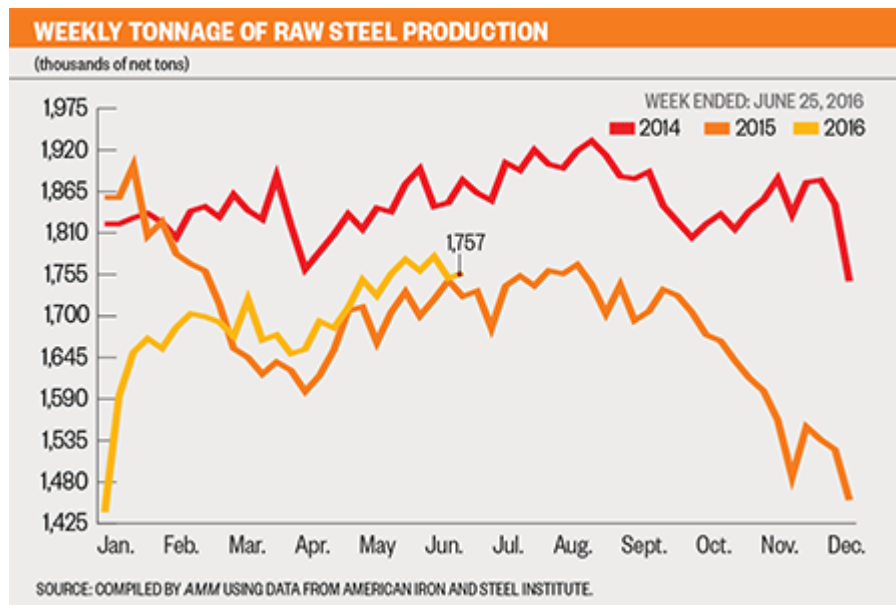


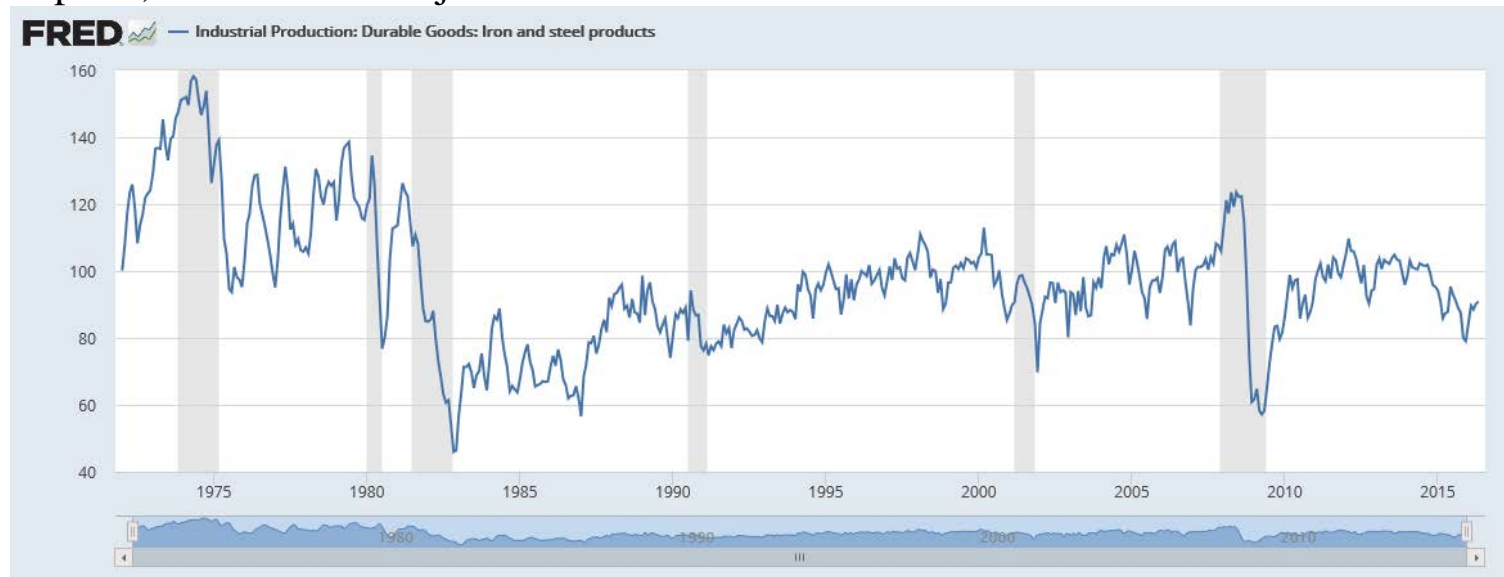
This is the Scrap Metal & Commodities Recycling report, by BENLEE Roll off, Lugger and Open Top Trailers and Raleigh and Goldsboro Metal Recycling Tuesday July 5th, 2016.

