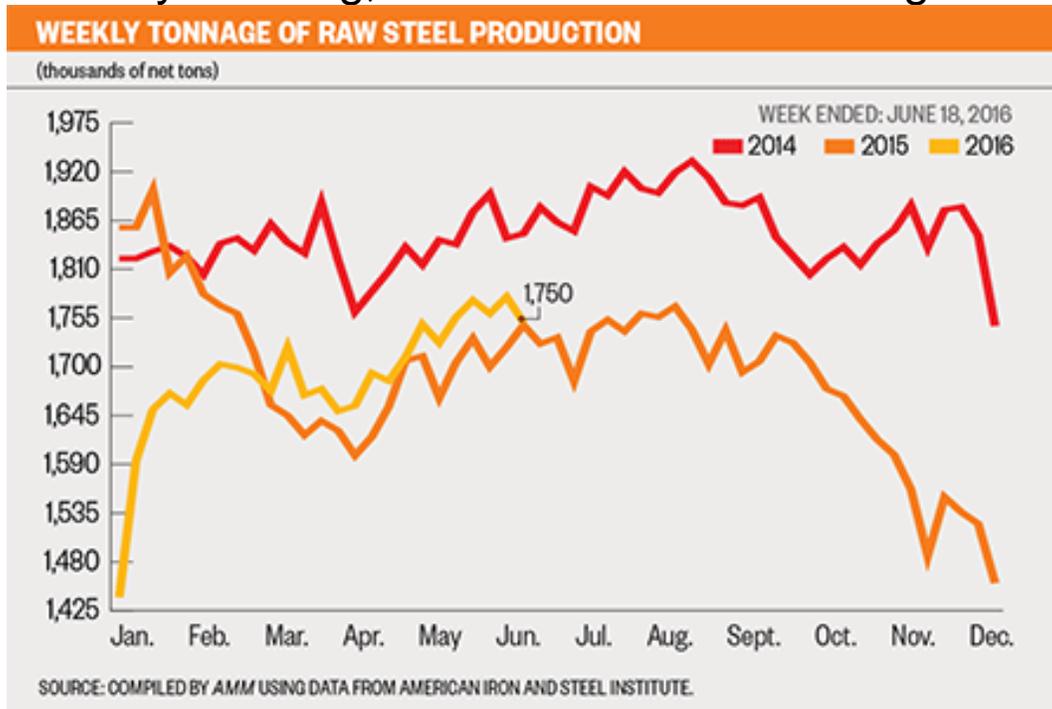


This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off, Lugger and Open Top Trailers and Raleigh and Goldsboro Metal Recycling June 27th, 2016.

In this report, many commodities declined as the British voted last Friday to leave the EU, the European Union. This Brexit (British exit) caused stock markets around the world to lose about \$2 Trillion in value, which was the largest one day loss in global history. As we film this report Monday morning, markets are due to fall again.



U.S. Steel production came down a bit last week, but remains near a fairly strong 16 month high. Tariffs on foreign steel and a good, yet slow growth U.S. have U.S. steel mills doing fairly well.

