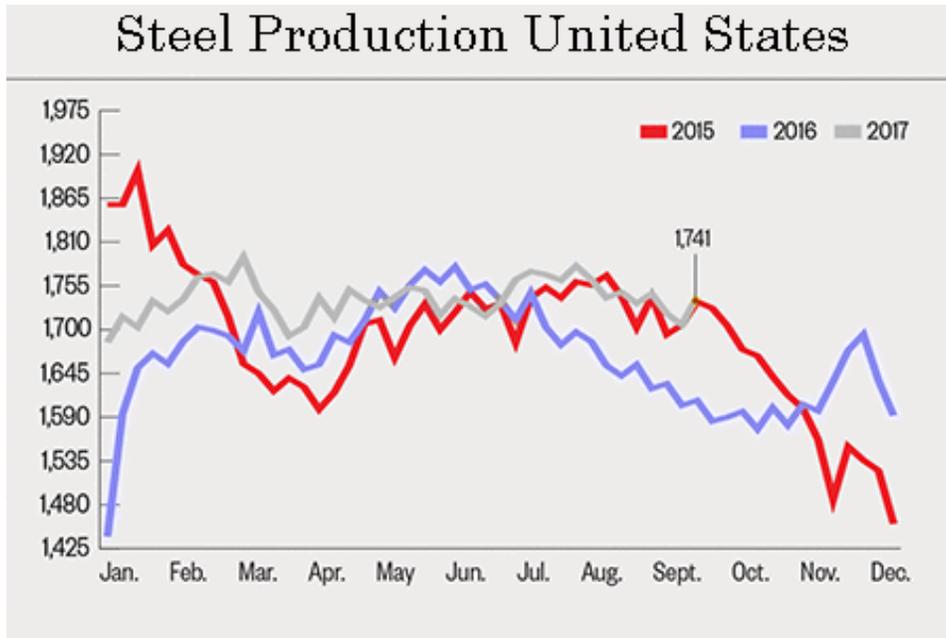
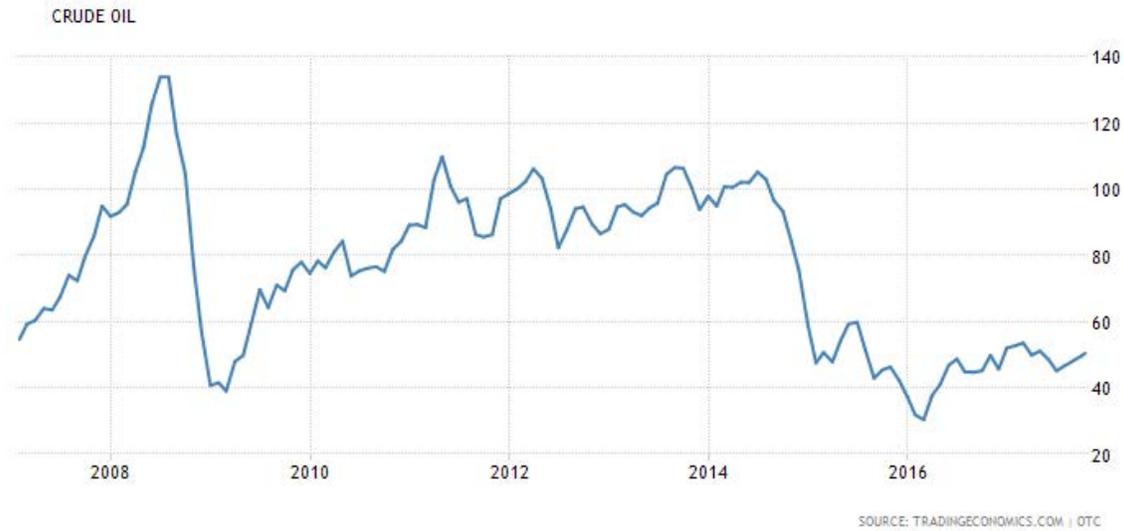


This is the Scrap Metal, Commodities, Recycling and Economic Report, by BENLEE and Raleigh and Goldsboro Recycling, October 16th, 2017.

Last week commodity prices and economic reports were mixed.



U.S steel production rose, remaining well ahead of last year and similar to the lower rate of two years ago.

