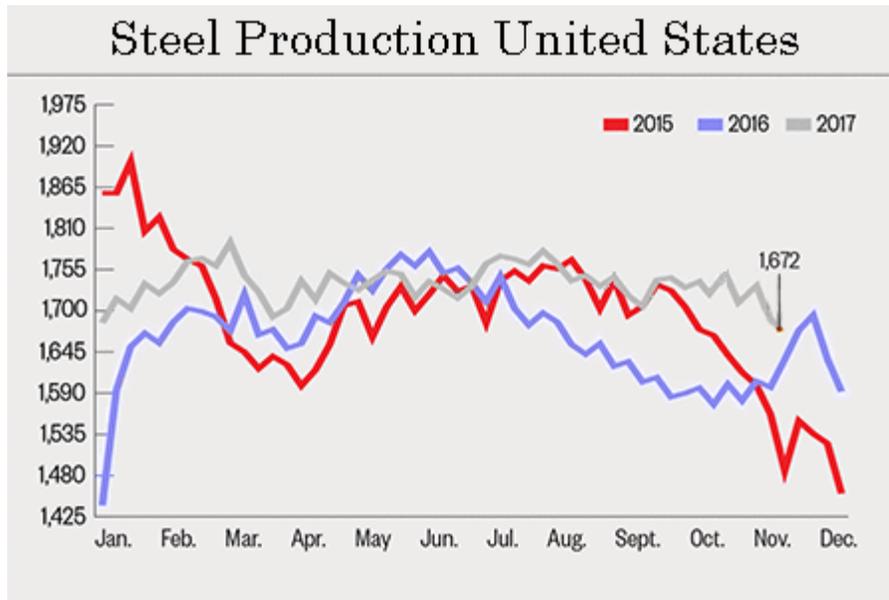


This is the Scrap Metal, Commodities, Recycling and Economic Report, by BENLEE and Raleigh and Goldsboro Recycling, December 18th, 2017.

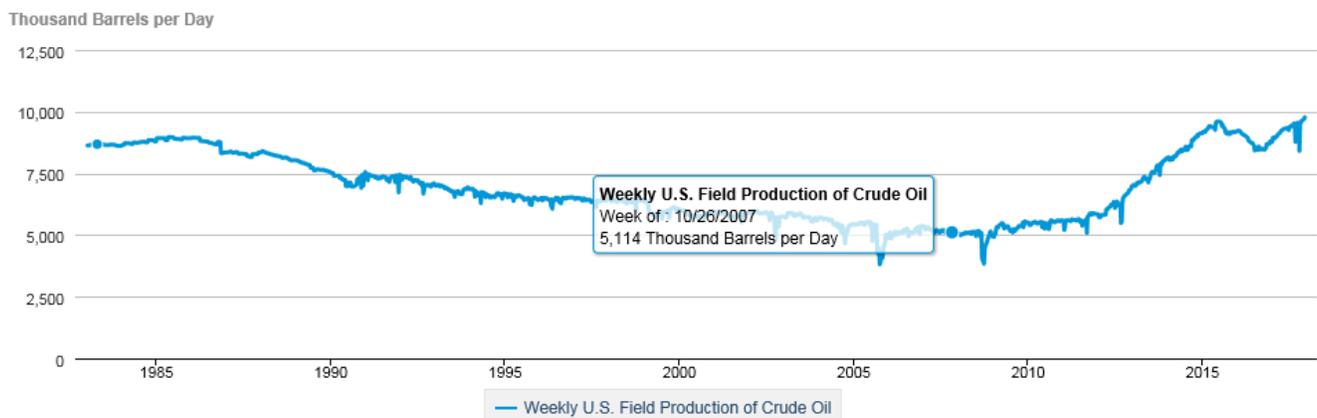
Last week commodity prices were mixed and most economic reports were positive.



U.S steel production fell as demand from automotive production declined. While near a low for the year, steel production remains ahead of the last two years at this point in the year.

