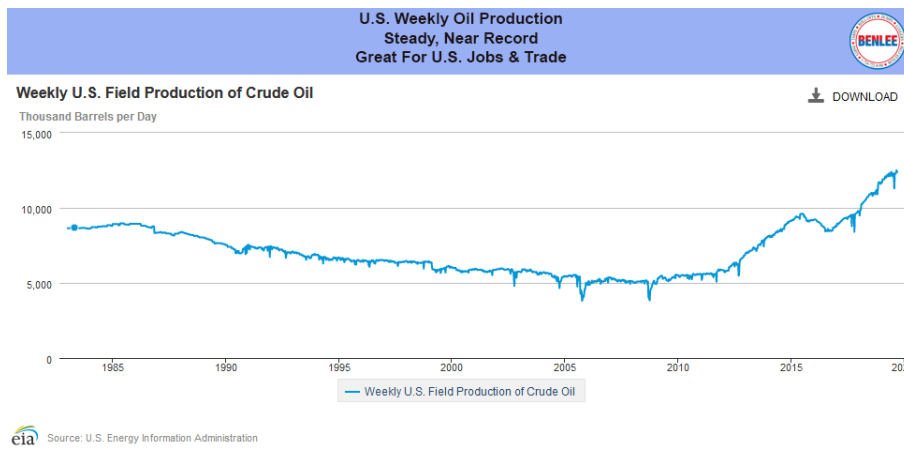


U.S. steel production fell to 1.835 Million tons, a 13-month low as the Trade war slows U.S. Industrial production.



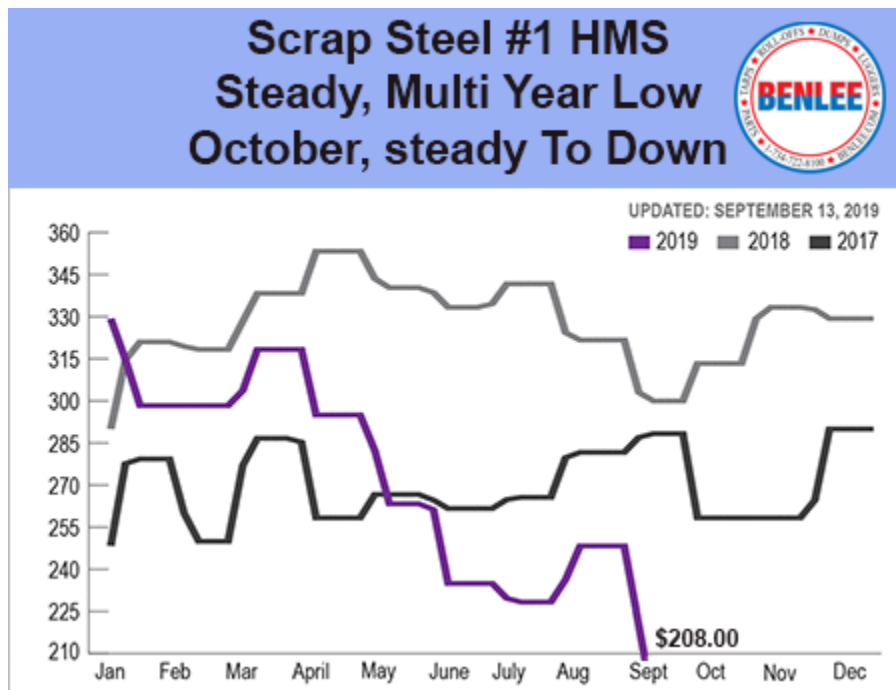
Oil fell to \$54.85 a barrel, despite OPEC cuts, but rose sharply this morning to \$59.36 on Saturday's attack on Saudi Arabia's production operations.



