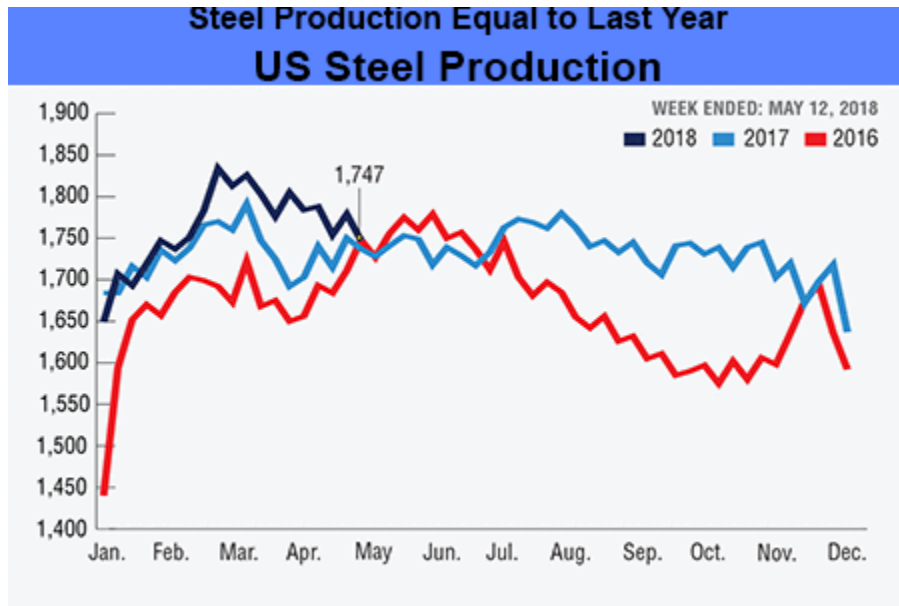


This is the Scrap Metal Commodities Recycling and Economic Report, by BENLEE and Raleigh and Goldsboro Recycling, May 21st, 2018.

Last week, commodity prices and economic reports were mixed.



U.S steel production fell and is now at the same level as last year and the year before, which is surprising, based on the good economy.

Prices at New High

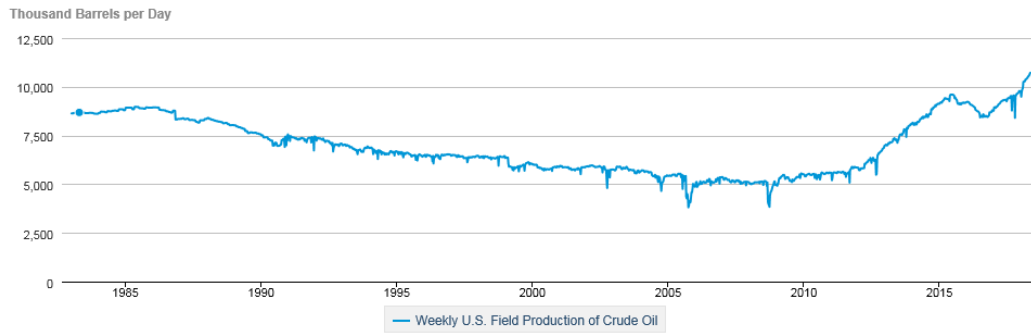


Oil rose about a dollar to \$71.35, hitting a new multi-year high as the U.S. announced it will withdraw from the Iranian Nuclear deal. We will add that the effect of higher gasoline prices on consumers is a concern.

