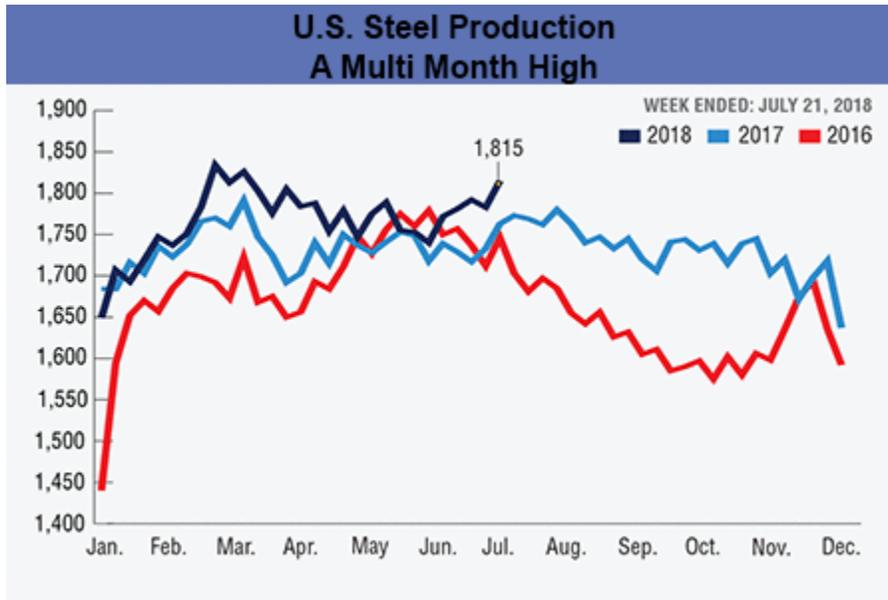
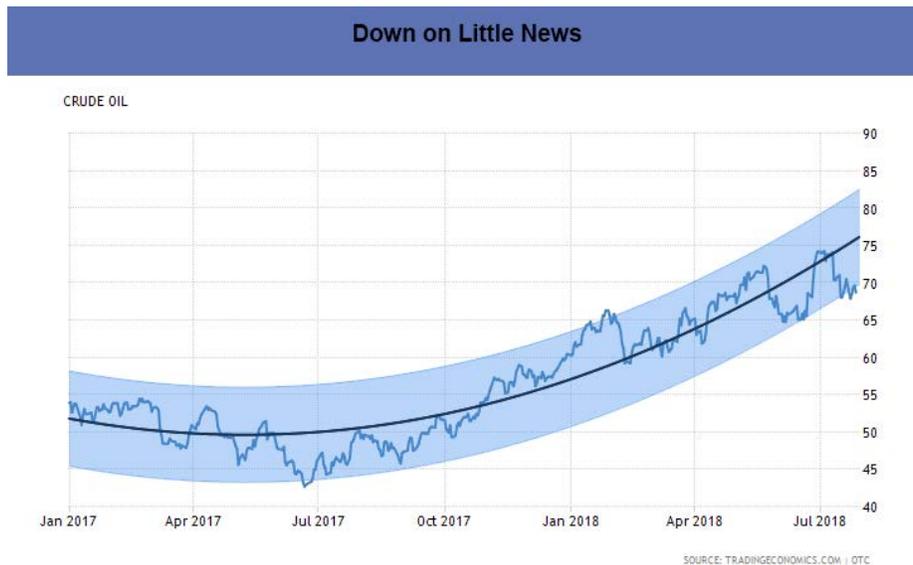


This is the Scrap Metal, Commodities, Recycling and Economic Report, by BENLEE Roll off Trailers and Luger Trucks, July 30th, 2018.

Last week commodity prices were mixed and many economic reports were very positive.



U.S steel production rose to an almost 4 month high as the U.S. economy remains solid and tariffs remain protecting U.S. steel operations.

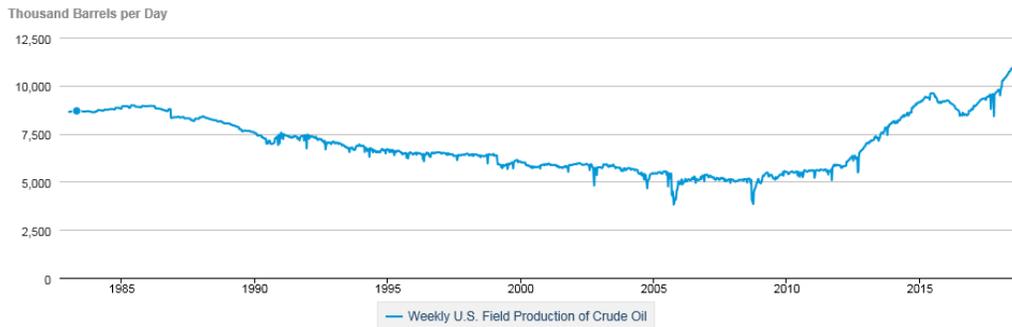


Oil fell about \$2/barrel to \$68.69 on a close balance of supply and demand, as global consumption continues to increase slowly with a good economy.

