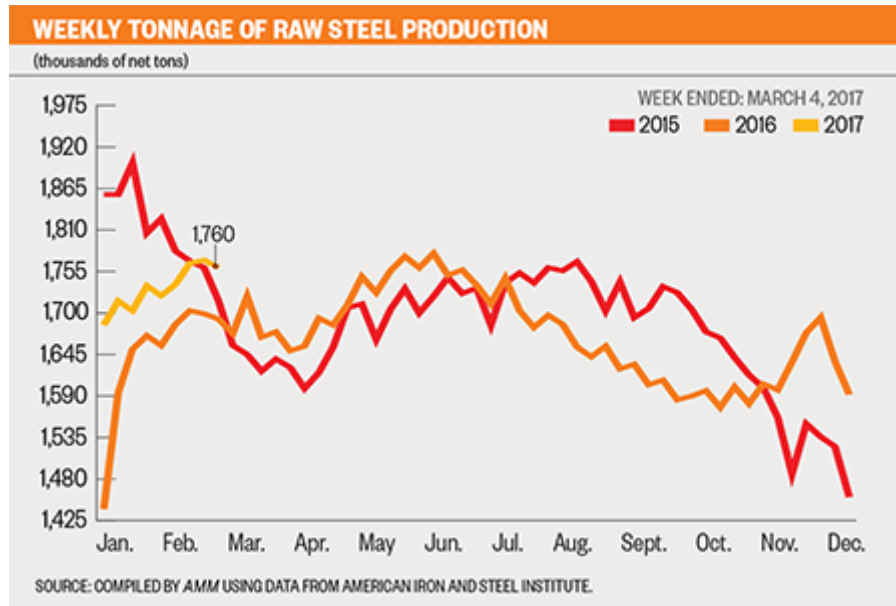


This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, March 13th, 2017.

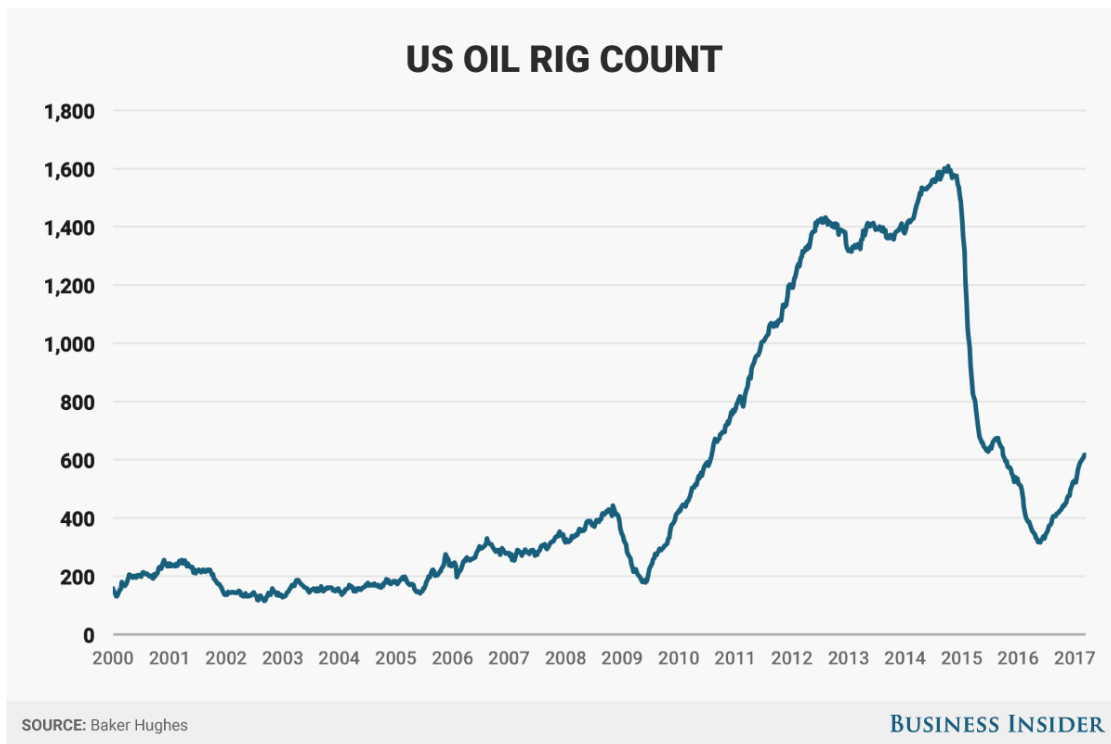
Last week many commodity prices fell, while economic reports remained positive.



