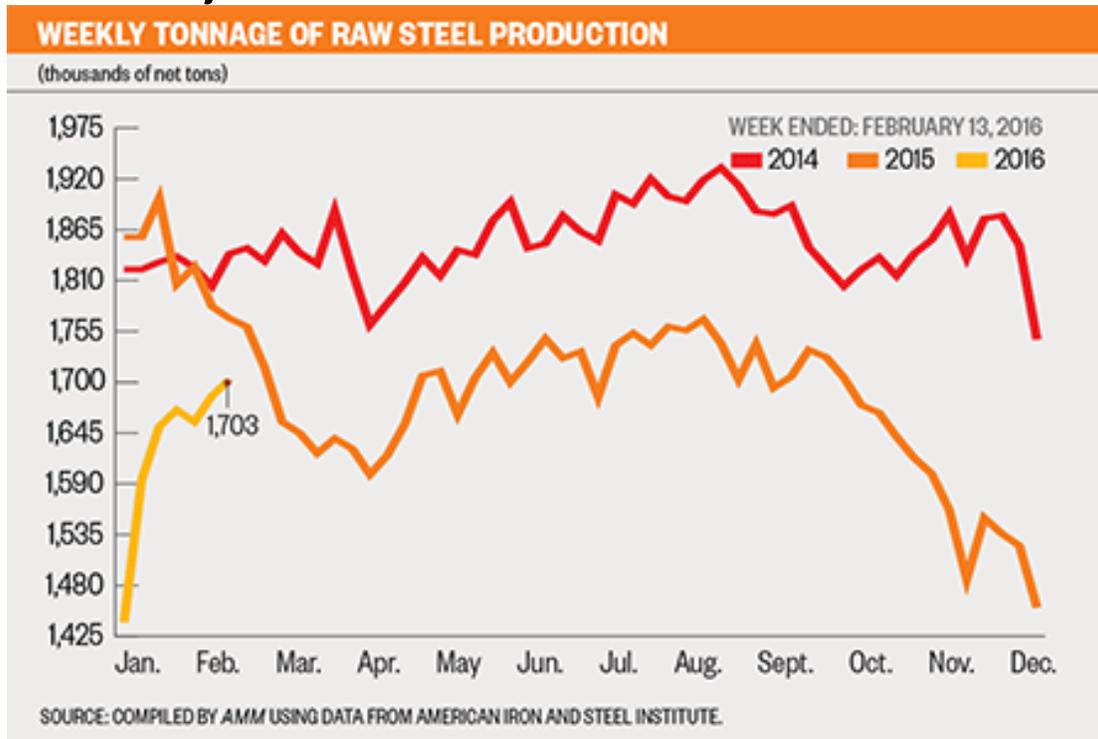


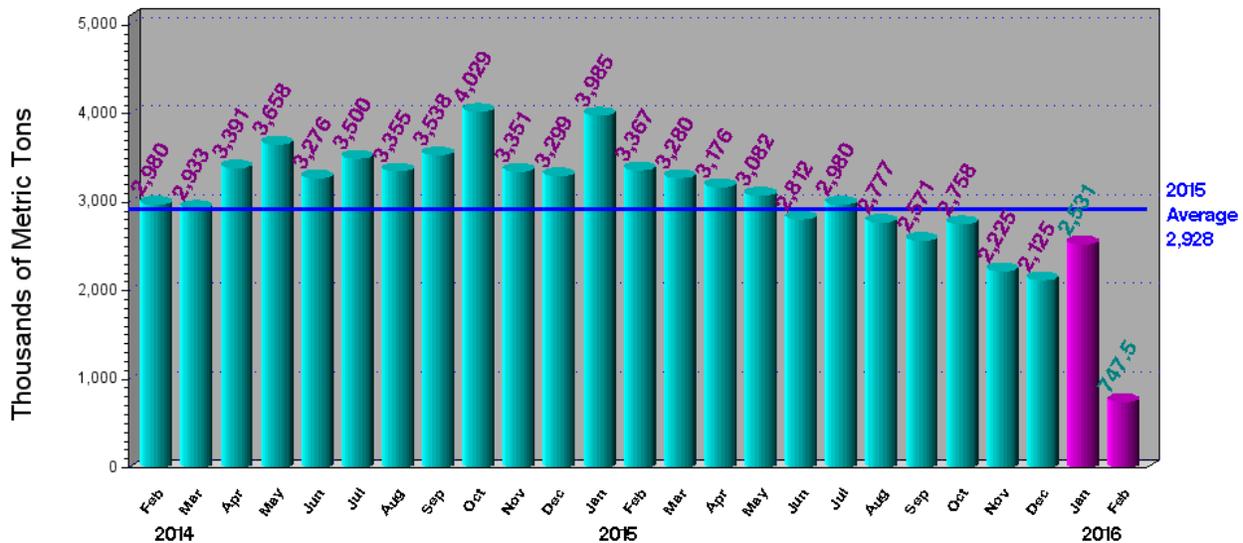
This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off and Open Top Trailers and Raleigh and Goldsboro Metal Recycling, February 22nd, 2016.

