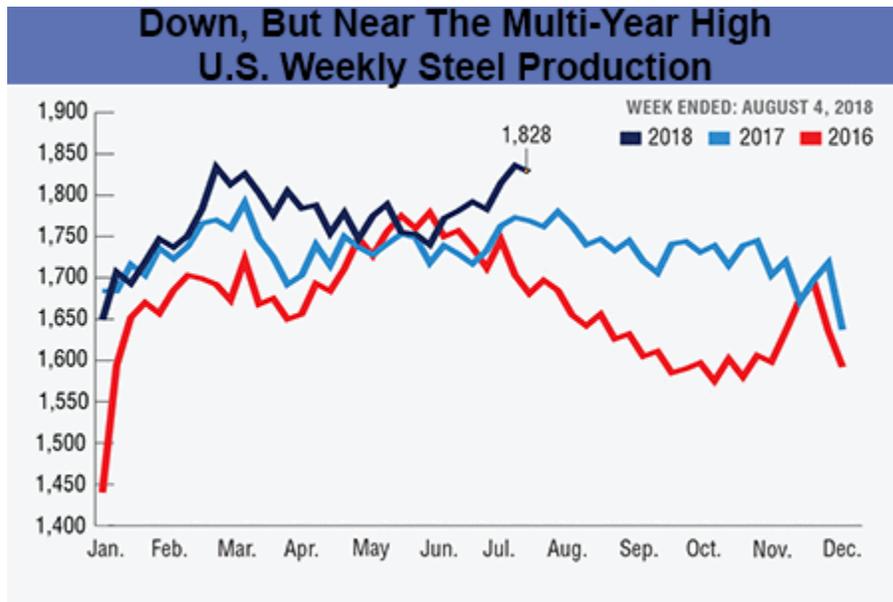
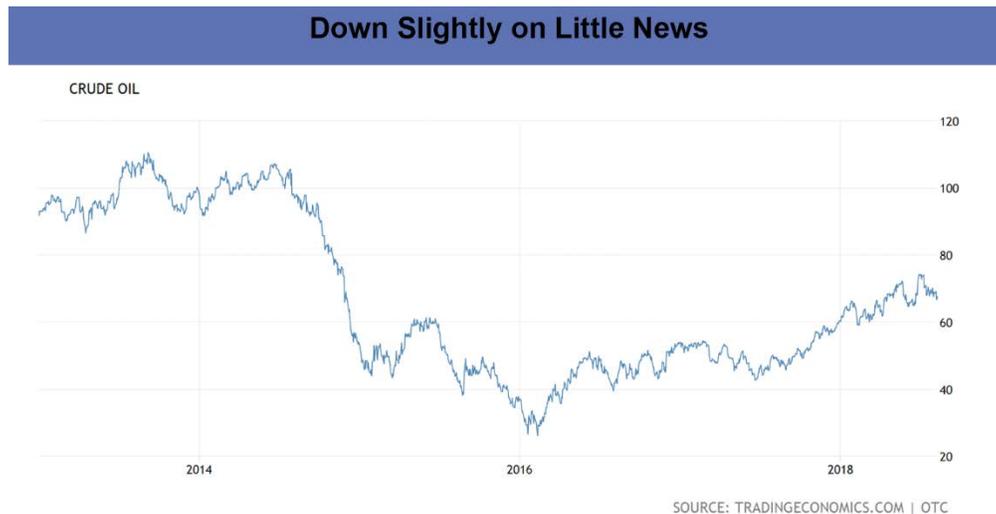


This is the Global & U.S. Economic, Scrap Metal, Commodities, Recycling Report, by BENLEE Roll off Trailers and Open Top Scrap Haulers, August 13th, 2018.

Last week commodity prices and economic reports were mixed.



U.S steel production fell slightly, remaining near a multiyear high on a good economy and tariff protection, which is keeping U.S. prices and volumes high.



