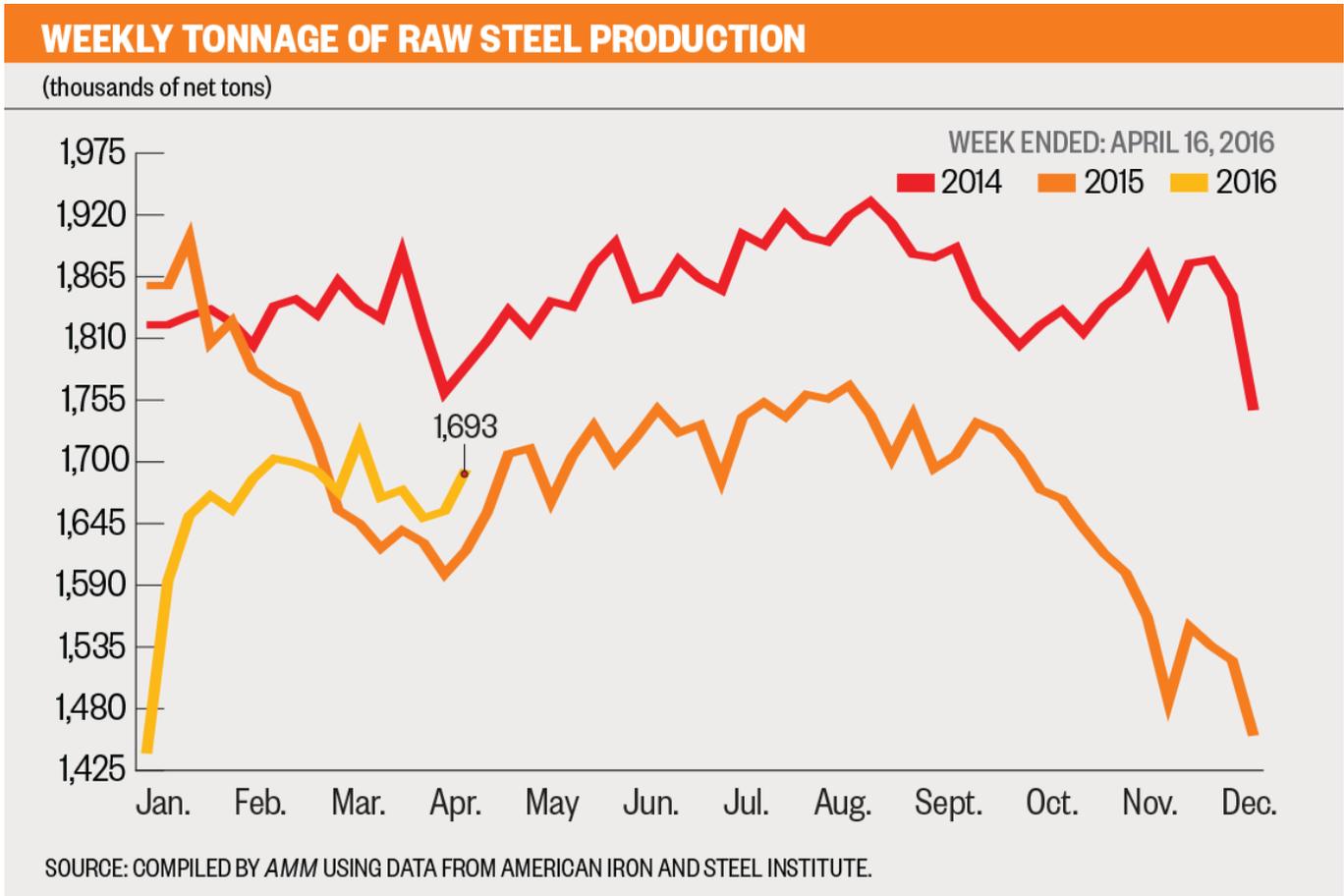


This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off, Lugger and Open Top Trailers and Raleigh and Goldsboro Metal Recycling May 2nd, 2016.

In this report, last week many commodity prices continued to rise while some economic indicators remained weak.



U.S. Steel production rose a bit to remain near its 7 month high and slightly ahead of last year.

