

# GREAT AMERICAN GROUP ADVISORY & VALUATION SERVICES

**Metals Monitor  
December 2011**

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## Introduction

Welcome to the December 2011 issue of the *Metals Monitor* from Great American Group Advisory & Valuation Services (“GA”). This publication will provide you with market value trends in both ferrous and non-ferrous metals. The enclosed information is based on qualified metals industry publications and key industry contacts.

The commodity nature of steel scrap, aluminum ingot, copper cathode, and nickel warrants the timely reporting of market value changes. The timing of our mid-month *Metals Monitor* will capture the month-end prices that act as the basis for pricing value-added metal mill products.

The *Metals Monitor* includes a sampling covering most metals projects. GA internally tracks additional specialty and tool steels, all raw materials for steel, specialty steel, and primary aluminum production and manufacturing, but we are mindful to adhere to your request for a simple reference document. Should you need any further information or wish to discuss recovery ranges for a particular segment, please feel free to contact your GA Business Development Officer.

GA’s metals expertise is not confined to use on pure metals projects, but is always utilized in assuring the accuracy and insight for all manufacturing projects where metals are the primary or significant raw materials, regardless of the sector of the finished products. This assures that all appraisals from GA reflect the full scope of our experience and insight.

## Trends in Recovery Values

Trend Tracker
NOLVs: <b>Decreasing</b>
Sales Trends: <b>Increasing</b>
Gross Margin: <b>Decreasing</b>
Inventory: <b>Mixed</b>
Recent Pricing: <b>Mixed</b>

Net orderly liquidation value (“NOLV”) changes for specific categories and companies varied based on market price and other factors. GA has presented observations regarding some of the recent trends in NOLVs, but recognizes these should not be generalized to all companies.

For appraisals conducted in the last three months, NOLVs were generally down versus the prior year and have also decreased since earlier in 2011, when NOLVs were up due to rising market prices. The collateral appraisal conducted in November 2011 demonstrated an NOLV decrease of two to six percentage points versus the prior year due to the higher cost of inventory stocked earlier in 2011 and the subsequent decline in market pricing.

Despite recent declines, pricing and demand remain above comparative 2010 levels, resulting in higher year-over-year sales trends for recently appraised companies. Gross margins were generally down, as some companies passed market price declines on to customers for higher-cost inventory. Inventory levels were mixed, as some companies are wary of stocking inventory in case of further market price declines, while others are building up goods in anticipation of price increases for certain metals.

In December, declining steel prices began to stabilize as steelmakers attempted to implement price hikes. After a series of declines in recent months, certain base metal prices – including copper – bounced back. However, base metal prices remain volatile, as prices may fluctuate in line with supply issues and shifts in investor confidence due to global economic news.



# ABOUT GREAT AMERICAN GROUP

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GA is a leading provider of asset disposition solutions and valuation and appraisal services to a wide range of retail, wholesale, and industrial clients, as well as lenders, capital providers, private equity investors, and professional services firms. In addition to the *Metals Monitor*, GA also provides clients with industry expertise in the form of monitors for the food, automotive, building materials, textiles, and chemicals and plastics industries, among many others.

## Headquarters:

21860 Burbank Blvd.  
Suite 300 South  
Woodland Hills, CA 91367  
800-45-GREAT  
[www.greatamerican.com](http://www.greatamerican.com)

Atlanta  
Boston  
Charlotte  
Chicago  
Dallas  
London  
Los Angeles  
New York  
San Francisco

## EXPERIENCE

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GA has worked with and appraised a number of companies within the metals industry, including industry leaders in steel and aluminum production and processing. GA's extensive record of metals inventory valuations also feature appraisals for companies throughout the entire metal supply chain, including foreign and domestic metal- and steel-producing mills; metal converters that produce tubing and pipe, as well as expanded, grating, and perforated metal types; metal service centers/processors as well as distributors; structural and custom fabricators and stampers; manufacturers that utilize metals as raw materials; and scrap yards, recyclers, dealers, and brokers.

In **November 2011**, GA performed the following initial and collateral update appraisals:

- An initial appraisal of a distributor of oil country tubular goods ("OCTG") to oil drilling and exploration companies, with annual revenues over \$500 million; and
- A collateral appraisal of an importer and master distributor of industrial stainless steel products, with annual revenues over \$1 billion.

Our clients also include the following major businesses:

- Globally recognized vertically integrated steel tube manufacturers;
- A vertically integrated seamless and welded steel pipe producer with more than \$1 billion in sales annually and over \$275 million in inventory;
- A vertically integrated aluminum producer including both the upstream and downstream sides of the industry, with over \$1 billion in sales annually and over \$130 million in inventory;
- One of the U.S.'s largest scrap recycling processors, with \$550 million in sales in 2010; and
- Well-known service centers across the nation, including a multi-division full line steel service center consisting of over 50 locations across the U.S., with \$2.6 billion in annual sales and over \$500 million in inventory.

GA additionally maintains appraisal experience involving precious metals and specialty metals, allowing GA to provide experience-based valuations across the entire metals industry. The metal products that GA has appraised have maintained applications throughout a wide variety of industries including the automotive, construction, aerospace, industrial machinery and equipment, and appliance and electrical equipment markets.

Moreover, GA has liquidated a number of companies with metal products including Advanced Composites, Aluminum Skylight & Specialty Corporation, Anello Corporation, Apex Pattern, Balox Fabricators, BJS Industries, Buckner Foundry, Crown City Plating, GE Roto Flow, Laird Technology, Maddox Metal Works, Miller Pacific Steel, R.D. Black Sheet Metal, Valley Brass Foundry, and Southline Steel. In addition to our vast appraisal and liquidation experience, GA maintains a staff of experienced metals experts with personal contacts within the metals industry that we utilize for insight and perspective on recovery values.

