

The UPM Market Informer

Monthly Market Intelligence for Customers of United Performance Metals

July 2015

United Performance Metals Launches UK Company The Strength of Three...Become the Power of One!

United Performance Metals, Vulcanium Metals International and Aerodyne Alloys have joined forces to become United Performance Metals – A single source for titanium and hi-temperature specialty alloys serving customers in the United Kingdom.

With its corporate location in the UK, United Performance Metals brings the combined expertise, inventory and processing capabilities of three companies together to create a single source for high performance metals to international customers.

The company maintains titanium, stainless steel, nickel alloys, cobalt alloys, titanium and cobalt chrome moly products in many forms including sheet, coil, strip, plate, bar, forged block and near net shapes. Processing capabilities at this facility include water jet, bar saw, plate saw and shear. United Performance Metals can be reached internationally at **+44 28 9181 7919**. A new website has also been established at www.upmet.uk.

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Takeaways from the Paris Airshow

June saw a flurry of activity in the aerospace industry due in large part to The Paris Air Show in Le Bourget, France. Participating companies showed off their latest technology and walked away with closing bulk orders justifying the show as an important trade event in the industry.

One highlight of the event was the ongoing rivalry between Boeing and Airbus. In the end, total orders placed for commercial jets between Boeing and Airbus stood at an impressive \$107 billion in orders and commitments.

At this year's show, Airbus emerged the winner in terms of total orders and commitments secured. Airbus' portion of the total \$107 billion orders stood at approximately 53%, amounting to approximately \$57 billion for 421 aircraft. Boeing's 47% proportion of total orders amounted to \$50.2 billion for 331 aircraft. Not to be overlooked was Boeing's strong-hold on wide-body jets which typically brings in higher margins than their narrow-body counterparts.



A big announcement came from General Electric during the Paris Air Show with news of a new AETD engine that could potentially fit an "F-35-like aircraft." GE claims the engine's combined compressor and turbine temperature operation has achieved the highest results in the "history of engine propulsion." GE and its joint ventures secured \$19 billion in orders, support and maintenance contracts during the show.

Lockheed Martin launched its Hybrid Airship at the Paris Air Show. The hybrid airship is designed to land on all kinds of surfaces, including water. It is designed to deliver heavy equipment and personnel to areas not well-connected by road. The 20-ton capacity aerial vehicle is estimated to operate at a tenth of the fuel used by helicopter per ton.

Other highlights of the Paris Air Show include Textron's debut of the Scorpion fighter jet. With its smaller silhouette and lower operating costs, Textron is anticipating interest that could convert into orders for the jet in the near future.

United Technologies aerospace program secured a few important supplier contracts at the Paris airshow that will help support its long-term production. One of the more important deals was signed between UTC and EDAC technologies. Valued at over \$1 billion, the deal will support production of Pratt & Whitney engines for a variety of jets.

On the delivery front, Pratt & Whitney secured contracts with lessors for delivery of engines for Airbus A320NEOs. These include a contract with SMBC Aviation Capriol to power 30 A320NEOs and one with China Aircraft Leasing Group Holdings Limited for 18 A320NEOs. *Source: Forbes.com*





Stainless Steel & Cobalt Alloy Surcharge Totals
April 2015—July 2015
High Temp Surcharge Totals
April 2015—September 2015

Grades	Apr	May	June	July	Aug	Sept
15-5	0.4311	0.4128	0.4252	0.4180	*	*
15-7	0.6235	0.5883	0.5961	0.5740	*	*
17-4	0.4198	0.4048	0.4158	0.4095	*	*
17-7	0.5613	0.5184	0.5411	0.5245	*	*
18SR	0.1935	0.1914	0.1882	0.1984	*	*
201	0.4228	0.3934	0.4050	0.3984	*	*
301 7.0%	0.5608	0.5188	0.5410	0.5247	*	*
302/304/304L	0.6134	0.5659	0.5911	0.5716	*	*
304-8.5%	0.6391	0.5887	0.6157	0.5944	*	*
305	0.8234	0.7530	0.7924	0.7583	*	*
309	0.8529	0.7820	0.8209	0.7865	*	*
310	1.2297	1.1188	1.1823	1.1223	*	*
316/316L	0.8202	0.7649	0.7848	0.7500	*	*
317L	0.9491	0.8895	0.9062	0.8633	*	*
321	0.6563	0.6030	0.6322	0.6091	*	*
347	0.9241	0.8708	0.9000	0.8768	*	*
409/409 Mod	0.1408	0.1395	0.1376	0.1478	*	*
410/410S	0.1472	0.1458	0.1438	0.1540	*	*
430	0.1851	0.1832	0.1803	0.1903	*	*
434	0.2304	0.2298	0.2221	0.2290	*	*
439	0.1934	0.1913	0.1883	0.1981	*	*
440A	0.1851	0.1832	0.1803	0.1903	*	*
2205	0.6900	0.6620	0.6574	0.6351	*	*
2507	0.7425	0.7106	0.7084	*	*	*
20	2.4885	2.2740	2.1786	2.0408	1.8573	1.9846
263	5.3868	5.0693	4.8541	4.4188	4.0922	4.5332
276	5.8284	5.4954	5.2299	5.0069	4.6452	4.8266
A286	1.6857	1.5362	1.4611	1.3558	1.2230	1.3137
330	2.2115	1.9944	1.9228	1.7719	1.5872	1.7218
400	4.1106	3.6245	3.5251	3.2886	2.9740	3.2645
600	4.4342	3.9830	3.8800	3.5704	3.1898	3.4728
601	3.7898	3.4191	3.3261	3.0717	2.7575	2.9883
625	5.9674	5.6161	5.4314	5.1938	4.8531	5.0576
718	5.6828	5.3735	5.2544	5.0428	4.7645	4.9517
X-750	4.9317	4.4929	4.3917	4.0906	3.7203	3.9954
800H/HT	2.0148	1.8255	1.7564	1.6245	1.4627	1.5791
825	2.8056	2.5663	2.4564	2.2973	2.0825	2.2243
HX	3.7827	3.5066	3.3298	3.1370	2.8589	3.0226
188	6.3100	6.0600	6.4400	*	*	*
L-605	6.9700	6.7400	7.1500	*	*	*

