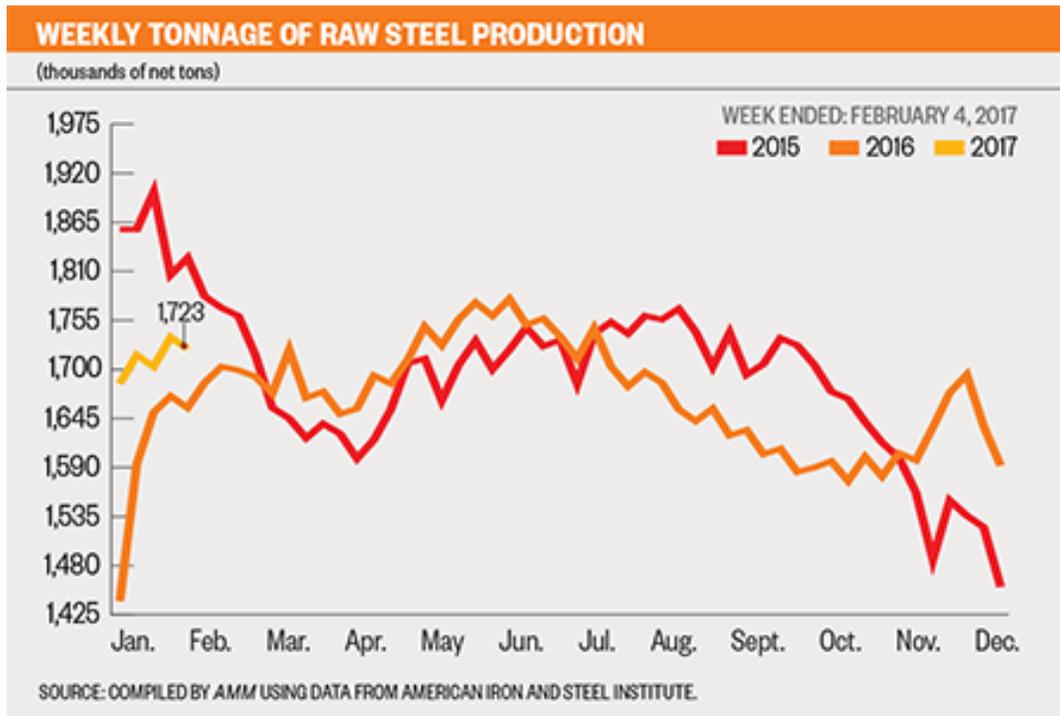
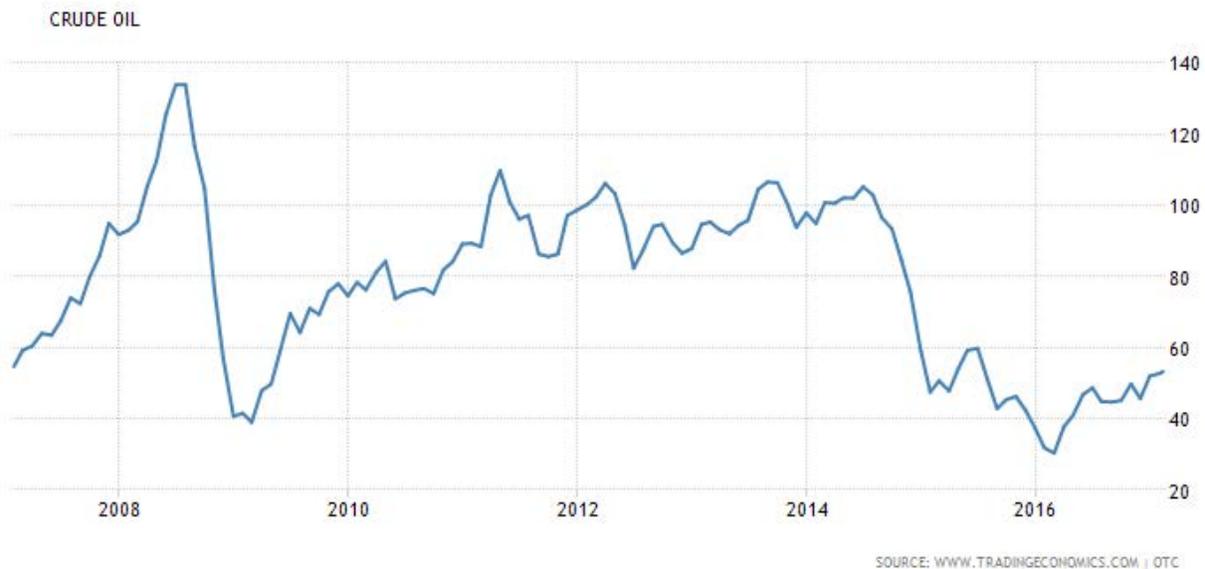


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, February 13, 2017.