In this report, markets were quiet with showing signs of stabilization and some increases. Also the world's largest metal recycler Sims Metal Management, released their earnings, which were a major loss.



Steel production in the U.S. continues to rise and is now the highest in about two months. Production is a nice about 17% above the end of the year and a solid 13% above last year's 4<sup>th</sup> quarter average. These numbers are good news for steel mills and could lead to some increases in steel prices.

## U.S. Imports of All Steel Mill Products From World



SOURCE: U.S. Department of Commerce, Enforcement and Compliance  
 Graph last modified on : February 9, 2016 with  
 Licensing Data collected through February 9, 2016  
 Commerce license data used for the last months appear in a different color  
 Data extracted from the import licenses are not official Census data

A major reason for the U.S. increase in steel production was caused by the major decrease in steel imports into the U.S. Steel imports in January 2015, a year ago were 57% higher than they were this January.

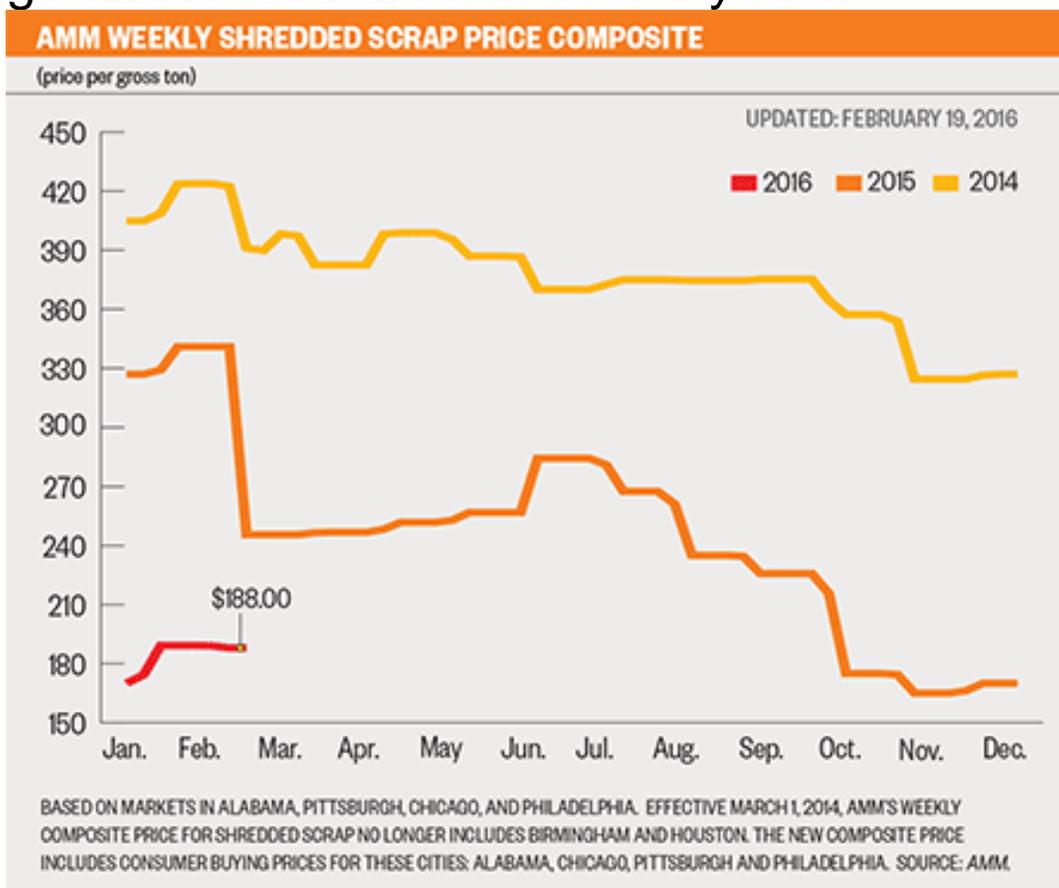
## US OIL RIG COUNT



SOURCE: Baker Hughes

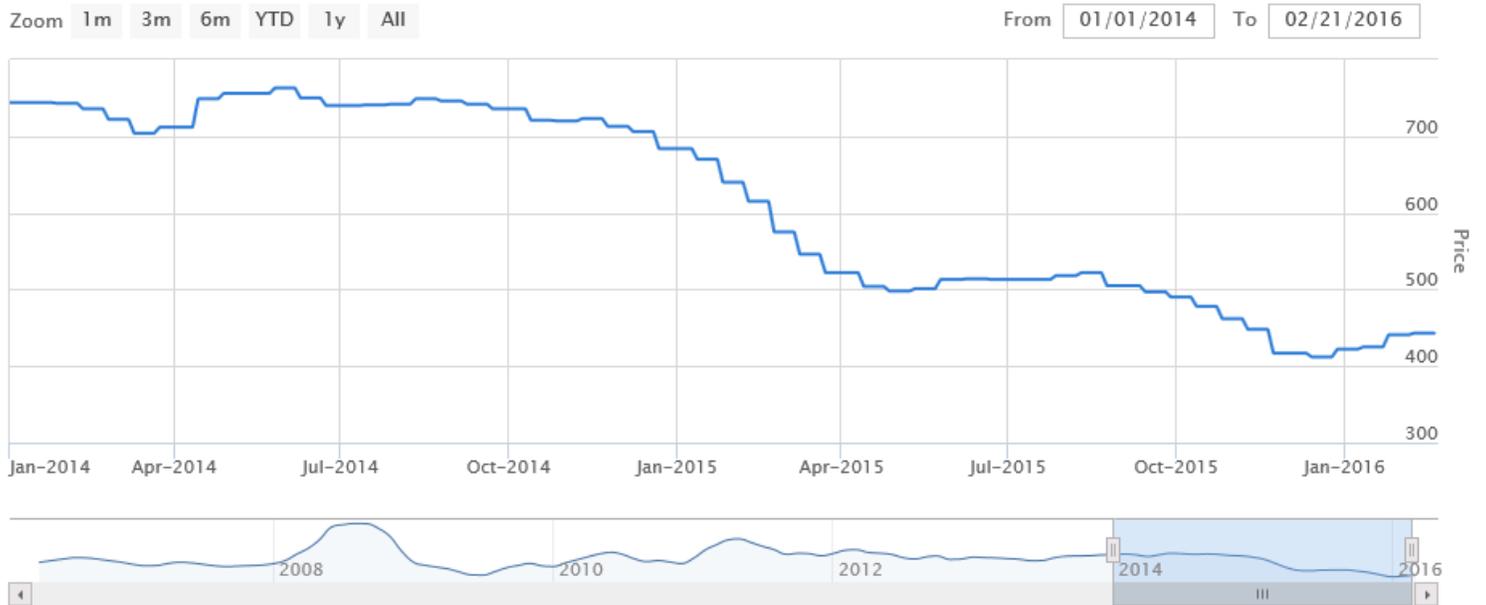
BUSINESS INSIDER

Oil rigs, major steel users, took another major step down. The rig count is now down more than 74% from its high of about 16 months ago and is the lowest in over 6 years.