# APPRAISAL & VALUATION TEAM

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## BUSINESS DEVELOPMENT

### Mike Marchlik

National Sales & Marketing Director  
mmarchlik@greatamerican.com  
818-746-9306

### Drew Jakubek

Vice President - Southwest Region  
djakubek@greatamerican.com  
972-265-7981

### Ryan Mulcunry

Senior Vice President - Northeast Region, Canada & Europe  
rmulcunry@greatamerican.com  
617-692-8310

### David Seiden

Executive Vice President - Southeast Region  
dseiden@greatamerican.com  
770-551-8114

### Bill Soncini

Vice President - Midwest Region  
bsoncini@greatamerican.com  
312-777-7945

## OPERATIONS

### Ken Bloore

Chief Operating Officer  
kbloore@greatamerican.com  
818-884-3737

### Michael Petruski

Executive Vice President, General Manager  
mpetruski@greatamerican.com  
704-944-3259

### Dan Tracy

Senior Appraiser - Metals and Manufacturing  
dtracy@greatamerican.com  
412-953-6357

### Greg Trilevsky

Senior Appraiser - Metals and Manufacturing  
gtrilevsky@greatamerican.com  
909-559-8135

### Alex Tereszczuk

Senior Appraiser - Metals and Manufacturing  
atereszczuk@greatamerican.com  
336-854-7859

### John Little

Senior Appraiser - Scrap and Recycling  
jlittle@greatamerican.com  
864-630-4799

### Ryan Lutz

Project Manager - Metals Specialist  
rlutz@greatamerican.com  
781-429-4052

## OVERVIEW

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The global steel industry is concentrated, with a few producers comprising the bulk of sales. Steel usage and sales have improved, with apparent U.S. steel use forecast to rebound by 11.6% in 2011 and 5.2% in 2012 to reach 93.8 million metric tons. The major players in the steel industry have reported healthy sales in the third quarter of 2011 versus the previous year, including increases of 22.6% for ArcelorMittal, 13% for United States Steel Corporation, and 27% for Nucor Corporation (“Nucor”). However, the increases were partially due to the higher average price per ton of steel versus 2010.

The World Steel Association reported world crude steel production totaled 124 million metric tons in September 2011, increasing 9.7% compared to September 2010. ArcelorMittal generated approximately 6% of global steel output with 90.6 million metric tons of crude steel in 2010, and produced 70.2 million metric tons in the first nine months of 2011.

While forecasts predict improvement in steel demand in 2012, they assume continued demand from developing economies and a stabilization of the equity and financial markets from the policy response to the European sovereign debt crisis.

# OVERVIEW

## AUTOMOTIVE

The automotive industry is a significant consumer of steel. In November, the automotive industry registered its best sales in more than two years, with an annualized sales rate of 13.4 million, according to Reuter’s poll of economists. The positive sales were aided by higher incentives and an improved model selection.



General Motors Company, Ford Motor Company (“Ford”), and Chrysler Group LLC (“Chrysler”) posted year-over-year sales increases of 7%, 20%, and 45%, respectively, with Ford experiencing its largest gain in nine months and Chrysler demonstrating its highest increase this year.

## MANUFACTURING

The Institute for Supply Management’s (“ISM”) purchasing managers index (“PMI”), an indicator of manufacturing, increased 1.9 points from the October reading of 50.8 to a reading of 52.7 in November. Readings greater than 50 signify growth in the manufacturing economy, while readings below 50 denote contraction. Thus, the PMI reflected economic growth for the 30<sup>th</sup> consecutive month. However, growth remains slow compared to the first half of the year. February’s reading of 61.4 had marked the highest level since the early 1980s.

The following table reveals the monthly PMI trend:

Month	PMI
November 2011	52.7
October 2011	50.8
September 2011	51.6
August 2011	50.6
July 2011	50.9
June 2011	55.3
May 2011	53.5
April 2011	60.4
March 2011	61.2
February 2011	61.4
January 2011	60.8
December 2010	58.5
November 2010	58.2

## ENERGY

The energy market is a large consumer of metals used for pipelines and oil rigs. The Baker Hughes Rig Counts (“Baker Hughes”) represents an important business barometer for the drilling industry and its suppliers. The active rig count serves as a leading indicator of demand for metal products used in drilling, completing, producing, and processing hydrocarbons.

Growth in the U.S. energy sector decreased on a week-over-week basis but increased on a year-over-year basis. Canadian and international rig counts both increased from the prior year, but the Canadian rig count remained unchanged from the previous week, while the international count rose.

Per Baker Hughes data from December 2, 2011, the U.S. rig count totaled 1,993 rigs actively exploring for or developing either oil or natural gas, increasing by 280 rigs compared to the November 24, 2010 count and down seven rigs from the prior week. The U.S. rig count peaked at 4,530 rigs in 1981, with a bottom of 488 rigs in 1999.

	United States	Canada	International
Date of Recent Rig Count	December 2, 2011	December 2, 2011	October 2011
Count	1,993	484	1,197
Date of Prior Rig Count	November 23, 2011	November 23, 2011	September 2011
Change From Prior Count	(7)	0	23
Date of Last Year’s Rig Count	November 24, 2010	November 24, 2010	September 2010
Change From Last Year’s Count	280	35	98

## RECENT APPRAISAL TRENDS

Market prices remain volatile, as steelmakers are implementing price hikes to help fight the recent string of price declines in the market, and base metal prices are fluctuating due to supply issues and shifts in investor confidence.

