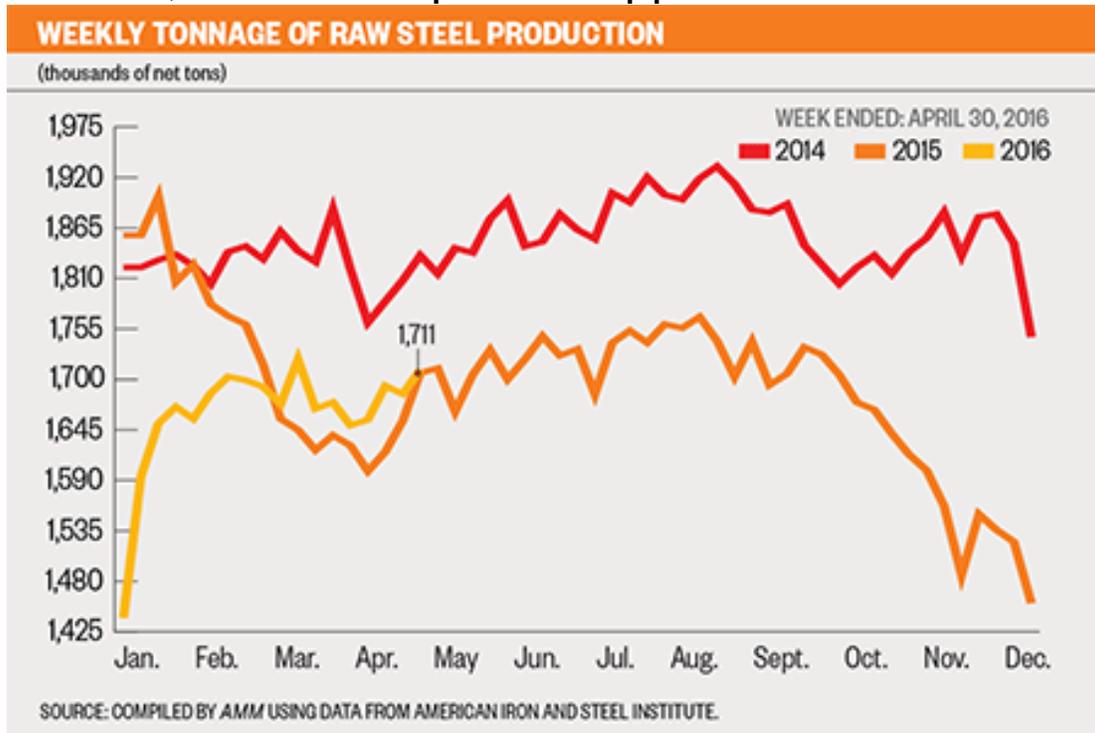


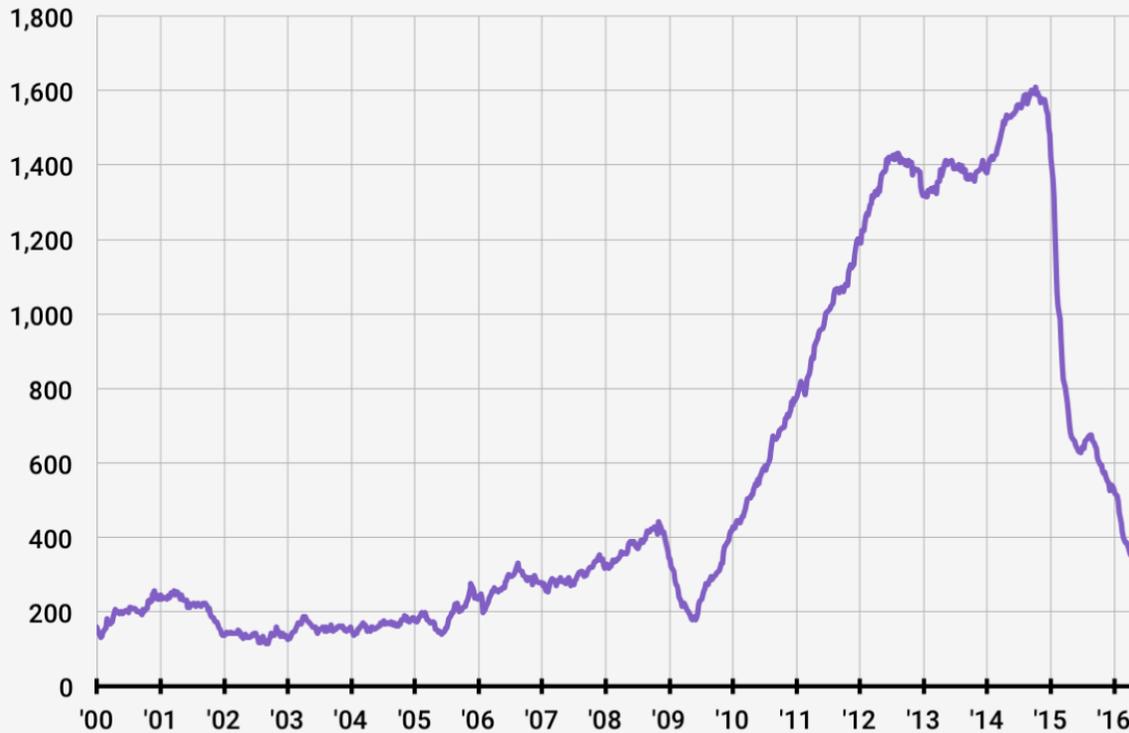
This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off, Lugger and Open Top Trailers and Raleigh and Goldsboro Metal Recycling May 9 th, 2016.

In this report, last week commodity prices had their ups and downs, with steel up and Copper down.



U.S. Steel production rose yet again last week and is now near the 2016 high that was briefly hit a few months ago, but more importantly near about 7 month highs. This is due to the U.S. economy is doing OK, not great and tariffs on finished steel remain kicking in, therefore U.S. steel mills are replacing imports that are dropping off.

# US OIL RIG COUNT



SOURCE: Baker Hughes

BUSINESS INSIDER

The oil rig count remains going in one direction. Down. The count hit yet a new 6 year low and is down about 80 percent from 18 months ago, but oil prices remain up about 70% from the low of a few months ago. If oil prices rise further we may see more U.S. drilling activity, leading to more steel being used in these rigs.

# Scrap Ferrous Prices Per Gross Ton #1 HMS



U.S. ferrous scrap prices as forecast were up last week \$25 to \$40/gross ton, depending on the region and the grade of material. This makes two months of major increases and we are at levels not seen in about 9 months.