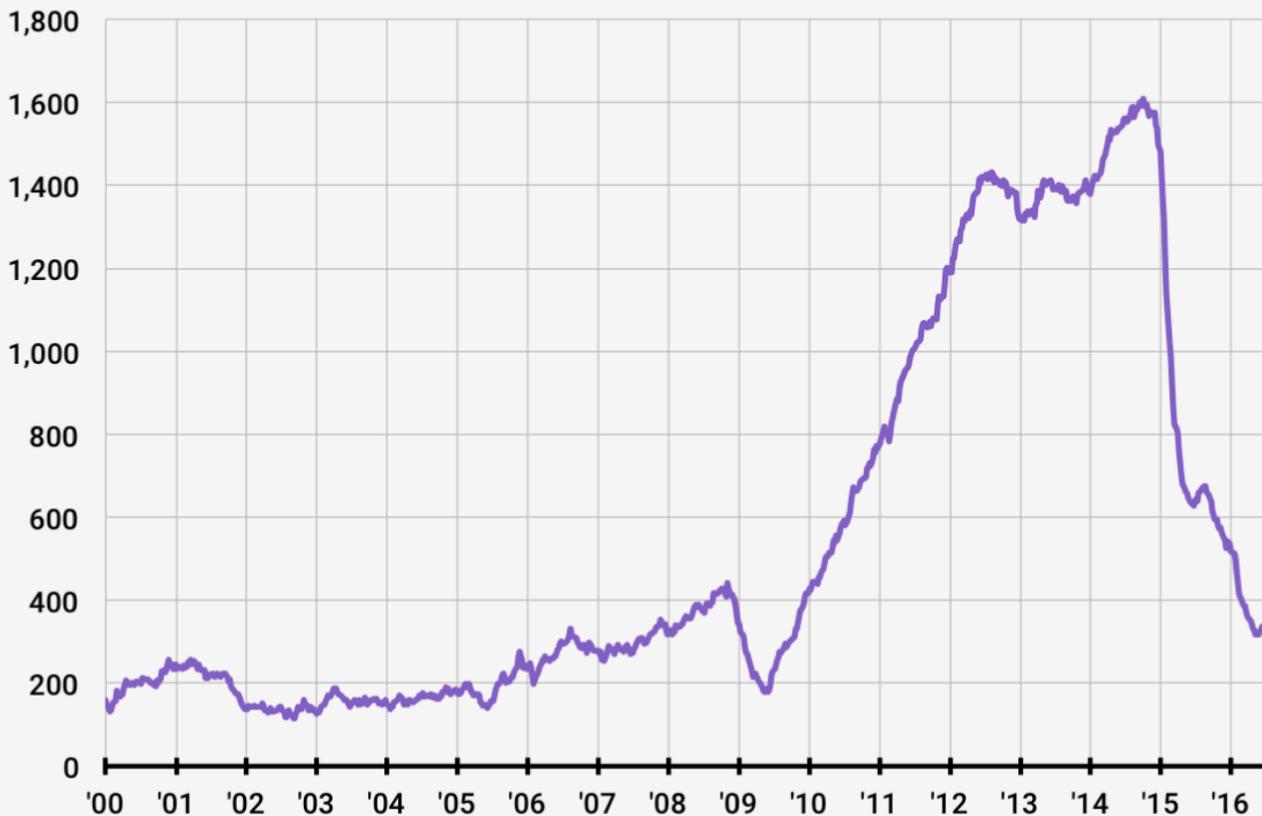
CRUDE OIL



SOURCE: WWW.TRADINGECONOMICS.COM | NYMEX

Oil prices rose mid-week to near multi month highs, but finished the week down along with other commodities.