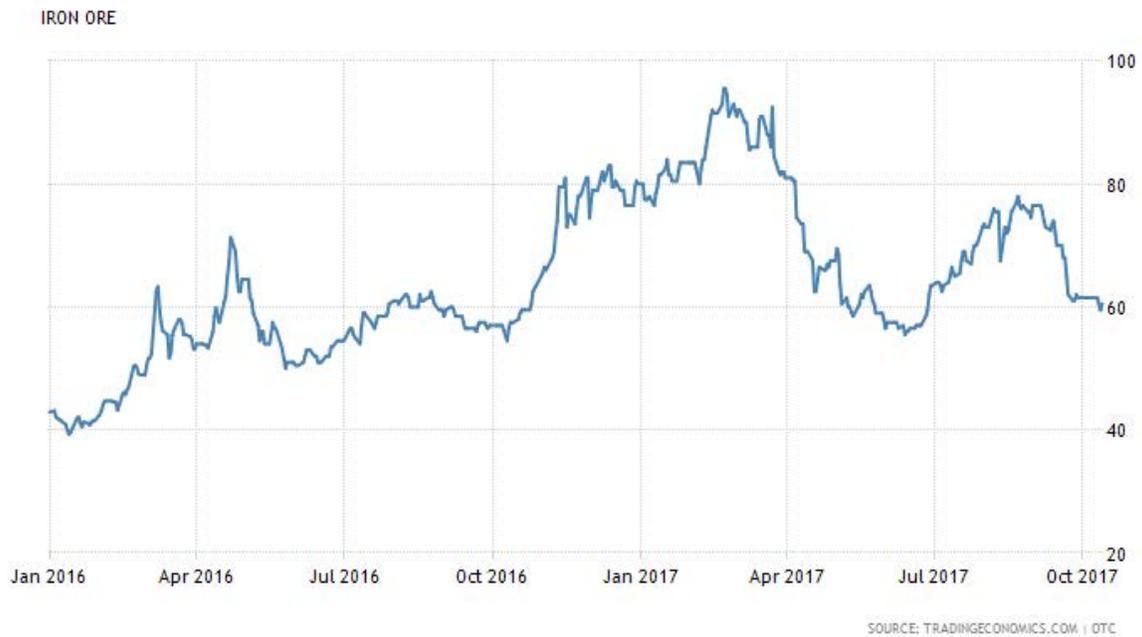


Oil rose about \$2/barrel to \$51.45. A low about \$50 is negative for the oil rig count, so the rig count fell by 5, to 743.

OPEC

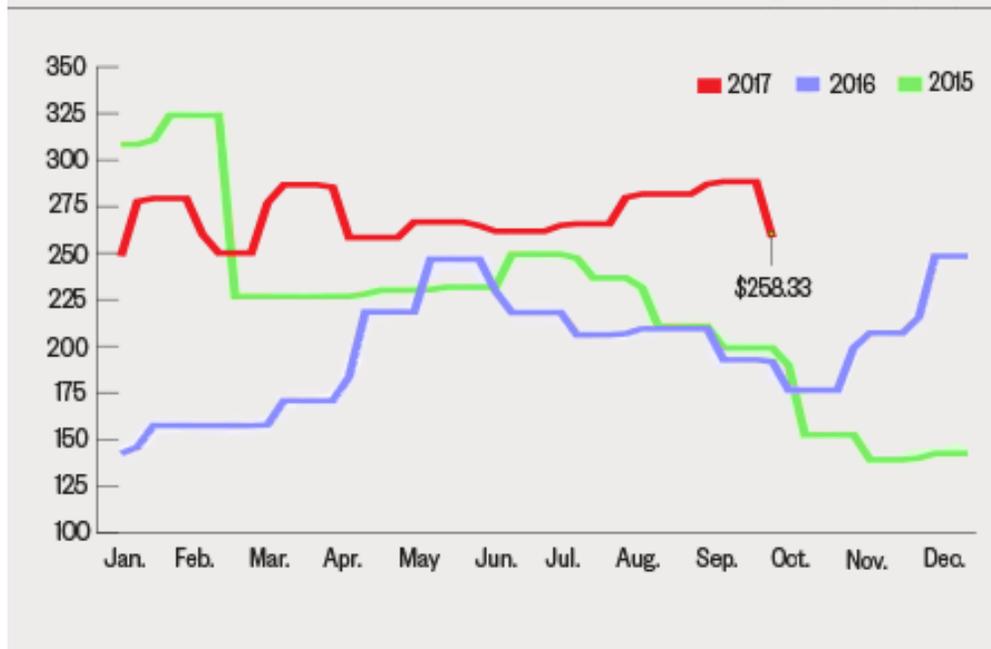


Oil prices are about a third of their 2008 high due to too much supply and fair demand. OPEC has now asked U.S. shale producers to cut oil production to get prices up.



