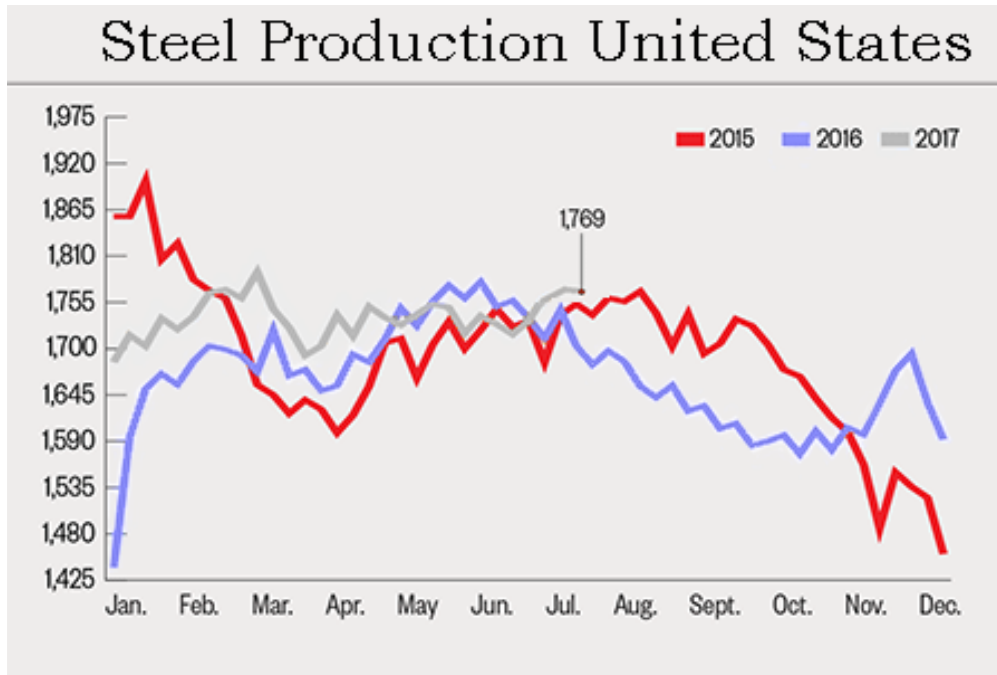


This is the Scrap Metal, Commodities, Recycling and Economic Report, by BENLEE and Raleigh and Goldsboro Recycling, August 14th, 2017. Due to vacation schedules, this is a special remote report.

Last week commodity prices and economic reports were mixed.

