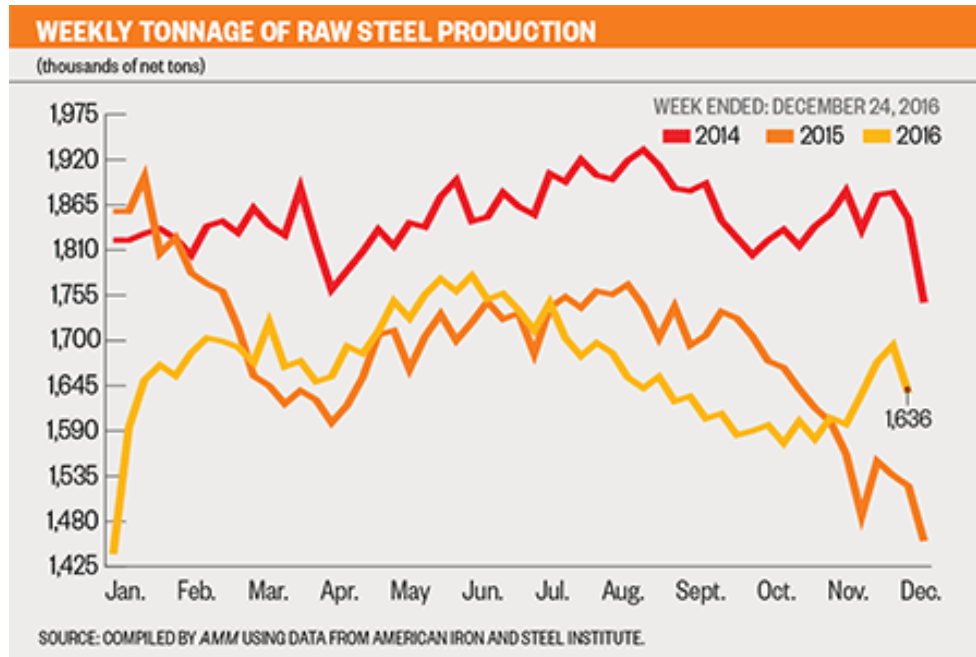


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, January 2nd 2017. Happy New Year to all and yes we took last week off from this report.

Last week some commodity prices rose, while economic reports remain positive and many prices ended at new highs for the year.

