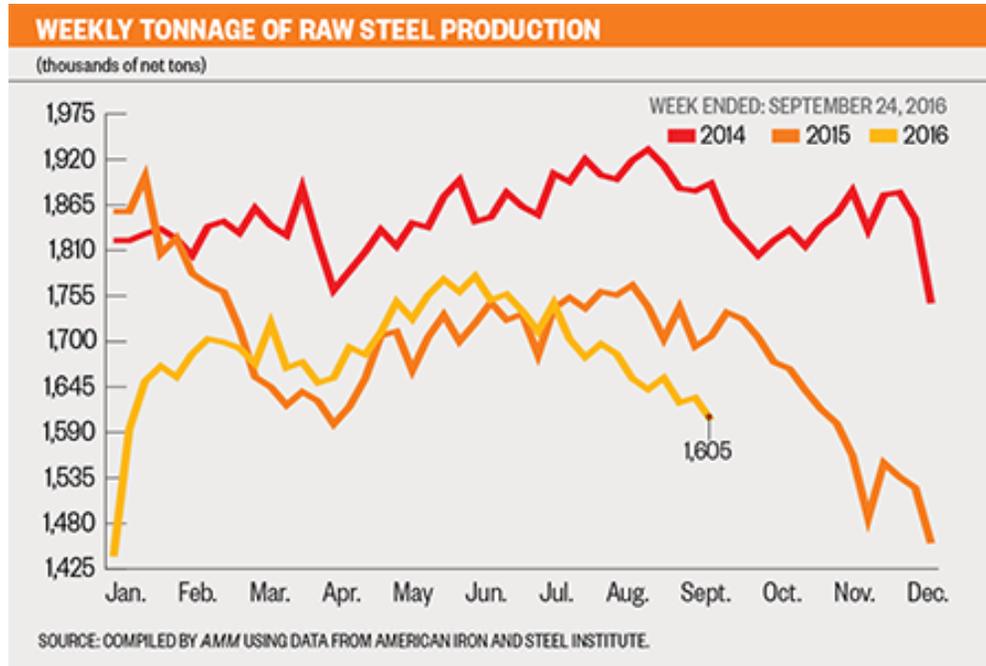


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, October 3rd, 2016.

Last week some commodity prices rose a bit and economic reports were mixed.

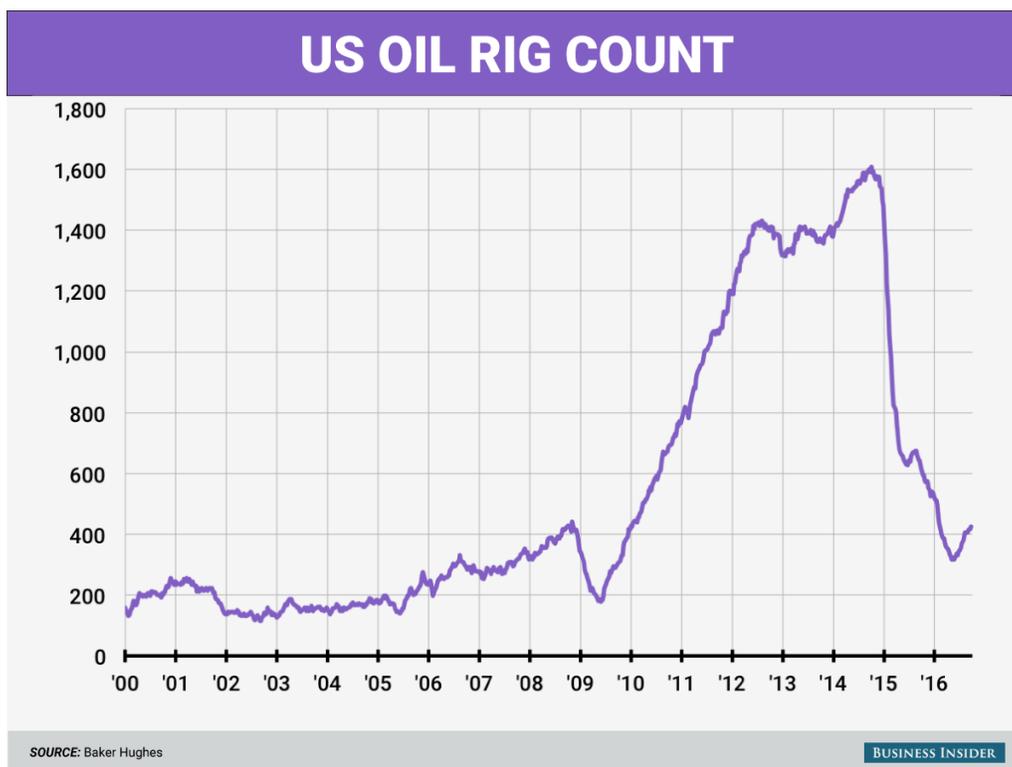


U.S. steel production fell to an 8 month low, which is bad news for jobs and is bringing down finished steel and scrap metal prices.