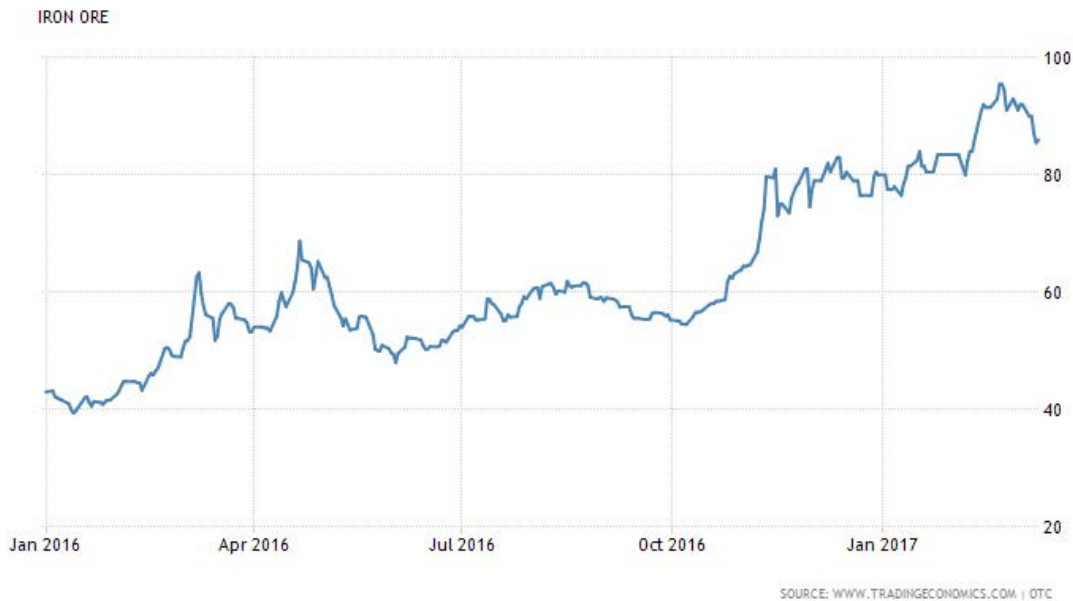
On the left we see U.S. steel production fell a bit, but remains near two year highs with production about 25% ahead of the start of the year.



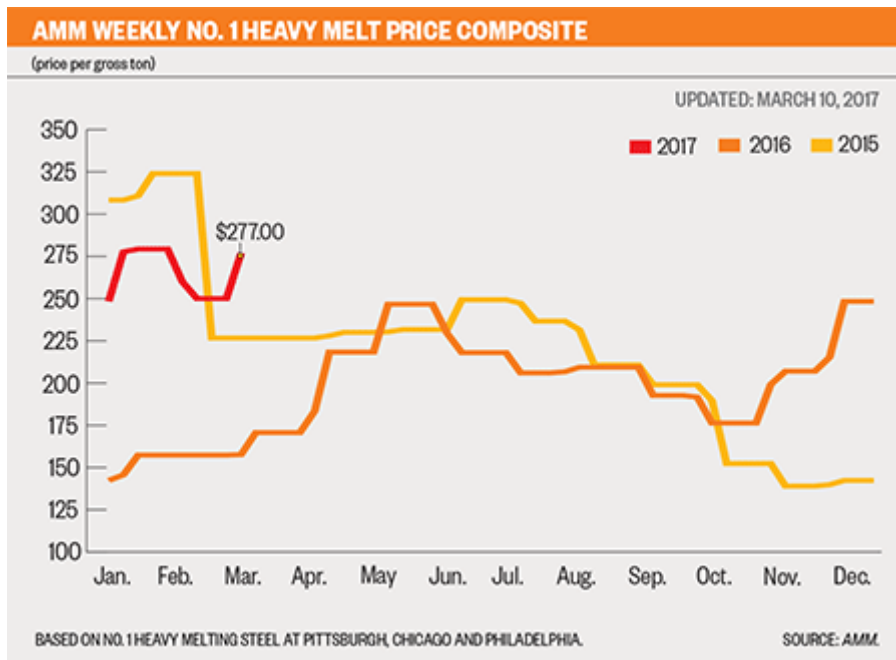
Oil fell a big \$5/barrel ending at \$48/barrel. Despite the decline, oil is staying above the key \$40/barrel which is helping drive increased U.S. drilling and pumping.