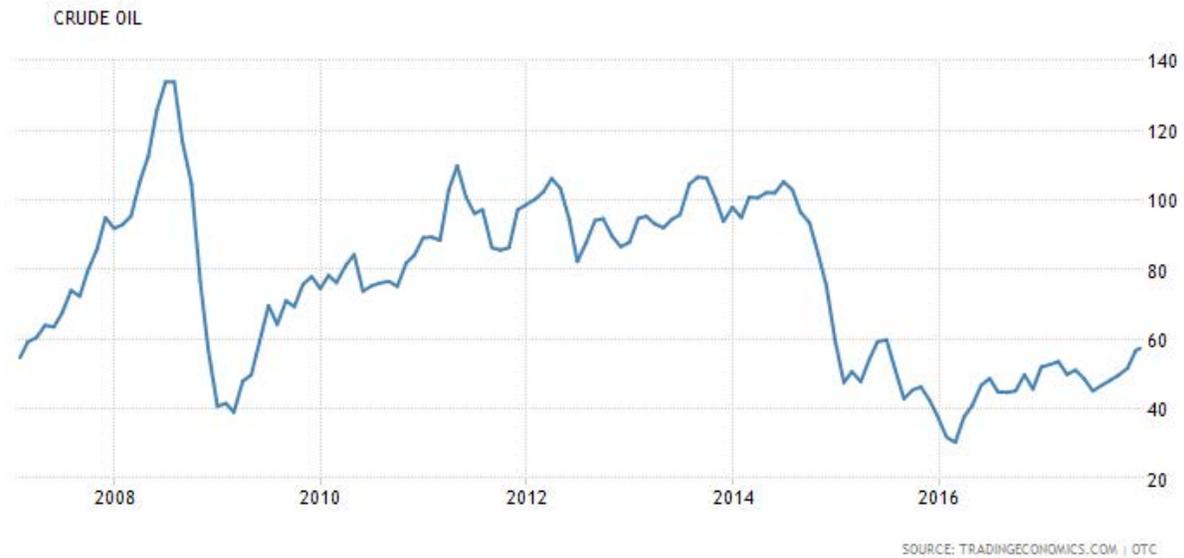
Weekly U.S. Field Production of Crude Oil

[DOWNLOAD](#)



Source: U.S. Energy Information Administration

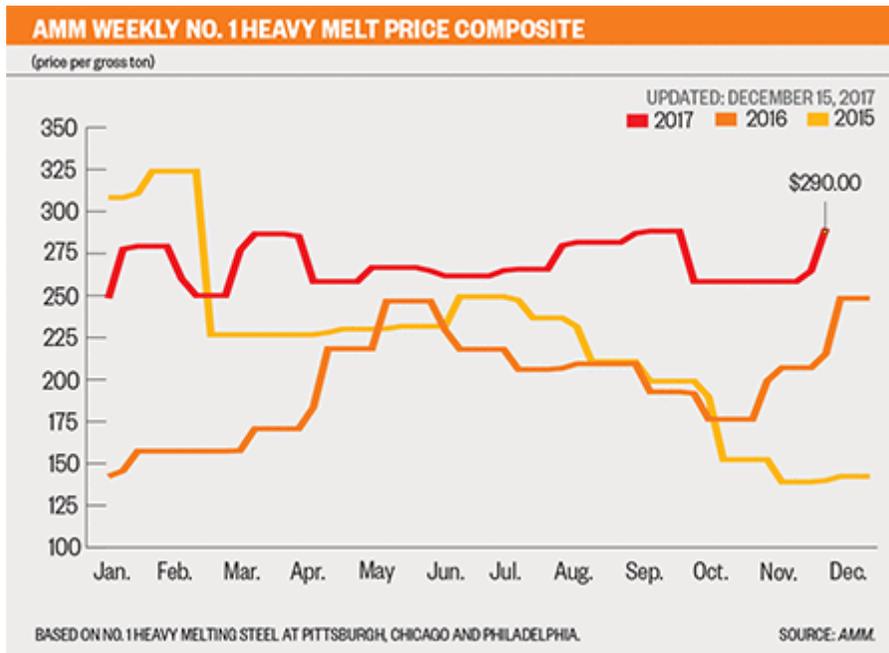
Oil fell about \$6/Barrel to \$57.36 as global demand remains fair and U.S production hit a new record high, making up for much of OPECs cut backs.



Here is the U.S. oil production at another all-time high, which is terrific for U.S. jobs and our international balance of trade problems.

