

THE UPM MARKET INFORMER

Monthly Market Intelligence for Customers of United Performance Metals

March 2014

Stainless Steel Scrap Pricing

NEW YORK FEBRUARY 19 -- Stainless steel scrap prices rose marginally this week, with market participants citing climbing nickel prices as well as continued tightness and weather-related logistical challenges. Broker/processor buying prices for Type 316 solids edged up to \$2000 to \$2080 per gross ton from \$1970 to \$2060 last week, 304 solids increased to \$1545 to \$1590 per ton from \$1525 to \$1570 and 304 turnings rose to \$1390 to \$1410 per ton from \$1365 to \$1385.

Allegheny Ludlum Increases Base-Selling Prices

ATI FEBRUARY 10 -- Allegheny Ludlum Increases Base-Selling Prices by 5% to 6% for nickel-based alloys in the sheet and plate product forms, including, but not limited to, the following alloys: ATI 20™, ATI 22™, ATI 36™, ATI 59™, ATI 200™, ATI 201™, ATI 263™, ATI 276™, ATI 400™, ATI 600™, ATI 601™, ATI 625™, ATI 690™, ATI 718™, ATI X-750™, ATI 800™, ATI 825™, ATI HX™.

Backlogs Pushing AK's Lead Times Into Summer

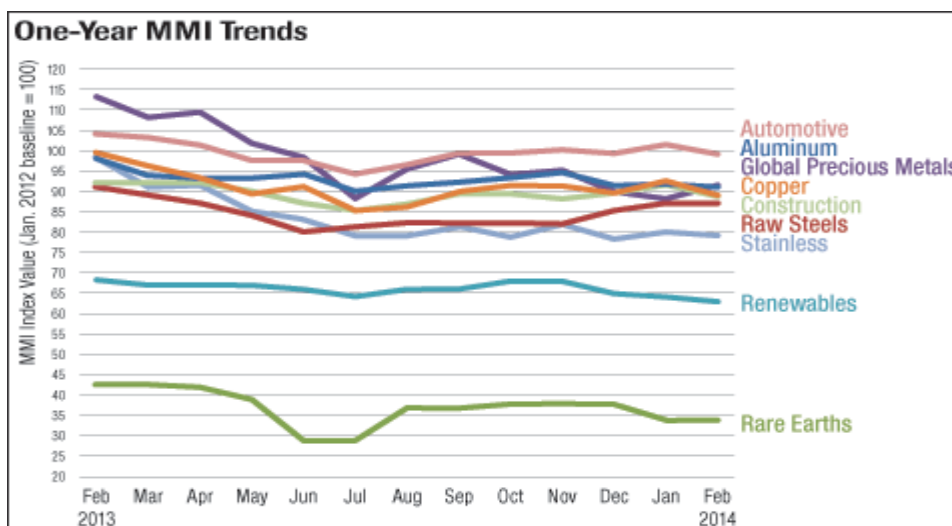
AMM.COM JANUARY 23 -- AK Steel Corp. is said to be effectively out of the spot market for certain steel sheet products, particularly cold-rolled coil, due to major backlogs that have pushed lead times for some products into the summer.

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March Madness Customer Contest

We appreciate our loyal customers! UPM invites you to participate in our 3rd annual March Madness contest. Think you can predict the winner of the NCAA Men's Basketball tournament? Be looking for our invitation to join our March Madness pool for 2014. Fill out your bracket and you will be eligible to win a new GoPro Hero 3 camera!.



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One Year MMI Trends

Deloitte Predictions for Aerospace and Defense Sectors in 2014

UNITED PRESS INTERNATIONAL -- A Global Manufacturing Industry report from Deloitte Touche Tohmatsu predicts growth in the commercial aerospace sector for 2014, but a drop in global revenues for defense companies in 2014. However, the report said countries in the Middle East and other regions will boost their defense spending in 2014.

Global Auto Sales Forecast Rosy, with Reservations, for 2014

REUTERS JANUARY 12-- Worldwide, auto sales in 2014 are seen rising 3.4 percent, according to research firm HIS, while LMC Automotive sees an increase of 5 percent. In the U.S. market, analysts expect sales to land somewhere between 16 million and 16.5 million, near pre-recessionary levels. While sales could rise as much as 5.8 percent, that would be down 7.6 percent growth from last year and about half the double-digit gains in the three prior years as the market rebounded from 2009's lows.

