

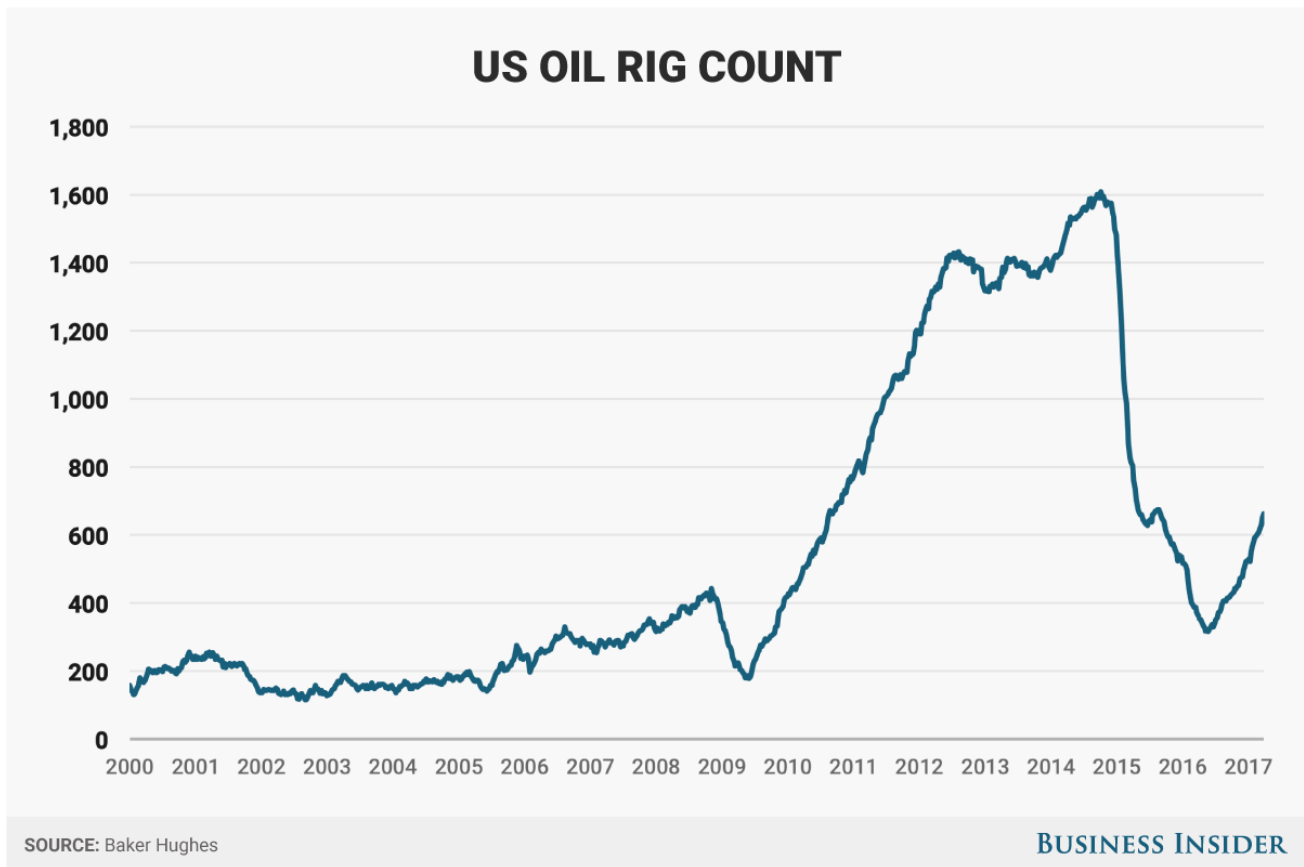
This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, April 3rd, 2017.

This is Ron Ostrowski reporting, due to Greg Brown is on his way back from India.

Last week commodity prices and economic reports were mixed.



Oil rose \$3 to \$51/barrel, almost double the \$27 of last year. The U.S. continues to ramp up drilling and pumping, as OPEC has mostly lost control of prices. Unless there is a major disruption, oil could stay below about \$60 for years.



