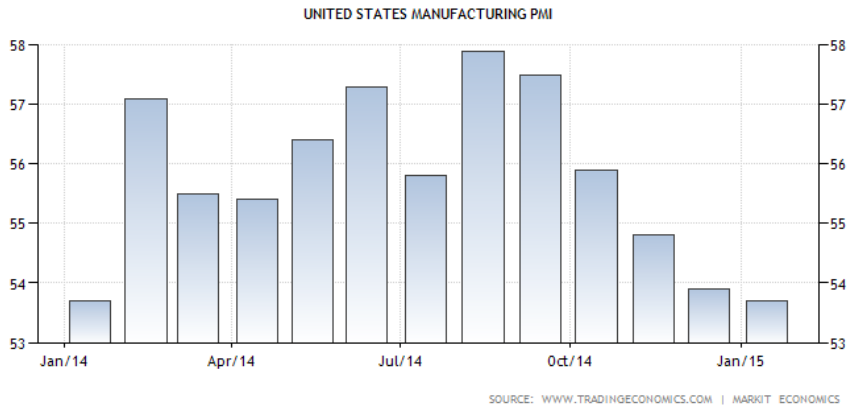
The UPM Market Informer

Monthly Market Intelligence for Customers of United Performance Metals — February 2015

United States Manufacturing PMI

Manufacturing PMI in the United States decreased to 53.70 in January from 53.90 in December of 2014. Manufacturing PMI averaged 54.17 from 2012-2015.

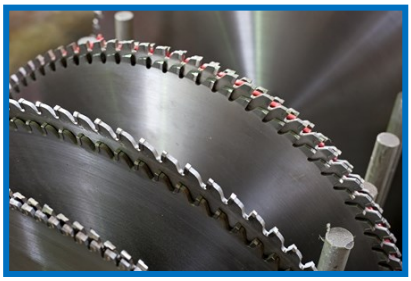
Manufacturing PMI in the United States is reported by the Markit Economics



In This Issue

Product Feature: Machinable Advantages of PRODEC® Plate

PRODEC® machinable stainless steel offers significant benefits to manufacturers beginning with faster machining, allowing higher speeds and feeds of at least 25% with carbide tooling. PRODEC® 304P/304LP is a versatile, general purpose stainless steel with good resistance to atmospheric corrosion, to many organic and inorganic chemicals, and to foods and beverages. It has also been used in vacuum processing equipment and specialized instruments where high integrity is essential. PRODEC® 316/316L provides improved resistance to pitting and crevice corrosion in environments containing chlorides and other halides.



United Performance Metals' specialty division, Plus Ten Stainless of Benicia, California, is the largest PRODEC® Plate distributor on the West Coast. "We have found tremendous success with this product. It's absolutely sought-after in our market," remarked Todd Rhodes, president of Plus Ten Stainless. Plus Ten Stainless carries 304/304P and 316/316P in thickness of 3/16" up to 4". Plus Ten Stainless specializes is saw cut plate and uses carbide tipped blades under flood coolant to produce a better edge. For more information, contact Plus Ten Stainless at 707-745-4625. www.plustenstainless.com

View past issues of the UPM Market Informer: http://bit.ly/1haedRF

Aerospace Airframe Applications

United Performance Metals and Vulcanium Metals International stock materials with high strength-to-weight ratios and excellent corrosion resistance that is essential in the production of aerospace airframe parts.

Type	Part	Material
Fuselage	Aft Fuselage & Tail Cone	Ti 6-2-4-2, 625
	Cargo Access Doors	Ti-6-4, 15-5 PH
	Door Surrounds	Ti 6-4, 15-5 PH
	Fuselage Body Panel, Side Frames & Spars	Ti 6-4
	Nose Gear Door	Ti 6-4, 15-5 PH
	Payload Adaptor Beams & Splices	Ti 6-4, 15-5 PH, 17-4 PH
	T-Chord	Ti 6-4
	Window Surrounds	Ti 6-4
	Side of Body Cord	Ti 6-4
	Seat Tracks	Ti 6-4
	Scuff Plate & Skid Plate	Ti 6-4
	Vapor Barriers	Ti 6-4
Landing Gear	Piccolo Tubes	Ti 6-4, 10-2-3, 15-5 PH
Nacelle & Pylons	Fairing Strut & Primary Structure of Pylon	Ti 6-4, 15-5 PH
	Nacelle	Ti 6-4, Ti 6-2-4-2, CP Ti
Empennage	HTP Center Joint	Ti 6-4
	Spars	Ti 6-4
	Vertical Stabilizer	Ti 6-4
	Tail	Ti 6-4
Wings	Wing Panels & Flap Track	Ti 6-4, 15-5 PH
	Vapor Barriers	Ti 6-4
	Heat Shield	Ti 6-4
	Leading Edge	Ti 6-4
	Ailerons, Flap Bracket, Trailing Edge, Trunions & Spars & Ribs	Ti 6-4
Wing Box	Wingbox & Body Fairing	Ti 6-4 15-5 PH
Universal Applications	Fasteners, Brackets & Fittings & Clips,	Ti 6-4
	Engine Yolks, Cruciform, Flap & Slat Tracks, Fuel Lines	Ti 6-4, 10-2-3
	Ducting	Ti 6-4, CP Ti 625, 718, 321, A286
	Tube & Fittings	Ti6-4, CP Ti

