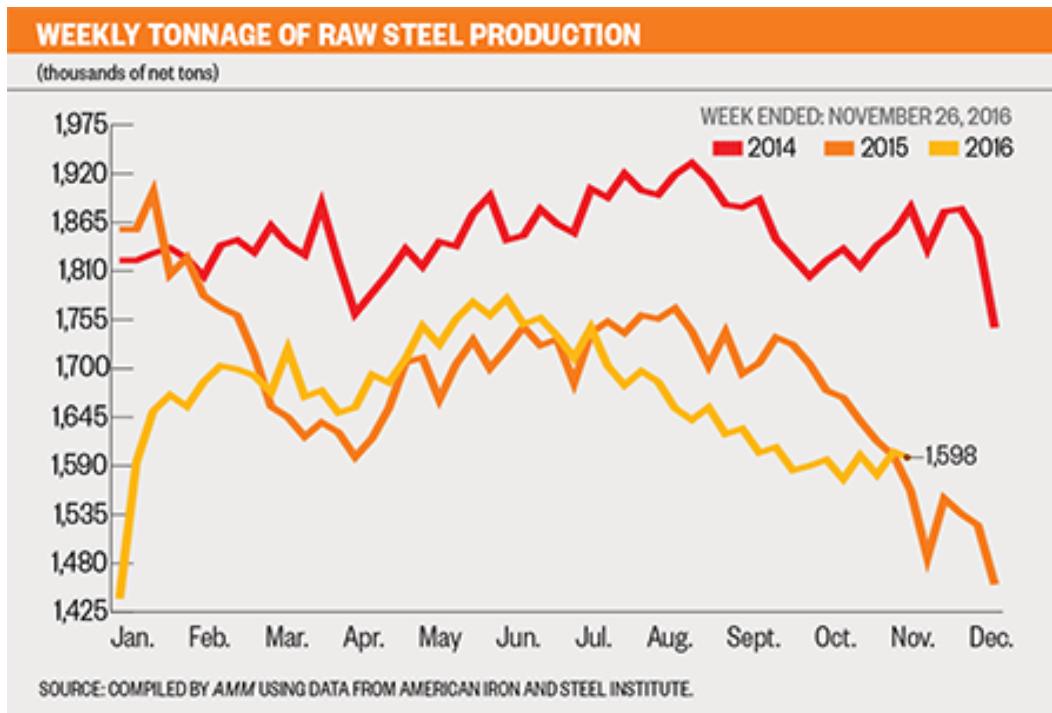


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, December 5th, 2016.

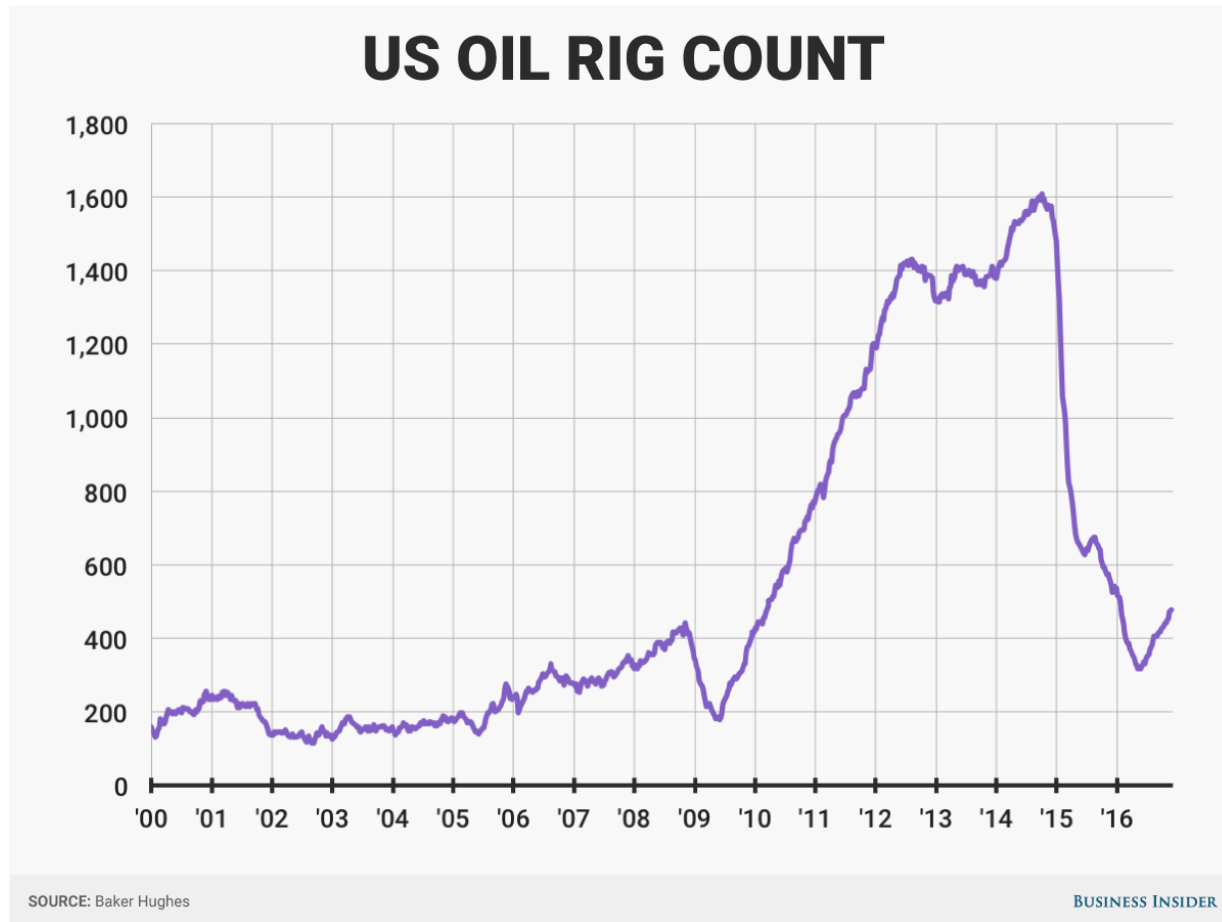
Last week commodity prices were mixed while economic reports remained positive.



