



NRRA Weekly: Full of Scrap: Week of 1/26/2009

Weekly Market Comments from the Northeast Resource Recovery Association

Good Afternoon;

I have been asked by the Board to compose a short email blast every Friday afternoon in an attempt to better convey information about the markets as we are seeing them here. This first one is going out to get your feedback and all subsequent ones will go to the Membership that we have email addresses for. As we have often discussed in the past, this format does not lend itself to quoting specifics, however it is our hope to provide a least some insight into the markets we are dealing with. This may also be a forum with which we share interesting bits of information that you may find interesting.

That said, we have been seeing the export fiber market continue to tick up a few dollars each week for the past few weeks and don't expect to see that end this next week. The domestic market, however, is expected to remain flat over the next week or so with possible increases to be seen in the beginning of February. As you well know, the two markets are closely tied and as usual the export pricing looks to be driving the domestic market. One buyer I spoke with today doesn't expect to see a change on the Yellow Sheet next month but does expect to see actual prices increasing. That stands as a comment on the Yellow Sheet still not accurately reflecting the realities of the markets.

Our thoughts on the plastics and commingled markets remain hopeful for the future despite a tough reality right now. If you think back to the fall, scrap metals were the first commodity to decline, fibers next and plastics last. Now that scrap has turned around and fibers are beginning to turn, the thought here is plastic should be next. Current commingled pricing, however, can be as low as -\$50/ton with no drastic changes yet on the radar.

Scrap metal, following a meeting with our contacts at Schnitzer, seems to be reaching the highs for the short term anyway. Currently, delivered light iron pricing is \$110/gt with picked up pricing depending on geography. The thought may be to move it now if you have a load. Next week I will bust out my trusty old spreadsheets and see how current pricing compares to the past three years. Guesses?

As a warning, we've been informed that the major tin can markets are having difficulty with the steel mills in getting their product into the mix. That means a tough time remains ahead for tin cans over the next few weeks as mills cut back on purchases. We have been working on this with our vendors and have been assured continued movement during this period.

The reality of falling commodity prices has finally hit our electronics recyclers and we have in front of us our first price increase for recycling electronics. RMG Electronics will be going up to a \$.15/lb charge for electronics recycling for most programs. Roll-off container and trailer load pricing differs some so call for more information. This change will take effect February 2nd.

Sincerely. and thanks for the past three yearsō Adam

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