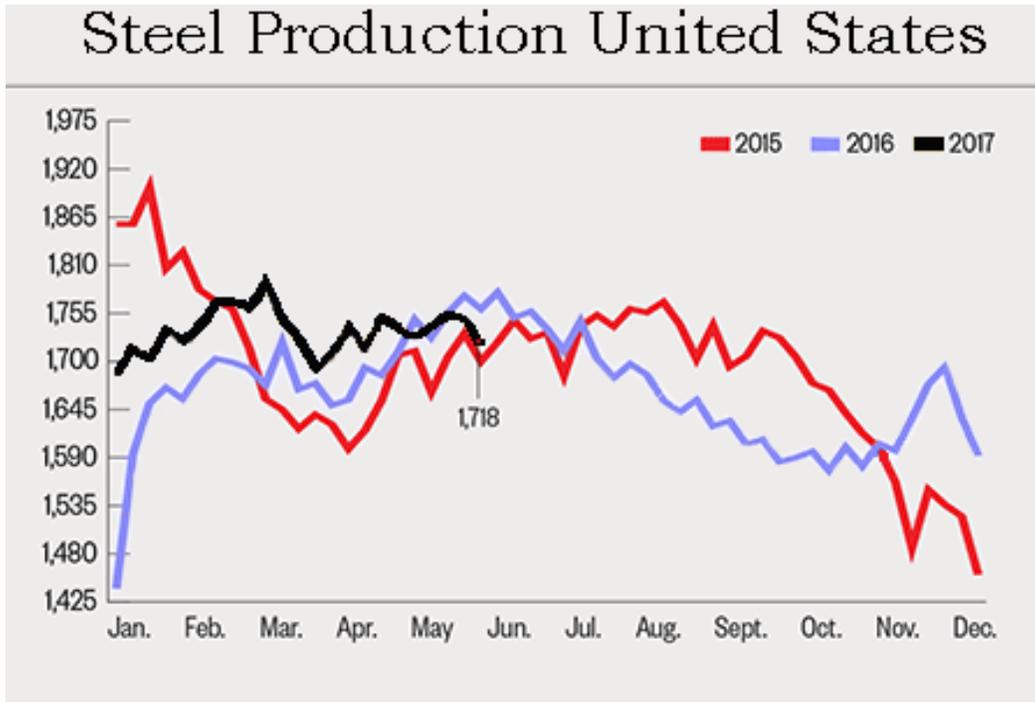
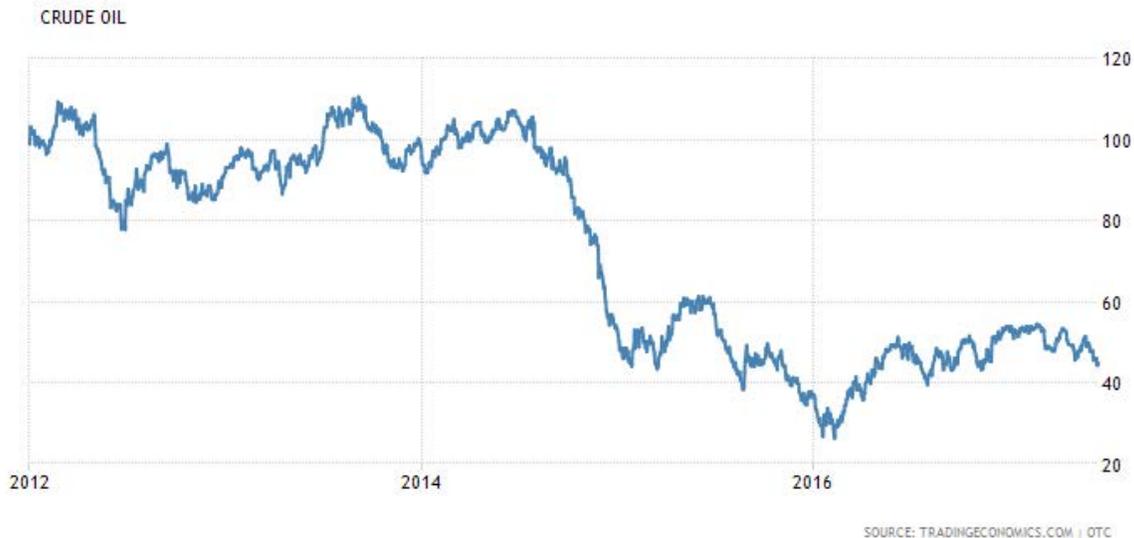


This is the Scrap Metal, Commodities, Recycling and Economic Report, by BENLEE and Raleigh and Goldsboro Recycling, June 19th, 2017.