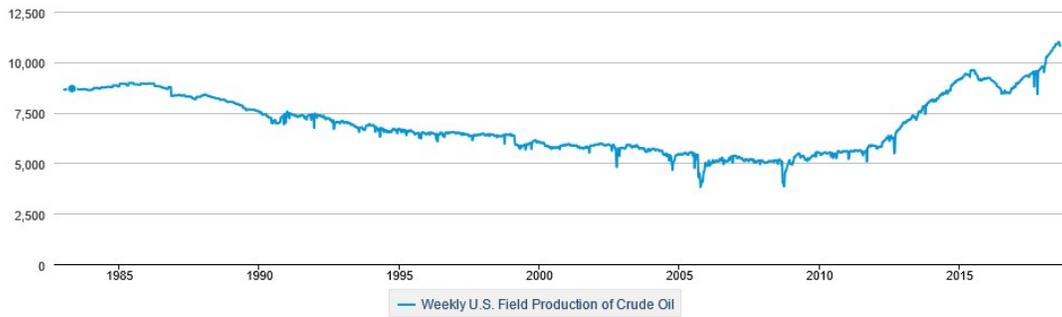
Oil fell less than a dollar, ending at \$67.63/barrel on continued noise, but no major actions by any countries. In November, the U.S wants the world to stop buying Iranian oil, which could raise prices.

Fell Slightly, Buy Near Historic High

Weekly U.S. Field Production of Crude Oil

Thousand Barrels per Day

DOWNLOAD

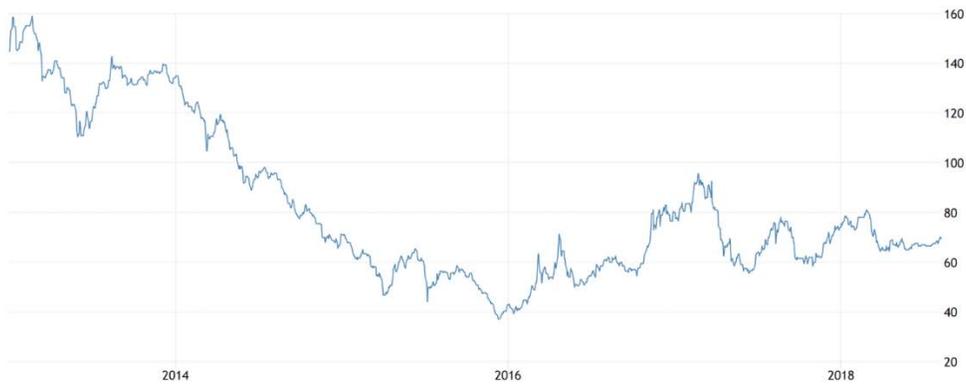


Source: U.S. Energy Information Administration

U.S. oil production fell slightly to 10.8 Million barrels a day, remaining near the all-time record of 11M barrels, three weeks ago. The lack of pipe lines to move oil remains a problem.

Down Slightly in Little News

IRON ORE



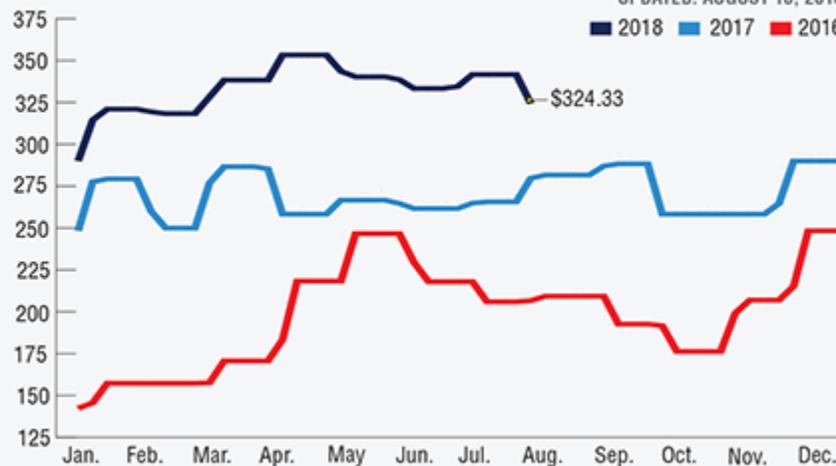
SOURCE: TRADINGECONOMICS.COM | OTC

Iron ore was up \$2/Ton ending at \$69.50/Ton on little news and a good global balance of supply and demand.

