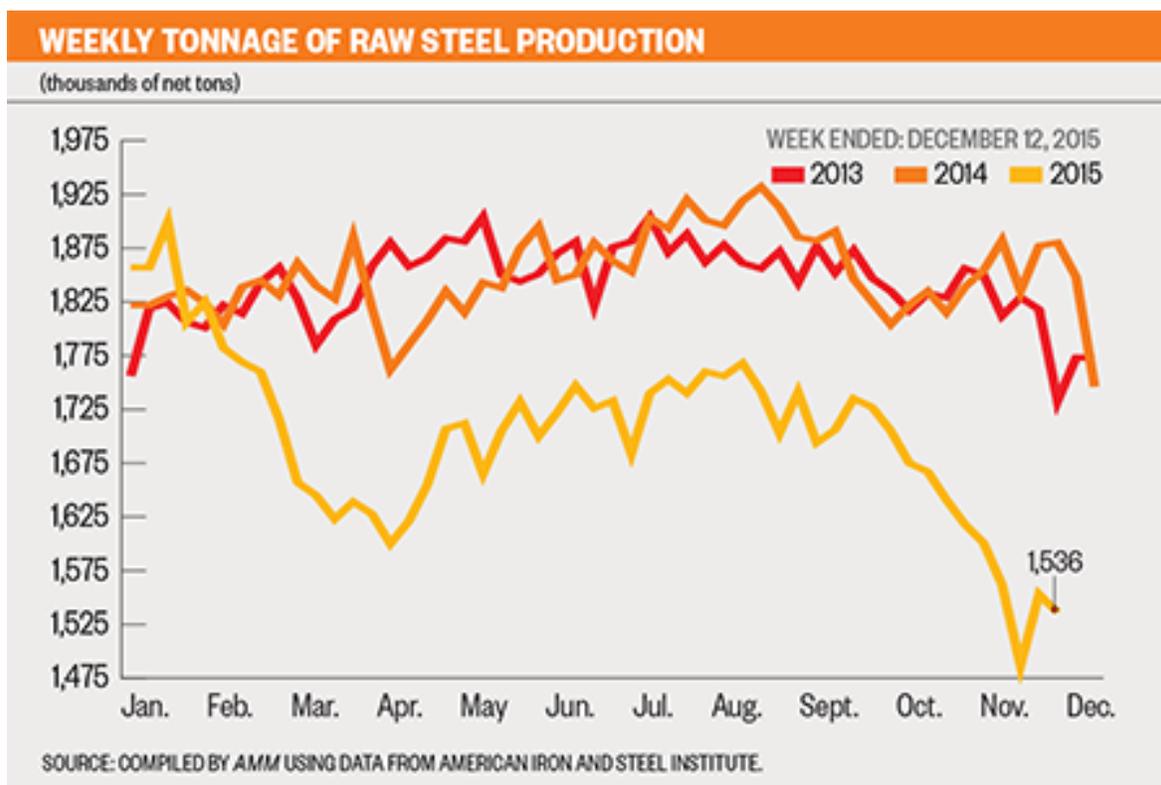


This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off and Open Top Trailers and Raleigh and Goldsboro Metal Recycling, Monday Dec 21st, 2015.

In this report, prices continued to stabilize, with some upward pressure continuing on steel pricing and two steel mills with scrap operations received a Buy rating on Wall Street.



Steel production in the U.S. dropped a bit in the last reporting week. With a reduction of imports and U.S. continued slow growth, we can only hope production goes up from here.