Steady at All-Time High

Weekly U.S. Field Production of Crude Oil

DOWNLOAD



Source: U.S. Energy Information Administration

U.S. oil production held at 11M barrels a day, the all-time record that it hit two weeks ago, as prices remain fairly high, making it economical to increase U.S. production.

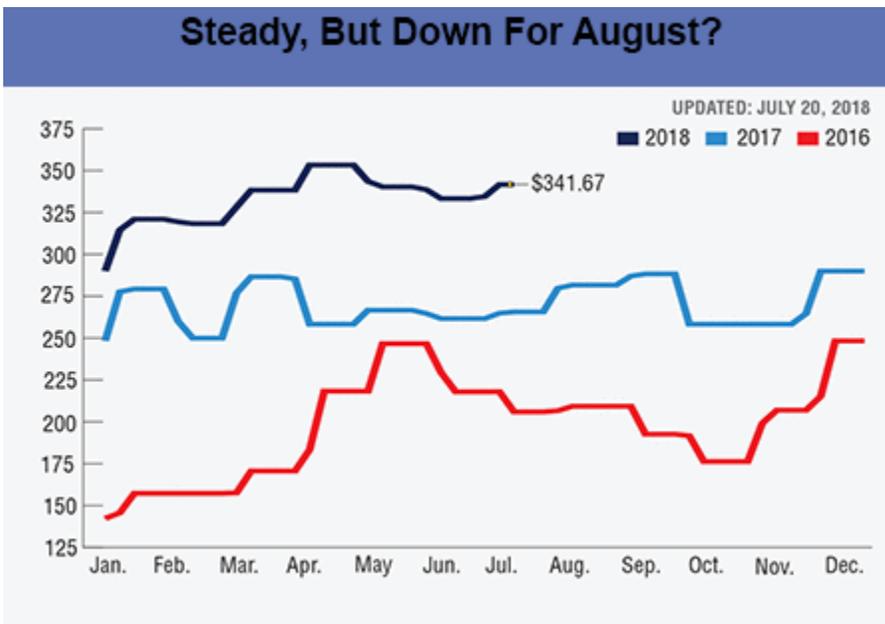
Up Slightly

IRON ORE



Iron ore rose \$.50/Ton to \$67.50/Ton which like oil is in a good balance of supply and demand in a slow growth global economy.

Steady, But Down For August?



Scrap steel #1 Heavy Melt held again at \$342/GT on good U.S. and global demand. Most believe prices could be down \$20/GT in August, but with strong demand and Nucor announcing their DRI plant down again, this could temper the decrease. Shredders will continue to offer lower prices, due to the problems they are having selling the aluminum output they get, which is a major part of their profit. Remember, ferrous scrap prices remain more than double what they were 2.5 years ago.

