

The UPM Market Informer

Monthly Market Intelligence for Customers of United Performance Metals

March 2015

US Manufacturing Production Will Grow 4.0% in 2015 Led By Housing Starts at 29%, Aerospace Parts at 10%

High-tech industrial production, which accounts for just 5% of total production, will grow significantly faster than the rest of manufacturing, according to predictions from *Manufacturer's Alliance for Productivity and Innovation (MAPI)*. While non-high-tech production will grow 3.8% in 2015 and 3.2% in 2016, production for computers and electronic products will rise 8.5% in 2015 and 10.4% in 2016. *Source Industry Week*



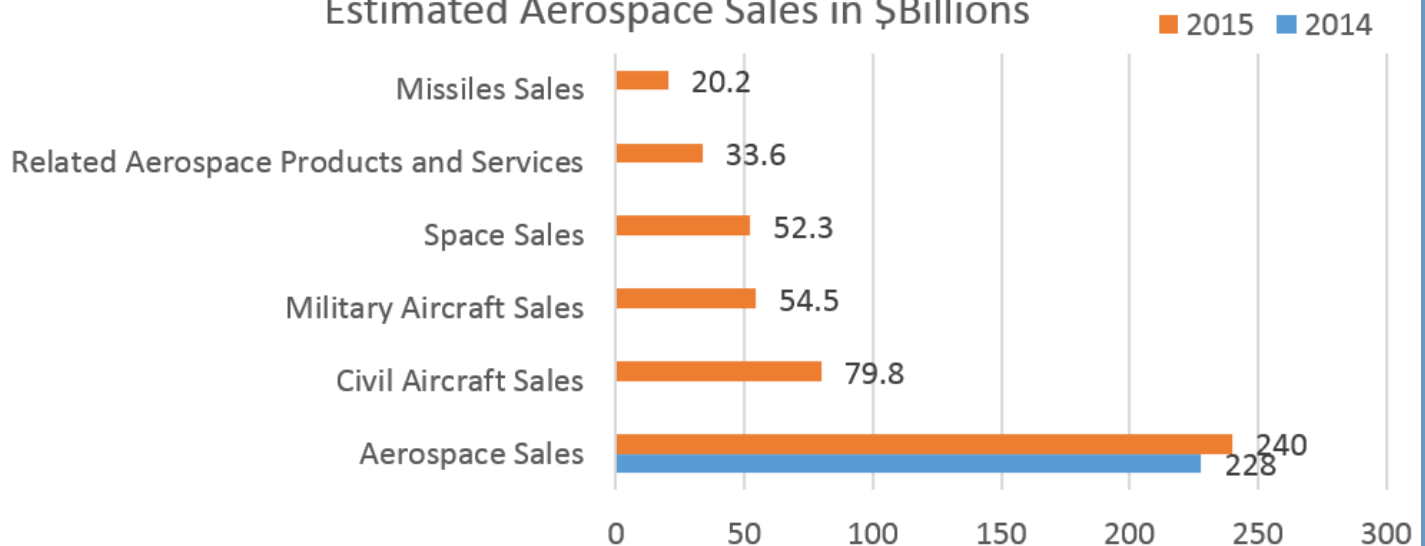
In This Issue

- Industry Growth Trends for 2015
- Product Feature Custom 455 & 465®
- March Surcharge Update
- Introducing Global Nest Laser Program

US Aerospace Sales Outlook Promising in 2015

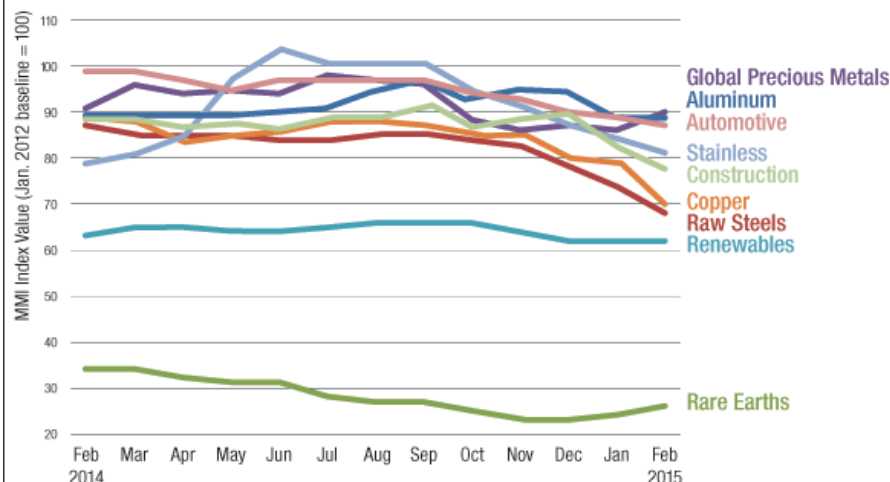
The US Aerospace Industries Association (AIA) estimates that the country's aerospace industry sales will grow by 5.3% reaching \$240 billion in 2015. Civil aircraft sales will continue to contribute the greatest share, as AIA forecasts sales will top \$79.8 billion in 2015. Military aircraft sales will contribute \$54.5 billion and space sales \$52.3 billion. Related aerospace products and services are expected to net about \$33.6 billion and missiles \$20.2 billion. *Source Flight Global*

