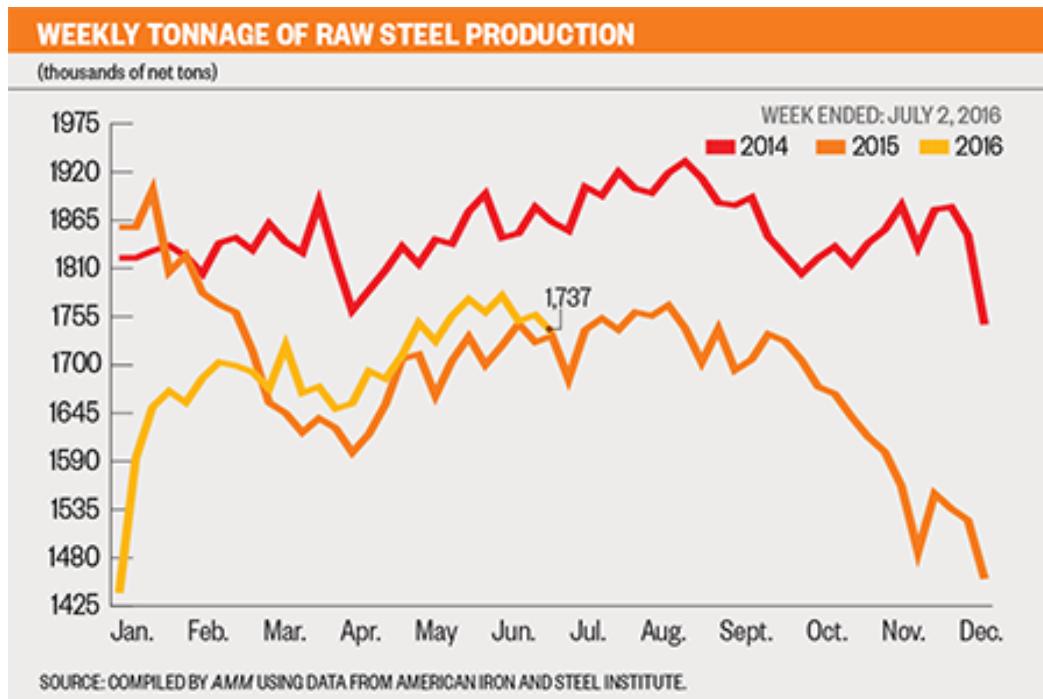


This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off, Lugger and Open Top Trailers and Raleigh and Goldsboro Metal Recycling Monday July 11th, 2016.

In this report, commodity prices were mixed, as were economic reports. Some were up, and some were down.



U.S. Steel production declined a bit last week, and over the past few weeks has come down from its approximately 16 month high.

