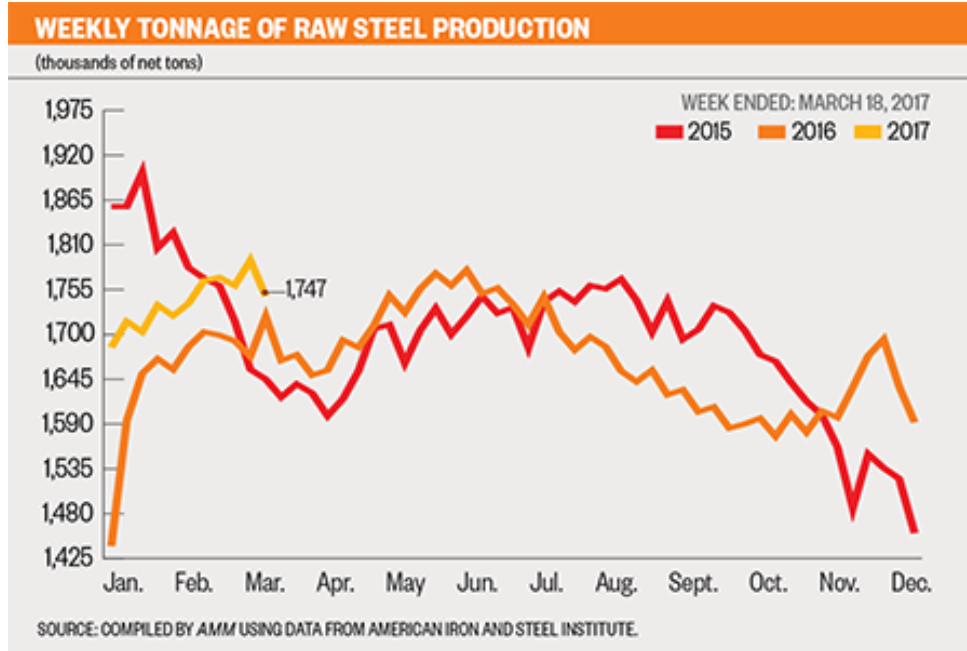


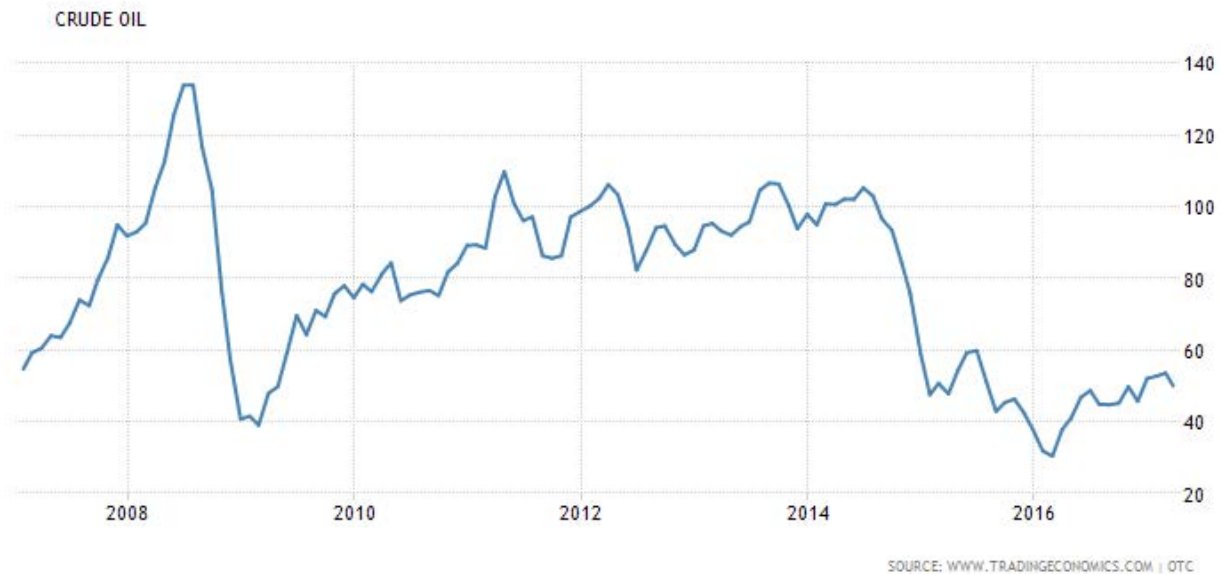
This is the Scrap Metal & Commodities Recycling Report, by BENLEE and Raleigh and Goldsboro Recycling, March 27th, 2017.

This is Ron Ostrowski reporting, due to Greg Brown being in India.

Last week commodity prices and economic reports were mixed.

