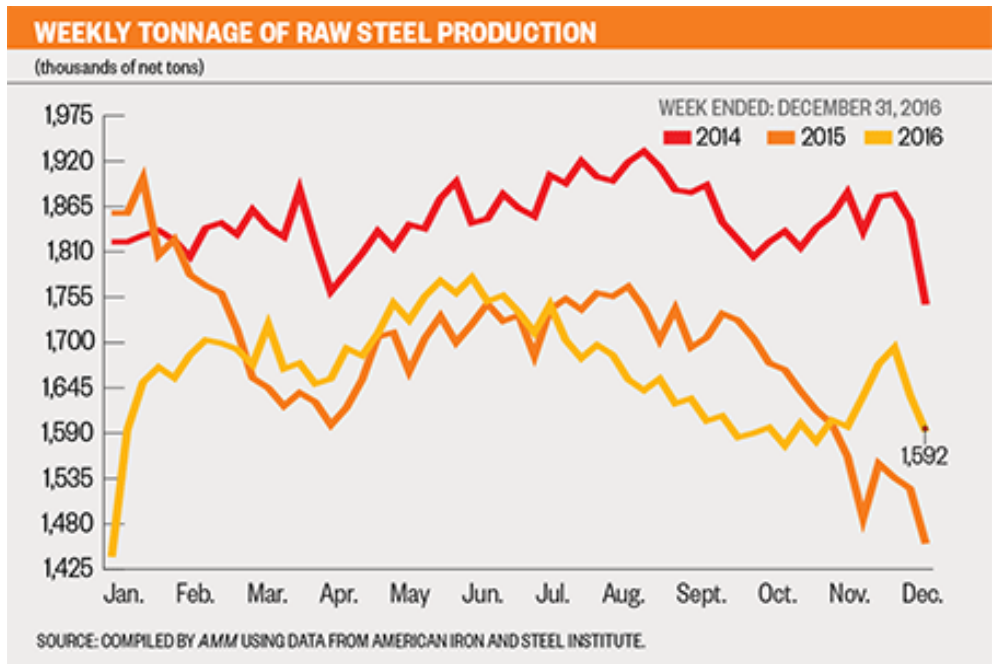
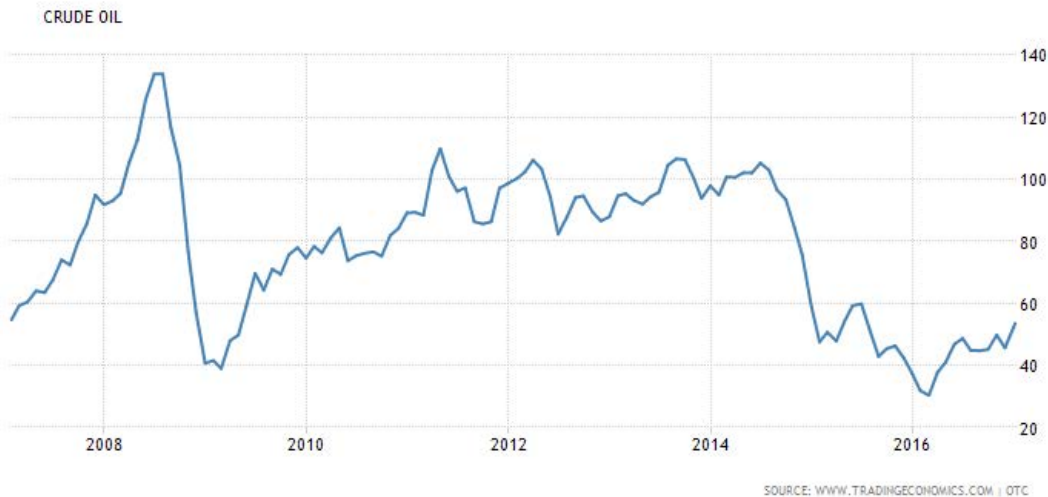


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, January 9th 2017.

Last week commodity prices were mixed, while economic reports were mostly positive.