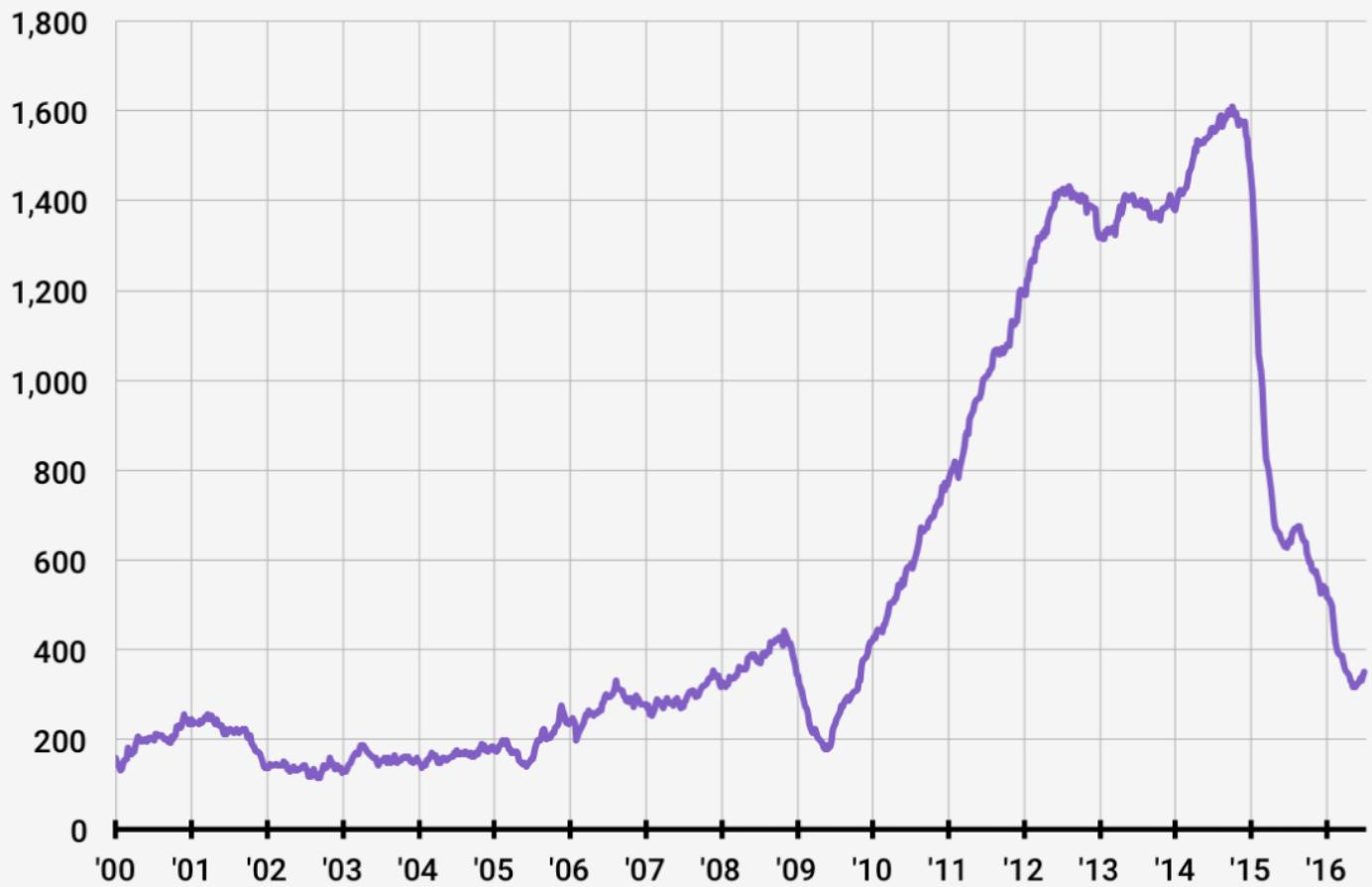
CRUDE OIL



SOURCE: WWW.TRADINGECONOMICS.COM | NYMEX

Oil prices finished the week down to about \$44/barrel, which is off its recent high of about \$50 a few weeks ago.