U.S. steel production was about flat as we hear mill order rates are increasing, which goes along with better employment data and increased vehicle production.



Oil rose to \$51/barrel as OPEC agreed to cut production for the first time in 8 years. This is a major reversal from two years ago, when OPEC could not agree on a limit and prices collapsed.



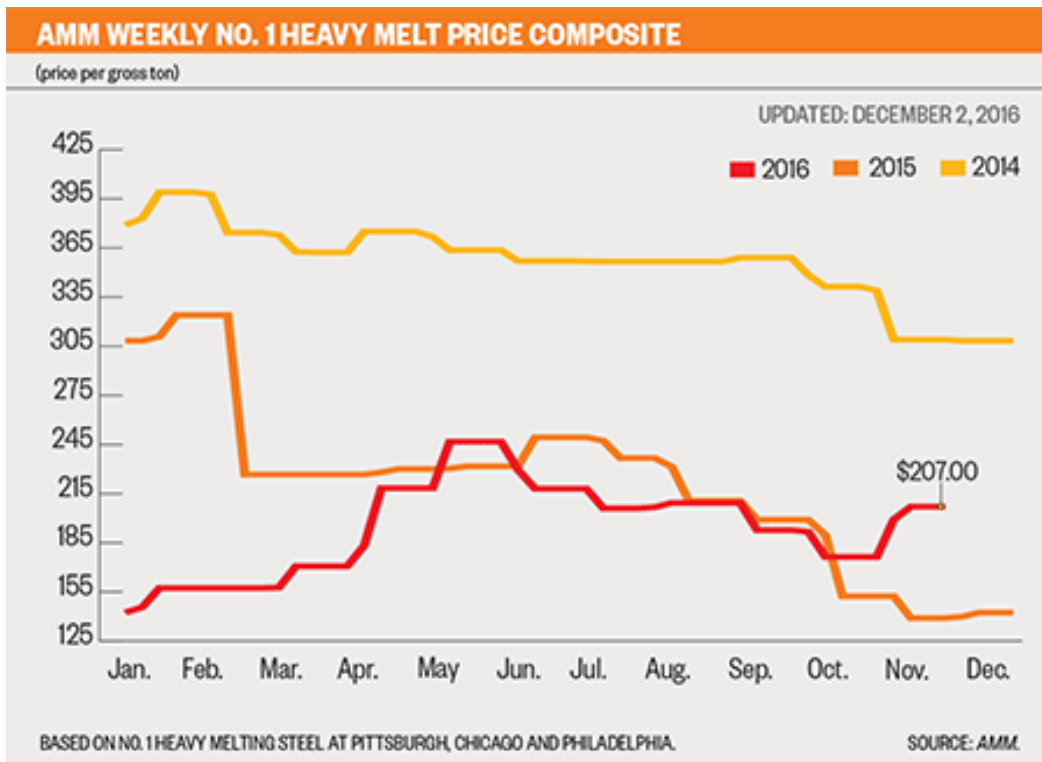
The oil rig count rose to 477, up 51% from earlier in the year, yet down 70% from two years ago. Increased steel used in these rigs will help support steady to higher steel prices.

