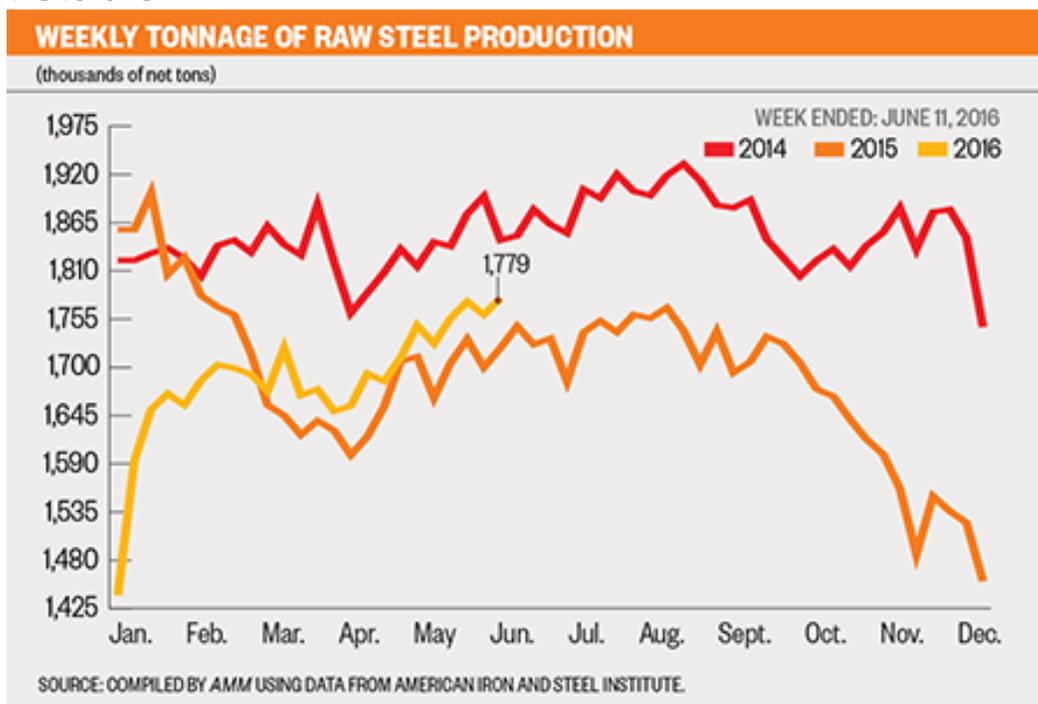


This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off, Lugger and Open Top Trailers and Raleigh and Goldsboro Metal Recycling June 20th, 2016.

In this report, positive economic signs in the U.S. continue, with global growth being a concern and commodity prices were somewhat stable.