US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

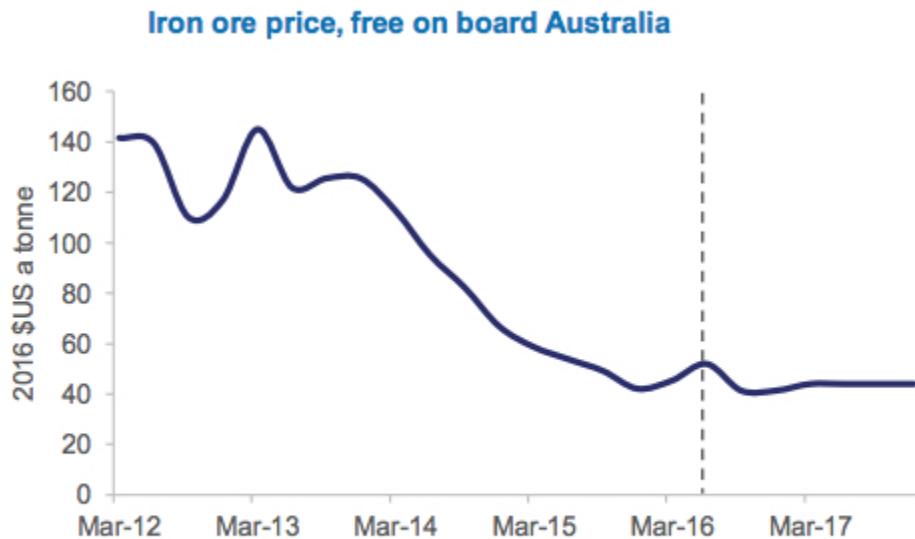
The oil rig count rose by 10 last week. It has been up for 5 of the last 6 weeks and is the highest since April 15th, with very efficient horizontal drilling taking the lead. While still down about 78 percent from 21 months ago, an uptrend is good news for steel production and could be part of steel price stabilization. On other positive oil drilling news, a report was released last week that the U.S. now has the most proven oil reserves in the world, surpassing Saudi Arabia and Russia.

IRON ORE



SOURCE: WWW.TRADINGECONOMICS.COM | CME

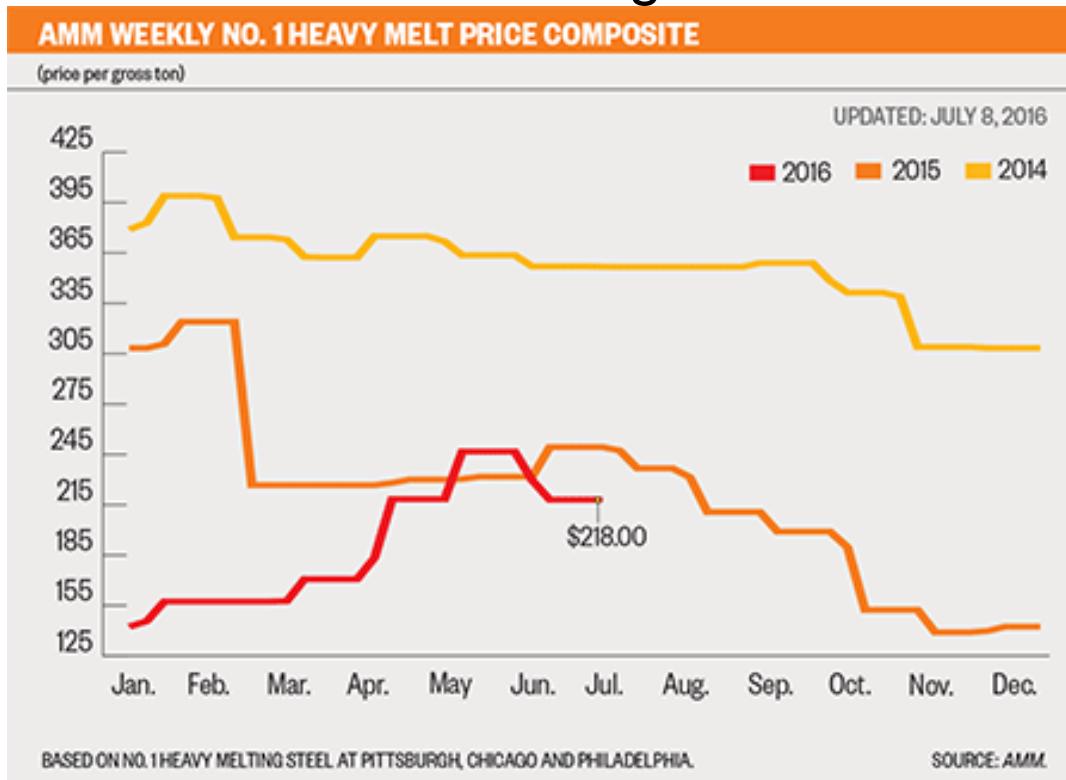
Iron ore prices remain well off its lows of December and while tough to see on this chart, it closed at about \$53/ton.



