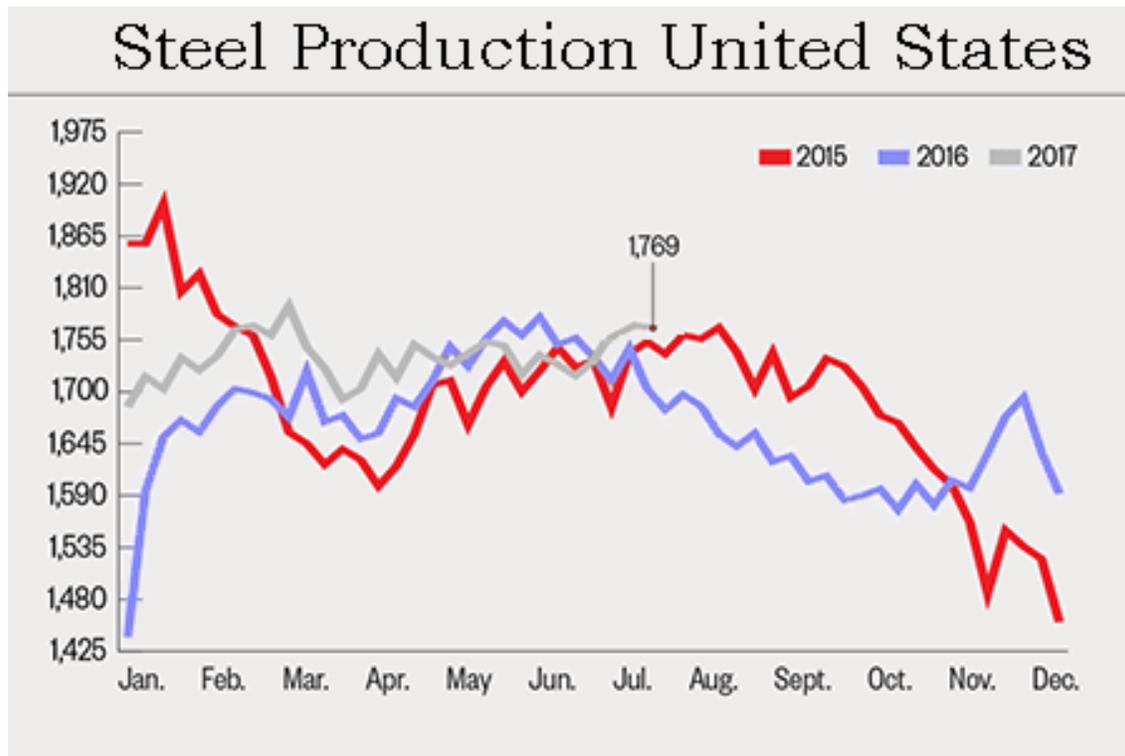
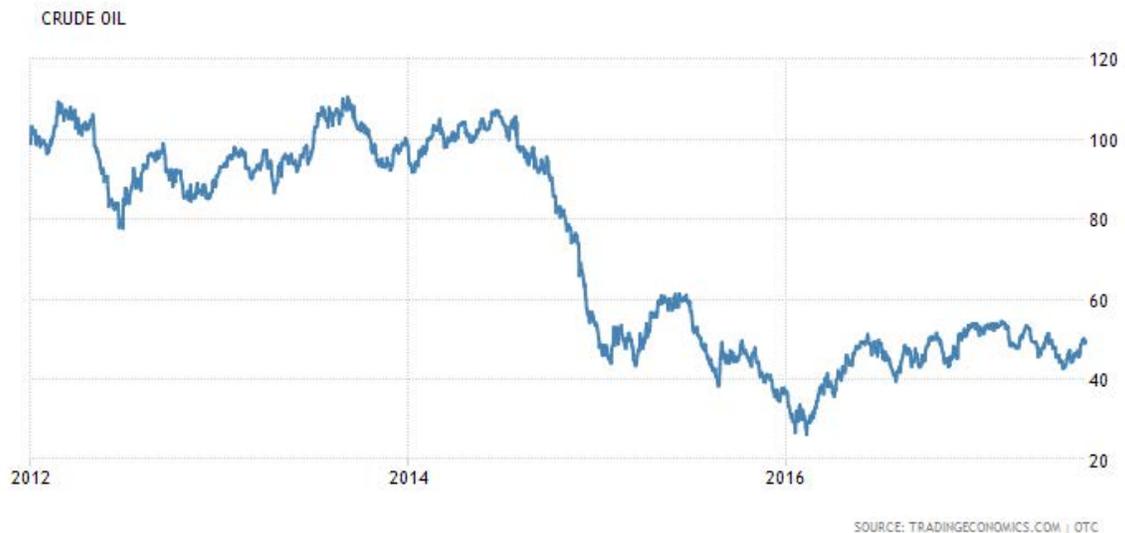


This is the Scrap Metal, Commodities, Recycling and Economic Report, by BENLEE and Raleigh and Goldsboro Recycling, August 7th, 2017.