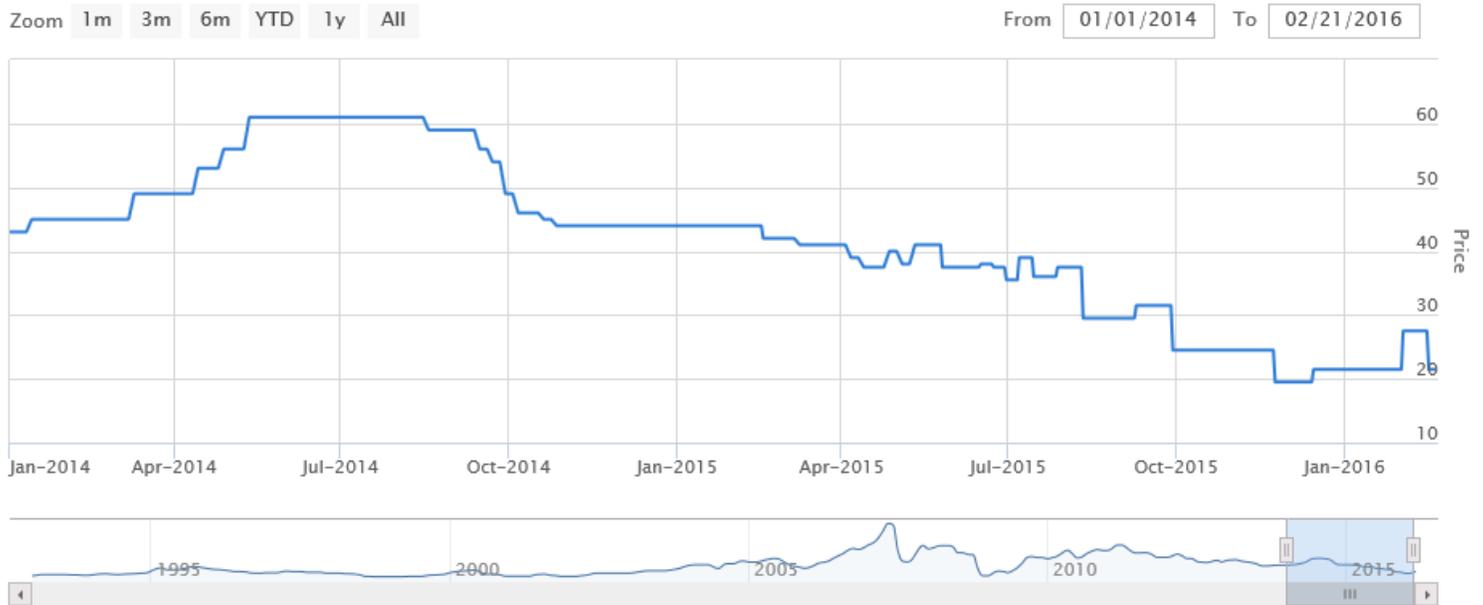
Scrap steel prices continue to remain stable. While there is word of some softening next month, looking at U.S. stronger production, it is clear that if there is softening, it will be due reduced export demand, not U.S. demand which is clearly up.

