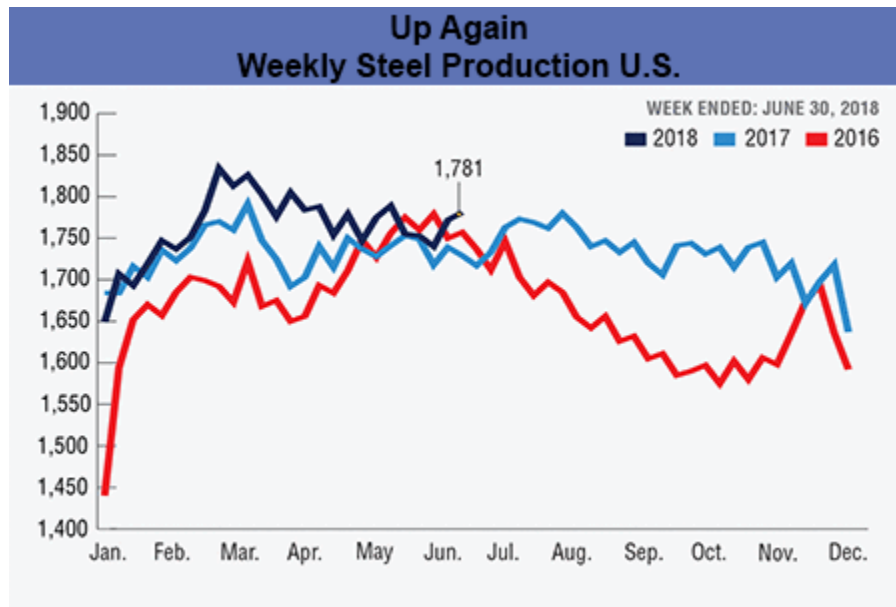


This is the Scrap Metal, Commodities, Recycling and Economic Report, by BENLEE Roll off Trailers and Lugger Trucks, July 9, 2018.

Last week prices and most economic reports were mixed.

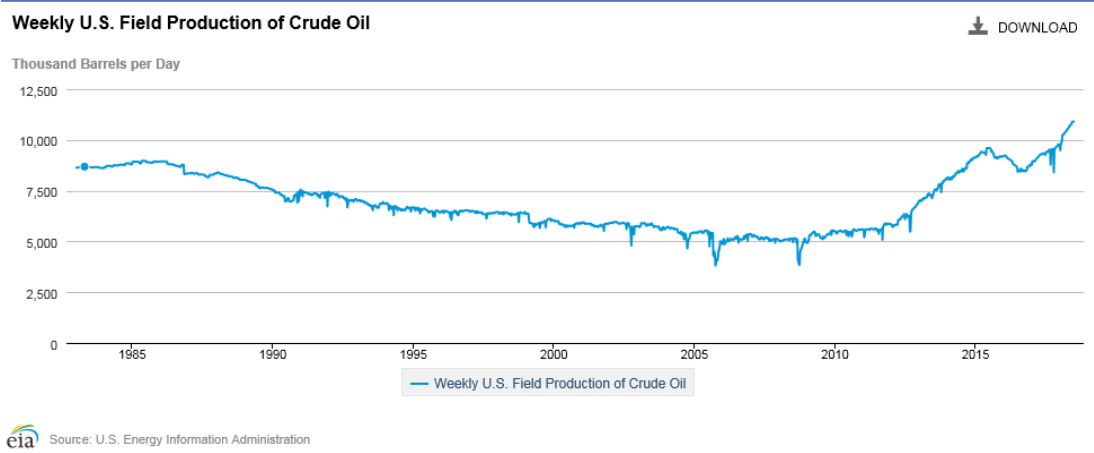


U.S steel production rose slightly and is now ahead of July for the past two years and at a multi week high as U.S. tariffs continue to limit steel imports.



