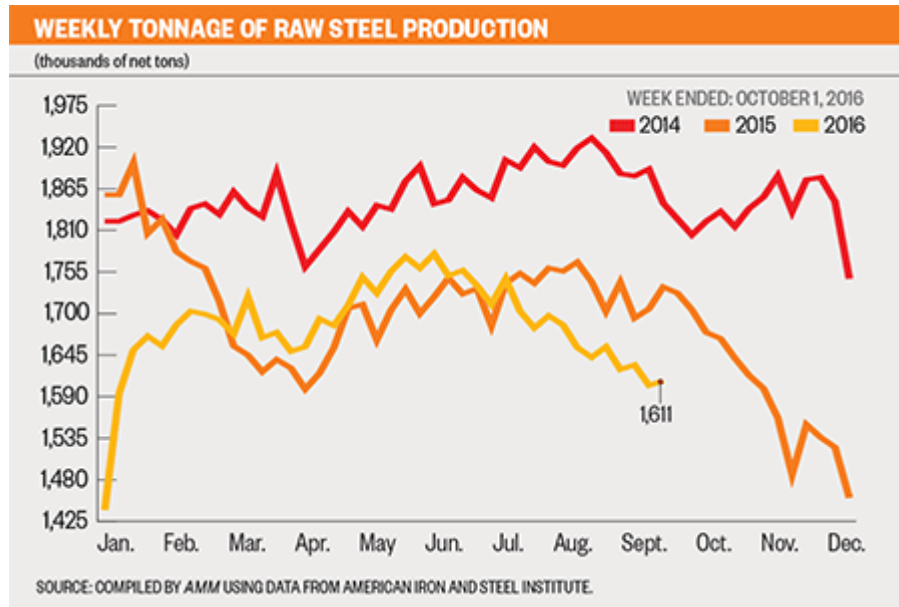


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, October 10th, 2016.

Last week many commodity prices fell yet many economic reports were mostly positive.