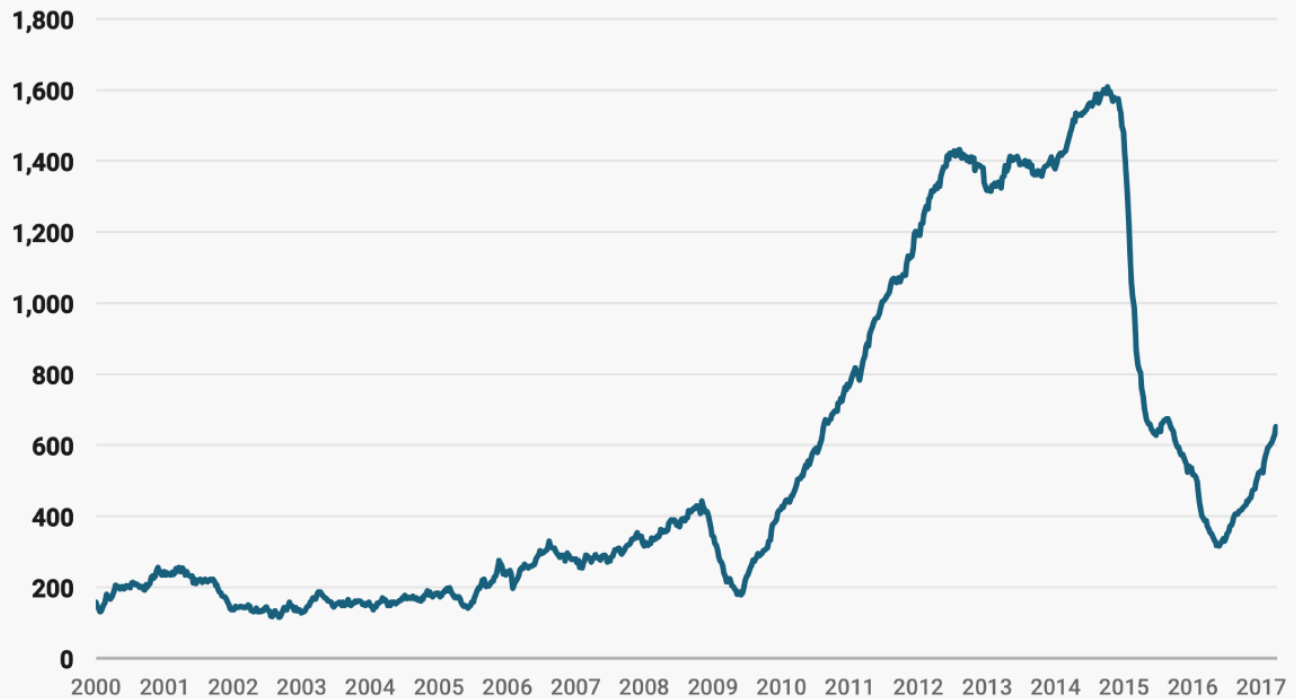


U.S. steel production fell, but remains near a two year high. Great news for the steel industry.



Oil fell a dollar to \$48/barrel, nearly double the \$27 of last year. \$48 is below OPEC's target, so unless there are more cuts by OPEC and their partners, prices could decline.

US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

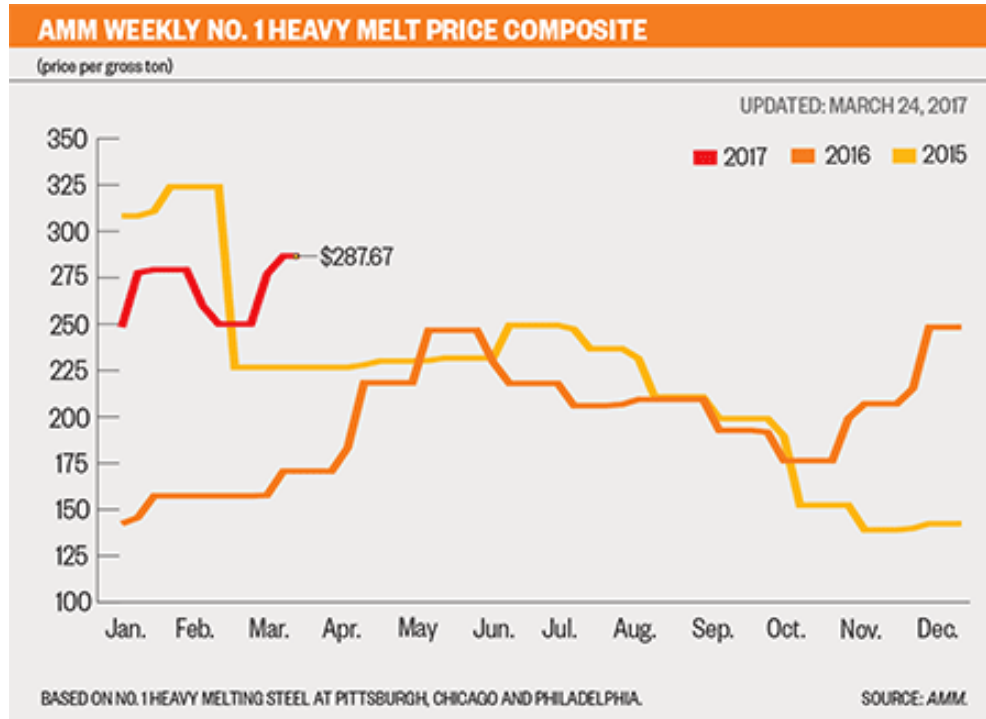
Higher oil prices remain a positive for U.S. drilling. Oil rigs spiked to 652, more than double about 14 months ago and the highest level in about 18 months. Great news for jobs and steel use, but to keep things in perspective, it is still down about 59% from two and a half years ago.