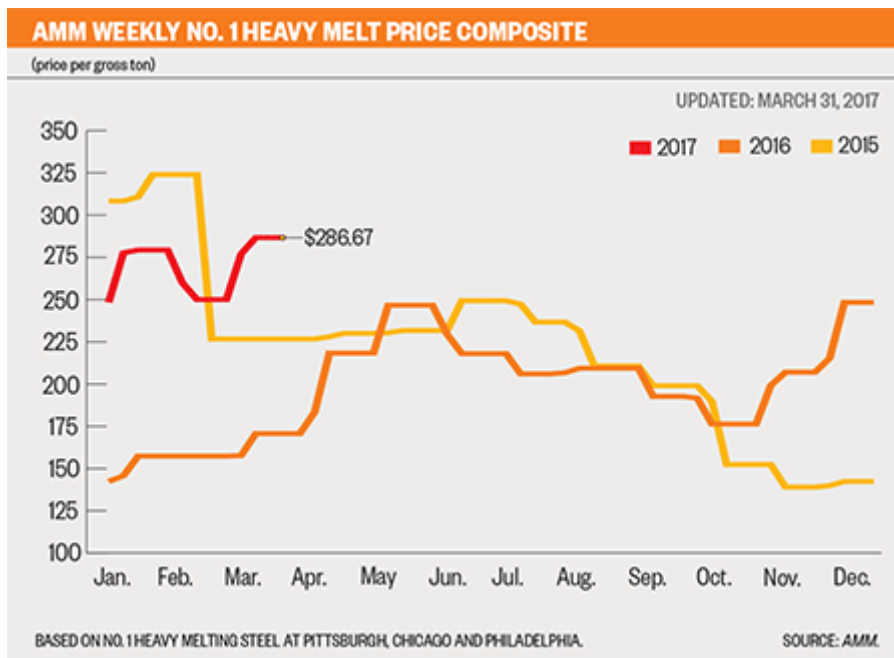
Oil rigs rose to 662, more than double about 14 months ago and the highest level in a year and a half, helping stabilize commodity prices and this remains great news for jobs. Note the rig count is still down about 59% from two years ago meaning great upside.

IRON ORE



SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore fell \$3/MT to \$81, a multi week low. 2016's dramatic run up is adjusting to the reality of a low growth market.



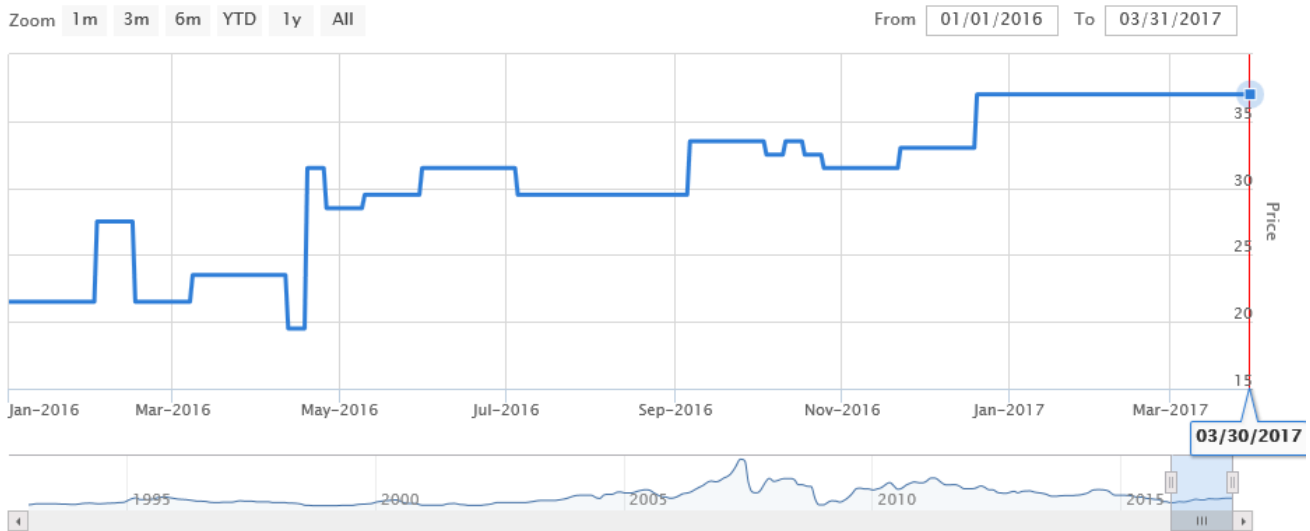
Scrap ferrous prices remained steady. Prices will be down in April, with no clear indication as to how much. Importantly though, the U.S., Europe and Asia are all growing.