Source: Bloomberg (2016) Metal Bulletin;
Department of Industry, Innovation and Science (2016)

Importantly though, 72 hours ago the Australian government lowered their iron ore forecast for 2016 and 2017. This is great news for steel mills, could help manufacturers buying steel, but will hurt recyclers. DRI,

Direct Reduction Iron and HBI, Hot Briquetted Iron, are both very cost effective at low iron ore prices and are direct substitutes for scrap steel. Current low priced imports of HBI from Russia are one of the reasons why scrap prices have been declining.



This recent chart shows stable scrap ferrous prices, but when updated in a few days, we will show a decline of about \$15/Gross ton. This is now two months of declines.

Hot Rolled Coil Steel



and for good news for steel buyers, hot roll coil steel continues to come down. The seller's market hit its peak.

304 Stainless Scrap

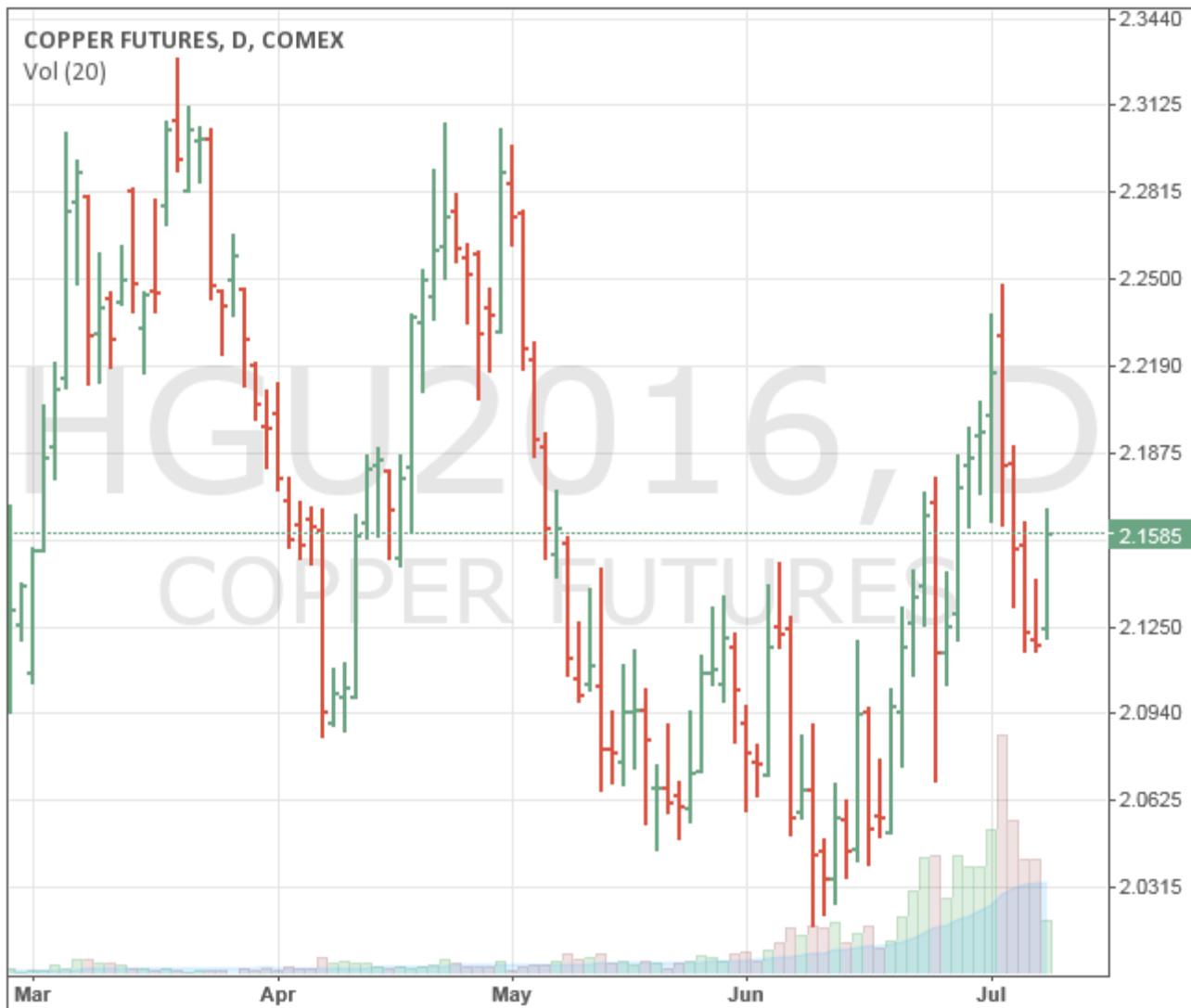
Zoom 1m 3m 6m YTD 1y All

From 01/01/2015 To 07/10/2016



304 stainless scrap prices have fallen a bit as expected, from their 8 month highs.