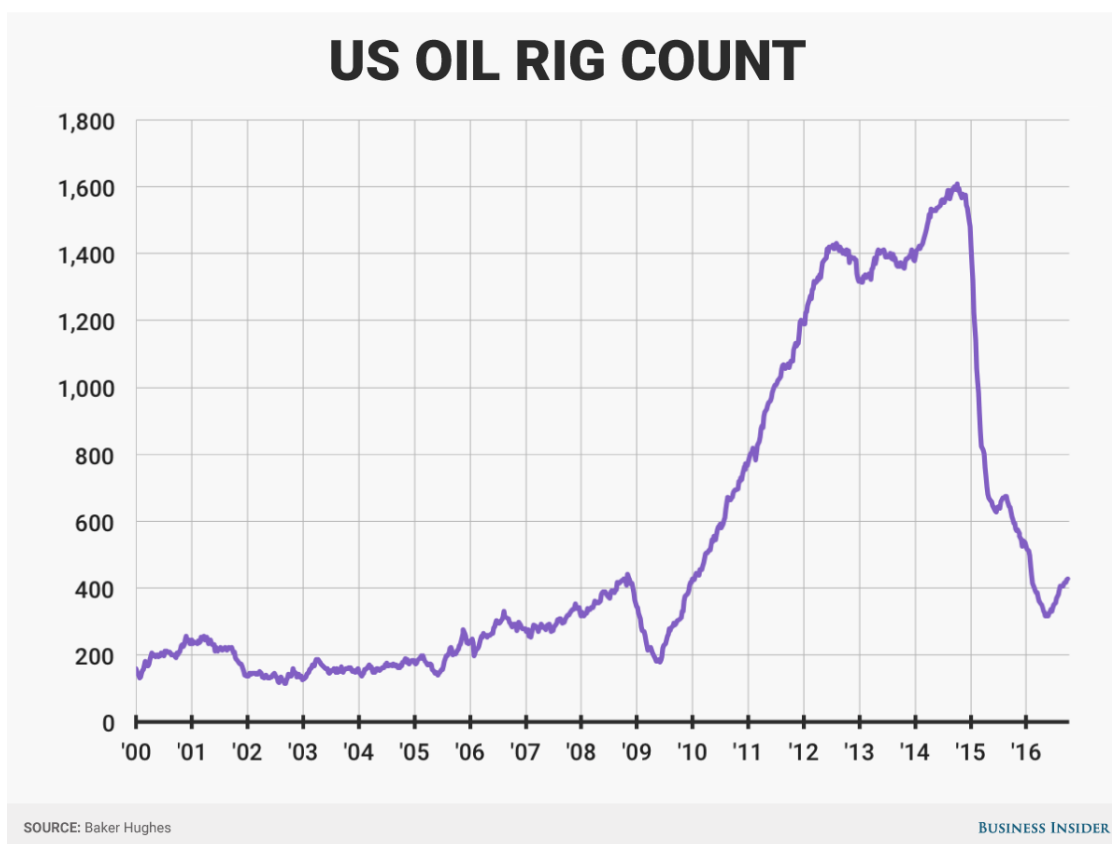


U.S. steel production slightly rose, but after mostly falling for 4 months, production remains near 8 month lows.



Oil prices rose 3 percent for the week ending at \$50/barrel, up a big 3 percent for the week and up a bigger 9% for the past month. At

prices over about \$50/barrel, many U.S. drillers are nicely profitable so more rigs will be coming on line, which will help stabilize oil prices. Remember, prices were about \$27 a barrel a short 9 months ago.



Higher oil prices are helping the U.S. oil rig count to continue its slow creep back up which remains a positive for jobs. It will also help stabilize steel prices due to the huge amount of steel used in these rigs.

IRON ORE



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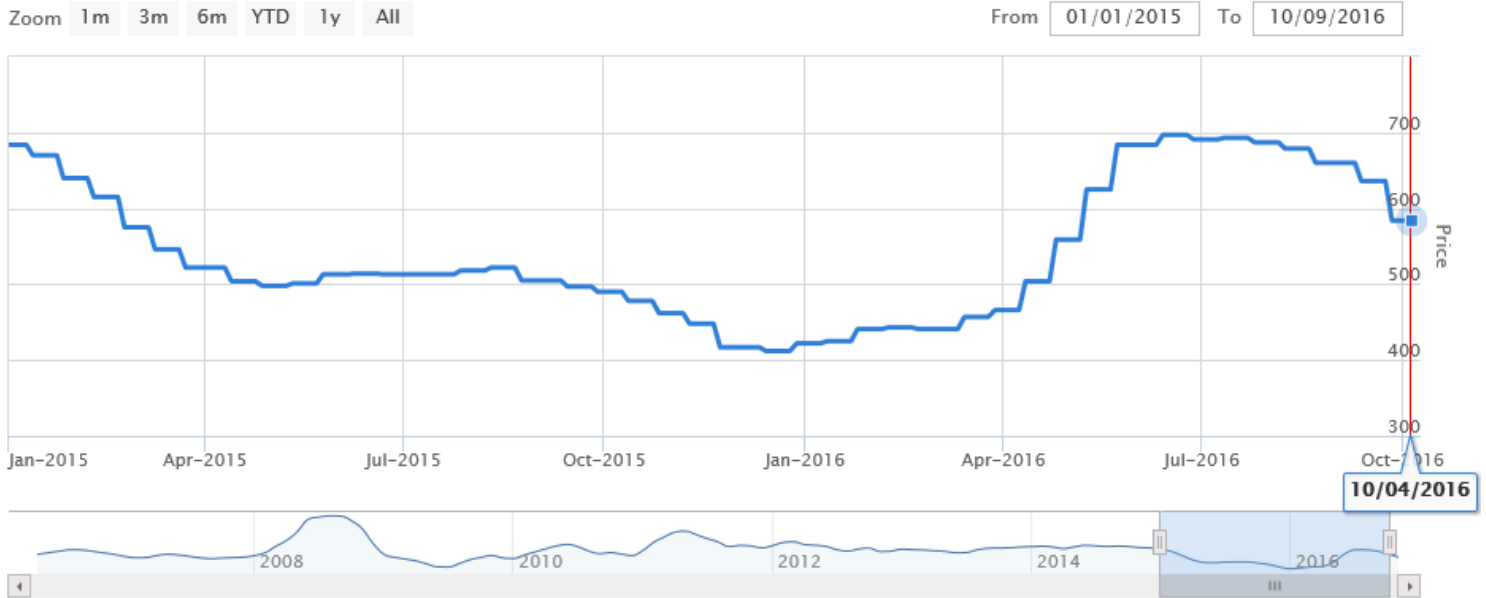
Iron ore fell to \$54/MT on Thursday, making it down 1 percent for the week and down 7 percent for the month. Low iron ore prices helps higher steel mill profits, but could bring some lower steel prices. Low iron ore also brings low scrap prices as iron ore is used to make scrap metal substitutes.