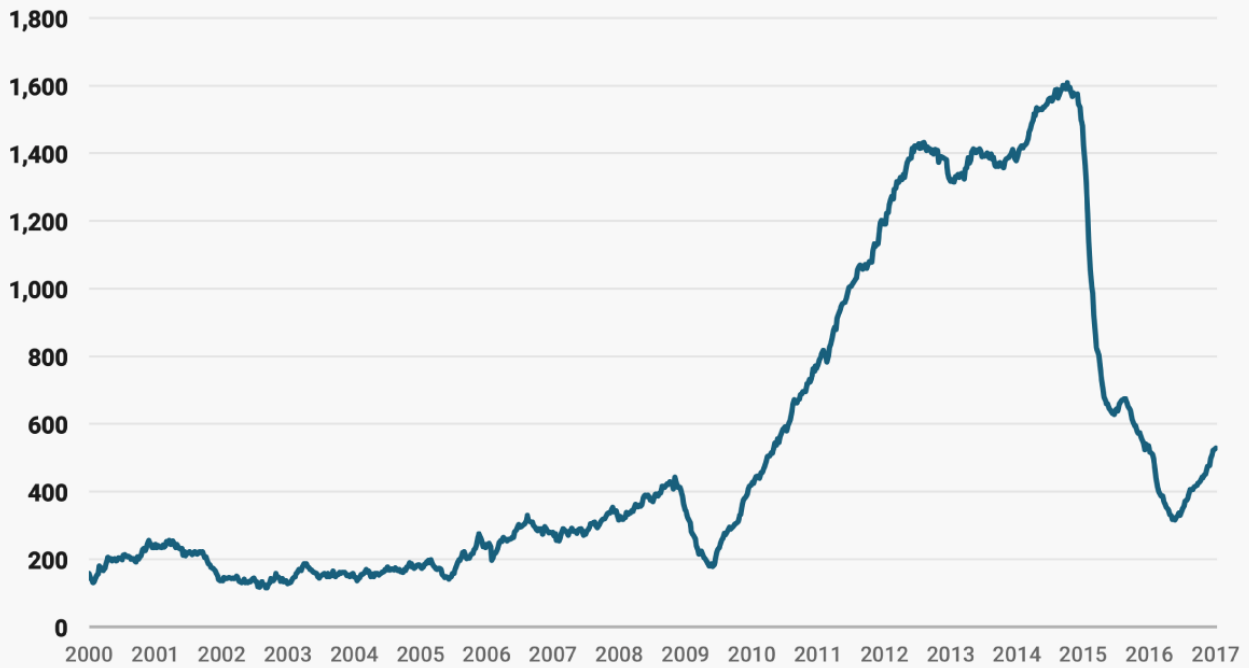


U.S. Steel production ended the year in a decline, driven by year-end Holiday scheduled days off.



Oil fell slightly to \$54/barrel, yet it is almost exactly double what it was 12 months ago. A huge rise, which is a key reason we are seeing a nice increase in oil patch jobs, steel used in U.S. drilling and increased inflation.

## US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

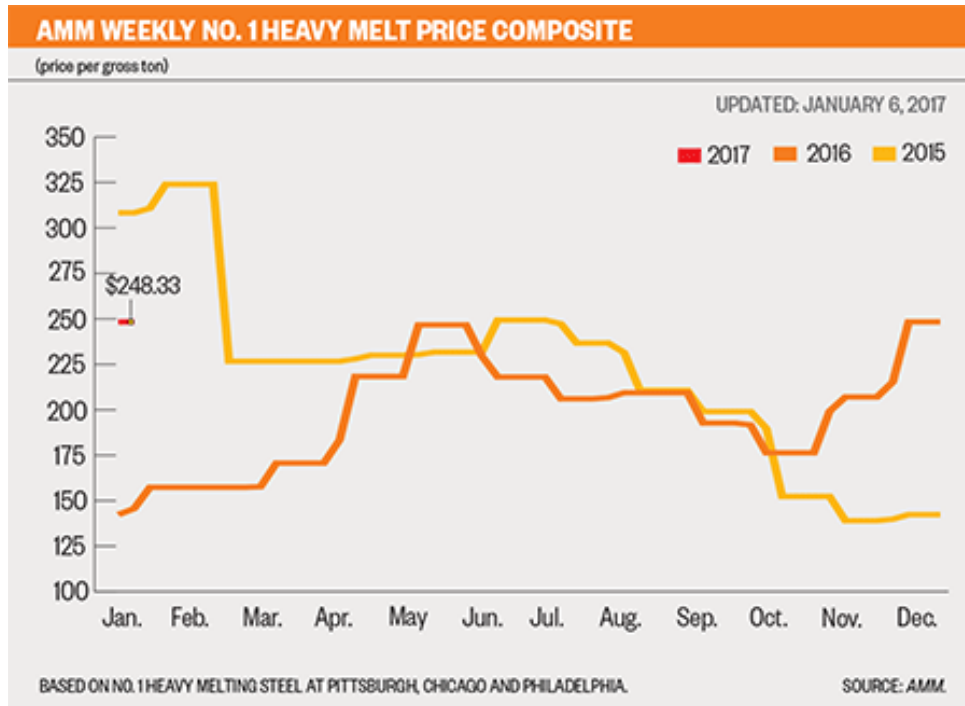
The Oil rig count continues its slow rise at 529 rigs, up an enormous 67 percent from 12 months ago, yet in reality the count is down the same 67% from the 1,609 count of about two years ago. The count and jobs are down significantly from two years ago, but the recent increase is supporting higher commodity use and prices. Note, the oil price increase is heavily due to production cutbacks by Saudi Arabia and other countries, not due to a major increase in consumption.

