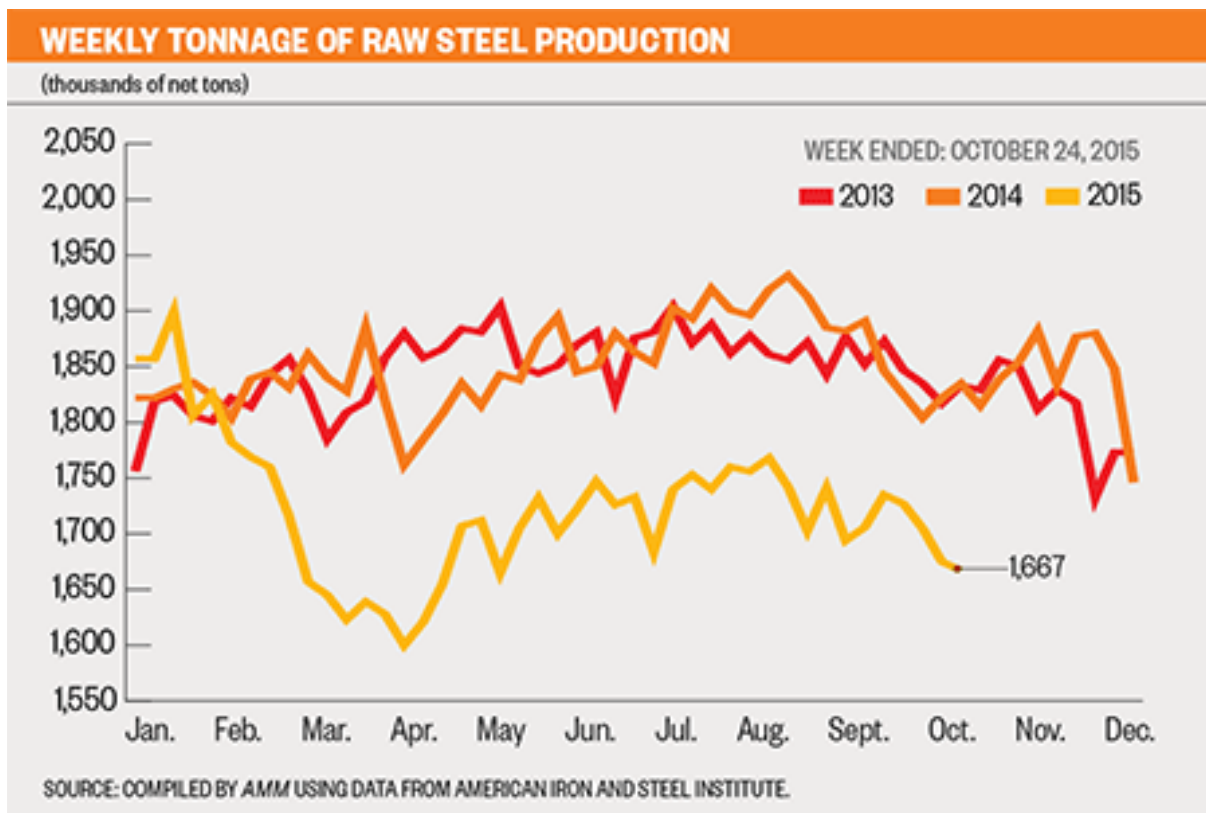


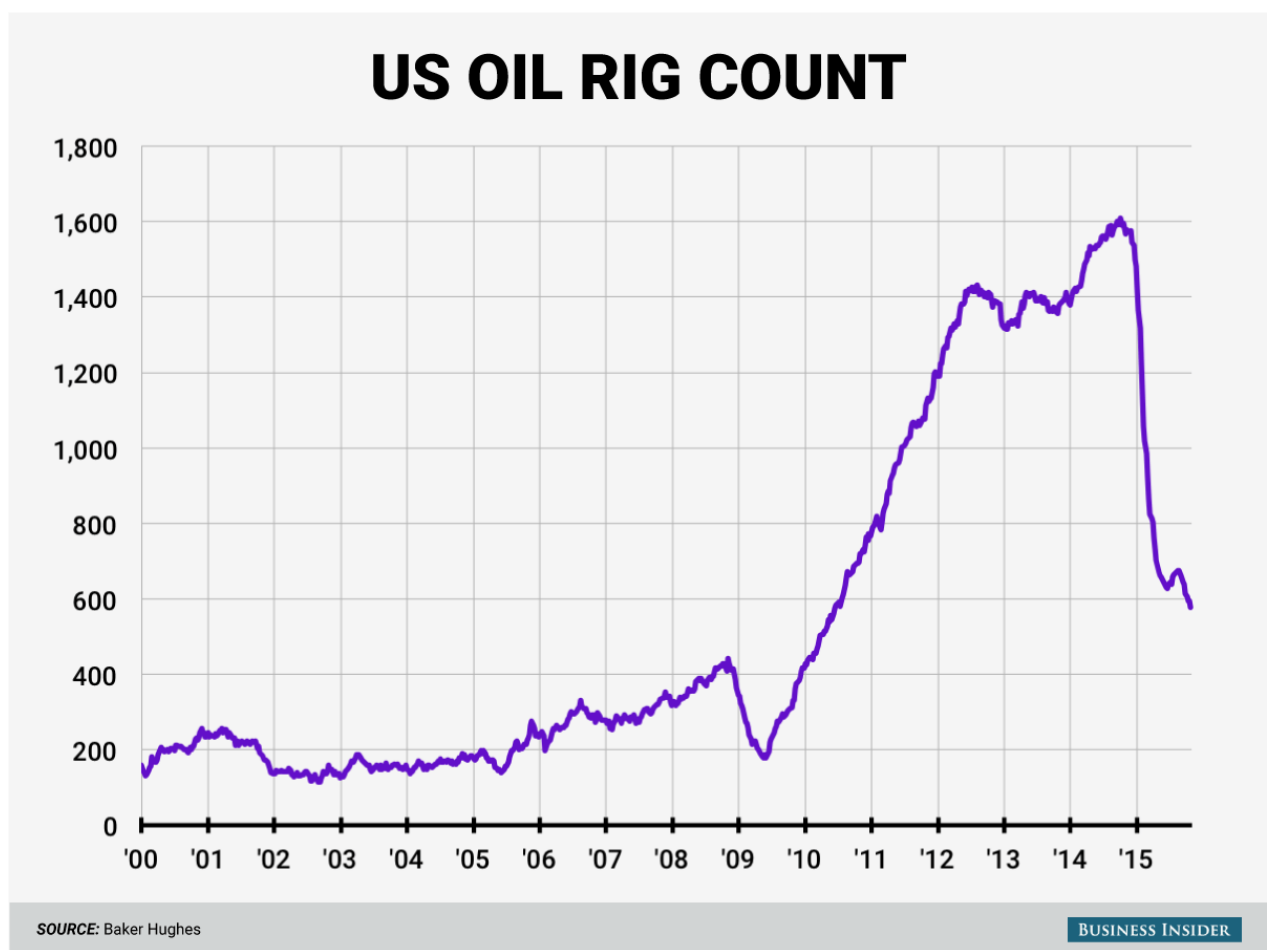
This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off and Open Top Trailers as well as Raleigh and Goldsboro Metal Recycling.

Today is Monday November 2nd, 2015. My name is Greg Brown.

Commodities continued falling last week and we came across some incredibly disruptive data.