Steel Scrap #1 Heavy Melt NC/VA



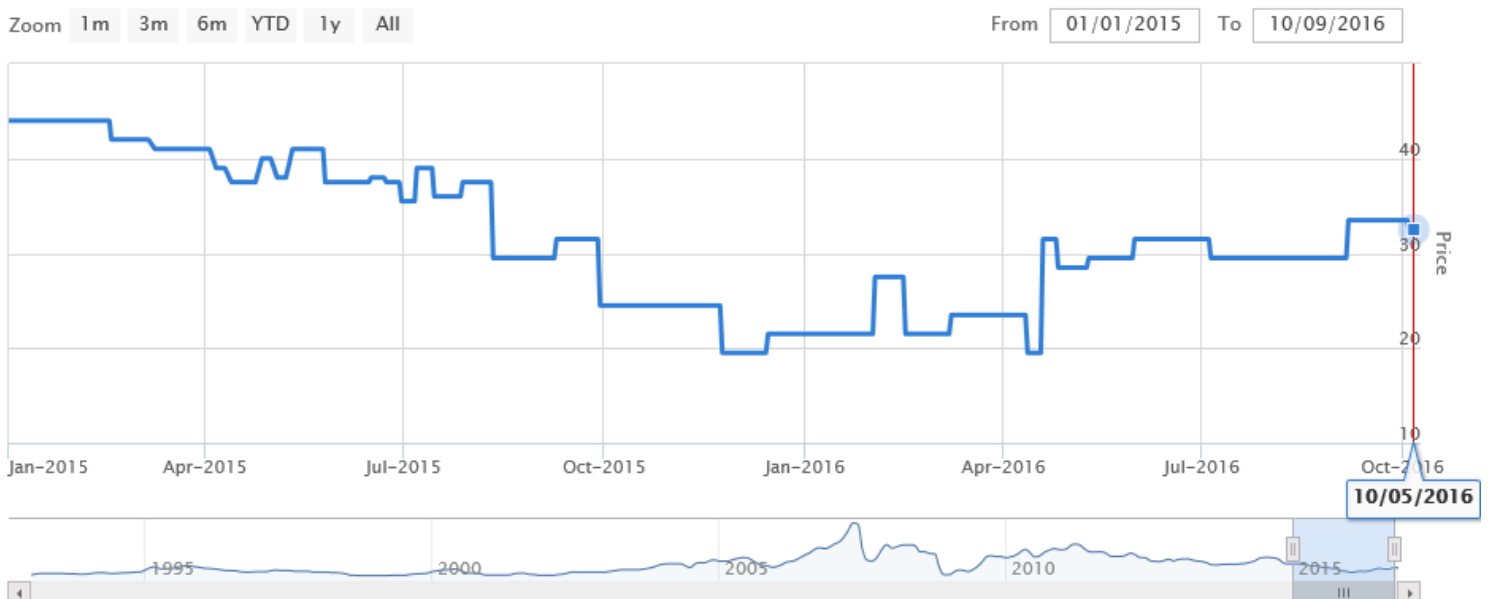
Scrap steel fell about \$20/GT in most regions, which is \$.89/hundred pounds and about \$18/NT, bringing it back to the low levels of last April, 6 months ago.

Hot Rolled Coil Steel



Hot roll coil steel prices were steady at their recent low of \$584/MT, but there were announcements on Friday of further declines due to soft markets.