## IRON ORE



SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore ended the week at \$78/MT, down \$2 on the week, but similar to oil, it is up 111%, more than double a year ago. Increased global demand is a key driver for increased prices.



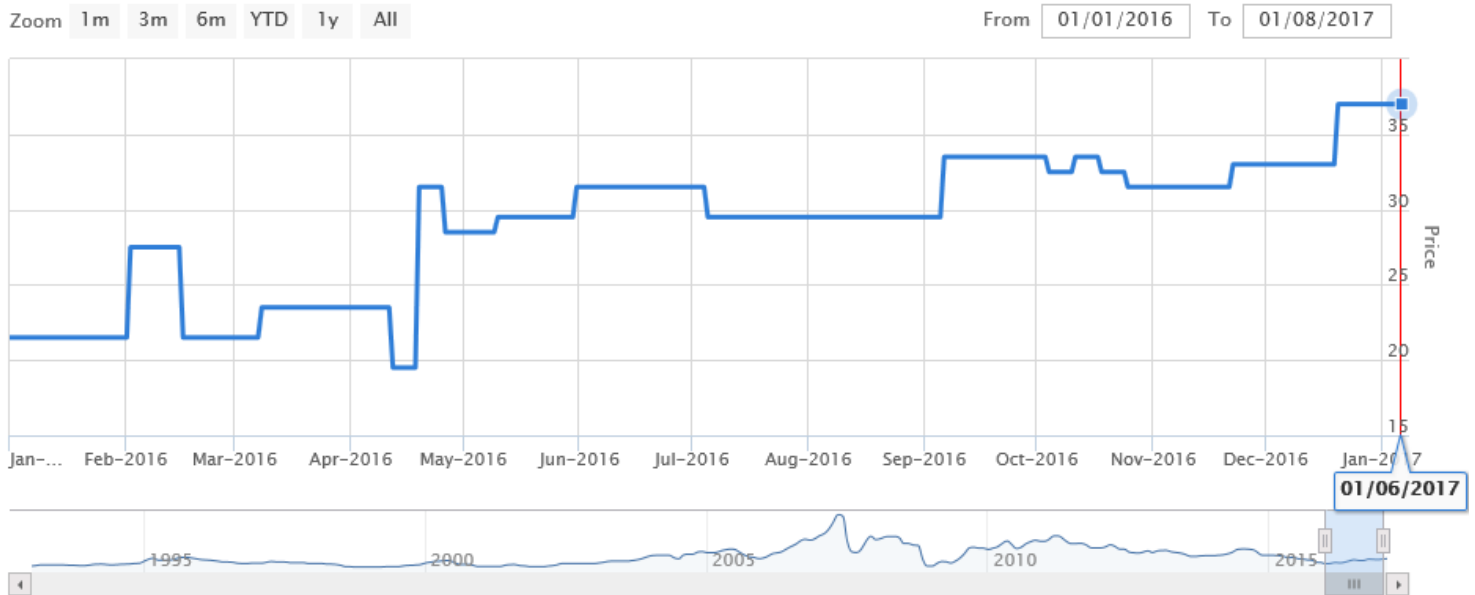
Scrap ferrous prices remained steady on this graph, but next week it will be up about \$35/GT. Like iron ore and oil, scrap ferrous prices are about double what they were 12 months ago.