Iron ore fell \$1/MT to \$60.50, as prices stabilized at the lower level it hit in the past couple of months.

#1 Ferrous Steel



Scrap ferrous prices remain lower. With the global economy good, and scrap flows coming into recyclers down, we could see an increase next month.

Hot Dipped Galvanized Coil



Hot dipped galvanized steel remained flat at \$985/ton on steady demand and supply. Prices could remain stable, due to lower raw material costs, yet good demand.

304 Stainless Scrap



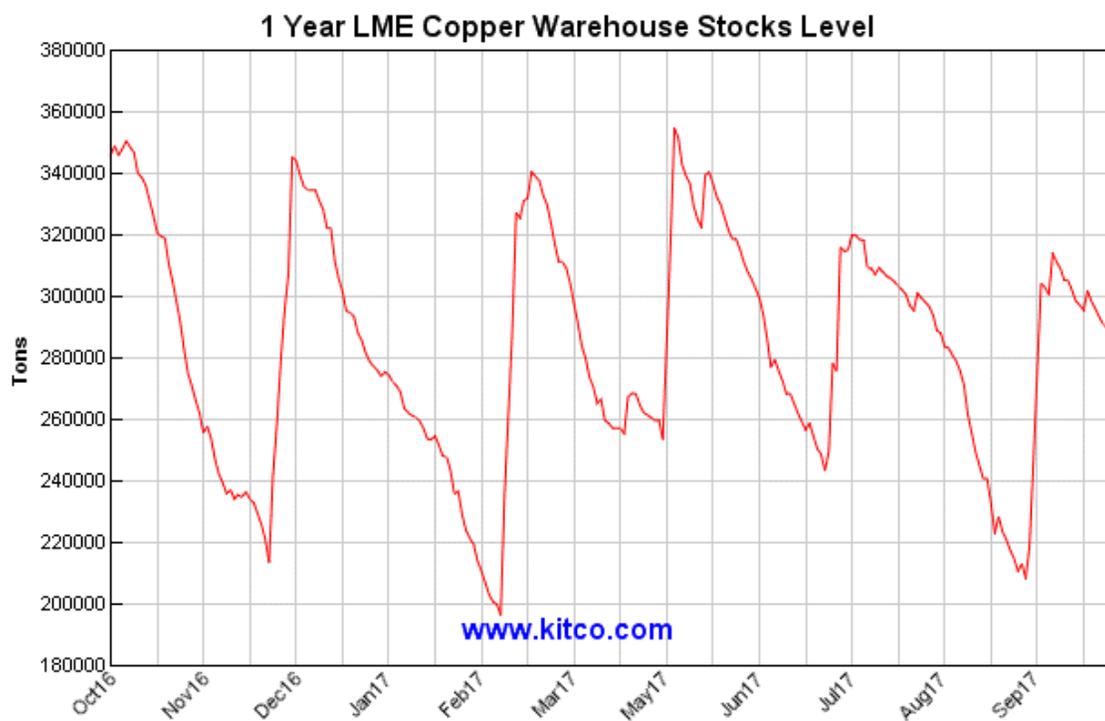
Stainless 304 scrap prices remained steady at 29.5 cents, despite word of upward pressure on prices due to higher nickel prices.