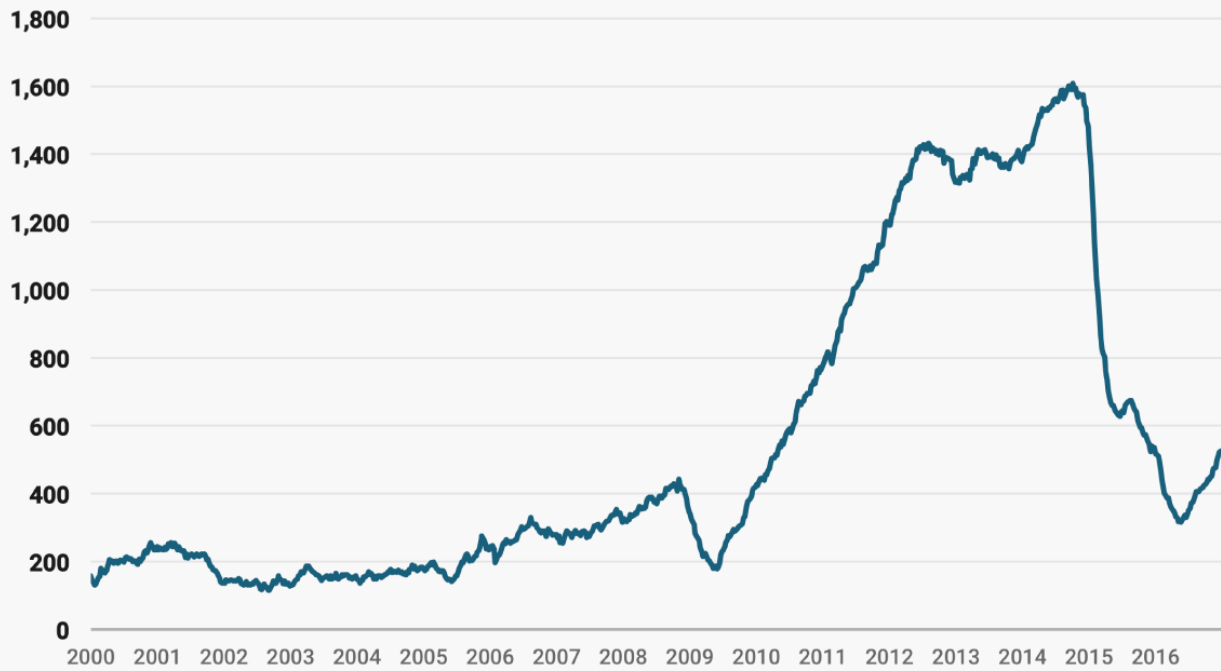


U.S. Steel production had a seasonal decline, due to the holidays. Reports are that early 2017 is going to have very high production rates with many steel mills having very strong orders.



Oil ended up \$3 at \$54/barrel in the past two weeks. Demand is good and OPEC and non OPEC countries are cutting production. Higher prices are bringing increased U.S. production and jobs.

US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

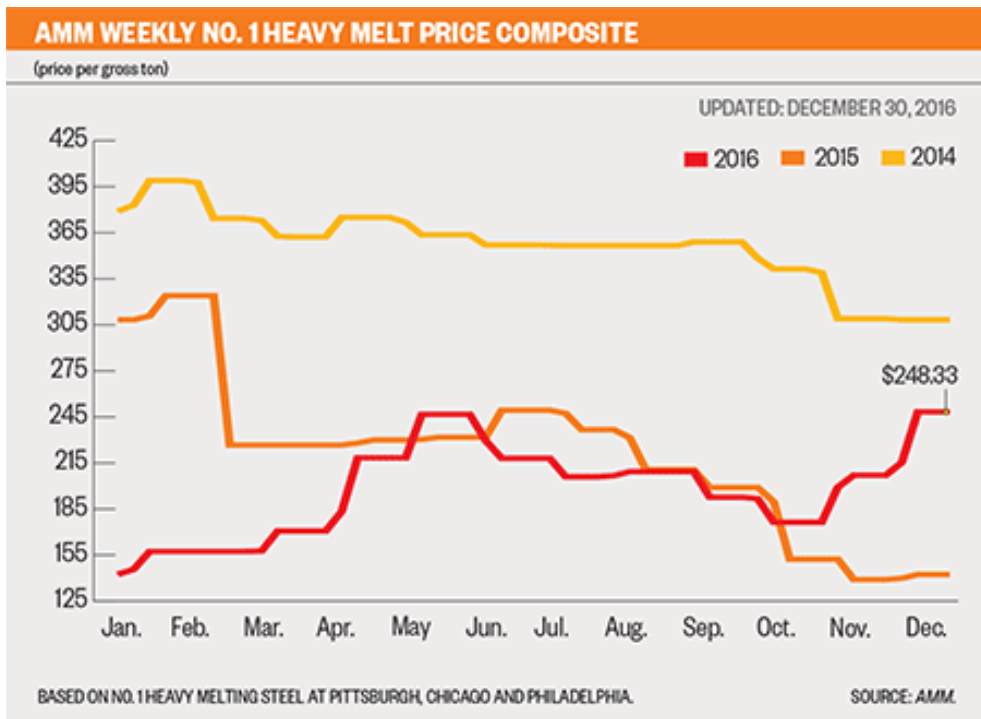
The oil rig count rose to 525, a terrific 66% above the recent 316 low, but it is still 68 percent lower than the 1609 of a bit over two years ago, therefore more steel is being used which supports stable to higher steel prices.

IRON ORE



SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore remained steady at about \$80/MT, more than double the \$37/MT of a year ago. It has been a great year for iron ore.