CRUDE OIL

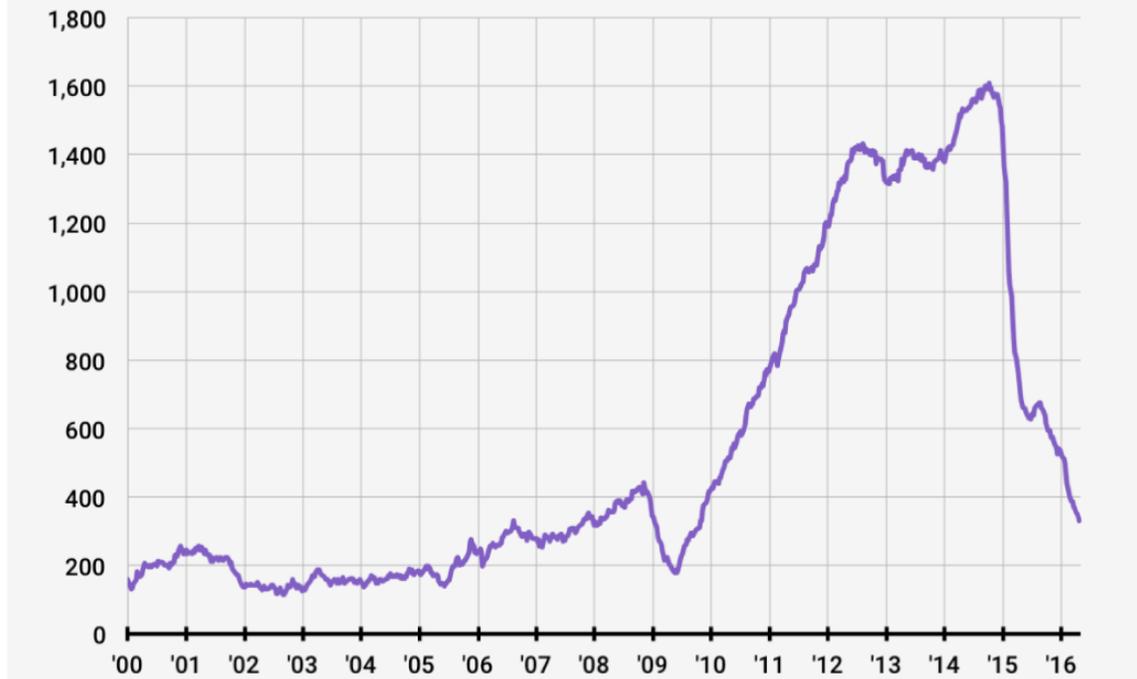


SOURCE: WWW.TRADINGECONOMICS.COM | NYMEX

Crude oil prices continue to rise as production remains high and global consumption continues rising as well. Prices are up an enormous 70 percent from their February lows.

Markets  Chart of the Day

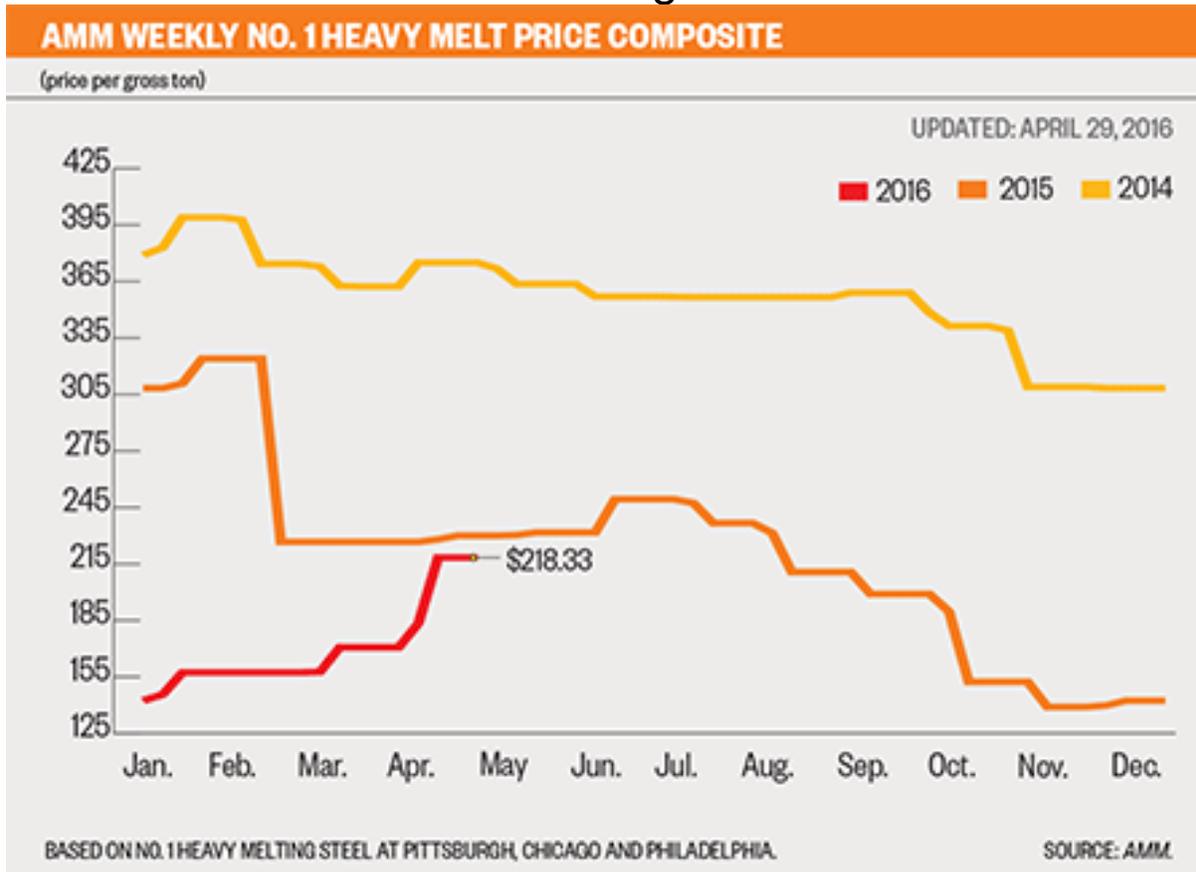
US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

