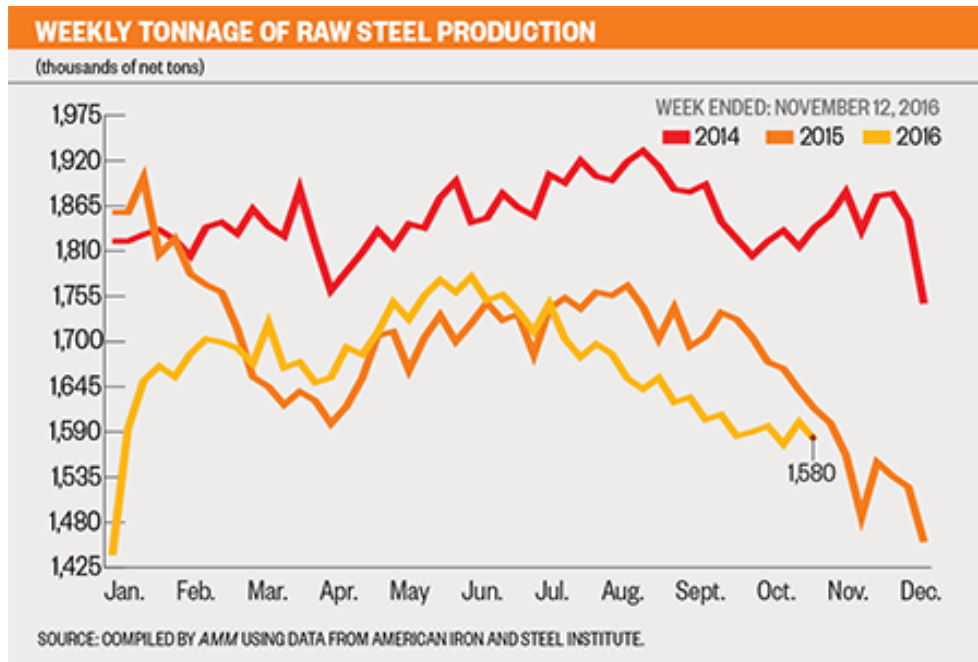


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, November 21st. 2016.

Last week commodity prices fell, Wall Street hit record highs and multiple positive economic reports were released.



U.S. steel production fell slightly, but has been in a tight range for the past couple of months.