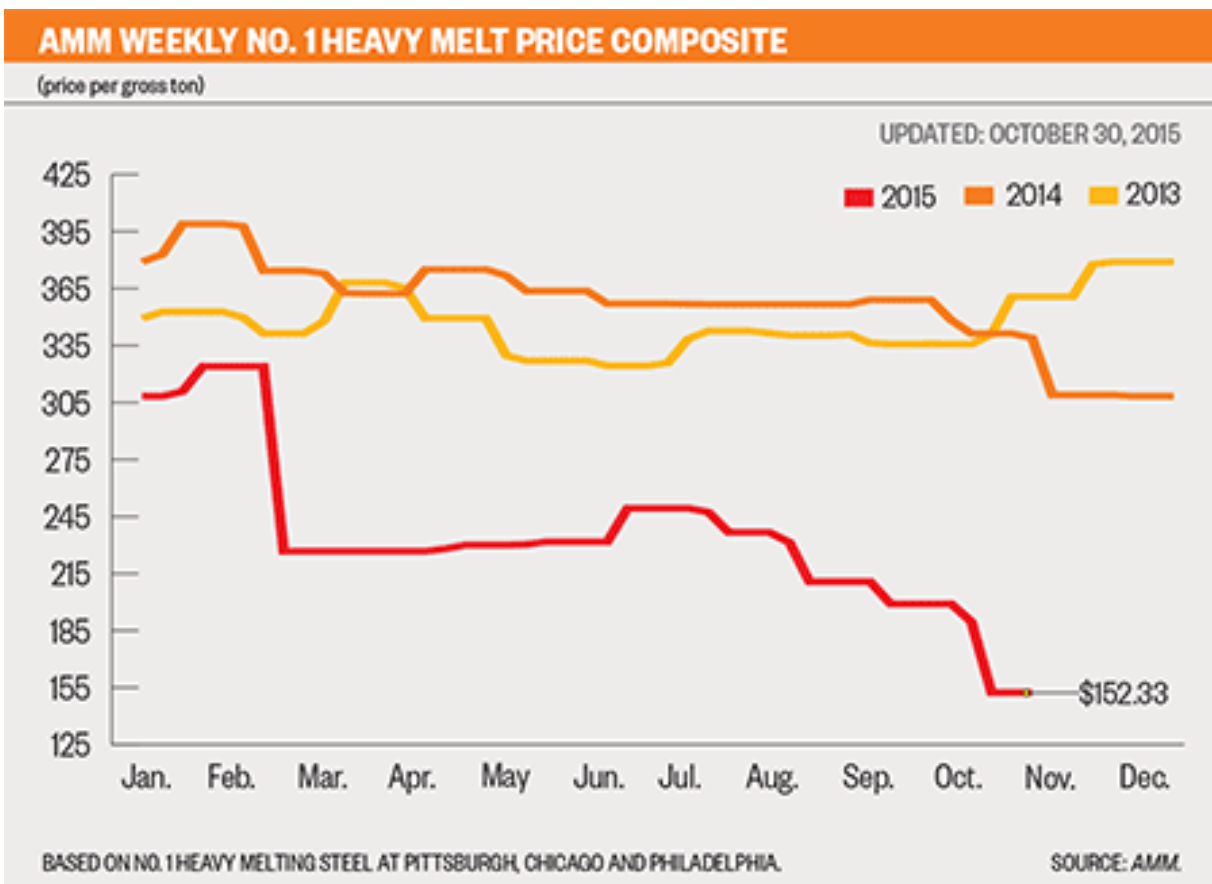


U.S. steel production was slightly down and is at a multi month low. This is troubling in that in September, steel imports to the U.S. were actually down 9.4% from August, so lower production in the U.S. is due to less U.S. consumption of steel here, not imports.