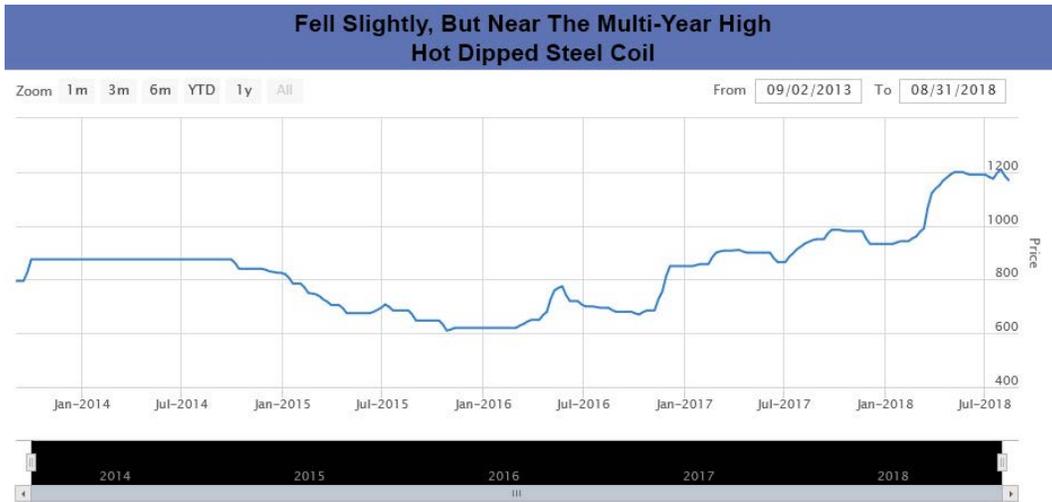
Down, But Near The Multi-Year High Steel #1 Heavy Melt Price

UPDATED: AUGUST 10, 2018

2018 2017 2016



Scrap steel #1 Heavy Melt fell \$18/GT on a scrap oversupply, despite good demand. A great situation for steel mill profitability with the ability to raise prices while lowering input costs. Nucor's DRI plant is also back on line which hurts scrap prices. Turkey's high demand for U.S. scrap is about to decline, which we will talk about in a minute.



Hot dipped galvanized steel fell \$40/T to \$1,170/Ton on demand weakness, but remaining near its multi-year high.



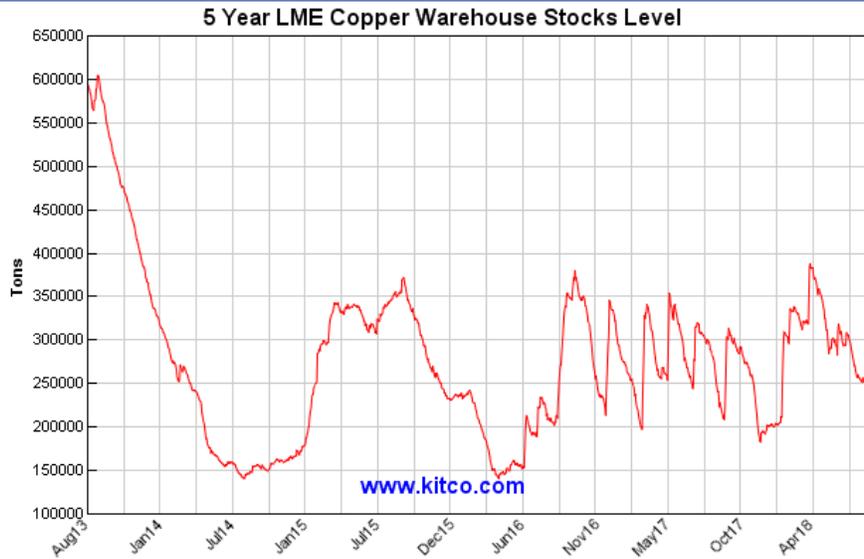
Copper fell about a penny to \$2.7425/lb., after having a nice mid-week rise to over \$2.81. Trade news continues to drive prices up and down.