Appraisals valuing metals inventory are generally dependent on market prices, which are often driven by demand from metal-consuming industries such as the automotive, construction, oil drilling, and industrial sectors. The automotive sector reported positive sales growth in November, the domestic energy sector expanded year-over-year in early December, and the rate of growth in manufacturing activity increased in November.

GA has worked with vertically integrated steel tubular manufacturers, aluminum producers and downstream manufacturers, a number of steel service centers and processors, and various other metals companies.

In November 2011, GA performed a collateral appraisal of an importer and master distributor of industrial stainless steel products with annual revenues over \$1 billion. The company demonstrated a year-over-year 12-month sales increase between 25% and 45%, but experienced a decrease in gross margin versus the prior appraisal.

GA also conducted an initial appraisal of a distributor of OCTG products such as electric-resistance-welded and seamless pipe and casing, as well as related goods.

The positive sales trend was driven by higher pricing and improved demand versus 2010. The lower gross margin was affected by high inventory costs and recent pricing declines.

The November collateral appraisal demonstrated an NOLV decrease between two and six percentage points versus the previous year. As market pricing for stainless steel generally increased toward the end of 2010 through early 2011, the company stocked these goods at the higher cost in anticipation of further market price increases. However, the market price decreases in 2011 have increased the spread between the company's inventory costs and market/selling prices, thus negatively impacting NOLVs.

As with all commodity-based deals, the gross recovery rates are based on discounts from market pricing. Specialized grades, sizes, and forms of metals with limited distribution channels typically require increased discounts off market price, or may be sold at scrap market value.

GA recognizes recovery values for each company are unique based on costing, gross margin trends, inventory mix and levels, and other factors. In addition, as market prices are volatile, a change in metals market price trends would have an impact on recovery values. GA therefore provides the *Metals Monitor* on a monthly basis in order to capture recent market trends and analyze their impact on NOLVs.

## MONITORING POINTS

Monitoring Point	Impact
Monitor scrap supply and pricing.	The level of scrap supply versus demand is the primary cause for price increases. As scrap supply becomes available, scrap prices will pull back, resulting in lower costs of input for steel and aluminum producers, possibly resulting in downward pricing pressure for finished goods.
Monitor LME aluminum and copper warehouse stocks.	LME aluminum and copper warehouse stock levels provide a global look at aluminum and copper availability. An increase in these stocks with relatively stable demand could result in downward pricing pressure, while a depletion in these stocks could result in higher pricing.
Monitor automotive, energy, and commercial/industrial building markets.	As these markets are large consumers of metal products, the health of these industries is vital for the metals industry in the U.S. An increase in demand for products in these markets entail greater demand for metals.

# CARBON STEEL

## SCRAP

After dropping in November, ferrous scrap prices have begun to stabilize or increase in December. According to The Steel Index (“TSI”), a business unit of Platts, shredded scrap prices increased \$13 per gross ton in the first week of December to \$428 per gross ton, delivered Midwest mill.

In addition, *Steel Business Briefing* (“SBB”) indicated industry sources expect U.S. shredded scrap prices to be up at least \$20 per gross ton in December, although it is not clear if the reversal of the recent downward trend is due to higher domestic or export demand, seasonal factors, or other reasons.

## UTILIZATION RATES

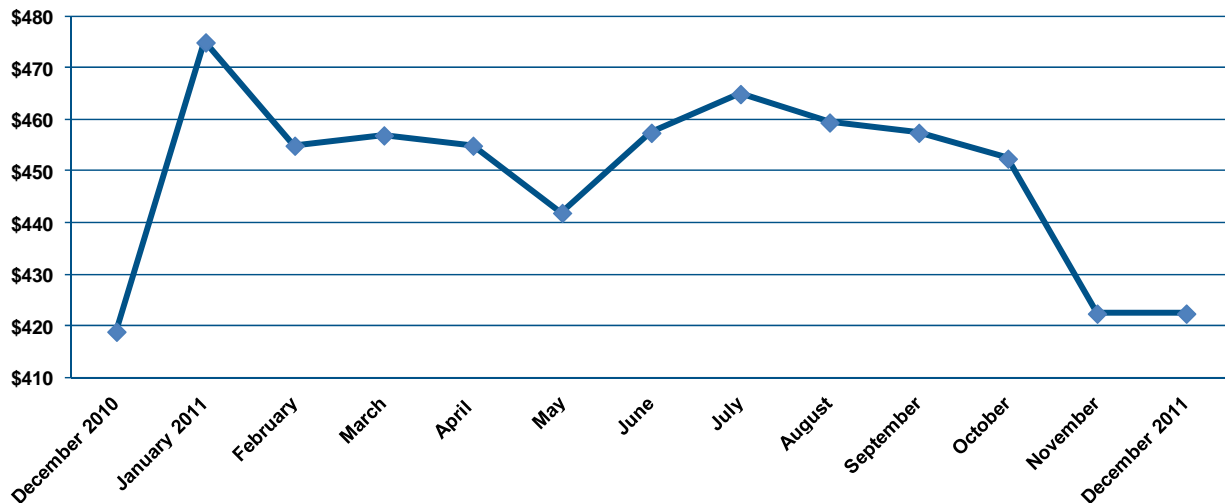
For the week ended November 26, 2011, domestic raw steel production totaled 1,815,000 net tons, according to the American Iron and Steel Institute (“AISI”). The week’s production decreased 3.1% from 1,873,000 net tons the previous week ended November 19, 2011, but climbed 9.9% from 1,651,000 net tons for the week ended November 26, 2010.

The AISI also reported capability utilization reached 73.3%, decreasing from 75.6% the prior week but rising from 68.3% the previous year. Adjusted year-to-date steel production totaled 86,185,000 net tons, increasing 7.3% from the previous year, while the year-to-date capability utilization rate increased to 74.6% versus 70.5% the prior year.