Oil rigs continue their rise to 617, about double the low of 316, from about 14 months ago, but still down a huge 62% from about 2.5 years ago.

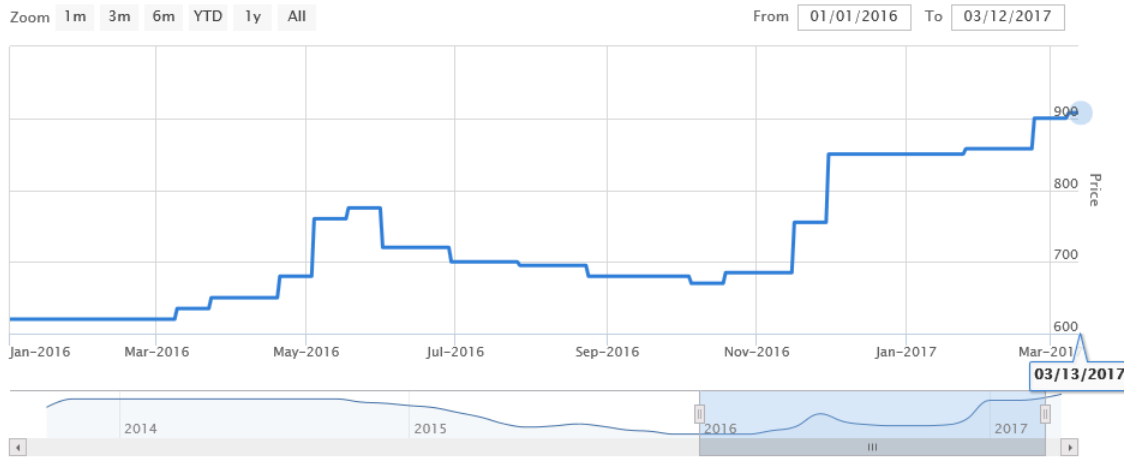


Iron ore fell \$6 to \$86/MT, which while down, remains well more than double what it was a year ago.



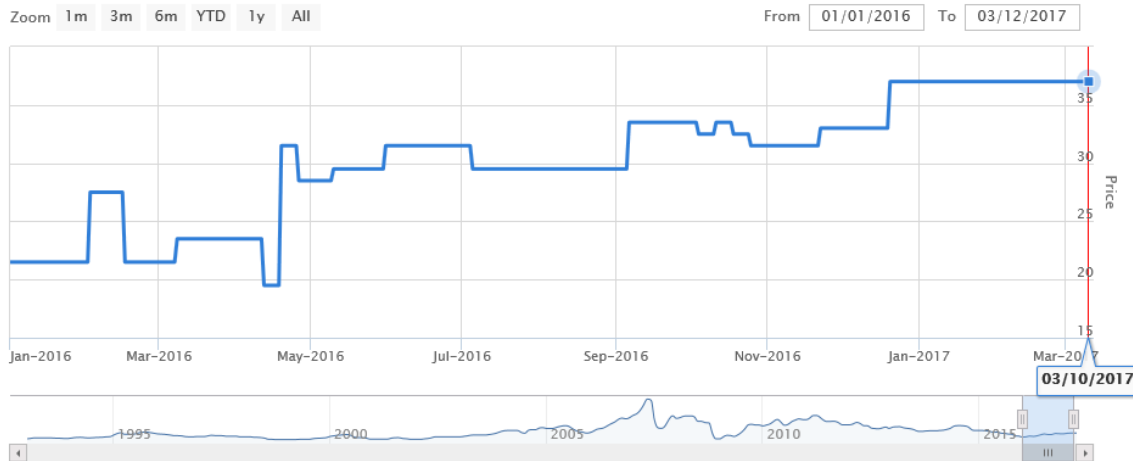
Scrap ferrous prices rose to about where they were in February and are near 2 year highs. New imports of scrap metal substitutes, such as HBI and Nucor’s scrap metal substitute DRI plant coming back on line, will keep downward pressure on scrap ferrous prices in the months to come.