In this report, many commodities rose sharply last week, after recovering from the sharp decline after the British exit the EU vote.



U.S. Steel production rose a bit last week and is near 6 month highs, thanks to reduced imports and continued slow growth in the U.S.

This is a nice showing, based on where we were a few months ago. Tariffs, which hurt imports, have made a major difference.



Looking at this 40 year chart, we see one of the reasons why there is so much unhappiness about good middle class jobs in the U.S. and why ferrous recycling is still slow. Steel production was about 85% higher back in the early 70's and even a staggering almost 50% higher in 2008, just 8 years ago.

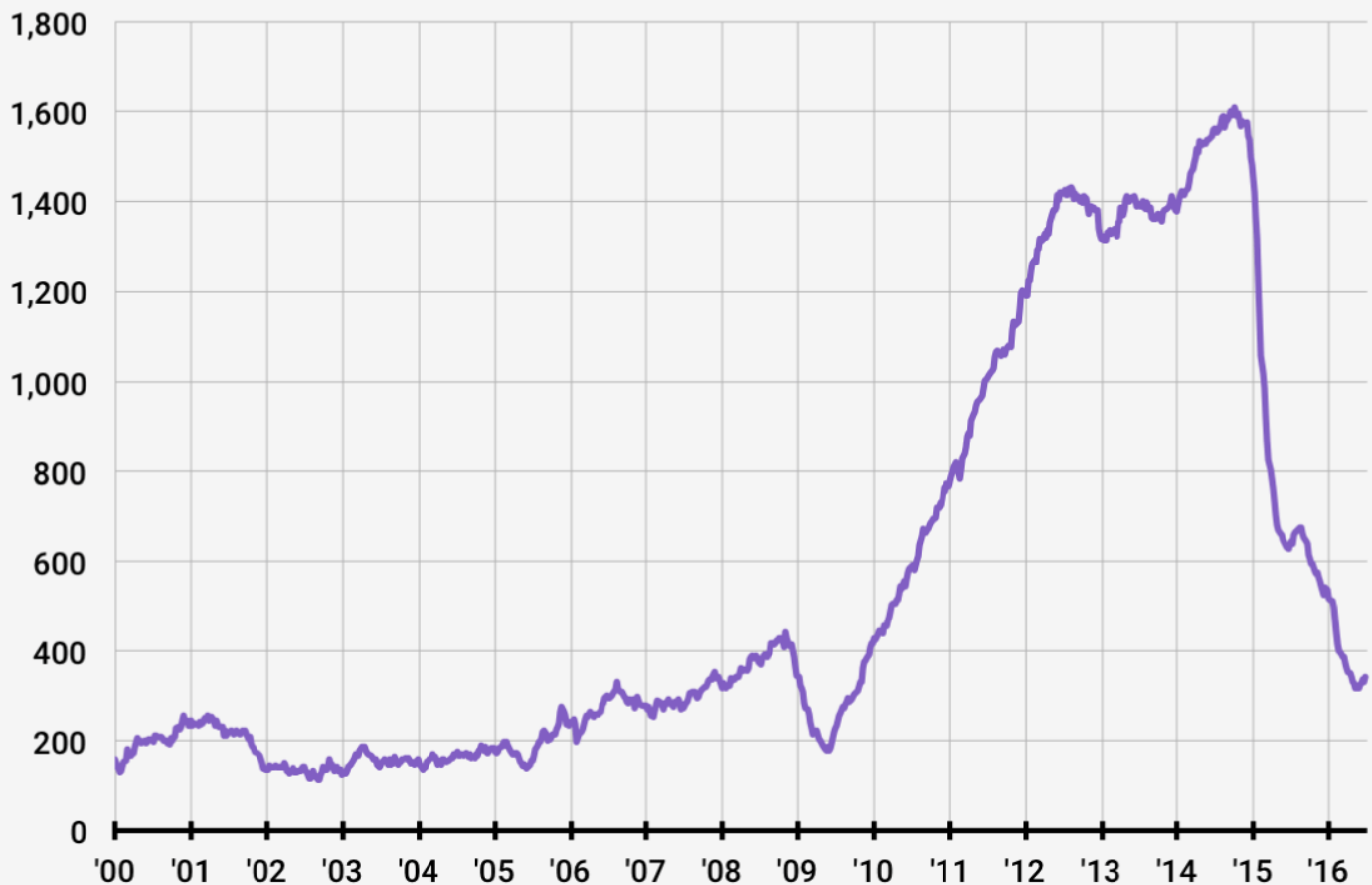
## CRUDE OIL



SOURCE: WWW.TRADINGECONOMICS.COM | NYMEX

Oil prices finished the week near a multi-month high of \$50/barrel. Oil is about double what it was just 4 months ago.