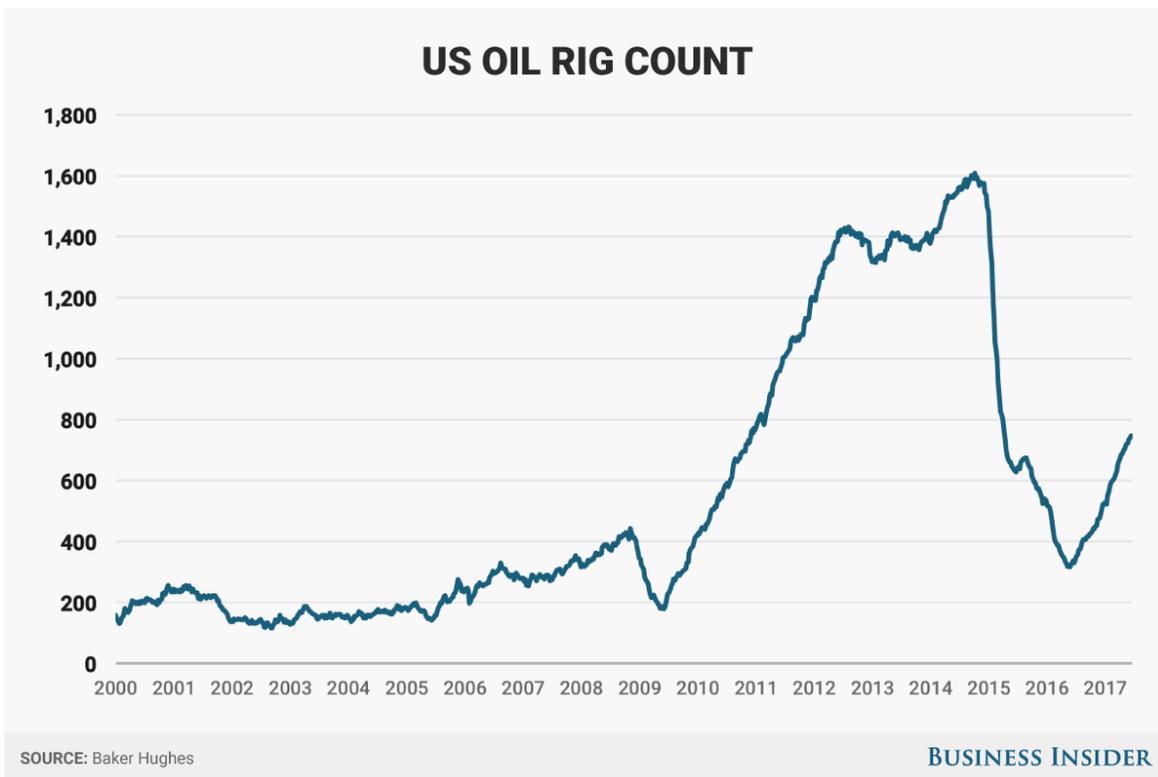
Last week commodity and economic reports were mostly negative.