Despite the increase, the U.S. oil rig count declined yet again last week. The count hit a new 6 year low and is about 80 percent below the count of about 18 months ago. If oil prices continue their rise, this will reverse and steel used in these rigs will rise.



U.S. Ferrous scrap prices stayed level, but with exports prices rising, and flows into scrap yards only slightly better, most believe we could see prices rise more than \$20/GT this week.

Hot Rolled Coil Prices



Hot rolled coil steel prices continue their move up and are now at prices not seen in more than a year. This is a positive for steel mills and a negative to manufacturers who are buyers of steel coil.

CHINA STEEL PRODUCTION

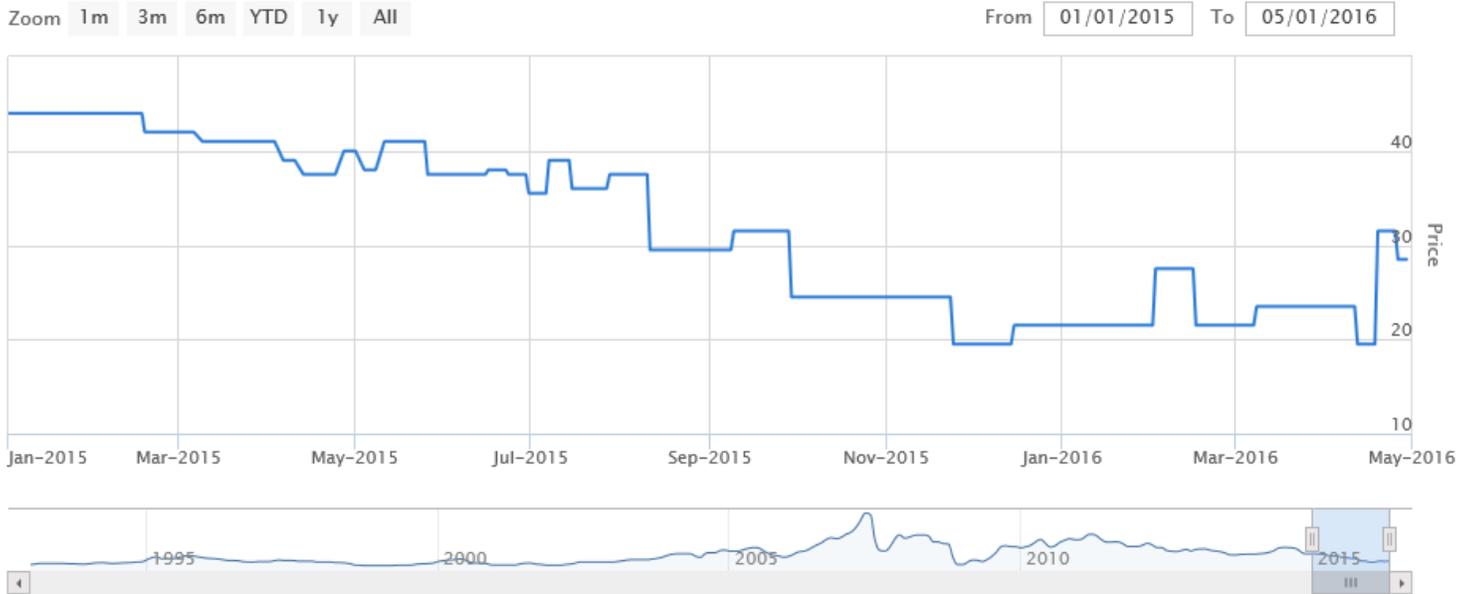


SOURCE: WWW.TRADINGECONOMICS.COM | WORLD STEEL ASSOCIATION

With steel prices up, many Chinese steel mills that shut down last year due to losses have been restarted, due to their ability to be profitable with the higher prices. Chinese steel production in March, was at a new record high, after being at a multi-year low in February,

but a report we received out of Asia last night reported there could be shut downs again later this month due to some softening of prices.