304 Stainless Scrap

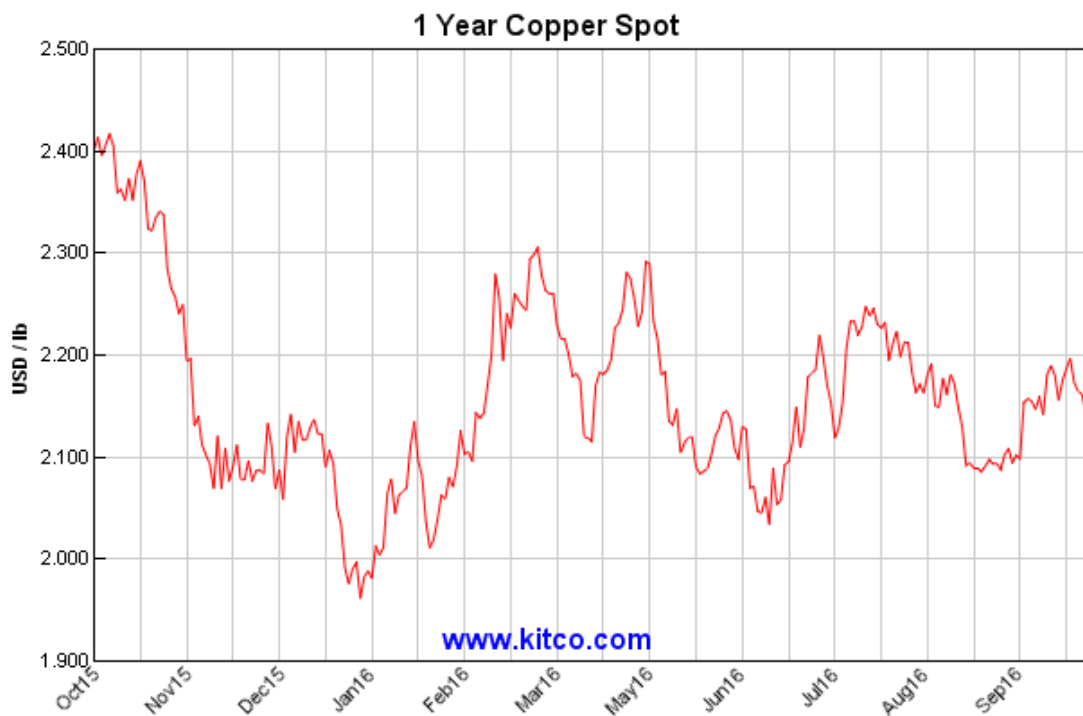


Stainless 304 dropped back to about 32.5 cents per pound as demand has dropped a bit in some markets.