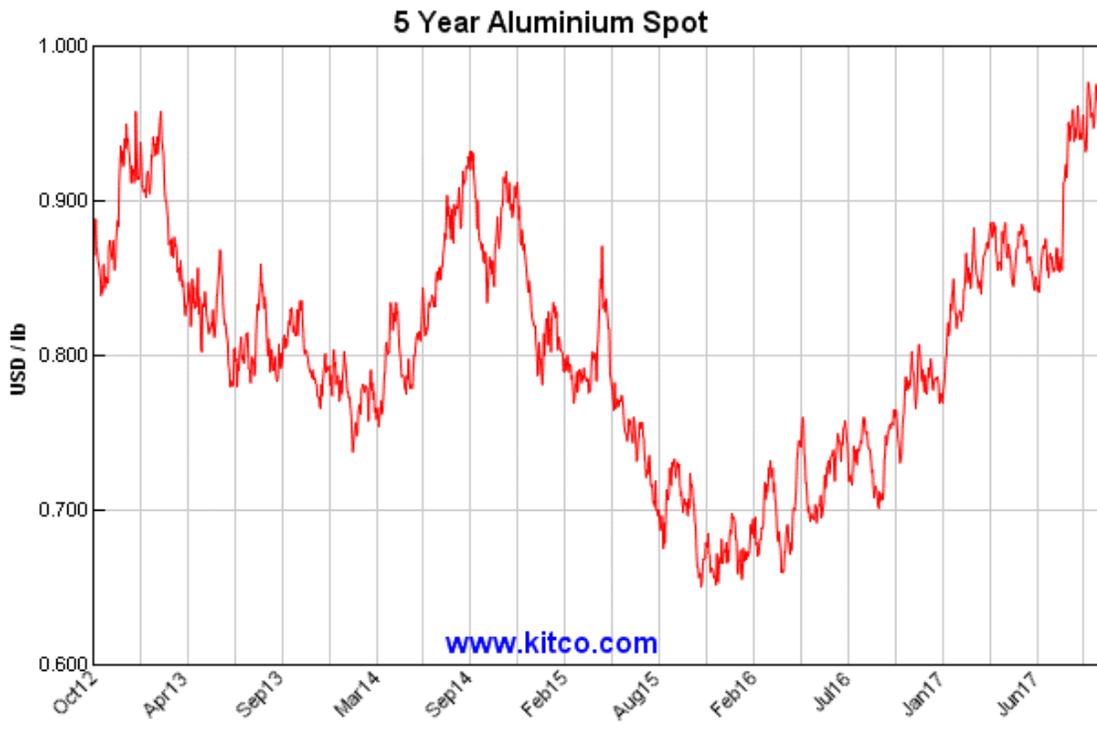
Copper rose 11 cents to \$3.13 as the Chinese came back from their week long holiday. China uses about 50% of all copper in the world. Copper is up a big 9 cents this morning to \$3.22 a new multiyear high.



The 5 year chart shows copper is now near the three year high it hit about a month ago.



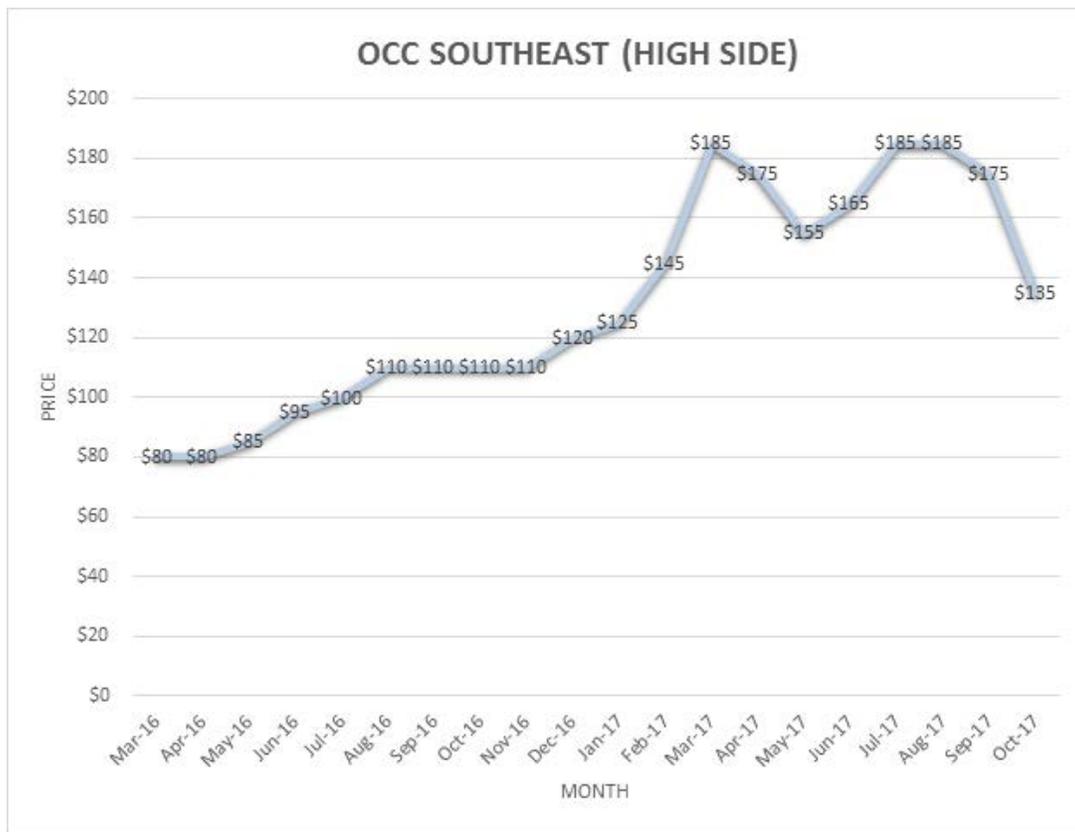
Copper inventories fell again, remaining elevated, keeping downward pressure on prices.