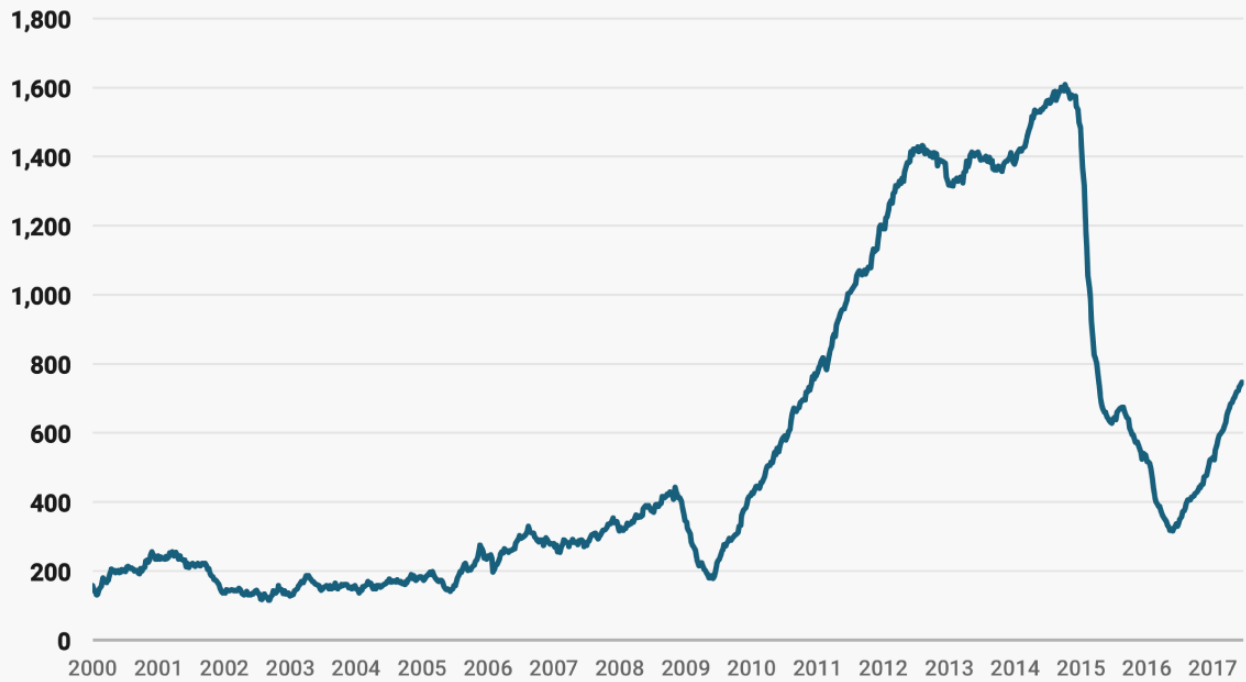


U.S steel production fell slightly for the second week, but remains near a multi month high. Related, imports have grown about 1% YTD ending June for long products like rebar and beams which of course hurts U.S. production.



Oil fell about \$1.50/barrel to \$48.01 with reports that OPEC has not cut production as had been agreed. Related U.S. production remains solid as global consumption slowly increases.

US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

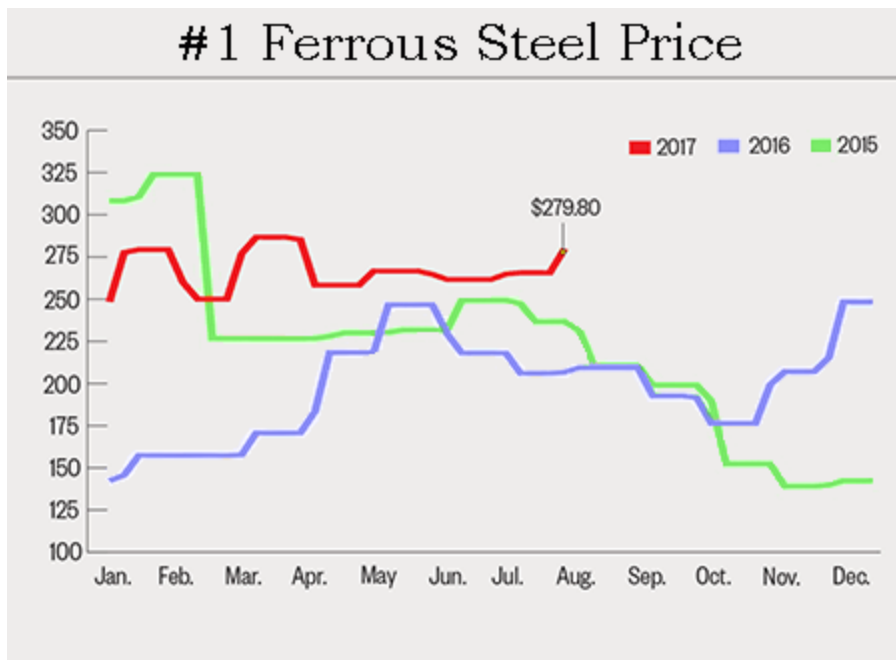
The oil rig count rose three to 768, as the count slowly increases. Rigs are more than double last year's 369, yet remain down 52% from the high of a few years ago.