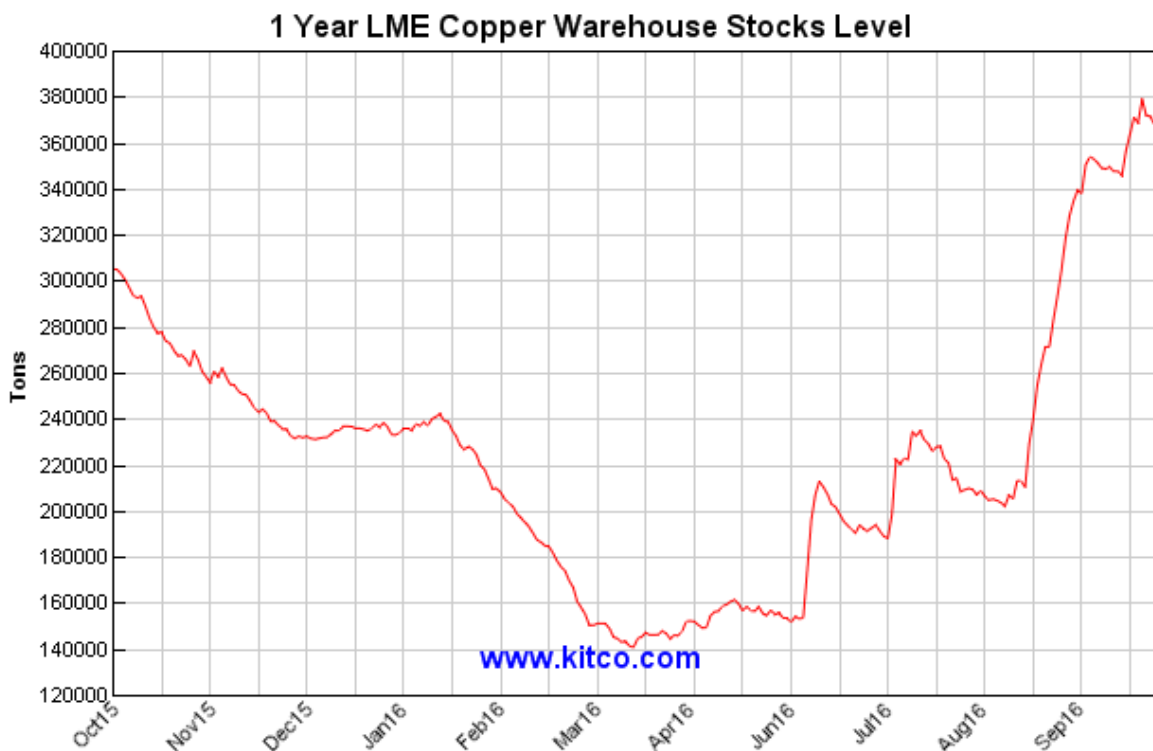


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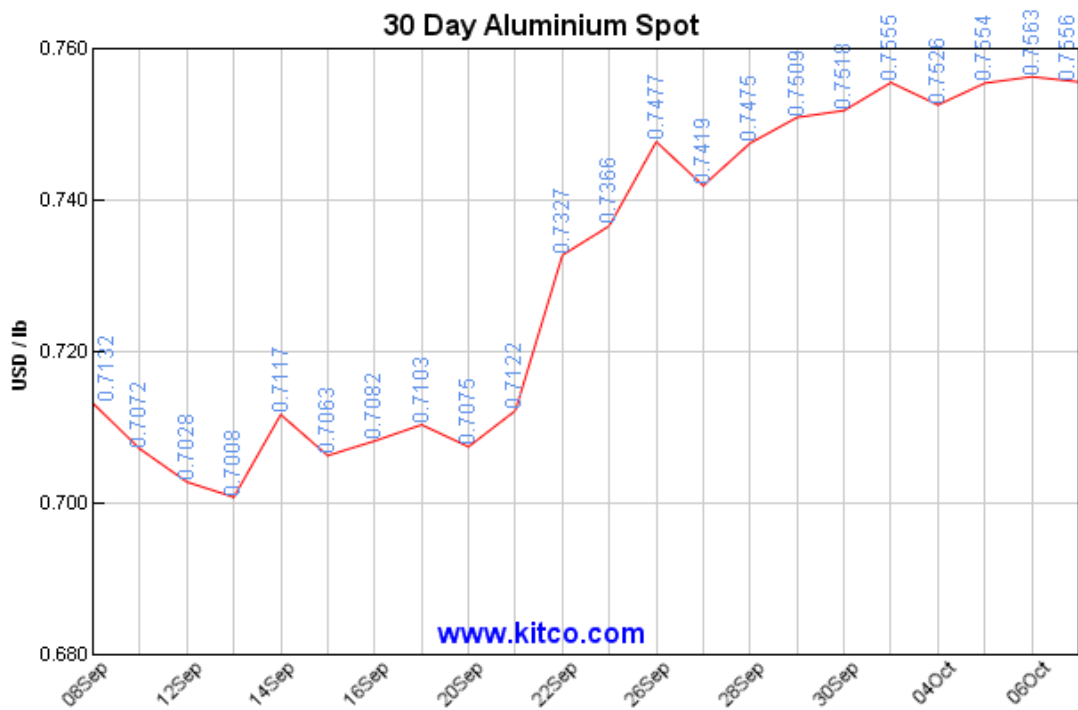
Copper fell a big 5 cents for the week, ending at \$2.16/lb., as the dollar strengthened combined with no major demand factors,



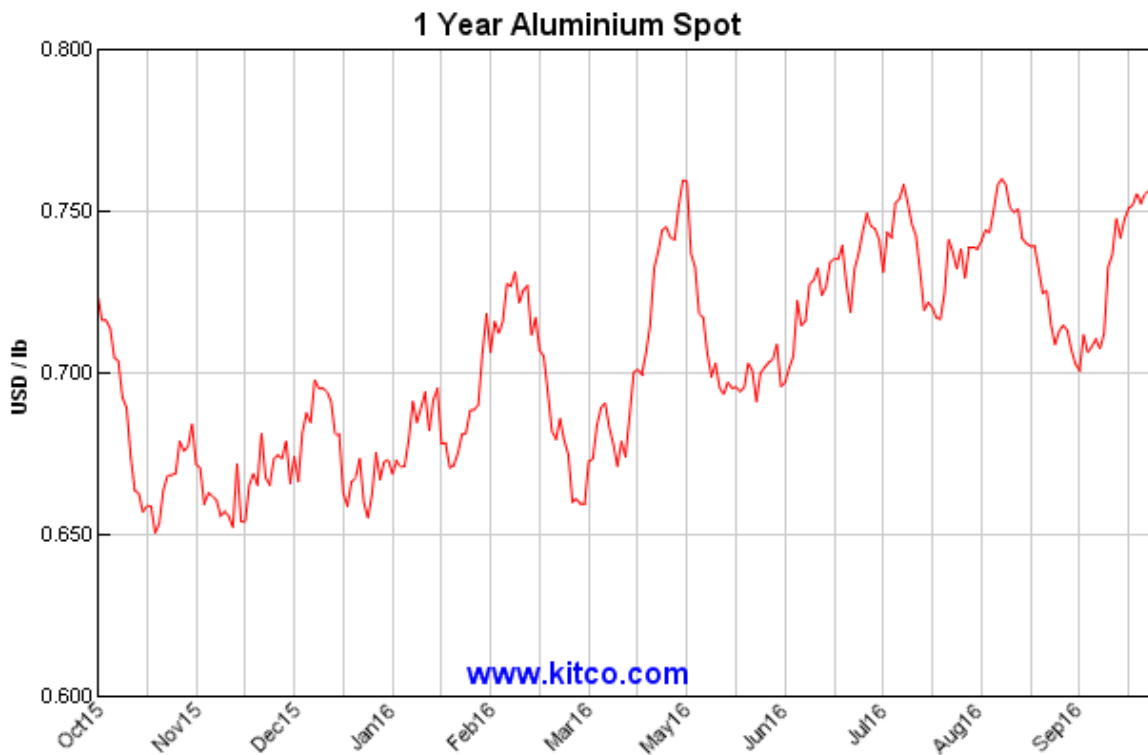
and when looking at a one year price chart, we see copper remains down as the global economy remains in its very slow growth.



