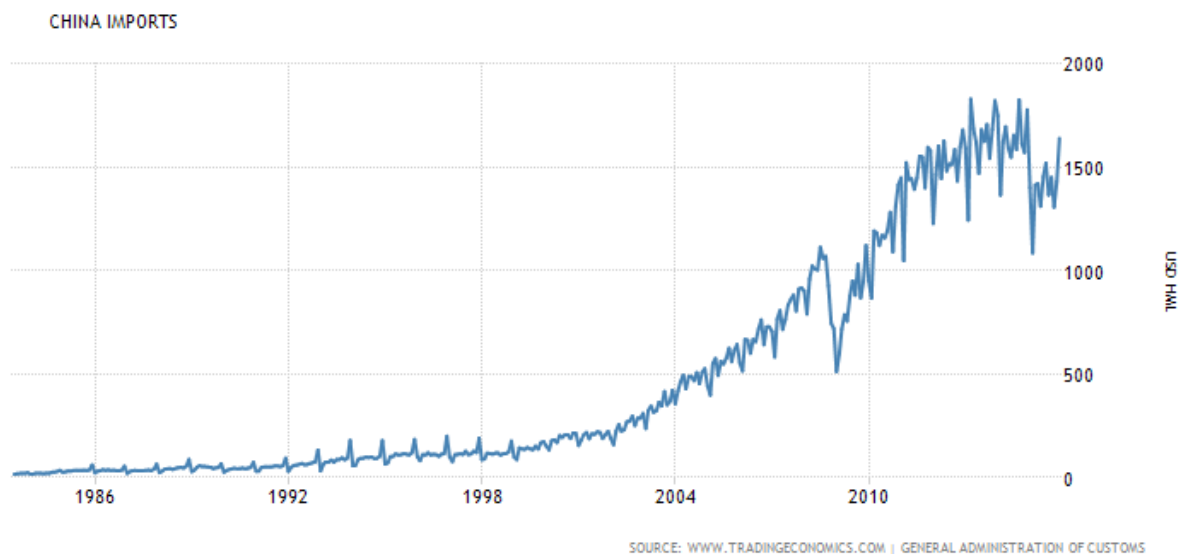
and the 5 year chart shows aluminum prices remain near multiyear lows.



This 5 year aluminum inventory chart, shows inventories at LME warehouses falling, which

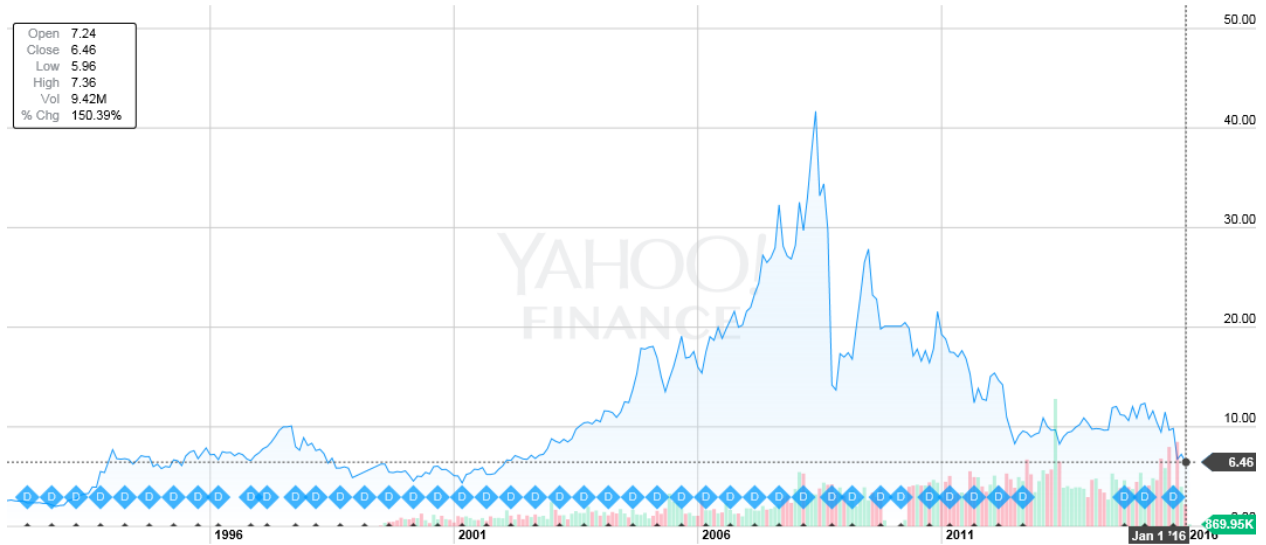
could mean prices could stabilize or rise, but there is word that nonreported inventories have been dramatically increasing in Asia, which could mean stable or lower prices in the months to come, not higher.