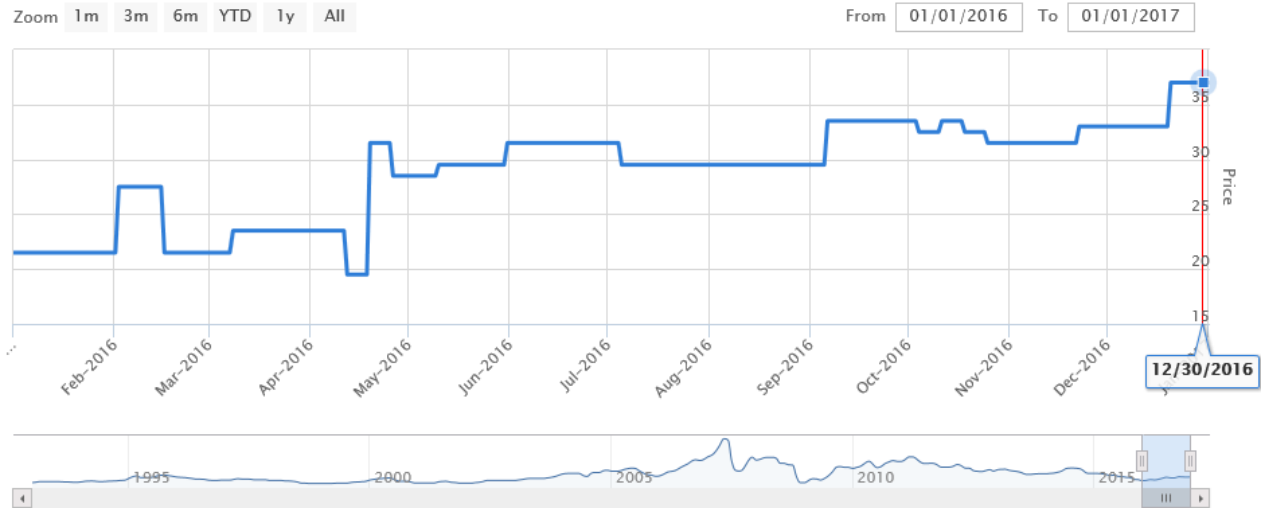
Scrap ferrous prices remained steady. There is word that prices could be up significantly this month due to higher demand and because flows into scrap yards remain OK not good. Automotive production has softened, but other markets remain positive, which is driving steel and scrap demand.

Hot Dipped Galvanized Coil



Hot dipped galvanized steel at \$850/Ton, is up over \$175 MT from about 10 weeks ago. An incredible move in such a short period.