U.S. oil drilling rigs which use large amounts of steel, plunged in number last week for the 9<sup>th</sup>

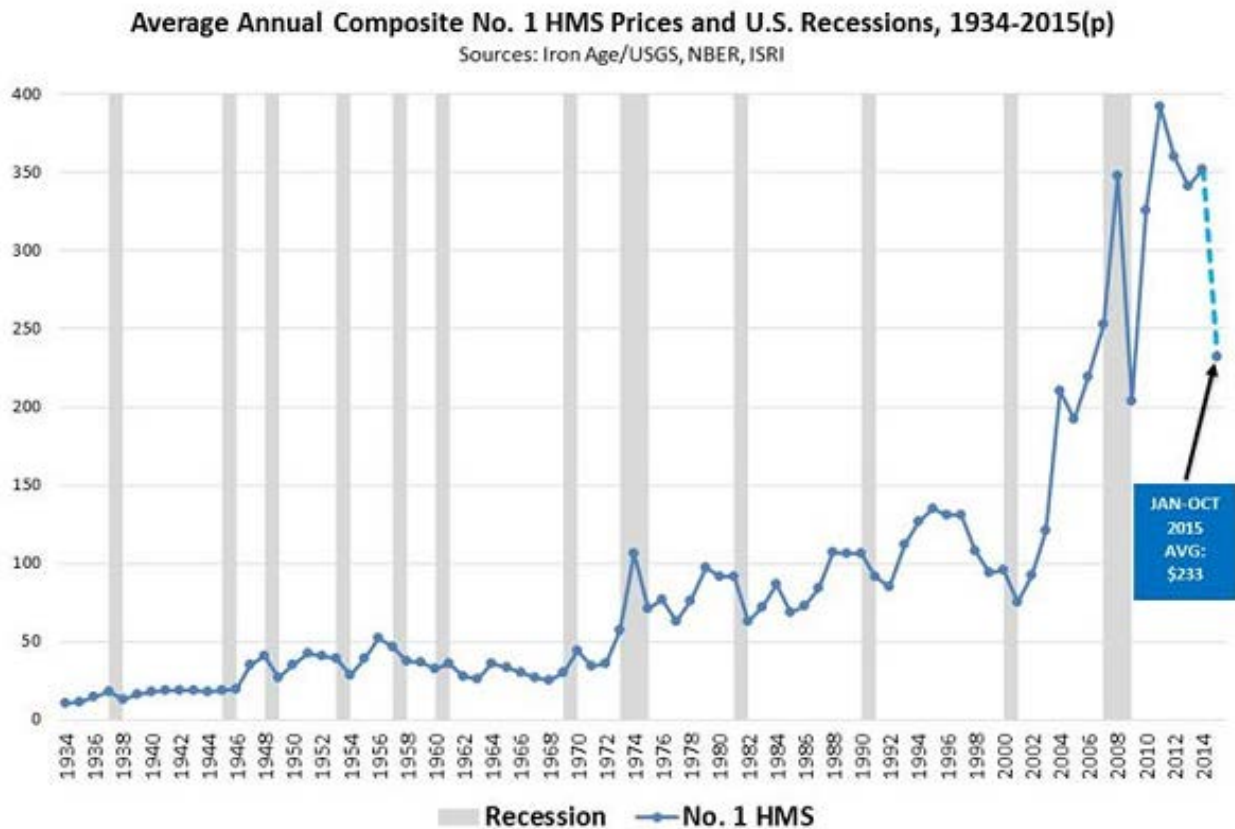
straight week hitting a new 5 and a half year low. The rig count is now down a staggering 66% from a year ago. When combined with gas rigs, drilling is at a 13.5 year low in the U.S.



Scrap steel prices remain flat at very low levels which has reduced the amount of scrap coming into yards, to the point that some steel mills reported last week having trouble filling

orders, which could mean prices could be firming.

But, we know there are large amounts of scrap steel sitting in yards waiting for higher prices. With a good supply sitting, many believe prices could be down this month, but it is not clear how much.



We came across this disturbing and disruptive chart showing average annual scrap steel

prices from 1934, 81 years ago, to today. It shows that the largest annual drop in scrap steel prices ever was in 2009, at about \$145/GT.

The largest drop before that was in 1974 at about \$60/GT. This year, the drop will be about \$130/GT, but unlike the 2009 drop which was followed by a major rebound, many are forecasting next year could stay at the current levels.

