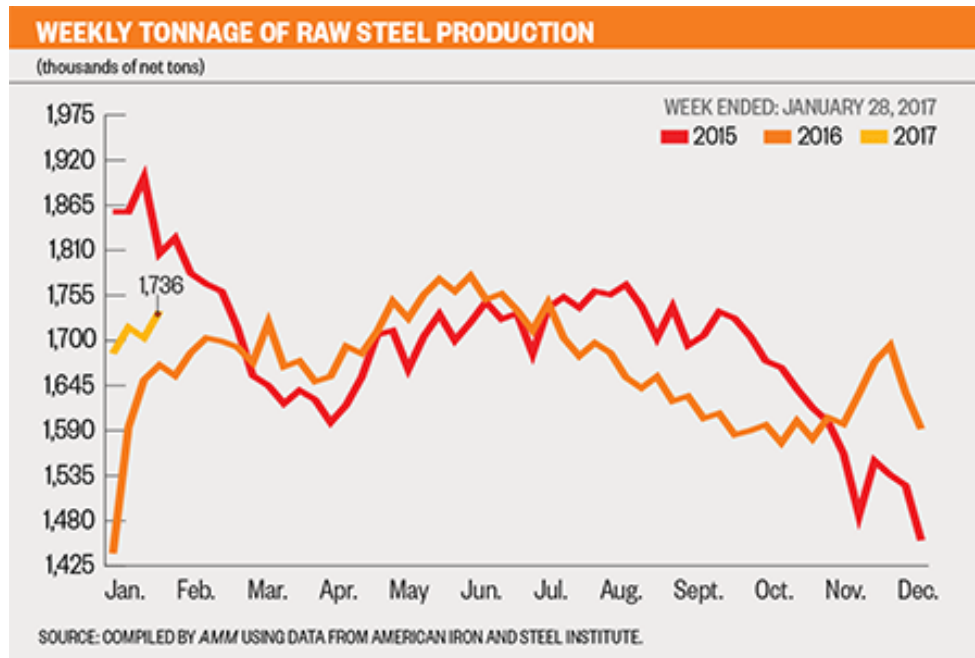


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, February 6, 2017.

Due to scheduling issues, this is a special remote report.