Last week commodity prices rose, while economic reports continue to be positive.



Looking at the left of this chart, U.S. steel production came down, but remains ahead of last year after hitting new 7 months highs two weeks ago.



Oil was flat for the week, but remains up in recent weeks as OPEC continues to hold down production. Prices still remain double that of a year ago, which is great news for U.S. energy related jobs.

## US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

The oil rig count rose to 591, now 87% ahead of the last year's low, which while huge, the count remains only about a third of what it was two years ago. More rigs, higher steel use, leads to stable to higher commodity prices.

## IRON ORE

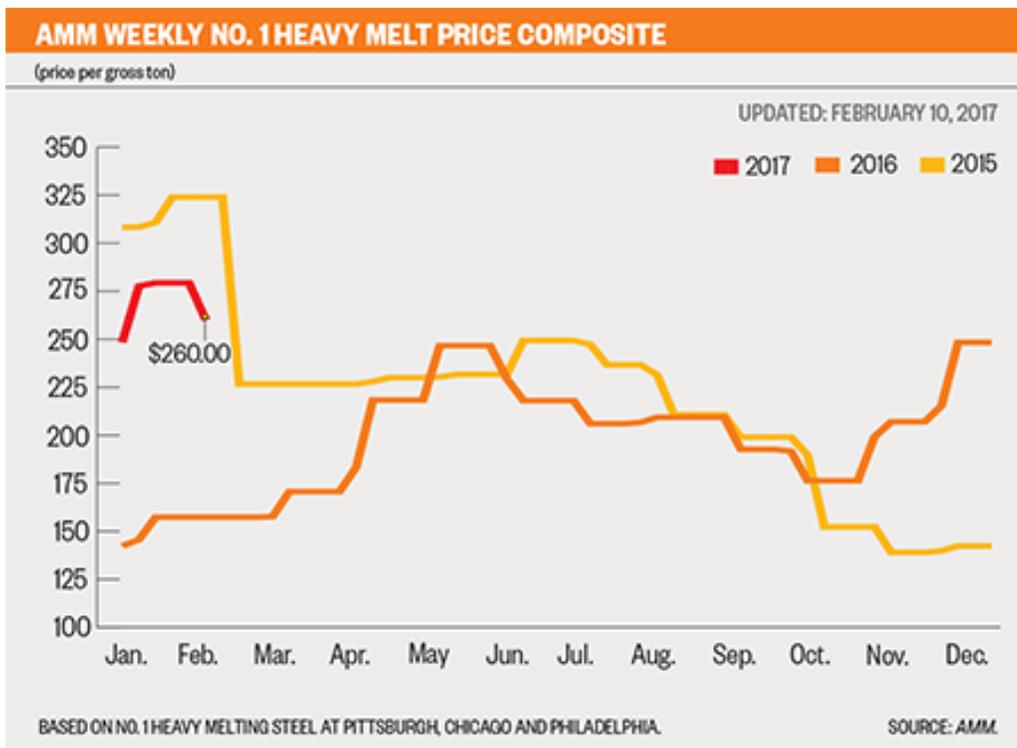


SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore rose to \$86/MT on slow but steady increases in demand while prices remain more than double a year ago.



Nucor has had an equipment outage in their Louisiana DRI plant that makes the scrap metal substitute for their steel mills. This will mean increased demand for prime scrap which could mean higher scrap prices next month.



On the left we see scrap ferrous prices fell about \$20. With the Nucor outage and the continued slow U.S. and global growth, prices could be stable to higher in the months to come.

# Hot Dipped Galvanized Coil



Hot dipped galvanized steel continues to hold at \$858/MT. The Nucor DRI outage could bring higher prices though.