CRUDE OIL

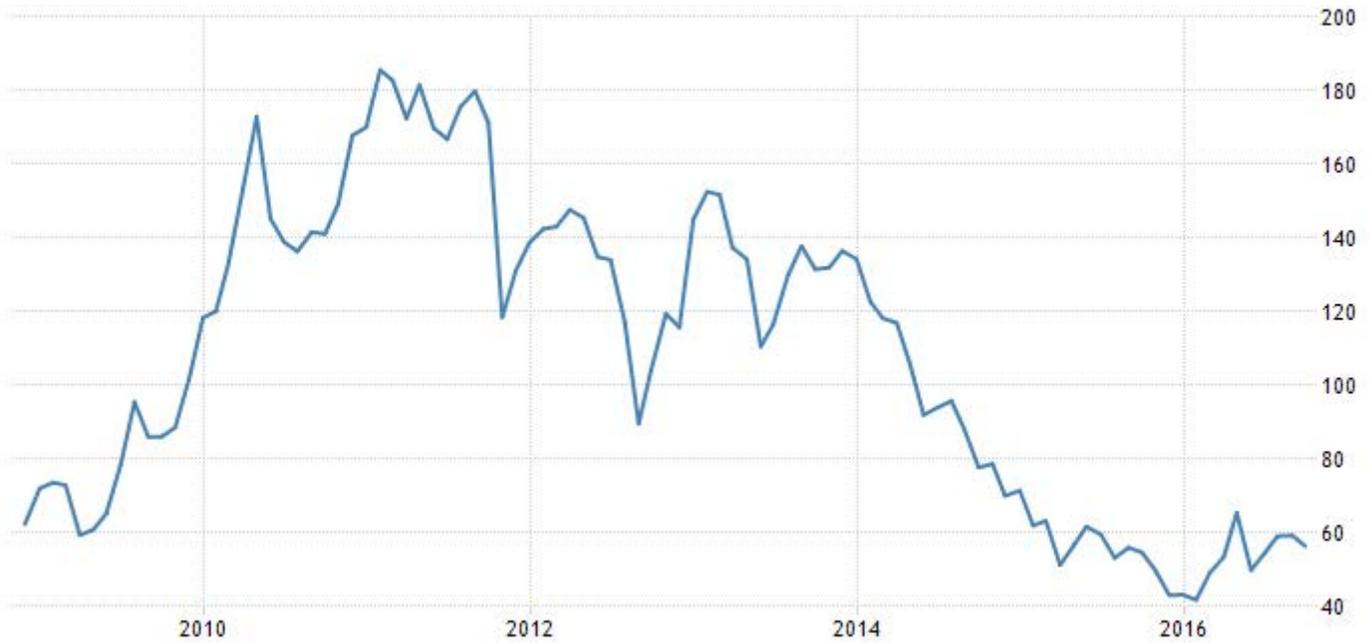


Oil ended up a big 8 percent for the week at \$48/barrel, due to OPEC agreed to reduce production. This may not lead to major price increases due to U.S drillers have been increasing production.