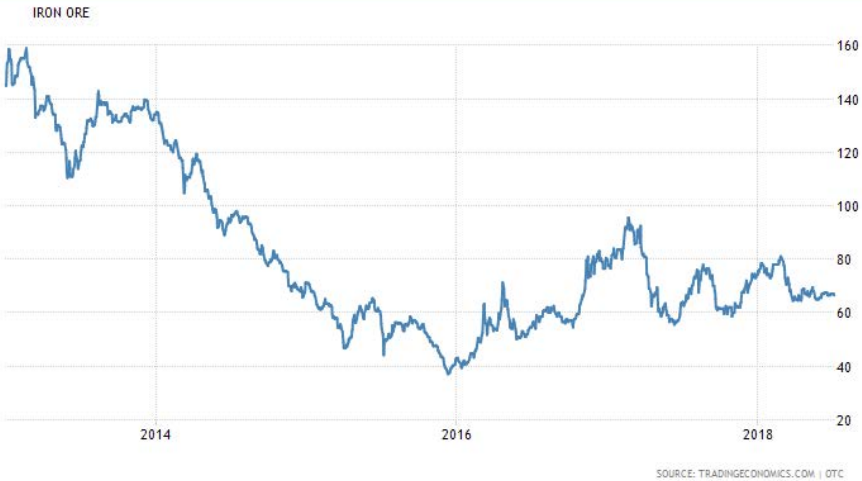
Oil fell a mere 35 cents per barrel to \$73.80 as sanctions on Iran begin which is reducing their oil sales. There are oil production problems in other countries as well, which is also limiting supply thereby causing higher prices.

## Remained At All Time High

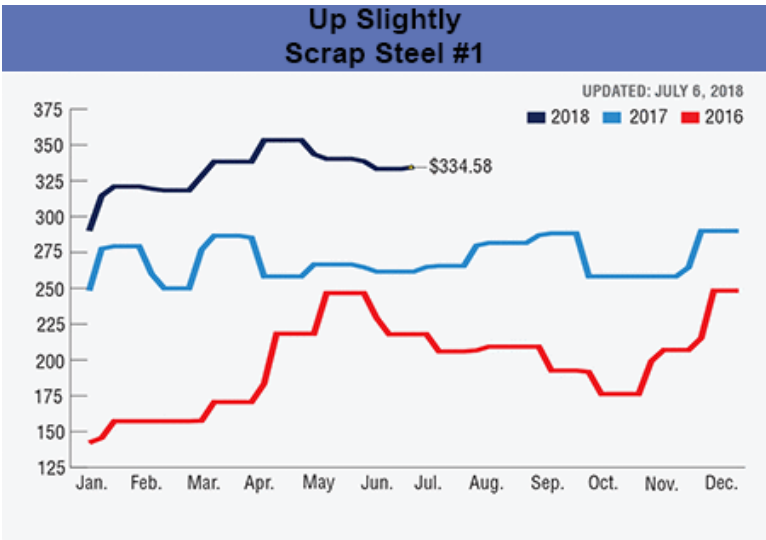


U.S. oil production remained at 10.9M barrels per day, the highest level in history. Lack of infrastructure such as pipe lines, is slowing further increases.

## Fell Slightly, Despite Trade Worries



Iron ore fell \$.50/Ton to \$66.50/ton, on a good balance of supply and demand despite spreading trade disruption.



Scrap steel #1 Heavy Melt was up \$2/GT to \$335/GT on little news. Prices were mostly stable for July, with some pockets of up and some down, while prime grades were slightly up.



Hot dipped galvanized steel remained stable at \$1,190/Ton on good demand and tariffs, which have brought higher U.S. prices.



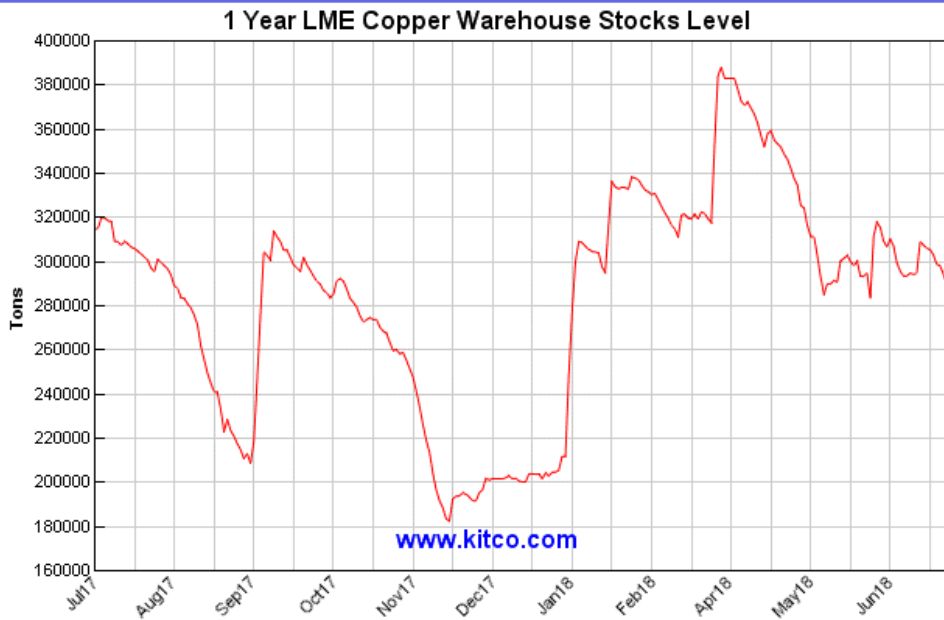
Copper fell a big 18 cents to \$2.82/lb., down a huge 46 cents in a month on tariff nervousness and global trade disruption, including China cutting back buying U.S. scrap copper. It is up 3 cents this morning to \$3.85.