Hot Dipped Galvanized Coil



Hot dipped galvanized steel rose a bit to \$908/MT as part of the scrap metal rise and good demand in recent weeks.

304 Stainless Scrap



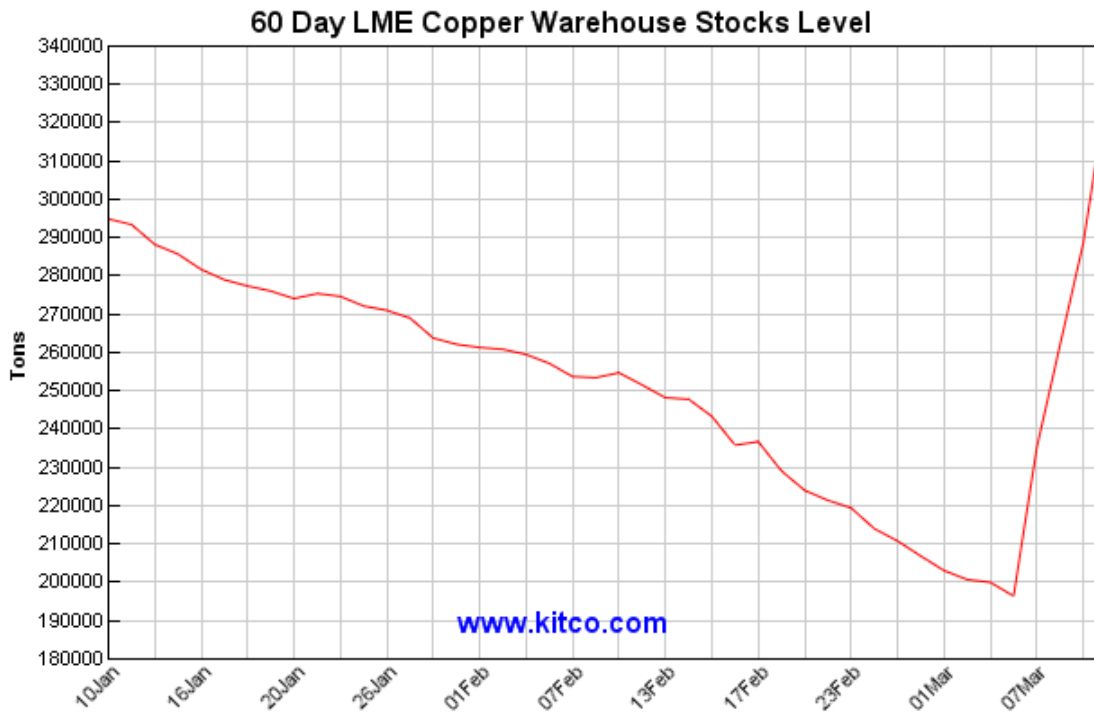
Stainless 304 scrap was steady yet again at 37 cents, as demand and supply remain in balance.