IRON ORE



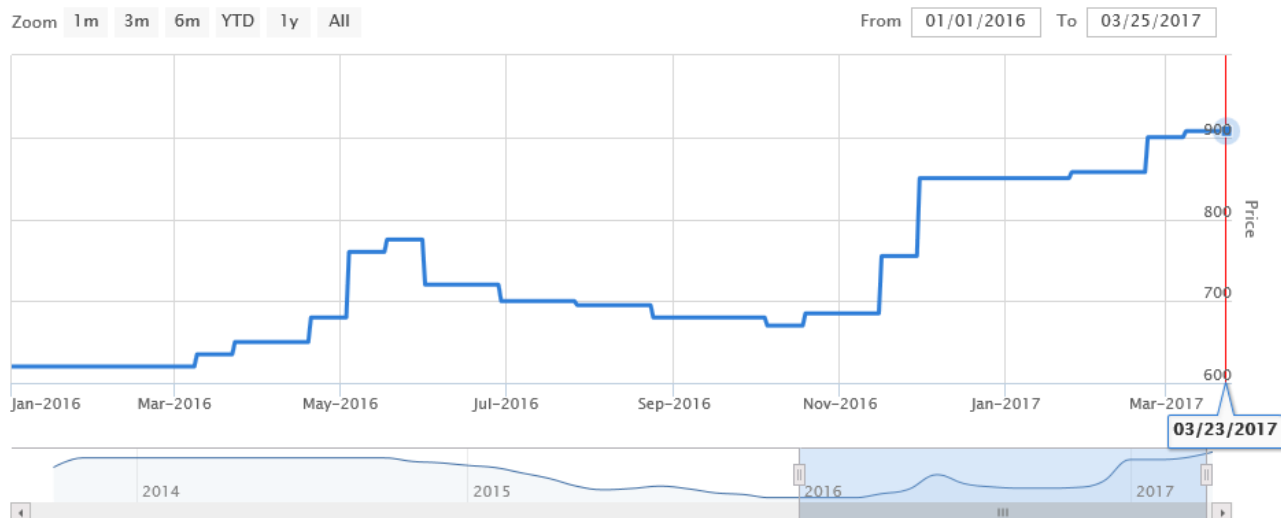
SOURCE: WWW.TRADINGECONOMICS.COM | OTC

Iron ore fell to \$84.50/MT, which while down in recent weeks, it remains more than double last year's low.



Scrap ferrous prices remained steady. We continue to hear prices will be down next week. Imports of scrap metal substitutes, and Nucor's DRI plant back on line, remains a negative for scrap prices.