## US OIL RIG COUNT

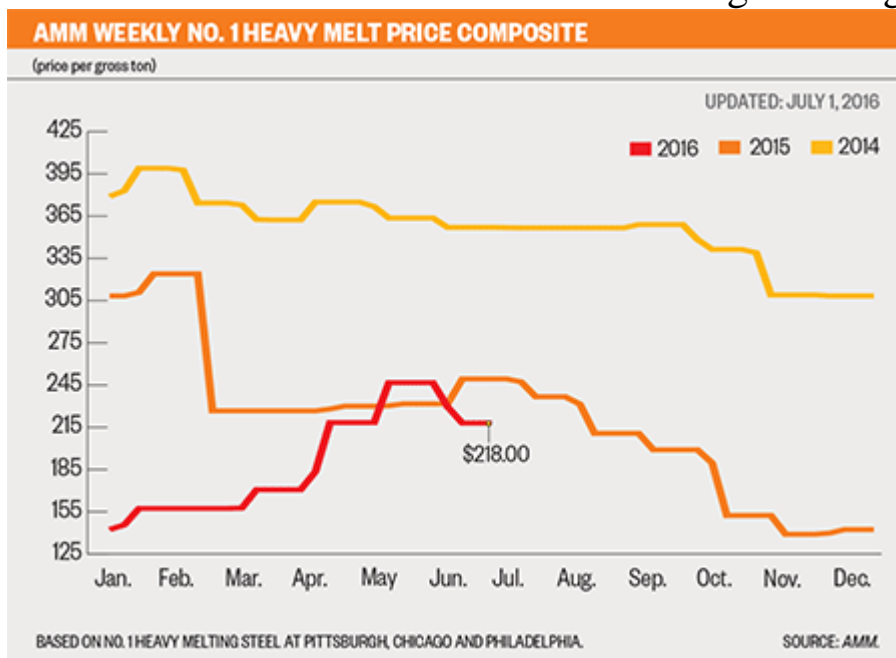


SOURCE: Baker Hughes

BUSINESS INSIDER

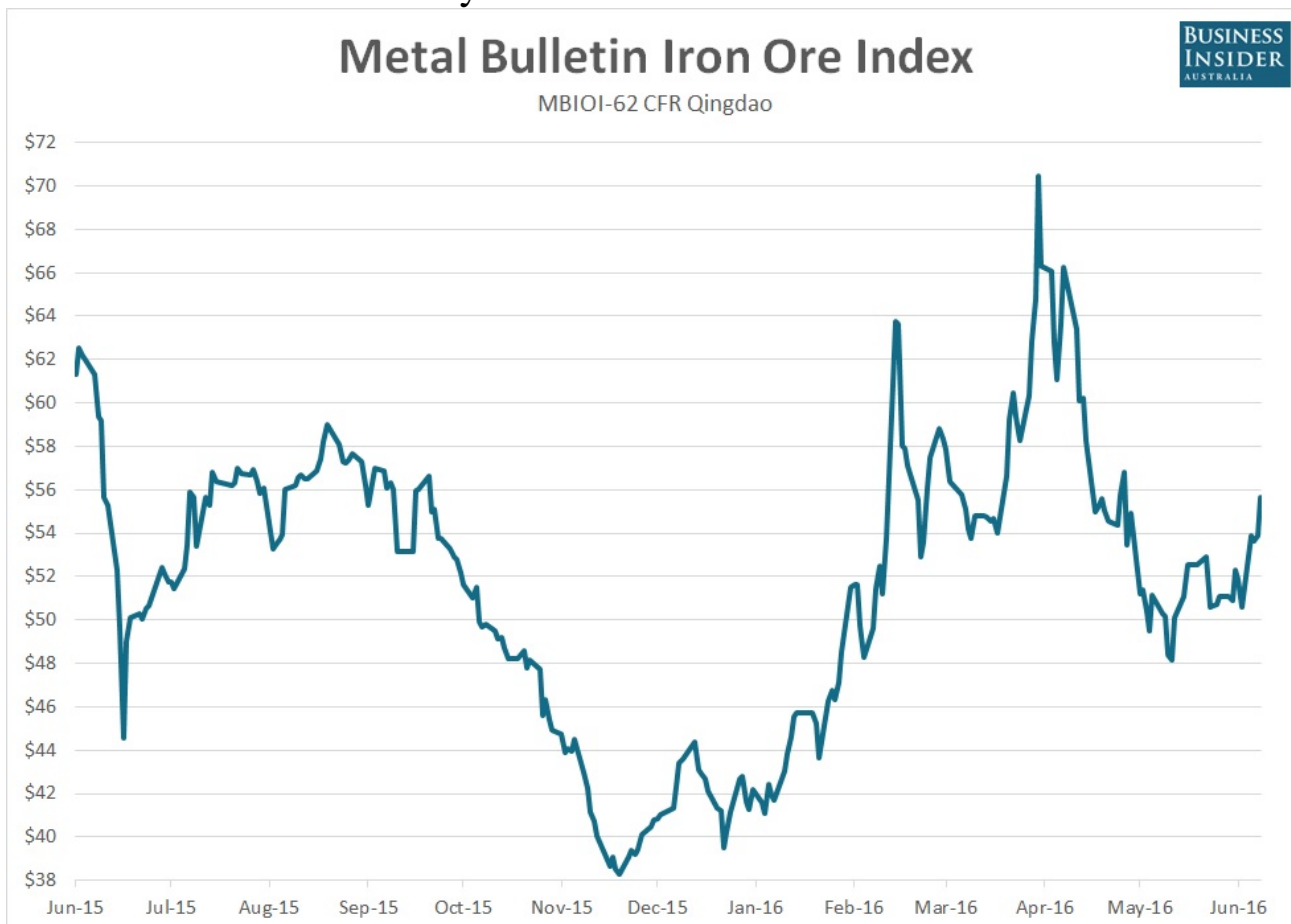
The oil rig count rose by 11 last week and has been up for 4 of the last 5 weeks. Look at the small uptick on the right of the chart.

This uptick is good news for steel demand for manufacturing these rigs.



Scrap ferrous prices were stable again last week. Stable can be helpful for both buyers and sellers,

But, most believe with U.S. export scrap sales being moderate, not strong, scrap ferrous prices could be down a bit in July.