The following chart lists the comparative raw steel production for various time periods in 2011 versus 2010 (net tons in millions):

Week Ended	Production	Change vs. Prior Year
January 1, 2011	1.68	11.3%
January 29, 2011	1.78	14.8%
February 26, 2011	1.84	7.0%
April 2, 2011	1.81	2.0%
May 7, 2011	1.80	(0.4%)
May 28, 2011	1.80	(0.4%)
July 2, 2011	1.85	2.0%
July 30, 2011	1.86	10.3%
August 20, 2011	1.89	14.6%
August 27, 2011	1.86	13.0%
September 17, 2011	1.88	10.9%
October 1, 2011	1.70	4.8%
October 29, 2011	1.63	10.3%
November 26, 2011	1.65	9.9%
Year-to-Date through November 26, 2011	86.19	7.3%

**Shredded Carbon Steel Scrap  
North American Domestic Delivered Mill  
Monthly Average Price Per Gross Ton  
December 2010 Through December 2011**



# CARBON STEEL

## CARBON FLAT ROLLED SHEET COIL

After declining for the better part of the year, flat rolled steel prices began to rise in December as steelmakers implemented price hikes in an effort to protect their margins. In the first week of December, Severstal North America (“Severstal”) raised its prices on sheet products by a minimum of \$30 per net ton following a similar increase weeks earlier.

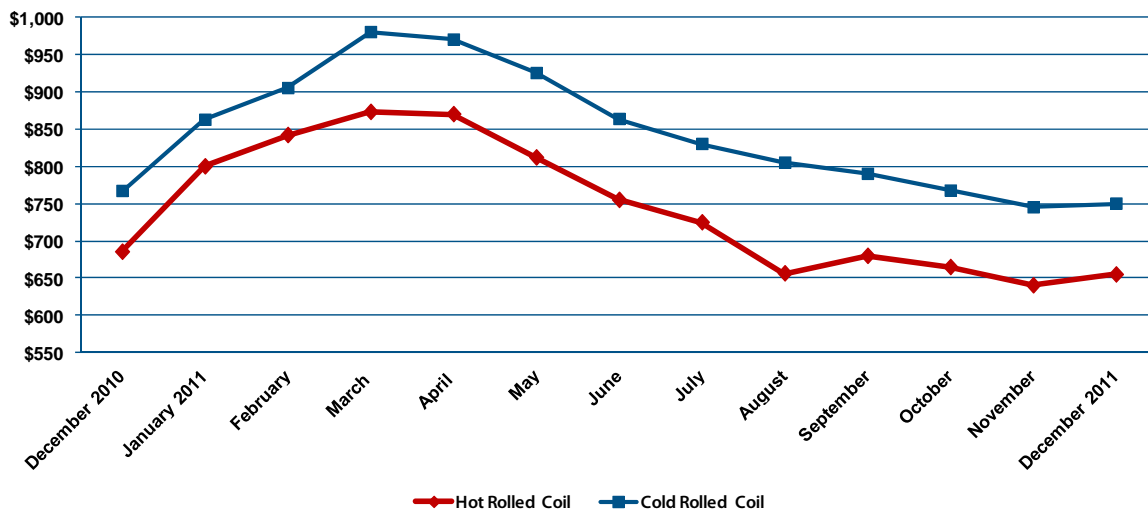
Severstal’s list prices for hot rolled coil (“HRC”) are now a minimum of \$700 per net ton, while its list prices for cold rolled coil (“CRC”) and hot-dipped galvanized (“HDG”) substrate are at \$810 per net ton, effective with all new non-contract orders to ship on or after December 26, 2011. In addition, The NLMK USA Group raised its spot prices to \$700 per net ton for HRC and \$810 per net ton for CRC and HDG substrate.

TSI reported FOB sheet prices for HRC, CRC, and HDG have risen \$14, \$9, and \$17, respectively, to \$650, \$759, and \$802 per net ton, respectively, in the first week of December versus the prior week.

In addition to increased prices, the flat rolled steel market is experiencing higher year-end order activity, which has extended U.S. sheet mill lead times. TSI indicated that for the period of November 21 through 27, HRC, CRC, and HDG lead times increased to 4.4 weeks, 7.3 weeks, and 6.3 weeks, respectively, versus two weeks before when lead times were 3.8 weeks, 5.8 weeks, and 5.5 weeks, respectively. According to an industry source, lead times have been pushed out due to an increase in orders as buyers attempt to make purchases before prices increase.

In industry news, Severstal has announced that its new push-pull pickling line at the Columbus, Mississippi facility is now operational. The line maintains an annual capacity of approximately 700,000 net tons of pickled and oiled goods and allows for the production of new heavier-gauge goods, which could capture additional end-user markets. The expansion of the Columbus facility is expected to be completed at the end of the year and will boost the plant’s annual production to 3.4 million net tons while doubling its galvanizing capacity.