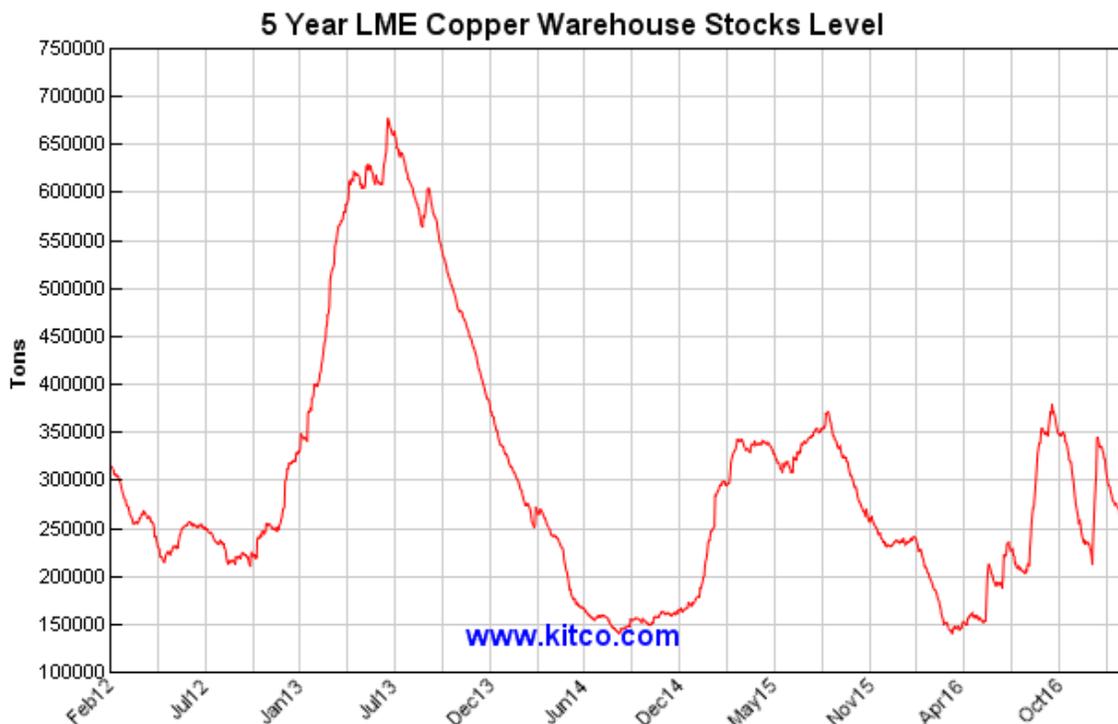
# 304 Stainless Scrap



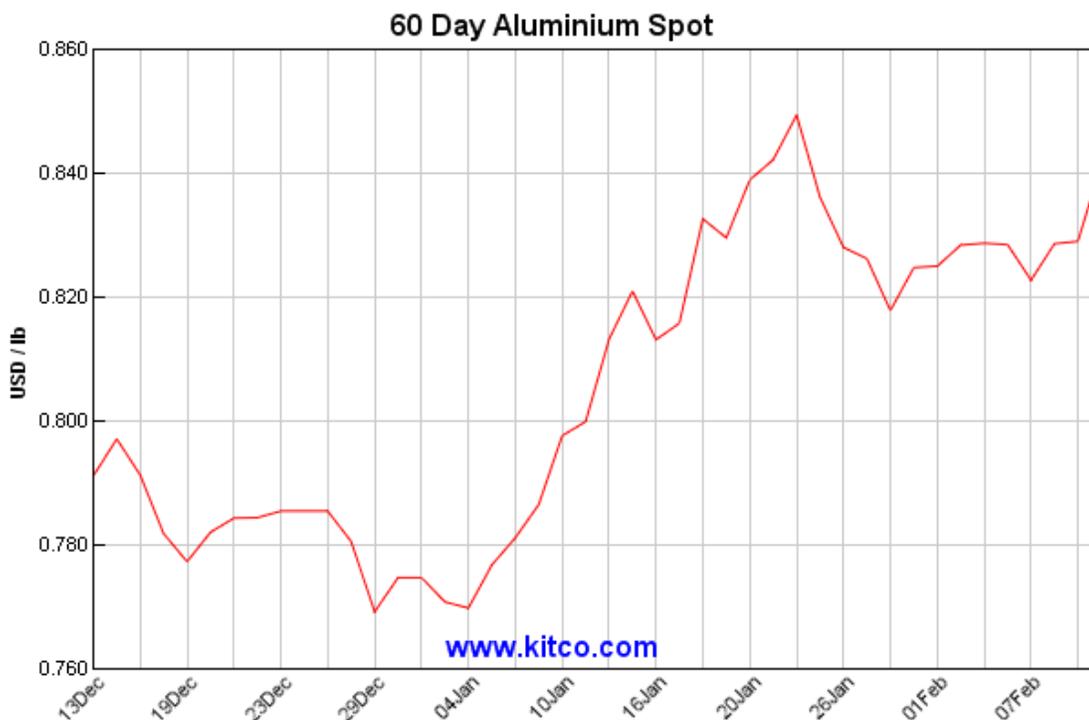
Stainless 304 scrap held yet again at 36 cents showing many weeks of stability on a balance of supply and demand.