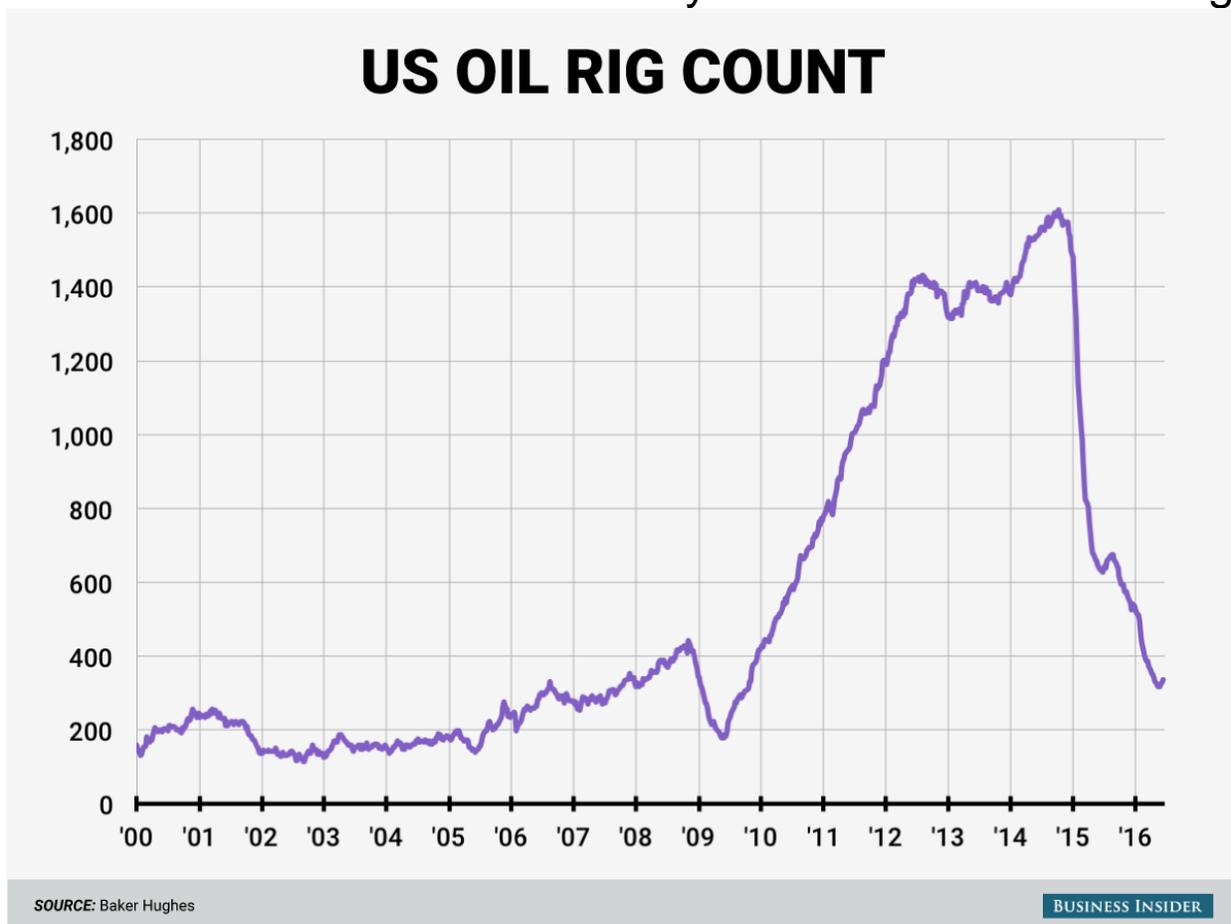


U.S. Steel production rose a bit and is now at a new approximately 16 month high. Tariffs on imported steel have slowed imports, so U.S. Steel mills continue to ramp up.

CRUDE OIL

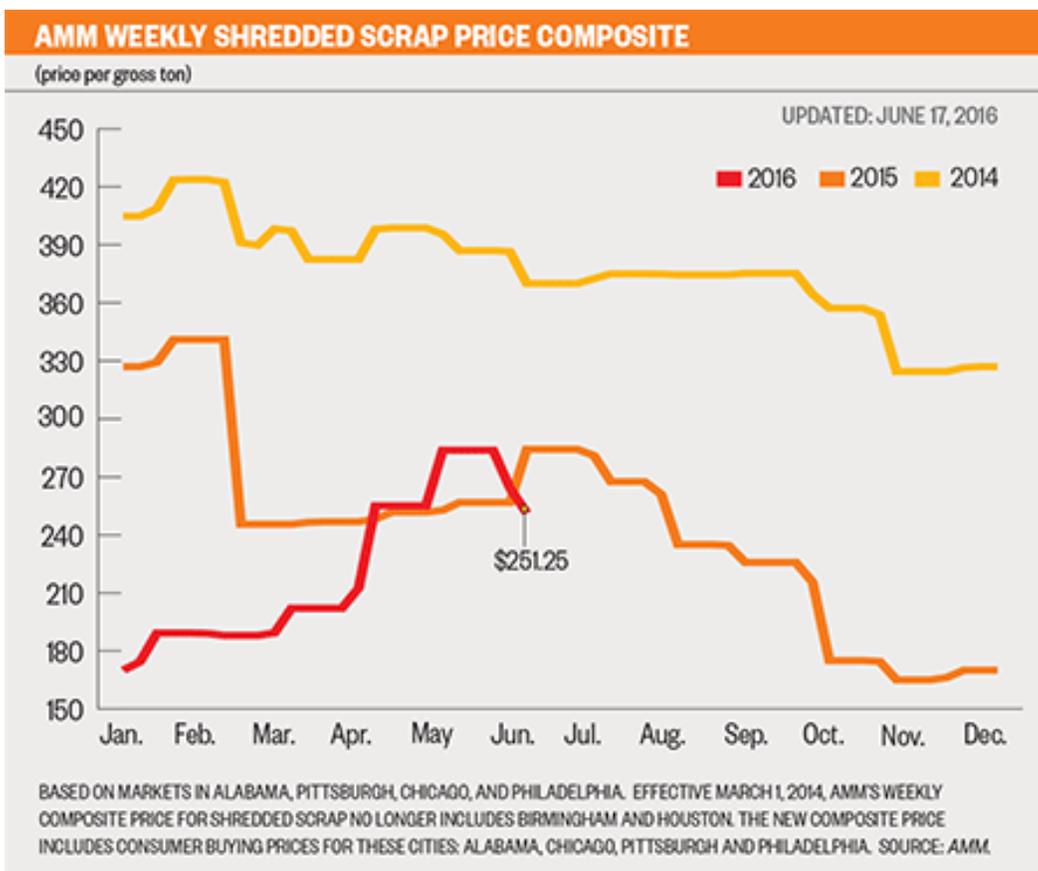


Oil prices went up a bit last week. While off their recent high, oil prices remain almost double what they were about 4 months ago.