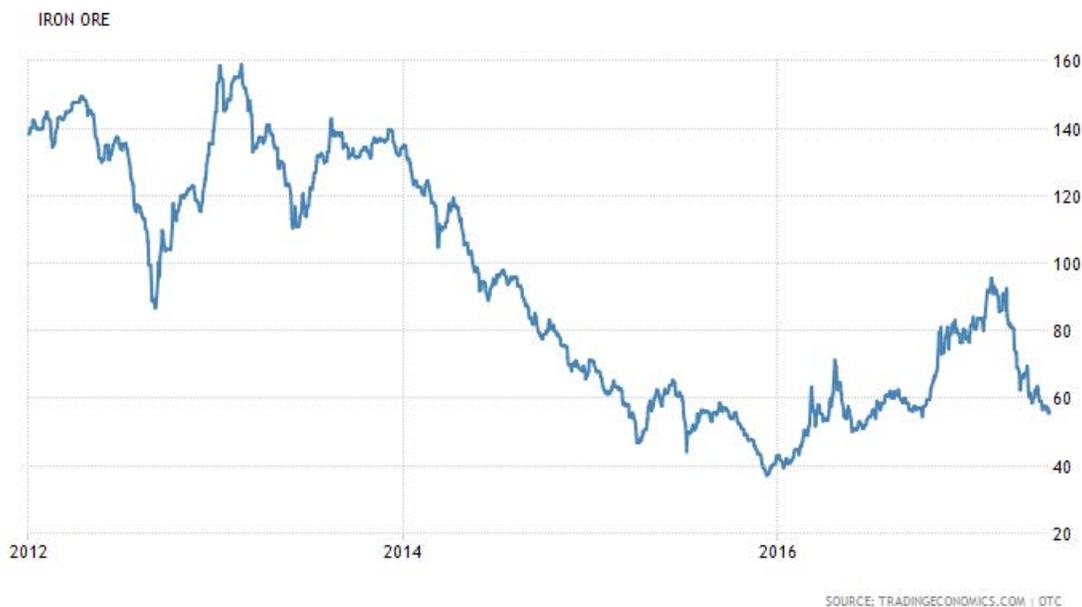
U.S steel production fell to slightly behind last year, but still ahead of where it was a few months ago.



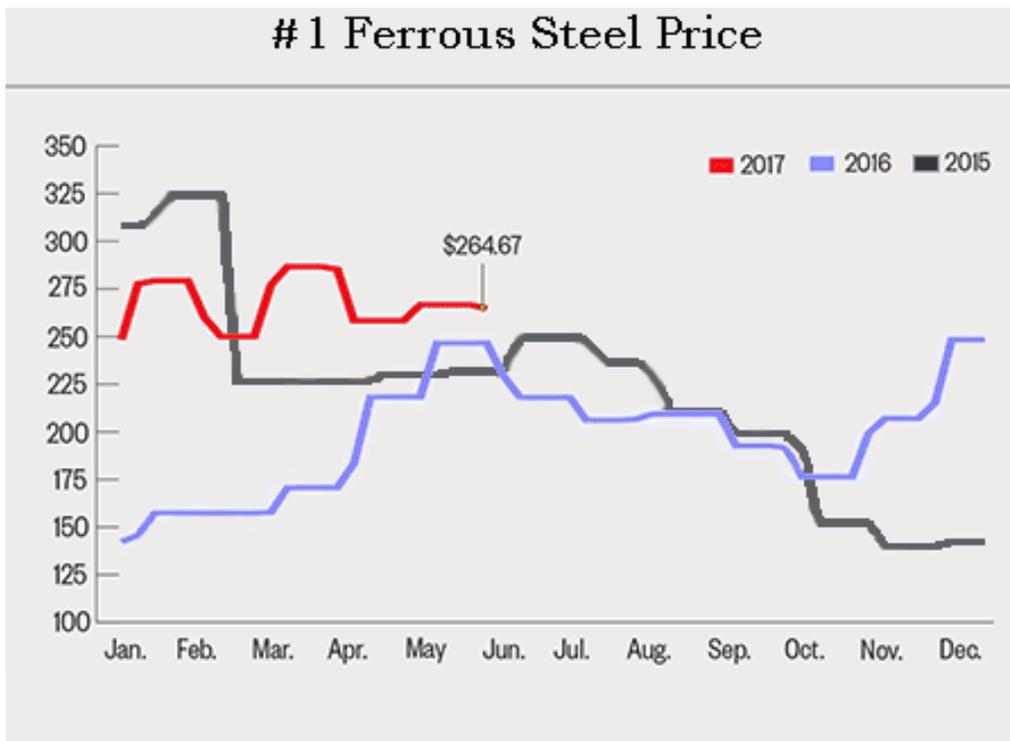
Oil fell about \$1.25 a barrel to \$44.74 on news of continued high U.S. oil and gasoline inventories. OPEC is considering reducing exports to the U.S. to get our inventories down, which will help U.S. energy jobs and lower gas prices thereby helping parts of the economy.