## China Imports 1984 - 2016

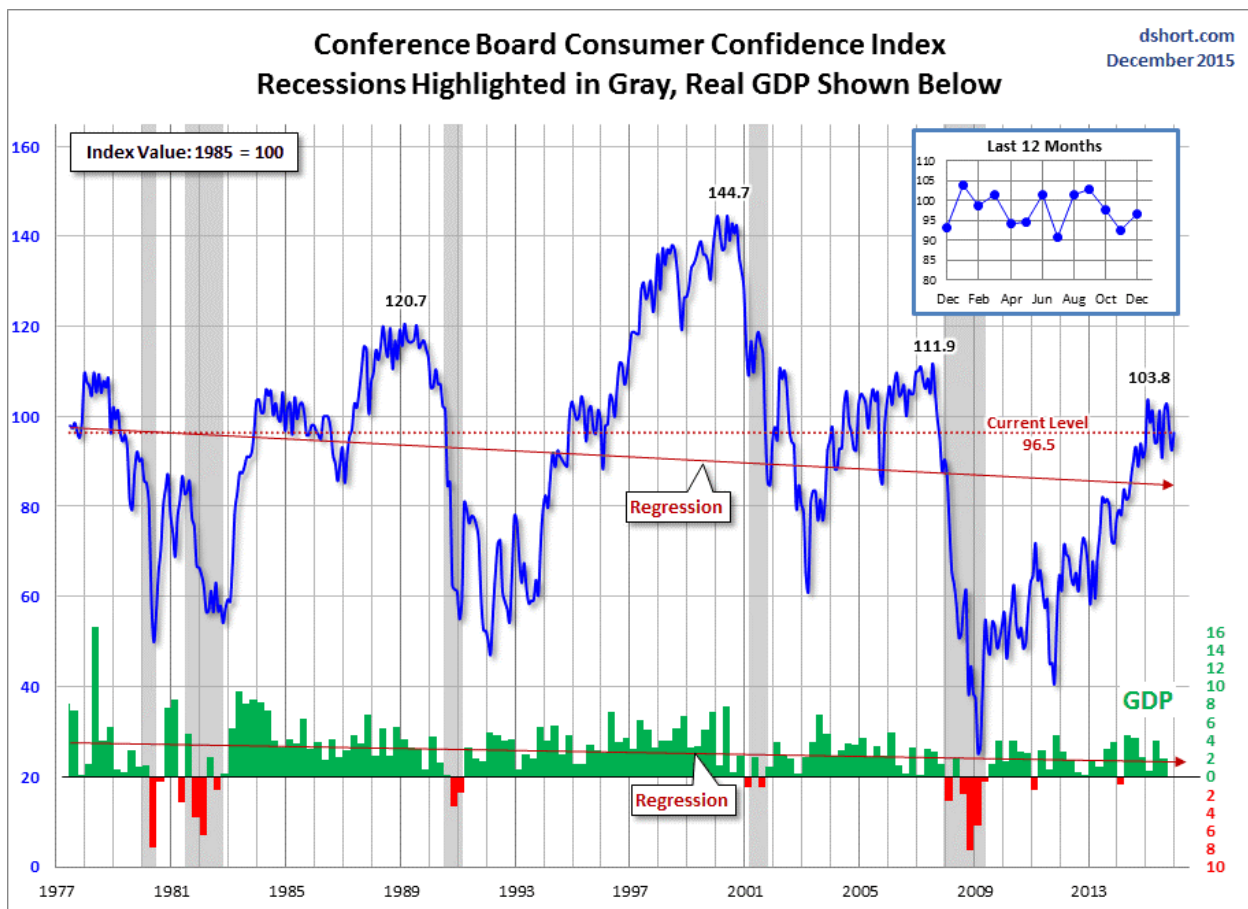


Looking at this about 35 year chart showing imports to China, we understand the many recent reports that global trade, U.S. rail traffic and U.S. truck freight shipments are all down. This would mean commodity prices could stay low.

## SIMS Metal Management Stock Price - New Lows



The stock price of the largest metal recycler in the world, Sims Metal Management had their stock hit new 15 year lows this week. This is an example of the recycling industry being under enormous pressure.



On a positive, consumer confidence in the United States remains near multiyear highs and the multiyear collapse in commodity prices is continuing to be a major positive for manufacturers and consumers.

But, looking carefully at this graph, it shows that for decades consumer confidence has been coming down, which is a concern for long term economic growth.

On another positive, Iran will now start consuming steel for drilling and their 80 million people will soon increase consumption of everything from cars to appliances. This will help parts of the global economy.

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