**Hot Rolled Coil and Cold Rolled Coil  
North America Domestic FOB U.S. Midwest Mill  
Monthly Average Price Per Net Ton  
December 2010 Through December 2011**

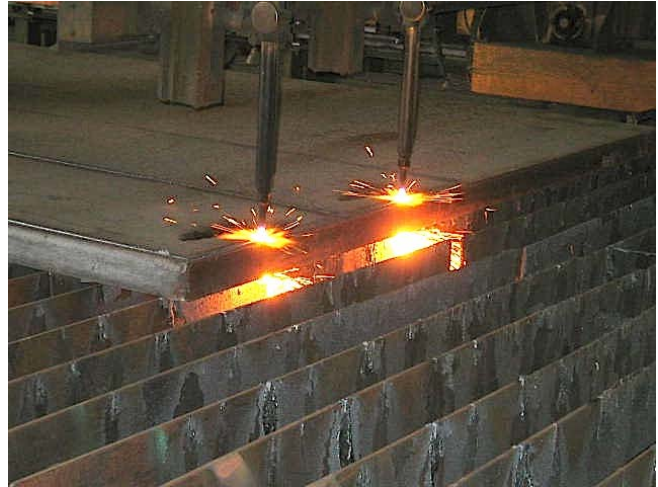


# CARBON STEEL

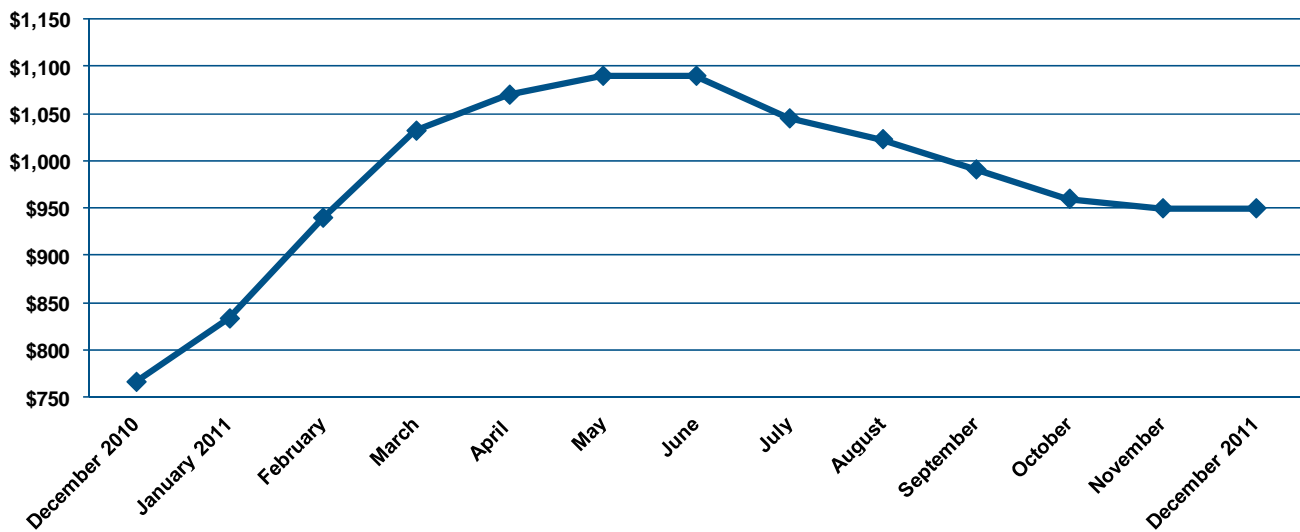
## PLATE

While plate prices have declined in recent months, partially due to imports encroaching on the domestic market and decreases in plate raw materials, plate manufacturers such as Nucor, ArcelorMittal, and SSAB have implemented price increases in an effort to reverse the downward trend and defend their margins. The \$30-per-net-ton price hike on U.S. plate brought spot prices for A36 plate to a range of \$940 to \$950 per net ton, FOB mill, in early December.

Despite the move by steelmakers, mills fear the weak economy and lackluster scrap prices may send plate prices into a freefall once again.



**Steel Plate (A36)  
North America Domestic FOB U.S. Midwest Mill  
Monthly Average Price Per Net Ton  
December 2010 Through December 2011**



# CARBON STEEL

## CARBON STEEL LONG PRODUCTS

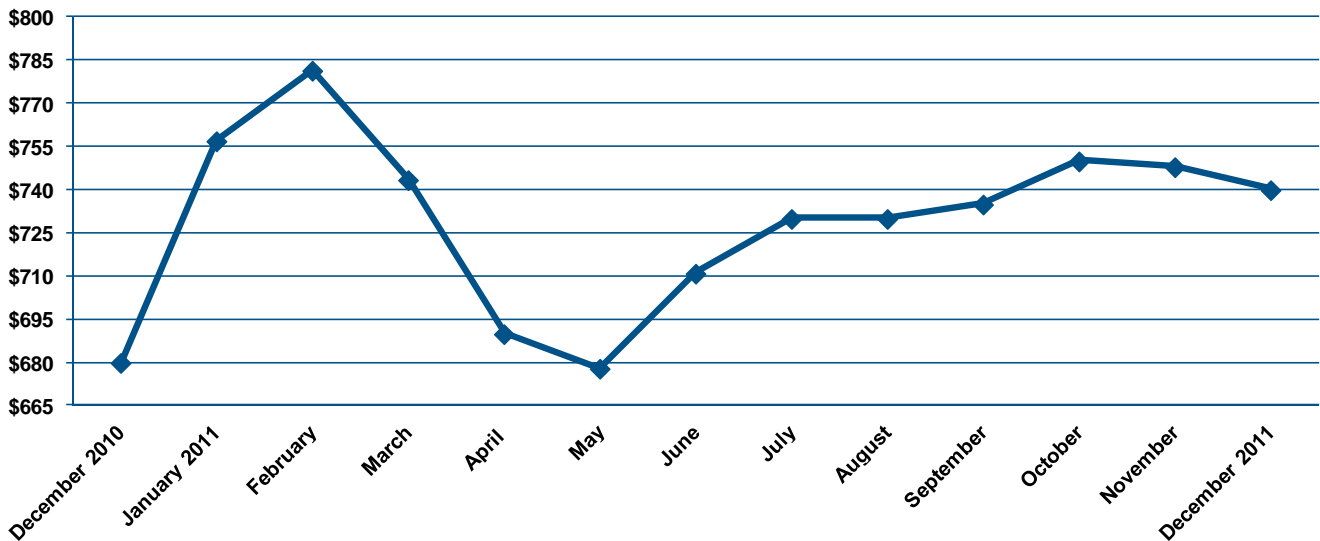
Rebar prices declined in early December, as scrap prices have fallen in recent months. SBB indicated that while spot prices for rebar ranged from \$750 to \$770 per net ton, FOB mill, in late October, they currently range from \$735 to \$740 per net ton.