**Down to Levels of A Year Ago**



The 5 year chart shows Copper prices are back to where they were about a year ago on all the instability.

**Inventories Fell**



Copper inventories have been falling, on the global instability we have mentioned.

### Prices Continue To Fall



Aluminum fell 2 cents to 93.9 cents, as markets are finding their levels on global trade unrest.

### Inventories Fell Slightly

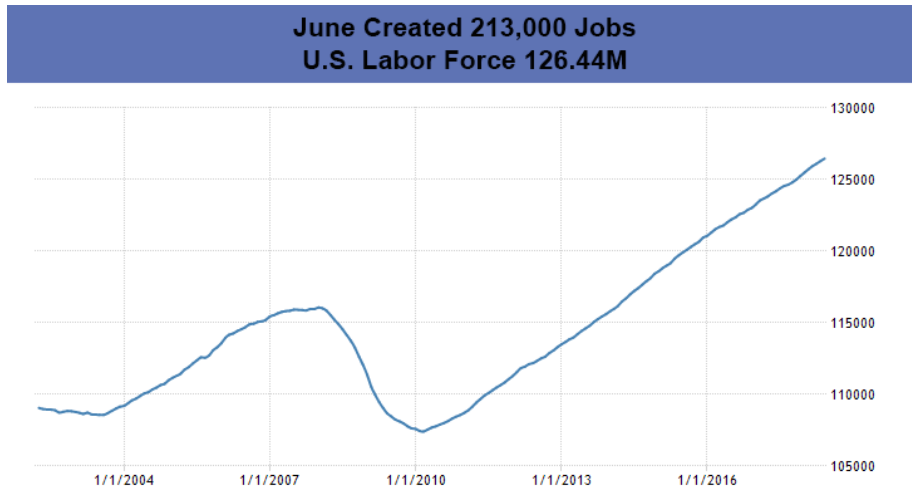


Aluminum LME inventories fell again and are approaching new 8 year lows on good demand.

### Trade War Heating Up



Trade conflict with China escalated, as the U.S. added tariffs on \$34B of goods coming in from China and China retaliated with \$34 Billion of goods they buy from the U.S. If all goes well both sides will find a way to deescalate this issue soon.

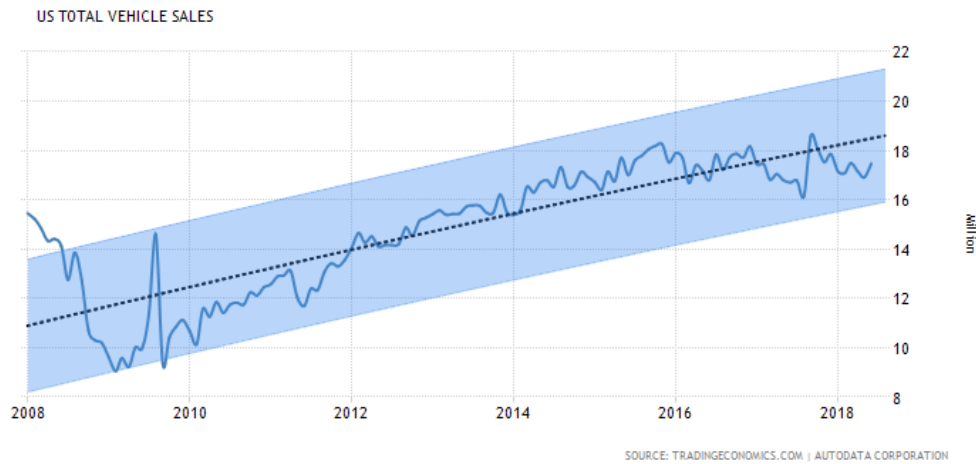


The U.S. added a strong 213,000 jobs in June to reach yet another new high of 126.45 Million workers. There were nice gains in professional and business services as well as manufacturing, healthcare and construction. Very good news.