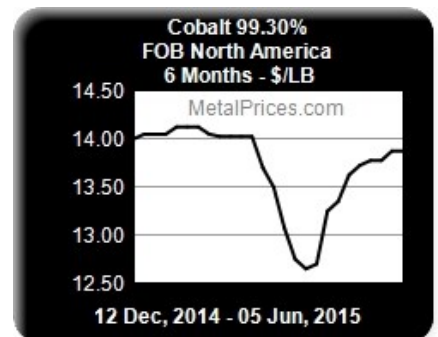
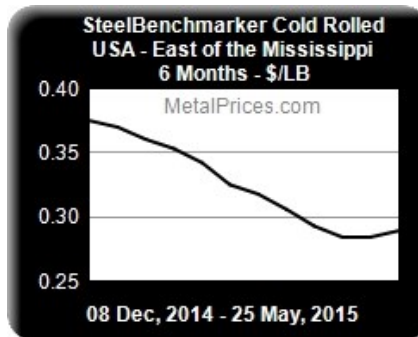
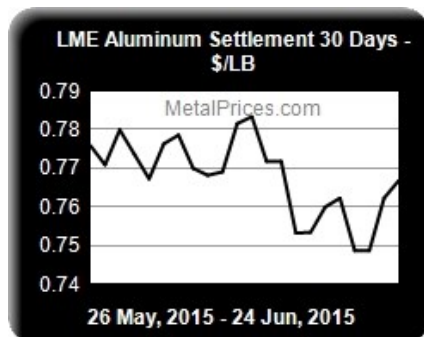
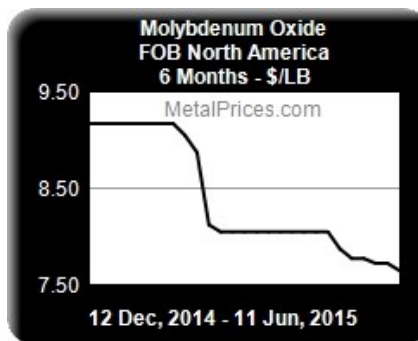
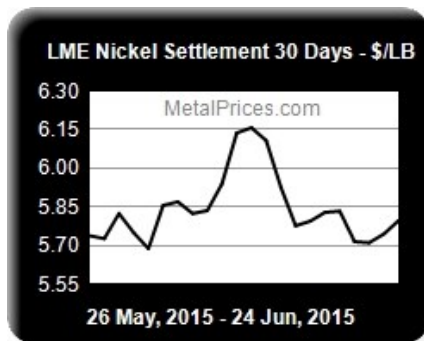
*Surcharge currently not available

Titanium Surcharge Update Source: ATI Specialty Metals

Titanium Alloy	Standard Surcharge Q2, 2015		
	Bar	Billet	Flat
ATI 6-2-4-2 Alloy	\$6.24	\$5.69	\$6.24
ATI 6-4 Alloy	\$5.15	\$4.69	\$5.15
ATI 6-4 ELI Alloy	\$5.15	\$4.69	\$5.15
ATI CP Grade 1	\$4.94	\$4.50	\$4.94
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 Weeks
Stainless Plate	8 Weeks
Nickel Cold Rolled	16 Weeks
Nickel Plate	14 Weeks



Rig Count Overview & Summary Count

Source: Baker Hughes

Area	Last Count	Count	Change From 2014
U.S.	June 19, 2015	857	-1001
Canada	June 19, 2015	136	-129
International	May, 2015	1158	-192