New Record Production

Weekly U.S. Field Production of Crude Oil

DOWNLOAD



Source: U.S. Energy Information Administration

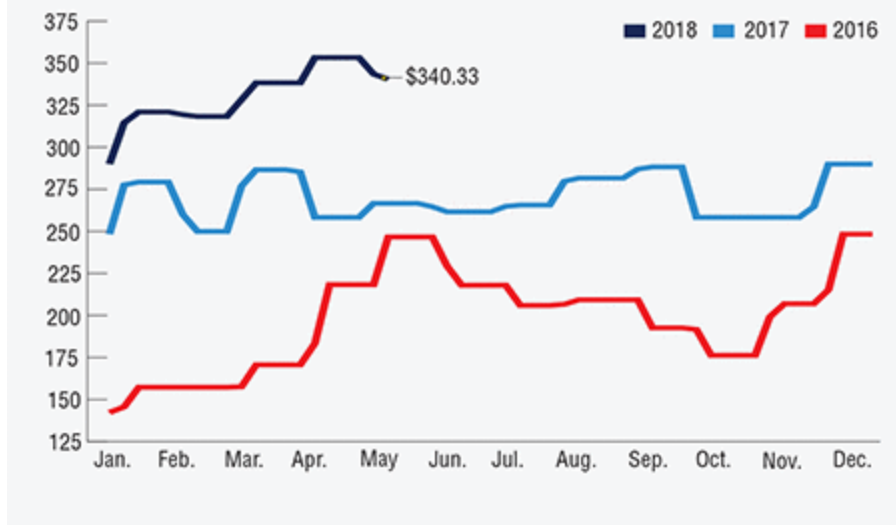
U.S. oil production hit a new high of 10.72 million barrels per day. Higher oil prices make it more economical to drill and pump in the U.S.

Prices Remain Steady



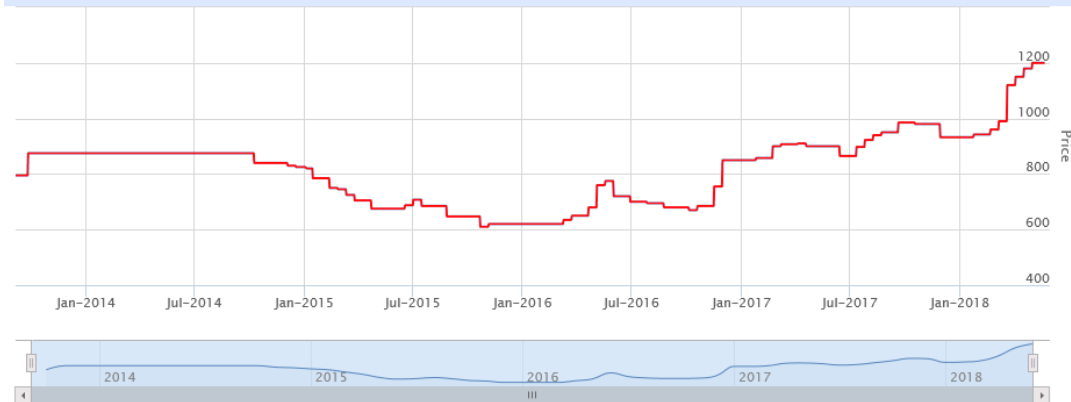
Iron ore stayed steady at \$68/ton, on a good balance of supply and demand and on a good global economy.

Scrap Ferrous Prices Remain High



Scrap steel Heavy Melt #1 stabilized at \$340/GT, as we hear export prices are up in some markets and down in others. All remains good with the global economy.

Coil Remains at Multi-Year High



Hot dipped galvanized steel remained at \$1,200/ton, a multi-year high, as demand remains steady and on good global demand of goods and services.

Copper Down 5 Cents Last Week Up This Morning

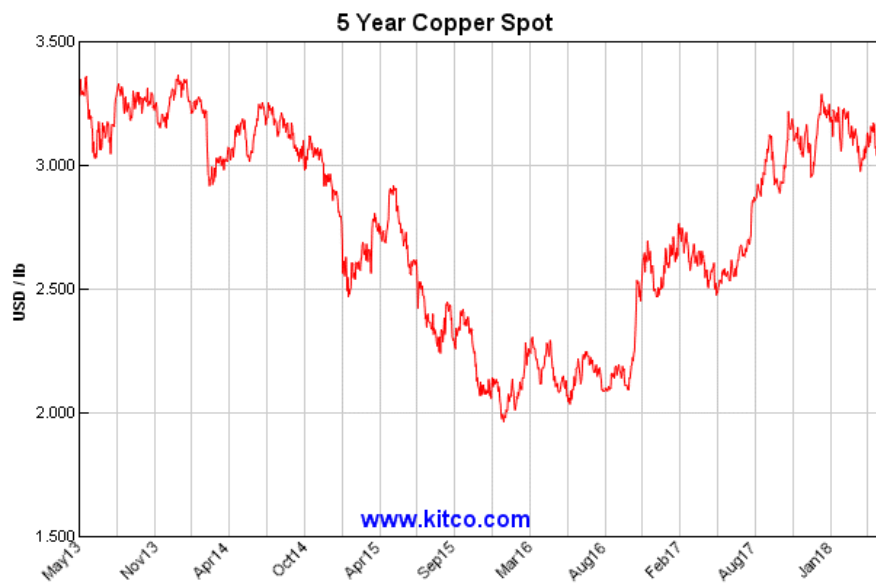
Published on TradingView.com, May 21, 2018 07:30 EST

