

The UPM Market Informer

Monthly Market Intelligence for Customers of United Performance Metals

August 2014

Stainless Price Increase for August

NEW YORK—Allegheny Technologies Inc.'s Flat Rolled Products segment has pushed back a stainless base price increase. Its previously announced July hike will now be delayed until August 4.

Source—American Metal Market

Sheet Prices Hold, but Hikes Expected

CHICAGO—Steel sheet prices continued to hold this week, although market sources expect increases imminently—in response to trade actions already undertaken or soon to be filed by U. S. mills.

The talk of upward prices also comes as lead times at several domestic mills have moved out recently.

Concern focuses largely on Chinese cold-rolled and hot-dipped galvanized in part because vessels from China have increasingly been stopping at Latin American ports before arriving at Gulf of Mexico or East Coast ports. That means shipping times that used to be around six to eight weeks are now as long as three months.

Source—American Metal Market

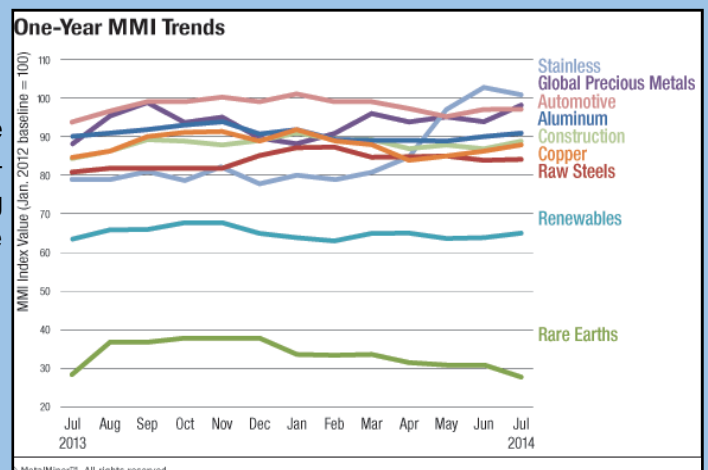
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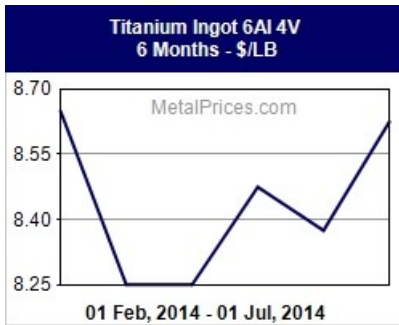
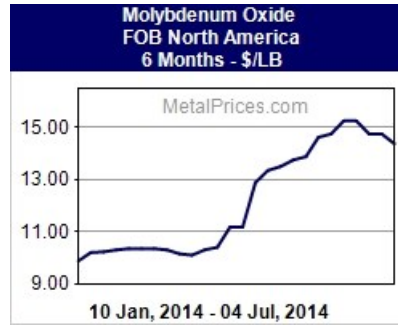
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Stainless/Nickel Still a Strong Bet Despite 1.9% Monthly Decline

July 7—Despite a slight decrease on the monthly MMI, there is not much to think about with Nickel. With a strong fundamental story behind it, and the technical picture still looking bullish, there is no time for guesses. Buyers should be hedged in case this base metal keeps moving its way up.

Source—MetalMiner





US Service Center Flat Rolled Shipment Rate Drops

Total steel shipments out of the U.S. service centers totaled 3,687,600 tons according to data released by the Metal Service Center Institute for the month of June. This represents an increase of 10.2 percent compared to June 2013. There were 21 shipping days during June 2014 compared to 20 shipping days last year.

The daily shipping rate was 175,600 tons down from 178,600 tons shipped on a daily basis during the month of May. Last year the daily shipment rate was 167,400 tons per day.

Total steel inventories stood at 8,535,300 tons at the end of the month. June 2014 inventories were 7.4 percent higher than one year ago. The months on hand was 2.3 months on and unadjusted basis or 2.4 months SA.

Source—Steel Market Update



Vulcanium Metals International Receives SC21 Silver Award

Vulcanium Metals International Ltd has been awarded the 21st Century Supply Chain (SC21) Silver Award. The award was presented to Vulcanium Metals International on behalf of ADS, the premier trade organization representing the UK Aerospace, Defense, Security and Space sectors.

SC21 is a change program designed to accelerate the competitiveness of the aerospace & defense industry by raising the performance of its supply chains.

According to Michael O'Prey, General Manager VMI UK, "Vulcanium is delighted to receive this prestigious award; all employees are engaged in the SC21 process and are committed to collaborative, continuous improvement with all of our customers."

Recipients of the SC21 award are committed to developing supply chains which deliver increased value to customers through the transparent sharing of information, development of innovative competitive solutions, commitment to total through-life cost and communication, and ethical practices towards the delivery of an SC21 plan.