# Hot Rolled Steel Coil Up



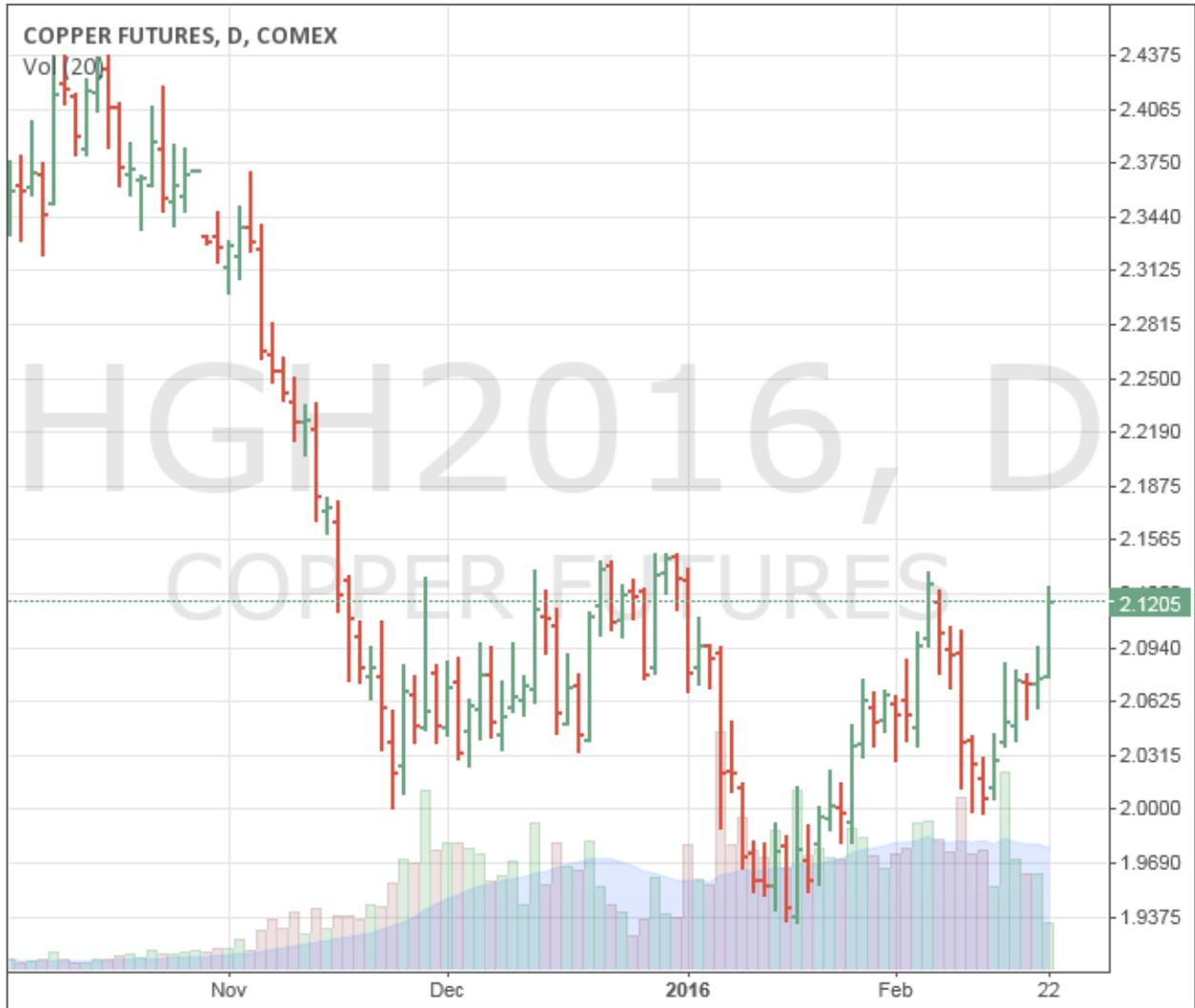
Hot rolled finished steel prices remained up a bit as well. The major reduction in steel imports could bring some upward pressure on prices in the coming weeks as we said.

# Stainless 304 Scrap Small Changes



Stainless steel scrap prices are staying a bit higher as well and had a short uptick that came down, on the news of U.S. companies filing unfair trade practices against the Chinese.