IRON ORE



SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore ended up at \$79/MT, more than double the price of a year ago. An amazing transformation in 12 months which is driving higher steel and scrap prices.



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

SOURCE: AMM.

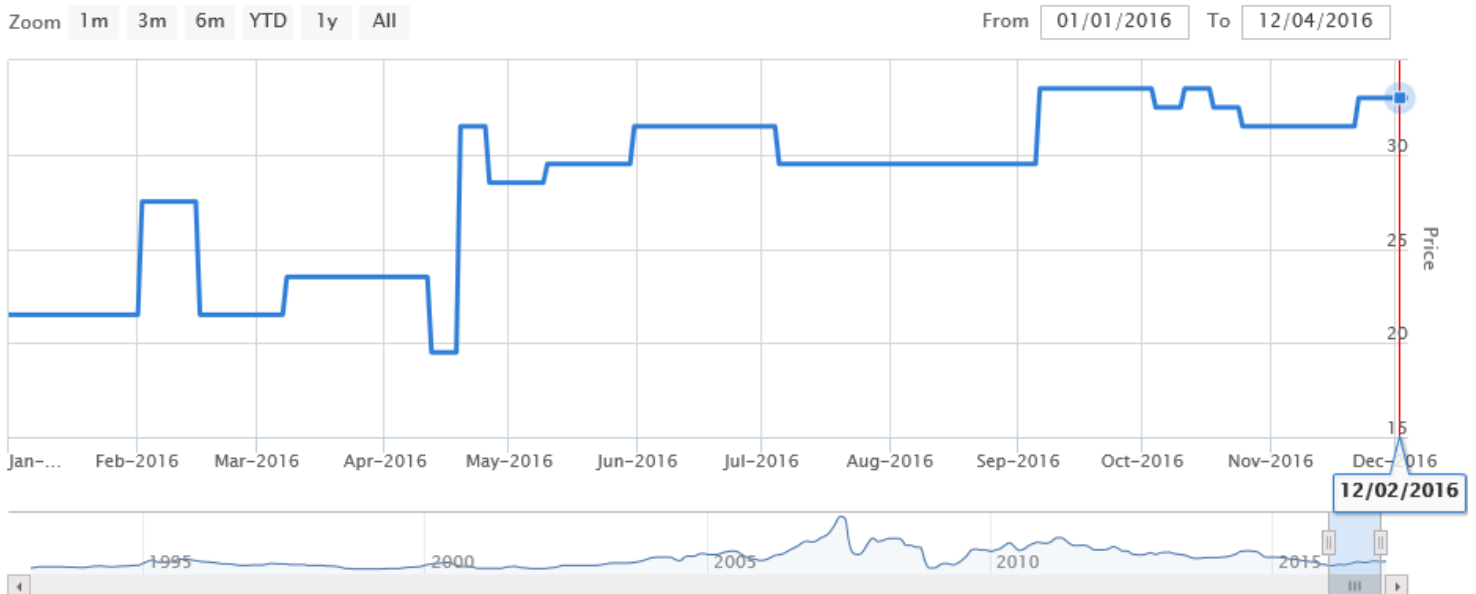
Scrap ferrous prices remained steady, but increases of \$30/GT and higher have hit in recent days. With some finished goods steel up over \$100/Ton in the past 60 days, there remains more upward pressure on scrap.

# Hot Dipped Galvanized Coil



Hot dipped galvanized steel now about \$850/Ton, is up over \$150/Ton in two months. An enormous move in such a short period.