COMEX:HGN2018, D 3.1055 ▲+0.0420 (+1.37%) O:3.0650 H:3.1115 L:3.0650 C:3.1055



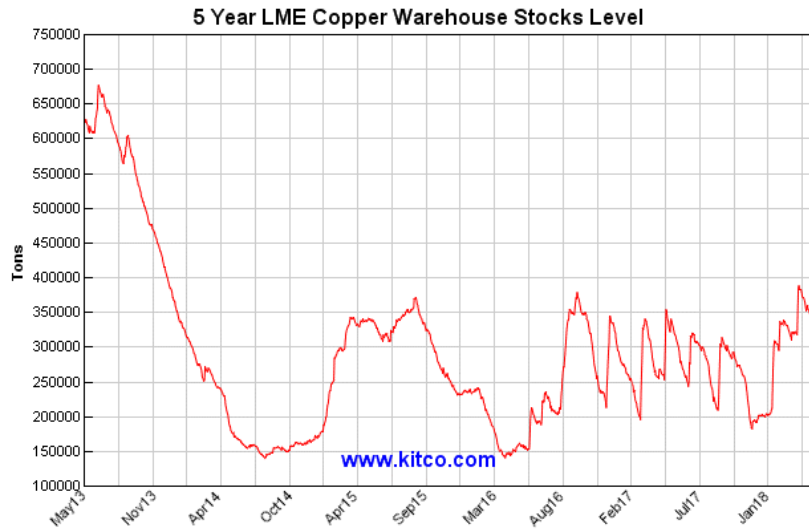
Copper fell 5 cents to \$3.06 on little news and continued slow growth across the globe. Importantly it is up almost 5 cents this morning on positive trade news with China.

About 20 Cents off the Recent High



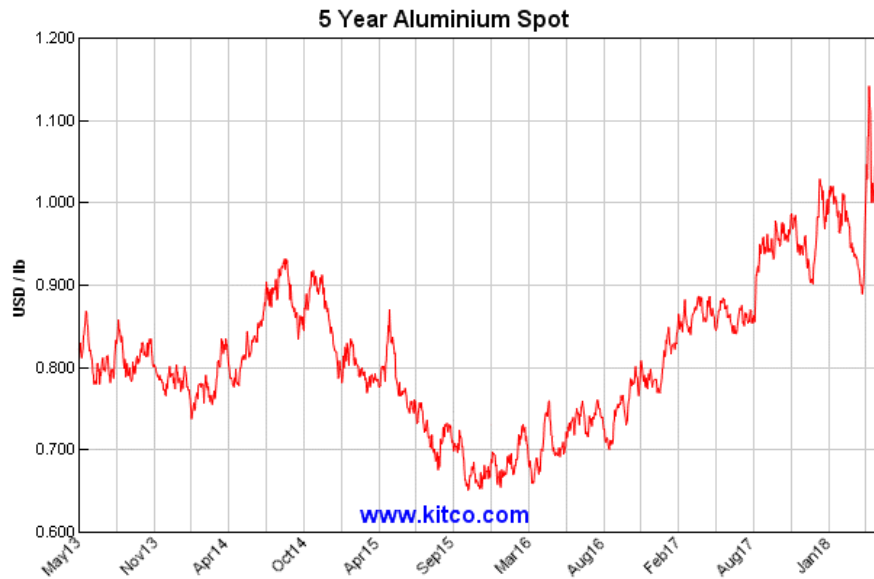
Copper remains off the multiyear high of a few months ago on this 5 year chart.