Stainless 304 Scrap



304 stainless scrap prices dropped a bit, but are near multi month highs.

COMEX:HGN2016, W 2.2835 ▲ +0.0520 (+2.33%) O:2.2700 H:2.2985 L:2.2010 C:2.2835



 **CME Group**
Powered by TradingView.com

Copper ended the week near 6 months highs and when looking at this

5 Year LME Copper Warehouse Stocks Level



5 year chart, we see copper inventories have stabilized near about 7 year lows which will keep upward pressure on prices.

1 Year Aluminium Spot



Aluminum prices also rose to an almost, 9 month high and when looking



at a 5 year inventory chart we see that inventories hit new about 7+ year lows as well.



The U.S. Federal Reserve headed by Janet Yellen chose not to increase interest rates last week and said, “Economic activity appears to have slowed”, and “Growth in household spending has moderated,

although households' real income has risen at a solid rate and consumer sentiment remains high." A mixed report at best.

US GDP GROWTH RATE



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

Related, the U.S. GDP growth rate slowed to .6% in the January-March period, slower than the to 2 to 3 percent or more many want, which is a reason for continued low interest rates.

US DURABLE GOODS ORDERS



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. CENSUS BUREAU

U.S. Durable goods orders (items like trucks and heavy equipment) rose a small .6 percent in March, after a 3.1 percent decline in February. There remains no upward trend in this important measure of economic activity.

US CONSUMER SENTIMENT



SOURCE: WWW.TRADINGECONOMICS.COM | UNIVERSITY OF MICHIGAN

The U.S. consumer confidence index dropped a bit, but is at a good level compared to what it was two years ago. This is an important indicator of future consumer spending.

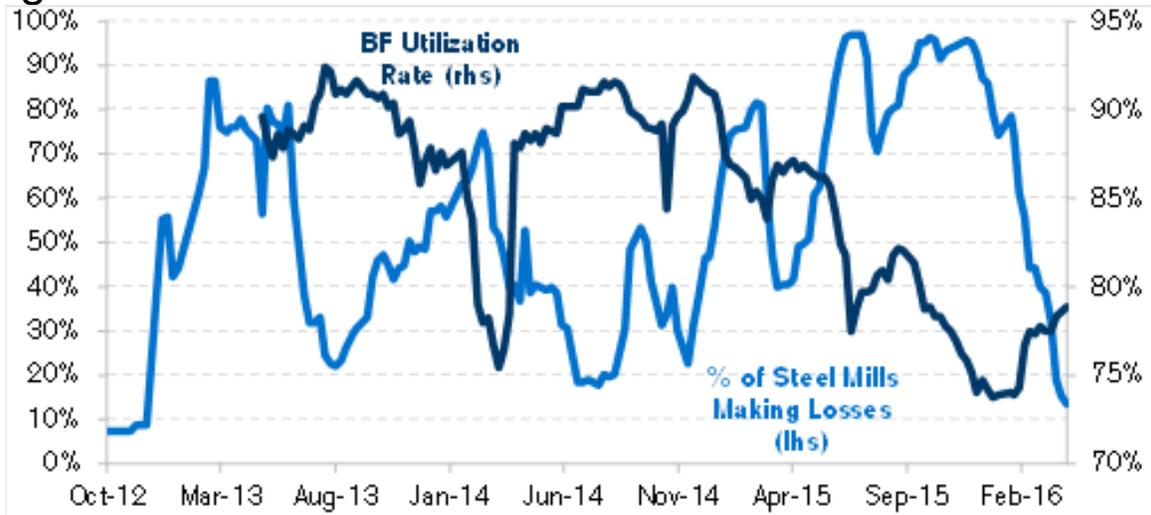
BALTIC EXCHANGE DRY INDEX



SOURCE: WWW.TRADINGECONOMICS.COM | BALTIC EXCHANGE

This chart shows the Baltic Dry index. It is an index of the cost of shipping all commodities like oil and grain, around the world. It hit a multi decade low of 290 in February just a few months ago.

Last week it was about 710, more than double the rate of about 10 weeks ago indicating that global economic activity and shipping is improving.



In another sign of commodity prices stabilizing, the light blue line is the percent of Chinese steel mills that are losing money. At 13.5% it is the lowest since December 2012. It was close to 100% a year ago.



Waste Management, the largest hauler of waste in the U.S. announced terrific earnings. Importantly they said their volumes turned positive for the first time since 2012.

Waste generation is a major indicator for the U.S economy.

US INITIAL JOBLESS CLAIMS



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

While the U.S. weekly initial jobless report was up a bit to 257,000 it was the 60th week in a row of under 300,000, which is the longest streak since 1973, over 40 years ago,

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