COMEX:HGH2016, D 2.1205 ▲ +0.0440 (+2.12%) O:2.0775 H:2.1290 L:2.0770 C:2.1205



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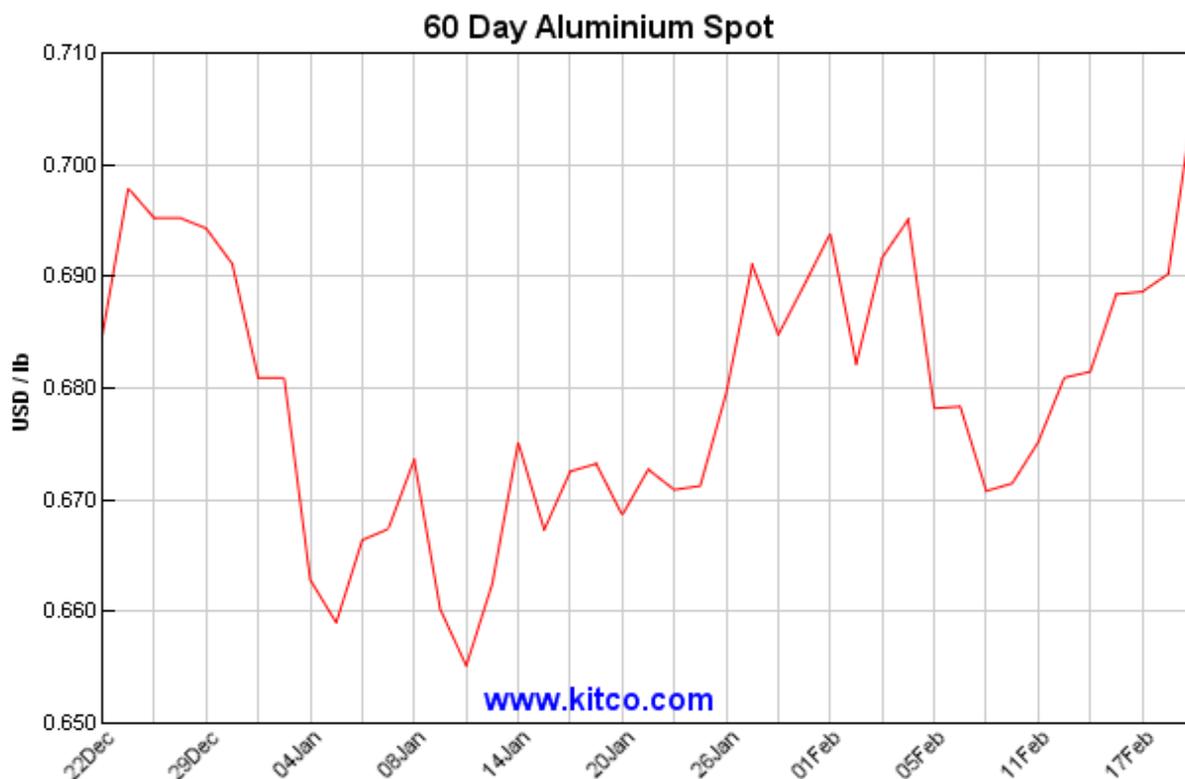
Copper did not move much for the week, but at least ended up and is continuing up this morning.

COMEX:HGH2016, M 2.1220 ▲ +0.0455 (+2.19%) O:2.0620 H:2.1380 L:1.9985 C:2.1220



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and when looking at the 5 year copper chart we see some stabilization near the about 7 year low.