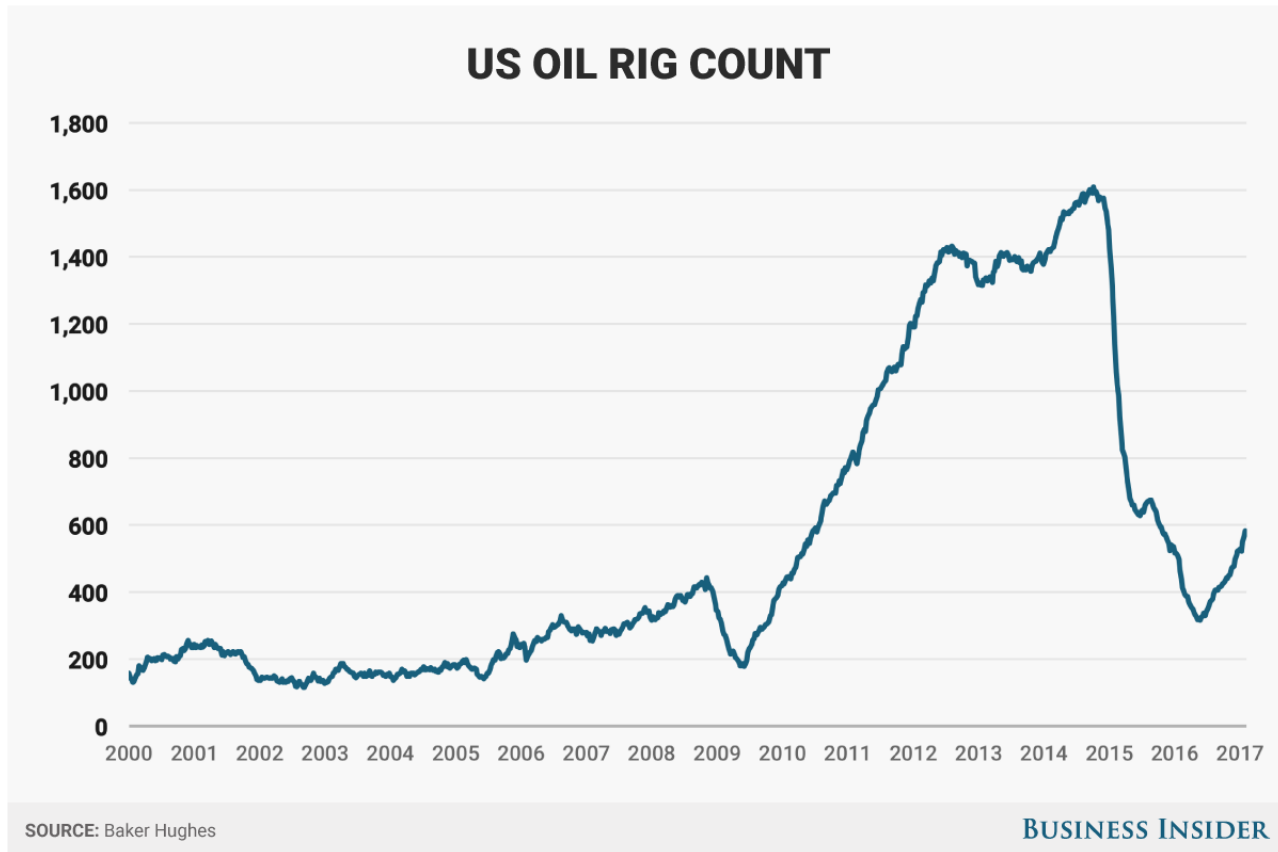
Last week commodity prices were steady to down, while there were a number of positive economic reports.



Looking at the left of this chart, U.S. steel production hit new 7 month highs, driven by good automotive production and strong construction.



Oil rose a dollar to \$54/barrel, remaining at double the price of a year ago. This continues to have a positive effect on oil related jobs and is helping stabilize commodity prices.



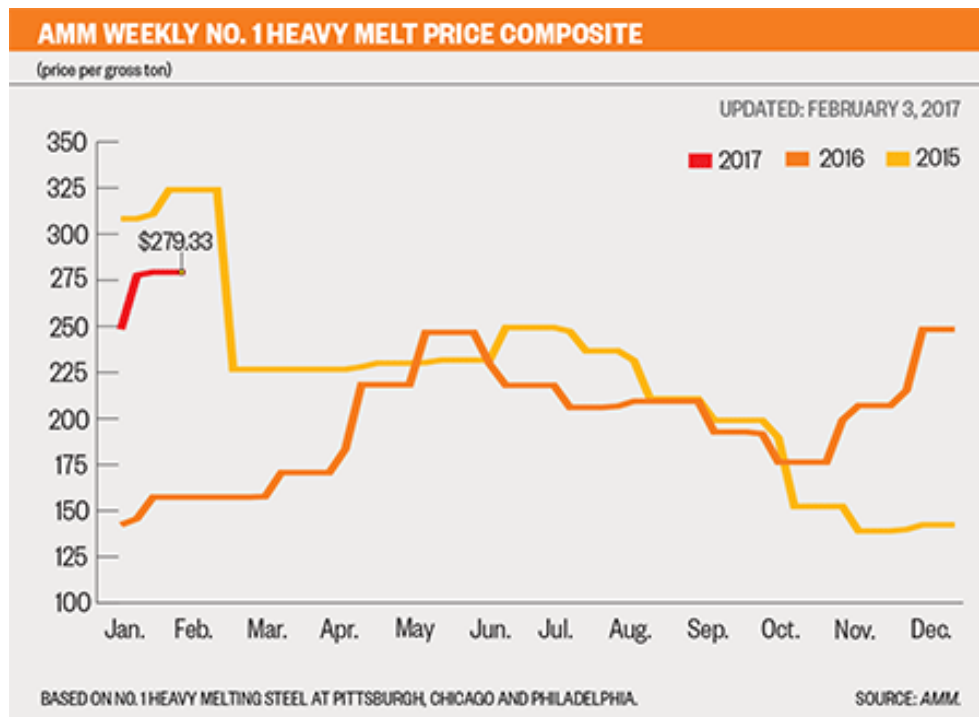
Higher prices are bring more rigs on line. The current 583 rigs is now a huge 84% over the 316 low of about a year ago. Importantly though the rig count is still only about 1/3, yes 1/3 third of what it was about two years ago.