Hot Dipped Galvanized Coil



Hot dipped galvanized steel held at \$908/MT, on good volume. Rebar prices have fallen in recent days, due to low cost imports.

304 Stainless Scrap

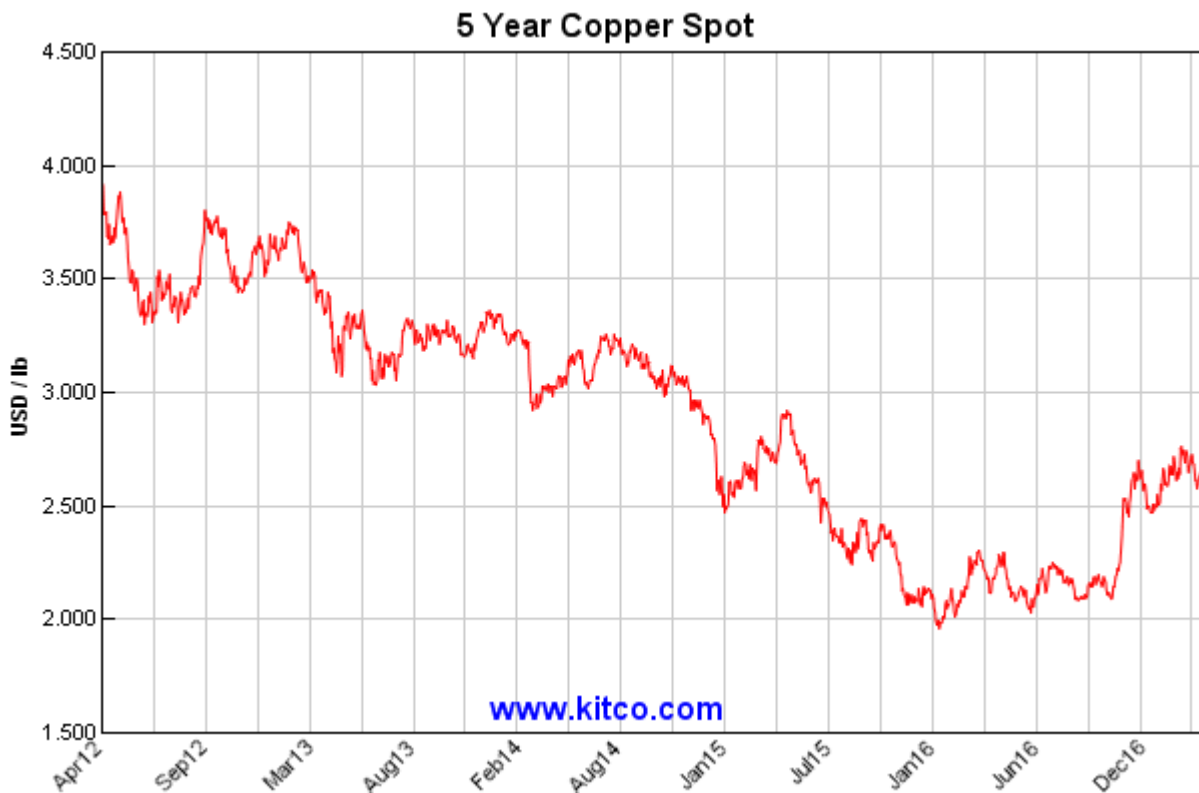


For months stainless 304 scrap has remained steady at 37 cents/lb., on no news.