STEEL OUTPUT					
Week ended	Net tons in thousands	Capacity utilization	Week ended	Net tons in thousands	Capacity utilization
Jan. 3	1,857	77.2	Aug. 15	1,768	73.9
Jan. 10	1,899	79.0	Aug. 22	1,742	72.9
Jan. 17	1,806	75.1	Aug. 29	1,703	71.2
Jan. 24	1,825	75.9	Sept. 5	1,741	72.8
Jan. 31	1,782	75.4	Sept. 12	1,694	70.9
Feb. 7	1,769	74.8	Sept. 19	1,706	71.4
Feb. 14	1,760	74.4	Sept. 26	1,735	72.6
Feb. 21	1,716	72.6	Oct. 3	1,727	72.2
Feb. 28	1,657	70.1	Oct. 10	1,705	71.3
March 7	1,645	69.6	Oct. 17	1,675	70.1
March 14	1,623	68.7	Oct. 24	1,667	69.7
March 21	1,639	69.3	Oct. 31	1,641	68.6
March 28	1,628	68.9	Nov. 7	1,618	67.7
April 4	1,600	67.7	Nov. 14	1,601	67.0
April 11	1,621	68.6	Nov. 21	1,562	65.3
April 18	1,655	70.0	Nov. 28	1,487	62.2
April 25	1,707	72.2	Dec. 5	1,553	65.0
May 2	1,712	72.4	Dec. 12	1,536	64.2
May 9	1,665	70.4	Year to date*	83,864	71.4
May 16	1,705	72.1	Year ago to date*	92,117	77.5
May 23	1,732	73.3	* Reflects AISI adjustments.		
May 30	1,700	71.9			
June 6	1,722	72.8			
June 13	1,747	73.9			
June 20	1,726	73.0			
June 27	1,733	73.3			
July 4	1,684	71.2			
July 11	1,740	72.8			
July 18	1,753	73.3			
July 25	1,740	72.8			
Aug. 1	1,760	73.6			
Aug. 8	1,756	73.4			

STEEL PRODUCTION BY DISTRICTS			
(in thousands of net tons)			
	Dec. 12	Dec. 5	Nov. 28
Northeast	192	193	196
Great Lakes	547	575	576
Midwest	217	196	191
Southern	506	513	450
Western	74	76	74
Total	1,536	1,553	1,487

Source: American Iron and Steel Institute.

With that said, at the current 64.2 percent steel mill Utilization rate, mills are having a tough time remaining profitable. In January, 11 months ago, rates were closer to 77%, 20% higher.

US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

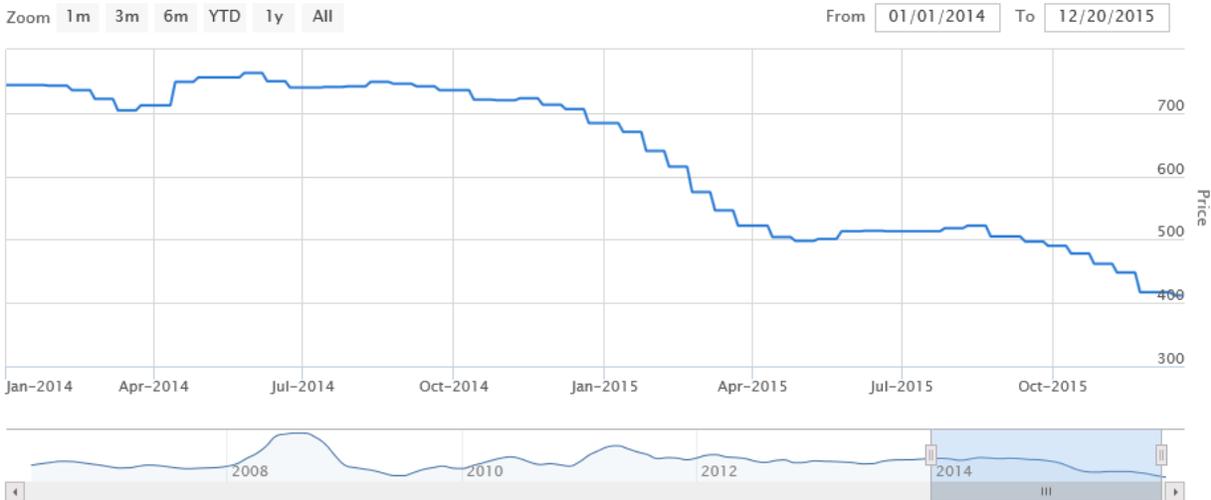
While tough to see on this chart, the oil rig count actually came up a bit last week, but we expect the count to continue to drop as oil prices remain weak, therefore less steel will be needed for these rigs.

With that scrap prices remain low, but as said earlier there is upward pressure on prices. Importantly, last week Nucor announced they will not restart their DRI plant in Louisiana, until scrap prices improve from current depressed levels.