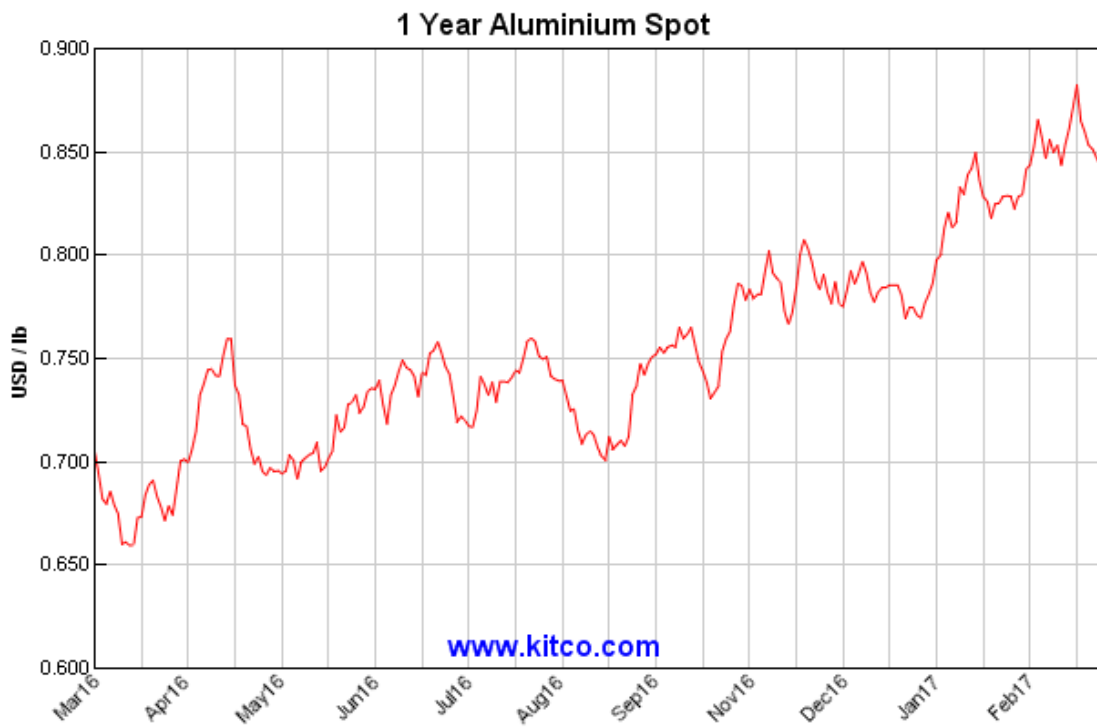
Copper fell 9 cents to \$2.60/lb., on news of a major global inventory build, but still up about 35% from a year ago. Copper is up 3 cents this morning to \$2.63.



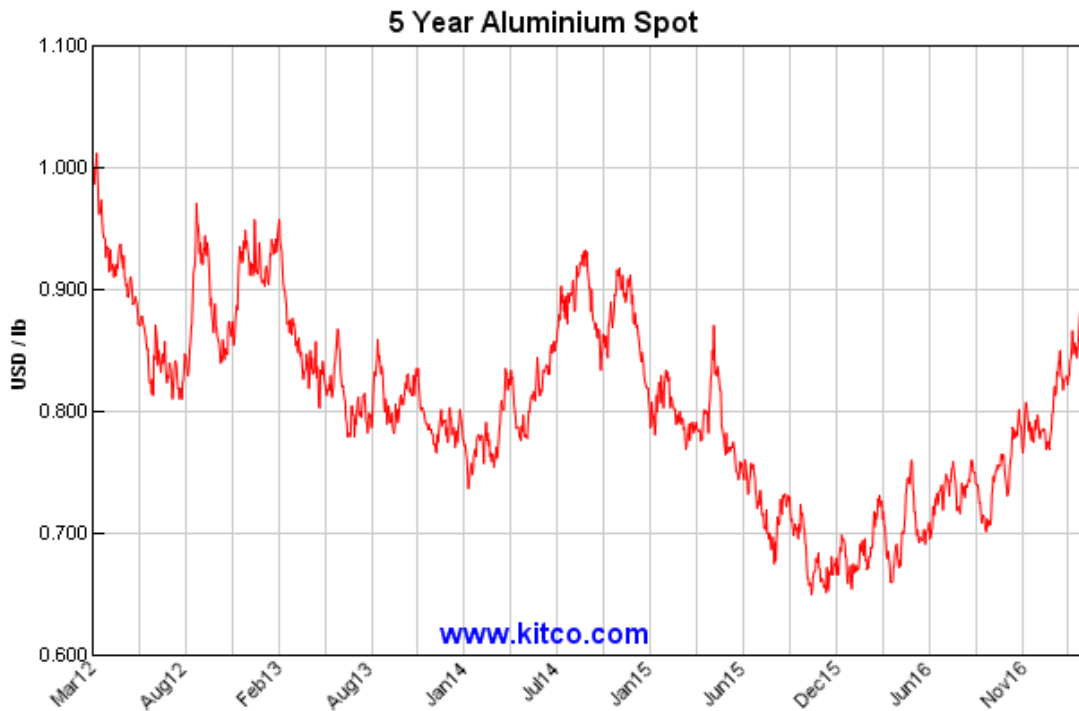
Related we see the 5 year copper chart shows we remain near two year highs.