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



U.S steel production fell slightly, but remains near a multi month high. The steel mill utilization rate fell slightly to 75.9, from 76.1, remaining near the 2017 high.



Oil held steady at \$49.58 a barrel. Low prices are slowing the increase in U.S. drilling as OPEC continues to work hard to get prices up, by reducing global oversupply.

US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

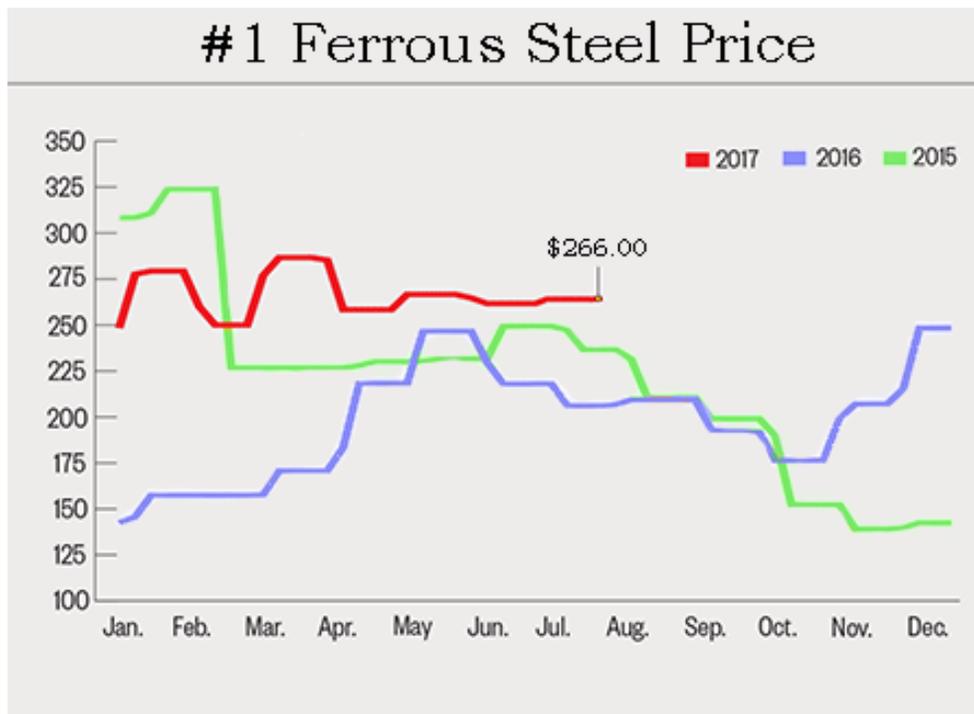
The oil rig count fell one, to 765, as the increase in the rig count has slowed. Rigs are still more than double the low of last year, but remain down 52% from the high of a few years ago.

IRON ORE



SOURCE: TRADINGECONOMICS.COM | OTC

Iron ore rose a big \$3 to \$73, a new multi month high, putting more upward pressure on finished steel and scrap prices.



Scrap ferrous prices remained steady on this chart, but as August trading started last week, we are seeing prices up \$10-\$25 per gross ton depending on the market and the product. Export demand remains strong, which is driving higher prices, along with the weak U.S. dollar and Nucor's DRI plant being off line.

Hot Dipped Galvanized Coil January 1, 2016 to August 6, 2017



Hot dipped galvanized steel stayed steady at \$922/ton on good demand, yet there remains upward pressure on prices.