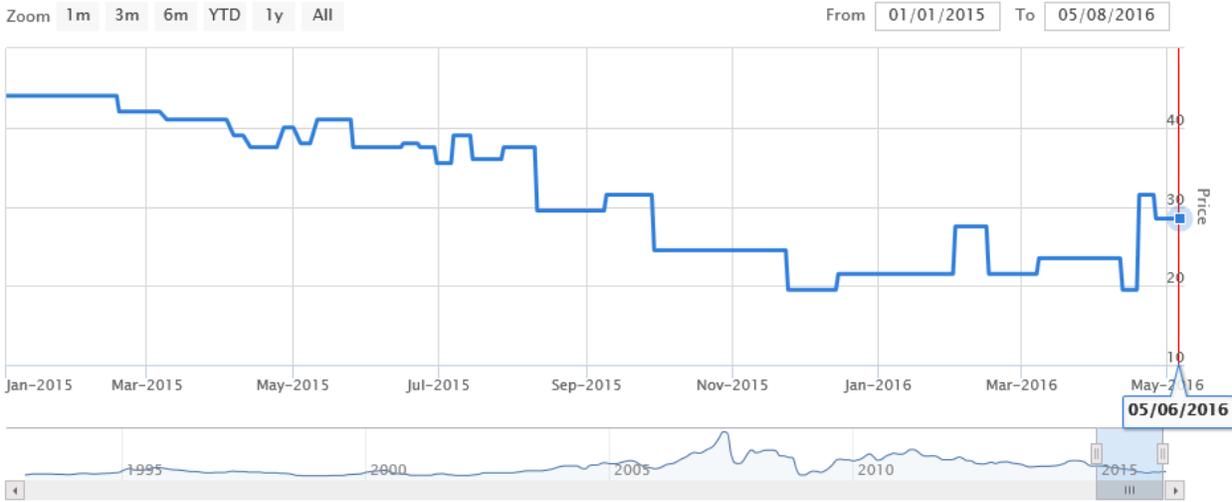
## Hot Rolled Coil Steel



Hot rolled coil finished steel continued its rise up as well and are at levels not seen in over a year as multiple steel

mills announced price increases last week. This will clearly put stress on manufacturers that buy finished steel on the spot market.

## 304 Stainless Scrap Prices



304 stainless scrap prices showed downward pressure, but 400 stainless-the lower grade not shown here did rise last week, along with ferrous prices.

COMEX:HGM2016, W 2.1480 ▼-0.0030 (-0.14%) O:2.1480 H:2.1480 L:2.1480 C:2.1480



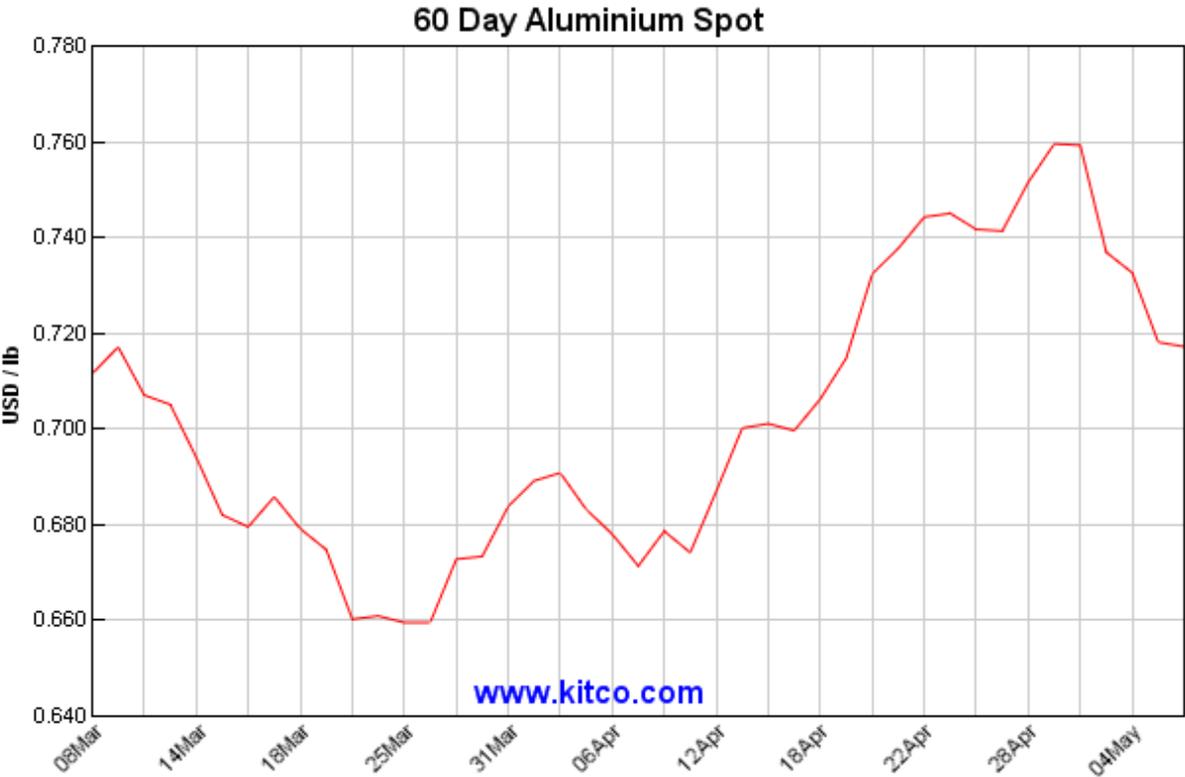
**CME Group**  
Powered by TradingView.com

Copper ended the week down more than 10 cents partly due to weak manufacturing data out of China.