IRON ORE



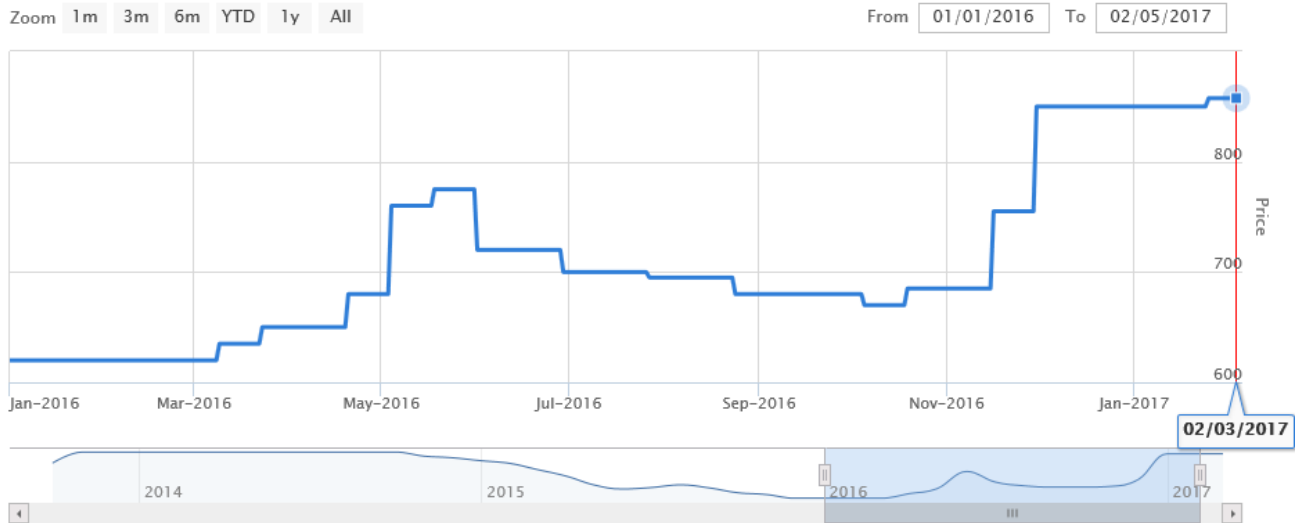
SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore ended flat at \$83.50 MT. Like oil it is more than double the \$37 that it fell to about 14 months ago.