DRI, Direct Reduction Iron, is a scrap steel substitute. This shutdown will put upward pressure on scrap metal prices as more ferrous scrap will be needed for Nucor's steel mills.

This action will have a positive effect on Nucor's recycling division, as well as a positive effect on other recyclers, scrap collectors and manufacturing companies that generate scrap ferrous metal, but it will put margin pressure on steel mills.

East of Mississippi, Hot Roll \$/Metric Ton



This new graph for us shows Hot roll steel prices at multi year lows. This should be up in the next reporting week based on price increases we have been reporting.

90 Day Copper

COMEX:HGH2016 O:2.1190 H:2.1440 L:2.1020 C:2.1390



Copper dropped all week, but had a nice up tick at the end of the week with no new news.

5 Year Copper

COMEX:HGH2016, M 2.1380 ▲ +0.0255 (+1.21%) O:2.0475 H:2.1440 L:2.0255 C:2.1380



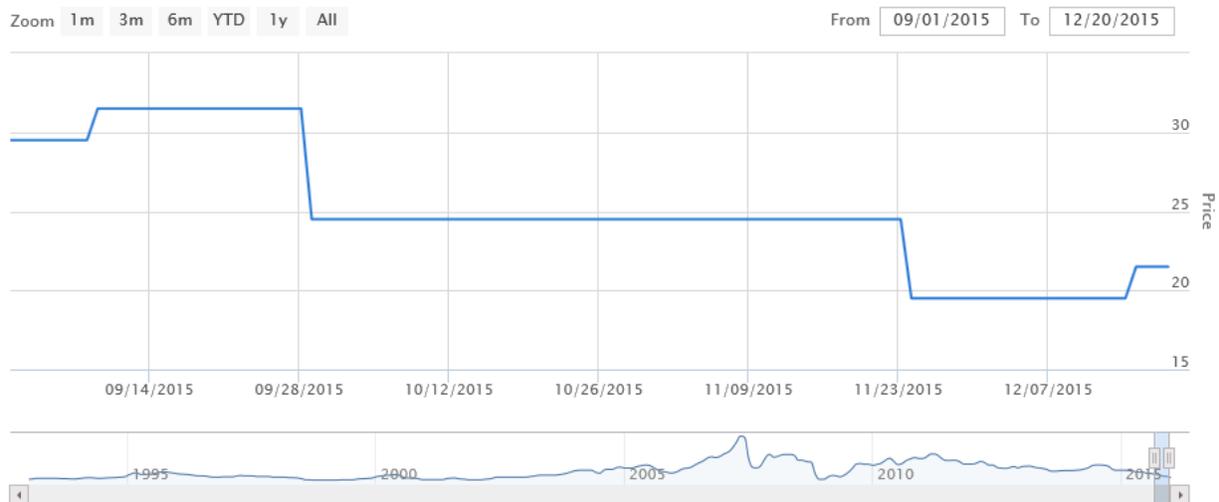
 **CME Group**
Powered by TradingView.com

Yet despite the uptick, copper remains near the 6+ year lows.



yet it too is near 6+ year lows.

60 Day Stainless 304 Dealer Buying Prices



As for another new graph for us, 304 Stainless steel came up a bit last week.

5 Year Stainless 304 Dealer Buying Prices



This chart going back over 5 years shows Stainless is near 6+ year lows and it shows prices were almost 4 times higher in 2011.

Sadly, yet another NC scrap operation closed last week as scrap prices have dramatically slowed incoming scrap at the retail level.

As for a big positive, Nomura Securities, a major Wall Street firm, came out with a buy rating on both Nucor and Steel Dynamics. Related, while Steel Dynamics released some negative news last week, they also announced they will finish the year with record liquidity.

This is very impressive on the part of the Steel Dynamics and the OmniSource management teams, considering as stated last week, the

largest scrap metal company in Chicago, closed due to they ran out of money.

On another positive gasoline was \$1.39 per gallon last Friday in Garden City, Kansas and natural gas hit 13 year lows, a great thing for consumers.

Lastly, our best wishes go out to Will Simons Senior, who continues to recuperate from his terrible accident and we wish all a very Merry Christmas. We will be taking next week off from this report, so we will see you next year.

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