In industry news, Lakeside Steel indicated its new OCTG casing mill in Alabama will commence production in December 2011, while its thermal treatment and end-finishing facility will be completed in January 2012.

The OCTG mill will maintain an estimated capacity of 192,000 tons annually, while the other facility will add 67,000 tons annually to its thermal treatment capacity and 66,000 tons annually to its end-finishing capacity for tubing products.



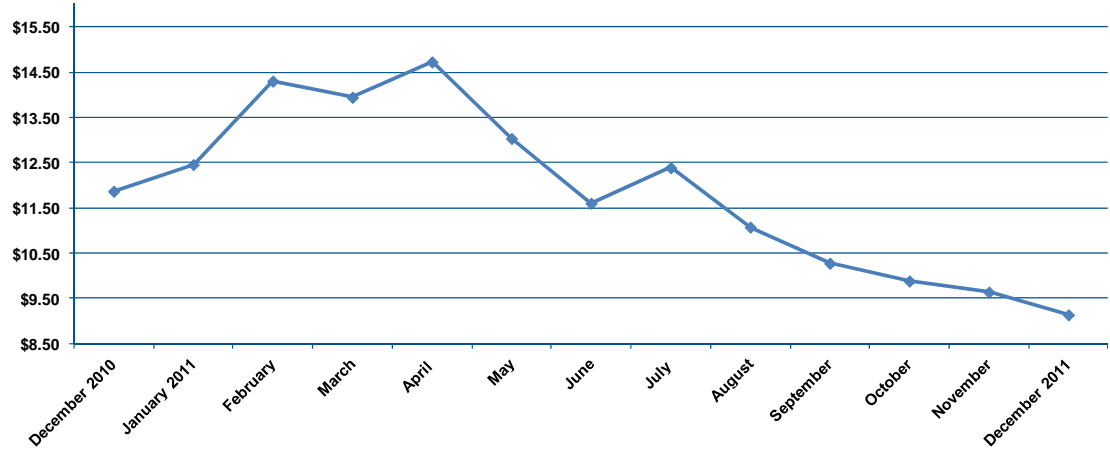
**Long Products/Rebar  
North America Domestic FOB U.S. Midwest Mill  
Monthly Average Price Per Net Ton  
December 2010 Through December 2011**



# TIN

The market price for tin on the London Metal Exchange (“LME”) averaged \$9.14 per pound for December based on the prior month-end pricing, declining from \$9.64 per pound in November. Tin prices stabilized slightly in early November as Indonesian producers extended their export ban to help push up prices.

**Tin LME Monthly Average Price Per Pound  
December 2010 Through December 2011**

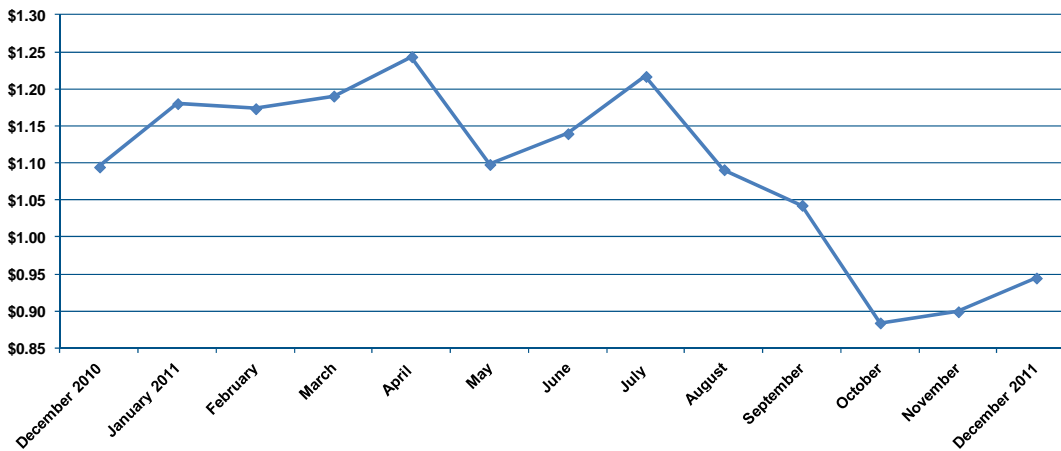


However, prices continued their descent in December, as the secretary general of the Indonesian Tin Association gave his permission for member smelters to resume exports. Tin supplies in the Southeast Asian market are therefore expected to rise in the near future.

# LEAD

The market price for lead on the LME averaged \$0.94 per pound for December based on the prior month-end pricing, increasing from \$0.90 per pound in November. However, prices may drift downwards as supplies rise. In the first three quarters of 2011, lead production surpassed demand by 170,000 metric tons, according to the International Lead and Zinc Study Group. In addition, producer, and consumer stocks increased by 242,000 metric tons during this period, exacerbating the situation.

**Lead LME Monthly Average Price Per Pound  
December 2010 Through December 2011**



Global output of refined lead metal increased 9.1% in the first nine months of 2011, with world demand rising 7.5% primarily due to higher apparent usage in China and the U.S. Global lead mine supplies increased 8.9% for the first three quarters of 2011 versus 2010, largely driven by higher production in Australia, China, India, and Mexico.

