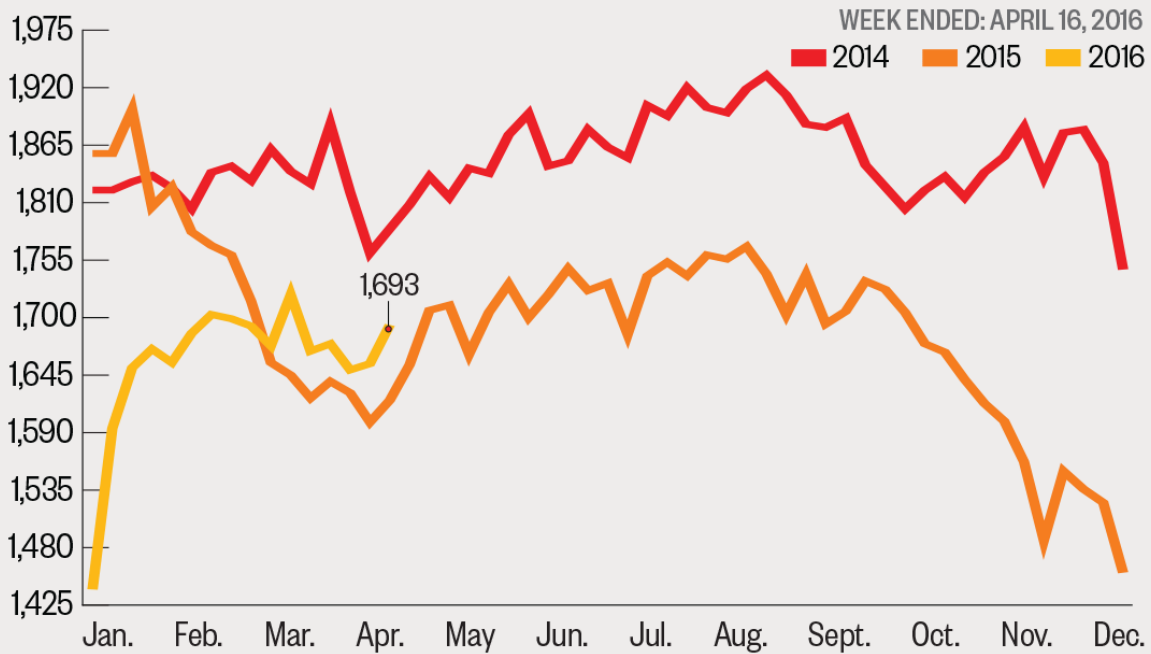


This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off, Lugger and Open Top Trailers and Raleigh and Goldsboro Metal Recycling April 25 th, 2016.

In this report, last week many commodity prices continued to rise, yet there were mixed economic signals about global growth problems.

WEEKLY TONNAGE OF RAW STEEL PRODUCTION

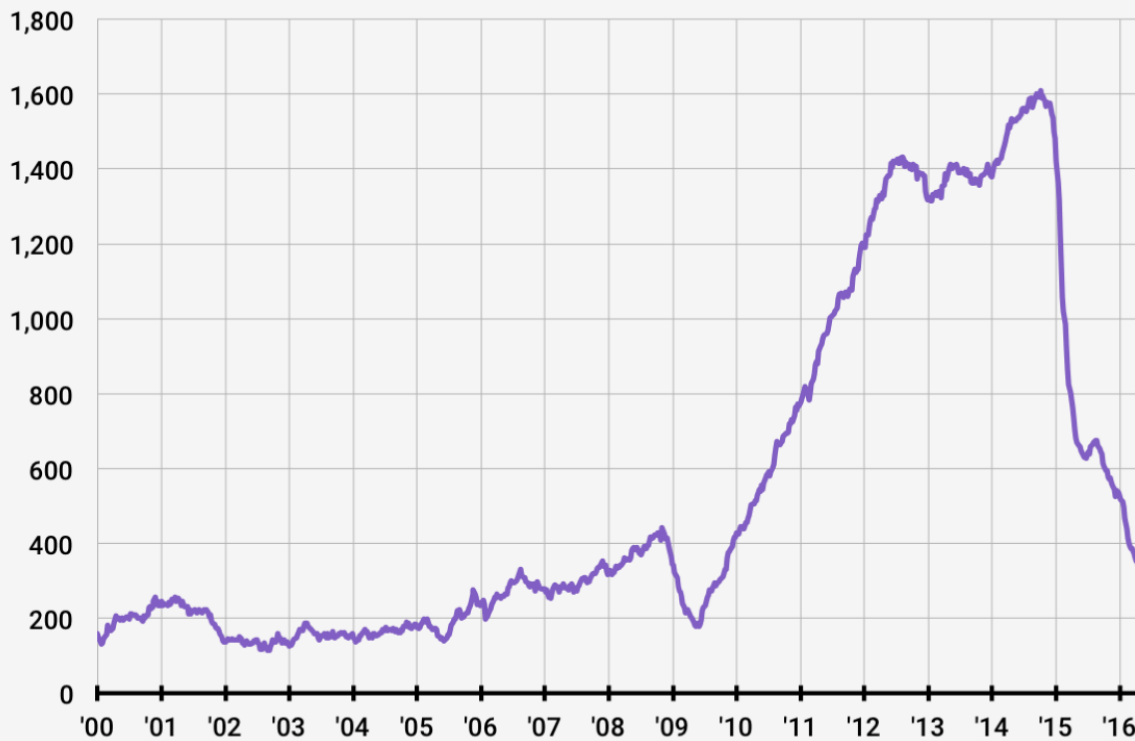
(thousands of net tons)