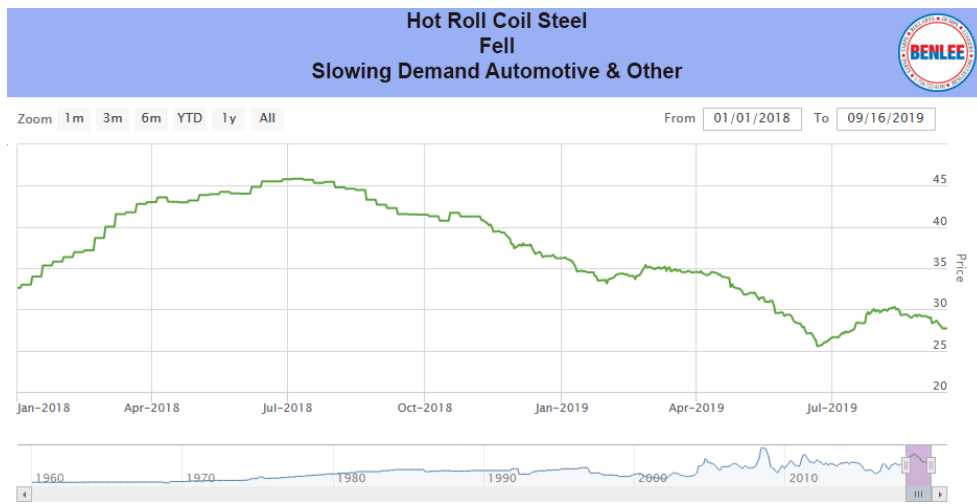
U.S. oil production was steady at 12.4M barrels a day, near the recent record; truly great for U.S. jobs and helps our balance of trade.



Iron ore rose to \$94/Ton, on a close balance of supply and demand, as demand continues to slow in many markets.



Scrap steel #1 HMS remained steady at about \$208/GT. As global and U.S. demand slows, October could bring steady to down prices.

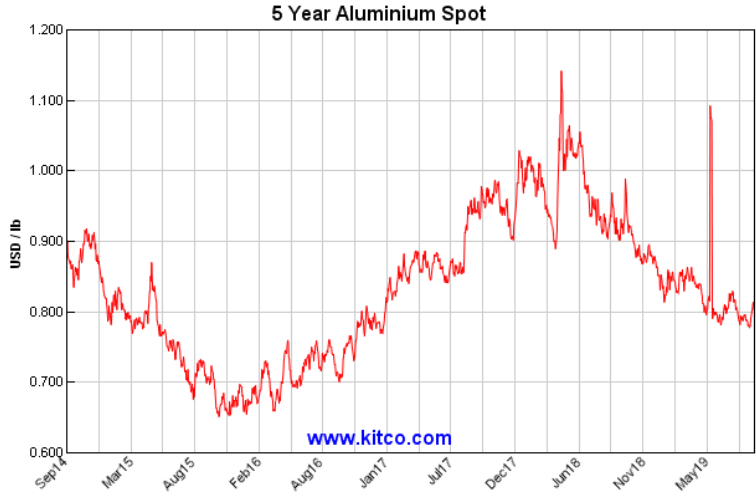


Hot roll coil steel fell to \$27.68/Hundred on continued slowing demand in Automotive and other markets.



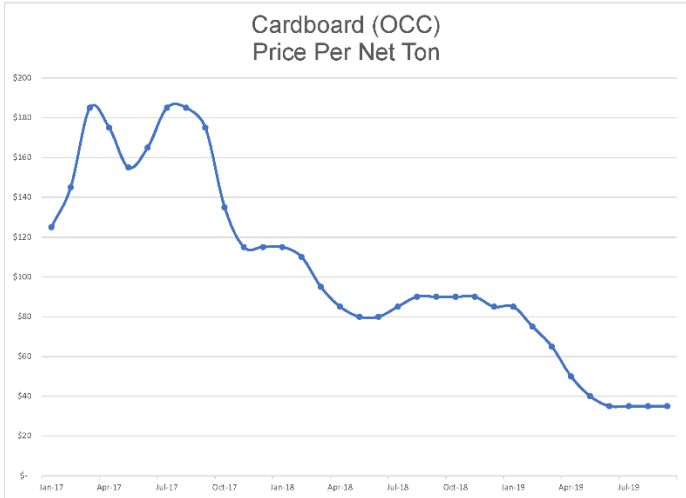
Copper rose to \$2.70, above the recent multiyear low on positive China/U.S. trade talks, but is down this morning to \$2.67.