Steelmaker ArcelorMittal Sees Sales Up In 2014

AMSTERDAM (AP) -- ArcelorMittal SA, the world's largest steelmaker, says it expects shipments of steel and iron ore to rise in 2014 as recoveries in the US and Europe will matter more than slowing growth in emerging markets. While reporting fourth-quarter earnings, the company said it expects global steel consumption to grow 3.5 percent in 2014. It said a recovery in European manufacturing seen in the second half of 2013 should continue and consumption will rise 2 percent in 2014. It sees U.S. consumption up 4 percent in 2014.

Service Spotlight - Slit Coil for Tubing Applications

At United Performance Metals, our experienced team understands what tubers require for their applications. We know what makes a quality product, and we deliver! Slit coil for tubing applications must meet our customers' requirements for clean material with consistent shape and edge quality.

- Steel processing can be a dirty business. UPM takes extra steps in our slitting process to remove dirt or debris that can impede the welding process.
- Good tooling helps to minimize burr. Our shop maintains multiple sets of tooling for each slitter as well as a rigorous upkeep program.
- Reasonable run speeds help maintain consistency, but faster is not always better. The investments we've made in both our slitters and tooling allow the equipment to run with a high degree of precision with minimal tool marks on a strip.
- Don't forget the packaging! The right packaging helps keep the strip clean and safe and can save you time. We tailor our packaging to fit your specific need.

United Performance Metals has 5 slitters capable of handling a variety of widths and thicknesses and comprehensive edging capabilities that can be customized to minimize camber for the tightest tolerance requirements. We have the metal you need, experience you can trust, and the solutions you want!



Economic Trends

WASHINGTON (AP) -- The U.S. economy is showing more strength than at any time since the Great Recession began six years ago. Employers are hiring. Home prices, sales and construction have surged. Corporate profits and stocks have hit records. And consumers have picked up their spending. By the middle of this year, after years of steady but sluggish improvement, the United States is expected to have finally regained all the 8.7 million jobs lost during the recession, which officially ended 4½ years ago. Many economic forecasters say the economy should grow 3 percent or more this year. That would be its best performance since 2005.

Monthly Surcharge Update

Thank you for choosing to receive United Performance Metals monthly surcharge update and market trends. We hope you look forward to our next edition. Want to see more? Send your news requests to kriswhite@upmet.com.



Stainless Steel & Cobalt Alloy Surcharge Totals
November 2013 – March 2014
High Temp Surcharge Totals
November 2013 – May 2014