US OIL RIG COUNT

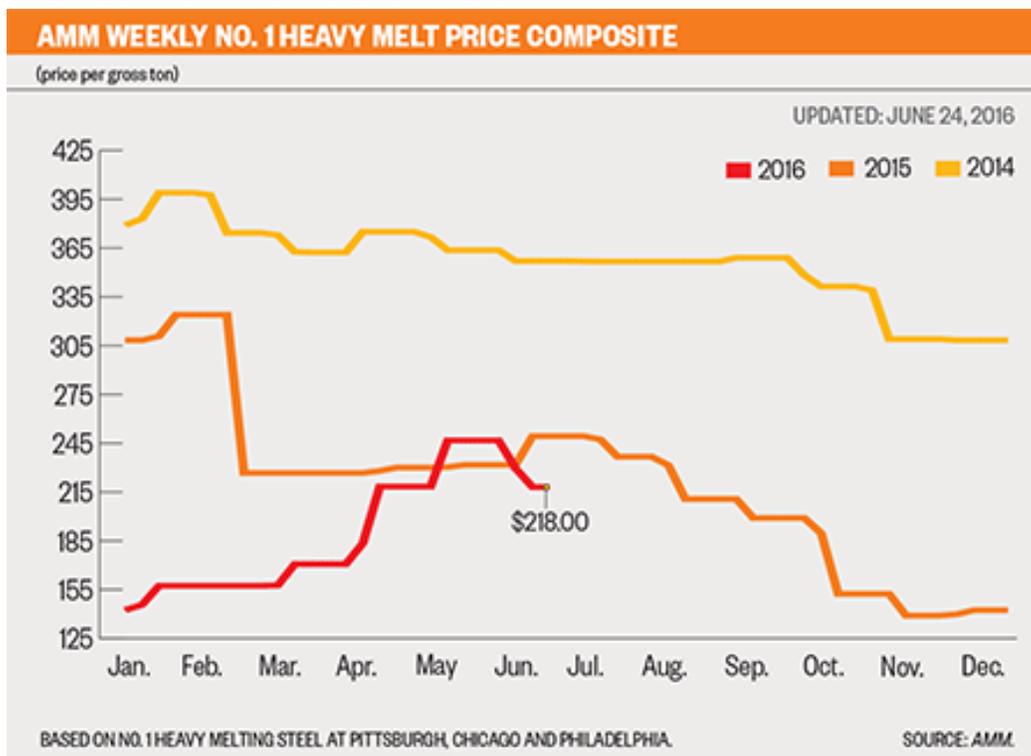


SOURCE: Baker Hughes

BUSINESS INSIDER

The oil rig count, after three weeks of increases, came down a bit last week and remains down a staggering 79 percent from about 19 months ago.

The only good news here is the dramatic drop in the use of steel for these rigs has somewhat stabilized.



Scrap ferrous prices stabilized last week, yet some scrap yards have lowered prices in recent days in expectation of lower scrap prices next week. Low volumes of scrap exports could be a reason for lower prices.

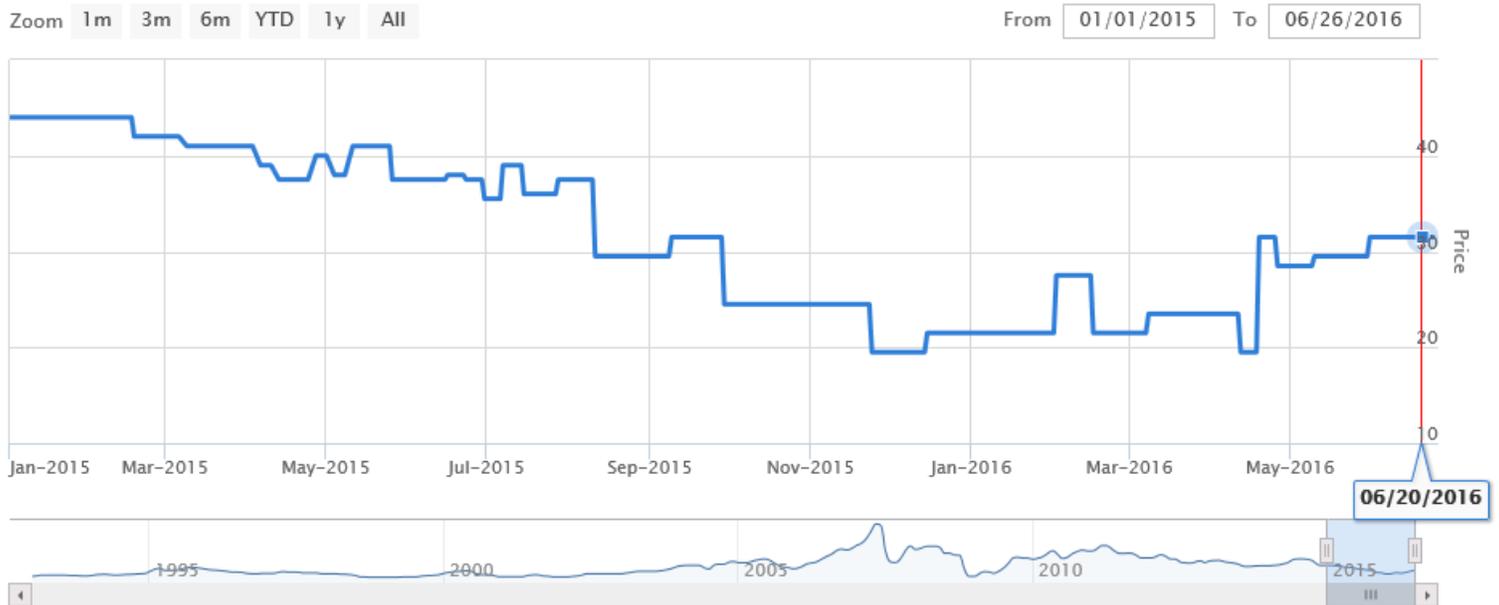
Another reason for lower scrap prices at yards is in some markets, low profit margins have dramatically hurt scrap yards. Yards are looking to increase profits and in some cases return to profitability by lowering prices. Lastly the high volume of cars and demolition scrap that sat for a year in some markets due to low prices has now mostly found their way into scrap yards and steel mills. Those volumes are now declining, which could help stabilize prices.