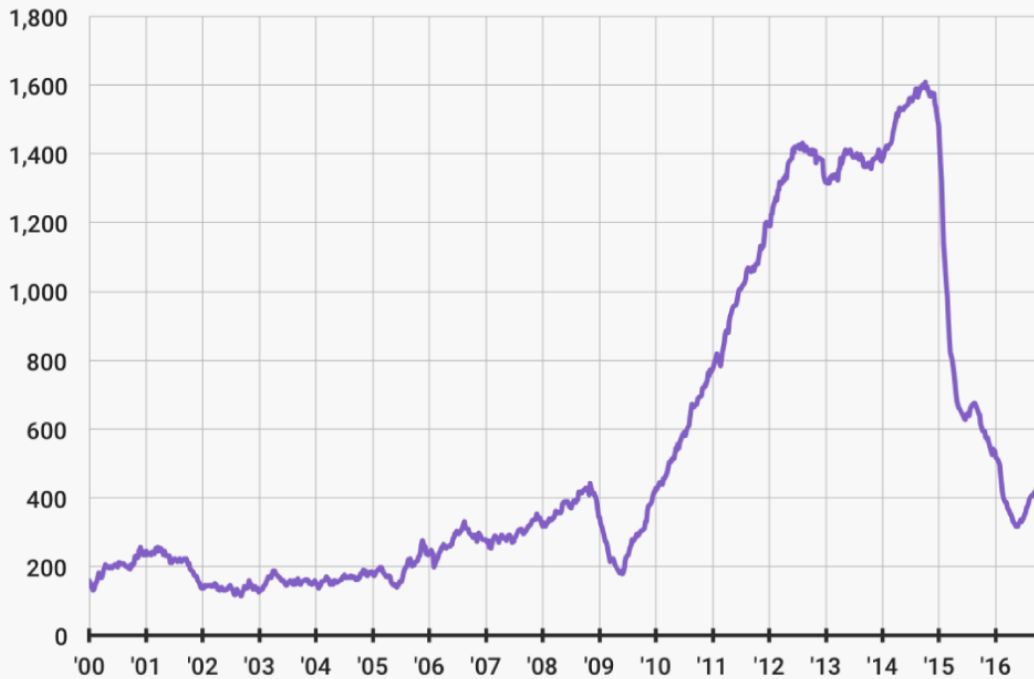


The U.S. dollar rose to the highest level in almost 14 years driven by, discussion of new U.S. trade policies that could hurt other countries, U.S. growth higher than most of the rest of the world and a high chance that the U.S. Fed will increase interest rates next month. Typically, when the value of the dollar goes up, commodity prices go down, which is a positive for many industries, but the stronger dollar also makes U.S. goods more expensive to sell overseas and makes imports cheaper, which hurts U.S. manufacturers and recycling companies.



Oil rose 5 percent for the week ending at \$45/barrel. OPEC continues to try to cut production to get prices even higher and this morning Russia said they may be willing to limit production, which could help OPEC.

## US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

BUSINESS INSIDER

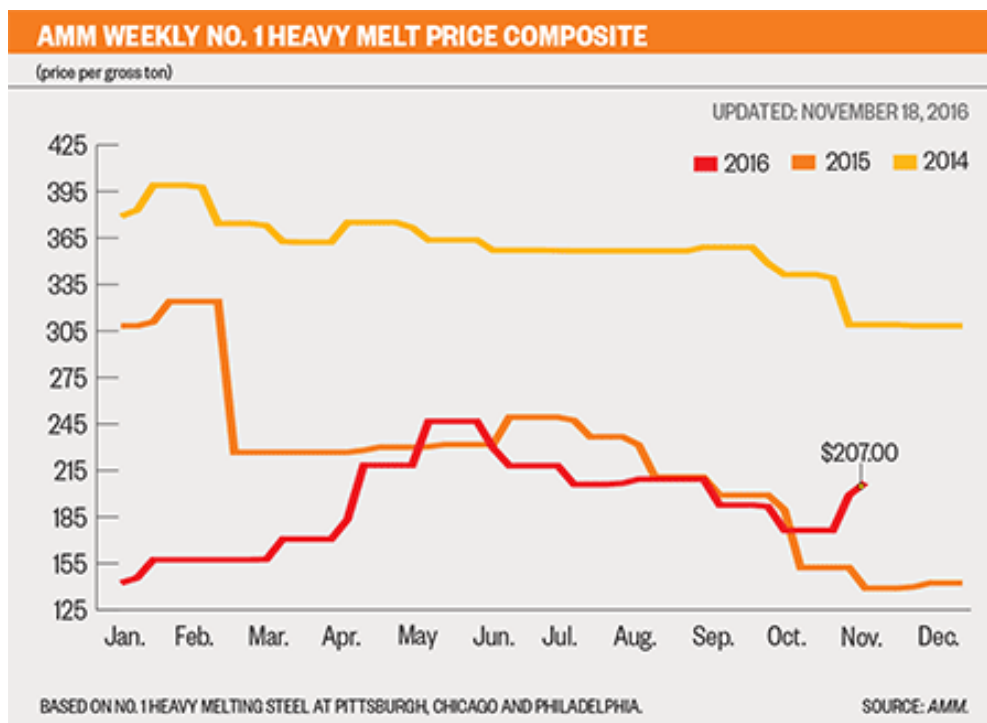
The oil rig count rose 19, the largest weekly increase in 18 months. At 471, it is a terrific 49% higher than the 316 low, months ago, but it is still down a huge 71% from two years ago. There remains major upside to jobs, steel consumption and scrap generation related to rigs. Note, the rig count is mostly price related, not regulation related. Freeing up more U.S. land or sea to drill will not increase production, unless prices are higher.

IRON ORE



SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore ended last Wednesday at \$69/MT, down from last week’s \$80MT, but it is still up 19% for the month and a huge 86% from 11 months ago. Higher iron ore is driving higher finished steel and scrap prices, as there were more \$30-\$40/Ton increases announced last week for finished steel.



BASED ON NO. 1 HEAVY MELTING STEEL AT PITTSBURGH, CHICAGO AND PHILADELPHIA.

SOURCE: AMM.