Oil rigs which use enormous amounts of steel had a small increase of three last week. After more than 18 months of dropping, last week was the third week in a row of oil rig count increases, but they are still about 80 percent lower than they were 19 months ago.

With oil price up from the dramatic low in February, last week was the first time in about 10 months that there were three weeks in a row of oil rig increase.



Scrap ferrous prices came down again. As we said last week with scrap ferrous flows having increased due to the major price increases in April and May, the large flows brought scrap ferrous prices down. More supply, lower prices.

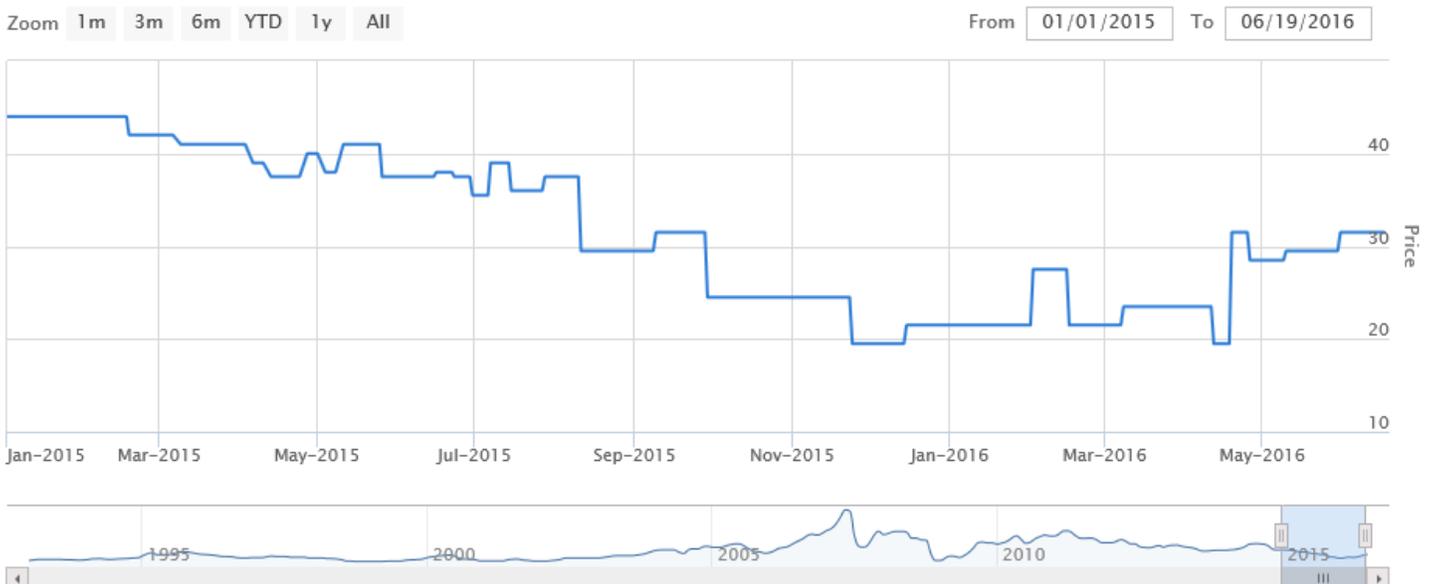
But in new news, we have heard from one major steel mill in the South East that scrap yards are having a tough time shipping material. Importantly as we have said, with scrap prices up in April and May, flows increased due to selective scrap yards and demolition companies sold material they were sitting on for many months. Now the major price drop this month has had a measureable effect on slowing material coming into many scrap yards.

# Hot Rolled Coil Steel



U.S. hot roll coil steel continues it March up, as supplies remain tight. Prices are now at an 18 month high. It is nothing other than a perfect position for a steel mill to be in; incoming scrap price have declined while prices of finished goods continue to trend up.

# 304 Stainless Scrap



304 stainless scrap prices remained stable last week at about 8 month highs.