Hot Rolled Coil Steel



U.S. hot roll coil steel is at an 18 month high. There is at least one report that this is the current peak and there could be a decline coming.

304 Stainless Scrap



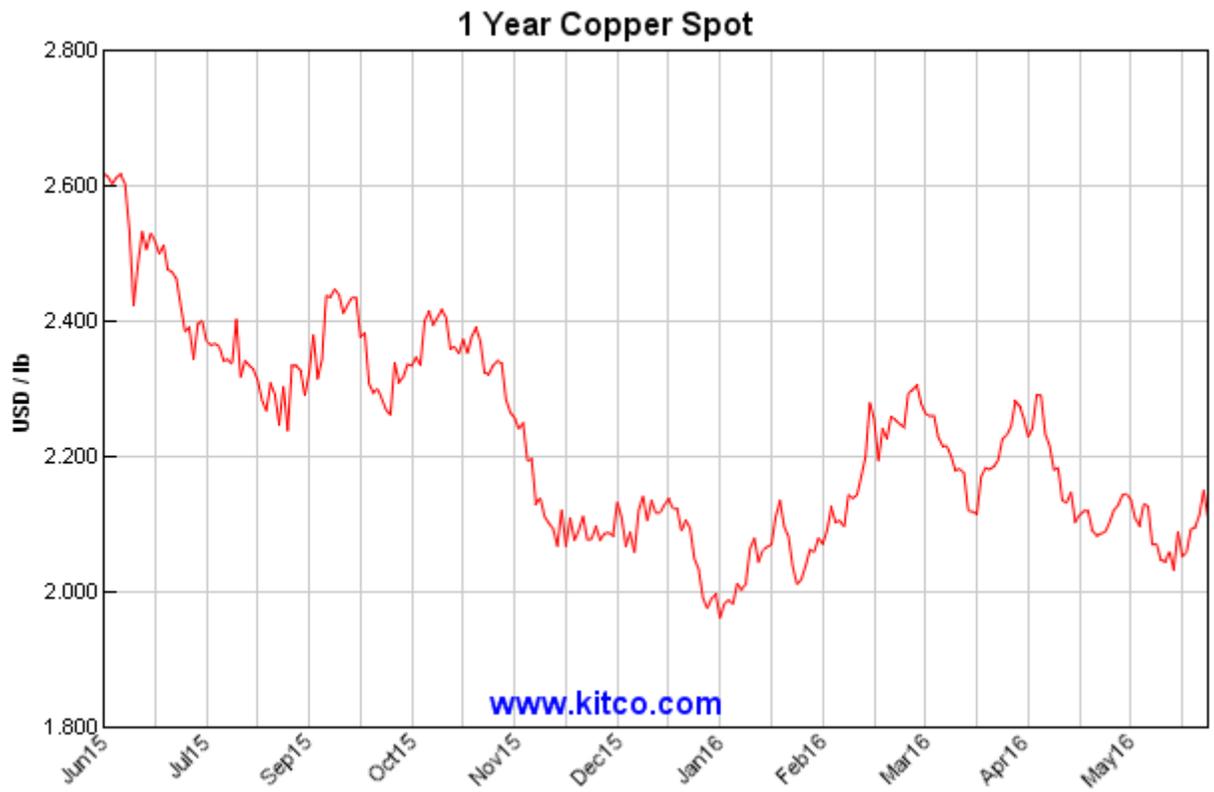
304 stainless scrap prices remained unchanged, but with other prices falling at week end, stainless could fall this week.