The oil rig count rose for a solid 22<sup>nd</sup> week in a row, the longest stretch in 30 years. The rig count now at 747, is at a multiyear high, but the rate of increase has been slowing with oil, down about \$10/barrel in recent months.



Iron ore fell \$1.50/MT to \$56/MT, following many other global commodities on a lower trend in recent weeks, which should help keep steel prices down.



Scrap ferrous prices remained somewhat down as well, but still double that of about 18 months ago and slightly up for the year. Many believe we could steady prices with only slight changes in the months to come.

## Hot Dipped Galvanized Coil

January 1, 2016 to June 18, 2017



Hot dipped galvanized steel came down as well to \$865/ton, with continued news of some industries slowing, but there are reports of plate and rebar price increases in the past week.

# 304 Stainless Scrap

January 1, 2016 to June 18, 2017



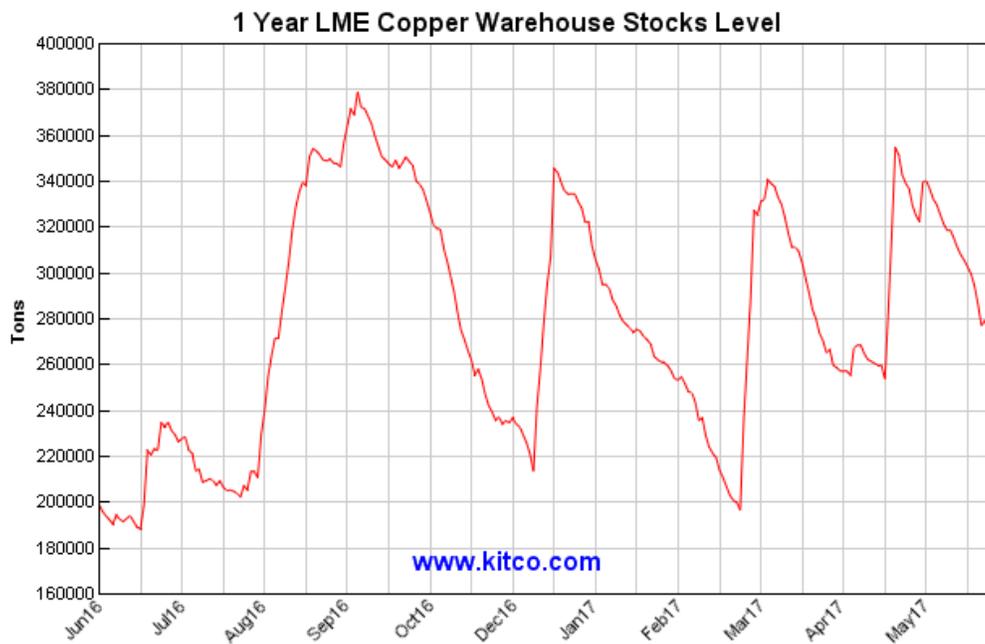
Stainless 304 scrap after months of holding steady, started following nickel down, falling to 29.5 cents, a number not seen since last year.



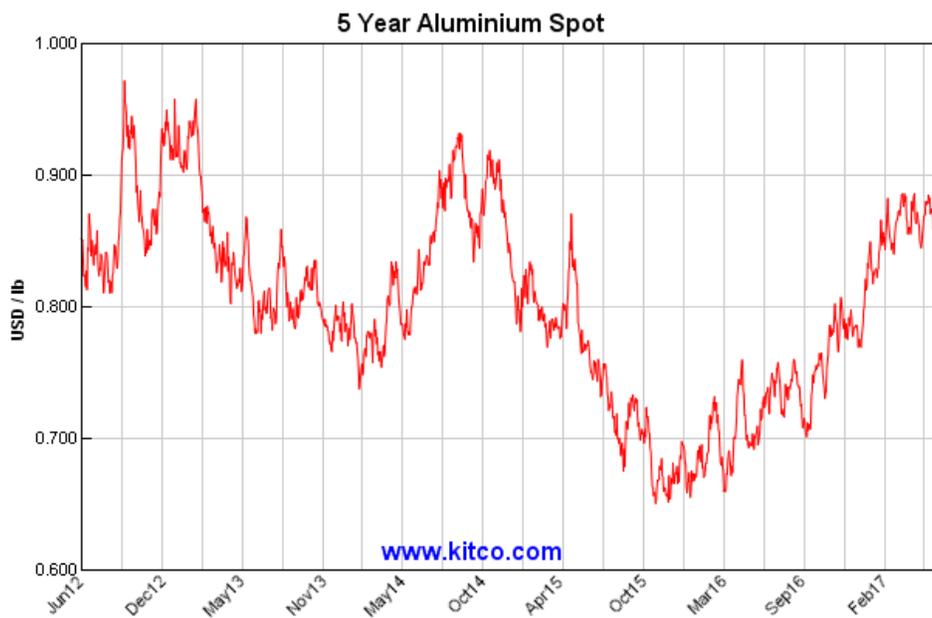
Copper fell 8 cents to \$2.56/lb. on no major news other than market softening, but global demand remains increasing slightly. Prices are up about 2 cents this morning to 2.58/lb.