## Hot Dipped Galvanized Coil



Hot dipped galvanized steel held steady at \$850/Ton, up \$150/GT in recent months. Prices could rise further this month based on major increases in scrap and iron ore in recent weeks.

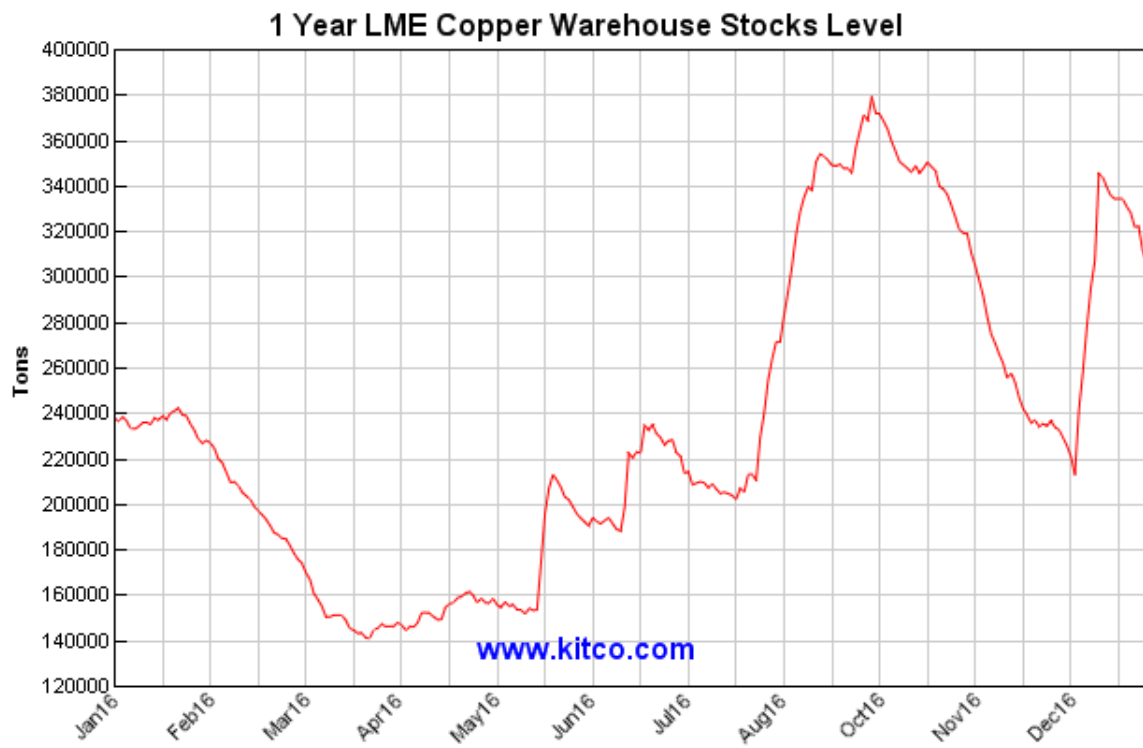
## 304 Stainless Scrap



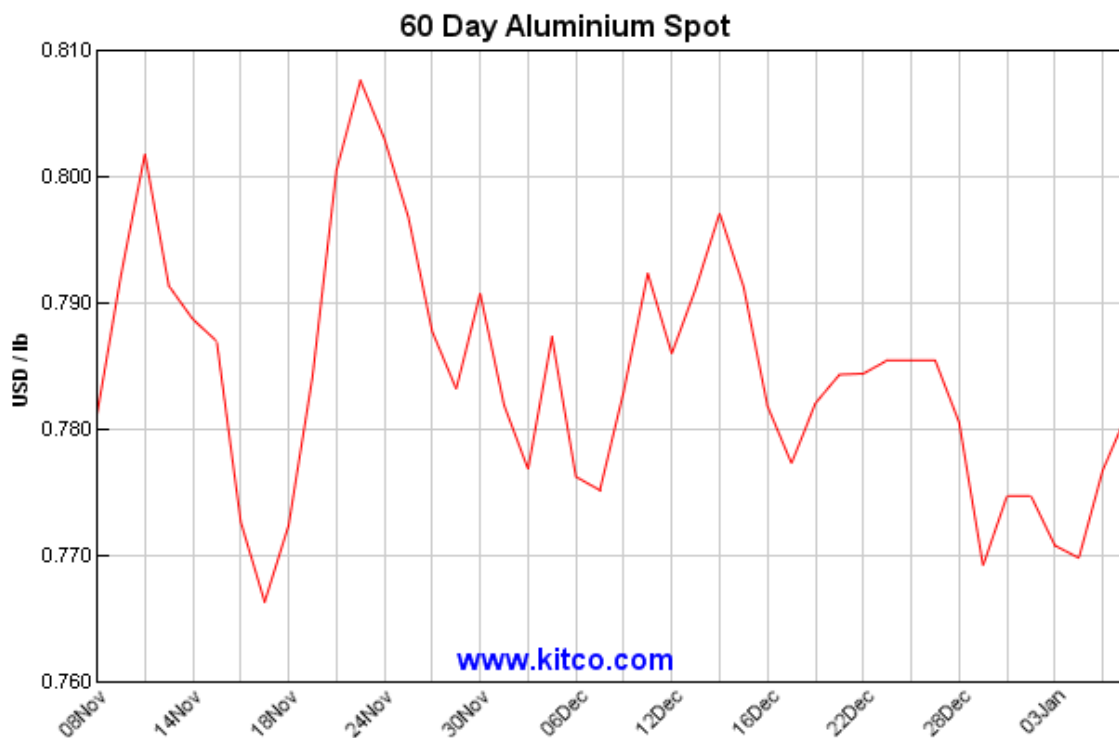
Stainless scrap 304 held at 36 cents at the new high for the year