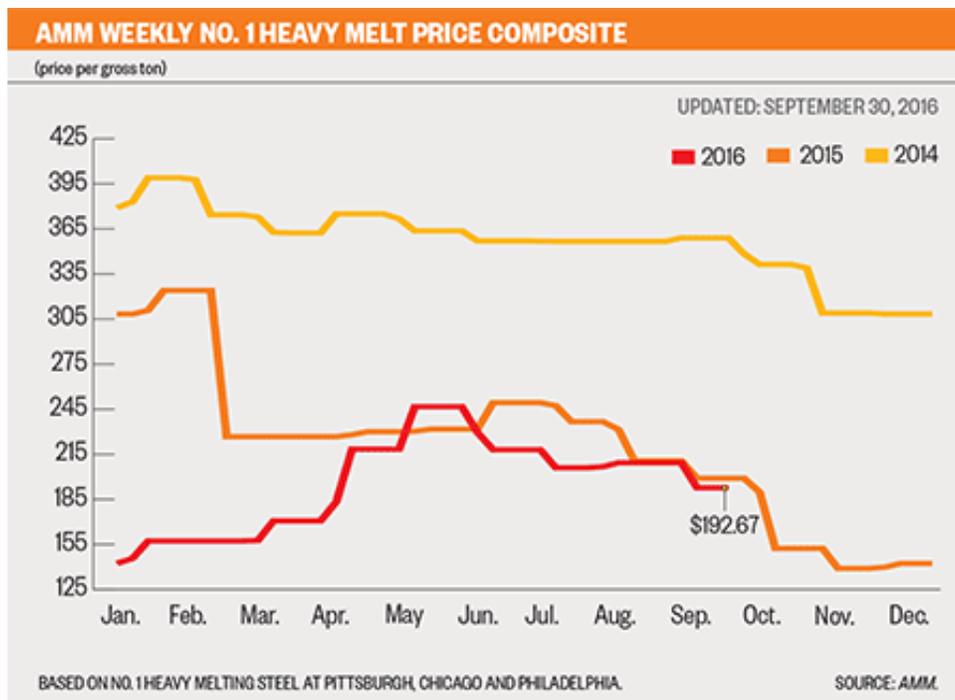
The U.S. oil rig count is still down about 74% from two years ago, but it has been up 14 weeks in a row and is at the highest level in about 8 months. This can help stabilize falling steel and scrap prices.

## IRON ORE



SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore ended Thursday down about 1% for the week at \$56/MT and has been down about 5% for the month, reflecting weak global demand.



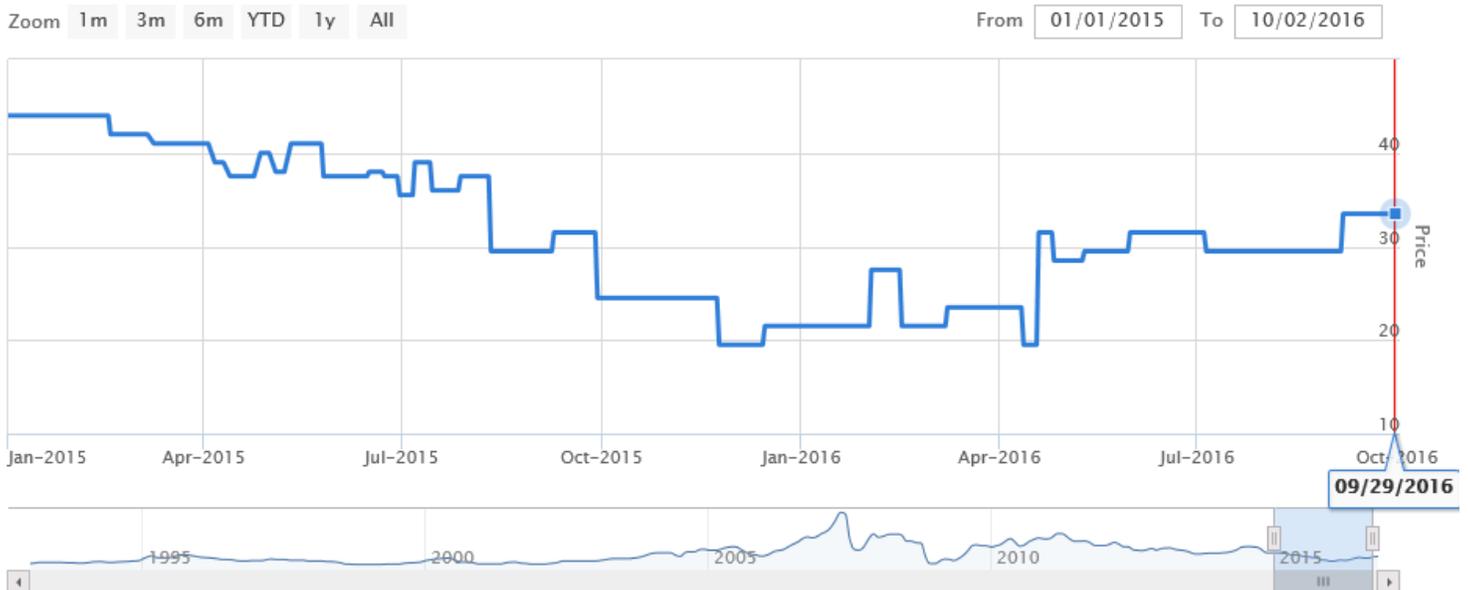
Scrap steel prices did not change last week, but prices could be down \$10/GT or more this month, about \$.50/hundred pounds, due to weak global demand.