SOURCE: COMPILED BY AMM USING DATA FROM AMERICAN IRON AND STEEL INSTITUTE.

U.S. Steel production rose for another week and remains near a 7 month high and slightly above last year's production.

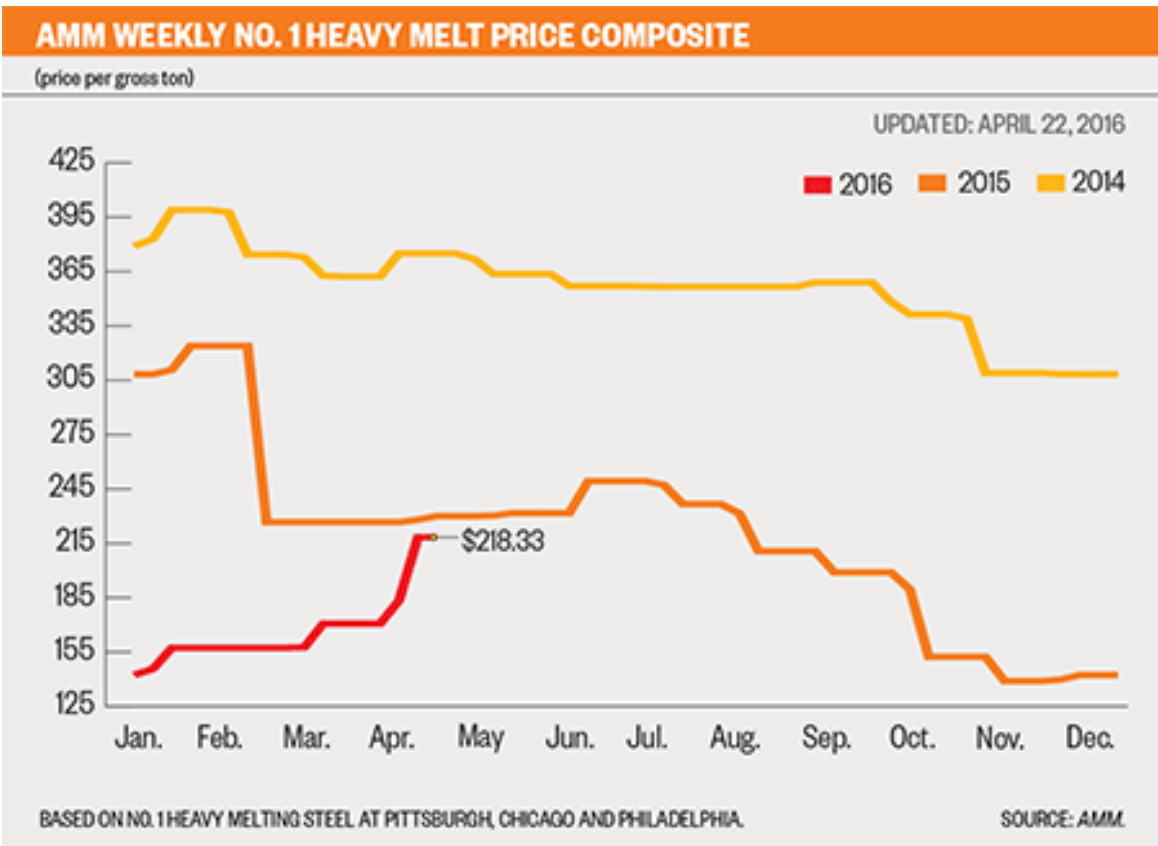
US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

The oil rig count declined yet again last week. It is now at a 6 year low and is about 80 percent down from 18 months ago. Non OPEC countries are forecast to have the largest drop in oil production in 2016 in 25 years. OPEC is getting what they wanted, which is for them to have an increased global market share of oil.