**Stainless Steel & Cobalt Alloy Surcharge
Totals April 2014—August 2014
High Temp Surcharge Totals
April 2014—October 2014**

Grades	Apr	May	June	July	Aug	Sep	Oct
15-5	0.5266	0.5549	0.6058	0.6052	0.6118	*	*
15-7	0.7639	0.8630	0.9955	1.0218	0.9897	*	*
17-4	0.5148	0.5382	0.5828	0.5829	0.5899	*	*
17-7	0.6632	0.7239	0.8239	0.8191	0.8249	*	*
18SR	0.2541	0.2527	0.2599	0.2612	0.2656	*	*
201	0.5070	0.5446	0.6048	0.6024	0.6061	*	*
301 7.0%	0.6626	0.7211	0.8186	0.8143	0.8207	*	*
302/304/304L	0.7194	0.7858	0.8967	0.8914	0.8979	*	*
304-8.5%	0.7481	0.8183	0.9360	0.9302	0.9369	*	*
305	0.9526	1.0486	1.2144	1.2051	1.2139	*	*
309	0.9802	1.0759	1.2420	1.2332	1.2424	*	*
310	1.3972	1.5447	1.8068	1.7910	1.8047	*	*
316/316L	0.9803	1.1051	1.2857	1.3088	1.2789	*	*
317L	1.1345	1.2882	1.5039	1.5417	1.4938	*	*
321	0.7684	0.8423	0.9669	0.9603	0.9673	*	*
347	1.0359	1.1097	1.2343	1.2277	1.2347	*	*
409/409 Mod	0.2033	0.2110	0.2119	0.2136	0.2146	*	*
410/410S	0.2095	0.2173	0.2181	0.2200	0.2211	*	*
430	0.2451	0.2524	0.2536	0.2563	0.2577	*	*
434	0.3059	0.3295	0.3466	0.3609	0.3483	*	*
439	0.2525	0.2597	0.2610	0.2638	0.2654	*	*
440A	0.2451	0.2524	0.2536	0.2563	0.2577	*	*
2205	0.8392	0.9498	1.0870	1.1314	1.0803	*	*
2507	0.8966	1.0085	1.1612	1.2031	*	*	*
20	2.1462	2.1931	2.2135	2.4739	2.8367	3.2596	3.1115
263	5.9300	6.4200	7.0300	6.8500	*	*	*
276	5.3036	5.4269	5.4587	5.9637	6.8695	7.8477	7.6392
A286	1.4342	1.4660	1.4787	1.6712	1.9258	2.2204	2.1120
330	1.8266	1.8655	1.8909	2.1641	2.4900	2.8812	2.7194
400	3.5430	3.6136	3.6310	4.0596	4.6484	5.3889	5.0800
600	3.6308	3.7019	3.7546	4.3286	5.0014	5.8135	5.4747
601	3.1199	3.1826	3.2308	3.7007	4.2528	4.9206	4.6434
625	5.3725	5.4625	5.4996	5.9898	6.7366	7.5714	7.3307
718	5.1423	5.2065	5.2420	5.6504	6.1958	6.8286	6.6058
X-750	4.1491	4.2186	4.2705	4.8286	5.4828	6.2727	5.9433
800H/HT	2.4900	2.7900	3.1900	3.0400	*	*	*
825	2.4057	2.4604	2.4856	2.7938	3.2283	3.7283	3.5613
HX	3.3091	3.3920	3.4314	3.8272	4.4625	5.1582	4.9729
188	8.2700	8.2600	8.2900	8.1700	*	*	*
L-605	9.0800	8.8800	8.6800	8.6200	*	*	*

Baker Hughes Rig Count

HOUSTON, JULY 8, 2014— Baker Hughes June 2014 international rig count was 1336, down 14 from the 1350 counted in May 2014, and up 3 from the 1333 counted in June 2013. The international offshore rig count for June 2014 was 314, down 12 from the 326 counted in May 2014, and down 23 from the 337 counted in June 2013.

The average U.S. rig count for June 2014 was 1861, up from the 1859 counted in May 2014, and up 100 from the 1761 counted in June 2013. The average Canadian rig count for June was 240, up 78 from the 162 counted in May 2014, and up 57 from the 183 counted in June 2013.

The worldwide rig count for June 2014 was 3437, up 66 from the 3371 counted in May 2014, and up 160 from the 3277 counted in June 2013.

Source—Baker Hughes

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UPM Expands Product and Service Offerings with Additional Nickel Plate and Flat Rolled Processing Capabilities

HOUSTON, JULY 18, 2014—United Performance Metals has increased its inventory of nickel plate product and added processing capabilities that include a plate shear and a high definition plasma table in its Houston, Texas facility.

“The recent addition of inventory and processing equipment strengthens our commitment to be a leading source of specialty plate products for the customers and markets that we serve. We are dedicated to the prompt delivery of product that meets our customer’s specific requirements”, commented United Performance Metals, Houston General Manager, Tate Forrester.



Vulcanium Adds CCM and Stainless Medical Bar to Product Offerings

NORTHBROOK, IL—July 15—Titanium distributor, Vulcanium Metals International, has added Cobalt chrome Moly (CCM) and Stainless Medical Bar grades 304/304L, 316L, Custom 455 and Custom 465 to its materials offered for medical implants and instrumentation.

Vulcanium also introduced Ti-6AL-4V ELI Titanium Bar Precision Ground (+/- .0002) 1/4" - 5/8". Vulcanium is ISO 9001 & AS 9100 certified. The company specializes in CCM and Medical Grade Stainless Round Bar and offers same or next day shipment from stock, mill quantities to blanket orders.

UPM West Coast Branch Reaches Safety Milestone

The West Coast branch of United Performance Metals celebrated six years without a lost time injury on July 18, 2014. It's a safety milestone which demonstrates the quality of service maintained in every aspect of the organization.

“Safety is never compromised,” remarked Fernando Gonzalez, Plant Foreman for United Performance Metals La Mirada, California branch. “We look after one another, and we take pride in the products we distribute every day.”

UPM Houston Branch Earns ISOQAR Certification

The Houston branch of United Performance Metals has been audited in accordance with the requirements of AS 9104-1 by ISOQAR Inc and conforms to the Quality Management System Standards ISO 9001 : 2008 Incorporating the requirements of AS9100-C. The Quality Management System is applicable to: Supply, process, stock and distribute stainless steel and high temperature alloy plate for the aerospace, petrochemical and commercial markets.