# Hot Rolled Coil Steel



Hot roll coil steel prices fell a bit. Tariffs are keeping prices higher than they were, but with some softness in demand, prices have come down.

# 304 Stainless Scrap



Stainless 304 scrap prices rose a bit, but with weak global demand, there are no major increases.

COMEX:HGZ2016, D 2.2105 ▲ +0.0205 (+0.94%) O:2.1910 H:2.2190 L:2.1805 C:2.2105

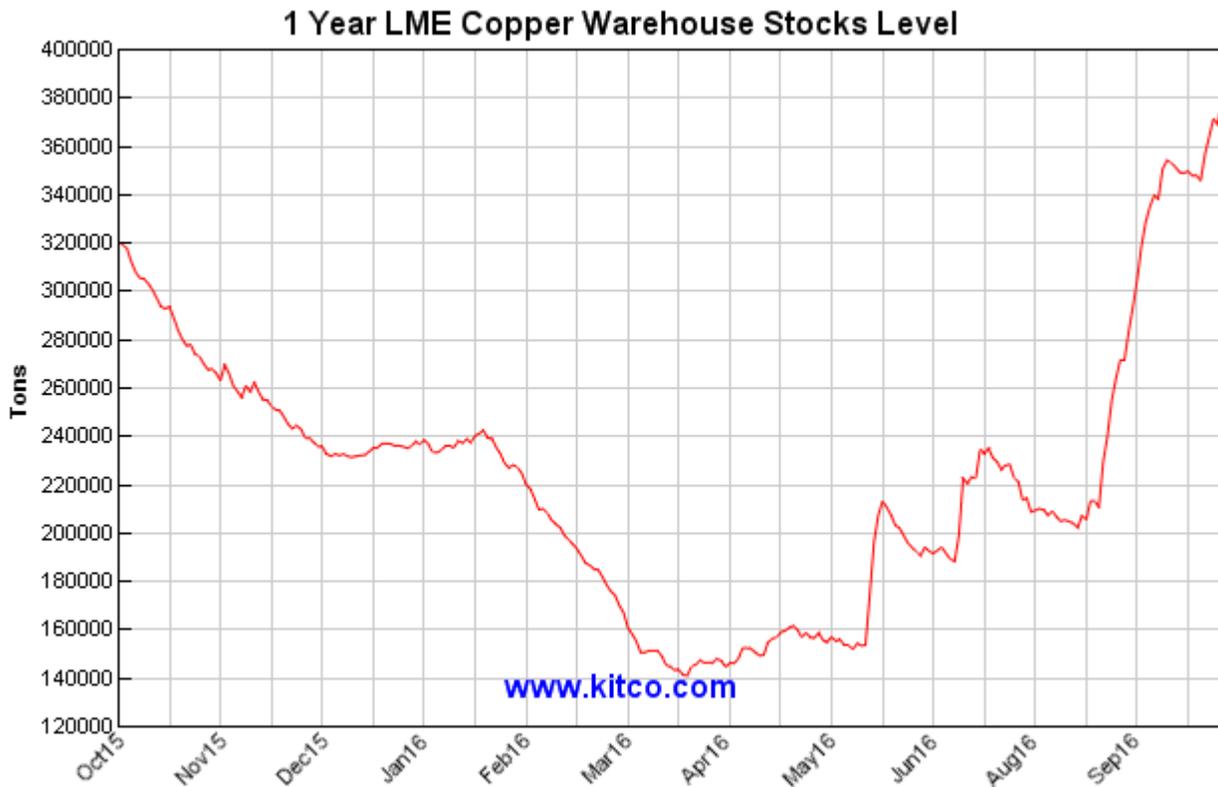


 **CME Group**  
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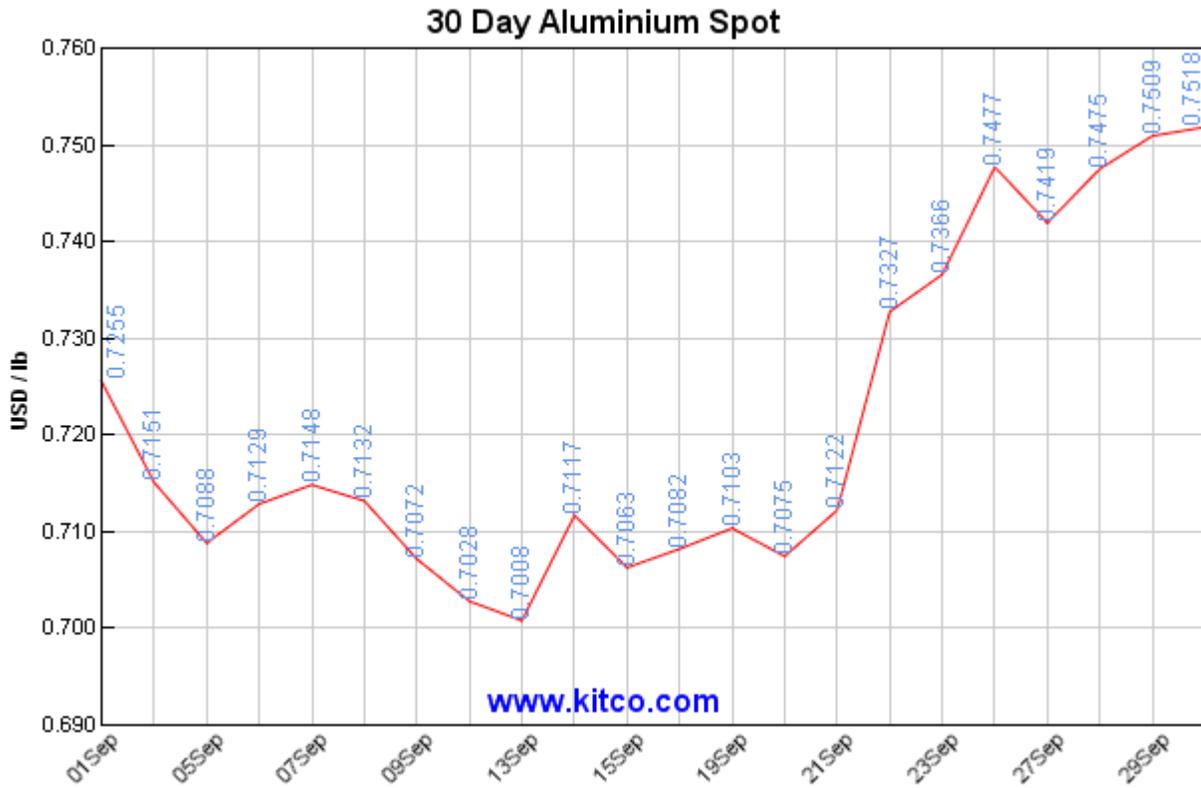
Copper rose a penny to \$2.21/lb., on no news. U.S. dollar weakness has been a key to the recent increases.



The 5 year chart shows copper remains in a range with little change in a year and prices remain near 7+ year lows.



With copper inventories at one year highs, we would not expect any major price increases coming anytime soon.



Aluminum followed copper and rose about a penny to finish at 75.2 cents per pound.



and when looking at this 5 year chart, we see aluminum has been trending slightly up for the past year.



With inventories at new multi-year lows and China aluminum production strong, we would expect stable prices in the coming weeks.