# 304 Stainless Scrap



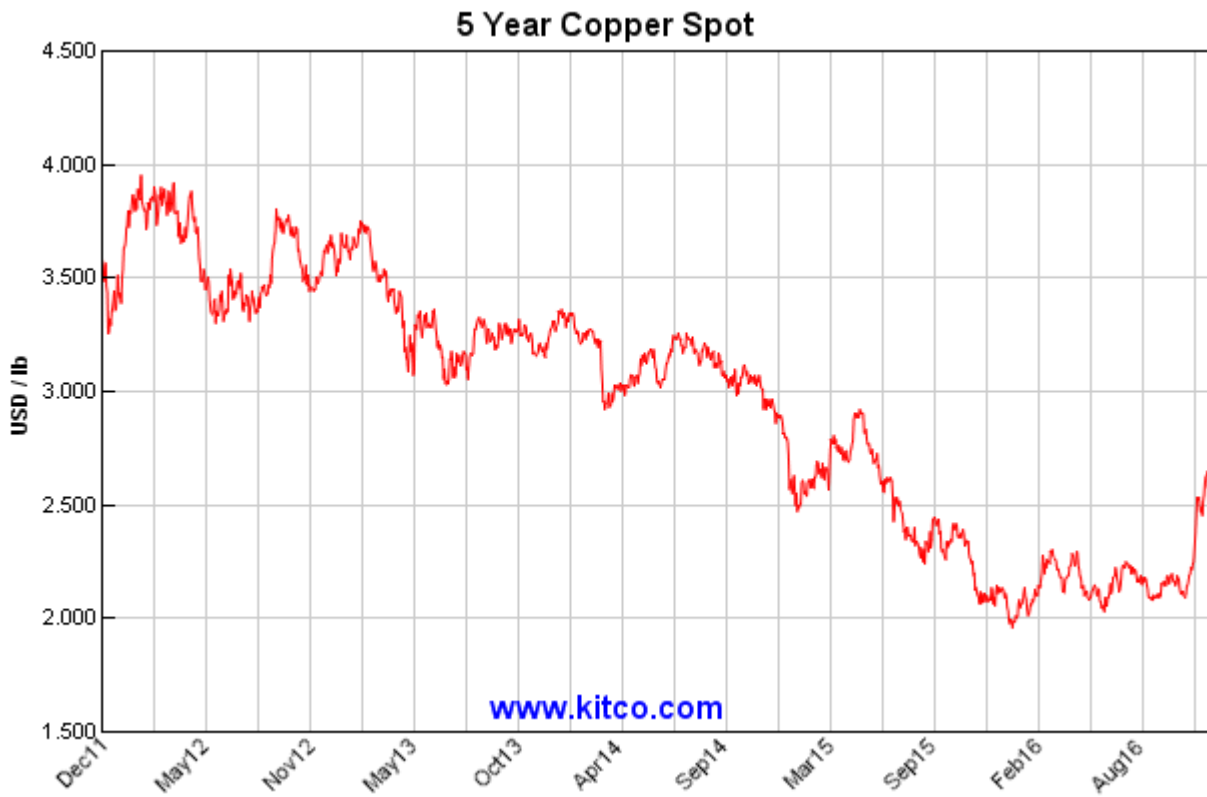
Stainless scrap 304 held steady at 33 cents, on no major news or demand changes.