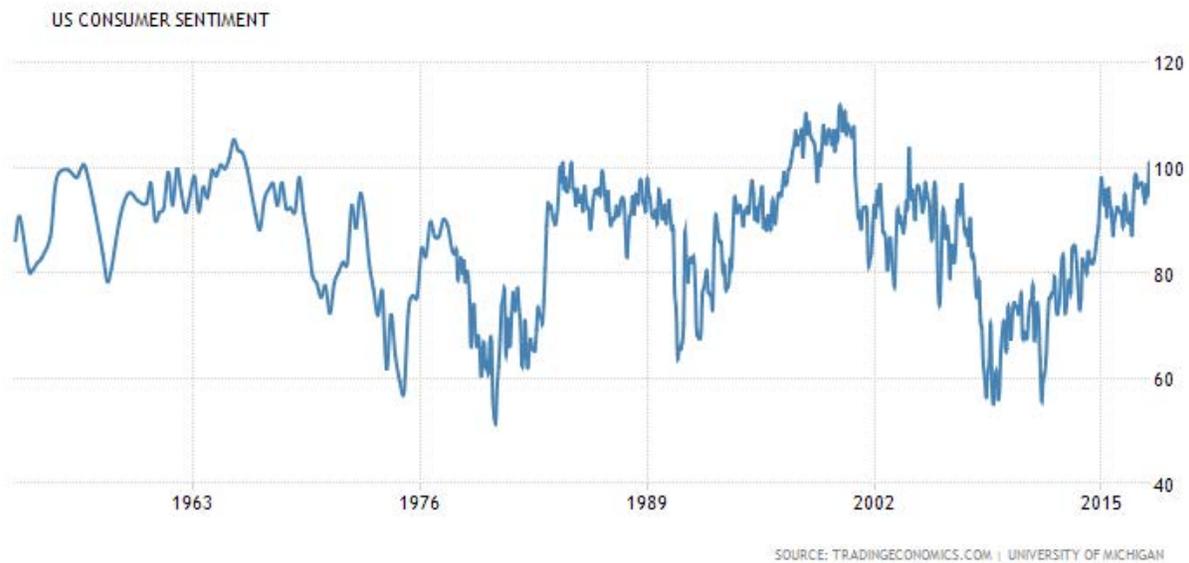
Aluminum fell about a penny to 95.7 cents, but remains near its multiyear high on solid demand.



Aluminum inventories fell to new about 10 year lows on solid demand which is keeping upward pressure on prices.