Inventories Down Slightly



Copper inventories have been falling on good global demand that is slightly better than production.

Down 1 Cent



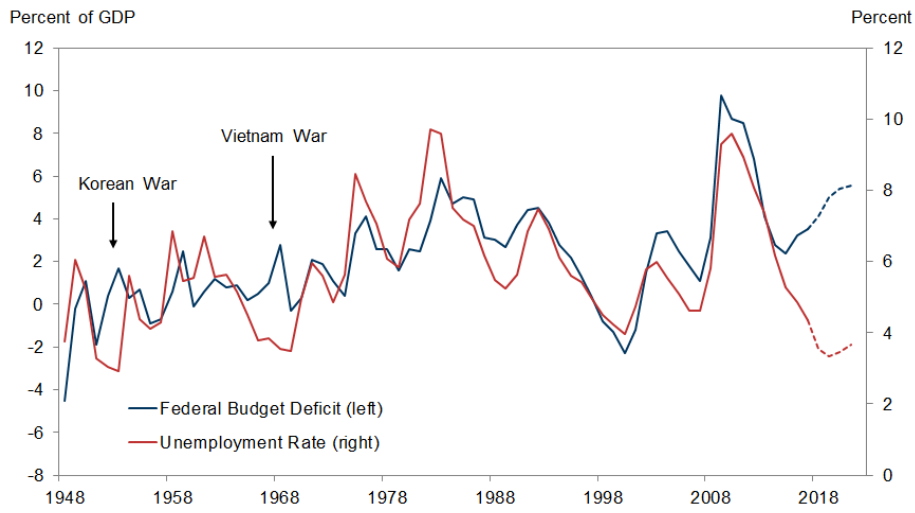
Aluminum fell a penny to \$1.02 on continued good demand and remains near an almost 6 year high, helped by Tariffs.



Aluminum LME inventories fell slightly, remaining near 8 year lows on solid demand and good supply.



The U.S. has said tariffs against China are on hold as a trade deal with China was tentatively reached on Saturday. China has said they will significantly increase purchases of United States goods and services to help support growth and employment in the United States. Agricultural and energy products were specifically named.

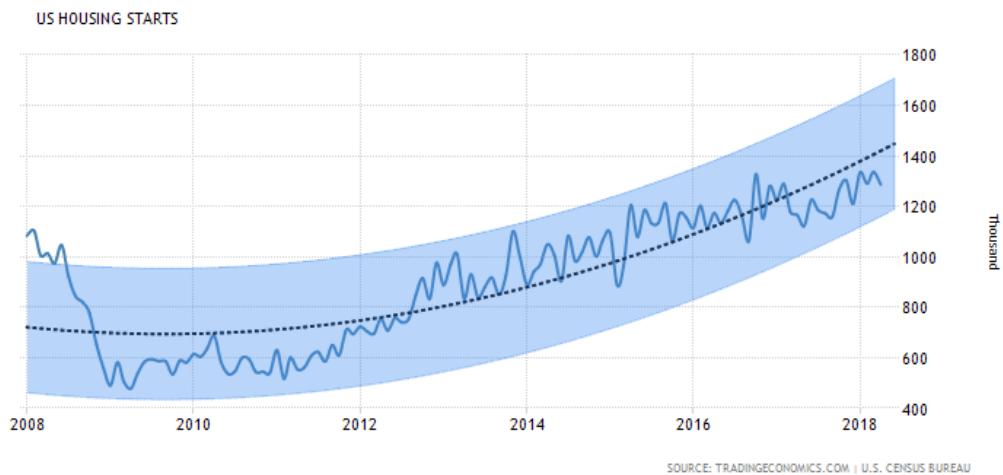


The economy is good, job creation is good, company profits are good and therefore income taxes we are paying to the government is at record high levels, due to a good economy. Here is the problem though. The government is out of control in spending. This is the first non-War period since WWII that unemployment is getting better, while deficits are getting worse. Importantly, government borrowing to fund these deficits is part of the reason we are seeing higher interest rates.



