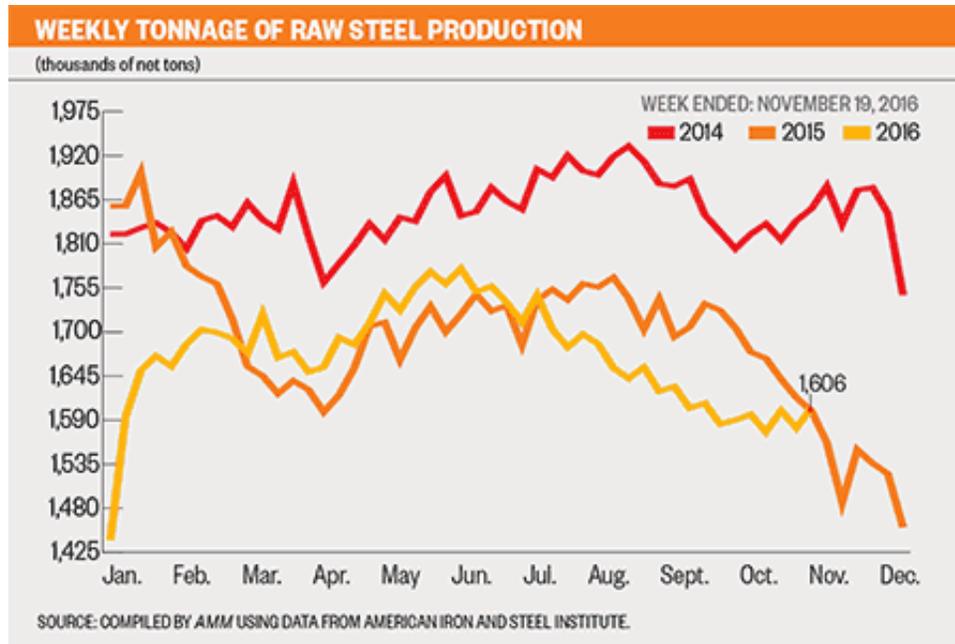


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, November 28th, 2016.

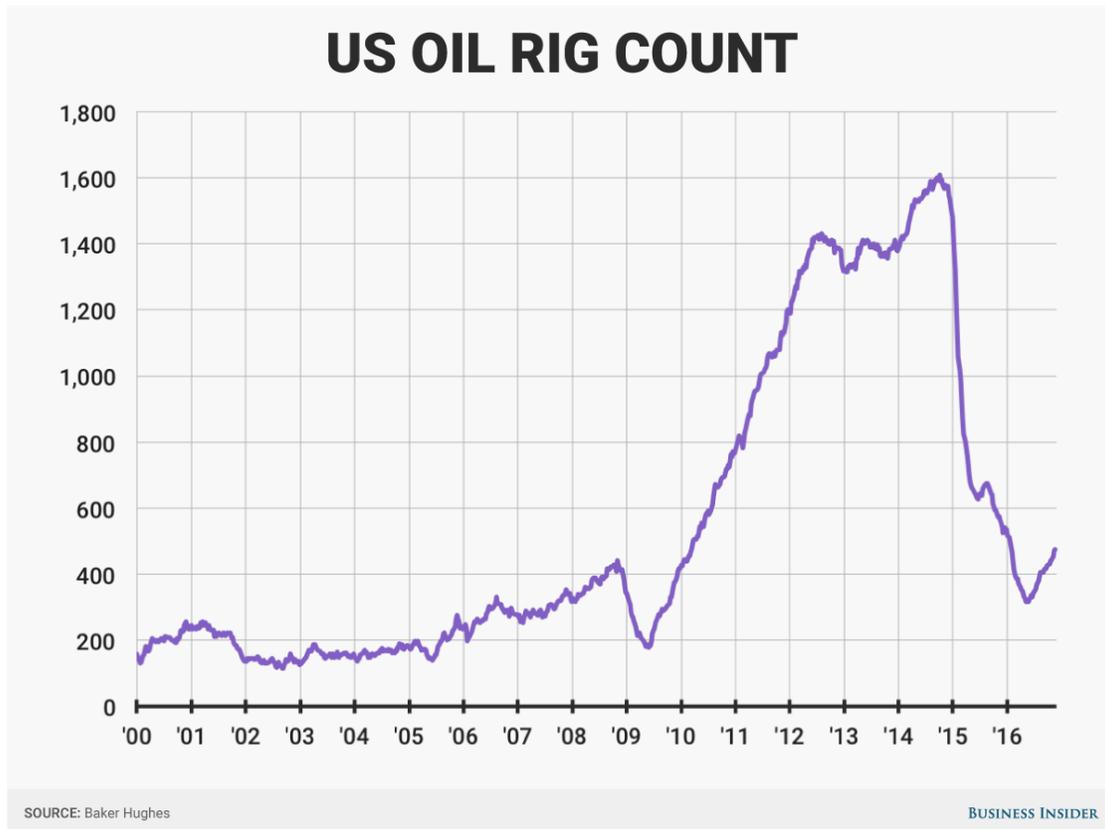
Last week most commodity prices rose and Wall Street hit record highs for the third week in a row.