COMEX:HQQ2016, W 2.0625 ▲ +0.0090 (+0.44%) O:2.0540 H:2.0625 L:2.0540 C:2.0625

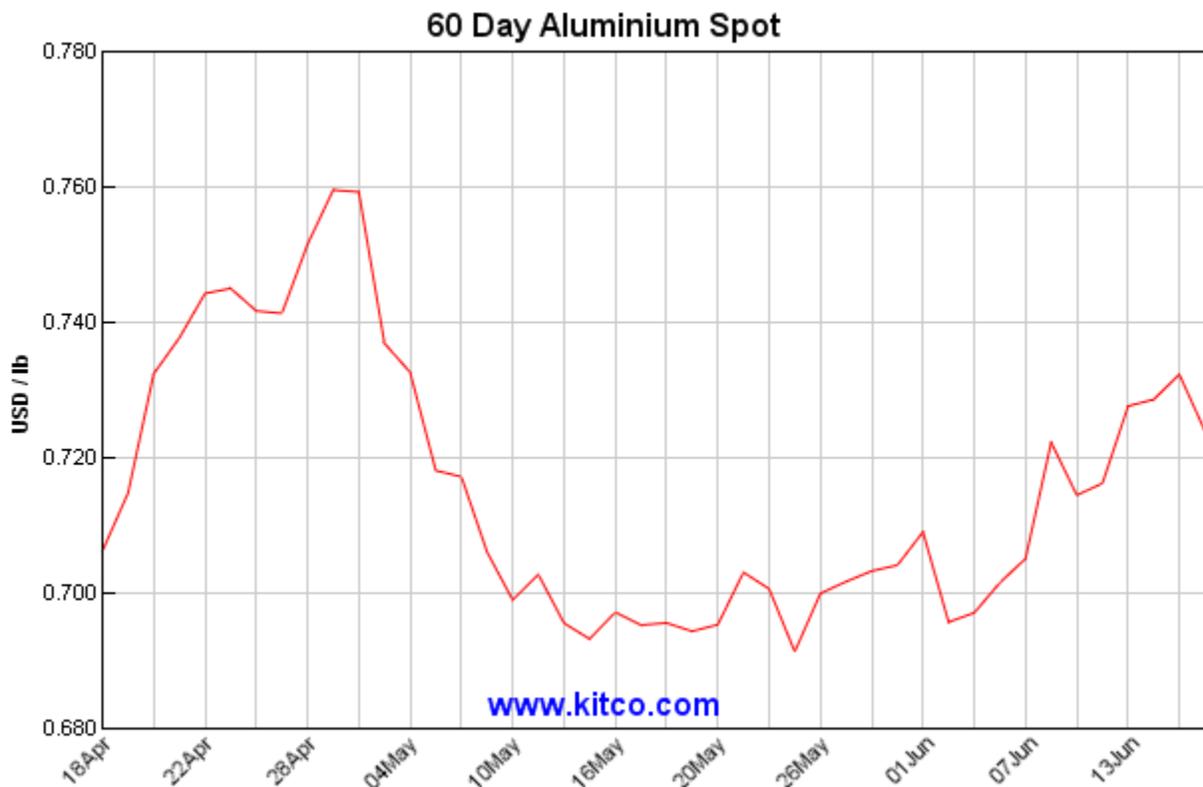


 **CME Group**  
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Copper moved up and down during the week, but closed about where it opened.



And as we showed last week, copper remains close to the low point on this 5 year chart, so copper is near 7 plus year lows. Copper being low is a very bad sign for the health of the global economy.



Aluminum finished the week down a bit, but unlike copper, it has trended up from its low of a few months ago,

5 Year LME Aluminium Warehouse Stocks Level



and related we are seeing that aluminum inventories remain dropping, so with higher prices and low inventory, production of Aluminum could increase to stabilize or lower prices.

US INITIAL JOBLESS CLAIMS



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. DEPARTMENT OF LABOR

Jobless claims were up in the last reporting week. Jobless claims have been declining for years, but the question is, have they leveled off. The U.S. Federal Reserve in a meeting last week said they are concerned about growth, but they see job creation continuing.



The German Bund, which is debt that is sold by the German government, went negative for the first time, for its 10 year note. Multiple parts of Europe now have negative interest rates. This means that their economies are so slow; the government is saying that if you want to keep excess money with the government, we will not pay you the normal interest we pay, instead, we will charge you a fee to park it with us. This is an incentive to lend it out at very low rates, to help boost the economy.



AMM announced their 7<sup>th</sup> annual steel excellent awards last week.



Congratulations to Upstate shredding,



SMS-Specialized Metal Services and



Steel Dynamics for all being named winners



Product of the week is BENEE's Open top scrap hauling gondola trailer. These units are non-dumping, frameless and up to 53' long. They are a huge 125 cubic yards and are very efficient for carrying shreddable material or light demolition scrap.

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