**Aluminum Price  
Rose  
Positive U.S./China Trade Talks**

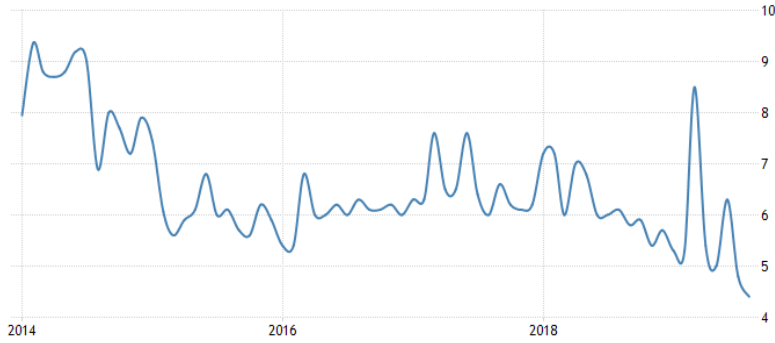
Aluminum rose to 80.6 cents, like copper on the same positive China/U.S. trade talks and also down this morning.

**Cardboard  
Steady, Decade Low  
Weak Chinese Demand**

For those that missed last week's report, cardboard scrap OCC SE was steady at the decade low \$35/Ton mostly on weak Chinese demand.

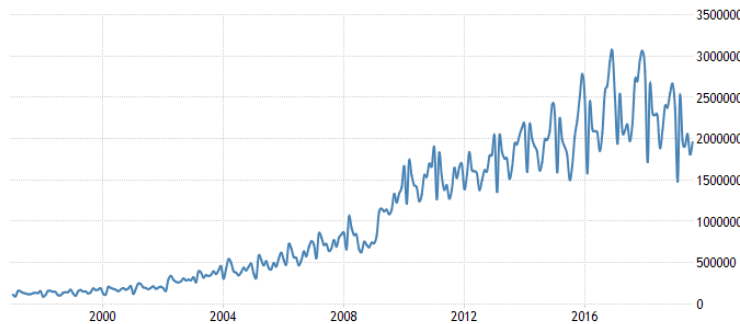
## Chinese Industrial Production Rose At Slower Rate Utilities Down, Ferrous Metals Up



SOURCE: TRADINGECONOMICS.COM | NATIONAL BUREAU OF STATISTICS OF CHINA

China's August Production rose 4.4% from last year, down from July's 4.8. 4.4% was the smallest gain since February 2002 as the trade dispute continues, with major drops in production and mining, while ferrous metals and machinery growth rose.

## Chinese Vehicle Sales Fell, 14th Consecutive Monthly Decline Trade War Hurting Economy



SOURCE: TRADINGECONOMICS.COM | CHINA ASSOCIATION OF AUTOMOBILE MANUFACTURERS

China's August Vehicle sales fell 6.9%, the 14<sup>th</sup> consecutive month of decline. The trade war is clearly hurting their economy.

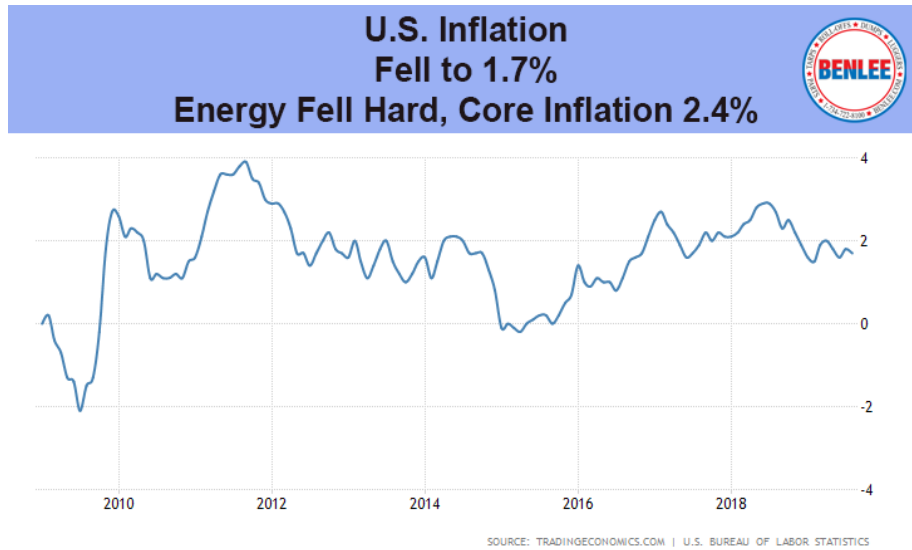
**U.S. Budget Deficit  
Highest In 7 Years  
\$1 Trillion At 11 Months Of Gov't's Year  
National Debt \$22.6 Billion; Growing Fast**