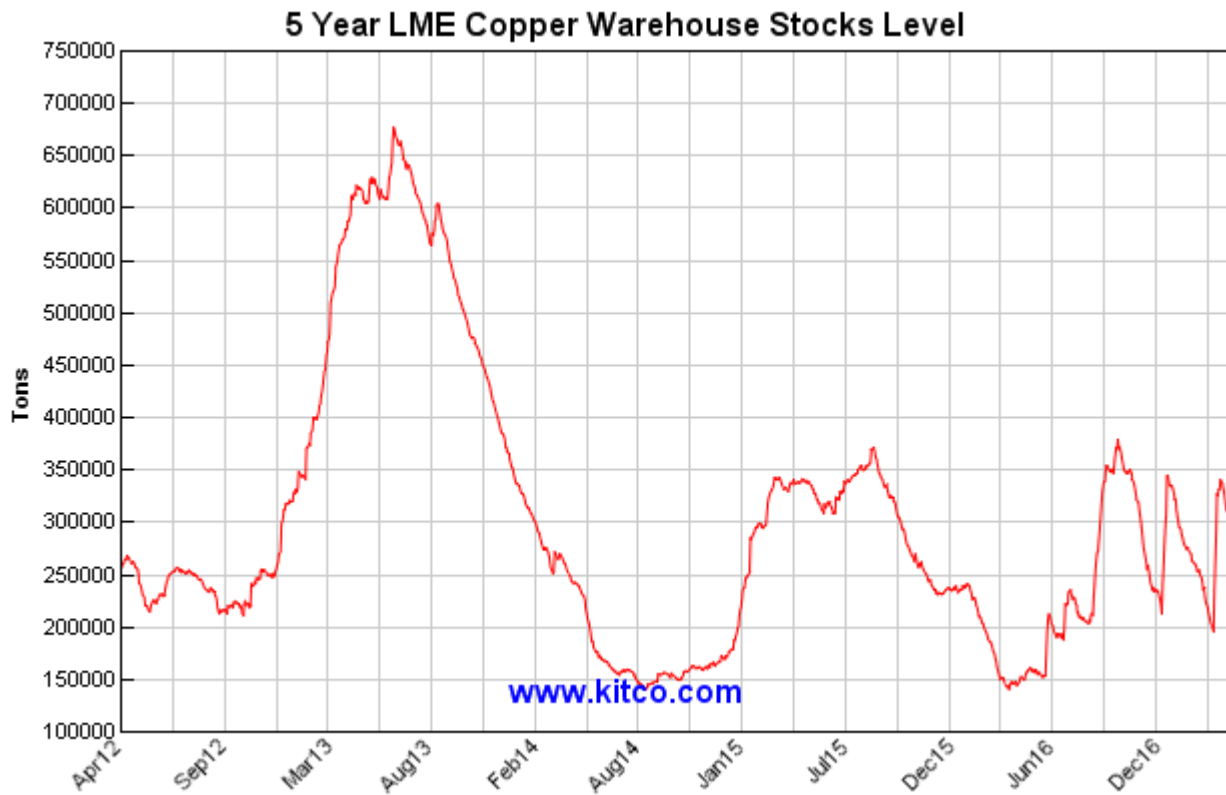


Created with TradingView

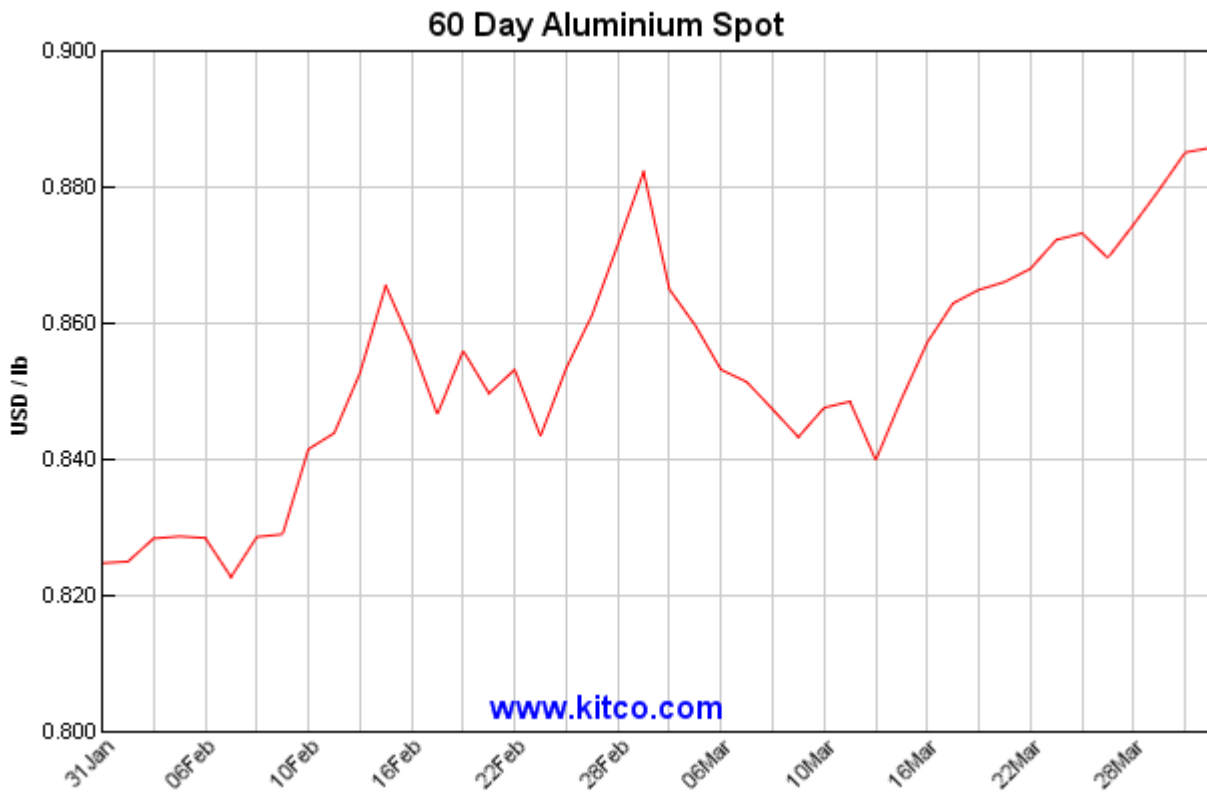
Copper rose 3 cents to \$2.66/lb., with continued