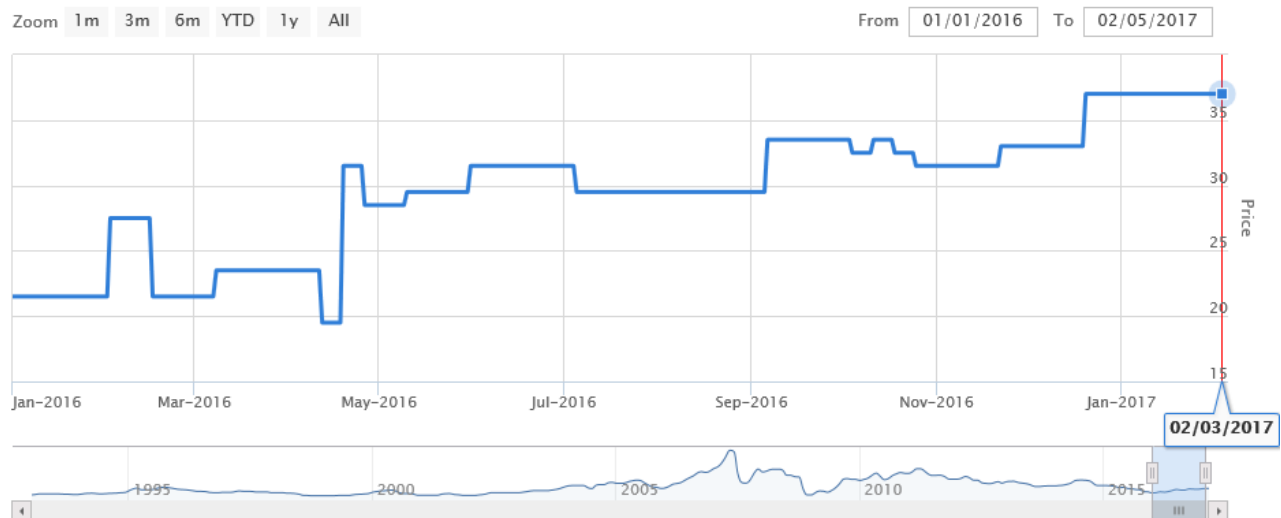
On the left we see scrap ferrous prices remained steady, but part of the U.S. started selling material down \$10-\$25/GT last week. Good demand seems to be offsetting the strong push down that some predicted. Dropping more than \$25/GT could still be possible in some areas.

Hot Dipped Galvanized Coil



Hot dipped galvanized steel held at \$858/MT based on good demand, continued higher scrap and iron ore prices. This month's lower scrap prices, should support price stabilization.