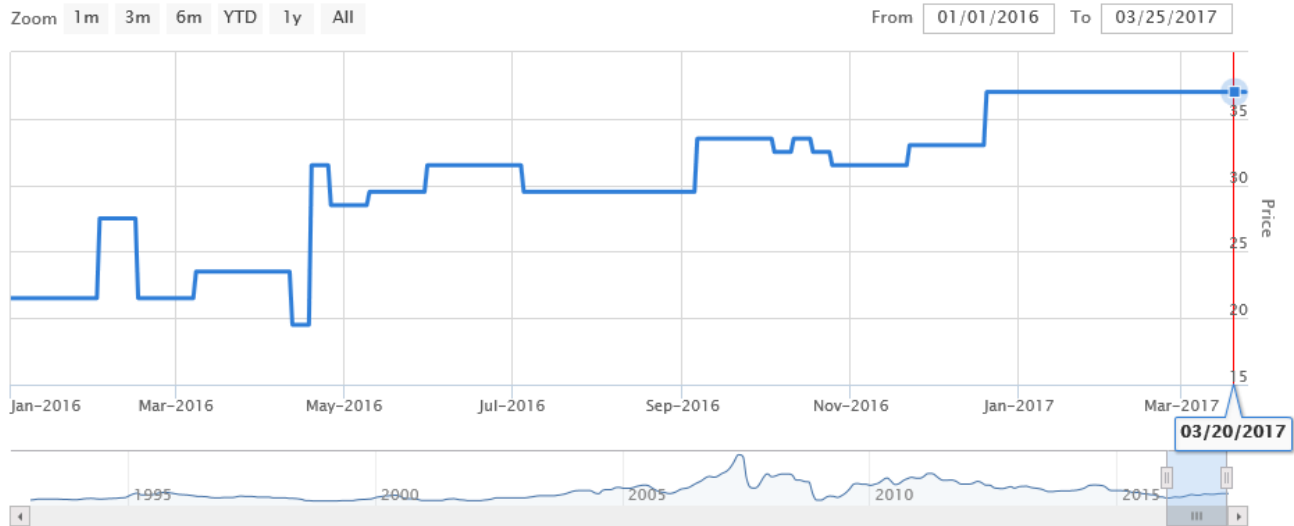
Hot Dipped Galvanized Coil



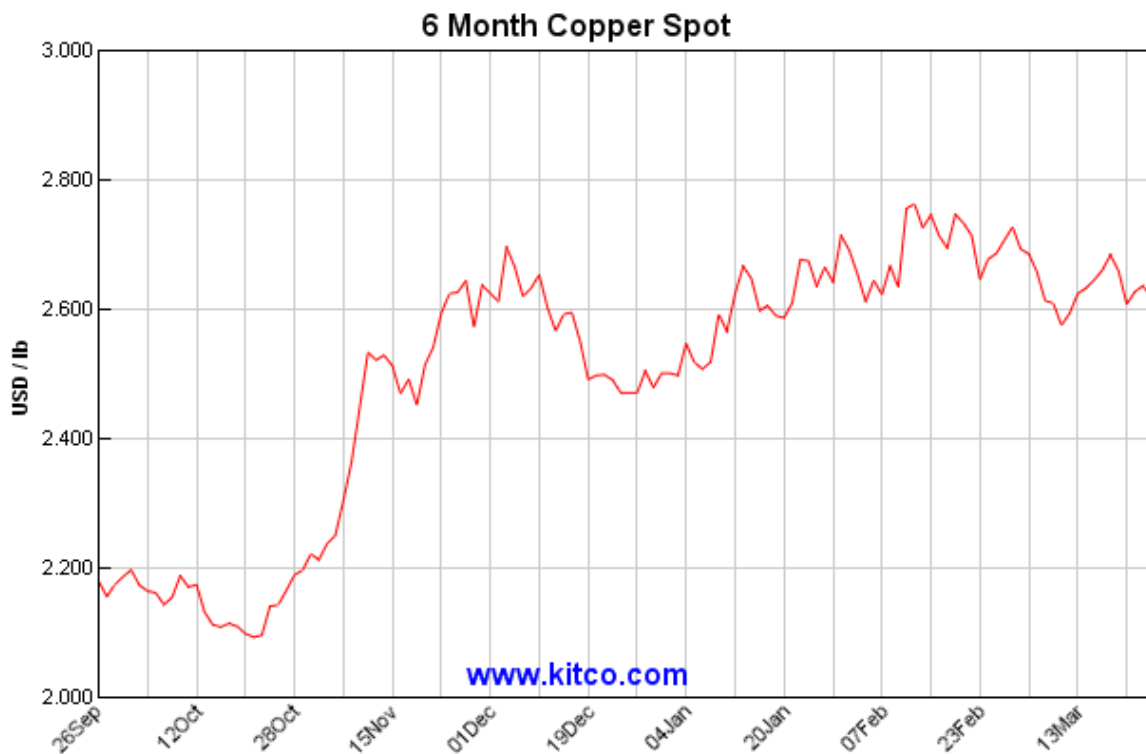
Hot dipped galvanized steel remained steady despite good demand. Scrap prices dropping, could take finished steel prices down with it. From India, where Greg is traveling, last week there was a

report that Indian finished steel prices are going to rise in April, after being up 70% in the past 13 months.