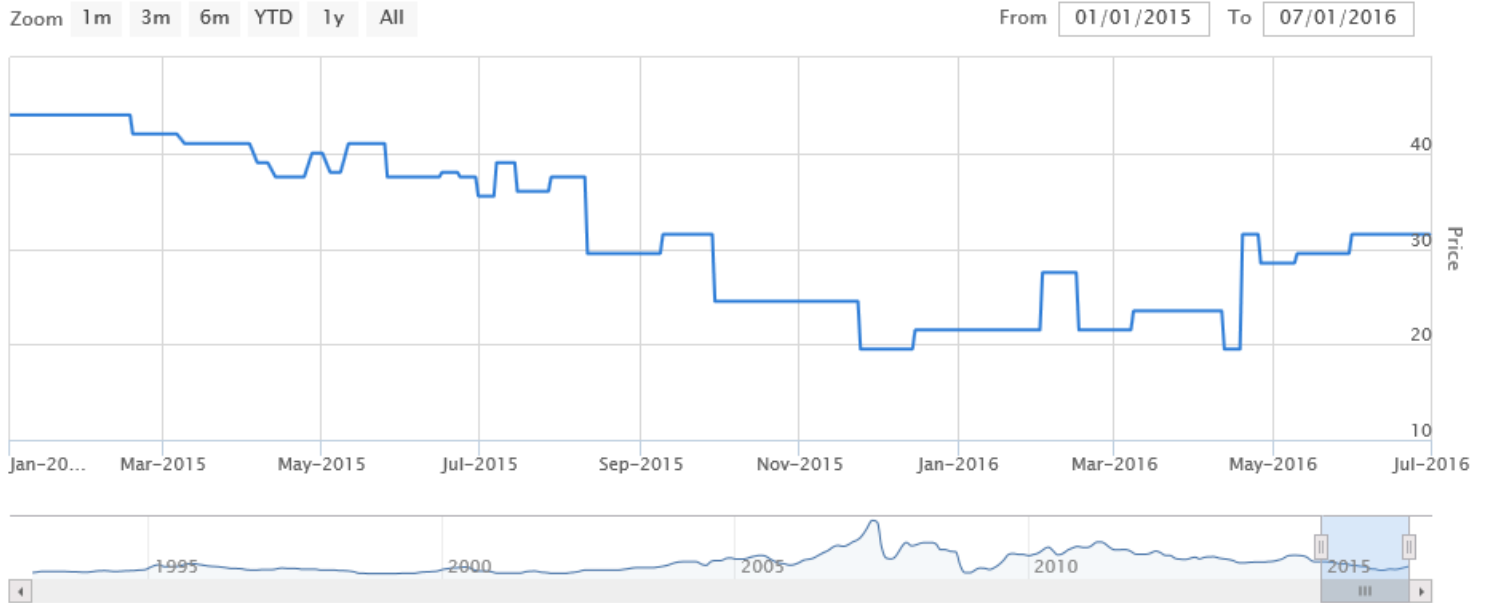
Iron ore prices are up about 15% in the last month. A bit like oil, iron ore is up almost 50% in the last 6 months.