UNITED PERFORMANCE METALS
O'NEAL HIGH-PERFORMANCE METALS GROUP

Stainless Steel & Cobalt Alloy Surcharge Totals
October 2014—January 2015
High Temp Surcharge Totals
October 2014—March 2015

Grades	Nov	Dec	Jan	Feb	Mar	Apr
15-5	0.5532	0.5183	0.5320	0.5028	*	*
15-7	0.8214	0.7521	0.7738	0.7309	*	*
17-4	0.5375	0.5059	0.5164	0.4898	*	*
17-7	0.7196	0.6637	0.6989	0.6477	*	*
18SR	0.2599	0.2451	0.0833	0.2445	*	*
201	0.5407	0.5024	0.5233	0.4928	*	*
301 7.0%	0.7176	0.6632	0.7377	0.6462	*	*
302/304/304L	0.7818	0.7216	0.7607	0.7038	*	*
304-8.5%	0.8139	0.7507	0.7923	0.7319	*	*
305	1.0427	0.9596	1.0185	0.9334	*	*
309	1.0718	0.9893	1.0481	0.9630	*	*
310	1.5376	1.4156	1.5089	1.3741	*	*
316/316L	1.0626	0.9738	1.0127	0.9449	*	*
317L	1.2280	1.1254	1.1641	1.0909	*	*
321	0.8373	0.7712	0.8152	0.7514	*	*
347	1.1048	1.0388	1.0828	1.0190	*	*
409/409 Mod	0.2079	0.1919	0.1918	0.1916	*	*
410/410S	0.2143	0.1986	0.1984	0.1982	*	*
430	0.2518	0.2368	0.2365	0.2363	*	*
434	0.3152	0.2939	0.2898	0.2908	*	*
439	0.2597	0.2448	0.2445	0.2443	*	*
440A	0.2518	0.2368	0.2365	0.2363	*	*
2205	0.8947	0.8254	0.8358	0.8033	*	*
2507	0.9572	0.8838	*	*	*	*
20	3.1711	3.0855	2.9699	2.4911	2.4627	2.4885
263	6.5976	6.6404	6.4026	5.4841	5.3508	5.3868
276	7.5358	7.3927	7.0490	5.9081	5.8131	5.8284
A286	2.1594	2.0983	2.0213	1.6852	1.6621	1.6857
330	2.8115	2.7233	2.6309	2.1918	2.1727	2.2115
400	5.2890	5.1104	4.9206	4.1084	4.0801	4.1106
600	5.6638	5.4787	5.2848	4.3779	4.3518	4.4342
601	4.7999	4.6488	4.4904	3.7453	3.7231	3.7898
625	7.3493	7.2024	6.9453	5.9882	5.9282	5.9674
718	6.6878	6.5603	6.3880	5.6714	5.6361	5.6828
X-750	6.1274	5.9474	5.7590	4.8771	4.8517	4.9317
800H/HT	2.5391	2.4627	2.3826	1.9994	1.9814	2.0148
825	3.6146	3.5173	3.3765	2.8085	2.7751	2.8056
HX	4.9650	4.8538	4.6281	3.8182	3.7574	3.7827
188	7.6000	7.5000	7.6000	*	*	*
L-605	8.2700	8.1400	8.2700	*	*	*

*Surcharge currently not available

Rig Count Overview & Summary Count *Source: Baker Hughes*

Area	Last Count	Count	Change from Last Year
U.S.	January 23, 2014	1633	-144
Canada	January 23, 2014	432	-158
Gulf of Mexico	January 23, 2014	53	-3

U.S. Breakout Information	Last Count	Change from Last Year
Oil	1317	-99
Gas	316	-40
Miscellaneous	0	-5

UPM Houston Division Grows

United Performance Metals' Houston, TX facility has grown its breadth of inventory, processing equipment, and staff. "Growing our business by focusing on the needs of the southwest region resulted in a very positive outcome for us in the marketplace," remarked Annette Tiesman, Executive Vice President and General Manager of United Performance Metals.

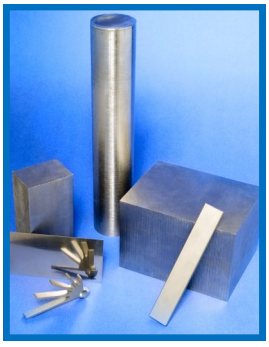
The southwestern branch expanded its inventory of nickel plate offerings and added processing capabilities that include a plate shear and a second high definition plasma table. These additions support the Houston division's ability to extend same or next day service along with a wide range of products - processed and delivered to customers' exact specifications.

In order to be highly responsive to customer requests, the company added to their staff roster with Archie Sombillo, Joe Goins and Robin Hungerman, who joined the sales team as regional account managers, and Melissa Hawkins and Rhonda Schrader, who joined the inside sales team.

United Performance Metals complete inventory of specialty flat rolled product and associated processing capabilities can be viewed online at www.upmet.com.

Titanium Surcharge update

Titanium Alloy	Standard Surcharge		
	Bar	Billet	Flat
ATI 6-4 Alloy	$5.18	$4.72	$5.18
ATI 6-4 ELI Alloy	$5.18	$4.72	$5.18
ATI CP Grade 1	$4.96	$4.52	$4.96
ATI CP Grade 2	$3.70	$3.37	$3.70
ATI CP Grade 4	$3.70	$3.37	$3.70



Mill Lead Times

Stainless cold rolled - 8-10 weeks
Nickel cold rolled - 15 weeks
Stainless plate - 8 weeks
Nickel plate - 10 weeks