304 Stainless Scrap



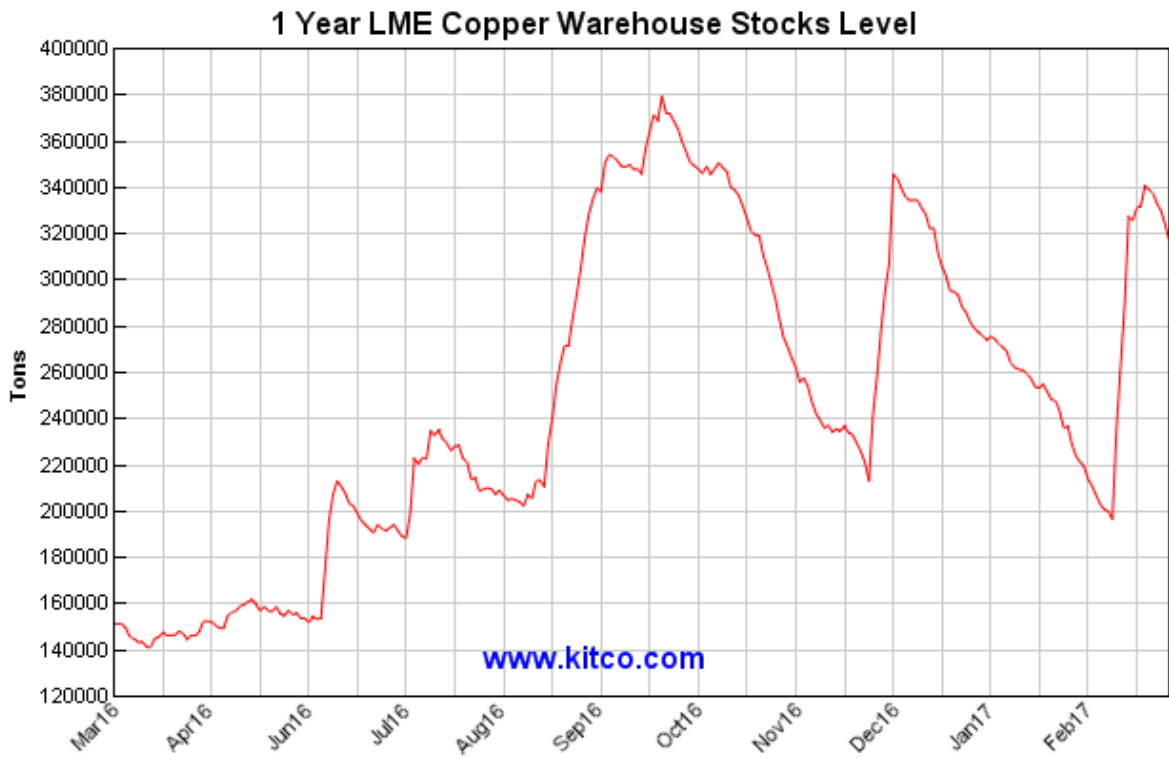
Stainless 304 scrap was steady again at 37 cents/lb., on no news.



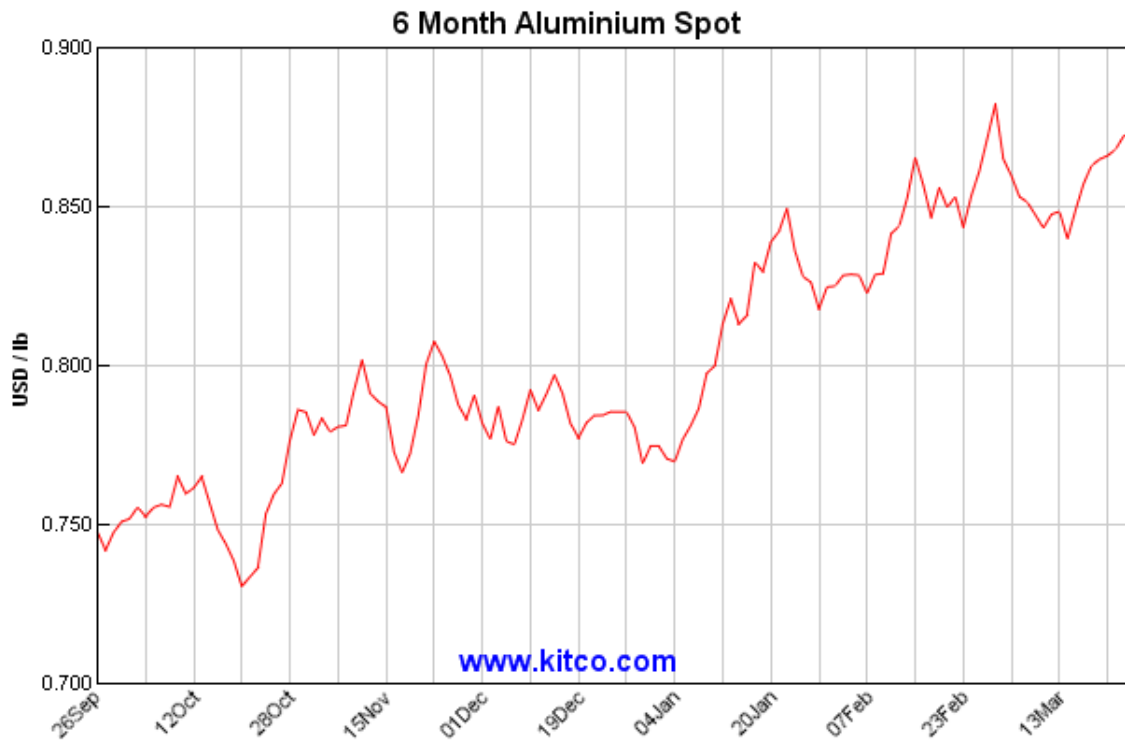
Copper fell 5 cents to \$2.63/lb., on concern and timing of U.S. tax cuts, the pending \$1B infrastructure bill and the miss of the healthcare bill, which was a huge tax cut.