This means that the two year decline could be about \$170/GT (\$7.60/hundred pounds). This will be the largest two year drop ever, literally in the more than the 155 plus years of the U.S. Steel industry.

Lastly, this two year drop of about 50% is slight more percentage wise than the about four year, 46% drop from 1997-2001.

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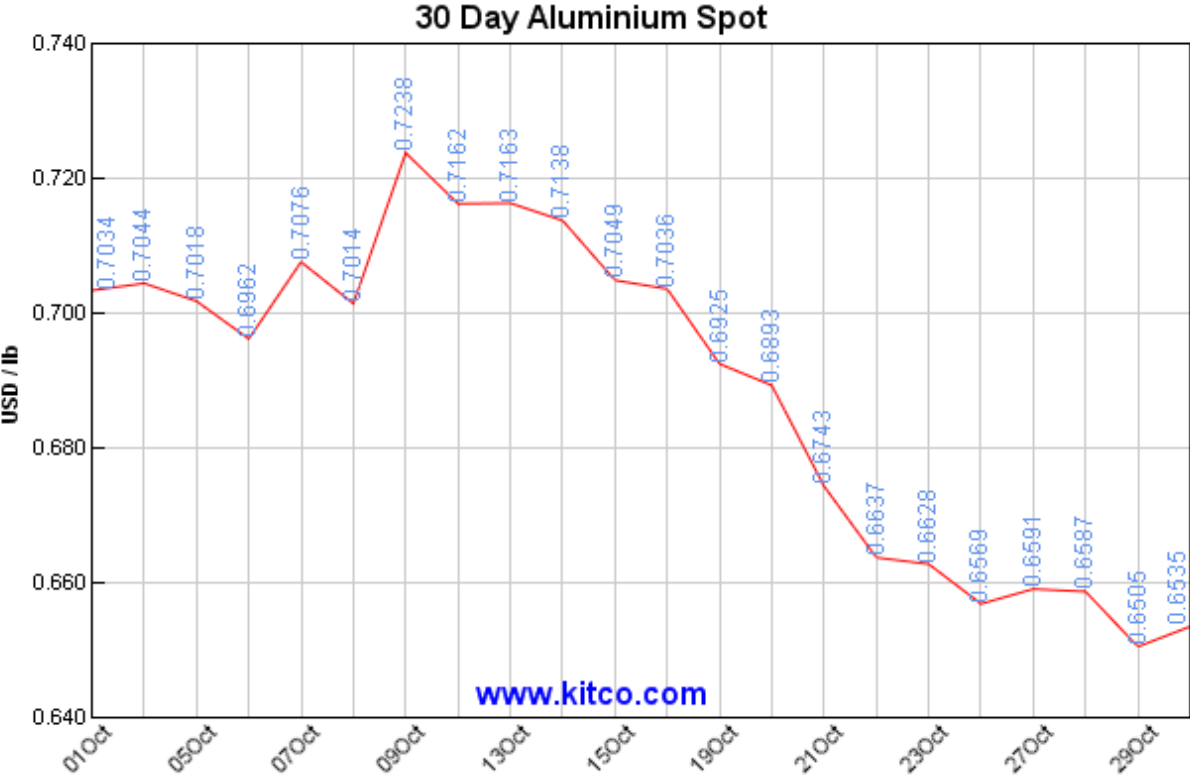


Copper prices declined all week and ended at a low. Some are forecasting prices could drift lower toward the end of the year.

HG H6=1 [10] - COPPER - HIGH GRADE (GLOBEX) LAST: 2.322 CHANGE: ▼ 0.008 HIGH: 2.346 LOW: 2.318 10/1/2015



The 5 year copper price chart shows prices have remained almost flat for the past three months, at about 6 plus year lows.



Aluminum prices for the past month show that Aluminum declined most of the week ending almost at a low.



When looking at Aluminum price for the last year, it has been declining in recent months, unlike copper which has stabilized.