304 Stainless Scrap January 1, 2016 to August 6, 2017



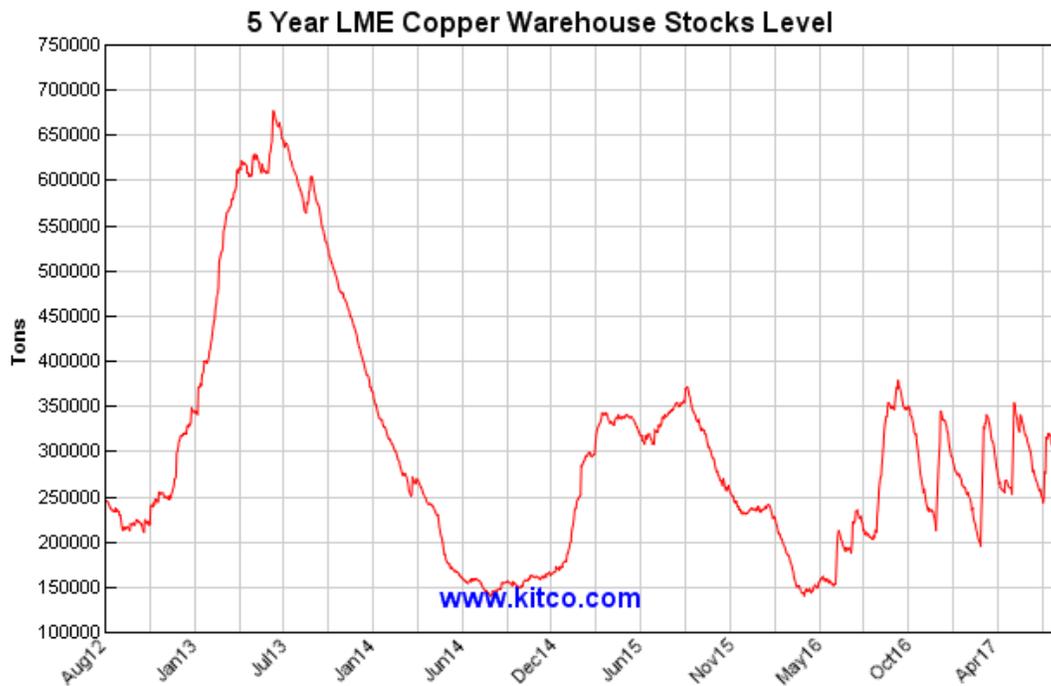
Stainless 304 scrap prices remained steady to 29.5 cents per pound on no news and steady demand.



Copper after a huge move two weeks ago, stayed steady at \$2.88. A weak U.S. Dollar is helping support higher prices. Copper is up a penny this morning to \$2.89.



The 5 year chart shows copper remains near a multiyear high on good global demand.



Copper inventories were little changed, remaining near a 12 month high and double that of about a year ago, putting downward pressure on prices.