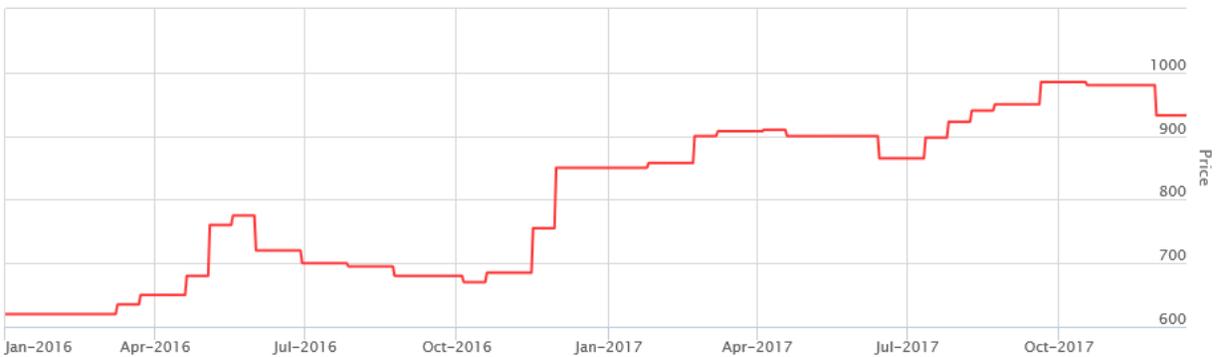


Iron ore rose \$3.50/MT to \$71.00, on good global demand and little other news.



Scrap ferrous prices showed the rest of the about \$30/GT increase in most markets for December, on good export and domestic demand. Scrap flows into scrap yards remain OK, not good.

## Hot Dipped Galvanized Coil



Hot dipped galvanized steel remained at \$932.50/T, on this chart, but there have been many announced increases in steel products.

Published on TradingView.com, December 18, 2017 07:13 EST

COMEX:HGH2018, D 3.1220 ▼-0.0175 (-0.56%) O:3.1345 H:3.1380 L:3.1150 C:3.1220



Created with TradingView

Copper rose a big 15 cents to \$3.13 on little news and continued slow global growth. Copper is down a penny this morning to \$3.12.



[www.kitco.com](http://www.kitco.com)

The 5 year chart shows copper is close to the multiyear year high it hit a couple of months ago.

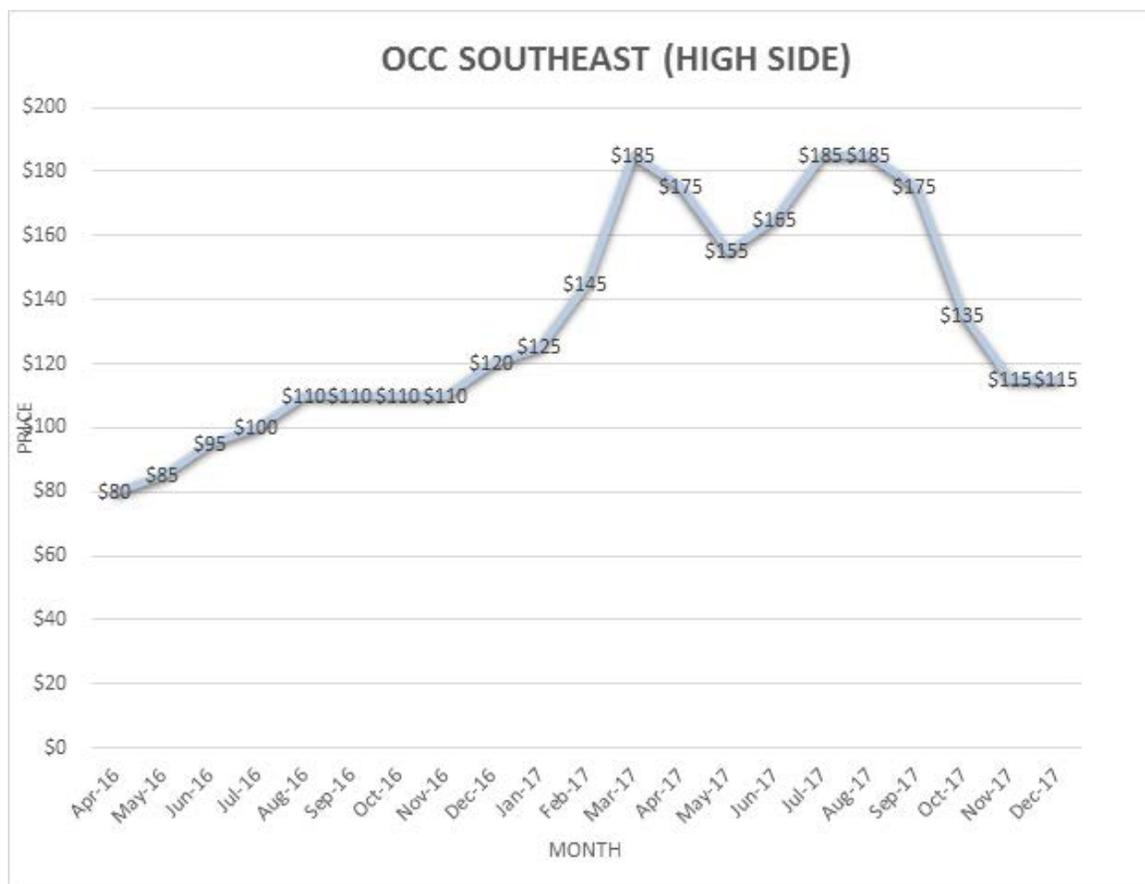
Copper inventories rose slightly, remaining near a low for the year thereby helping stabilize prices.