The one year chart shows copper prices have remained in a band in recent months since the major increase last year.



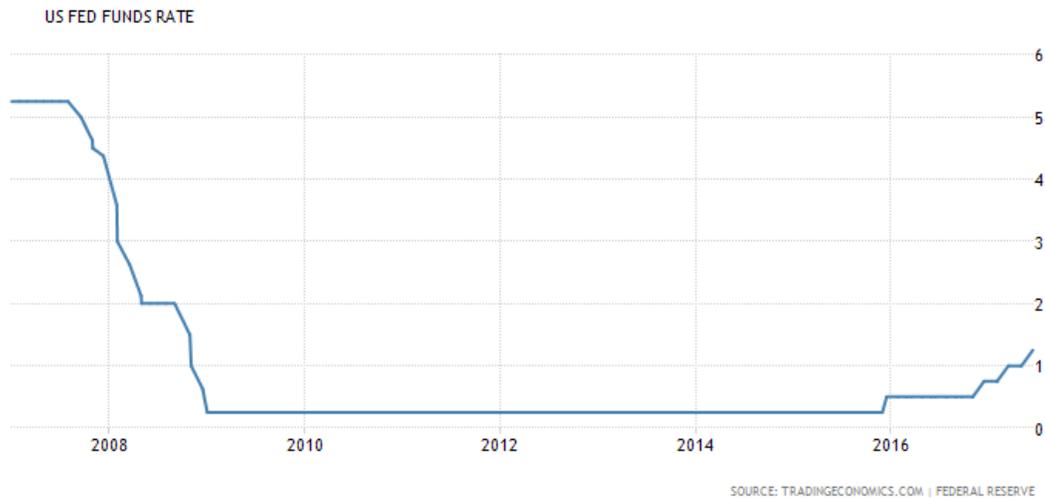
and copper inventories continue to fall, but remain ahead of a year ago. The fall could help stabilize prices.