5 Year Aluminium Spot

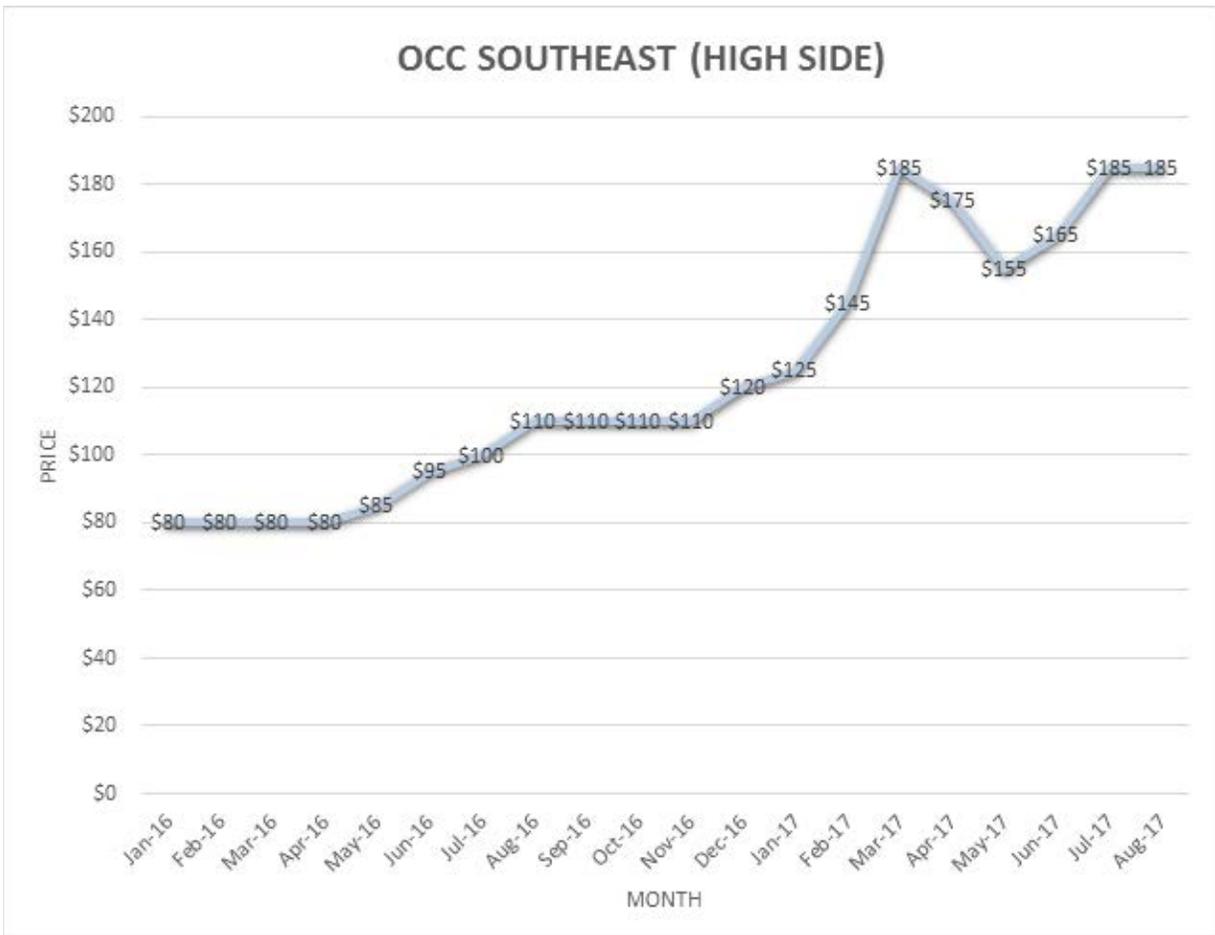


Aluminum prices held steady at 85.5 cents remaining near a multiyear high. Solid global demand and the weak dollar is putting upward pressure on prices.

5 Year LME Aluminium Warehouse Stocks Level

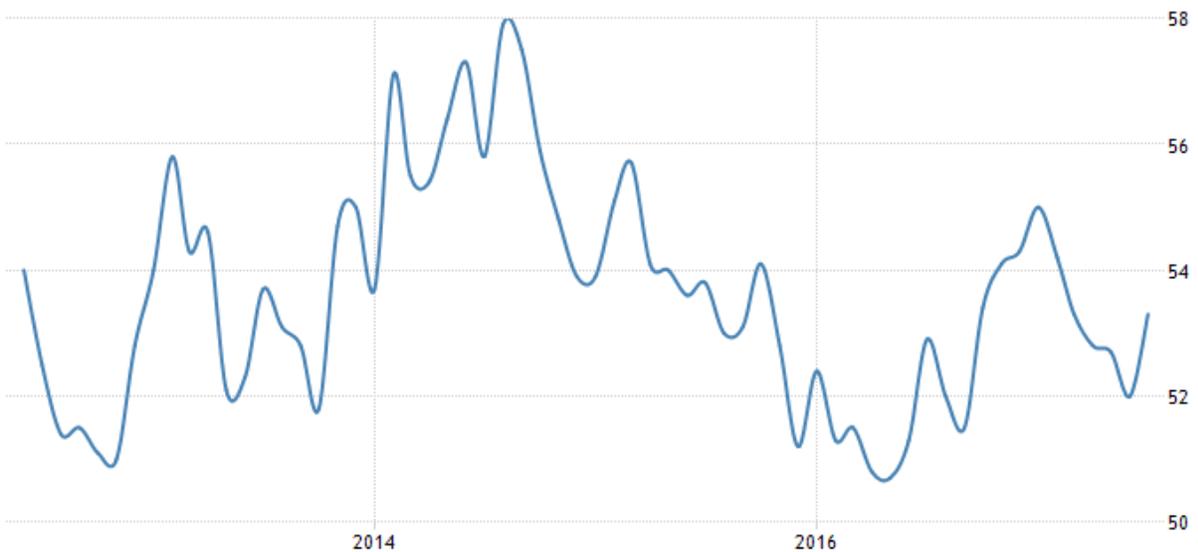


Aluminum inventories fell yet again to a new about 10 year low. Levels are down a full 75% from a few years ago, which is keeping upward pressure on prices.