U.S. steel production rose slightly and unlike last year, production may rise through the end of the year as we hear steel mill order books are rising. This is unlike last year when production fell for the last 5 months of the year.



Oil rose about 1 percent last week to \$48/barrel as OPEC and Russia continue to talk about cutting production to get prices up but there has been no action, but OPEC is meeting this week which could bring changes. Current low gasoline and heating prices will be great for holiday spending and support commodity prices.



The oil rig count continues its slow rise, going up three to 474, which is up a huge 50% from earlier in the year, but looking at the chart we see the rig count is down an enormous 70 percent from two years ago, when there were 1,609 rigs. Jobs and steel use in rigs are better, but still greatly depressed.

## IRON ORE

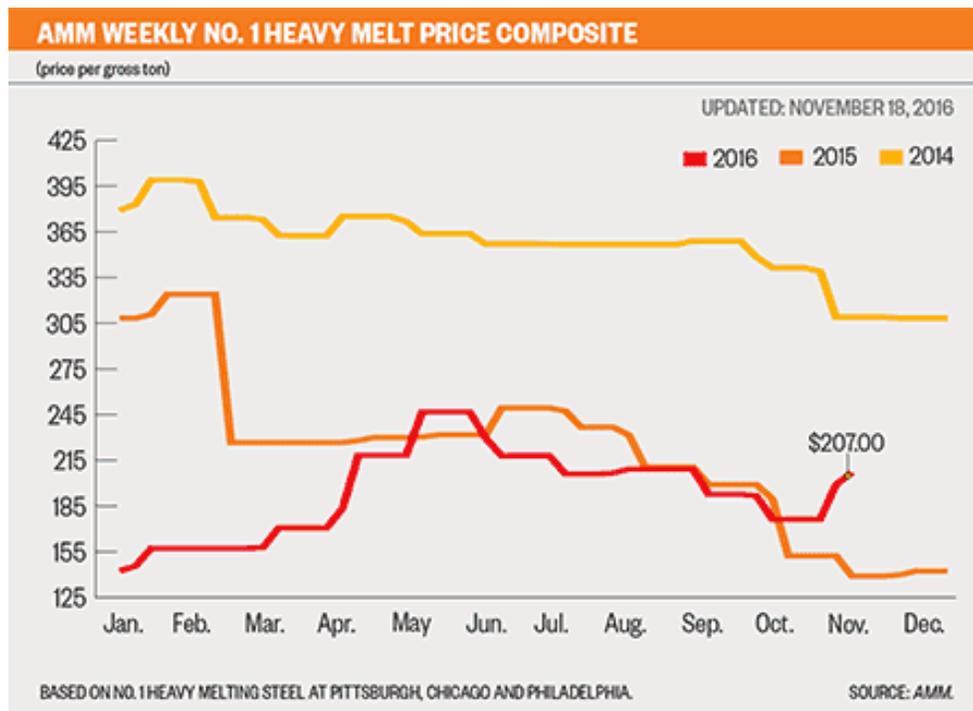


SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore ended Thursday at \$78/MT, up 13% from the Wednesday before, up 31% for the past month and up an even bigger 68% in the past year which is putting major upward pressure on scrap metal and finished steel prices.