COMEX:HGQ2016, D 2.1130 ▼ -0.0505 (-2.33%) O:2.1585 H:2.1585 L:2.0765 C:2.1130

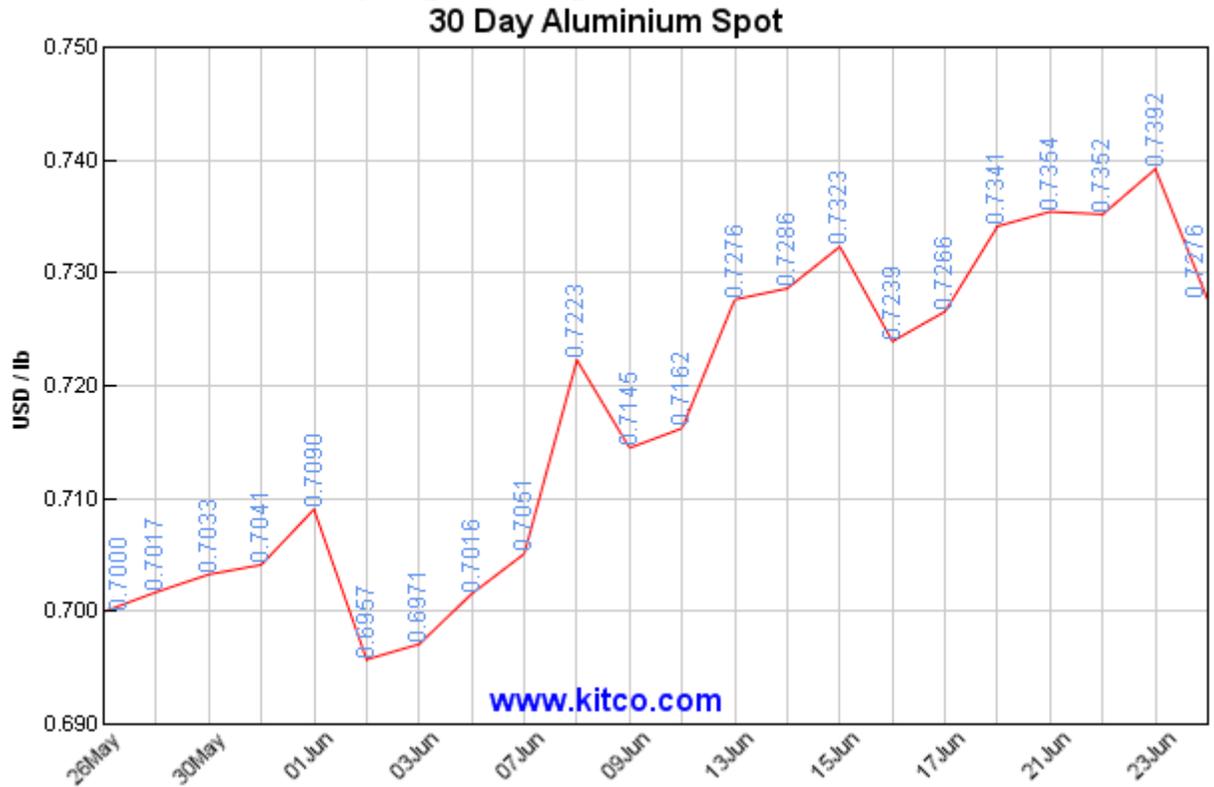


 **CME Group**
Powered by TradingView.com

Copper rose for much of the week to hit a new multi month high, but on Friday copper fell hard.