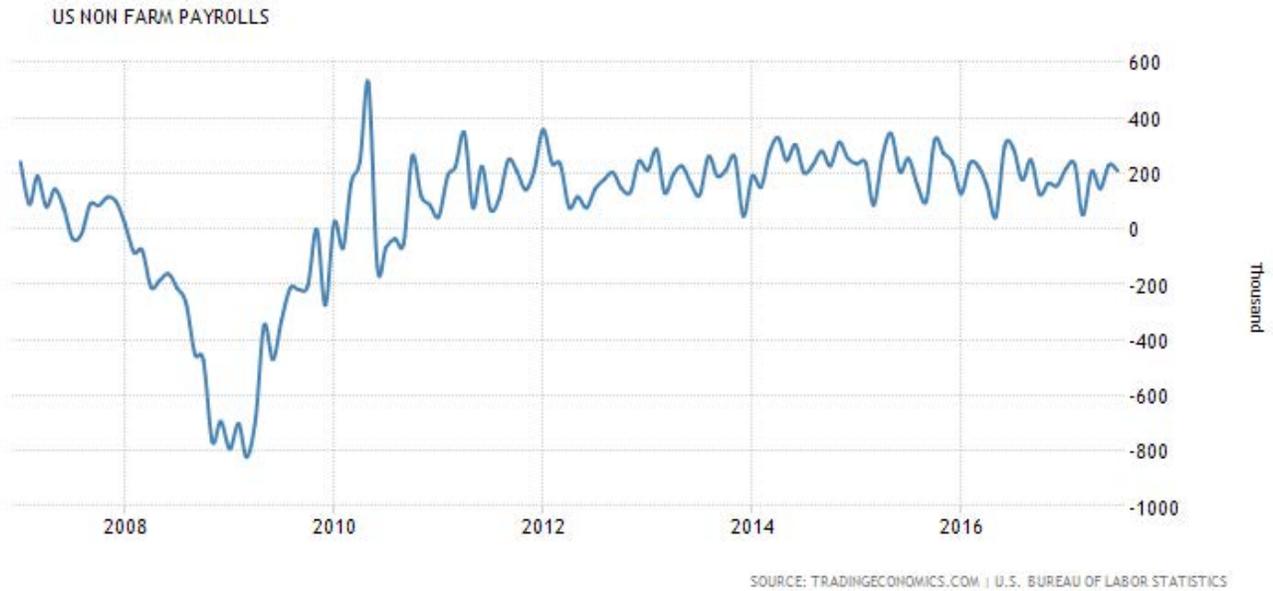


Cardboard (a new chart for us) after a nice run up in the past 18 months is flat for August, but is more than double what it was 18 months ago.

US Manufacturing PMI



The U.S. Manufacturing Purchasing Manager's Index rose to 53.3. This is the highest reading in 4 months as growth in output and new orders rebounded and inflationary pressures were muted. Orders from abroad were slightly reduced, while new orders received by US manufacturing firms grew at a solid pace, recovering from the nine-month low seen in June.