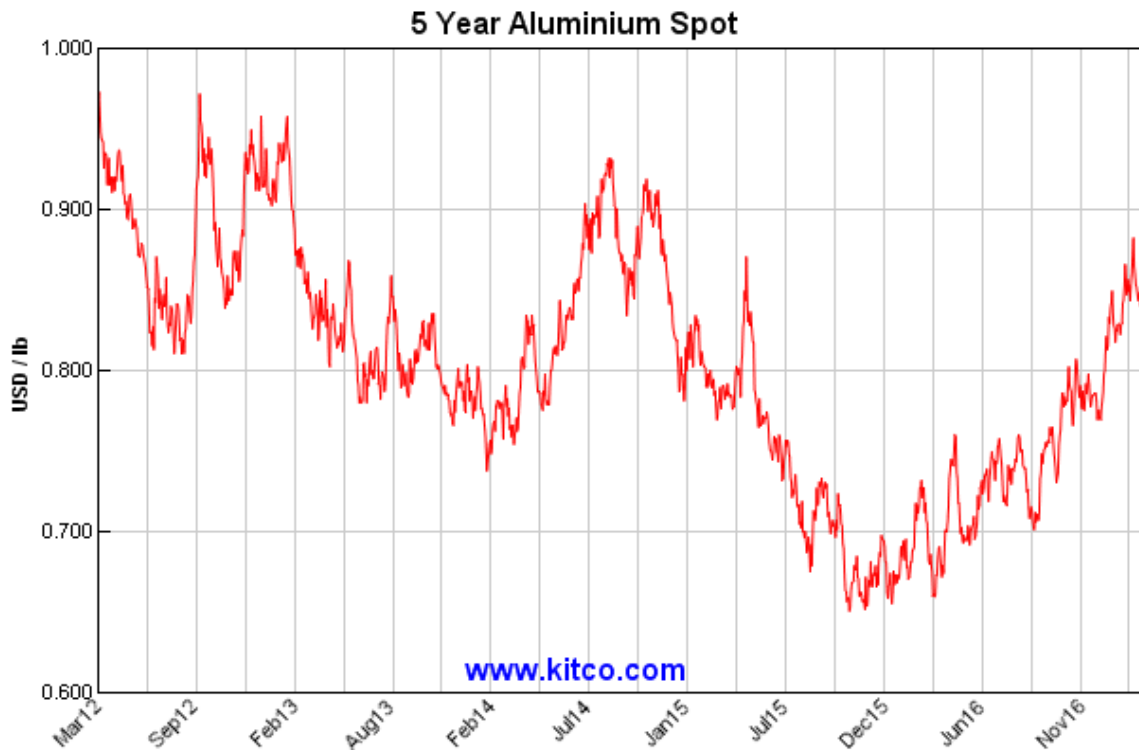
But, the 5 year chart shows we remain near about two year highs.