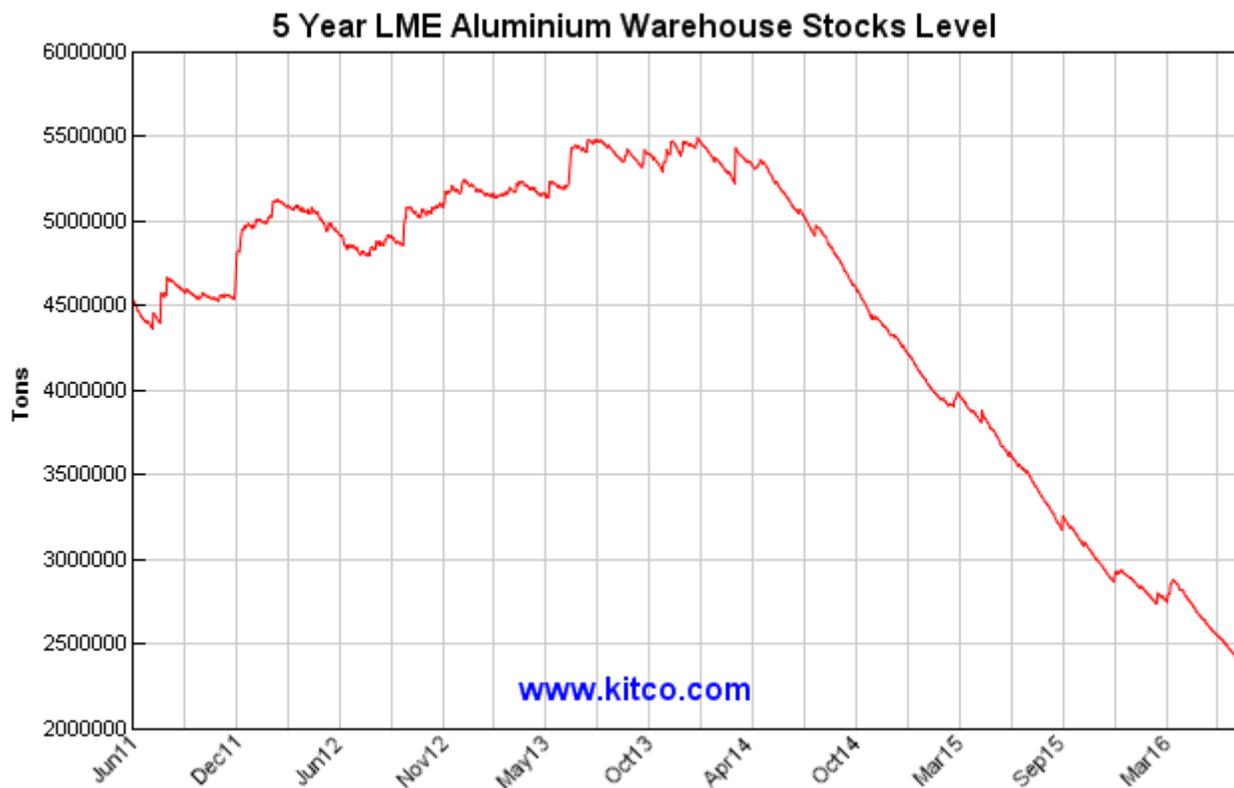
When looking at copper pricing on this one year chart, we see that it really has been in a fairly tight range since last November.



Aluminum finished the week lower as well, when looking at this 30 day chart



Yet when looking at the 5 year chart we see a bit of a trend up in recent months.



Global aluminum LME inventories on this 5 year chart as has been reported, shows inventories continue to fall.

Aluminum inventories are now about half what they were a few years ago, which could bring continued upward price pressure and/or higher production that could lower prices



Commercial Metal Corporation reported lower earnings last week, but while still operating at a loss, their recycling operations improved.