on stronger demand and there is word that price pressure will show increases in the coming weeks.



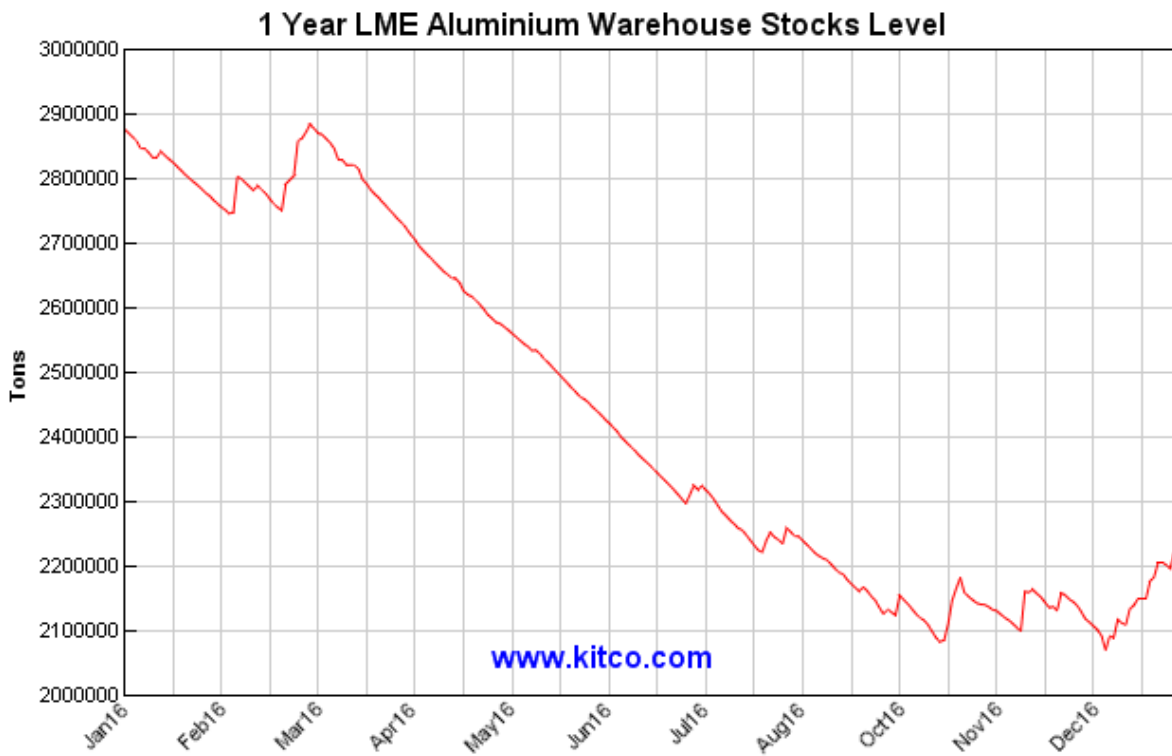
Copper held steady at \$2.50, which is showing stabilization after the run up in recent months driven by speculation. It is not clear if the slow increases in demand will keep prices at this level in the months to come. Copper is \$2.53 this morning.