slow growth and a weak U.S. dollar being factors,



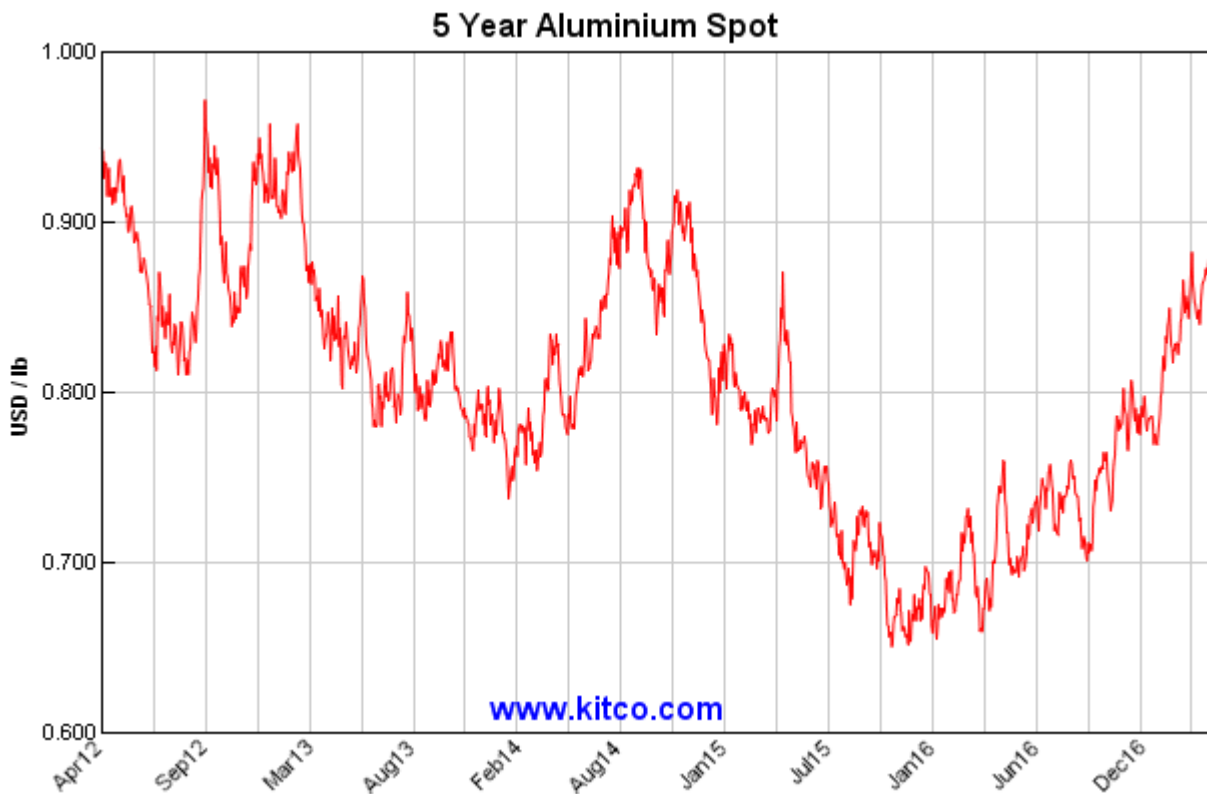
and the 5 year chart shows we remain near about two year highs.