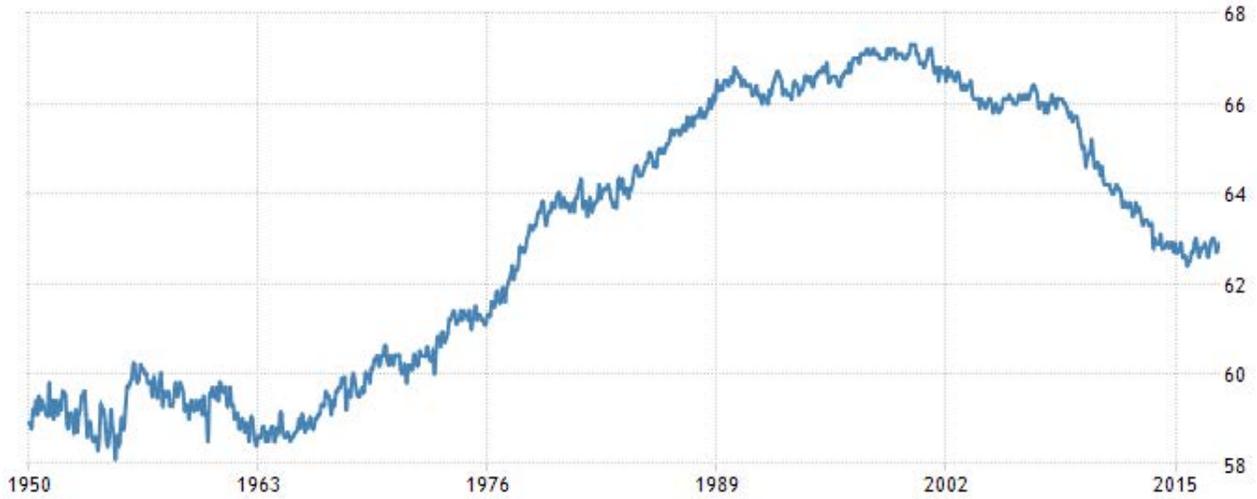


U.S. non-farm payrolls increased by a strong 209,000, but have been trending slightly down. Employment growth in food, business services and healthcare were the strongest.



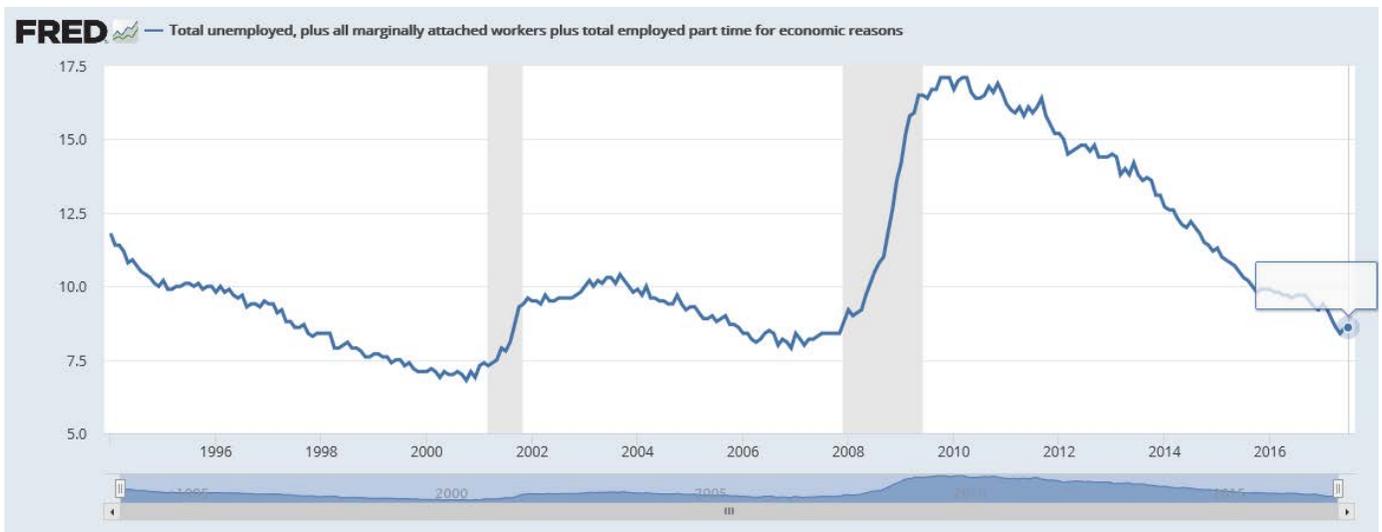
The growth led to the unemployment rate matching the 16 year low of 4.3 percent it hit in May. A great number.

US LABOR FORCE PARTICIPATION RATE



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

The labor force participation rate, which includes all people 16 years old or older that could work has somewhat stabilized at 62.9 percent, meaning 37.1 percent of people that could work, are not working. To help grow the economy we need more of these people in the work force. It was as high as 67.3 in 2000.



Another key unemployment measure is the U6 which is the unemployed population, combined with part time workers who want a full time job and workers that have left the work force but want to work. That is 8.6 percent, but was over 17 percent during the recession of 2009.

DOW JONES INDUSTRIAL AVERAGE



SOURCE: TRADINGECONOMICS.COM | DOW JONES

Wall Street continues the 8 plus year run up and hit yet another new high as corporate profits remain better than expected. The Dow Jones average hit a new high of 22,093 which remains helping support spending in many areas of the economy.



Safety is always number one in all we do. BENLEE is having its third Annual FREE Safety and Operations meeting on Thursday September 14th from Noon to 4:00 PM. We will cover all aspects of Roll off and Luger Safety, Operations and Preventive Maintenance. It is not too late to register. Lead Drivers and Lead Maintenance people are recommended to attend. Call our Tiffany Lucas at BENLEE to register.

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