In Range Near 1 Year Low



The 5-year chart shows we remain off the June multiyear high as markets remain looking for a direction.

Fell on Trade News



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

Rose, Near Multi Month Low



Aluminum rose about 2 cents to 93.4 cents, remaining near a multi month low on a lot of noise in trade and tariffs, combined with good scrap and raw material flow and good demand.

Fell, Near 8 Year Low



Aluminum LME inventories fell slightly, remaining near 8-year lows on good demand.

**China Announced \$16B of New Tariffs
Includes 25% in all Recycled Material**



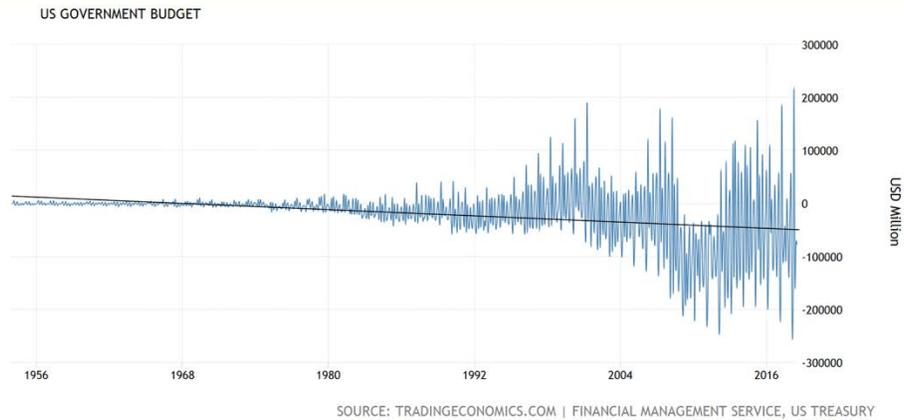
China announced a 25% tariff on \$16 Billion of added U.S. items, including the billions of dollars of recyclables they buy from the U.S. This will reduce the prices of some U.S. commodities bringing winners and losers.

President Trump Announced Doubling Turkey



President Trump announced doubling the current 25% steel and 10% aluminum tariffs on Turkey making them 50% and 20%. This will further support U.S. rebar mills and could allow for added U.S. price increases.

July Deficit Spending 79% HIGHER Than Last July



July's U.S. Government Deficit spending rose by a huge 79% over last year. The government spent \$77 Billion more than they took in this July and only \$42.9 Billion more last year. With a very good current economy, taxes companies and people pay into the government are at record levels, but government spending is growing even faster, so the National Debt continues to increase at a faster rate.

2.9% Overall Inflation



July's U.S. Inflation stood at 2.9% unchanged from June, the highest since February 2012. Upward pressure on fuel oil, gasoline, transportation services and used cars and trucks drove the increase, with no change in the 1.4% increase in food prices.

2.9% Overall Inflation



Importantly, when taking out the volatile food and energy data, you get what is called core inflation which was 2.4%, making it the highest since July 2008. The Fed target is 2%, confirming that more interest rate increases will be coming, which are used to slow the economy.

A Great 14 year High



August's U.S. Economic Optimism index rose to 58 from July's 56.4, the highest level since January 2004, over 14 years ago. The measure of how consumers feel about the economy and their own finances both rose, while their confidence in Federal Economic polices fell. Overall, a very positive report.

Down On Tariff and Interest News



Wall Street's Dow Jones industrial average lost 150 points ending at 25,313, with the news of the doubling of tariffs on Turkey and concern about the U.S. overheating economy, bringing higher interest rates, being a concern.

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