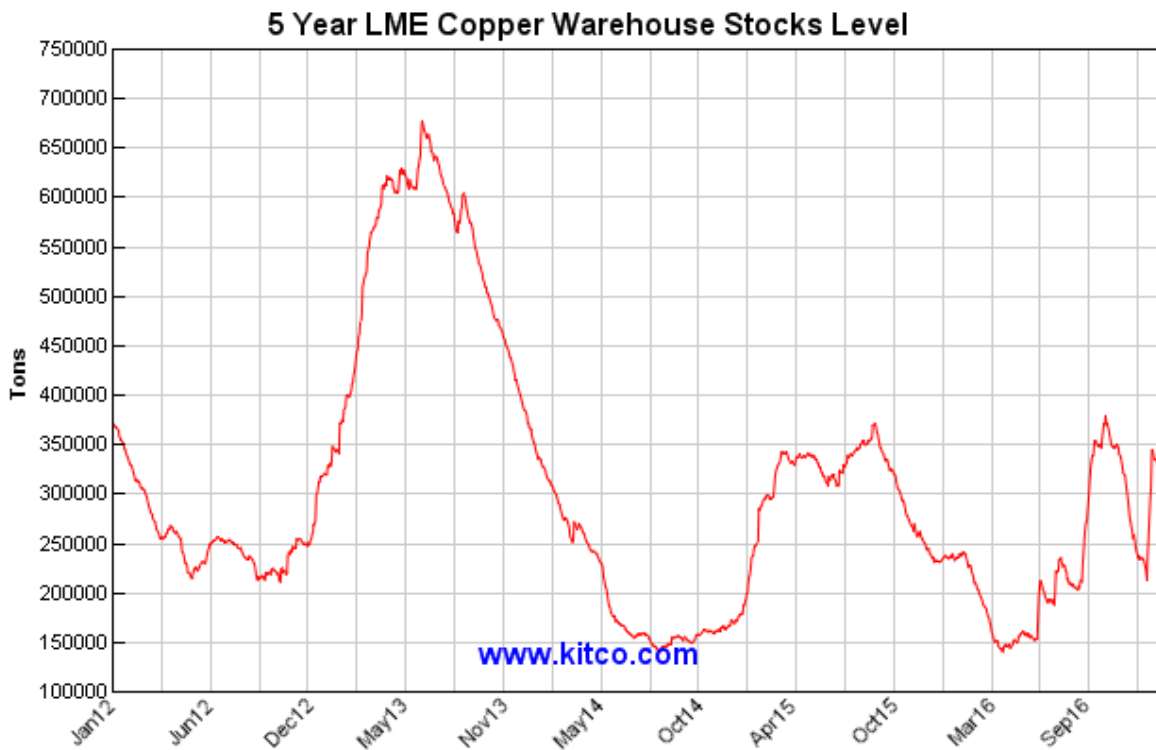
304 Stainless Scrap



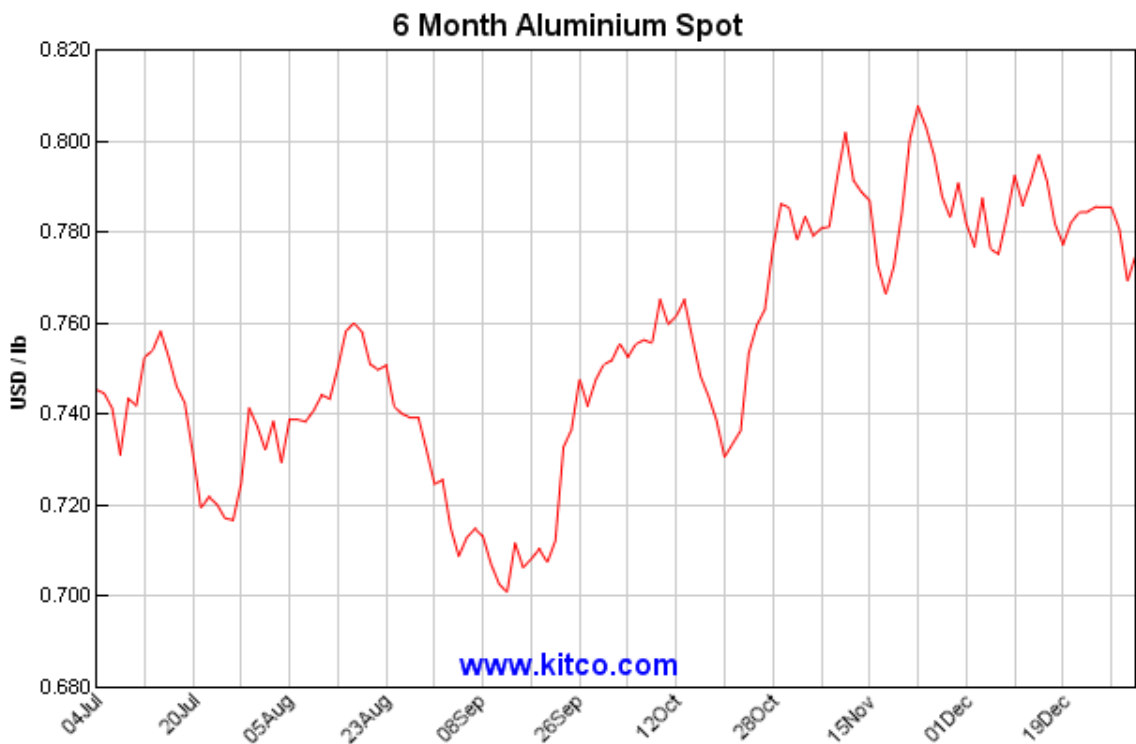
Stainless scrap 304 rose 3 cents to about 36 cents at a new high for the year on stronger demand.