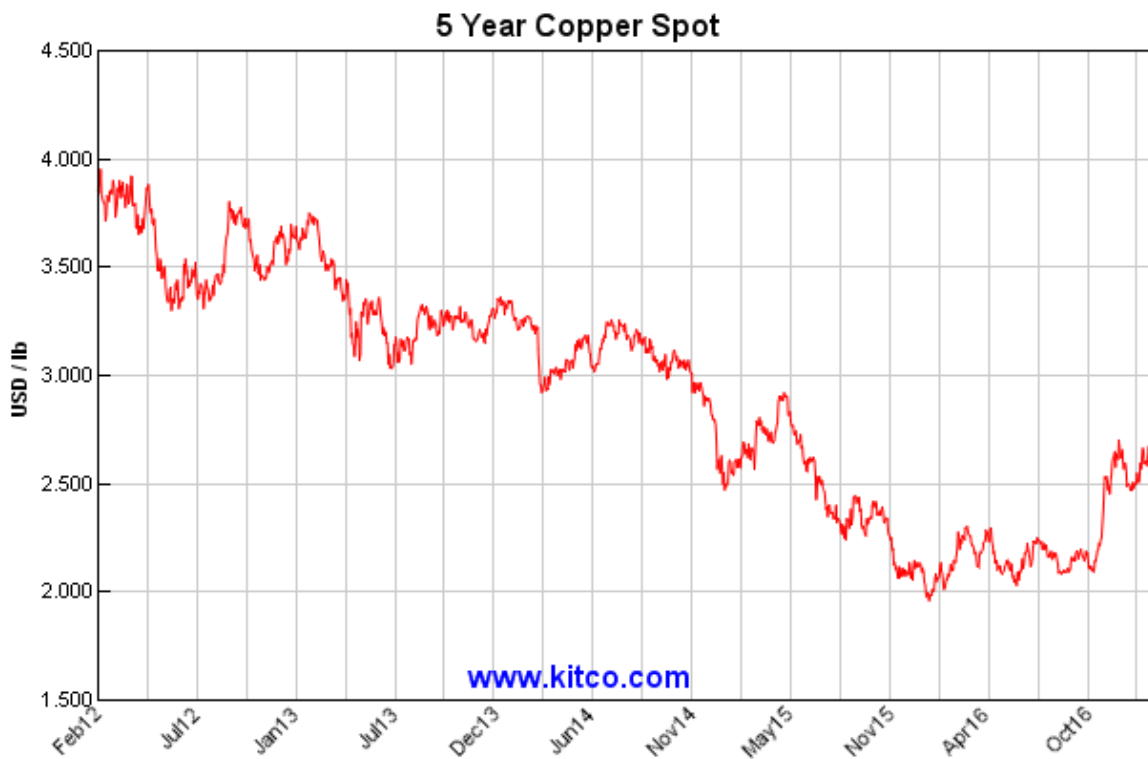
304 Stainless Scrap



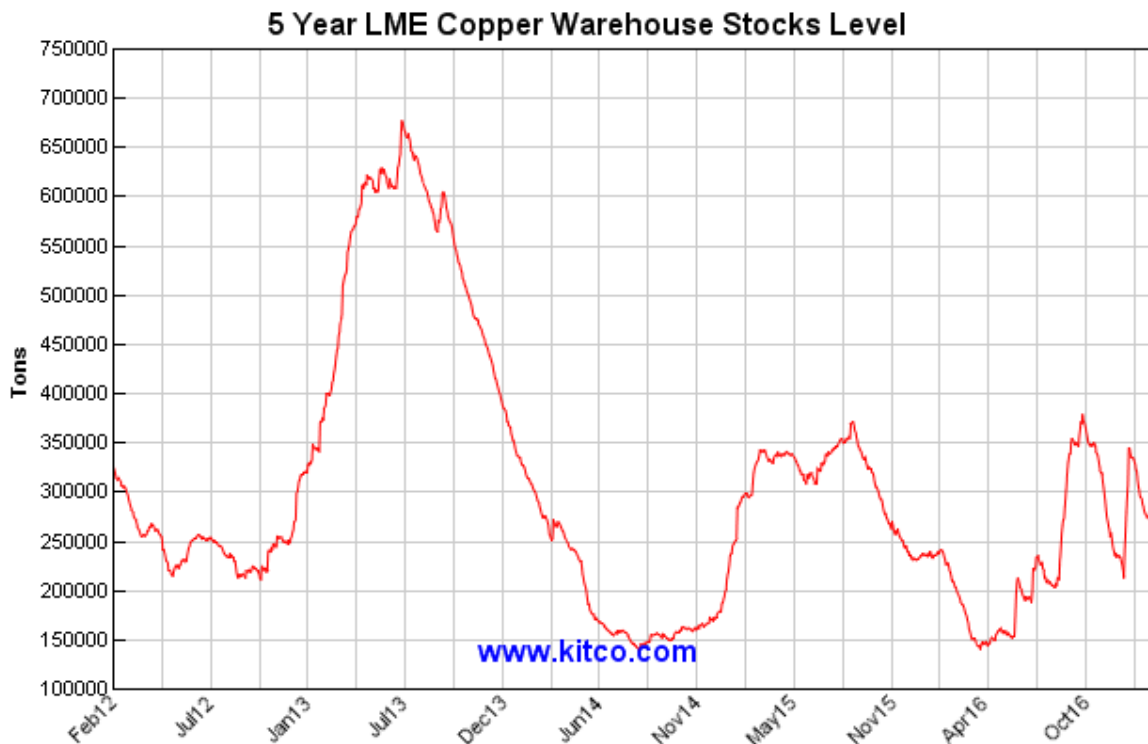
Stainless 304 scrap yet again held at 36 cents showing many weeks of stability.