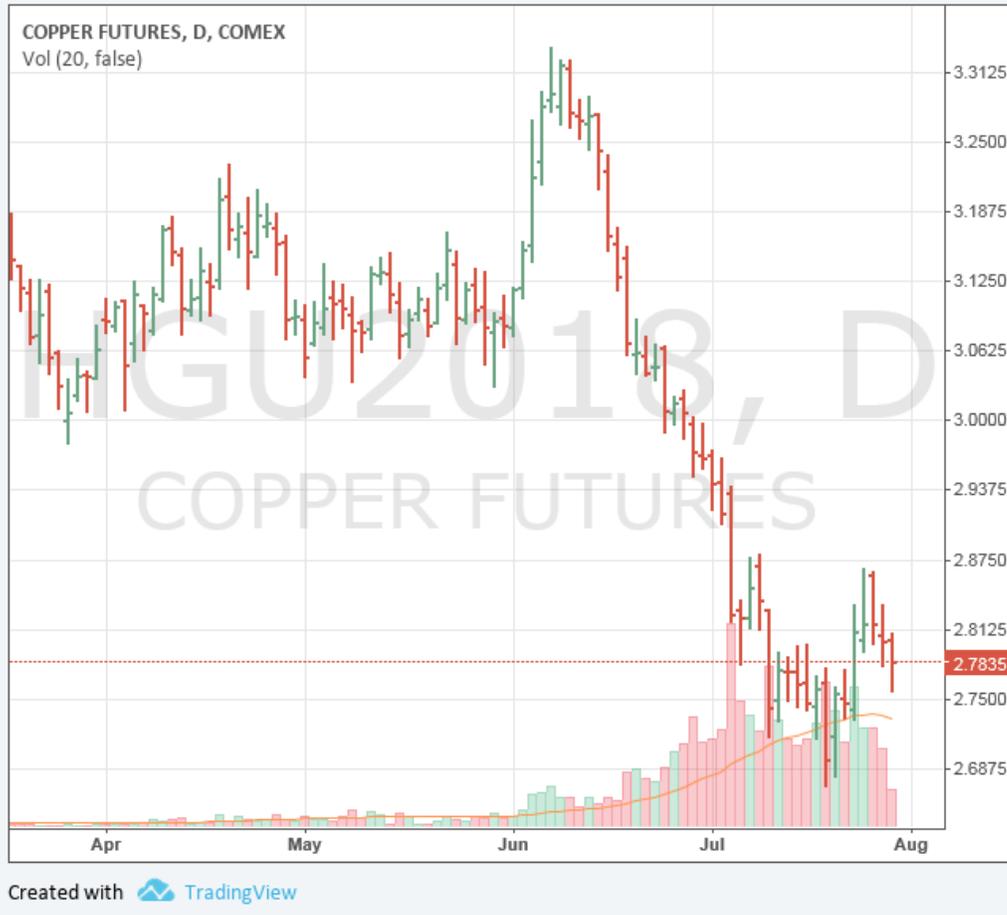


Hot dipped galvanized steel hit a new multi-year high at \$1,210/Ton. A solid U.S. economy and tariffs are bringing good demand, allowing steel mills to raise prices.

Up For the Week

Published on TradingView.com, July 30, 2018 04:18 EST

COMEX:HGU2018, D 2.7835 ▼-0.0185 (-0.66%) O:2.8035 H:2.8095 L:2.7585 C:2.7835



Copper rose 5 cents to \$2.80/lb., a nice recovery from the one year low of \$2.67 of about 10 days ago as economic jitters calmed down, but as tariffs and China's demand remain in flux. Copper is down 2 cents this morning.

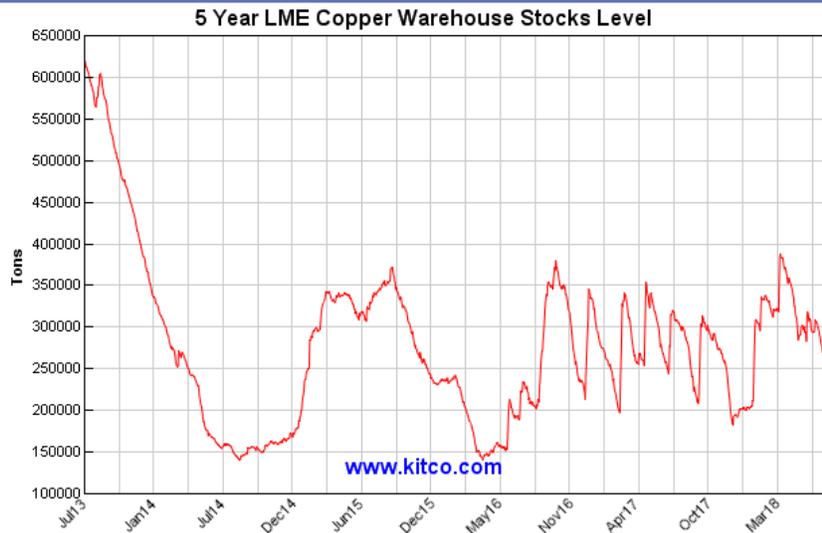
Near One year Low

5 Year Copper Spot



The 5 year chart shows we remain near the one year low that it recently hit.

Fall on Little News, OK Demand



Copper inventories fell again, as markets remain concerned about global growth.

Price Near Multi Month Low



Aluminum fell half a penny to 93.2 cents, near a multi month low on continued tariff nervousness, which has eased a bit, yet with good scrap flow and moderate demand.

Inventories Up Slightly



Aluminum LME inventories rose slightly, but remain near 8 year lows on good demand.

Tariff Truce with Europe



The President announced that there would not be the 25% tariffs on imported cars that had been threatened as he said he struck truce with the European Union. Note, most people do not know that the U.S. has had a very protective 25% Tariff on imported pickup trucks for decades. The current conversation has been on cars, not trucks.

Announced Terrific Profits



Congratulations to Steel Dynamics, which owns OmniSource, the second largest U.S. Metal Recycler, that reported 2nd quarter earnings of \$362M, more than double the previous year. Strong shipments of finished steel and scrap metal at OmniSource drove higher earnings. Tariffs on steel imports allowed higher prices, helped bring record shipments and brought margin expansion.