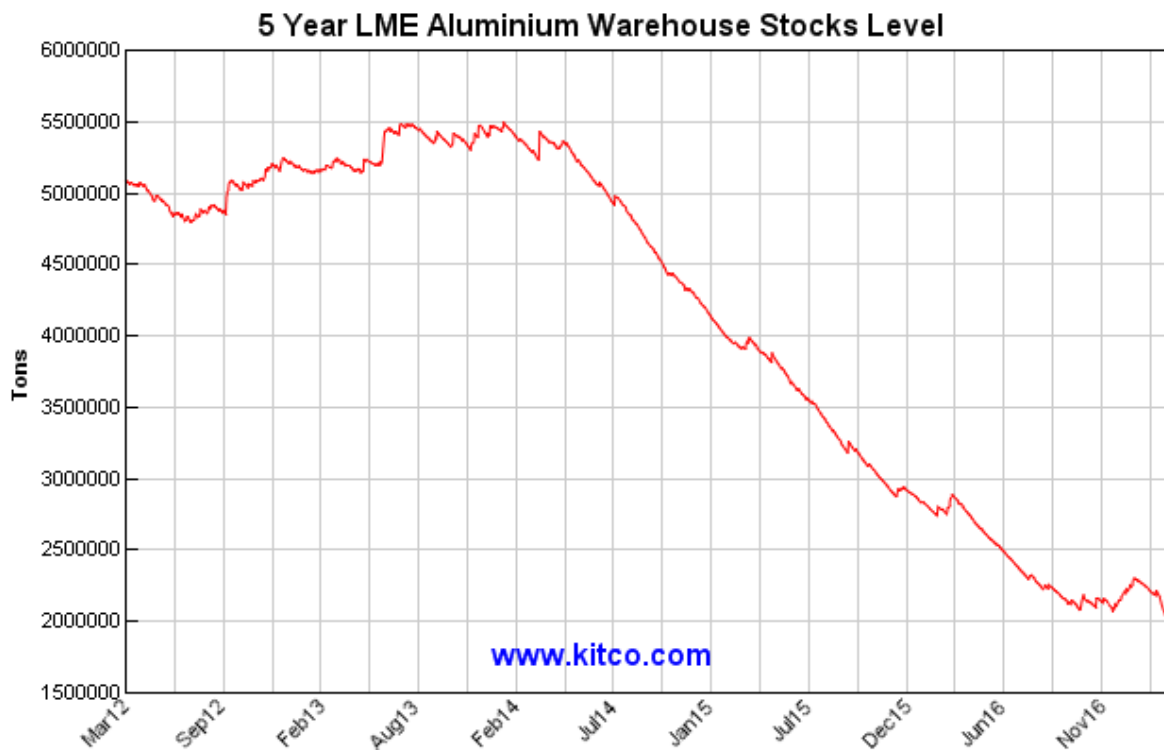
Copper inventories remain elevated, which could put downward pressure on prices.



Aluminum rose a penny to 87 cents on good demand, especially in the automotive and nonresidential construction markets.



And the 5 year chart shows aluminum prices remain near almost two year highs.

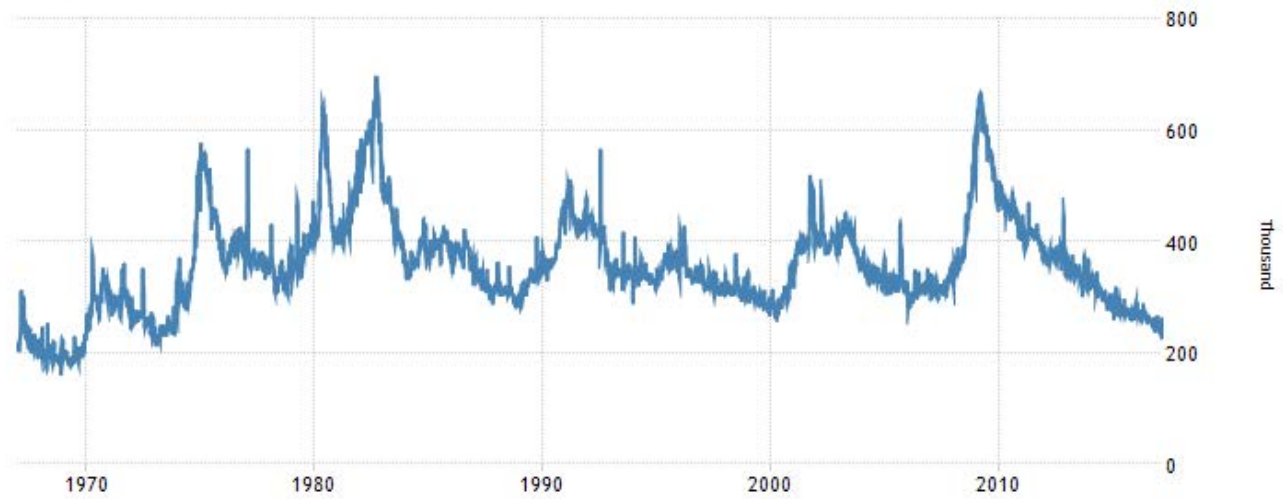


Aluminum inventories continue to fall hitting new about 9 near lows, keeping upward pressure on prices. This could be offset by word of China's continued excess production.



Sales of new family homes jumped 6.1 percent to a seasonally adjusted 592,000 last month, more than double the low of February 2011, which is great news. It also remains less than half the high of July 2005, so there is possible more good news ahead.