Estimated Aerospace Sales in \$Billions



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One-Year MMI Trends



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Upcoming Tradeshow

- 3/2 SpeedNews Aerospace Raw Materials & Manufacturers Supply Chain
- 3/3 Subsea Tieback Exhibition
- 3/10 AMM Steel Tube & Pipe Conference
- 3/14 Power-Gen India & Central Asia
- 3/15 NACE Corrosion 2015
- 3/25 Design 2 Part

United Performance Metals Introduces Global Nest, A Multi-Customer Nesting Program for Laser Cut Parts

The Global Nest Program maximizes material usage for laser cut parts by matching up multiple parts and orders to achieve the greatest yield with the least amount of scrap. The result will lower job costs and move customers closer to Just In Time production.

"Nesting laser orders is nothing new. Nesting orders from multiple laser customers through the Global Nest program is *smart*. We can match up your metal requirements with others and drive down part costs by utilizing multiple parts and orders on a sheet at one time," commented Ryan Getz, Laser Cell Business Leader for United Performance Metals. "The outcome will save our customers both time and money."

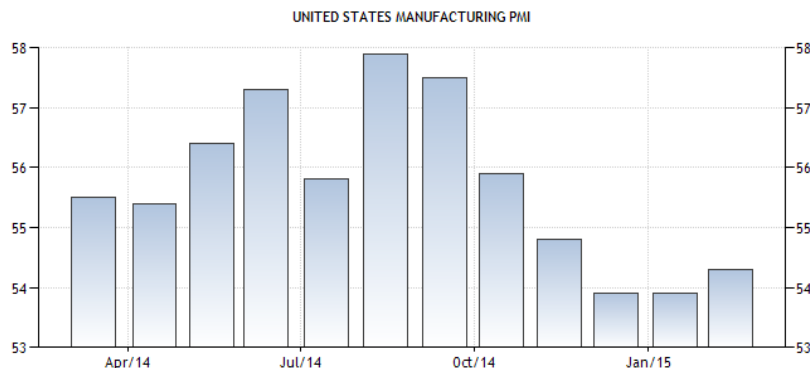
Find out how you can be a part of the Global Nest program by contacting a United performance Metals representative today at 888.282.3292. A video has been created that cleverly describes the Global Nest program. View the video on the company web-site www.upmet.com/videos or on the company YouTube channel at www.youtube.com/user/upmetals.



US Manufacturing PMI

Manufacturing PMI in the United States increased to 54.3 in February of 2015. Manufacturing PMI in the United States averaged 54.17 from 2012 until 2015, reaching an all time high of 57.90 in August of 2014 and a record low of 51 in November of 2012.

Source Markit Economics.



SOURCE: WWW.TRADINGECONOMICS.COM | MARKIT ECONOMICS



Stainless Steel & Cobalt Alloy Surcharge Totals
December 2014—March 2015
High Temp Surcharge Totals
December 2014—May 2015