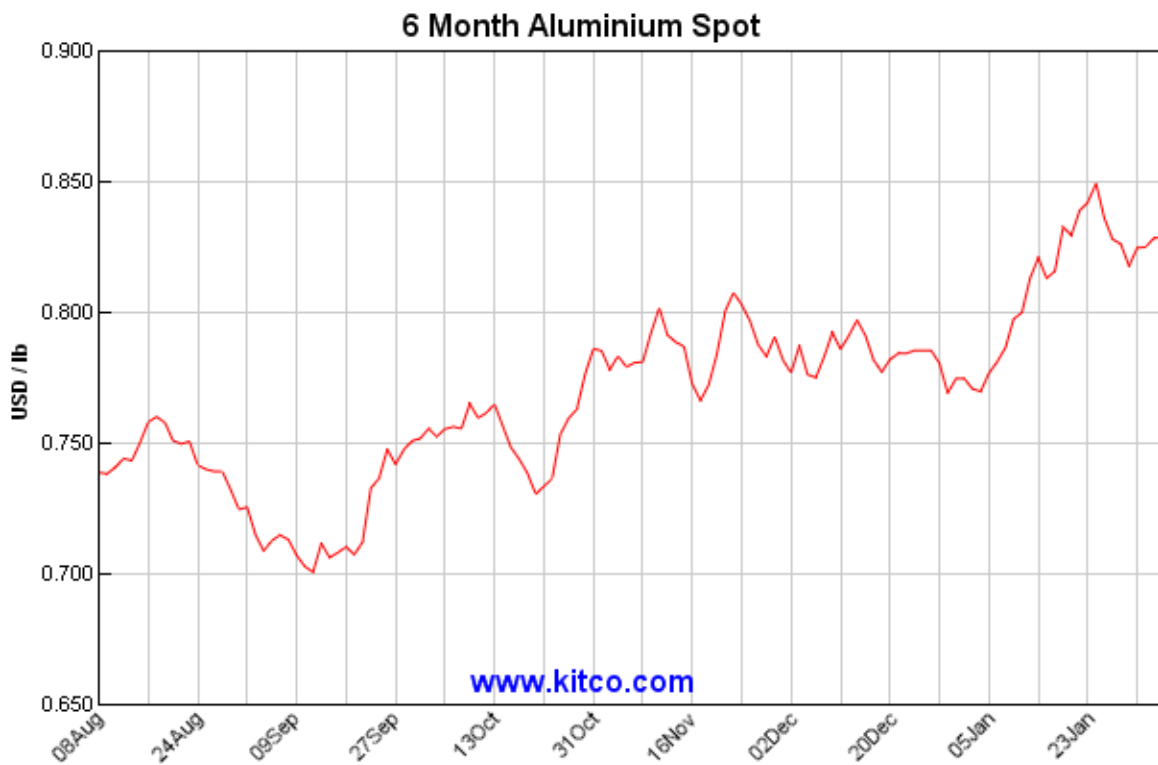
Copper fell 8 cents to a bit over \$2.61/lb., but is up to \$2.63 this morning. Spreads are higher as transaction prices remain good, but not as strong as the index.



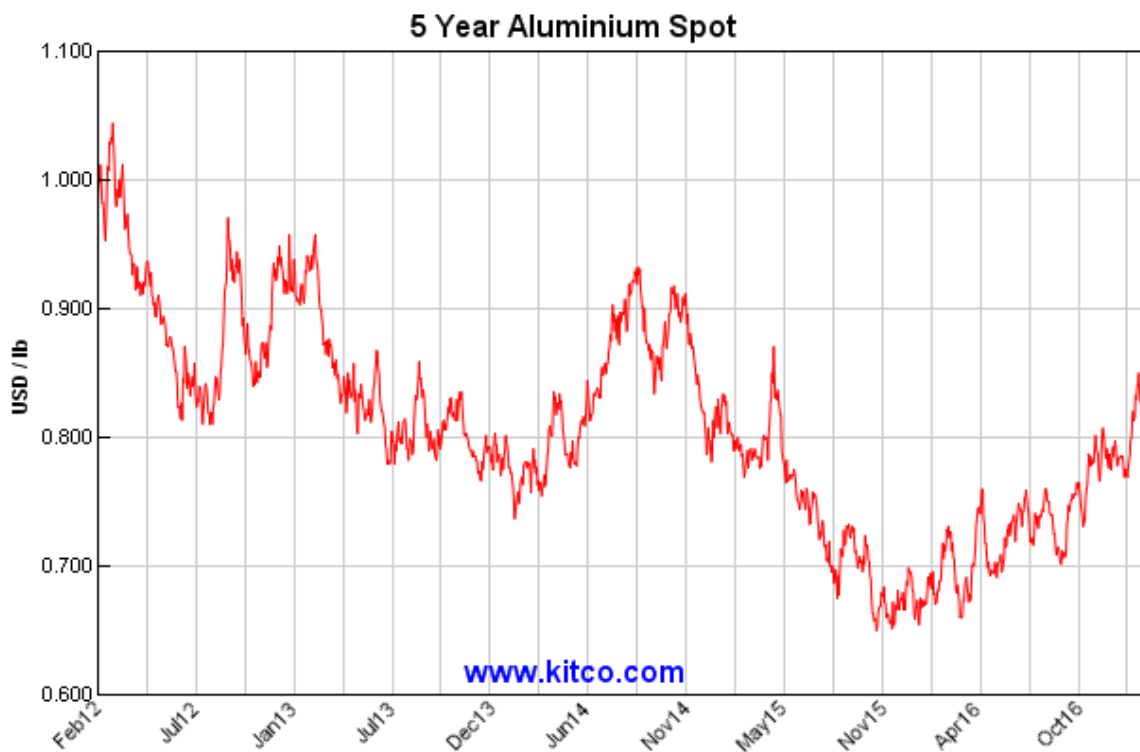
Note that copper prices remain near 18 month highs, looking at the 5 year chart.