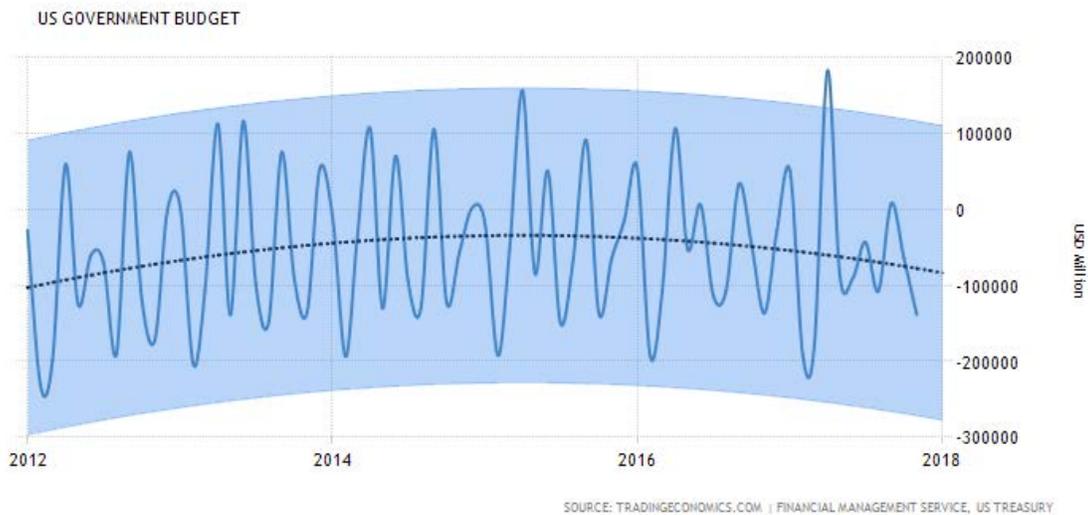
Aluminum rose 2.5 cents to 92.8 cents, as global production continues to ramp up, which should keep prices from rising much further.