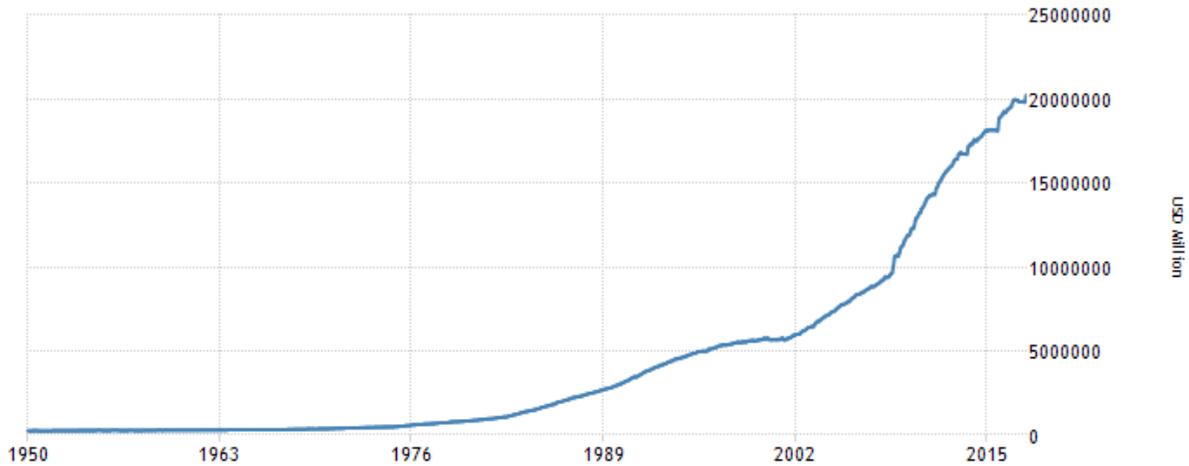


Cardboard fell \$40 a ton as the effect of China’s massive cut back on buying recycled material is causing prices to fall.



October’s U.S. Consumer sentiment rose to 101.1, the highest since Jan 2004, almost 14 years ago, helping make the economic expansion that started in 2009, the second longest since the mid 1800’s more than 100 years ago. Growth should be faster for middle income wages, yet many say 9+ years of growth is great and about as good as it gets.

US GOVERNMENT DEBT



SOURCE: TRADINGECONOMICS.COM | U.S. DEPARTMENT OF THE TREASURY

There is a key reason many people are wealthy and have great homes, great cars, great businesses and we have a strong military, and good, but not great, roads and airports. We have been spending trillions of dollars and simply borrowing the money.

-National Debt is over \$20 Trillion=\$20,373,000,000,000
-Debt Per Person 326 Million in the U.S. is:
\$62,495, so family of 4 Debt is \$249,980

The Federal government owes the equivalent of a

FREE \$249,980 for EVERY family

-Total Debt including State, Local and personal is
about \$68 Trillion=\$67,932,000,000,000
-Debt Per Person 326 Million in U.S.= \$208,389,
so per family 4 is \$833,556

The U.S. Federal deficit is now over \$20 Trillion meaning the National Debt for 326 Million people in the U.S. is \$62,495 per person, meaning a family of 4 owes \$249,980. Therefore the Federal government owes the equivalent of a \$249,980 home for every family. But it is worse. Total Debt including State, Local and personal debt is about \$68 Trillion. This means total Debt for 326 Million is \$208,389 per person, meaning a family of 4 debt is \$833,556. Almost a \$1M house for every family of borrowed money.