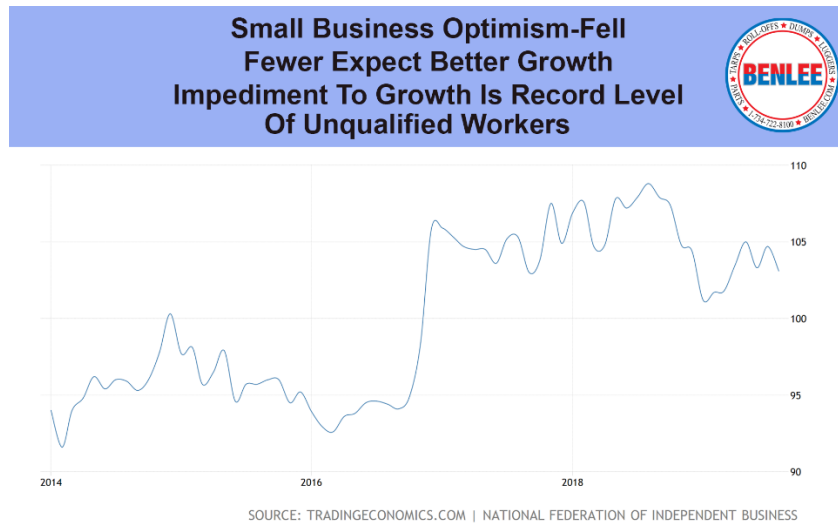
**\$137 Billion Medicare/Health  
\$64 Billion National Defense  
\$45 Billion Social Security  
\$35 Billion Interest on Debt  
\$25 Billion VA  
\$10 Billion Transportation  
\$27 Billion All Other**

**Campaign 2016: Will Pay off \$19T In 8 Years  
High Debt=Higher Interest Rates for All**

The U.S. federal budget deficit was the highest in 7 years hitting \$1Trillion at 11 months into the budget year, with the National debt now at \$22.6 Trillion and growing fast. Expenses were \$137 Billion Medicare/Health, \$64 Billion National Defense, \$45 Billion Social Security, \$35 Billion Interest on Debt, Repeat, \$35 Billion Interest on Debt, \$25 Billion VA, \$10 Billion Transportation, \$27 Billion All Other. The growing deficit is far from the clear campaign commitment in 2016, to pay off the \$19 Trillion Debt in 8 years. Importantly, higher debt brings higher interest rates for all.

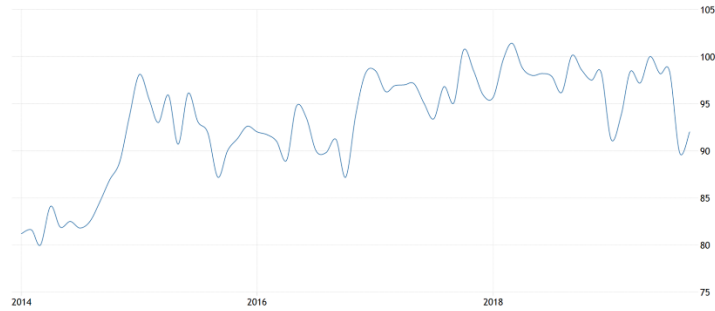


August's U.S. Inflation fell to a low 1.7% as many items rose, but energy fell hard. Core inflation, which excludes food and energy rose a much larger 2.4%.



August's U.S. Small Business Optimism fell 1.6 points as few owners expect better business conditions and real sales volumes in the coming months, but job creation accelerated, positive earnings trends improved and quarter on quarter gains remained strong. Impediment to more growth is a record level of no qualified workers.

### U.S. Consumer Sentiment Rose, But Third Lowest Since Pres. Election Concerns About Tariffs, Inflation, Employment



SOURCE: TRADINGECONOMICS.COM | UNIVERSITY OF MICHIGAN

September's U.S. Consumer sentiment rose, but is the third lowest since the last Presidential election, with consumers more concerned about the effect of tariffs on the economy as well as concerned about higher inflation and unemployment.

### Wall Street Dow Jones Rose, Near Record Positive China/U.S. Trade Talk



Wall Street's Dow Jones Average rose to 27,220, near the all-time record high on positive trade talks with the China. High prices support economic growth.

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