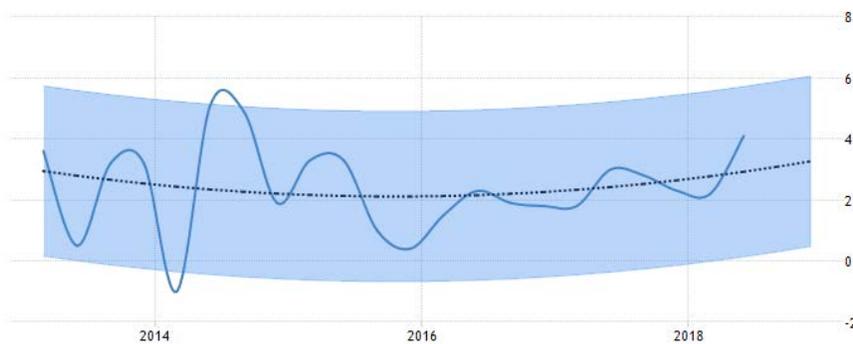
GM and Ford Profits Hurt By
Steel and Aluminum Price Increases



GM and Ford announced their profits have been hurt significantly due to the effect of higher Steel and Aluminum costs. Tariffs have been great for the steel and aluminum companies, but they are hurting the companies that buy steel and aluminum.

Hit a Great 4.1%
Best Since 5.2% In 2014

US GDP GROWTH RATE

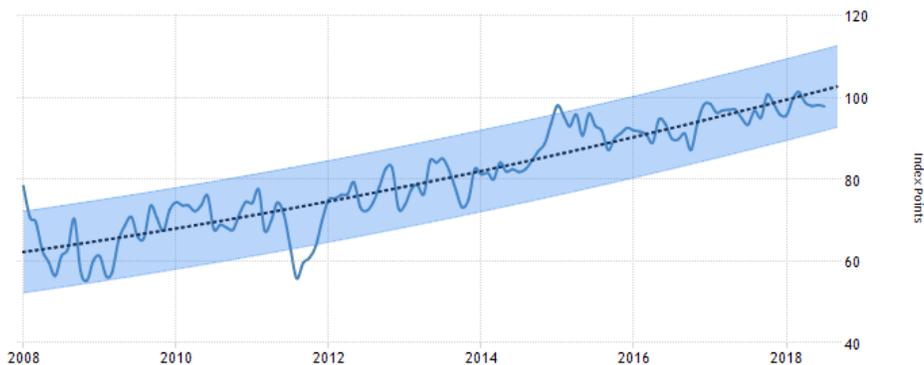


SOURCE: TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

U.S. 2d Quarter GDP grew at a terrific 4.1%, the highest growth rate since 2014. This was driven by increased spending on durable goods, overall increases in consumer spending and a huge increase in soybean exports. Overall exports jumped 9.3 percent as U.S. companies shipped orders overseas just before China, the European Union and Canada put tariffs on U.S. goods.

Continue Trending Up Since 2009

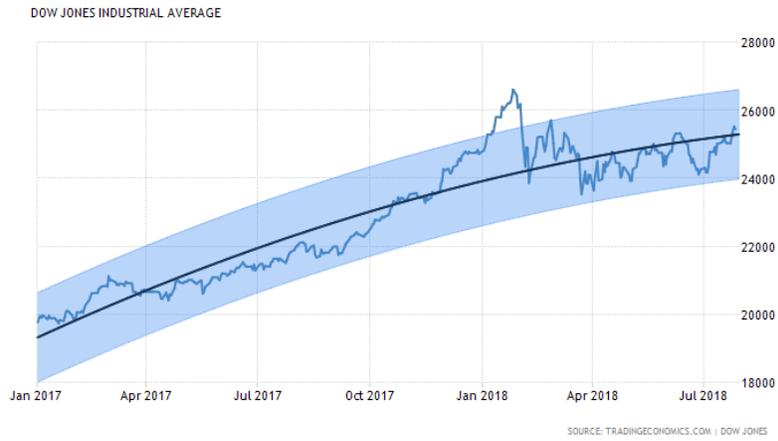
US CONSUMER SENTIMENT



SOURCE: TRADINGECONOMICS.COM | UNIVERSITY OF MICHIGAN

U.S. Consumer sentiment while down to 97.9, in July, continues its trend up since 2009. Consumer expectations and current economic conditions remain strong, despite expectations of inflation being 2.9% in the year ahead.

Up on Strong Corporate Earnings



Wall Street's Dow Jones Industrial Average rose a big 393 points ending at 25,451. Strong corporate earnings at companies like Amazon and the GDP growth of 4.1 percent helped drive the increase.

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