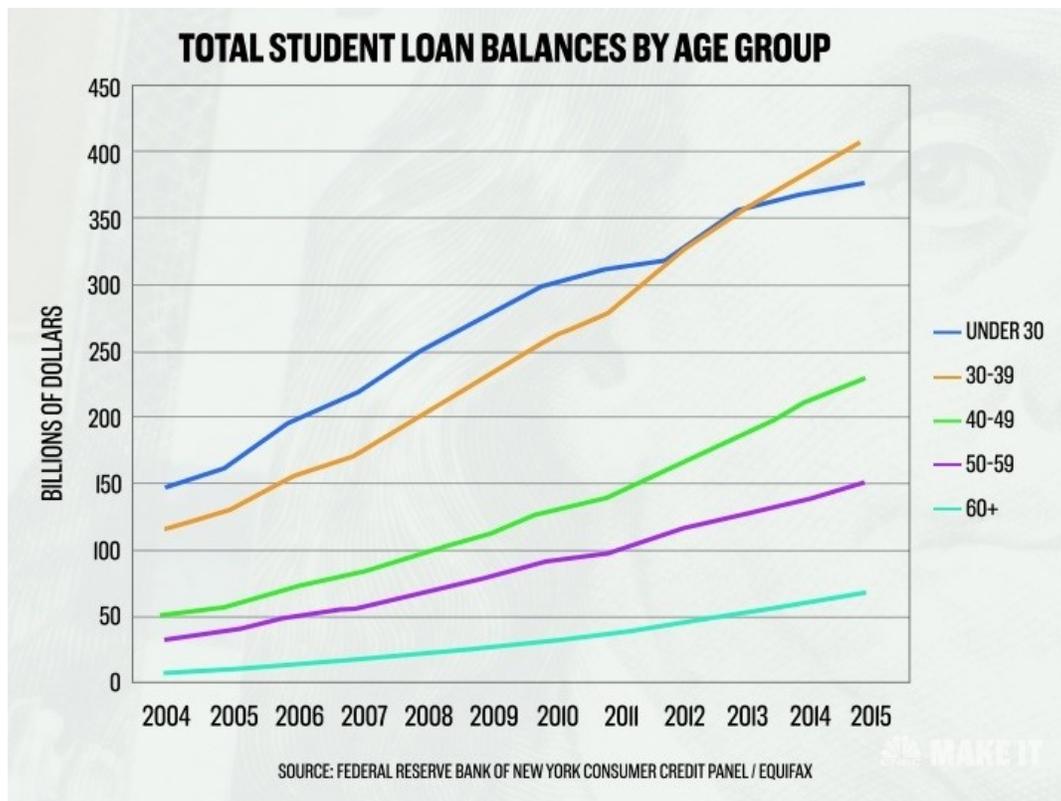
Aluminum prices fell 2 cents to 86.25 cents and remains slightly off its 2.5 year high, with demand staying strong.



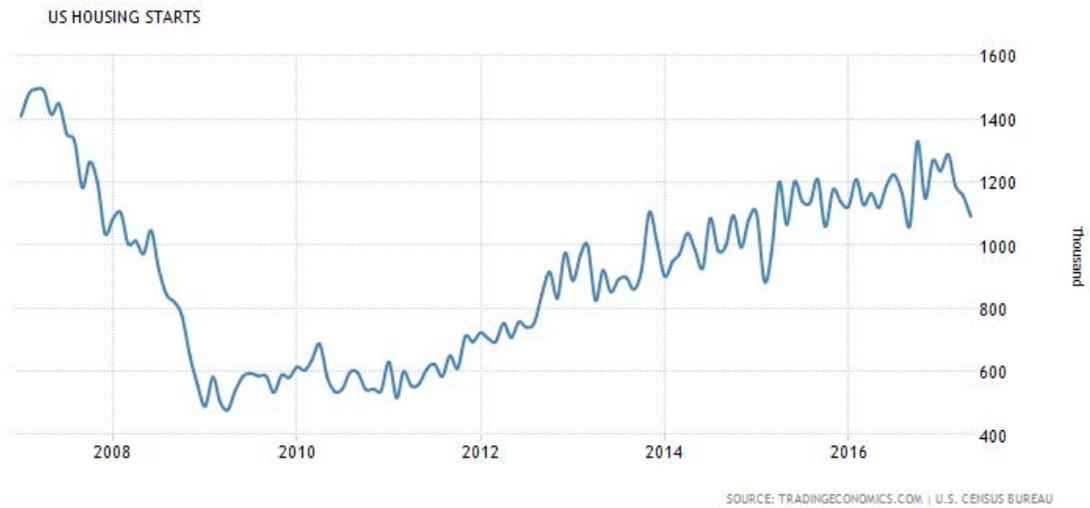
Aluminum inventories hit new about 9 year lows on this good demand, which is keeping upward pressure on prices.



The U.S. Federal Reserve raised interest rates a quarter of one percent. Related, they slightly raised U.S. growth projections and lowered their inflation expectations, which is great news.