COMEX:HGU2016, D 2.1585 ▲ +0.0395 (+1.86%) O:2.1250 H:2.1675 L:2.1215 C:2.1585

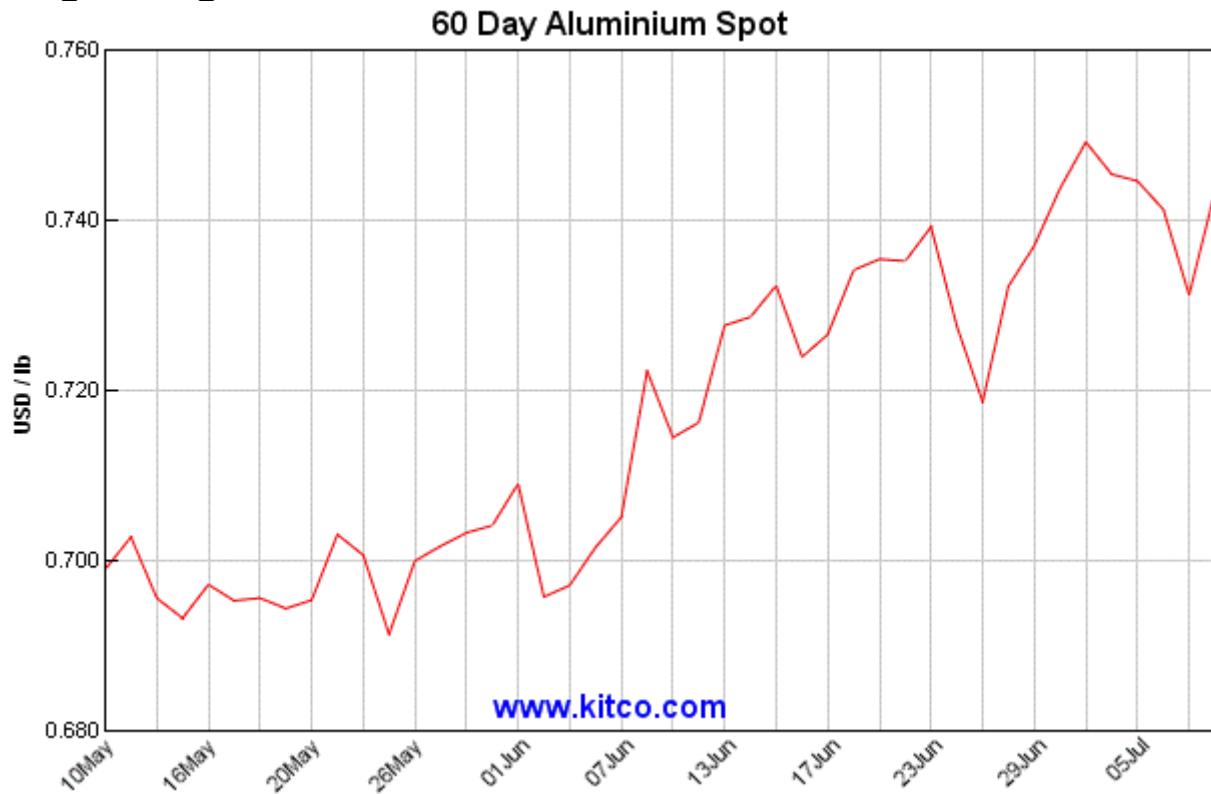


 **CME Group**
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Copper had a tough week and fell to about a one month