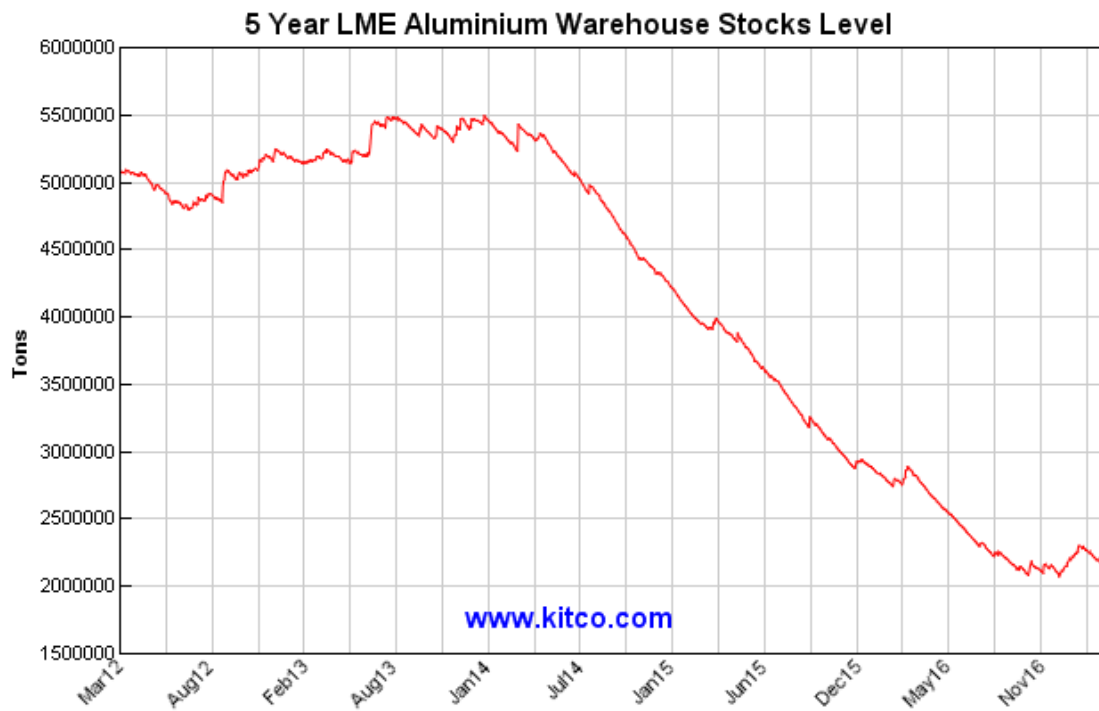
Here is the data on the copper inventory build. A significant increase, due to higher prices brought higher production, so while economic conditions are good and copper use is up, the increase in consumption is not as fast as production, so prices fell.