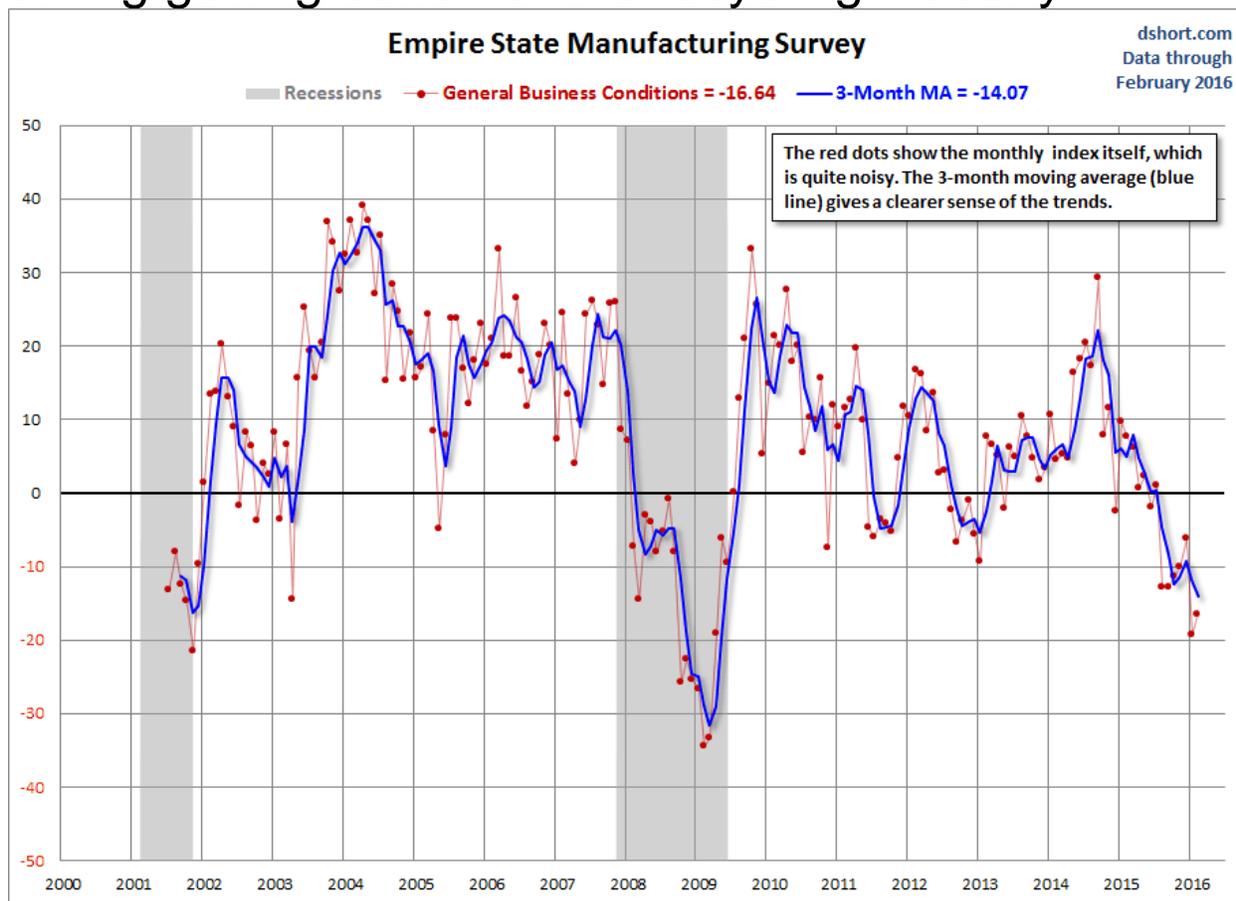
Aluminum prices actually hit a new multi month high on no real new news. Of course in recent months there have been announced capacity cutbacks which is having its effect of increasing prices.



yet in reality when looking at the 5 year chart we see aluminum also near its 7 year low.

Waste Management, the largest waste hauler and recycler in the U.S. released 2015 earnings last week that were higher on an adjusted basis. Recycling volume and prices were down.

Importantly they are forecasting that 2016 recycling operations will have no year over year impact on earnings, meaning they see nothing getting better for the recycling industry.



The Empire State Manufacturing survey was released last week and showed manufacturing in New York State continued to decline considerably, which of course is bad news.

Sims Metal Management the largest metal recycler in the world also released earnings last week. For many of your watching this, it could be worth going to their website and reviewing their information which discussed market trends. Some of the highlights were, they are on plan to close or sell 35 operations, mostly in the central part of the U.S., 50 recycling companies have closed or gone bankrupt in the U.S. in the second half of

2015 and like Waste Management, they are forecasting no improvement in recycling within at least the next 6 months.

COMEX:HGH2016, M 2.1220 ▲ +0.0455 (+2.19%) O:2.0620 H:2.1380 L:1.9985 C:2.1220



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We always like to end on a positive, so will repeat that prices seem to have stabilized when looking at a key product like copper. Stable is better for most companies than the drop we have seen for years.

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