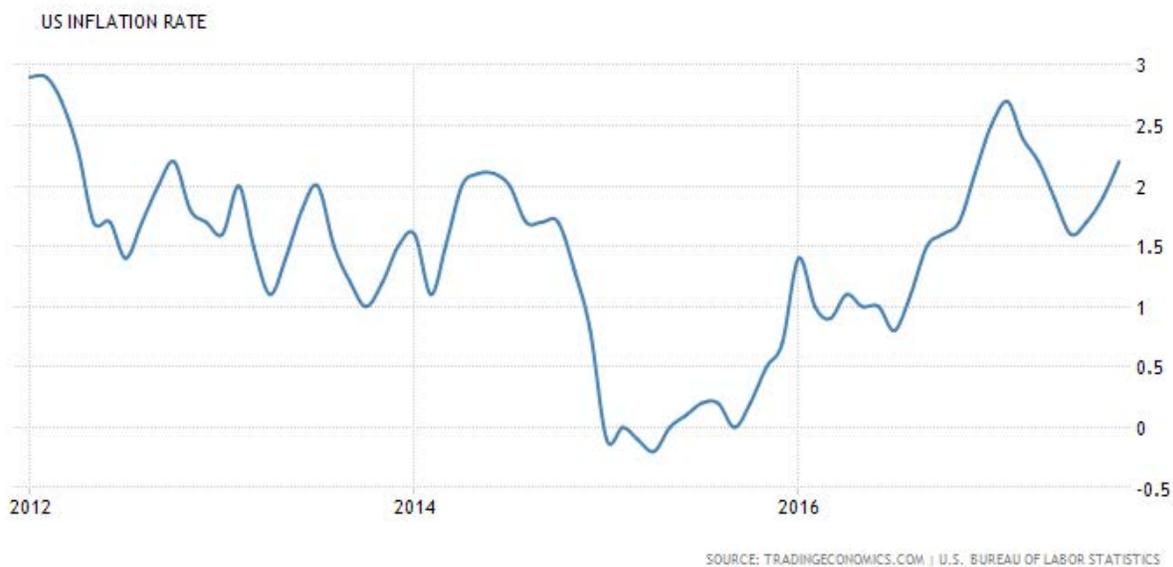
It is easy for many people to feel wealthy.
Each family on average owes \$833,556-Borrowed money

2018 Federal Government will spend \$5,400/family more
than they take in

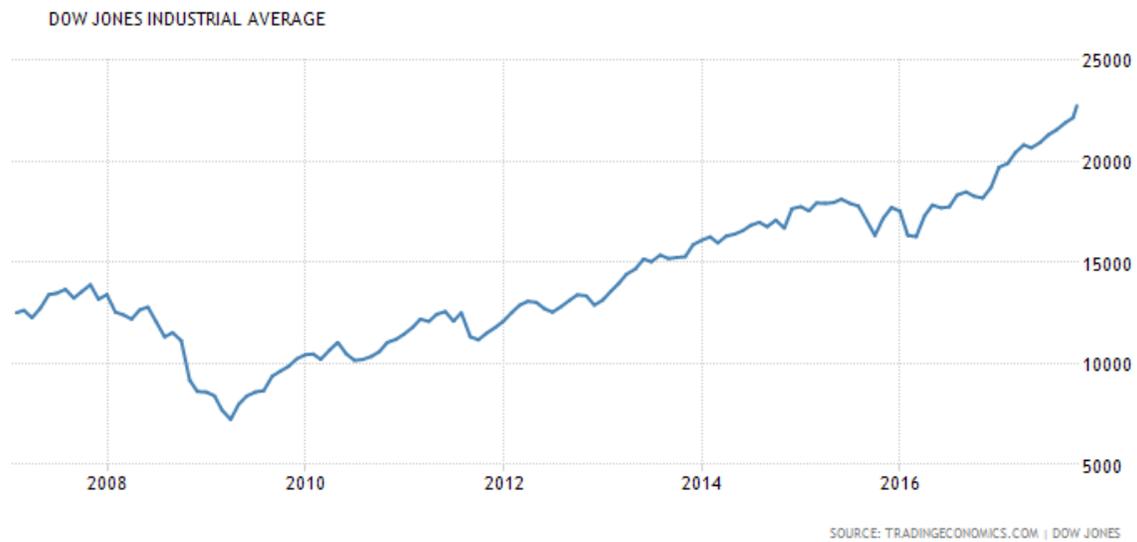
Interest paid by the Federal Government is about
\$300 Billion

The total U.S. Military budget is about \$600 Billion

It is easy for many people to be wealthy. Each family on average owes \$833,556. Money that has been spent on Pensions, the Military, airports and our going out to dinner this past weekend, which is money, not paid in taxes-\$68 Trillion of borrowed money. The economy needs to grow faster and the government needs to spend less. In 2018 Federal Government will spend \$5,400/ family more than they take in. Lastly the interest on the Federal Debt is about \$300B and note the total U.S. defense budget is about \$600B.



U.S. inflation rose 2.2 percent YOY in September. Odds are that will decline next month, due to the key driver was higher energy prices due to hurricane related disruptions.



Wall Street's main indexes all hit new record highs with the DOW up 98 points at 22,872. Spending on major durable goods should see increases due to the incredible wealth creation in this 8.5 year run up in stocks.

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