5 Year Copper Spot



Yet on this 5 year chart, we see copper is somewhat above its about 7 year lows, but there is no upward or downward trend.



Aluminum prices also came down a bit last week along with copper,

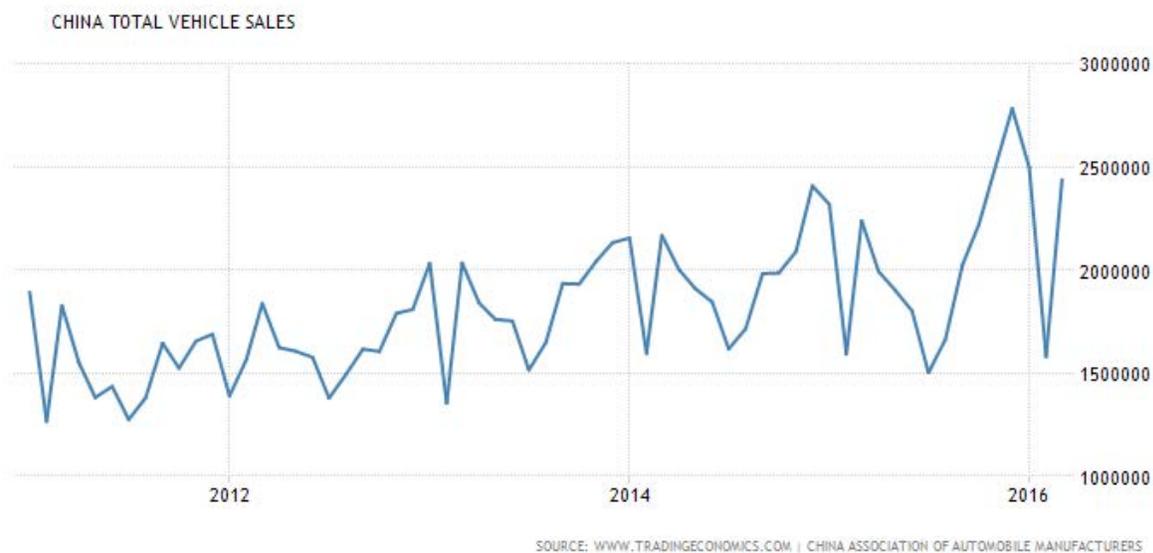


and when looking aluminum's 5 year price chart, it too is somewhat steady and above the lows of a few months ago.



A lead story in this morning's Wall Street Journal, talked about how China was doing all it could to keep people employed.

It gave the example of an aluminum smelter that was set to shut down parts of their operations due to low prices and low profit. The government then stepped in and dropped their electrical rates 30%, so the smelter stayed mostly open. More global production, lower prices.



A new chart here is Chinese car sales, which shows some major monthly variances. Importantly though, with their sales rate of over 20M vehicles; it passed the U.S. sales rate of about 17 million years ago.



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

April's job report indicated that there were 160,000 jobs created in the U.S., which was less than the 200,000 forecast. This miss had the U.S. stock market go up, due to a low jobs number puts more pressure on the Fed to keep interest rates low, for a longer period of time.



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

Imports of all goods into the U.S. hit a new low in March not seen in years. This was due to many factors including the lower cost of energy, but also less steel imports, which is helping U.S., steel mills



This chart is the U.S. balance of trade. For decades we have had a negative trade balance with the world. In March though it was the best in about 14 months and remains better than the 2006 when high oil prices and huge oil imports put a drag on the U.S. economy.



Australia's economy is heavily built on the mining of raw materials, especially iron ore. With prices and volumes down, their economy is having problems, so last week they dropped their interest rates to record lows.



U.S. car sales popped up April from a low March. April sales were 3.6 percent ahead of last year and are on a path to have the second consecutive record sales in U.S. history at over 17 million units. Really great news.

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