COMEX:HGH2017, D 2.6740 ▲ +0.0490 (+1.87%) O:2.6250 H:2.6745 L:2.6010 C:2.6740

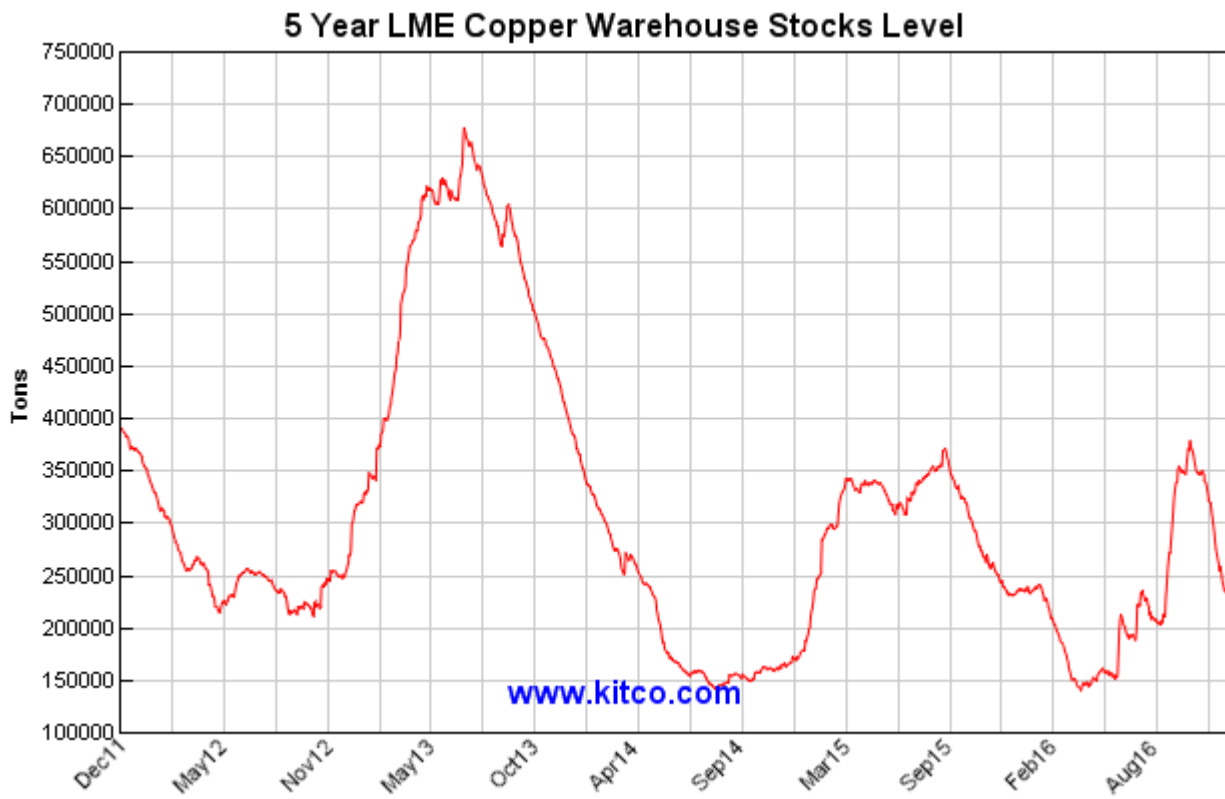


 **CME Group**  
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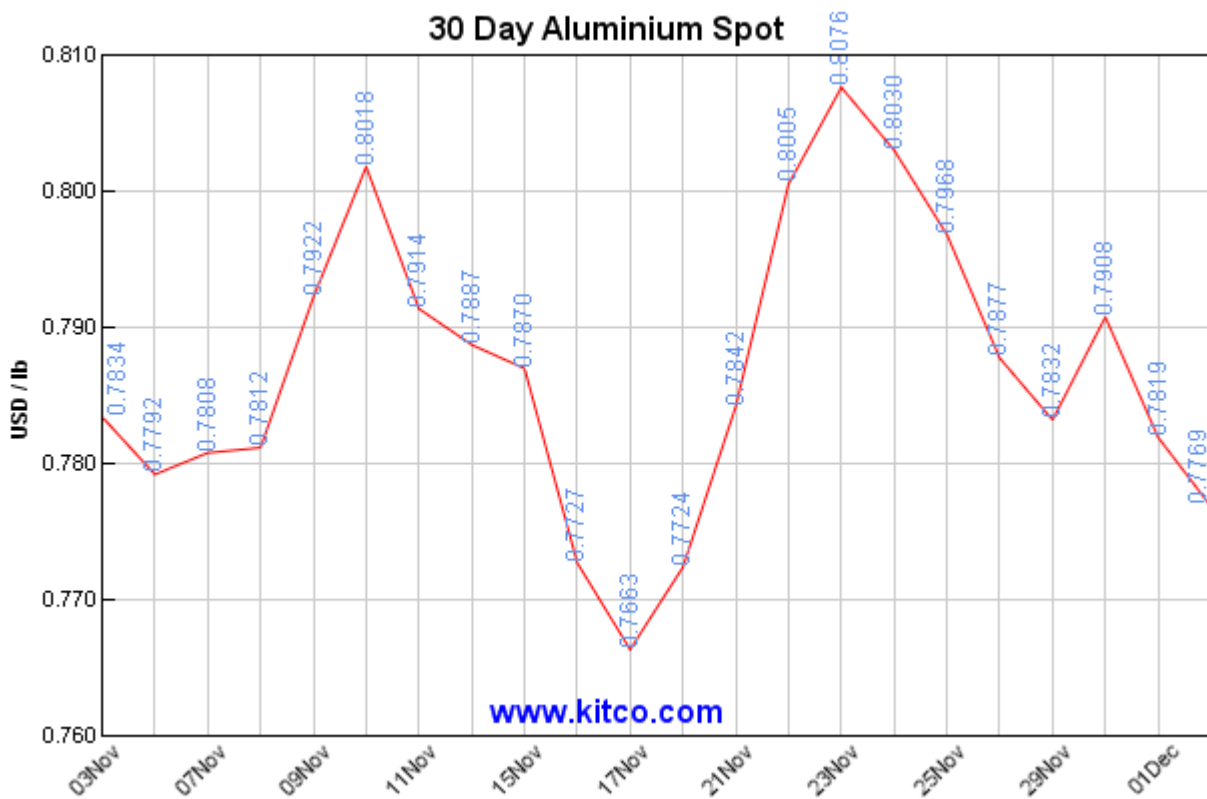
Copper fell 5 cents to \$2.62, holding much of the recent increases, while transaction prices lag, due to limited increases in demand. Prices are up about 5 cents this morning mostly on news about yesterday's resignation of Italy's Prime Minister and strong China growth numbers this morning.