# Hot Rolled Coil Steel



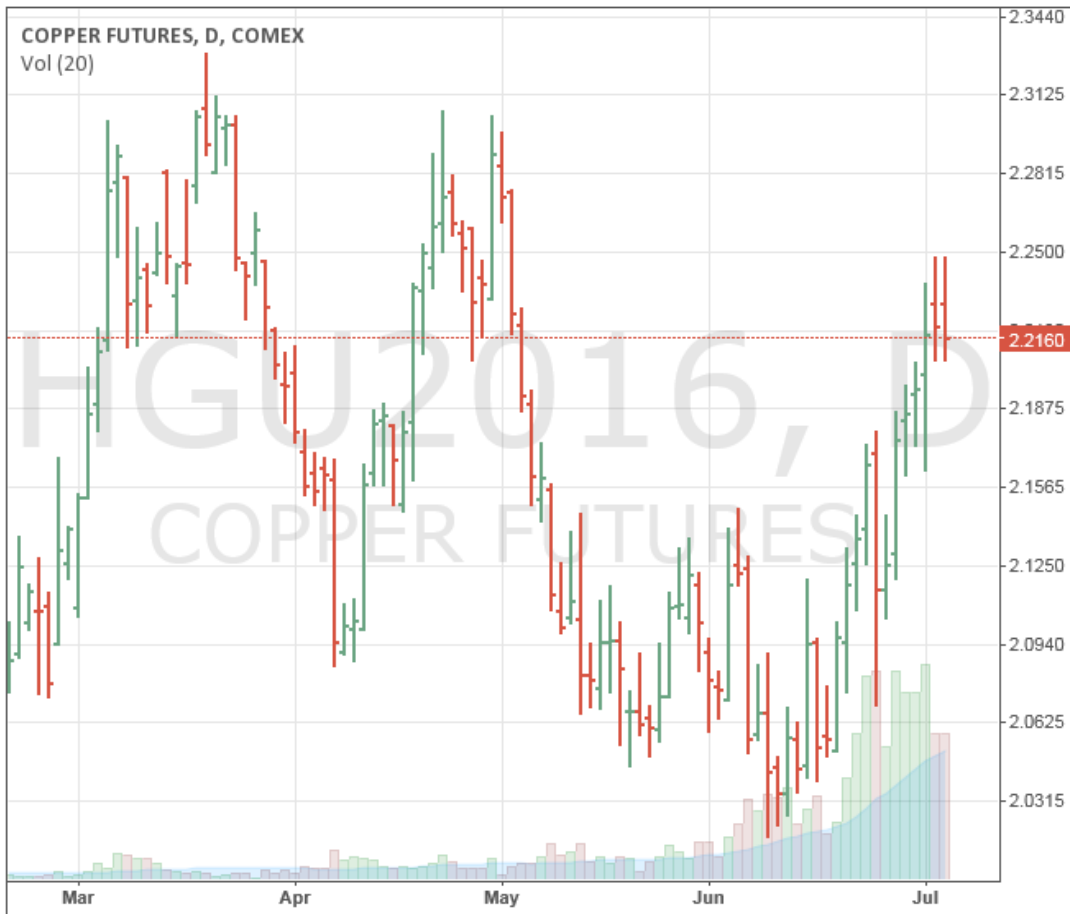
U.S. hot roll coil steel after hitting an almost 18 month high two weeks ago dropped a bit, after months of increases.