Scrap ferrous prices rose a bit on strong export demand. Many feel prices could be up again in December, despite the strong U.S. dollar and weak U.S. steel production working against it.

# 304 Stainless Scrap



Stainless scrap 304 remained steady at 31.5 cents, as demand remains steady and the dollar helps keep prices down.

COMEX:HGZ2016, W 2.5150 ▲ +0.0475 (+1.93%) O:2.4725 H:2.5350 L:2.4645 C:2.5150

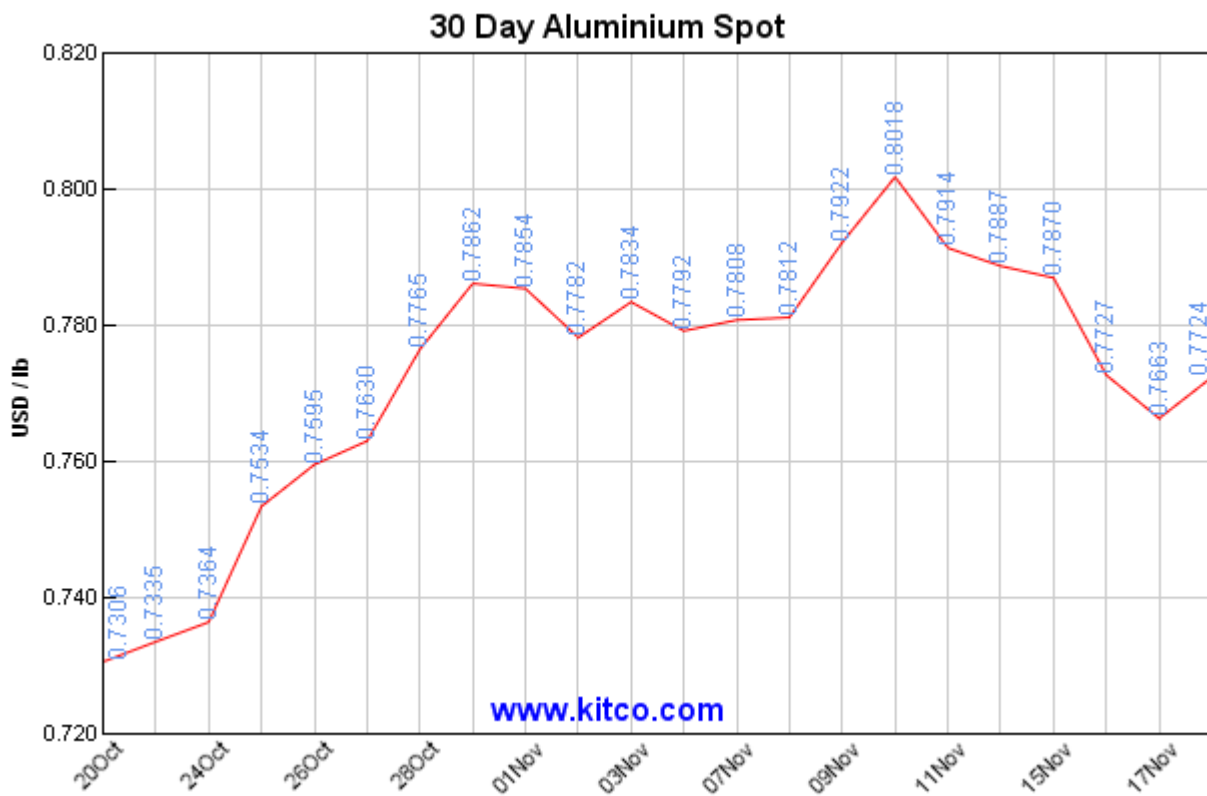


 **CME Group**  
Powered by TradingView.com

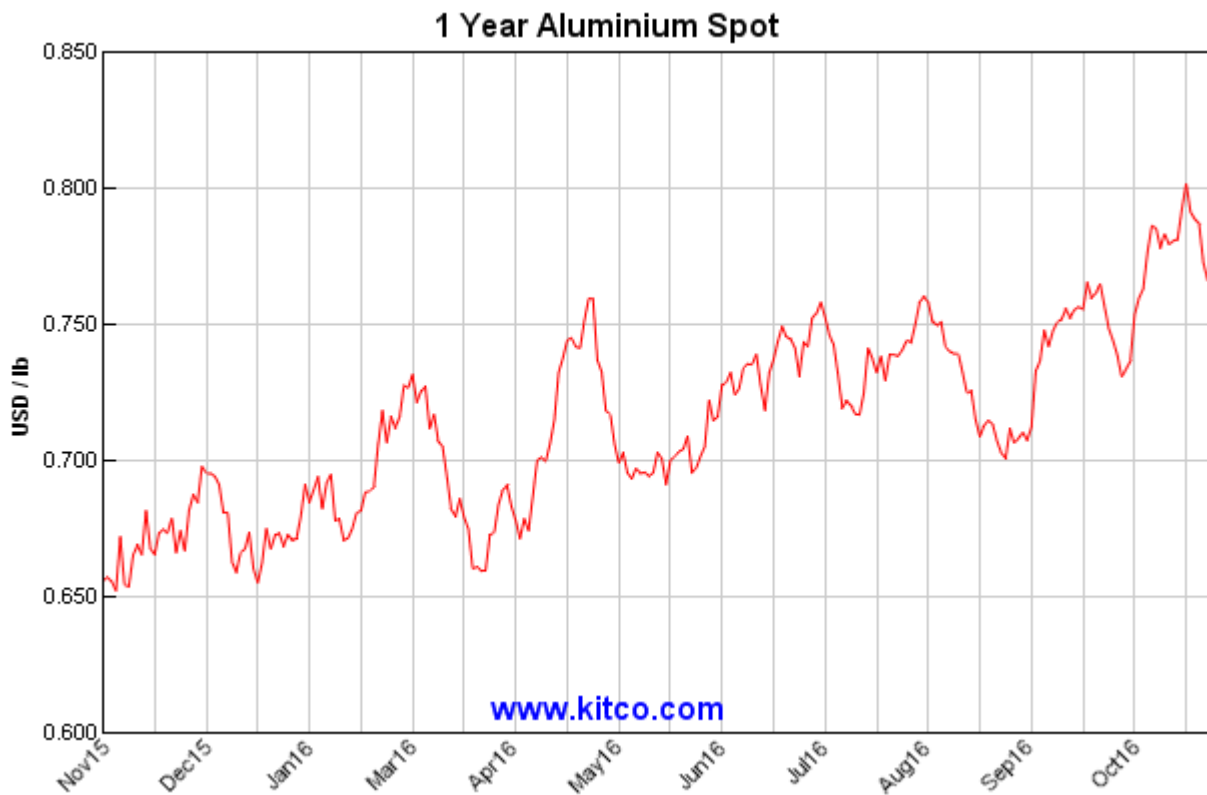
Copper fell 7 cents to \$2.45. Speculation, not fundamentals drove the recent increases, so fluctuations will be expected and in fact this chart is as of morning and copper is about \$2.52, which is where is ended a week ago, again on speculation of more demand.