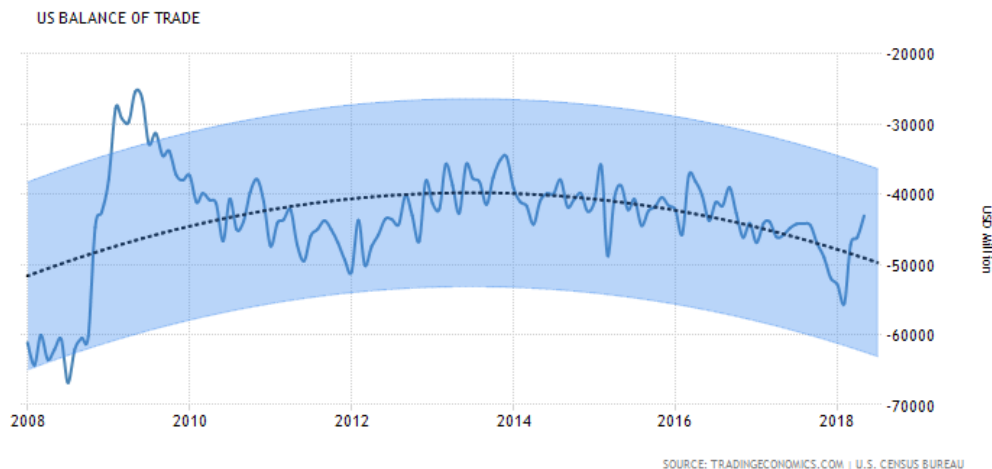
The labor force participation rate which is all U.S. people 16 years old or older that could work, improved to 62.9% from 62.7%. This means that a huge 37.1 percent of possible workers are not in the workforce. Higher wages could get many back to work.

## Good Month, But Below Trend



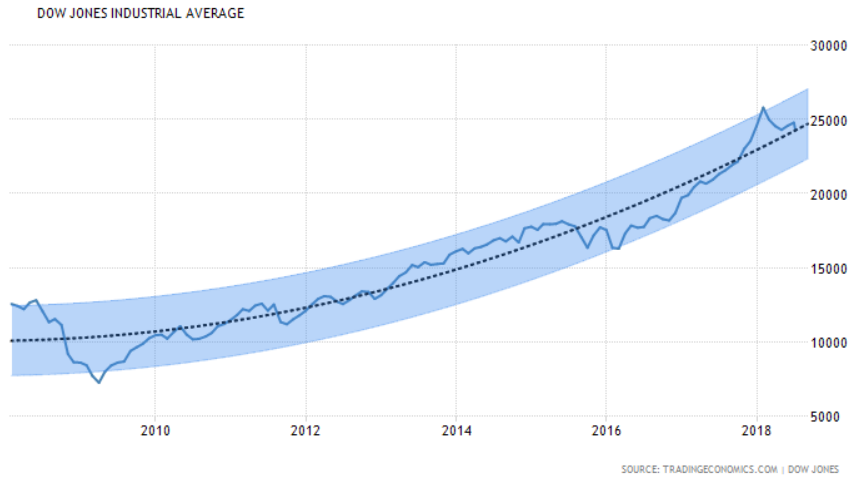
June's U.S. Vehicle sales rose to an annual rate of 17.47 million. While below trend, sales continue their almost 10 years of improving. Note this is sales, not manufacturing. Companies like Mercedes and BMW are exporting hundreds of thousands of U.S. made vehicles to places around the world, while they and Japan also import more than a million units to the U.S.

## Still negative, But Least Bad Since 2016



The U.S. Balance of Trade having been negative for decades has become a huge issue with the President. May's trade deficit while still a hugely negative \$46.1 Billion, it was the smallest trade gap since October 2016. Exports of soybeans and aircraft soared, as the U.S. exported the most goods and services in history. But the politically sensitive countries like China saw a 18.7% surge in trade deficits with the U.S, with our Mexican deficit rising 18.8% and Canada rising a huge 86.2%

# Up, And Near 9 Year Trend Line



Wall Street’s Dow Jones average rose a nice 186 points to 24,457 as markets liked the strong jobs report and while the China tariffs are bad, they had been expected, so they were built into the market.

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