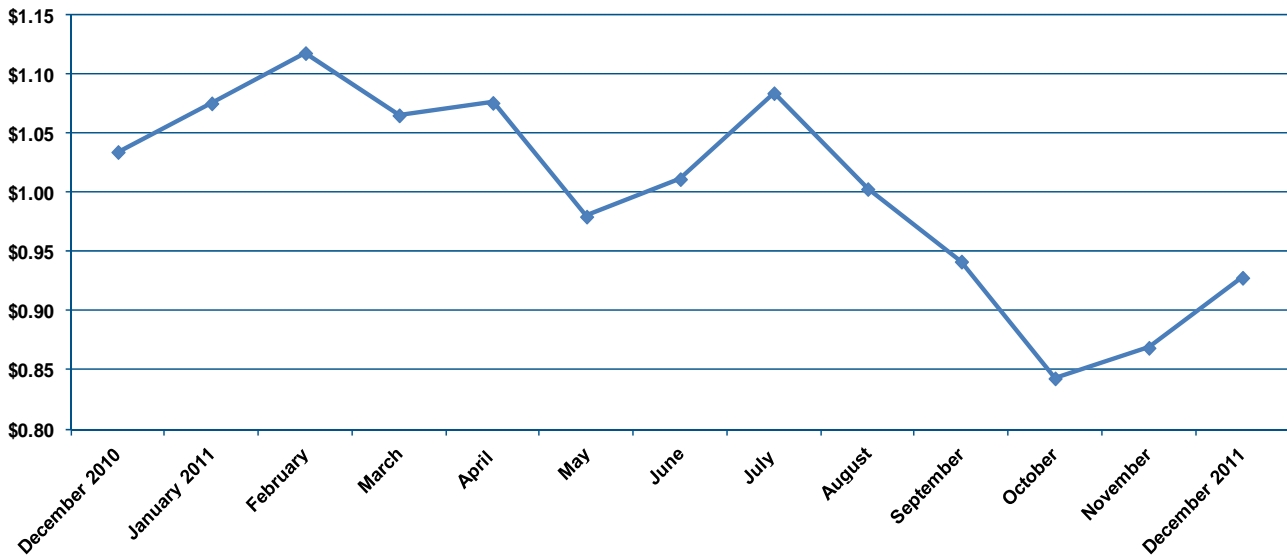
# ZINC

Zinc prices continued to rise in December, averaging \$0.92 per pound based on the prior month-end pricing, versus an average of \$0.87 per pound in November. Prices remain relatively weak, however. But despite large zinc stockpiles, global demand continues to grow and key mine sites are slated to go offline in the long term. Analysts therefore expect the current zinc supply excess to begin reversing by 2013.

In industry news, top zinc producer Nyrstar NV (“Nyrstar”) was acquired by Breakwater Resources in the summer of 2011, which will expand their level of zinc integration from 31% to 43%. Nyrstar indicated it has lowered its forecasted mine output for 2011 to 205,000 metric tons, down from the prior projection of 210,000 metric tons.

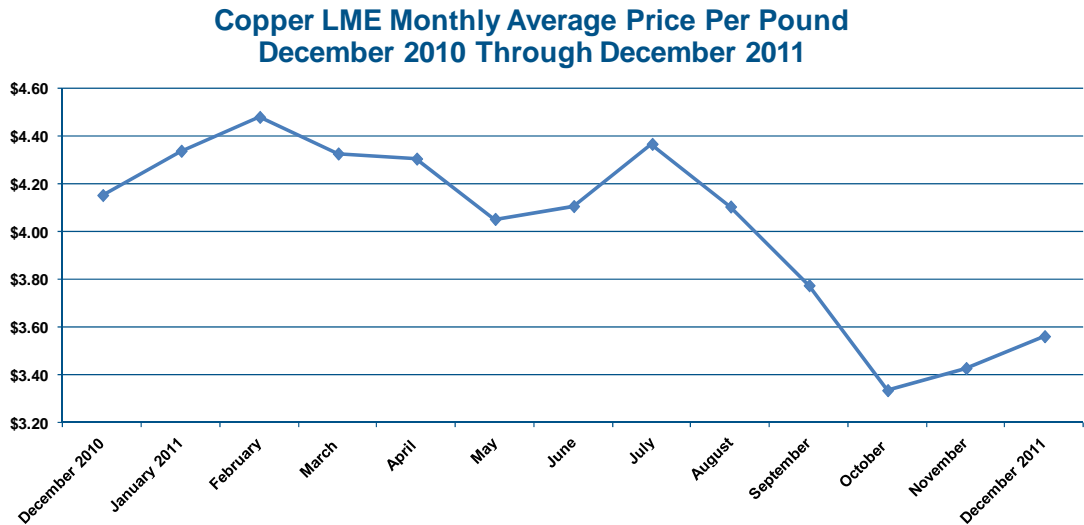


**Zinc LME Monthly Average Price Per Pound  
December 2010 Through December 2011**



# COPPER

LME copper prices averaged \$3.56 per pound for December 2011 based on the prior month-end pricing, increasing from \$3.43 per pound in November, as investor confidence was boosted as European leaders attempted to address the region's debt crisis.