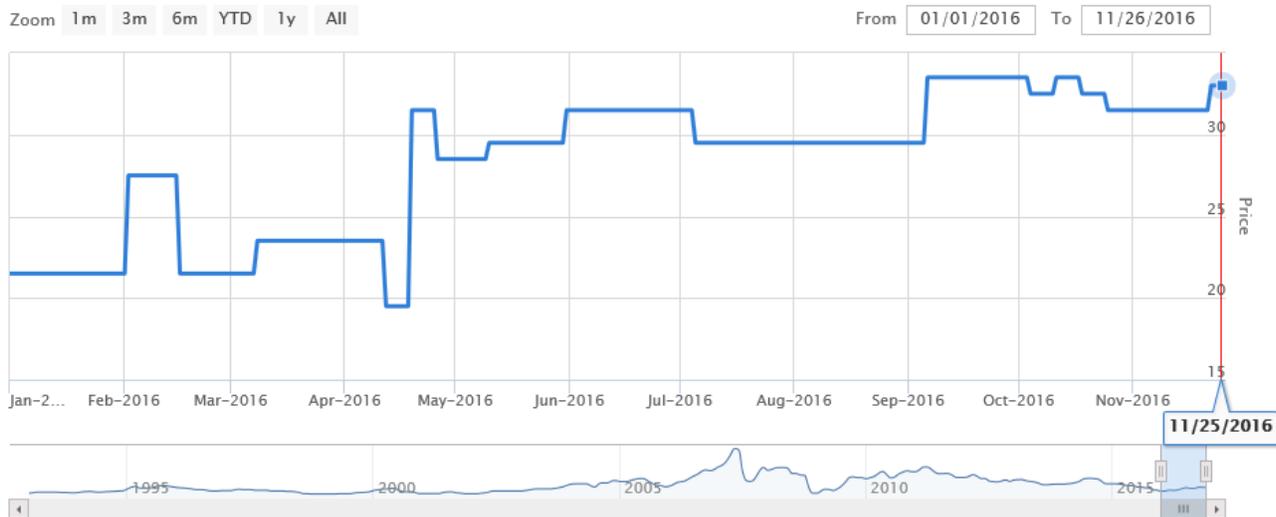


As an example last week GerdaU announced an increase on Merchant Bar of \$50/Ton, which is \$2.50 per hundred.



U.S. scrap ferrous prices remain higher, and pressure continues building for higher December prices, which could be up well in excess of \$20/GT, as seen by the \$50/MT increase in finished good prices that Gerdau announced.