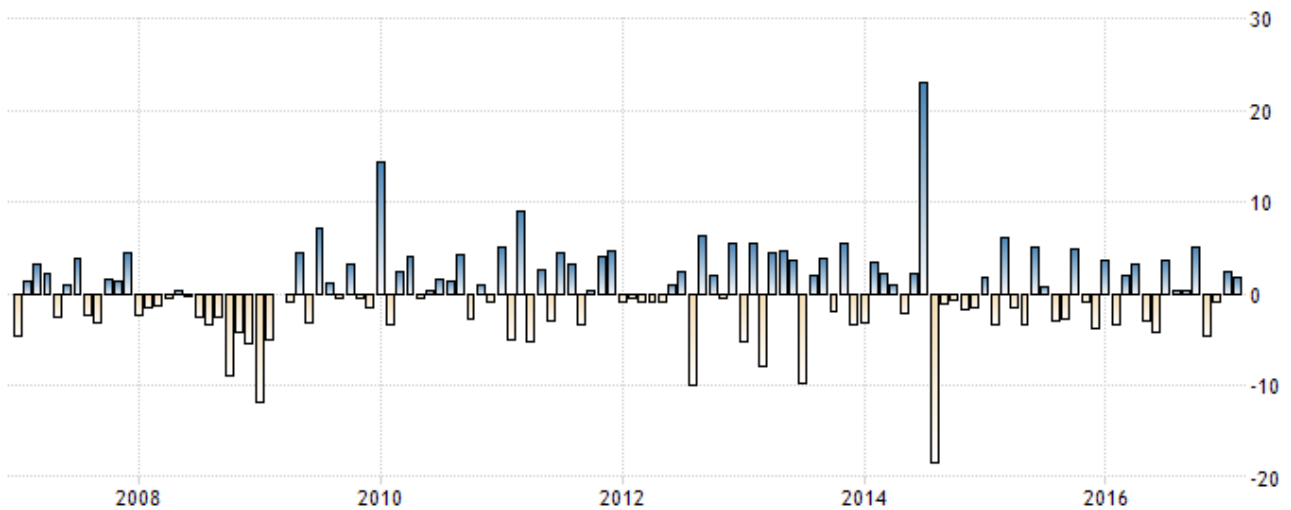
US INITIAL JOBLESS CLAIMS



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. DEPARTMENT OF LABOR

Jobless claims rose to a 13 week high, remaining close to lows not seen since the 1970s, meaning all continues to look ok for the U.S. economy.

US DURABLE GOODS ORDERS



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. CENSUS BUREAU

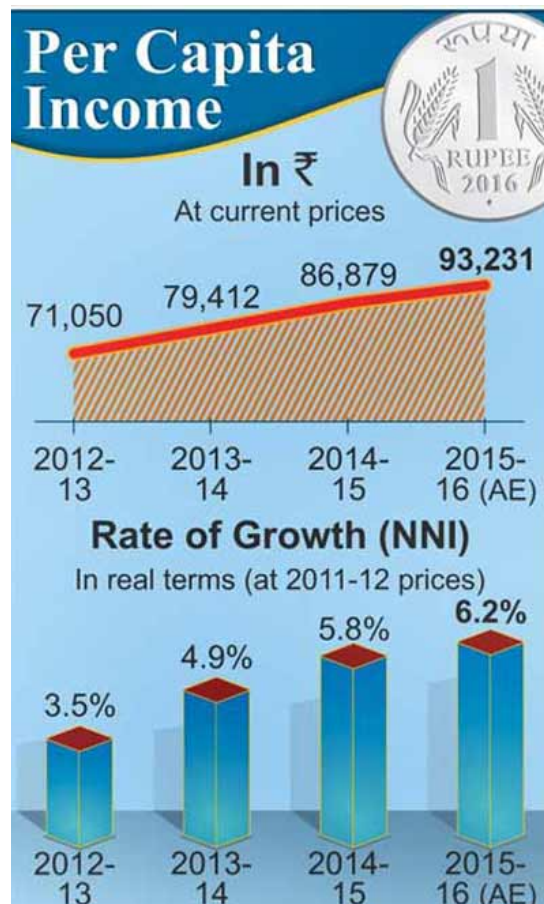
New orders for U.S. manufactured goods were up for the second month in a row, at a strong 1.7%. It was driven by civilian aircraft orders surging 47.6 percent, but frankly while not show here, non-defense orders excluding aircraft, which is a better economic measure, was down .1 percent.

DOW JONES INDUSTRIAL AVERAGE



SOURCE: WWW.TRADINGECONOMICS.COM | DOW JONES

The Dow Jones Average fell on concern and timing of U.S. tax cuts and the pending \$1B infrastructure bill after the Healthcare bill was pulled from a vote. Importantly the market remains near historic highs.



With Greg in India, the question is, could India cause a mini super commodities cycle in the years ahead? Here are a few data points. With India having as many people as China this chart shows incomes are up 31 percent in the past three years. Also in 2016, passenger air miles flown were

up 23.3%, twice the increase of China. Could India cause a mini super commodities cycle? The answer is yes.

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