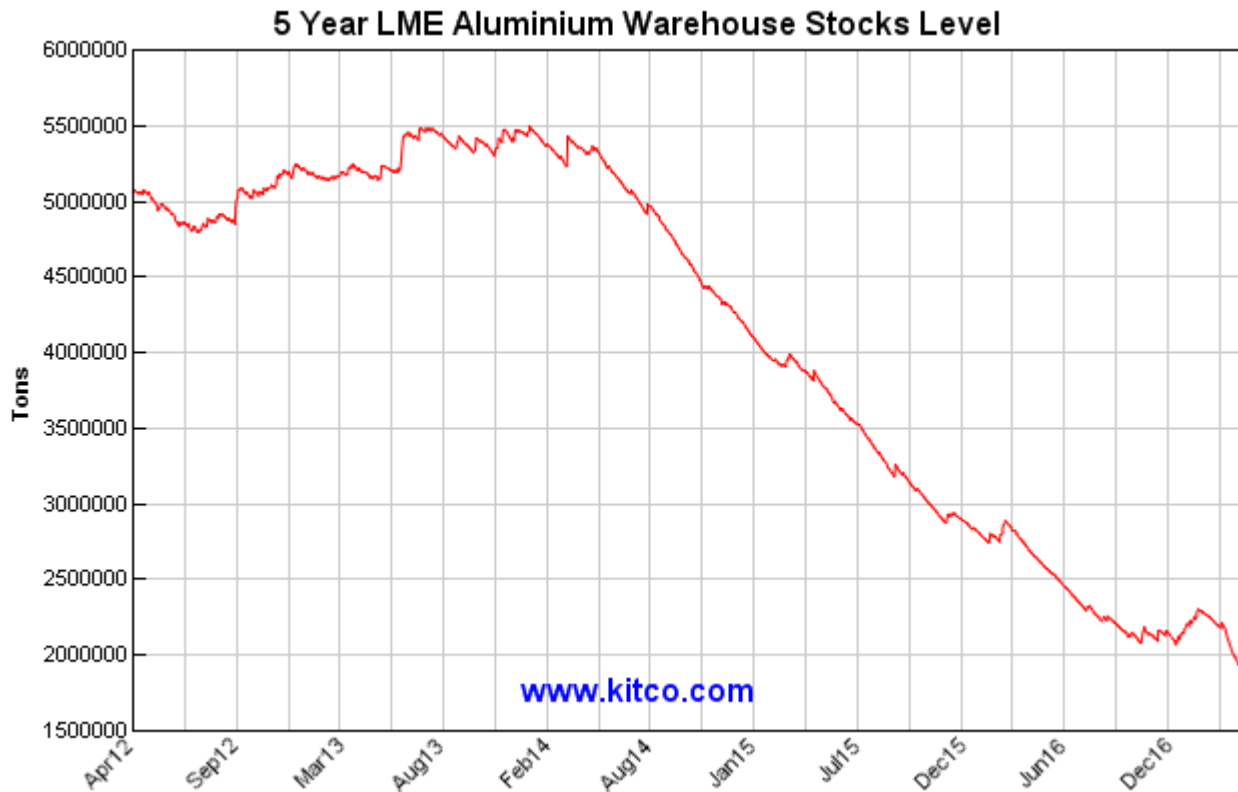
Copper inventories remain elevated, which could put downward pressure on prices.