Copper jumped a big 17 cents last week and another 2 cents this morning, to a 20 month high based on positive China economic news, and the second day of a strike at the largest the largest copper mine in the world. Copper price spreads continue to hit new multiyear highs as overall demand has not risen as fast as prices.



Copper inventories continue to fall which could continue to support some of the higher prices.



Aluminum rose to \$.84/lb. remaining near almost 18 month highs on good demand and supply that is mostly keeping up with demand.



This 5 year aluminum chart shows the prices that are trending higher.



Aluminum inventories continue near about 9 near lows, which will support the higher prices.

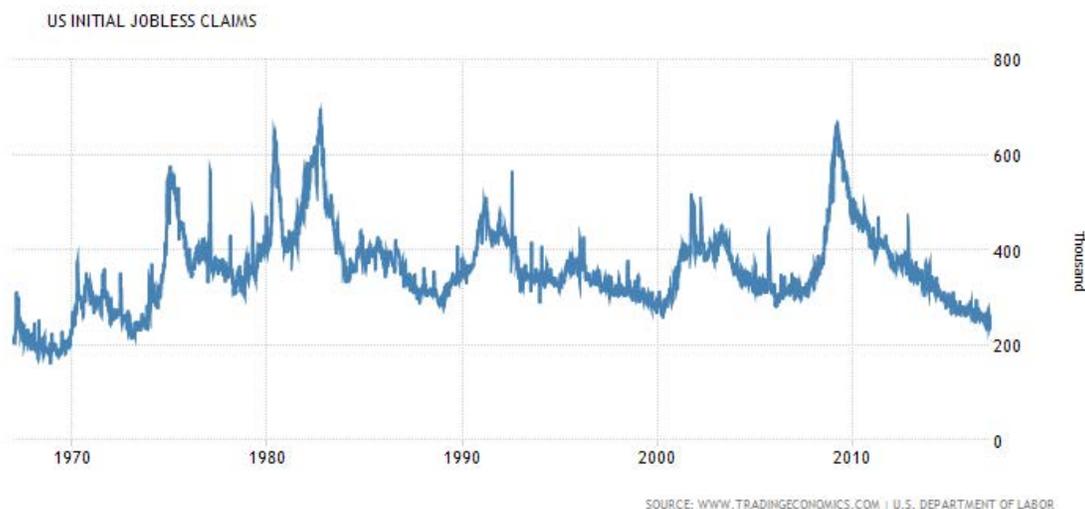


# MAERSK

Maersk, the world's largest ocean freight shipper, announced worse than expected losses, but said that "The fourth quarter of 2016 was the first quarter since 2010 where the demand outgrew supply, and actually by some margin," This means global trade is improving which supports higher commodity prices.



February's preliminary reading of the University of Michigan's consumer sentiment index for the U.S. fell to 95.7 from January's 13-year high of 98.5. Still a great number which should keep upward pressure on demand and prices.



U.S. initial unemployment claims fell to 234,000, which is within 1,000 of the lowest level in 43 years. Claims have been below 300,000 for 101 weeks, which is the longest stretch since 1970, 46 years ago.



Employment in the U.S. the world's largest economy while not as good as it could be, remains going in one direction, up. There are about 20 million more people in the U.S. workforce today, since the depth of the 2009 recession and there are about 8 million more people working today than at the all-time high in 2008, before the economy fell apart.



Wall Street hit new highs yet again last week. These highs have boosted the value of people's 401Ks and savings. This boost leads to something called the wealth effect that has people feel rich, which leads to more spending, which can lead to stable to higher commodity prices.

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