Ferrous scrap prices leveled off at an eight month high, which has helped recycler's profitability.



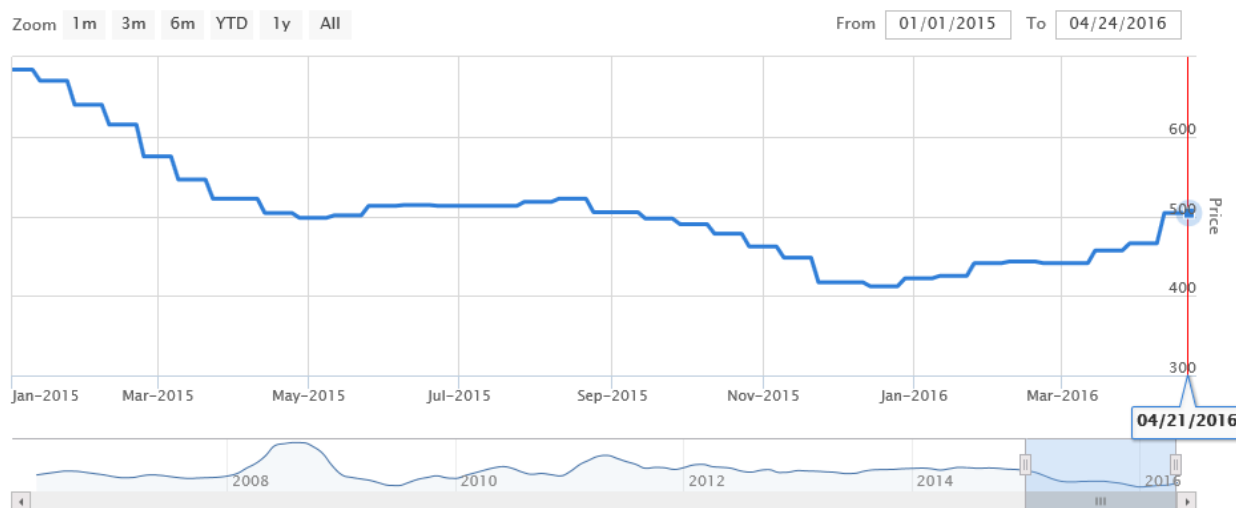
Steel Dynamics, which also owns OmniSource, the second largest scrap metal recycler in the U.S. released earnings last week. They announced that OmniSource returned to profitability, due to a combination increased margins, increased volumes and cost reductions. A lot of hard work paid off.



Nucor Steel which also has major scrap metal recycling operations also released earnings last week and said that their recycling operations improved from the 4th quarter of last year.

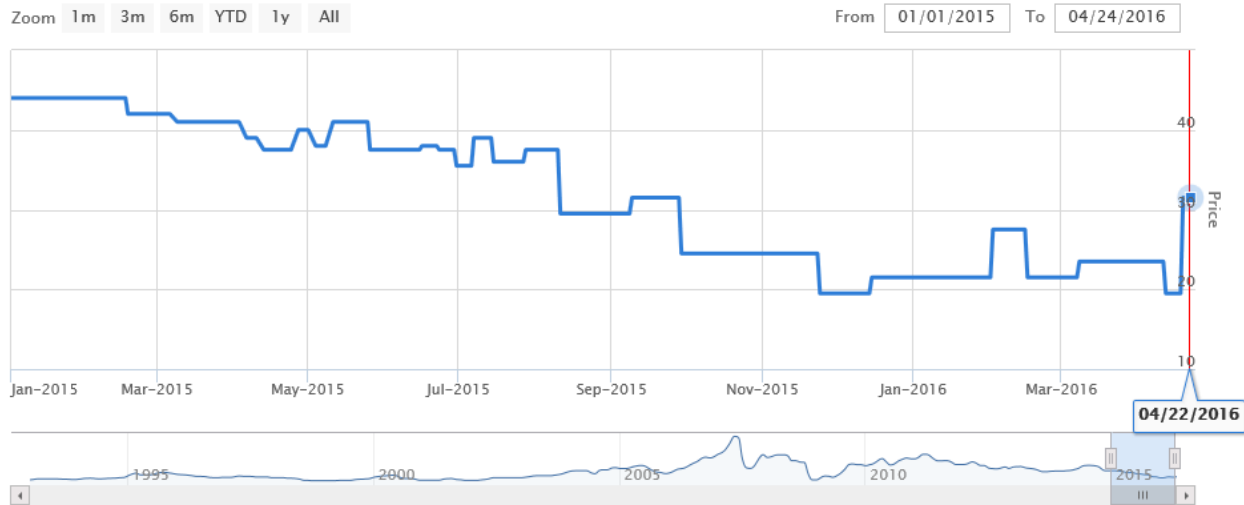
Reports throughout the industry are that volumes of scrap metal into yards are up in recent weeks, which is the result of higher prices and better weather. The unknown is that with U.S. steel production ahead of last year, the U.S. dollar weaker which has meant higher scrap exports, U.S. manufacturing not generating significantly higher scrap volumes, will this increased volume be enough to support higher demand? If not, prices of scrap and finished goods may rise until equilibrium is reached.