Importantly, CMC reported they see strong demand in areas like construction.



Looking at this 10 year chart of new home sales, we see that there was a slight decline last month, but it has been trending up for years.

US NEW HOME SALES

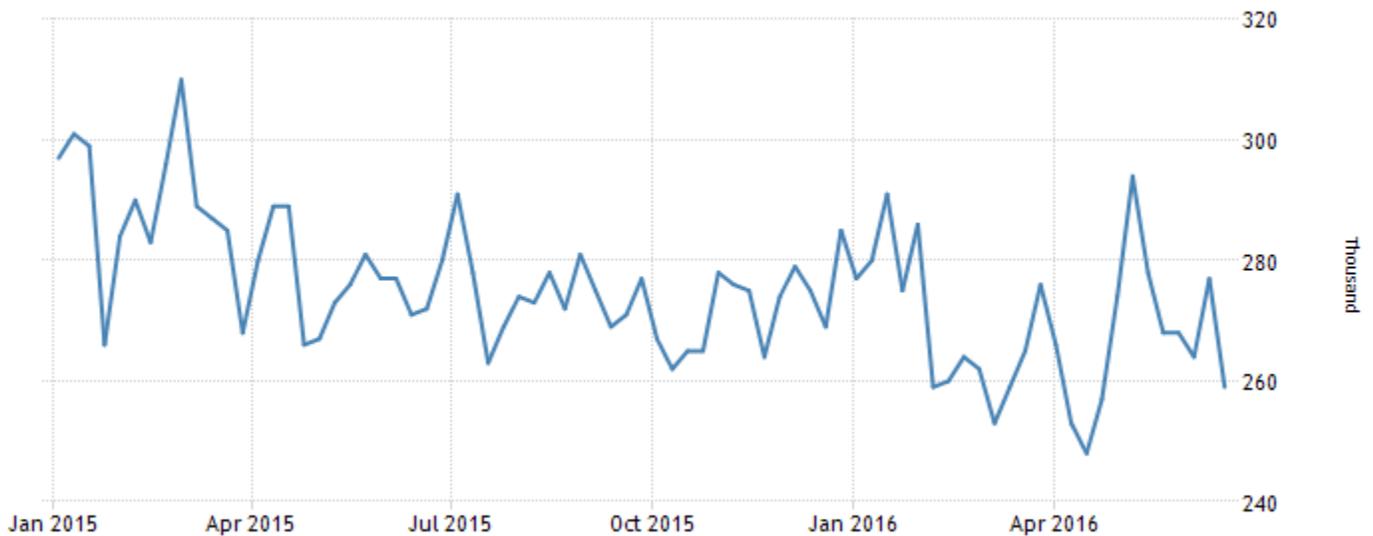


SOURCE: WWW.TRADINGECONOMICS.COM | U.S. CENSUS BUREAU

When looking at this 55 year chart it shows how serious the housing crash was. New home sales remain less than half of what they were in 2007.

Huge student college debt is a major reason for this. Young people do not have down payments or cash flow to pay for new homes.