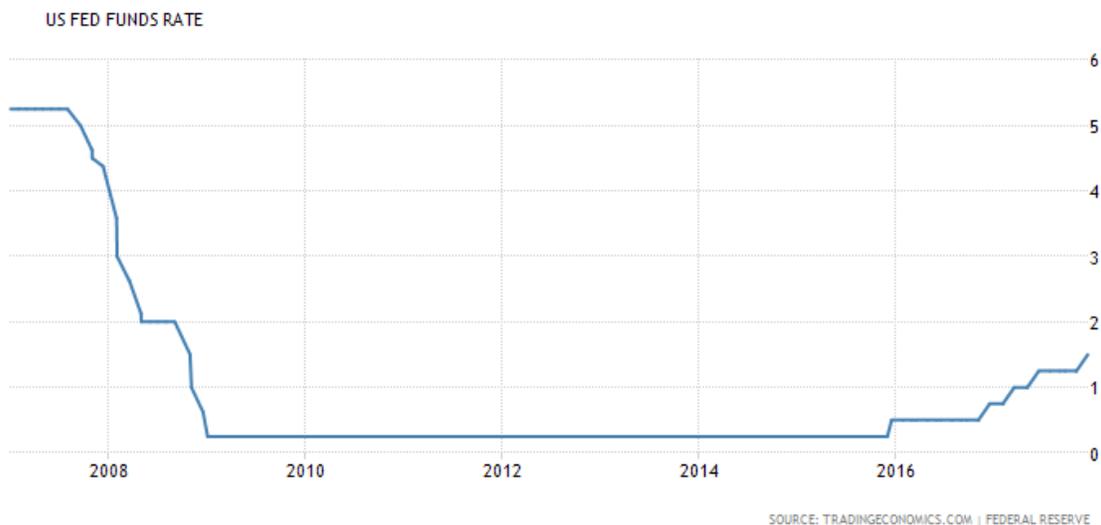
Aluminum inventories had a rare move up, which would be expected with the increases in production that are coming on line.



For those that missed it last week, Cardboard, stayed steady at the very low level of \$115/Ton driven by major restrictions of paper scrap going into China which remain in place.



The U.S. government deficit spending worsened in November. Increased economic growth is one of the keys to this turning this around, which will also put upward pressure on commodity prices. It is hoped the probable coming tax cuts will help this.

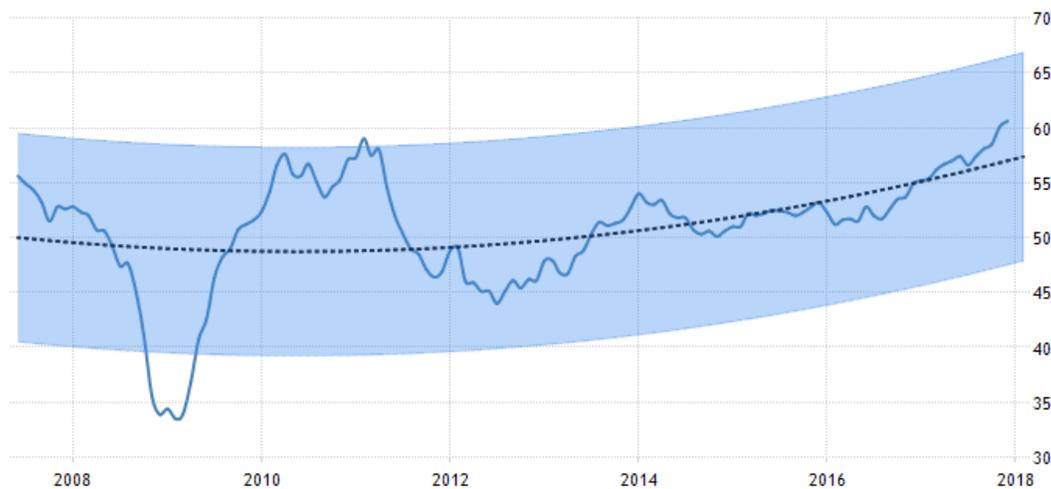


The U.S. Federal Reserve raised interest rates a quarter of a point, due to the economy remains in a growth mode. Growth tends to bring higher commodity prices and inflation, so the increased interest rates slow the economy which will slow the increases.