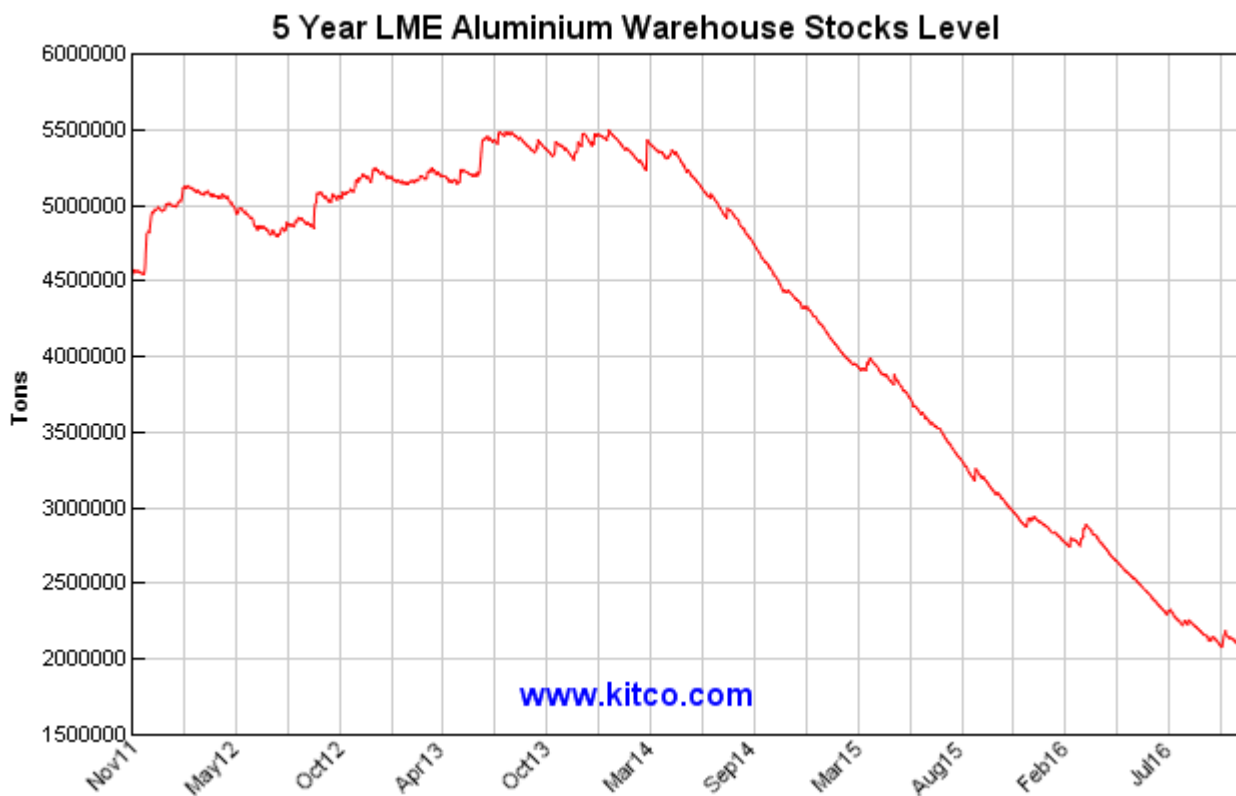
Looking at a one year chart we see copper up nicely in recent months.



Aluminum fell 2 cents to 77 cents after a small rise for the month.



And aluminum remains up for the past year on good fundamentals such as increased demand and cost increases.



Aluminum inventories remain near about 8 year lows, which will support stable to higher prices in the months to come.



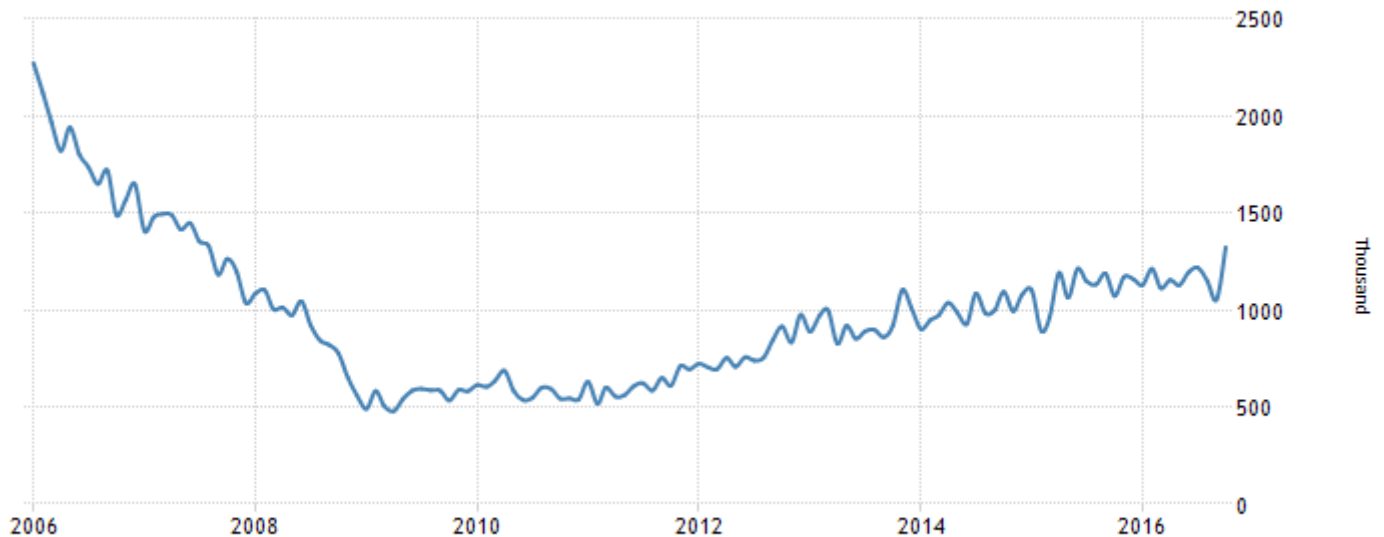
US INFLATION RATE



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

U.S annual inflation rose to 1.6% the highest rate in two years, which remains slightly less than the U.S. Fed target of 2%.