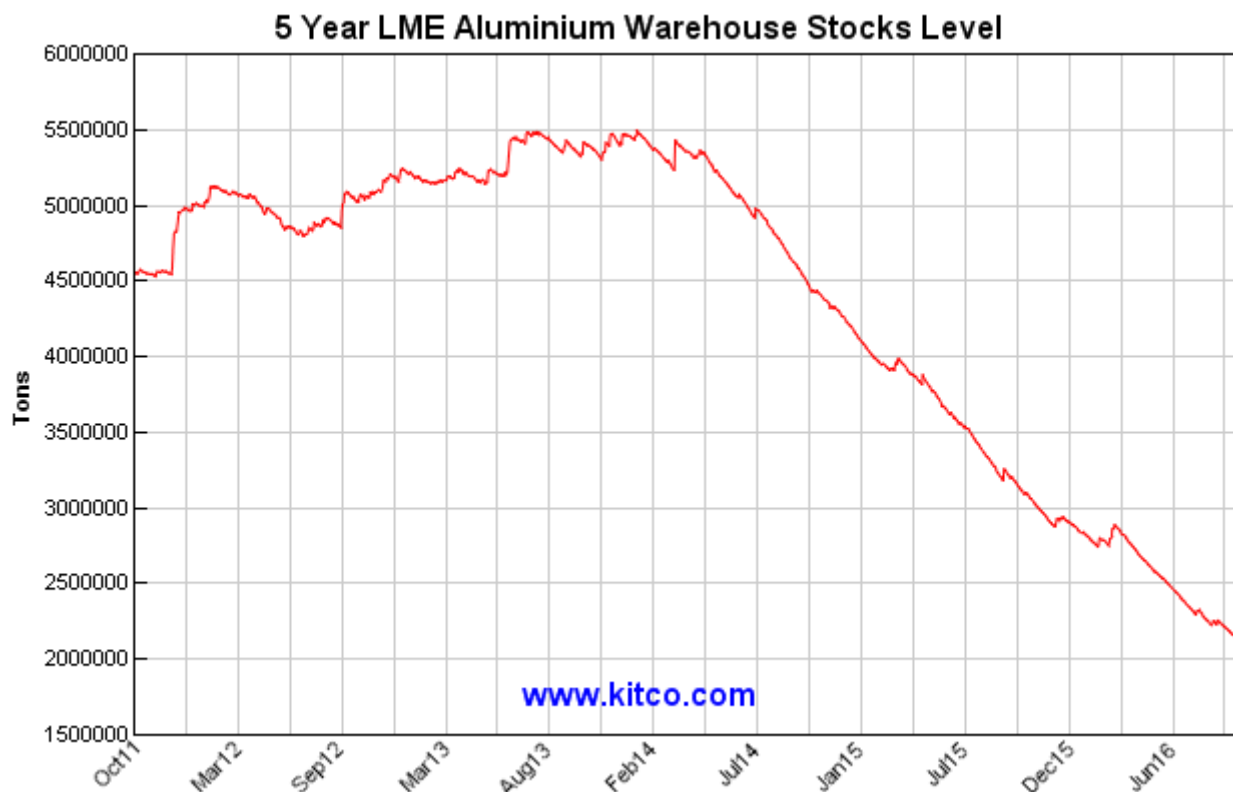
Also, copper inventories are near one year highs so there is no reason to expect any increases in copper prices.