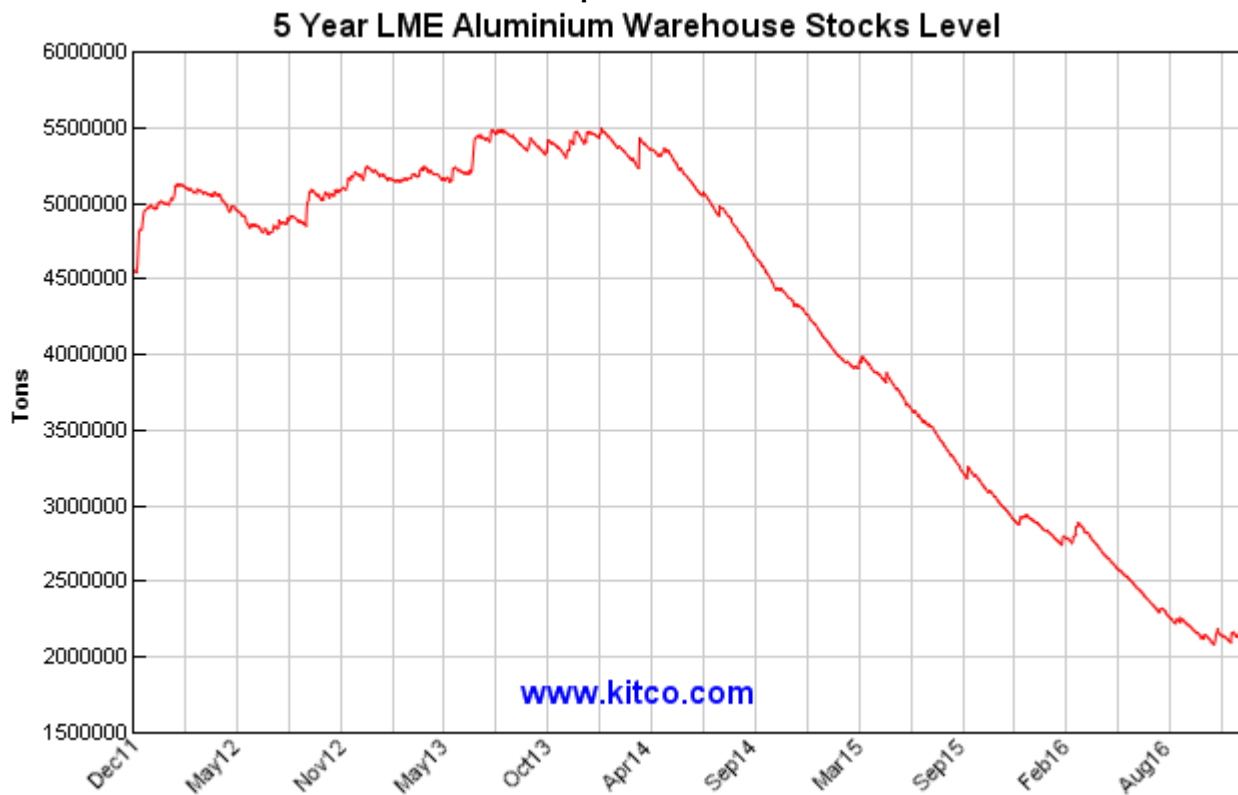
The 5 year chart show prices at about 15 month highs,



and copper inventories continue to fall, helping support the higher prices we are seeing.



Aluminum fell 2 cents to 78 cents, yet up about 18% for the year on continued slow increased consumption.



Aluminum inventories have stabilized at 8 year lows supporting higher prices which could lead to increased production bringing stable prices in the months to come.