US INITIAL JOBLESS CLAIMS

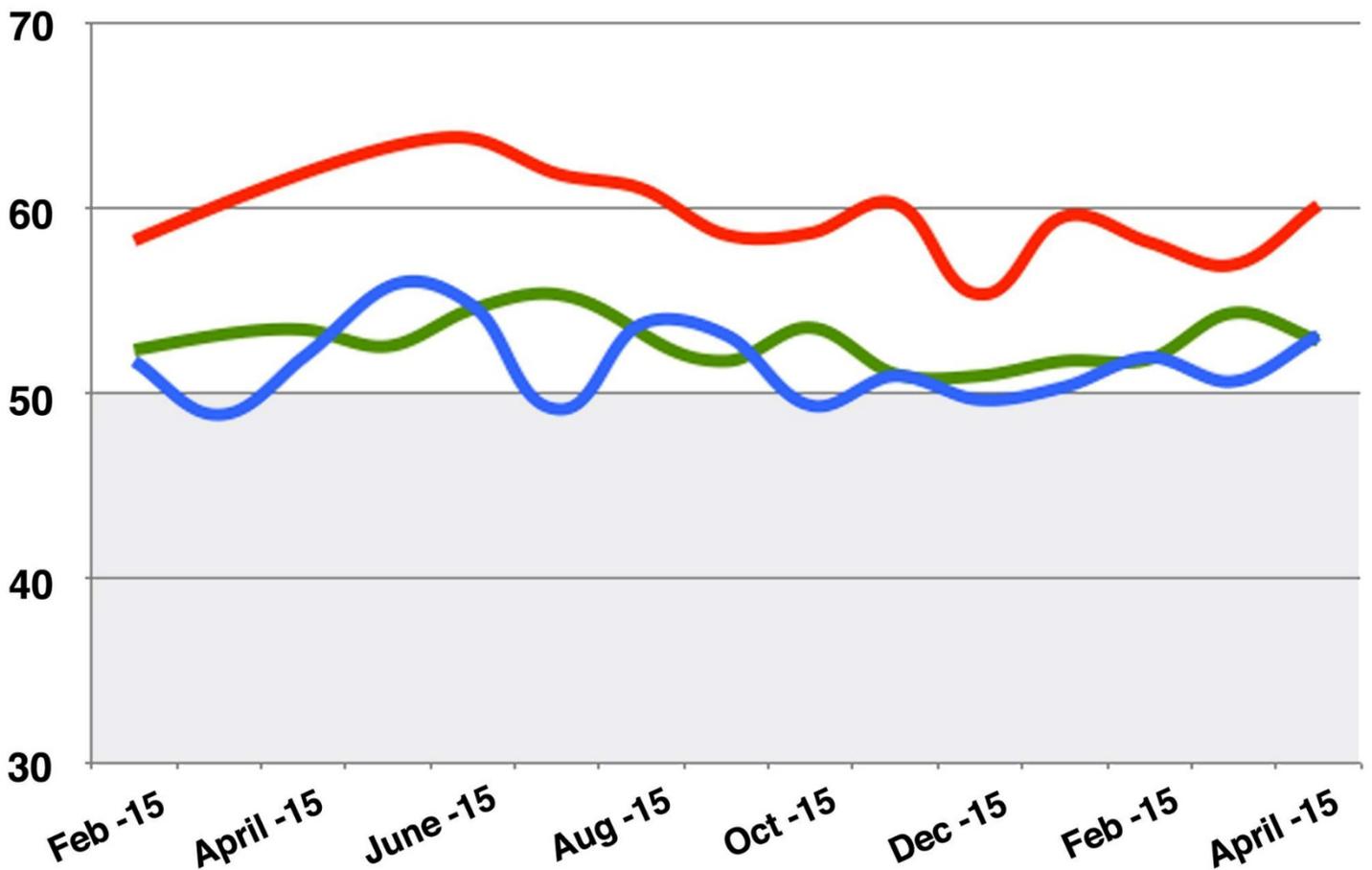


SOURCE: WWW.TRADINGECONOMICS.COM | U.S. DEPARTMENT OF LABOR

Initial jobless claims came down a bit to the lowest level in about 8 weeks, which is good, in that job growth in the U.S. has slowed in recent months.

Second quarter new job creation has been much lower than the first three months of the year, so initial jobless claims are a key measure.

Architectural Billing Index



BILLINGS (BLUE), INQUIRIES (RED), AND DESIGN CONTRACTS (GREEN) FOR THE PAST 12 MONTHS. (THE ARCHITECT'S NEWSPAPER)

A new graph for us is the Architectural Billing index. Hiring of architects is a solid leading economic indicator of new construction. Over 50 is growth and the billings shown in blue are the highest in about 9 months.



Product of the week is BENEE's BridgeMaster. This redesigned 80,000 GVW trailer weighs almost 9,000 pound less than the standard conventional trailer, so it can carry almost 20 percent more weight than a Conventional tri axle trailer.

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