## 304 Stainless Scrap



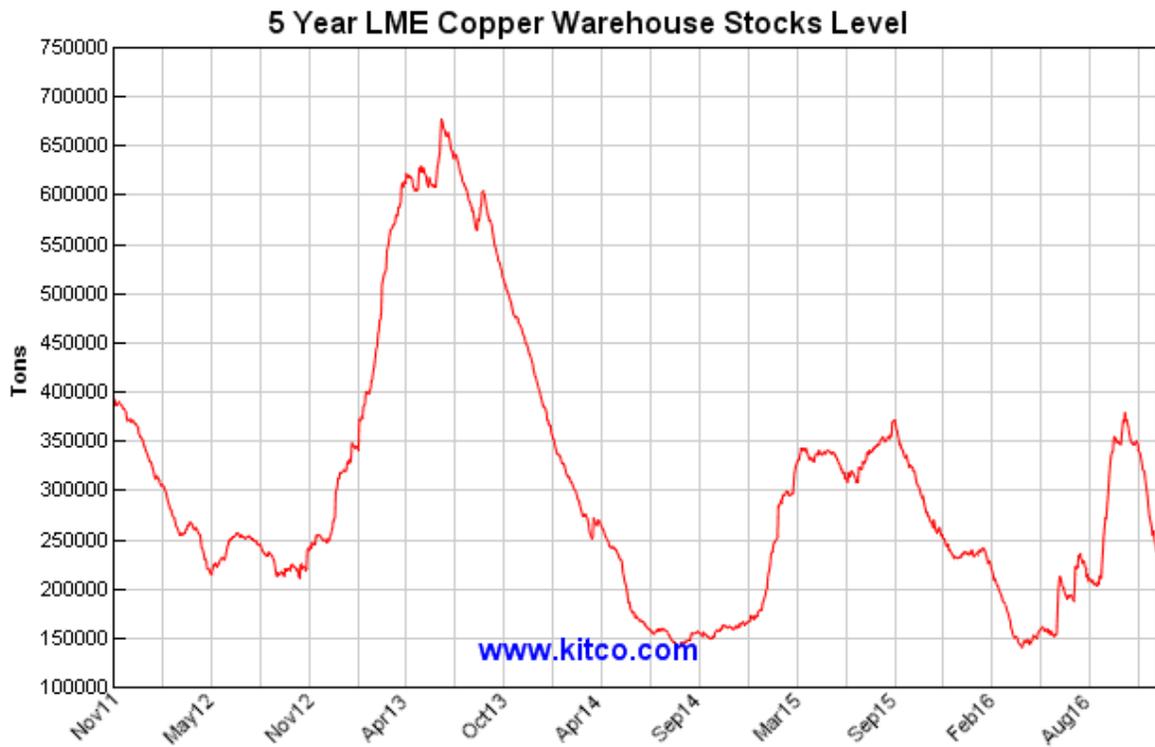
Stainless scrap 304 rose to 33 cents, as prices continued to rise for most commodities.

COMEX:HGZ2016, D 2.6680 ▲ +0.0095 (+0.36%) O:2.6155 H:2.6990 L:2.6125 C:2.6680



 **CME Group**  
Powered by TradingView.com

Copper rose a huge 12 cents to \$2.68/lb., the highest in about 17 months. Remember, while this increase is real, it is mostly based on speculation, not increased demand, so actual selling and buying prices are up about 10 cents less than actual prices in the past month. If global demand rises, prices will stay where they are or could go higher, which no one forecast even a month ago.



Related, copper inventories have been falling in recent months helping keep the upward pressure on prices.



Aluminum rose 3 cents to 80 cents, now up about 20 percent for the year on nice increases in demand combined with increased production costs that are being passed along to buyers and of course sellers of scrap metal.



Aluminum inventories have stabilized at about 8 year lows, which will continue to put upward pressure on prices.



Consumer sentiment, how people feel about the economy is a major U.S. economic indicator. The November reading of 93.8 was the highest since May and again could mean a solid holiday season for spending, which will support stable to higher commodity prices.

# Manufacturing Purchasing Manager's Index



Another major economic indicator is the Manufacturing Purchasing Manager's Index, PMI, which was 53.9 in November, the highest reading in over a year. Greater than 50 is growth, so manufacturing remains positive.



SOURCE: WWW.TRADINGECONOMICS.COM | DOW JONES

Wall Street hit new highs for the third week in a row, as many look for faster U.S. growth. The Dow Jones index is up about 5% for the month and almost 8% for the past year. A lot of very positive news in the past few months that could lead to higher commodity prices going forward.

Year End Discounts in Inventory  
Roll off Trailers & Open Top Trailers



With all looking positive, our BENLEE team is working to clear out our inventory of Roll off Trailers and Open Top Trailers by year end. Call our Jeff Diederich for year-end discounts and get your full year 2016 tax depreciation write off.

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