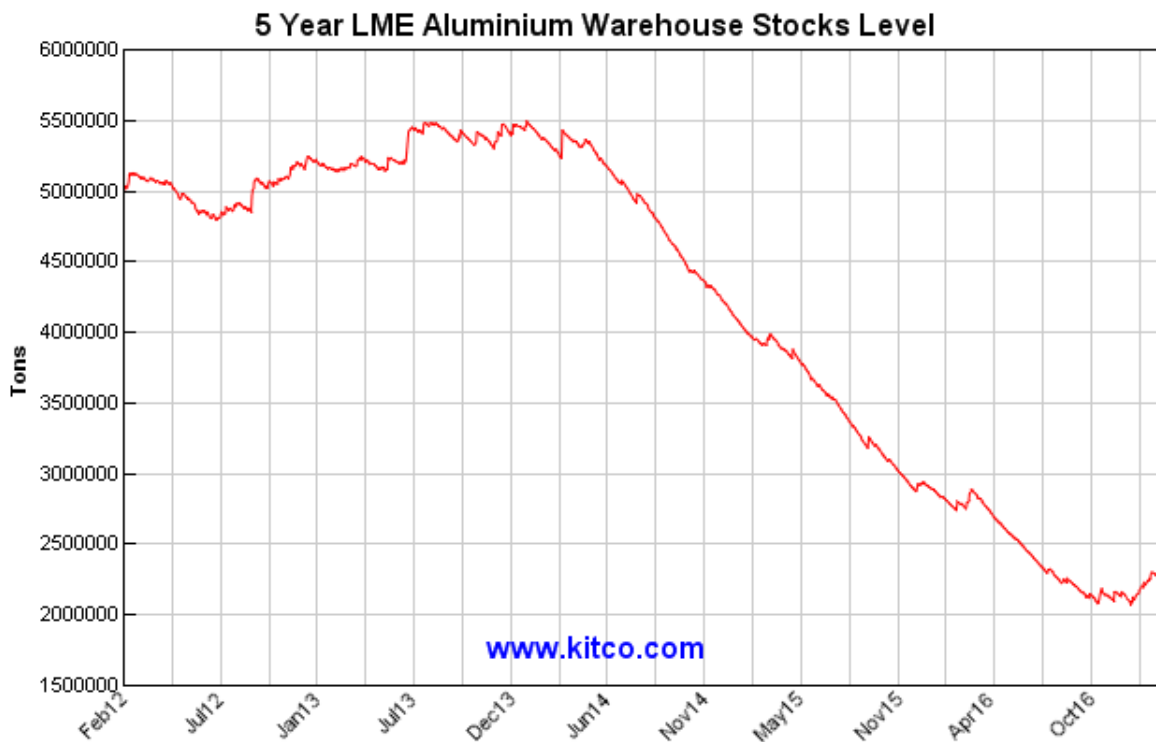
Copper inventories have been falling in recent weeks, which should help stabilize prices, despite the major run up.