Aluminum was about flat for the week ending at 75.6 cents pound



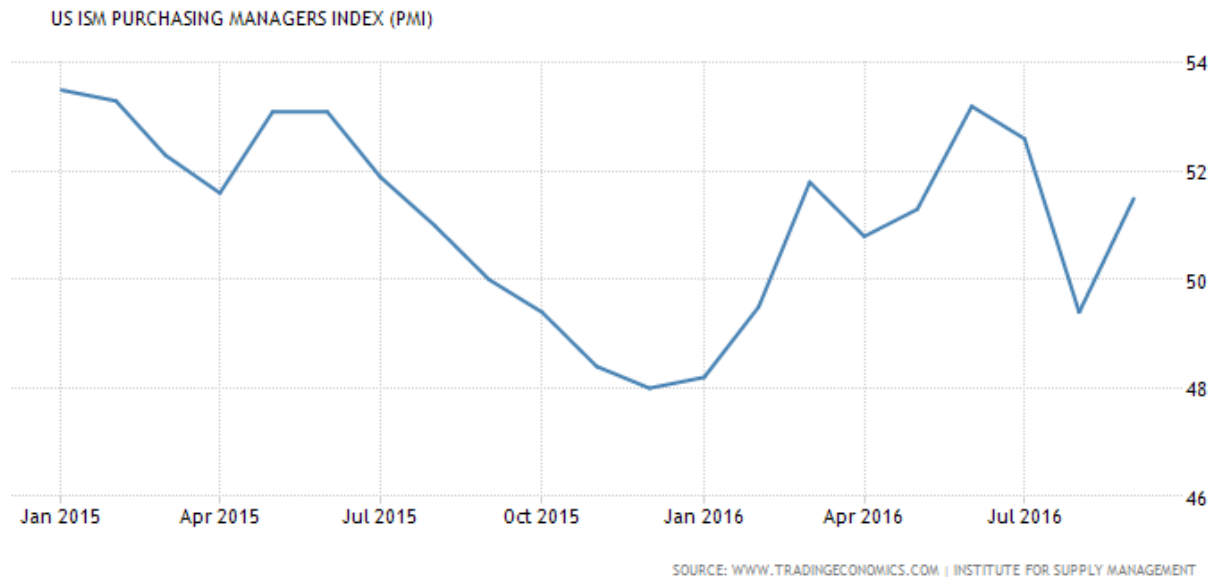
but unlike copper, aluminum prices are near one year highs



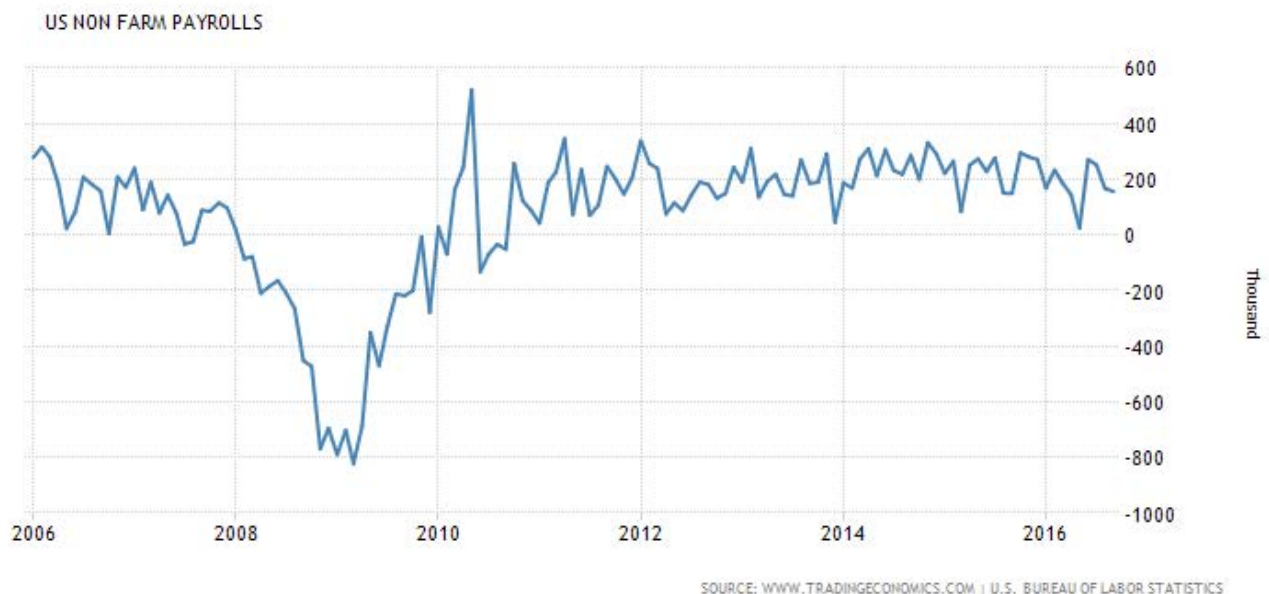
and the 5 year aluminum inventory shows inventories are near new about 7 year lows which should insure prices remain somewhat stable going forward.