# 304 Stainless Scrap



304 stainless scrap prices remained unchanged last week, but it did not see the ups and downs that many other commodities saw.

COMEX:HGU2016, D 2.2160 ▼-0.0045 (-0.2%) O:2.2300 H:2.2480 L:2.2075 C:2.2160



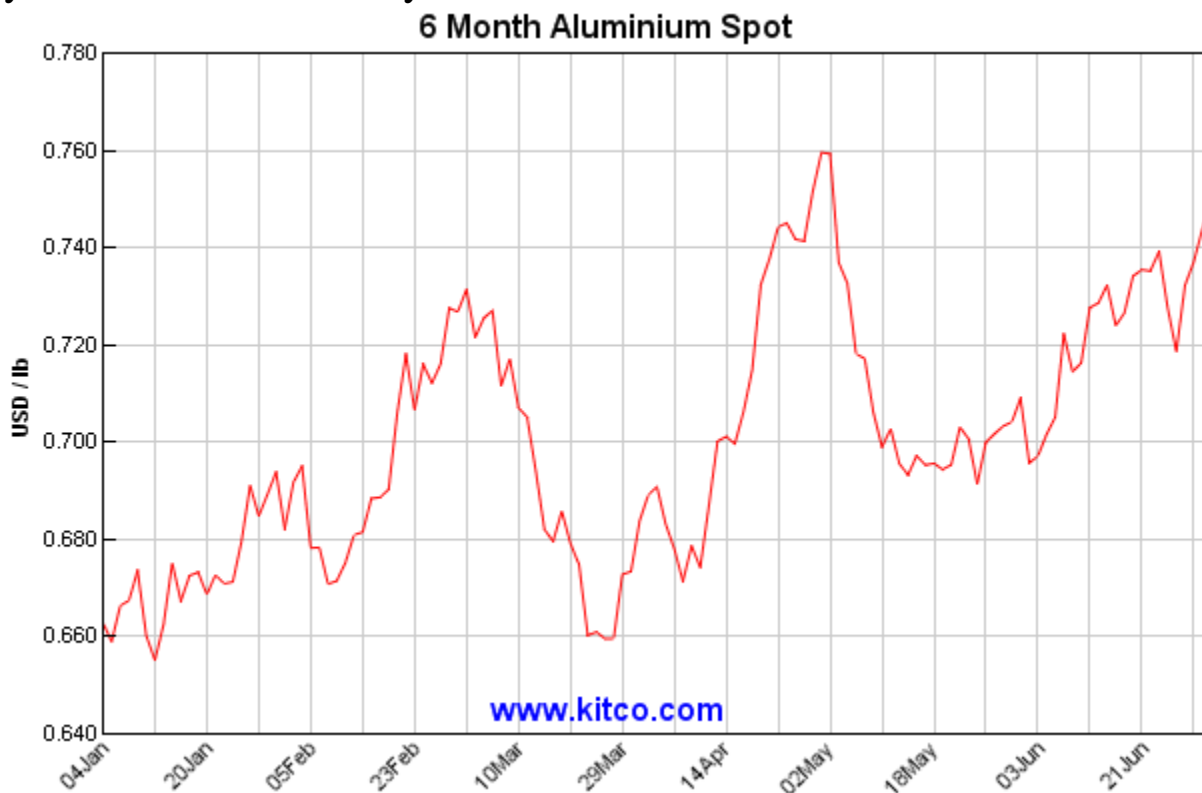
 **CME Group**  
Powered by TradingView.com