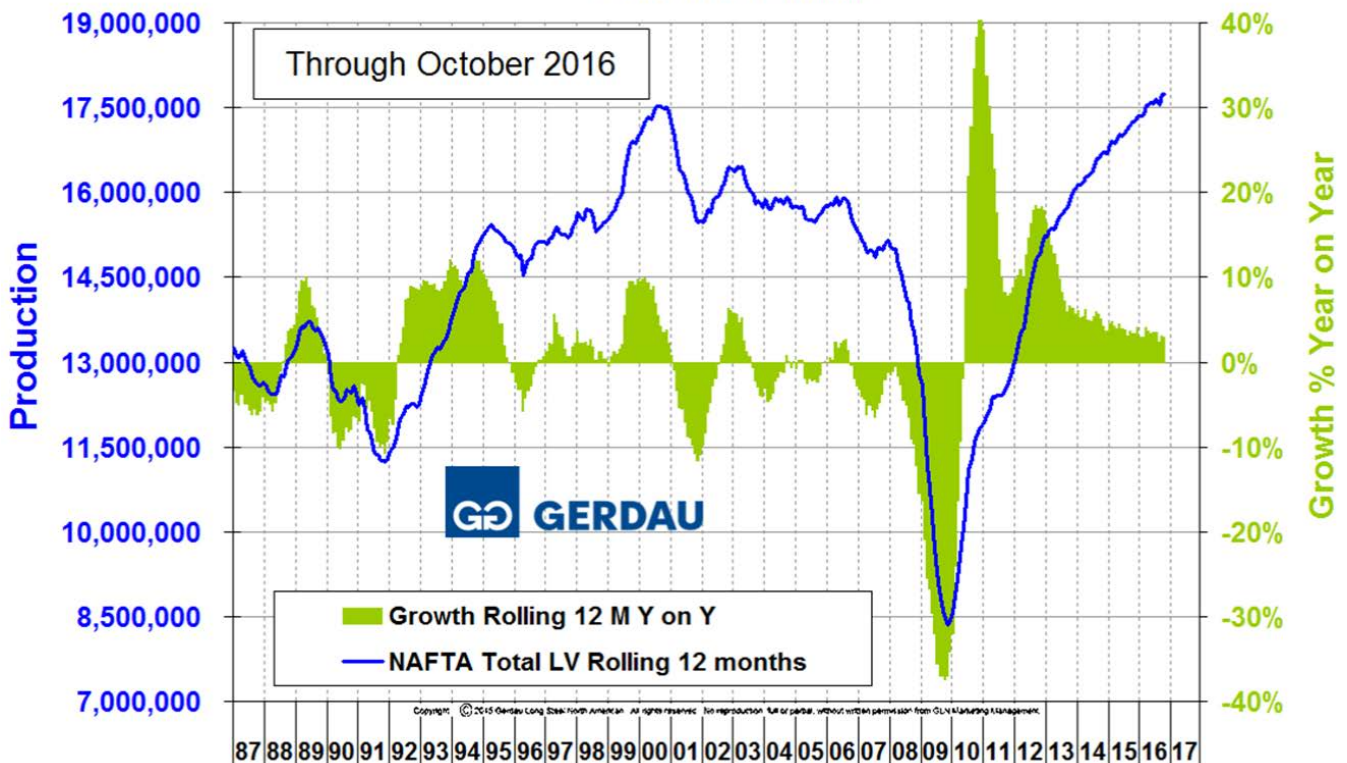
US TOTAL VEHICLE SALES



SOURCE: WWW.TRADINGECONOMICS.COM | AUTODATA CORPORATION

U.S vehicle sales fell to an annualized rate of 17.8 million units in November, yet still near last year's record. Again, this is U.S. vehicle sales, not production. Sales include imports from Japan, Germany, Korea, Mexico and Canada.

**NAFTA** Total Light Vehicle Production.  
Rolling 12 months and Growth Year on Year  
Source Wards Automotive



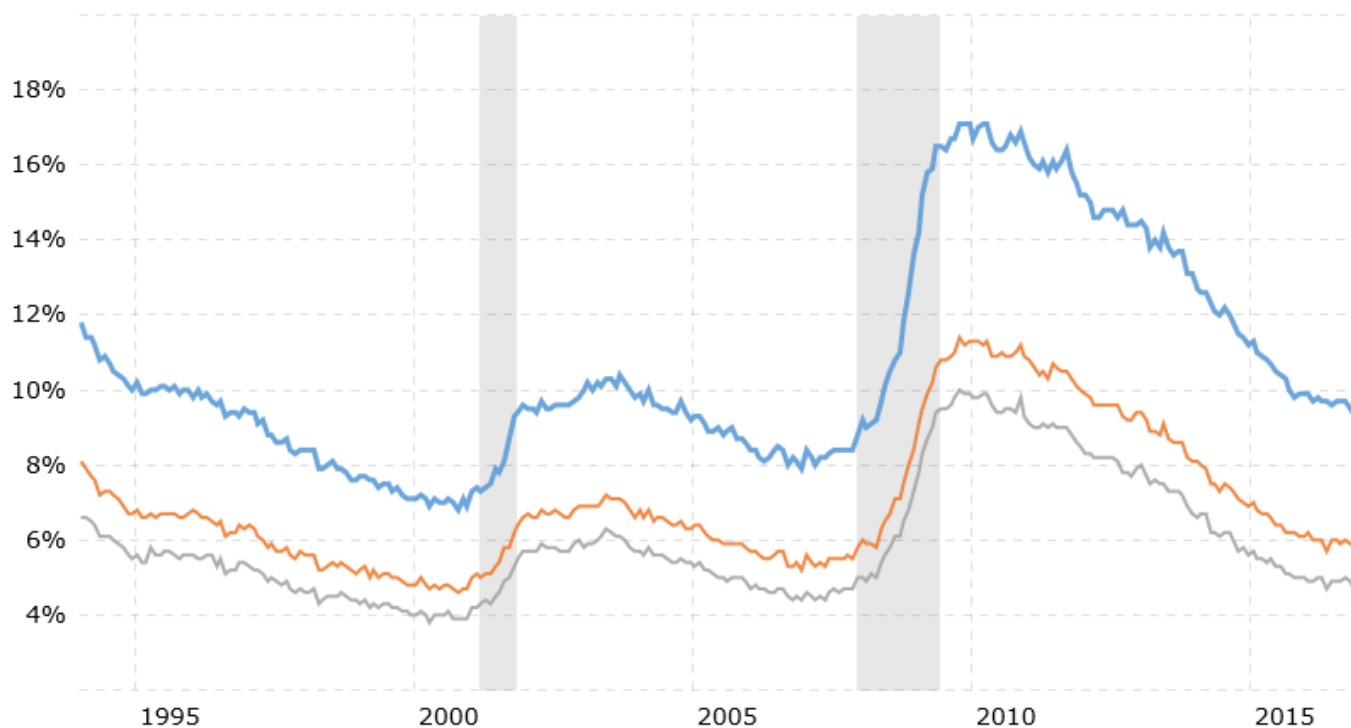
■ Growth Rolling 12 M Y on Y  
— NAFTA Total LV Rolling 12 months