IRON ORE

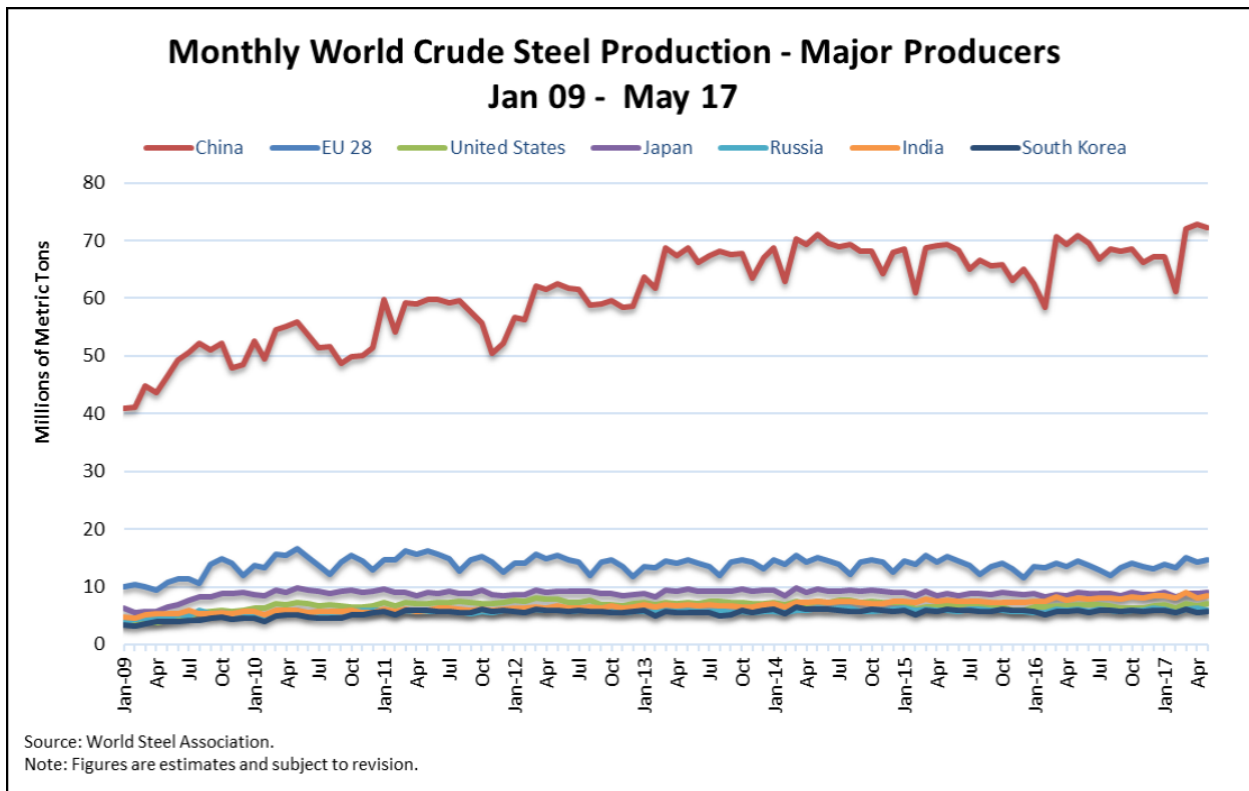


SOURCE: TRADINGECONOMICS.COM | OTC

Iron ore fell \$5.50/MT to \$67.50, on mixed news about the economy and as China's steel production remains at or near all-time record highs.



Scrap ferrous prices rose on good U.S. and export demand, as well as the Nucor plant making scrap metal substitutes remaining off line.



U.S. steel production is not the major driver of scrap prices. Ending May 2017, China's steel production dwarfs all other areas of the world. The second highest area is the European Union. The U.S. is third and produces about the same amount of steel in a year, that China produces in a month.

Hot Dipped Galvanized Coil January 1, 2016 to August 12, 2017



Hot dipped galvanized steel rose to \$940/ton on good demand and the need to pass through higher raw material prices.