Copper fell 6 cents to \$2.50, down about 12 cents in two weeks. The fast drive up after the U.S. election was based on speculation, which is wearing off as speculators take profits, but as demand increases, prices could stabilize at higher levels.



Copper inventories have stayed a bit higher, putting downward pressure on prices.



Aluminum at 77 cents has drifted down in recent weeks, but is higher for the year on solid demand and higher raw material and production costs.



Aluminum inventories remain near 9 year lows which should help stabilize prices.



U.S. manufactured durable goods decreased a big 4.6 percent in November, dragged down by a 13.2 percent decrease in transportation equipment. It is possible that the election slowed spending for a few weeks as companies tried to get a reading on what would happen with the new President.

China



China's Manufacturing PMI, Purchasing Managers Index fell to 50.9. Over 50 is growth, so it is growing, but at a slower rate. Good news for the world's largest manufacturing economy.

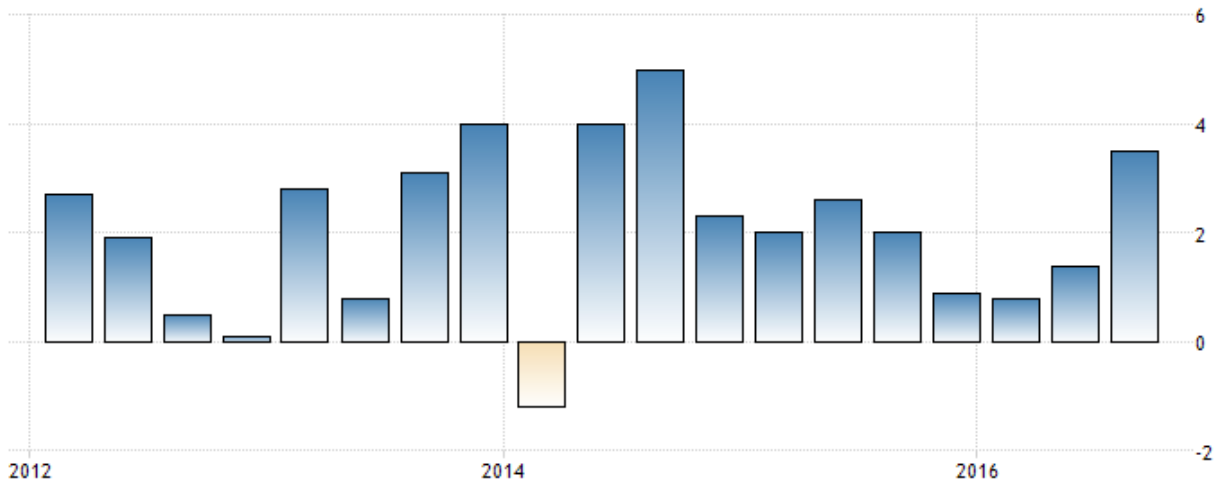
US NEW HOME SALES



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. CENSUS BUREAU

U.S. new home sales jumped 5.2 percent to 592,000. New housing is a major job creator. We are at construction levels from the 1960s yet, there are 50% more people living in the U.S. today vs. the 1960s, so there is major upside, which will bring stable to higher commodity prices

US GDP GROWTH RATE



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

The U.S economy grew at an annualized rate of 3.5 % in the July, August, September period. In the 12 months before this, the economy grew at an average rate of 1.275 percent, therefore the September ending quarter of 3.5% growth was almost three times the growth rate of the previous 12 months. This should support stable to higher commodity prices going forward.

US CONSUMER SENTIMENT



SOURCE: WWW.TRADINGECONOMICS.COM | UNIVERSITY OF MICHIGAN

The U.S. Consumer sentiment index rose to 98.2 in December, the highest reading since January 2004, almost 13 years ago. This is great news for the economy, and should bring stable to higher prices in the months to come.

With that we hope all have a Safe and Profitable week.