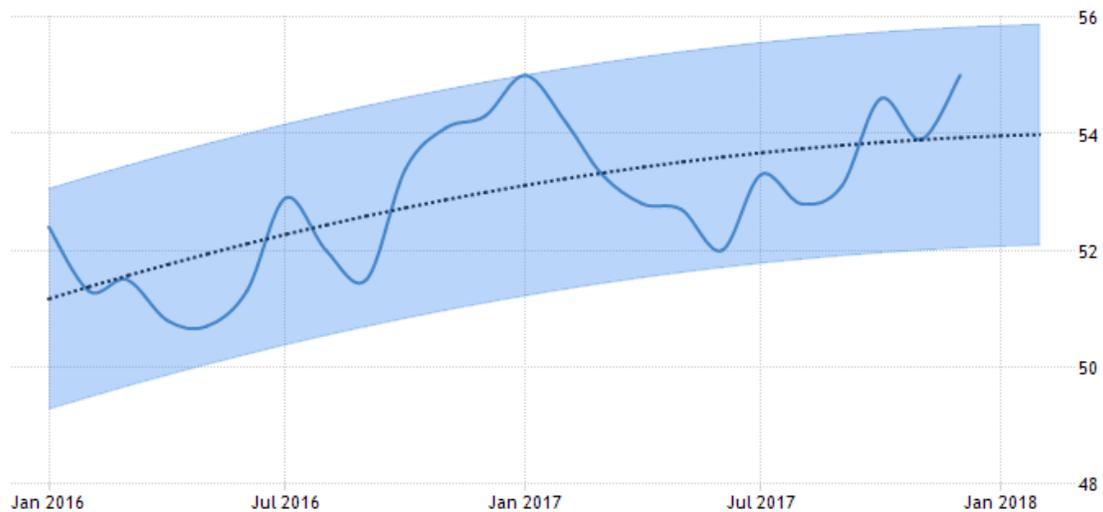
U.S. consumer inflation increased 2.2 percent in November, vs. last year. Gasoline prices rose at a faster pace, while healthcare costs fell. Core inflation, which excludes food and energy fell to 1.7% year over year, which is slightly down from October's 1.8%.

## Euro Area

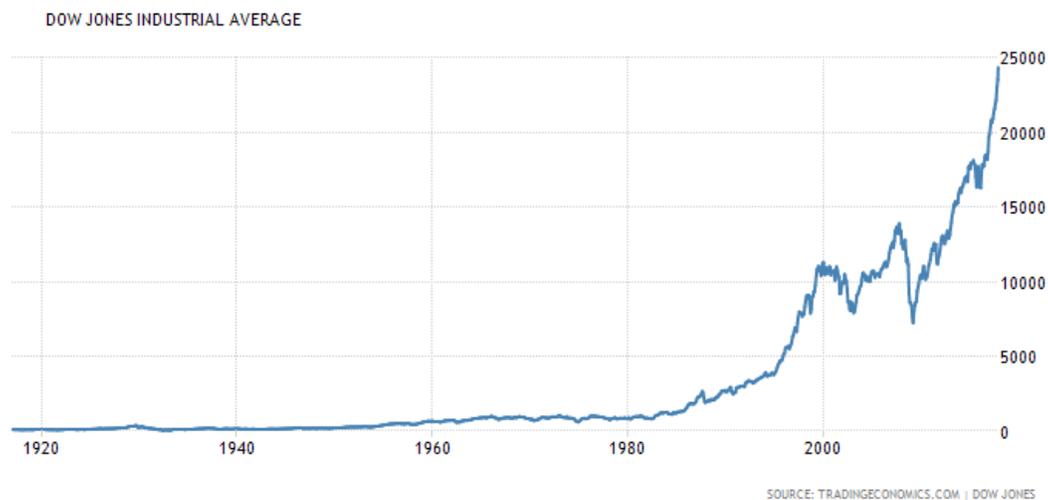


The Eurozone which is much of the European countries combined, had their Manufacturing Purchasing Managers' Index, rise to 60.6 in December, from 60.1. This is the strongest pace of expansion in their manufacturing since June 1997, more than 20 years ago, when this measure first began. The Eurozone economy is larger than the U.S. economy, so this will put upward pressure on prices.

# U.S. Manufacturing PMI



The U.S. Manufacturing Purchasing Managers' Index rose to 53.9 in December, the fastest expansion in manufacturing since January, amid increases in production, new orders and employment.



Wall Street's Dow Jones hit a new record up 97 points to 24,652, with the news that the tax cuts are close to a reality. Tax cuts mean higher profits for Wall Street companies so the stock market is reflecting this profit growth. This fast growth is nothing other than historic in its magnitude and scope, which will put upward pressure on prices.

As always, feel free to call or email me with any questions and we hope all have a Safe and Profitable week.