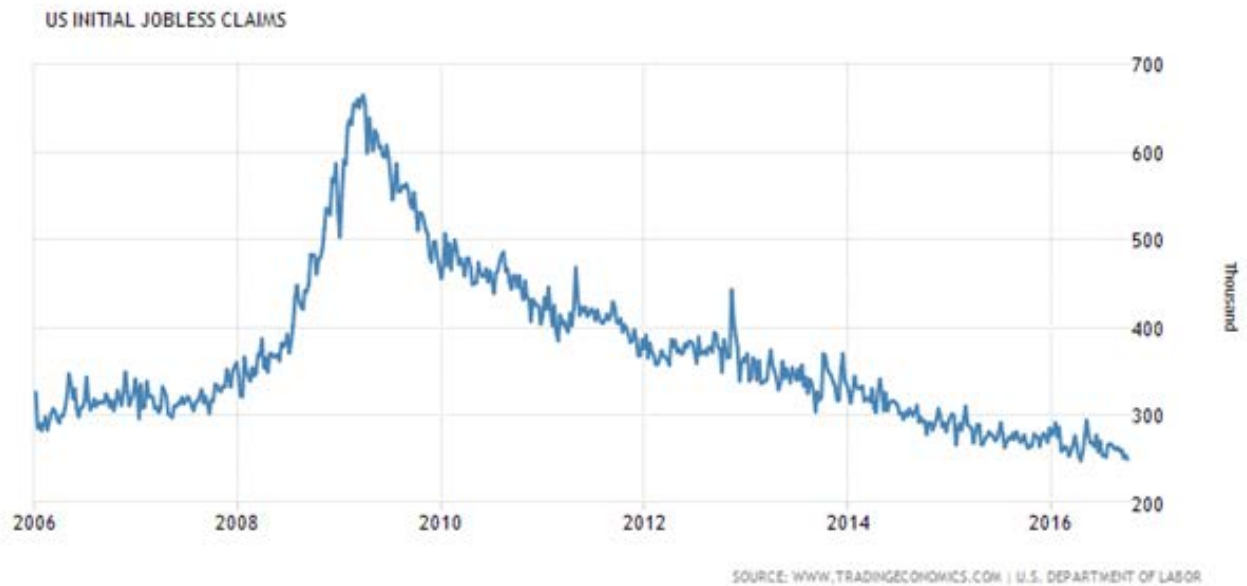
U.S. vehicle sales rose to an annualized rate of 17.8M in September, from August's 17M. Year to date sales are a bit below last year, but considering this rate is almost double the low of February 2009 of 9 million, it's a great number.



The U.S. Institute of Supplier Management Index for manufacturing a major indicator of manufacturing levels, rose to 51.5 in September from August's 49.4, which was well above market expectations of 50.3. New orders and a rebound in production were the key reasons for the increase.



Non-farm U.S. Payrolls rose by 156,000 in September. Not a great month, but the good news was the growth was in high wage management and technical consulting jobs. Related manufacturing and mining jobs were steady, which is part of helping maintain stable commodity prices.



U.S. initial jobless claims fell to a new low since last April and the 4 week average which is 253,500 is the lowest since 1973, 43 years ago, which is a major positive for the economy.



Unemployment rose a bit in September to 5%, from 4.9% in August which sounds a bit bad, but that's not the whole story.



People that had left the work force in recent years, due to a lack of jobs, are now returning, so what is called the labor force participation rate is close the highest it has been in about 2.5 years. Better jobs are bringing people back into the workforce. Very good economic news and news that will help stabilize commodity prices.

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