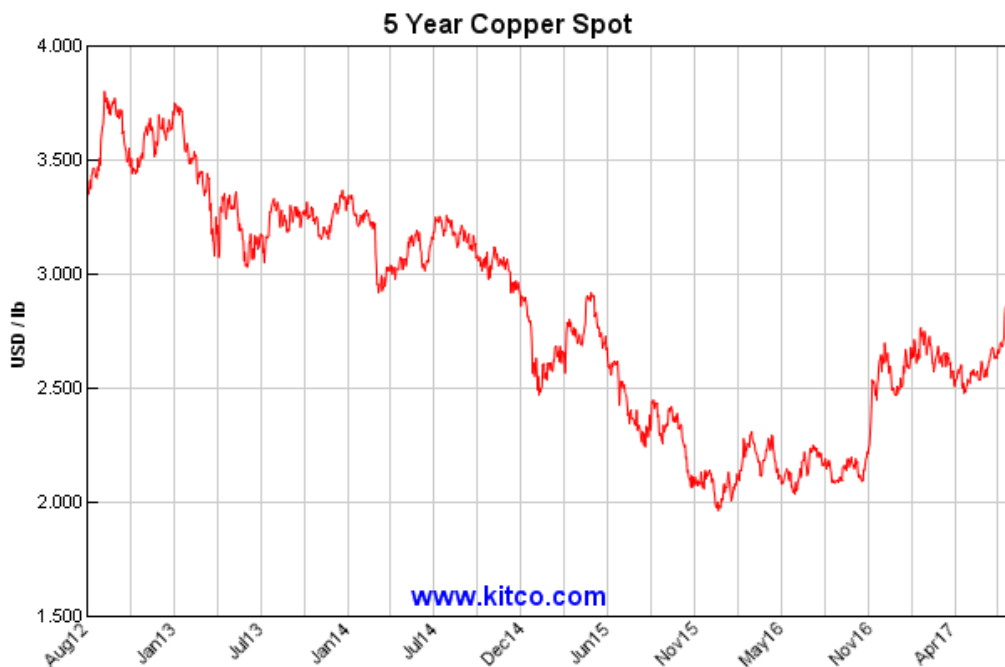
304 Stainless Scrap January 1, 2016 to August 12, 2017



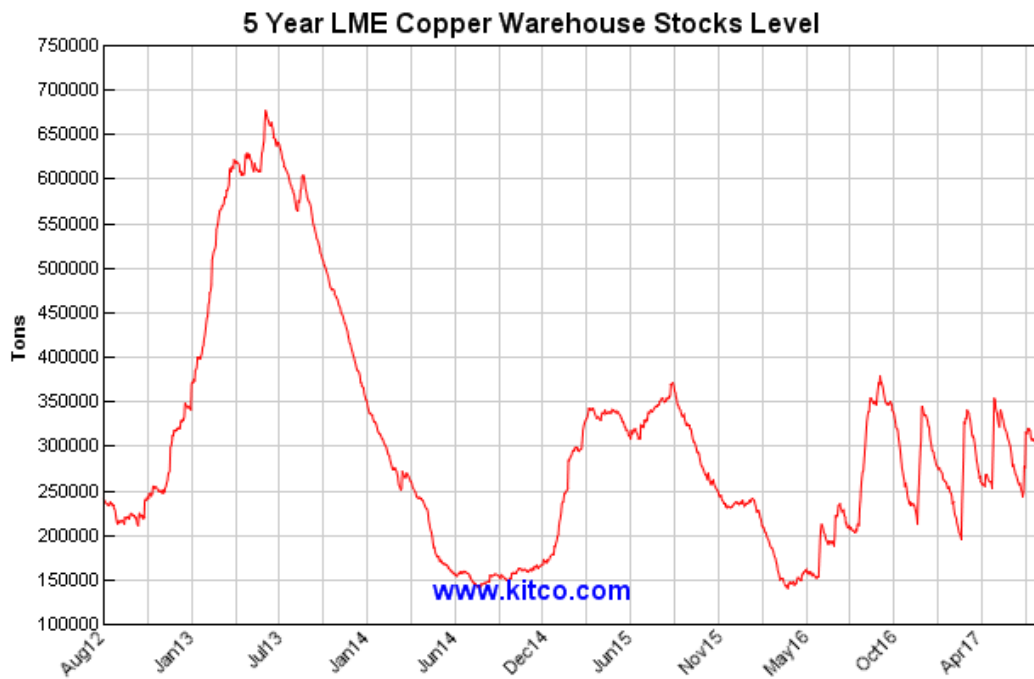
Stainless 304 scrap prices remained steady to 29.5 cents per pound on no major news and steady demand.