Grades	Dec	Jan	Feb	Mar	Apr	May
15-5	0.5183	0.5320	0.5028	0.4495	*	
15-7	0.7521	0.7738	0.7309	0.6700	*	
17-4	0.5059	0.5164	0.4898	0.4358	*	
17-7	0.6637	0.6989	0.6477	0.5970	*	
18SR	0.2451	0.0833	0.2445	0.2013	*	
201	0.5024	0.5233	0.4928	0.4480	*	
301 7.0%	0.6632	0.7377	0.6462	0.5945	*	
302/304/304L	0.7216	0.7607	0.7038	0.6523	*	
304-8.5%	0.7507	0.7923	0.7319	0.6799	*	
305	0.9596	1.0185	0.9334	0.8773	*	
309	0.9893	1.0481	0.9630	0.9071	*	
310	1.4156	1.5089	1.3741	1.3107	*	
316/316L	0.9738	1.0127	0.9449	0.8803	*	
317L	1.1254	1.1641	1.0909	1.0199	*	
321	0.7712	0.8152	0.7514	0.6987	*	
347	1.0388	1.0828	1.0190	0.9664	*	
409/409 Mod	0.1919	0.1918	0.1916	0.1485	*	
410/410S	0.1986	0.1984	0.1982	0.1551	*	
430	0.2368	0.2365	0.2363	0.1935	*	
434	0.2939	0.2898	0.2908	0.2441	*	
439	0.2448	0.2445	0.2443	0.2018	*	
440A	0.2368	0.2365	0.2363	0.1935	*	
2205	0.8254	0.8358	0.8033	0.7396	*	
2507	0.8838	0.8978	0.8599	*	*	
20	3.0855	2.9699	2.4911	2.4627	2.4885	2.2740
263	6.6404	6.4026	5.4841	5.3508	5.3868	5.0693
276	7.3927	7.0490	5.9081	5.8131	5.8284	5.4954
A286	2.0983	2.0213	1.6852	1.6621	1.6857	1.5362
330	2.7233	2.6309	2.1918	2.1727	2.2115	1.9944
400	5.1104	4.9206	4.1084	4.0801	4.1106	3.6245
600	5.4787	5.2848	4.3779	4.3518	4.4342	3.9830
601	4.6488	4.4904	3.7453	3.7231	3.7898	3.4191
625	7.2024	6.9453	5.9882	5.9282	5.9674	5.6161
718	6.5603	6.3880	5.6714	5.6361	5.6828	5.3735
X-750	5.9474	5.7590	4.8771	4.8517	4.9317	4.4929
800H/HT	2.4627	2.3826	1.9994	1.9814	2.0148	1.8255
825	3.5173	3.3765	2.8085	2.7751	2.8056	2.5663
HX	4.8538	4.6281	3.8182	3.7574	3.7827	3.5066
188	7.5000	7.6000	7.3200	*	*	
L-605	8.1400	8.2700	8.0600	*	*	

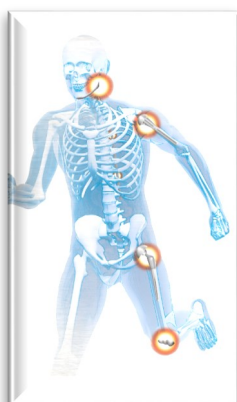
*Surcharge currently not available

Rig Count Overview & Summary Count Source: Baker Hughes

Area	Last Count	Count	Change from Last Year
U.S.	February 20, 2015	1310	-48
Canada	February 20, 2015	360	-22
International	February 2015	1258	-55

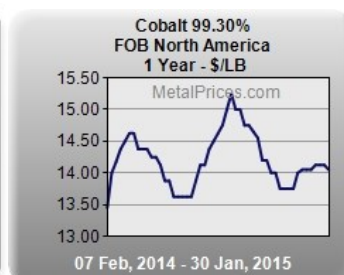
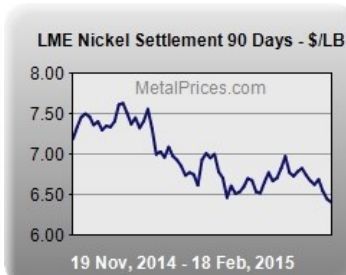
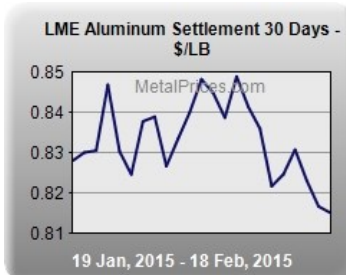
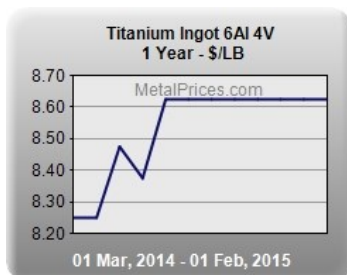


Product Feature: Custom 455 and 465® Available through Vulcanium



Vulcanium Metals International, a specialty division of United Performance Metals, stocks medical grade Custom 455 and 465® Stainless Steel Round Bar. Applications of Custom 455 and Custom 465® include surgical instruments for orthopedic, spinal, and dental markets such as drill bits, drivers, distractors and shafts. Incoming material is screw machine quality Custom 455 with tolerances of $\pm .0005"$. In stock tolerances are standard from $\pm .001"$ to $\pm .025"$. Incoming material is screw machine quality Custom 465® with tolerances of $\pm .0005"$. In stock tolerances are standard from $\pm .0015"$ to $\pm .0025"$.

In addition to medical grade stainless steel, Vulcanium carries a full line of titanium mill products for aerospace, defense, medical device and industrial applications. Vulcanium offers same or next day shipment from stock; mill quantities to blanket orders and FIRSTCUT® processing/prefabrication services. For more information, contact Vulcanium at [888-326-7556](tel:888-326-7556) or visit their website at www.vulcanium.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