Copper rose all week and closed near a two month high.

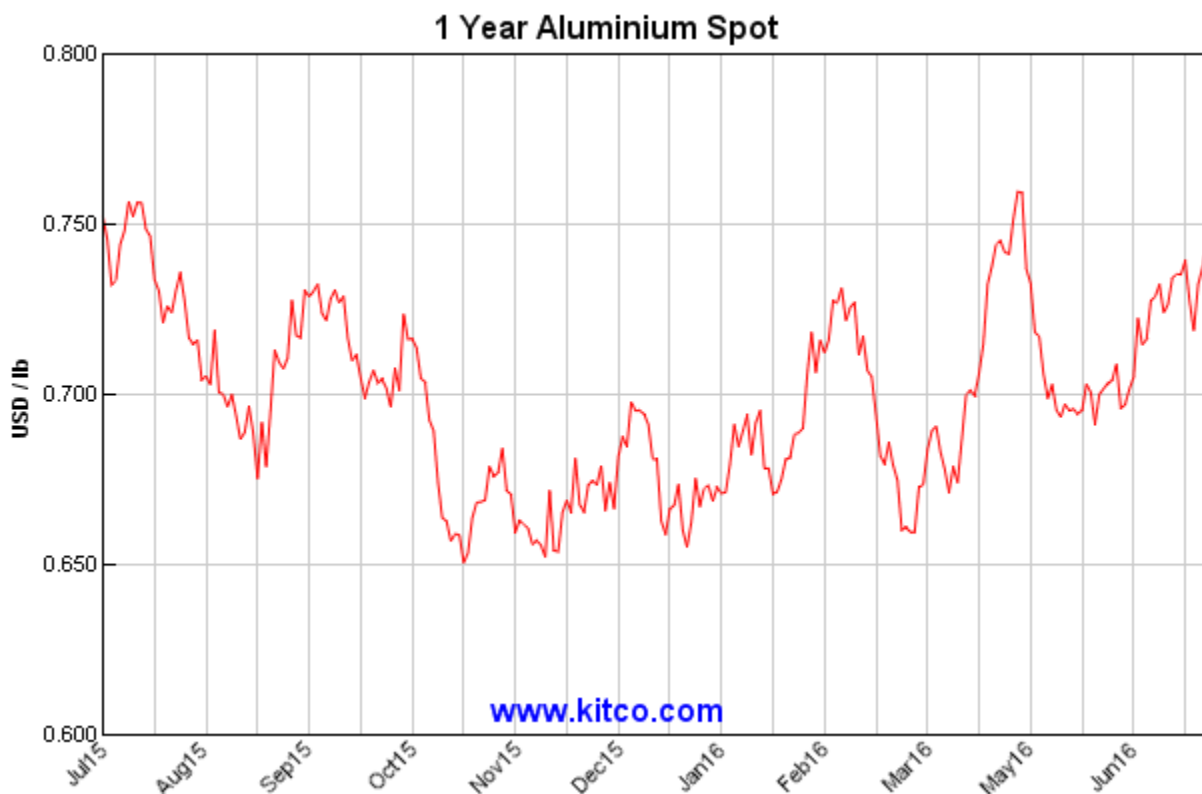
A very strong performance for the red metal.



But when looking at this 5 year chart we see copper has been mostly stable for months and really remains near about 7 year lows.



Aluminum finished the week near a multi month high when looking at this 6 month chart.