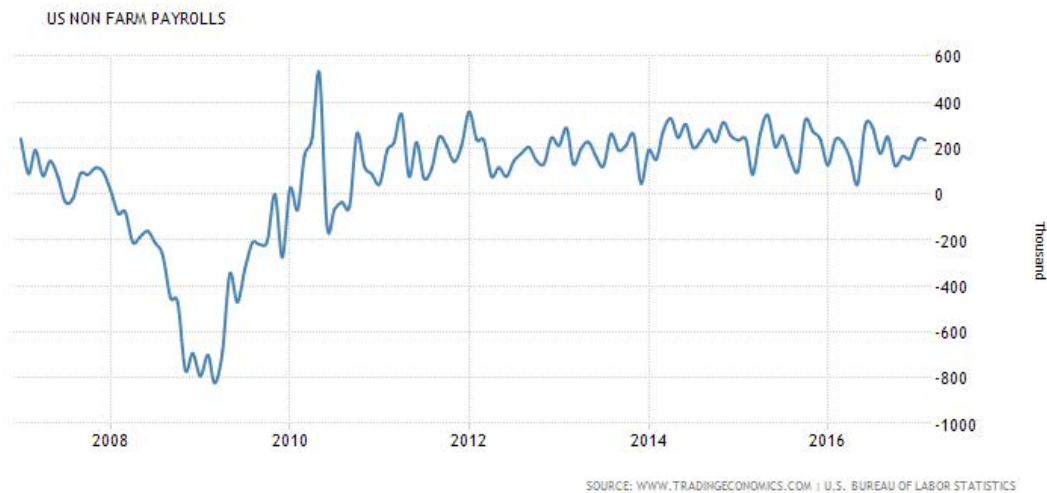
Aluminum fell 1 cent to 85 cents despite copper's major fall.



And when looking at the 5 year chart, aluminum prices remain well ahead of a year ago.



Unlike copper, global aluminum inventories are near new 9 year lows, which should support stable prices.



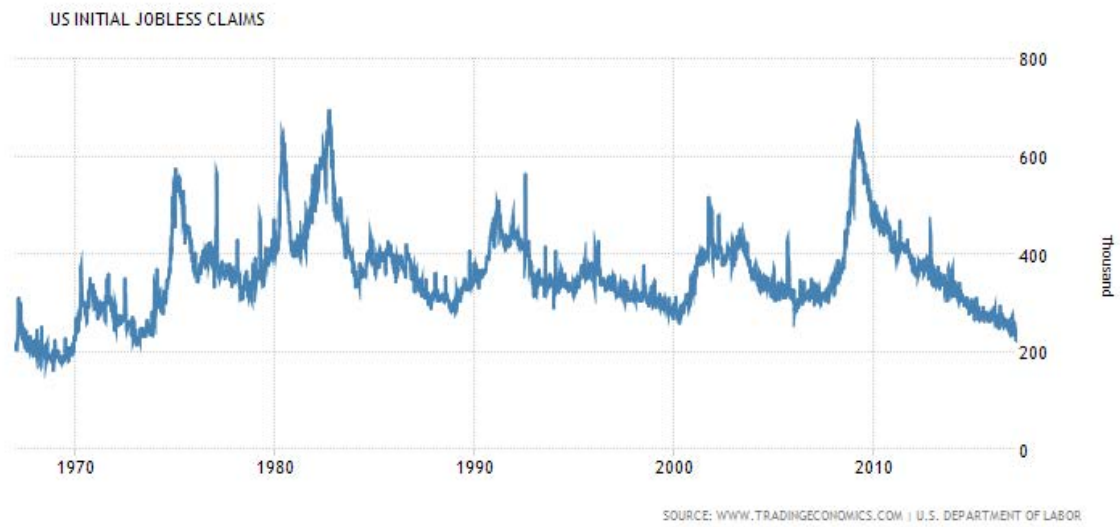
New jobs, as defined by non farm payrolls fell a bit to 235,000 from January's 238,000, but importantly these are very solid numbers, showing U.S. job growth continues.



This growth has led to the US unemployment rate to fall to 4.7 percent, which is equal to the number from a few months ago. Many feel that as unemployment gets to these low numbers, it could cause major inflationary pressures by causing major wage growth, but as we have discussed in this report this unemployment number is not the only important measure.



The labor force participation rate is all adults 16 years old or older and could work or looking for a job. In January it rose to 63%, meaning there are 37% of adults not working. A key is, how do we get them into the labor force?



Initial unemployment claims rose slightly to 243,000. We have now been below the key measure of 300,000 for an outstanding 105 weeks, which is the longest stretch since 1970, 47 years ago.

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