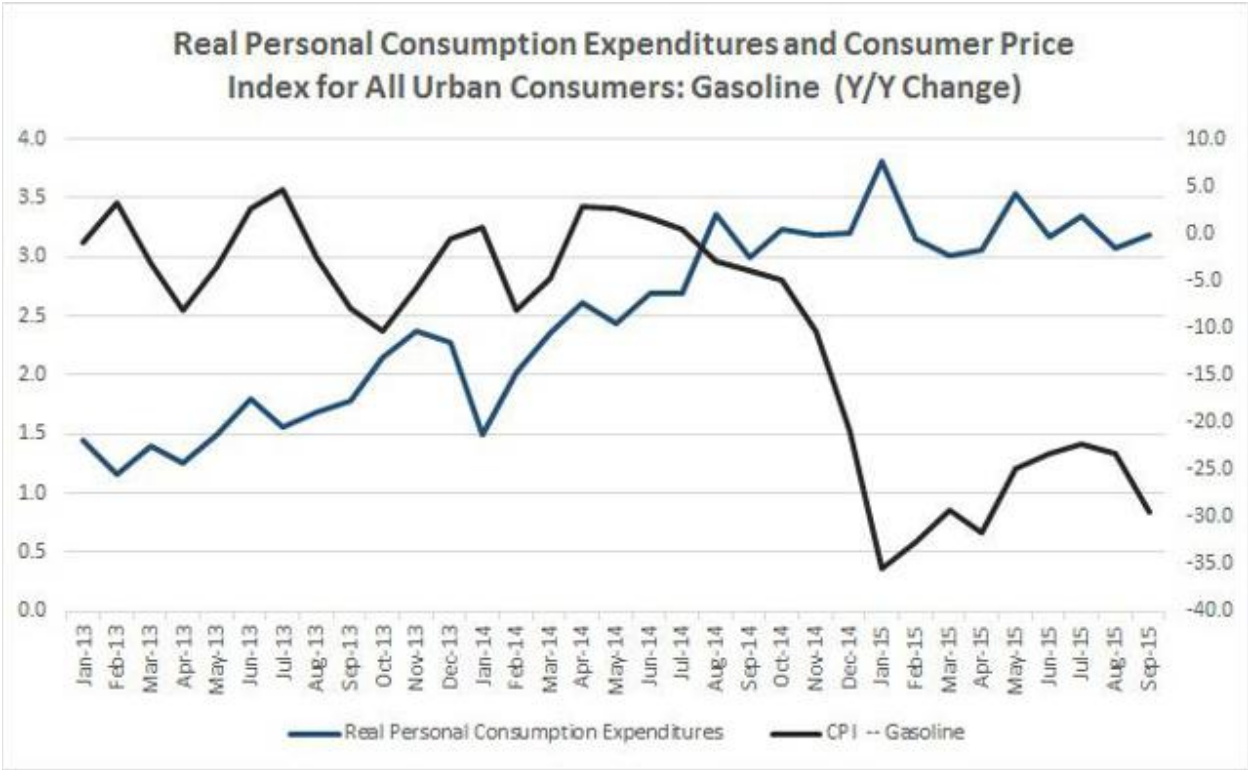


When looking at Aluminum for the past 5 years, one can see that prices are at 6 plus year lows.

There has been a lot of bad news in recent days. China released that their manufacturing rate contracted for the third straight month, a major recycler in the SE had some significant layoffs and yet another SE scrap operation with a shredder, filed for bankruptcy last Friday.

Commercial Metals Company, Schnitzer Steel and Gerdau all of which have major scrap metal recycling operations, all reported lower earnings.

There are positives though. In October, the Dow Industrial average had its best monthly advance in 4 years and the U.S. Fed who sets interest rates had a press release that was more positive about the global economy than they were two months ago.



Also, this chart that shows gasoline prices coming down, we continue to believe will help the U.S. and global economy. Gasoline is nicely below \$2.00 a gallon in places like New Jersey and South Carolina, which will make for a positive Holiday season for the all.

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