Hot Rolled Coil Steel



Hot rolled coil steel prices continue moving up and are at 8 month highs. These increases along with increased volumes are key to better performance at U.S. steel mills.

Stainless 304 Scrap



304 stainless scrap prices rose for the first time in months to levels not seen in over 6 months.

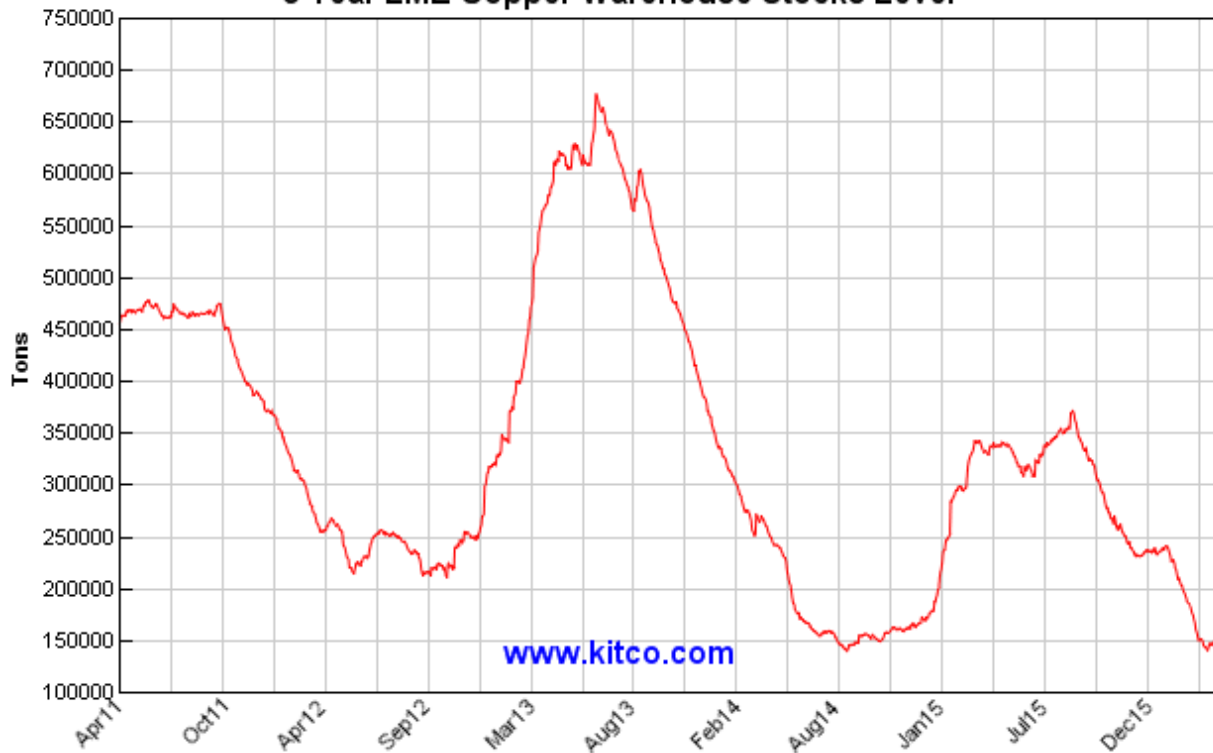
COMEX:HKG2016, W 2.2550 ▼-0.0095 (-0.42%) O:2.2655 H:2.2710 L:2.2445 C:2.2550



 **CME Group**
Powered by TradingView.com

Copper prices jumped to levels of few weeks ago, which are near multi month highs, but did settle back a bit this morning.