Grades	Nov 11/1/13- 11/30/13	Dec 12/1/13- 12/31/13	Jan 1/1/14 - 1/31/14	Feb 2/1/14 - 2/28/14	Mar 3/1/14 - 3/31/14	Apr 4/1/14 - 4/30/14	May 5/1/14 - 5/31/14
15-5	0.4984	0.5025	0.4955	0.5128	0.5123	*	*
15-7	0.6879	0.7172	0.7024	0.7244	0.7344	*	*
17-4	0.4893	0.4928	0.4868	0.5040	0.5033	*	*
17-7	0.5906	0.6126	0.5978	0.6181	0.6261	*	*
18SR	0.2333	0.2433	0.2498	0.2544	0.2541	*	*
201	0.4519	0.4684	0.4600	0.4758	0.4831	*	*
301 7.0%	0.5916	0.6128	0.6032	0.6189	0.6274	*	*
302/304/304L	0.6391	0.6626	0.6461	0.6677	0.6776	*	*
304-8.5%	0.6641	0.6883	0.6707	0.6931	0.7036	*	*
305	0.8420	0.8720	0.8468	0.8741	0.8895	*	*
309	0.8651	0.8954	0.8705	0.8981	0.9164	*	*
310	1.2275	1.2695	1.2291	1.2671	1.2958	*	*
316/316L	0.8757	0.9110	0.8886	0.9156	0.9318	*	*
317L	1.0138	1.0553	1.0300	1.0603	1.0820	*	*
321	0.6821	0.7071	0.6883	0.7111	0.7214	*	*
330	1.7746	1.8800	1.7851	1.8448	1.7870	1.8266	1.8655
347	1.0039	0.9745	0.9557	0.9785	0.9889	*	*
400	3.4238	3.6658	3.4901	3.5939	3.4585	3.5430	3.6136
409/409 Mod	0.1919	0.2015	0.2023	0.2116	0.2054	*	*
410/410S	0.1972	0.2068	0.2077	0.2171	0.2115	*	*
430	0.2269	0.2369	0.2381	0.2479	0.2462	*	*
434	0.2832	0.2964	0.2971	0.3080	0.3082	*	*
439	0.2331	0.2431	0.2444	0.2542	0.2533	*	*
440A	0.2269	0.2369	0.2381	0.2479	0.2462	*	*
600	3.5410	3.7647	3.5686	3.6869	3.5560	3.6308	3.7019
601	3.0405	3.2222	3.0618	3.1619	3.0568	3.1199	3.1826
X750	4.1114	4.3287	4.1380	4.2031	4.0761	4.1491	1.2186
800H/HT	2.2200	2.1500	2.1700	2.2000	*	*	*
825	2.3412	2.4526	2.3504	2.4213	2.3657	2.4057	2.4604
2205	0.7552	0.7873	0.7752	0.7976	0.8160	*	*
Alloy 20	2.1186	2.2192	2.1295	2.1587	2.1083	2.1462	2.1931
Alloy 276	5.1912	5.3333	5.1919	5.3137	5.2624	5.3036	5.4269
Alloy 286	1.3924	1.4632	1.3967	1.4402	1.4059	1.4342	1.4660
Alloy 625	5.5056	5.6655	5.5132	5.3979	5.3209	5.3725	5.4625
Alloy 718	5.4262	5.5731	5.4387	5.1700	5.0920	5.1423	5.2065
Alloy HX	3.2424	3.3578	3.2408	3.3331	3.2723	3.3091	3.3920
Alloy 188	7.5800	7.0800	6.9000	7.3400	*	*	*
Alloy L-605	8.3100	7.7200	7.5000	8.0500	*	*	*
Alloy 263	5.0700	4.7800	4.7500	5.0600	*	*	*
2507	0.8040	0.8377	0.8240	0.8477	*	*	*

Stainless Steel, Cobalt and High Temp Surcharges

Blackhawks Superfan Gets the Ultimate Fan Experience

Vulcanium representative Liliana Vlk is a die-hard Chicago Blackhawks fan. She's been following the team for years, and became a Chicago Blackhawks Fan Ambassador last spring.

As a Fan Ambassador, she is active on Twitter for every Blackhawks game. During a recent match between Chicago and the Colorado Avalanche at the United Center, Lili came upon a Tweet that said, "Click here to leave a message for your favorite Olympian." Her favorite Blackhawks player was none other than Patrick Sharp, who was selected to represent Canada in the 2014 Winter Olympics in Sochi. With one click of her mouse, Lili paved the way for a once in a lifetime meeting with Patrick Sharp himself.

Lili created an exuberant Twitter message wishing Sharp well in Sochi. Her enthusiasm was more than well received, quickly resulting in yet another invitation to visit the United Center and record a video message for Sharp as he prepared to depart for the Olympic Village.

Excited and honored, Lili graciously recorded the video message, so happy to be met with this unique opportunity. Once the taping was complete, Lili was met with the surprise of her life – an incredible thank you from her idol; an unexpected face-to-face with Patrick Sharp who had been secretly waiting backstage.

Sharp surprised his biggest fan with a grateful hug and of course, a great photo op! It was the ultimate fan experience for Lili Vlk; one she won't soon forget.



Check out this footage from Lili's meeting with Patrick Sharp:
<http://video.blackhawks.nhl.com/videocenter/console?catid=894>

If you're a fan of the Chicago Blackhawks, be sure to follow Lili's tweets @lilivlk. She is currently #14 on the Chicago Blackhawks Fan Ambassador list. Support Lili with Re-tweets and comments, and you could help her win prizes, like signed pictures, signed Blackhawks' sweaters, and more. The grand prize is tickets to

the 7th Annual Chicago Blackhawks Convention in July.

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