Aluminum rose a penny to 88 cents on good demand, as construction, aerospace and automotive all remain strong.



Importantly the 5 year chart shows aluminum prices hit a new multi-year high.



Aluminum inventories continue to fall hitting new about 9 near lows, keeping upward pressure on prices. Inventories are about one third of what they were a few years ago and it is not clear when and if China's reported over production of aluminum will affect prices.



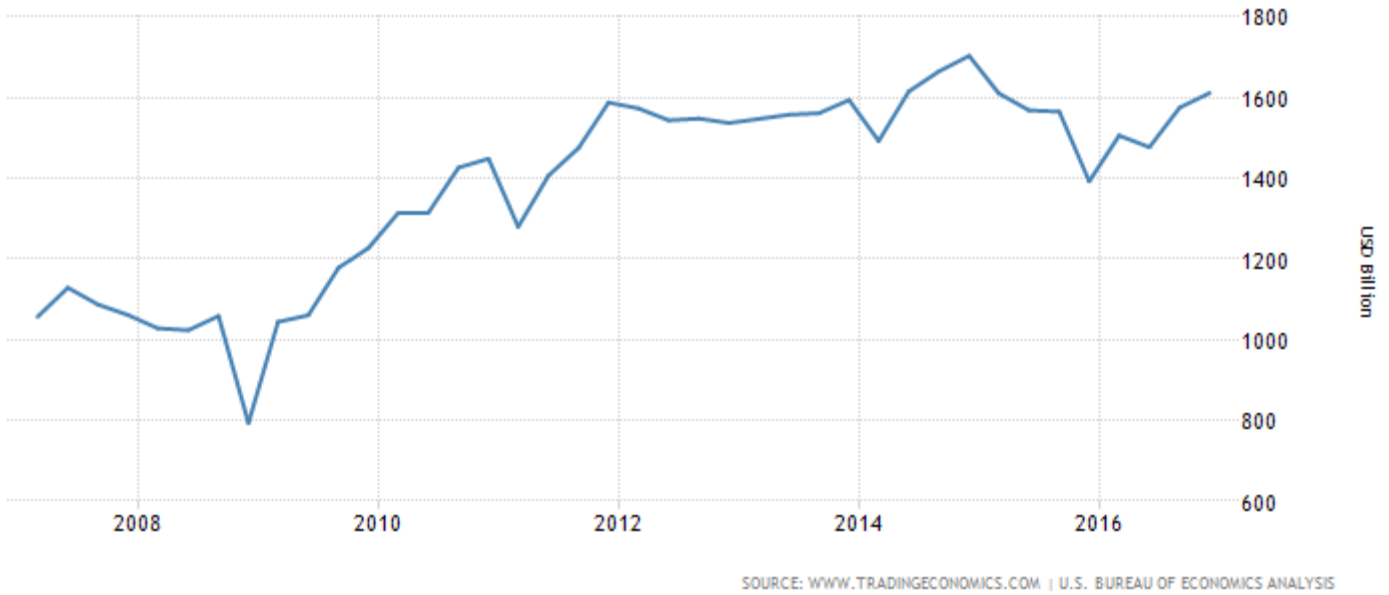
The U.S. dollar rose in recent days, but hit a 4 month low last week, due to economic uncertainty. When the U.S. dollar declines, by translation, commodities priced in dollars rise.