US HOUSING STARTS



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

Housing starts climbed a huge 25.5% in October; the largest monthly increase in 34 years and the annualized starts of 1.3M is the largest in over 9 years. Home construction creates great middle class jobs and supports steady to higher commodity prices.

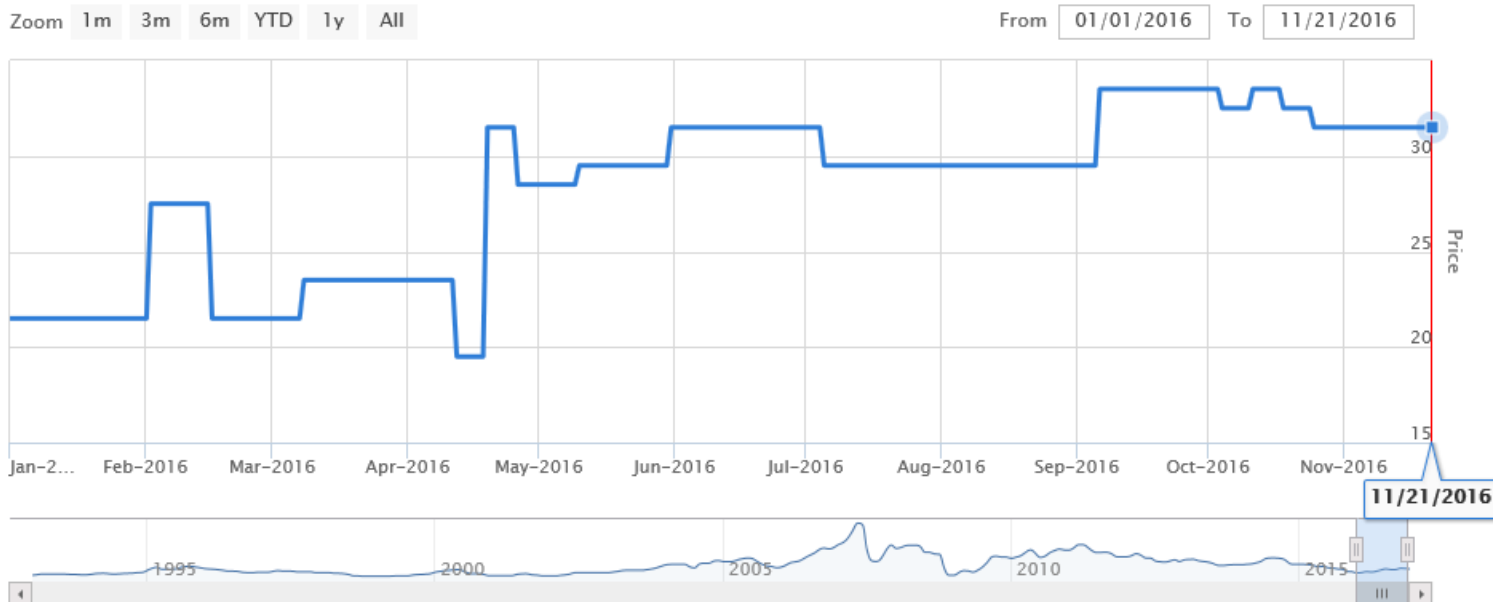
## DOW JONES INDUSTRIAL AVERAGE



SOURCE: WWW.TRADINGECONOMICS.COM | DOW JONES

Wall Street hit new all-time highs for the week, a major positive for spending as increased values support the wealth effect meaning as people have more money in their accounts they spend more, which supports commodity prices.

## 304 Stainless Scrap



U.S. jobless claims fell to the lowest weekly level since November 1973, 43 years ago and the number of weeks that claims have stayed under 300,000 is the longest streak in 46 years. This is incredibly positive data.

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