5 Year LME Copper Warehouse Stocks Level

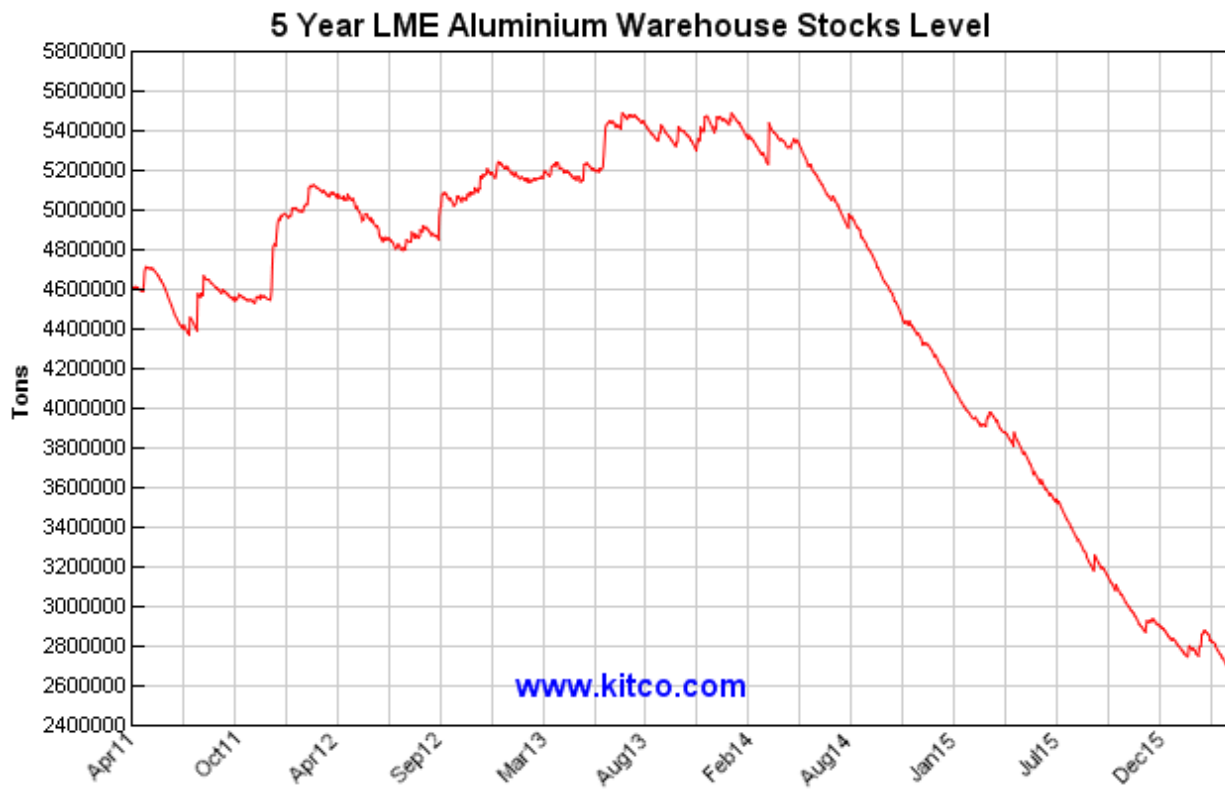


With that, copper inventories remain near lows not seen in 7+ years, which will keep upward pressure on prices.

1 Year Aluminium Spot



Aluminum followed other metals and hit prices not seen in about 9 months.



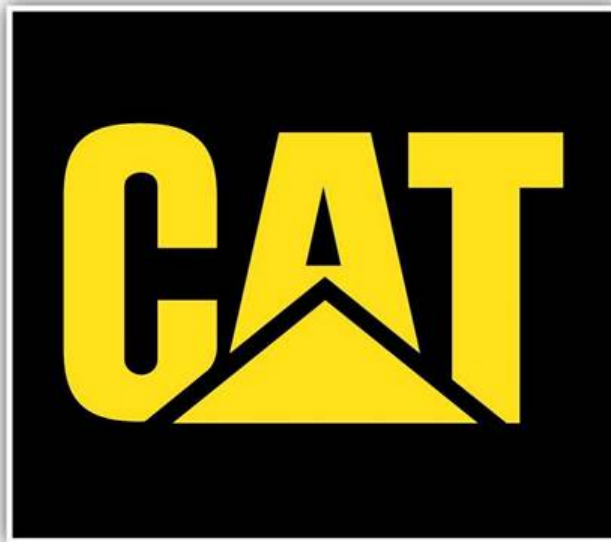
and when looking at a 5 year inventory chart we see that inventories are hitting new about 7+ year lows, will keep upward pressure on prices.