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This chart showing production for Canada, Mexico and the U.S., tells a more interesting story as it relates to jobs on our continent. It shows that we are at record levels of vehicle production. Mexico is the big winner going forward. Mexico made about 3.5M units YTD and they are scheduled to build about 5.0M in 2020.

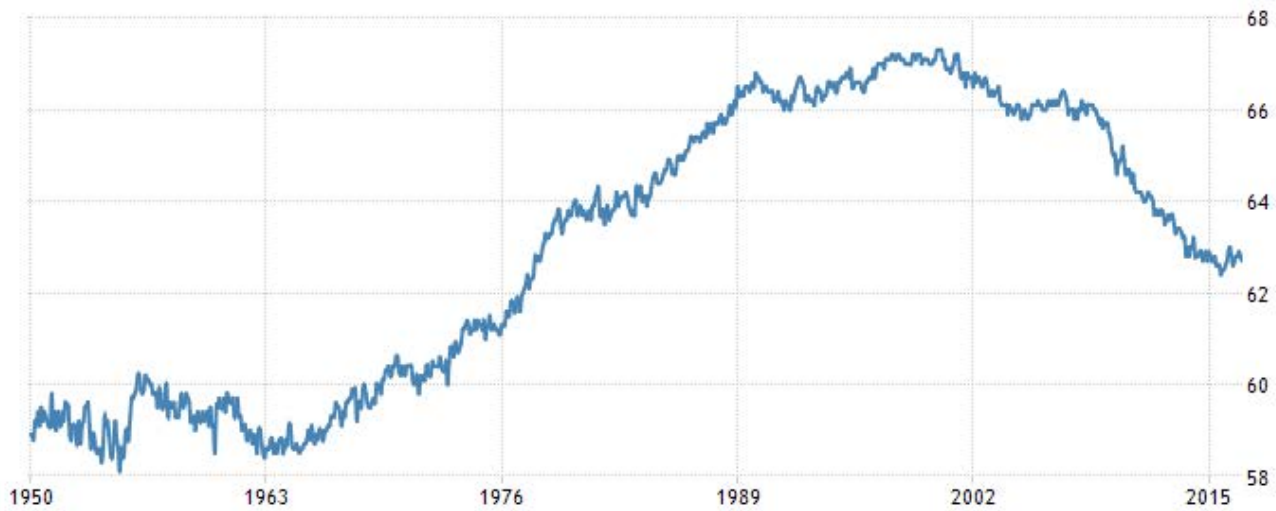
## The Unemployment Rate



U3 - Gray Line, U5 - Orange Line, U6 - Blue Line

The unemployment rate that most mention is called U3, the grey line, which fell to 4.6 percent in November, the lowest since 2007. The orange line is the U5 that adds workers that are not looking for jobs, but want a job to the U3. That is down as well but is about 6%. Now add part time workers that want full time jobs, the U6. That is 9.3 percent which is down from over 17% at the height of the recession. Like many things, the unemployment rate is complicated.

US LABOR FORCE PARTICIPATION RATE



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

Related is the labor force participation rate, which is the number of employed and unemployed looking for a job as a percentage of the population aged 16 years and over. Less than 63% of the workforce is participating. A huge growth opportunity.

US GDP GROWTH RATE



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

GDP, Gross domestic product, the best measure of the economy grew at 3.2 percent for the three months ending in September, up from 1.4 percent in the previous three months. The increase was led by increased consumer spending and exports. 3.2 percent is the highest growth rate in two years. A great overall economic performance.

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