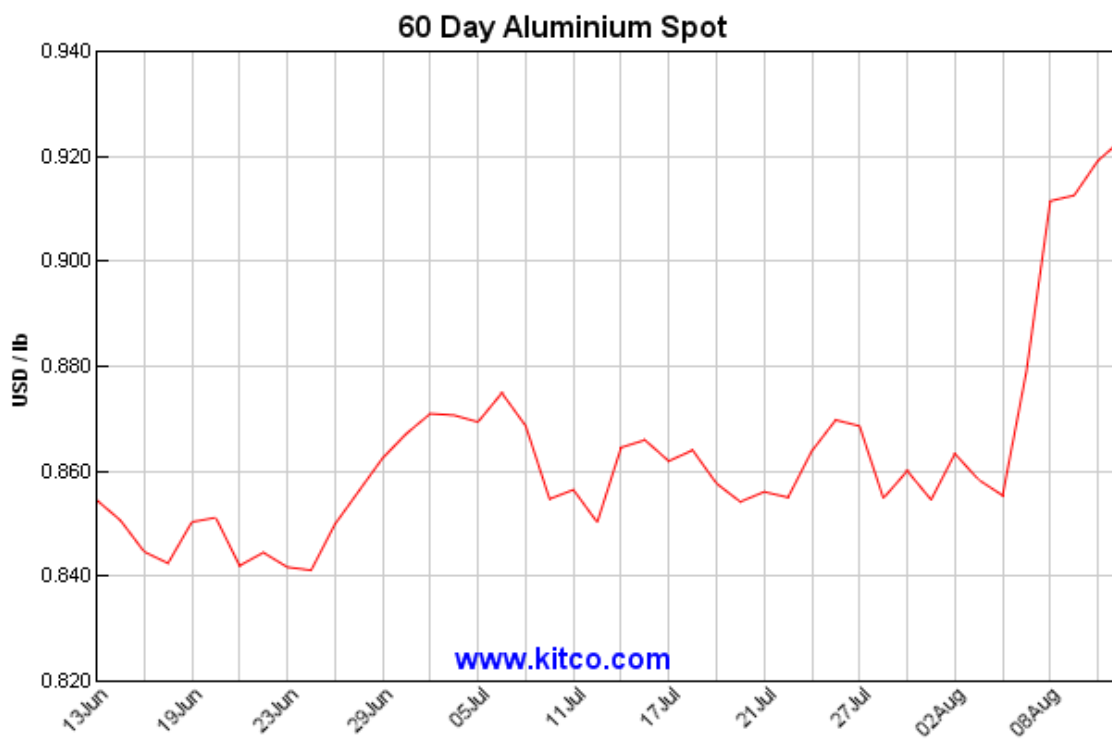
Copper rose to a new multiyear high ending at \$2.91 for the week on solid demand out of China and a weak dollar. Prices are well ahead of where most forecasters expected them to be, in 2017.



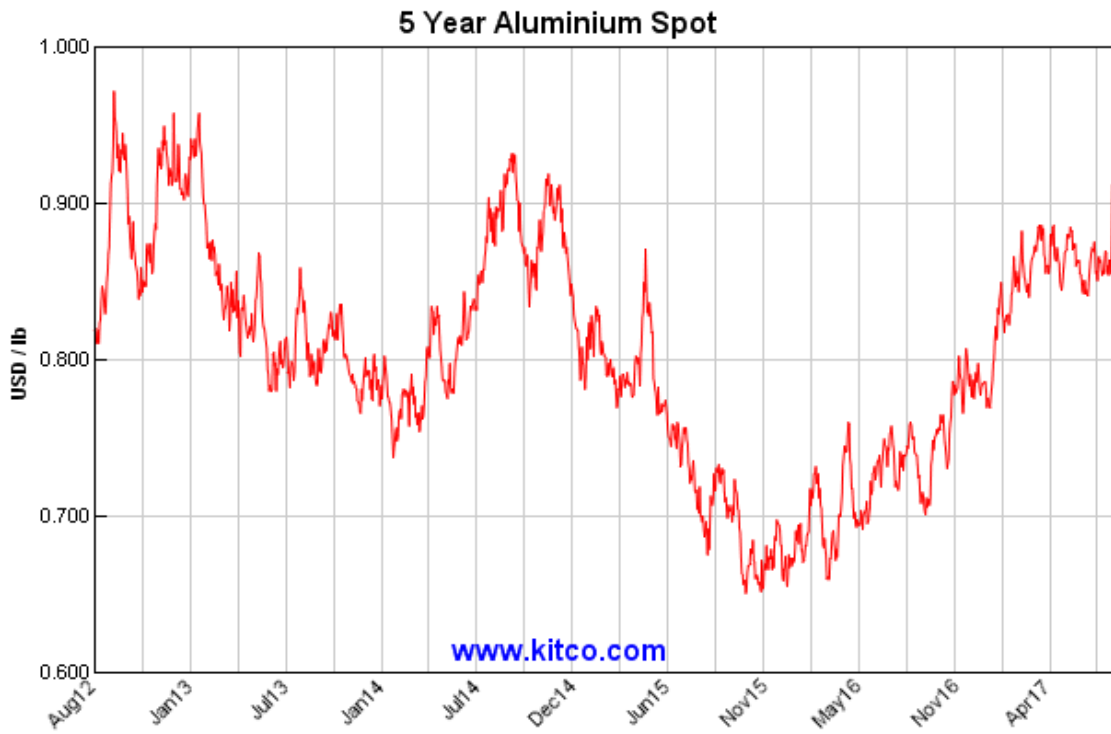
The 5 year chart shows copper at the multiyear high. Related, the spread between transaction prices and COMEX has widened.