US Manufacturing Purchasing Manger's Index

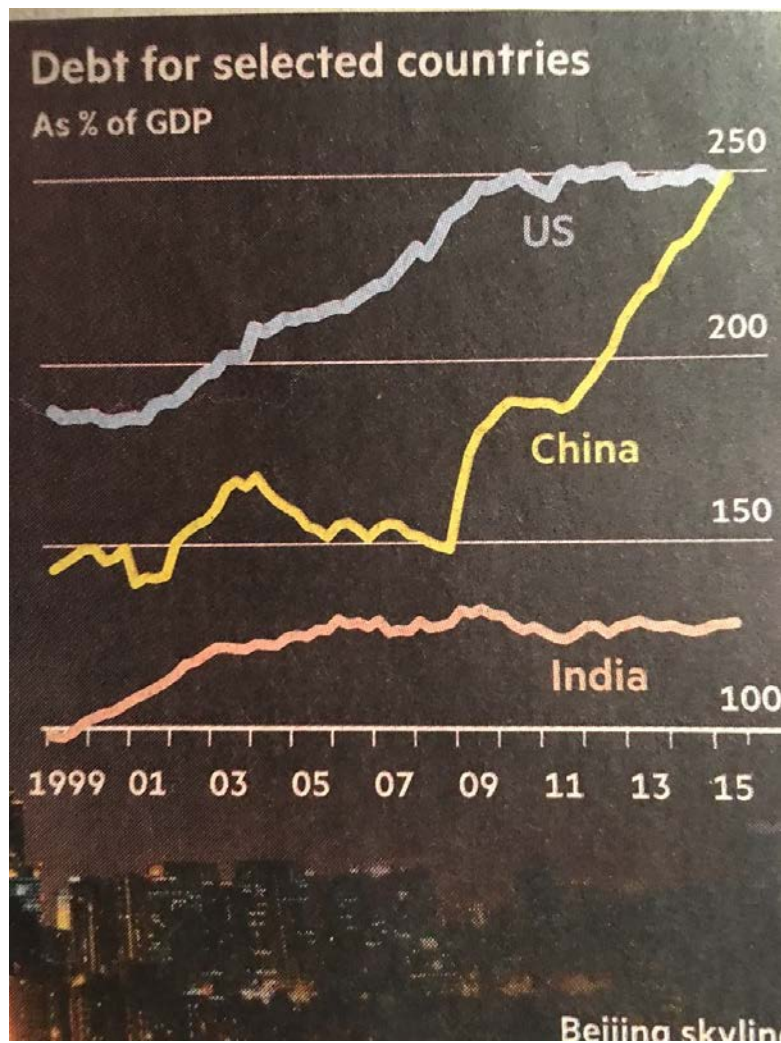


This chart shows that the U.S. Manufacturing Purchasing Manager's Index hit 50.8 last month, with anything over 50 being growth. This low number shows that the U.S. remains having problems with good middle class manufacturing jobs. The rate of growth of these jobs is at the lowest since September 2009 when we were starting to come out of the great recession.

On some other negative news, we learned last week of a decades old scrap yard in NC closed their operation and a major shredder operation in NC stopped buying nonferrous at the retail level so as to optimize operations.



Caterpillar the global powerhouse in equipment that dominates sales to the mining industry, reported that their sales were down an enormous 26% in the first three months of the year. They did report that the decline for March was less than previous months and they were seeing a bottoming of the energy & mining industry.



China released new government debt numbers in the past 12 hours. Their debt hit a new high as a percent of GDP as they work to prop up their economy. This high level could mean they have to scale back aid which would further slow their economy and would put downward pressure on global commodity prices.



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

And for a major positive, the U.S. weekly jobs report continues to bring good news to the overall U.S. economy. With a reading last week of

247,000, it was the lowest since 1973, over 40 years ago. Clearly very positive news.

With that we hope all have a Safe and Profitable week. My name is Greg Brown