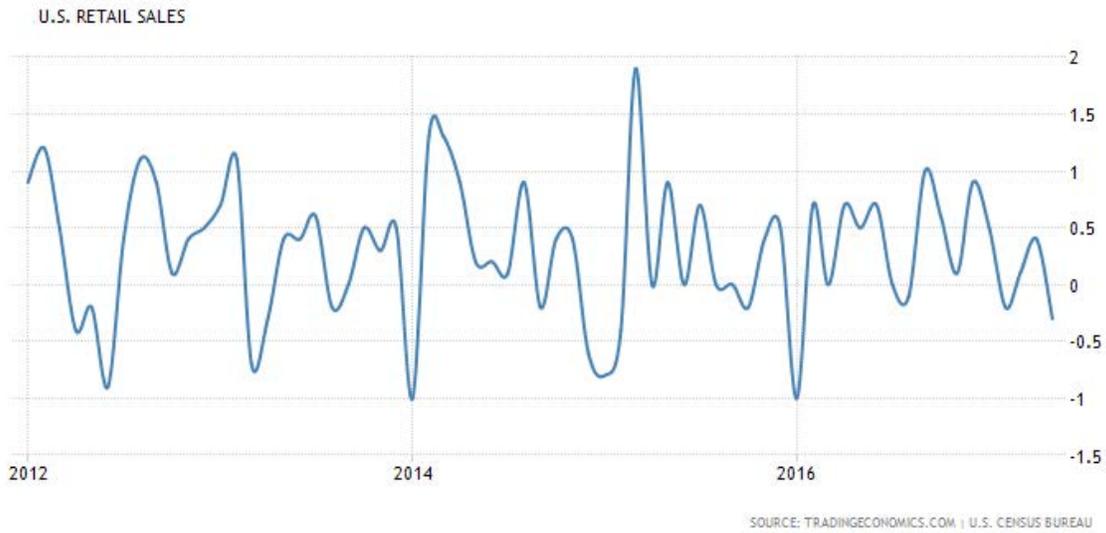
Student debt is now \$1.4 trillion, larger than credit card debt and auto loan debt. Students with high debt have a tougher time buying homes and cars, so the debt is a drag on the economy.



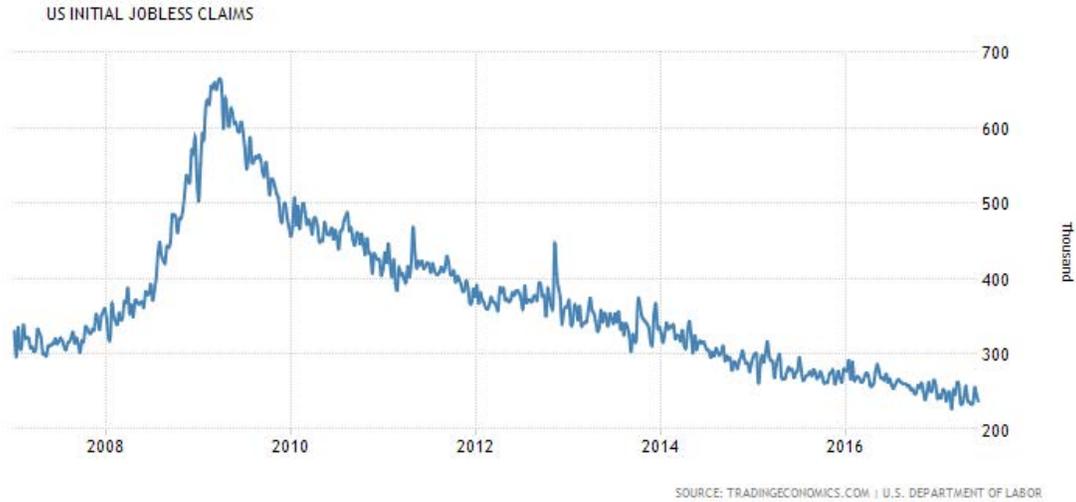
Home construction a major source of good jobs and a strong user of commodities, slumped 5.5 percent vs. April to an annualized rate of 1.092 million. A crazy low number in that in 1972, home building was two and half times this.



The Consumer sentiment index fell to 94.5. While high, it is the lowest reading in seven months with reasons being Democrats have developed a more negative perception of proposed economic policies and Republicans have less confidence that these policies will be passed.



Retail sales a key driver of the economy decreased by .3 percent in May, vs. April, with lower sales of vehicles, electronics, appliances, sporting goods and more. This drives lower commodity prices.



Initial unemployment claims fell to 237,000 which remains well below the key measure of 300,000 which indicates that job growth remains solid.



Wall Street was bit bumpy with the announcement that Amazon offered to buy Whole Foods, yet the Dow Jones average still closed at a new high of 21,384. High stock prices make people feel wealthy, which could help spending.

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