Aluminum was flat for the week at \$.83/lb., on no major news, other than good overall economics.



Aluminum like copper remains close to 18 months highs, when looking at its 5 year chart.



Aluminum inventory levels have stayed in a small band for a couple of months, which are near 9 year lows, supporting stable to higher prices.



China which produces more the half the world's steel and consumes half the world's copper, continues its slow manufacturing growth for the past 6 months with their PMI, Purchasing managers index, at 51.3 in January. Over 50 is expansion, so this is the 6th straight month over 50, driven by higher exports and business expectations.

US Manufacturing PMI

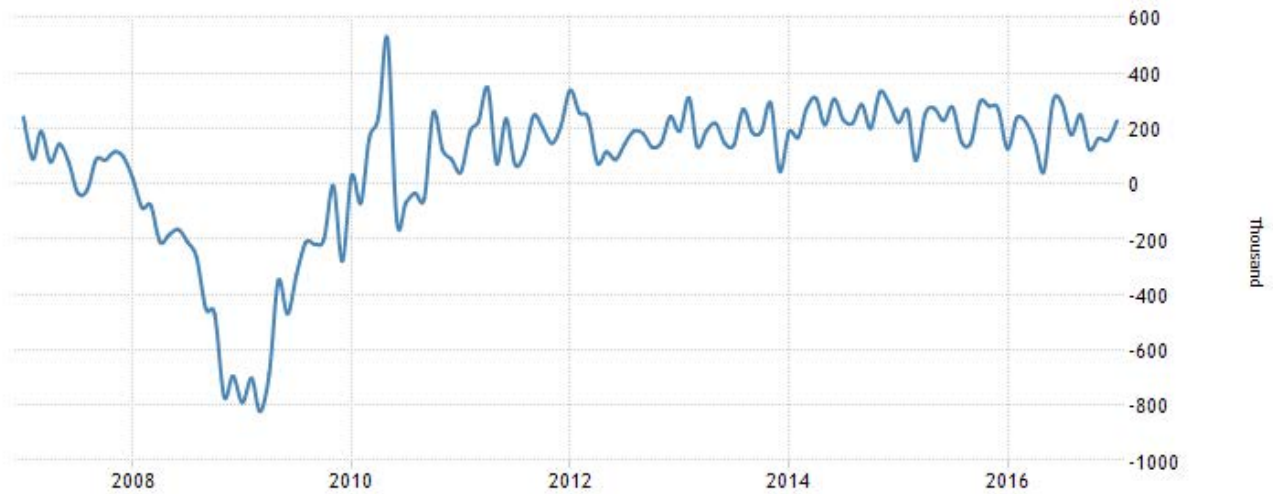


The U.S. manufacturing PMI was 55 in January, the highest reading in about a year, which is great economic news, driven by robust output and new order growth.



The U.S. unemployed rate rose a bit last month to 4.8%, but as we have seen that is far from the full story.

US NON FARM PAYROLLS



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF LABOR STATISTICS

Total U.S. employment, hit a new all-time as 227,000 jobs were created in January. Ever since stimulus programs were put in place in 2009, there has been steady U.S. job creation.



9.4 percent unemployment might be a better number to use. This includes part time workers that want full time jobs and discouraged workers. This was over 17% in 2009, so it is much better today.

US TOTAL VEHICLE SALES



U.S. Vehicle sales which hit another all-time record in 2016, after a record 2015, fell a bit to an annualized rate of 17.6 million in January. On the positive side, a higher percentage of vehicles are larger more profitable crossovers and trucks, vs. less profitable cars. Ford's F150, all aluminum truck body remains the #1 selling car or truck in America.

With that we hope all have a Safe and Profitable week.