low, but popped up a bit this morning.



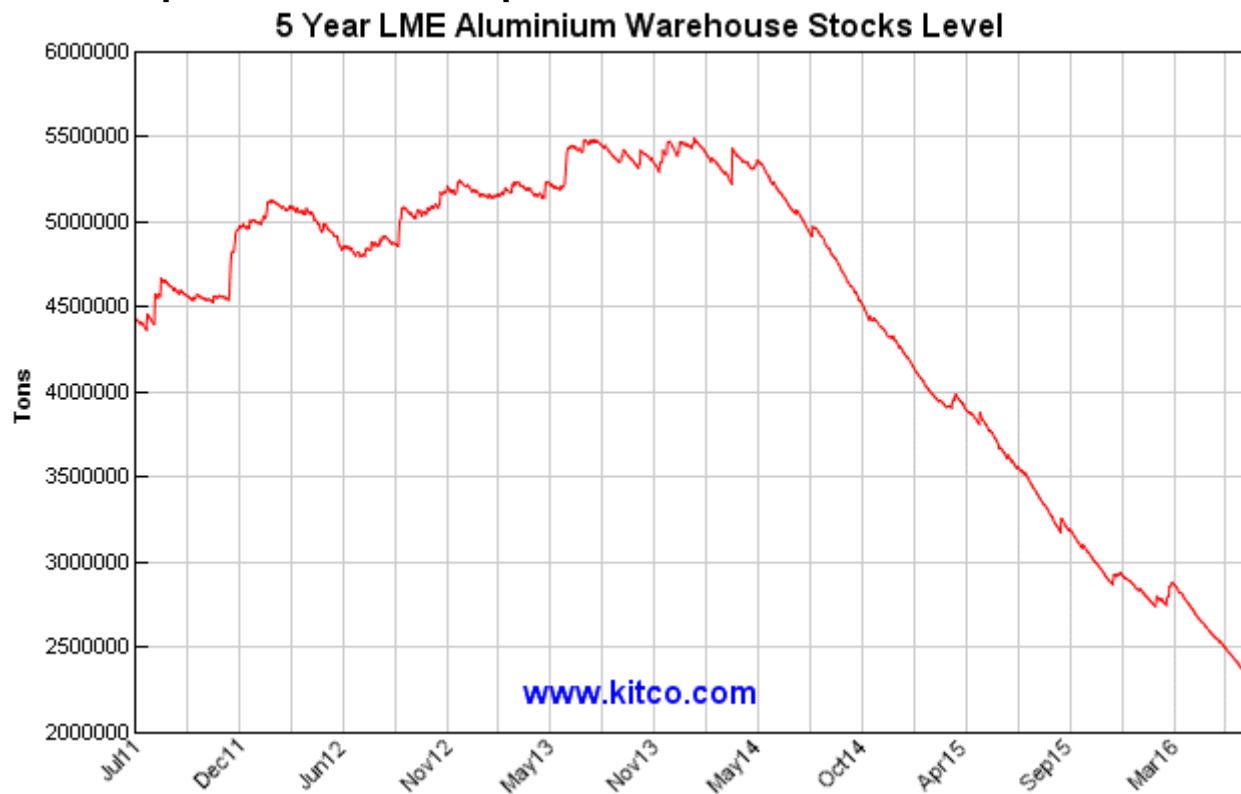
and when looking at the 5 year chart we see the same story that we have seen for a while. Copper has been in a trading range of about 25 cents for 9 months.