The U.S. GDP, Gross Domestic Production, an overall measure of the economy, rose 1.4 percent in the second quarter up from the previous estimate of 1.1 percent, which was much better than .8% in the first quarter. Some believe we could see more increases coming months, which could stabilize falling steel prices.



SOURCE: WWW.TRADINGECONOMICS.COM | NATIONAL BUREAU OF STATISTICS OF CHINA

China's NBS Manufacturing Purchasing Manager's Index was 50.4 in September. Anything over 50 is growth, so the number is much better than it was a few months ago, when there was contraction, an under 50 number. This could help stabilize global commodity prices.

US CONSUMER SENTIMENT



SOURCE: WWW.TRADINGECONOMICS.COM | UNIVERSITY OF MICHIGAN

U.S. Consumer sentiment increased to 91.2 in September from 89.8 in the previous month. It is the highest reading in three months and better than market expectations of 90. Consumers were more confident about the future and less pessimistic over current conditions than initially anticipated.

US INITIAL JOBLESS CLAIMS



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. DEPARTMENT OF LABOR

U.S. initial jobless claims rose a bit last week to 254,000, but the 4 week average which smooths out the data was 256,000. This

matched April and is the lowest since 1973, about 43 years ago, which is a very positive sign for the U.S. economy.

With that we hope all have a Safe and Profitable week.