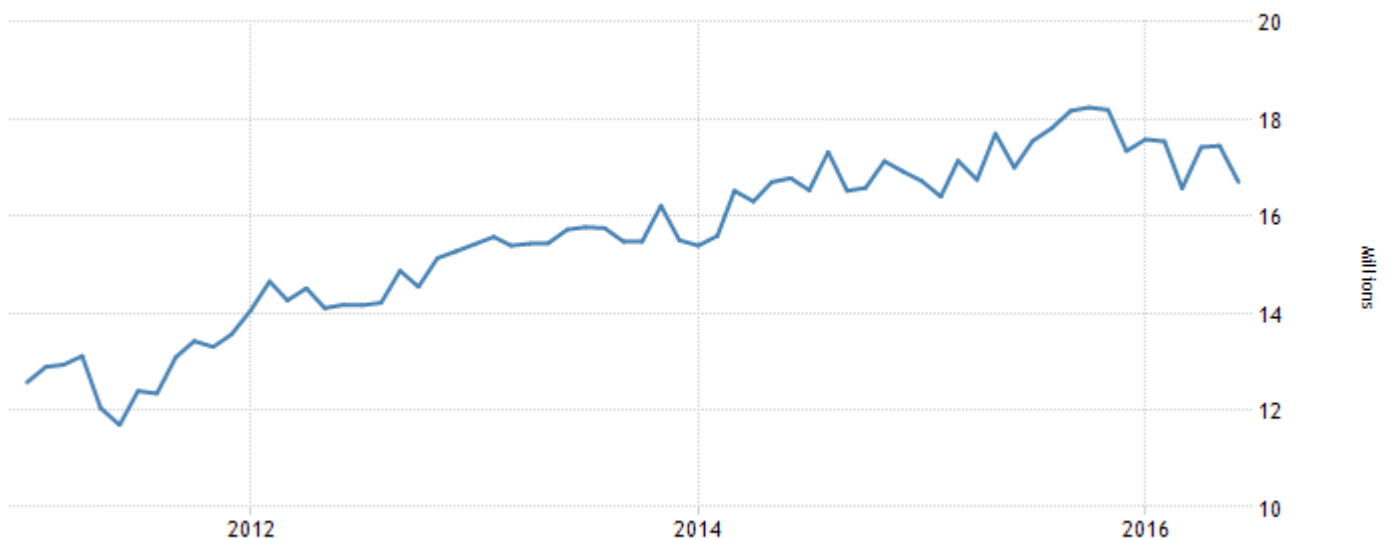
And when looking at this one year chart, it is near a 12 month high.

# China Caxin, PMI Manufacturing Index



China's Caixin PMI (Purchasing Manager's Index) fell to 48.6. A number under 50 means contraction. This gauge of China's economy is bad news for China's economy and is a key reason for low global commodity prices.

US TOTAL VEHICLE SALES



SOURCE: WWW.TRADINGECONOMICS.COM | AUTODATA CORPORATION

While U.S. Vehicle sales came down a bit in June, the first six months of 2016, were slightly ahead of 2015,



meaning auto sales are on track to hit a new U.S. record. This is one of the reasons commodity prices have not fallen further.



SOURCE: WWW.TRADINGECONOMICS.COM | STANDARD & POORS

As for other good news, the Case Shiller Index, which is the price of new homes, rose again for the month ending April, which will help get new construction on line, and will be great for new jobs which could support commodity prices.



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

Initial jobless claims rose a bit, but they remain well under the key 300,000 a week level, which is good news.

US ISM PURCHASING MANAGERS INDEX (PMI)



SOURCE: WWW.TRADINGECONOMICS.COM | INSTITUTE FOR SUPPLY MANAGEMENT

The best news last week was the U.S. PMI (Purchasing Manager’s Index) for manufacturing. At 53.2 it is the highest reading since February of 2015, over a year ago, as growth of new orders accelerated and employment expanded for the first time since November.

Me. Again, anything over 50 is expansion, so 53.2 and trending up is a great number.



Product of the week a safety system we at BENLEE designed. Many drivers disconnect hoist up alarms because they do not like the noise. Also historically, there were not hoist up alarms on roll off trailers. Drivers have been killed with hoists up and hitting power lines and bridges. We have designed a low cost effective solution, which is a flashing forward light that blinks when the hoist is up so the driver sees it in their mirror. BENLEE sells the system to install on your existing roll off trailers and trucks.

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