Aluminum declined early in the week, but ended up on Friday.



but unlike copper, we continue to see a trend up in aluminum prices in the past 7 months.



Aluminum inventories are about half their highs of a few years ago and higher prices could soon bring some production back on line that will temper the increases.

US CONSTRUCTION SPENDING



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

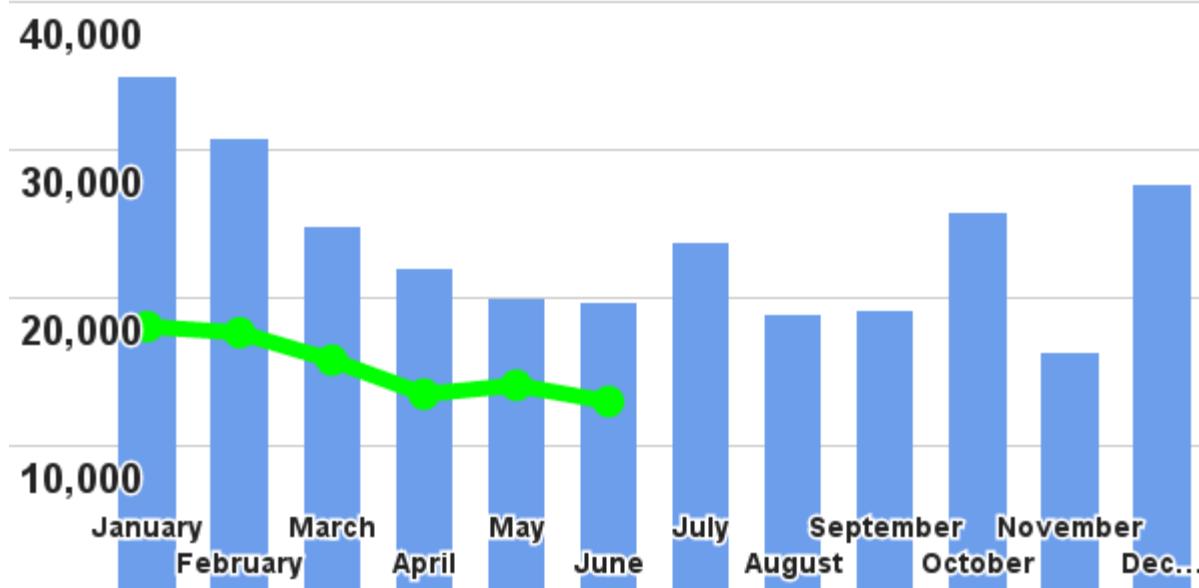
Construction spending the in the U.S. while ahead of last year, YTD through May, just had its second month in a row of negative, below zero growth, with education and highways spending down. Of course construction is a major steel consumer.

Class 8 Truck Sales

2015 - 2016

Source: FTR, Truck OEMs – Total N.A. Cl. 8 Orders (US/CAN/MEX/EXP)

Prior Year (2015) Current Year (2016)



This chart of Class 8 truck sales is disturbing. These are large over the road 18 wheelers as some call them. June 2016 order activity was the lowest monthly total since 2012 and the worst June since 2009. It goes against the fact that drivers are hard to find and that Walmart is advertising that their first year drivers are making \$82,000 a year. Low truck sales mean, low need to move freight, due to a slowing economy.

US INITIAL JOBLESS CLAIMS



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

As for positive economic news, initial jobless claims last week dropped to 254,000, the lowest level in 11 weeks and are approaching the lowest levels in decades.

US NON FARM PAYROLLS



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

As for even better news June U.S. Job creation was nothing other than terrific with 287,000 jobs created, the most in 8 months. While great overall economic news, it is not great for manufacturing in that the most jobs were created in leisure and hospitality, health care and social assistance, as well as financial activities and information

and a big part of this was 30,000 Verizon workers returning to work, after their strike.

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