China Caixin Manufacturing Purchasing Manger's Index



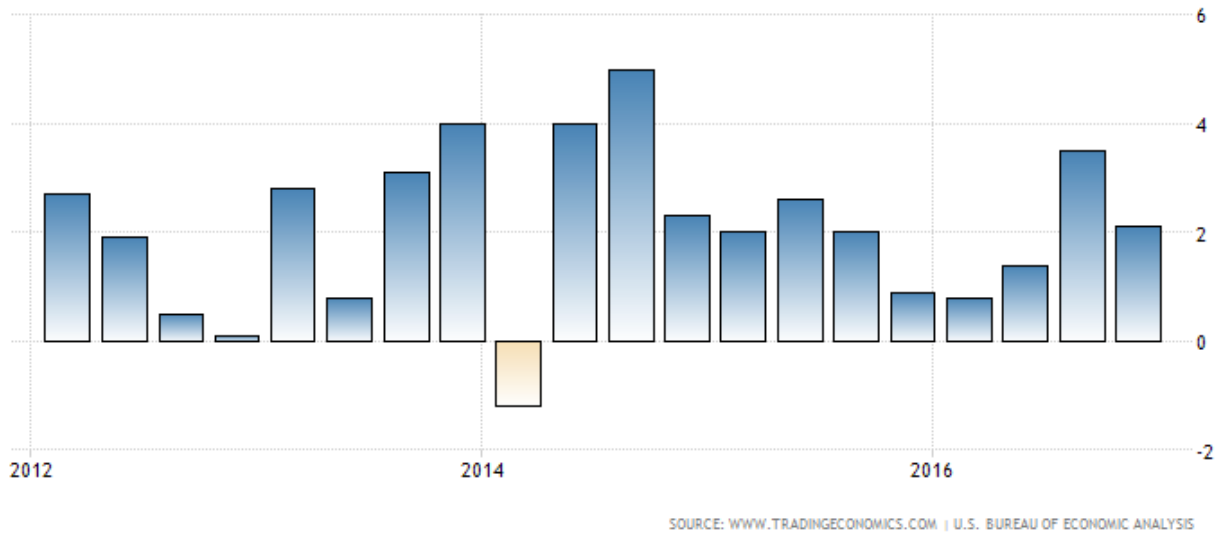
China's Caixin Manufacturing Purchasing Managers Index fell to 51.2, with over 50 being expansion. This was based on strong exports, but prices and employment are declining.

US CORPORATE PROFITS



U.S. Corporate profits finished 2016 on a strong note. It was the best quarter in two years, a major positive for the economy.

US GDP GROWTH RATE



U.S. economic growth in the 4th quarter of 2016 was revised upward to 2.1 percent, from 1.9%. Leaving out the usually strong third quarter, this was the fastest growth in a year and a half, driven by increased personal consumption and real estate investments, but dragged down by reduced exports

U.S. Manufacturer's Purchasing Managers Index



U.S. Manufacturing Purchasing Manager's Index, fell a bit to 53.4, but with nicely over 50% manufacturing continues to expand, despite a slowdown in new orders and input cost inflation.



SOURCE: WWW.TRADINGECONOMICS.COM | UNIVERSITY OF MICHIGAN

The Consumer Sentiment Index rose a bit in March to remain near multi-year highs, which is great news going forward at least 6 months.

DOW JONES INDUSTRIAL AVERAGE



SOURCE: WWW.TRADINGECONOMICS.COM | DOW JONES

The Dow Jones Average rose slightly, and remains near all-time highs. The Trump administration stated that the \$1 Trillion dollar spending program while delayed is still planned for 2017 introduction which will help the economy.

INDIA GDP ANNUAL GROWTH RATE



SOURCE: WWW.TRADINGECONOMICS.COM | MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (MOSPI)

Greg thinks India is a sleeping giant. While there are reports of economic softening in India, their 7.1% economic growth is faster than China's 6.7% and the U.S.'s 2.1%. Also, despite India having 4 times the number of people than the U.S., their economy is only 1/8th, that of the U.S. Enormous upside.

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