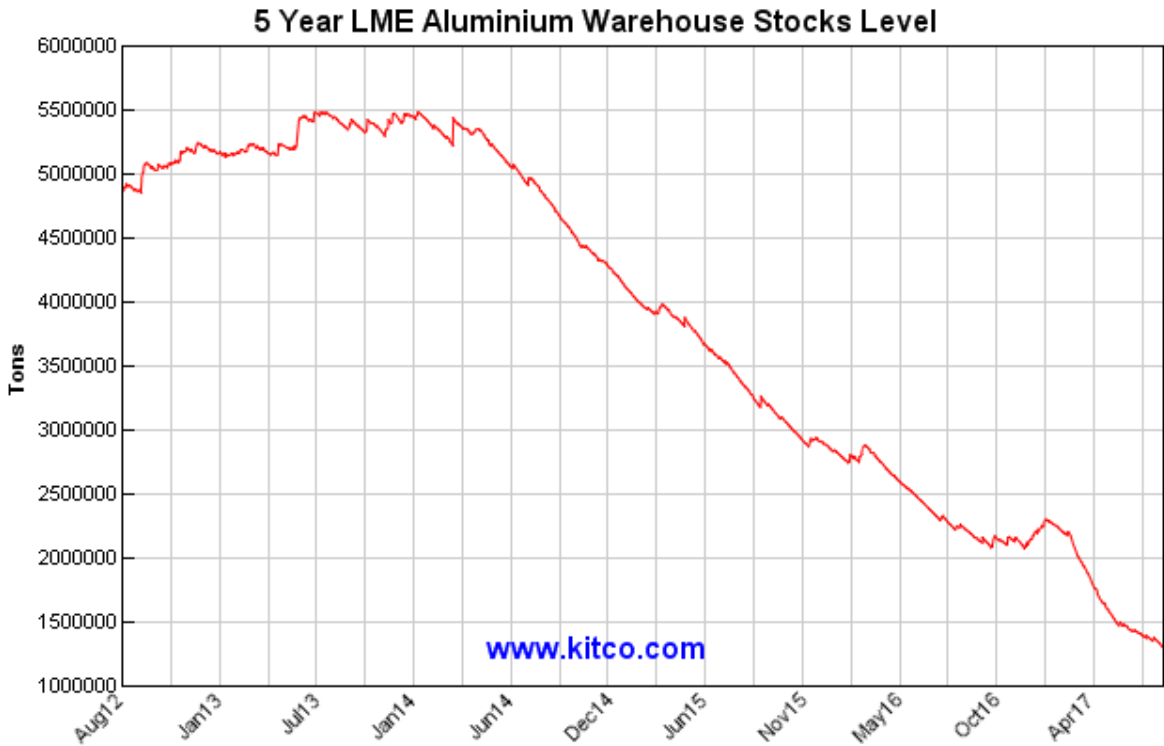
Copper inventories fell slightly, but remain double that of about a year ago, putting downward pressure on prices.