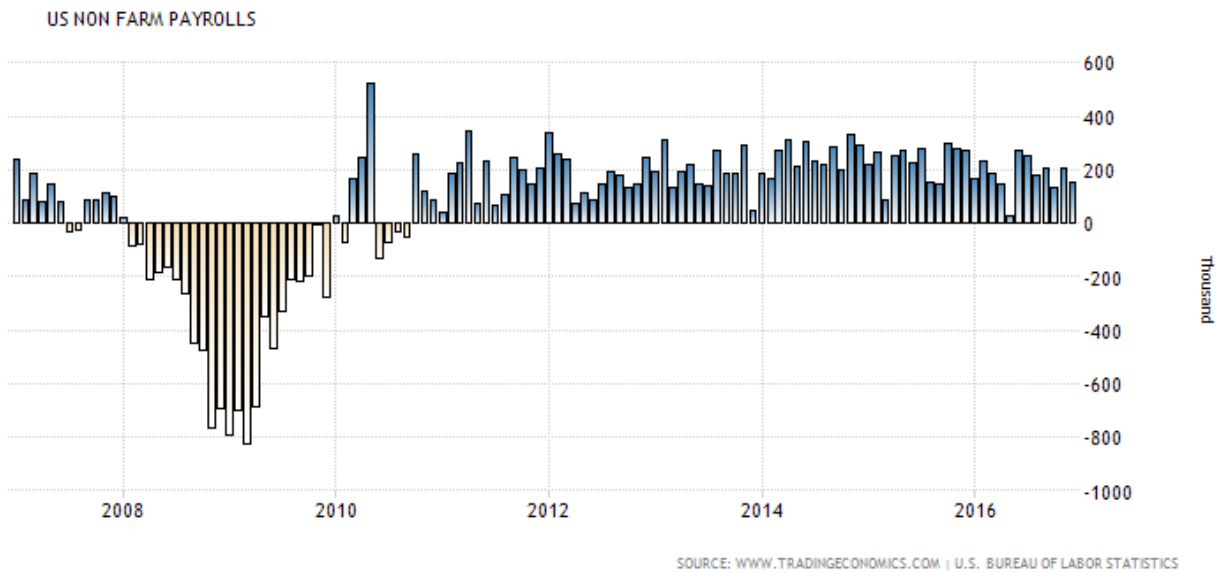
Recent copper inventories declines, should also help stabilize prices.



Aluminum rose a penny to 78 cents which is showing stabilization after drifting down in recent weeks.



Aluminum inventories which were recently near 9 year lows have been rising in recent weeks, which will keep downward pressure on prices.



U.S. Non-Farm Payrolls increased by 156,000 in December, below expectations, but it is a solid number which is a positive for the overall economy.



U.S. Construction spending in November, increased by 0.9 percent vs October to \$1.18 trillion, the highest level since April 2006. Private construction jumped 1 percent boosted by single-family home building and home renovations. Private nonresidential structures and public construction spending rose as well.



The Institute for Supply Management's Manufacturing PMI, Purchasing's Manager Index rose to 54.7 in December, from November's 53.2. It is the highest reading since December of 2014 as new orders, production and employment all registered new highs for 2016.





U.S. vehicle sales finished up in December making 2016 a new record high for any year. There is some current weakening, with temporary plant closings and some shifts being taken out, causing layoffs. Overall though, 2017 could be a very good, not a great year for sales and production of vehicles in the U.S.



The stock market hit new record highs yet again last week, with a driver being in the payroll report we just talked which had wages growing the most in seven years.

Lastly a special hello to Howard Averbuch who is mostly retired, but we are told is a fan of this report. Howard, thanks for watching.

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