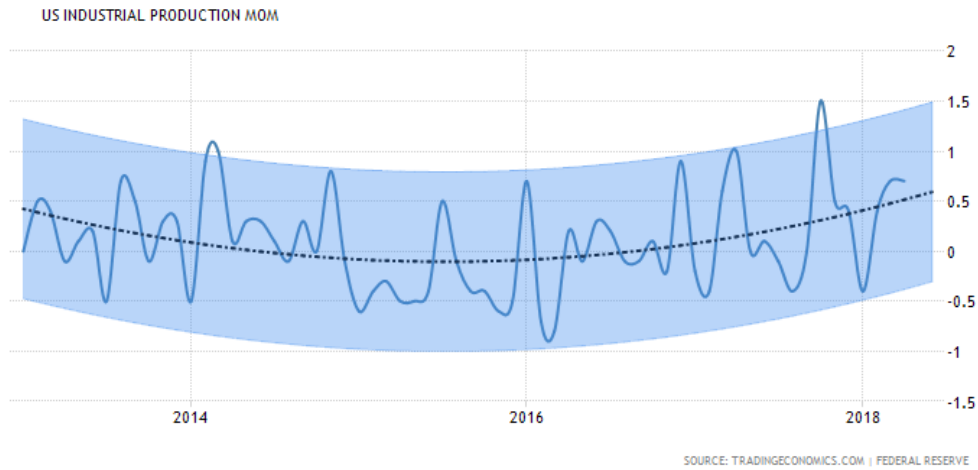
U.S. Mortgage rates have fallen for years, but are now rising. We are now near 4.9% for a 30 year mortgage, which is the highest rate in about 7 years. High rates make homes less affordable, which has started to hurt housing.

Housing Starts Down, But High



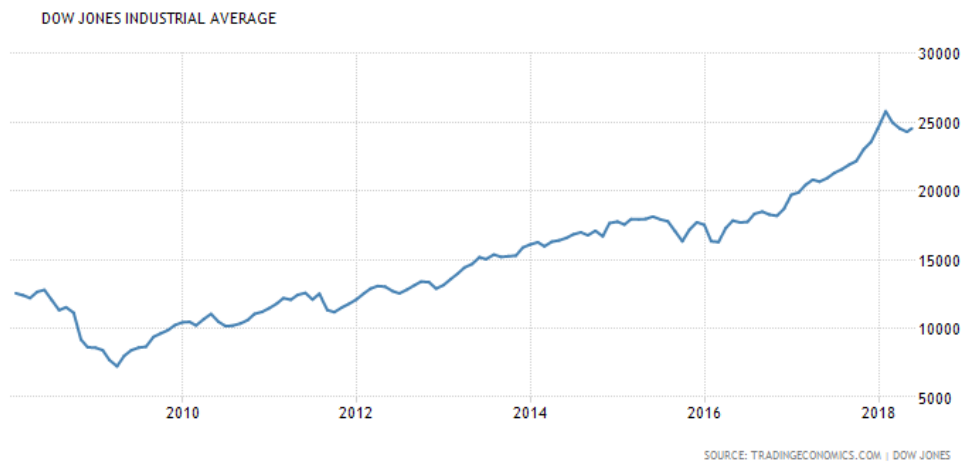
April's U.S. Housing starts slumped 3.7 percent vs. March, to an annualized rate of 1.29 Million following an upwardly revised 3.6 percent rise in March. It is the lowest rate in four months, mainly due to a sharp fall in the multi-family segment. Overall though we do seen a major increase over the years.

Industrial Production Trending Up



April's US industrial production increased by 0.7, the same pace as in March and beating market expectations of a 0.6 percent gain. It was the third consecutive monthly increase in output, boosted by advances in both manufacturing and mining production, while utilities growth slowed.

Wall Street Down, but Still High



Wall Street's Dow Jones Average fell 109 points ending at 24,721 as the markets were concerned about rising oil prices and trade tensions with China.

As always, feel free to call or email me with any questions and we hope all have a Safe and Profitable week.