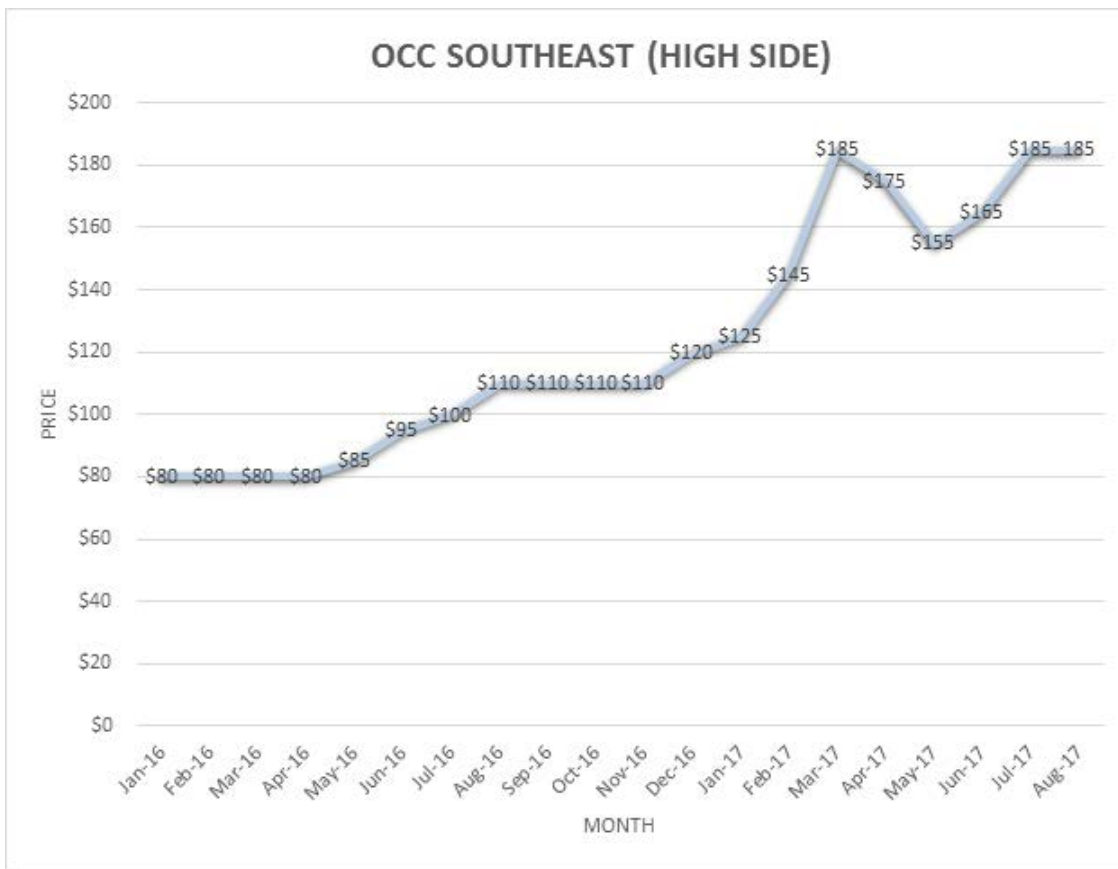
Aluminum prices rocketed up 7 cents to a new about three year high, on good demand and a weak dollar. The good demand is keeping upward pressure on prices.



The 5 year chart shows the multiyear high of where aluminum ended the week.



Aluminum inventories fell yet again to a new about 10 year low, despite word that China hit a new production record. Inventories are down 76% from a few years ago, which is keeping upward pressure on prices.



Last week we showed this cardboard chart for the first time. We wanted to repeat it for those that missed it. Cardboard after a nice run up in the past 18 months is flat for August, but is more than double that of 18 months ago.



U.S. consumer prices rose a small 1.7 percent in July vs. last year. While prices rose for food, energy and transportation services, 1.7 percent is below the U.S. Federal Reserve target of 2.0%.

US JOB OPENINGS



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

A key indicator of future hiring and job creation is job openings. In June, the number of U.S. job openings hit a new high since this measure was tracked in the year 2000. There are now 6.16 million job openings, with professional and business services seeing the largest increase.

DOW JONES INDUSTRIAL AVERAGE



SOURCE: TRADINGECONOMICS.COM | DOW JONES

Wall Street started the week strong and hit new records, but had a few bad days as the war of words over the Korea situation heated up. The Dow finished at 21,858, which is still a huge number from where we were years ago.

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