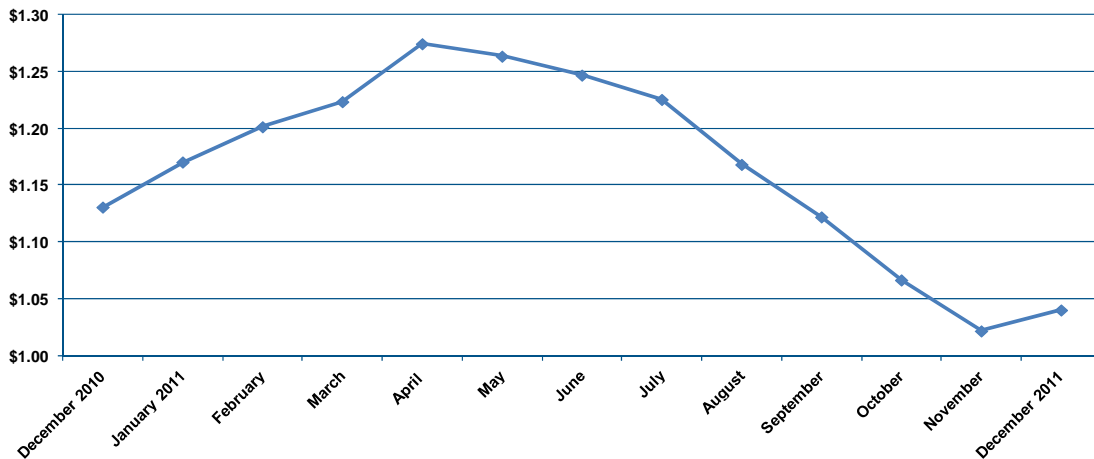


However, prices may soon decline due to potential lower demand from China, which is the world's largest consumer of copper and represented nearly 40% of global copper consumption in 2010. According to China's HSBC services purchasing managers' index, the services sector activity dropped to a three-month low of 52.5 in November versus 54.1 in October, while China's official PMI for its non-manufacturing sector fell to 49.7 in November versus 57.7 in October.

# ALUMINUM

After falling in November, aluminum market prices on the LME averaged \$1.04 per pound in December 2011 based on prior month-end pricing, rising slightly from \$1.02 the prior month.

**P1020 Primary Aluminum Sheet Ingot  
Average Monthly Price Per Pound  
December 2010 Through December 2011**



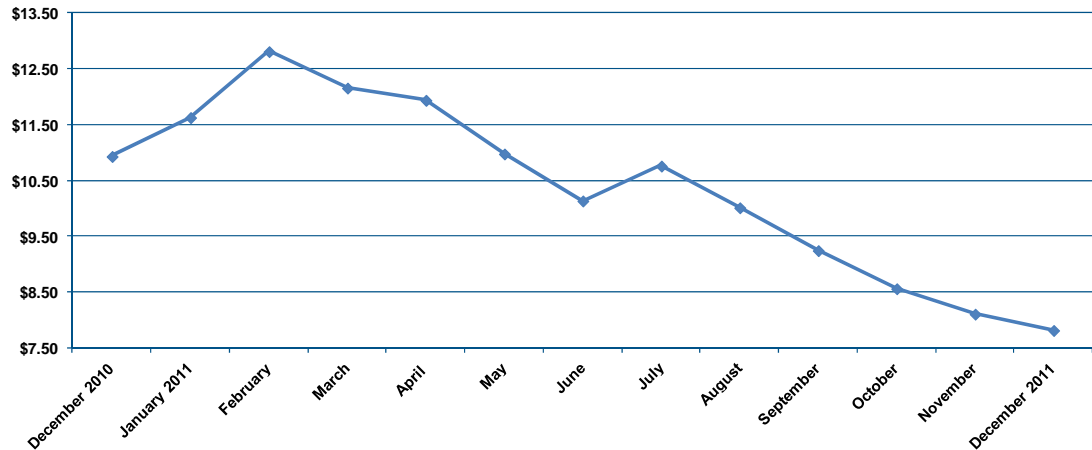
According to Harbor Intelligence, aluminum prices could average approximately \$1.26 per pound in 2012, as spot physical demand for the metal remained relatively healthy throughout the world, excluding Europe, with only a seasonal slowdown.

# NICKEL

Nickel prices on the LME averaged \$7.82 per pound for December 2011 based on the prior month-end pricing, declining from \$8.11 per pound in November.

On November 30, nickel prices on the LME fell to the lowest level in two years.

**Nickel LME Monthly Average Price Per Pound  
December 2010 Through December 2011**

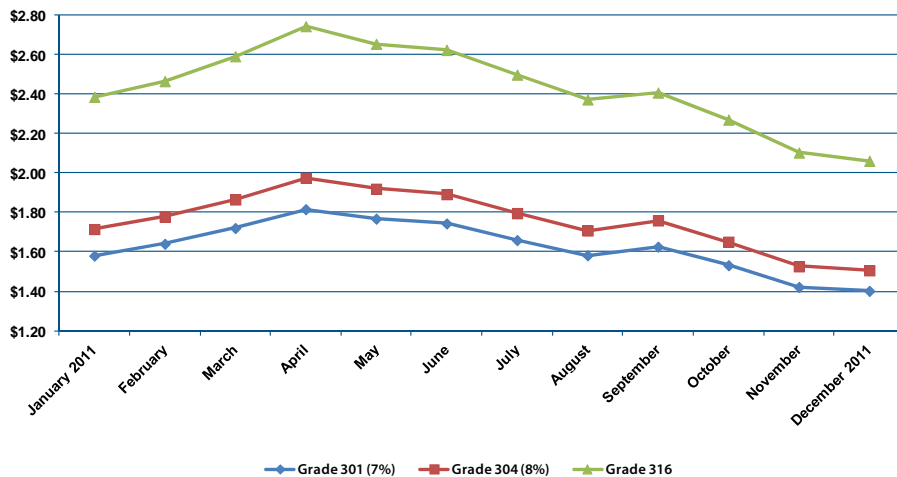


Recent negative trends have been driven by weak equities, a firm dollar, and poor investor sentiment. According to Commerzbank, “Nickel has eroded the 2008-to-2011 uptrend. Daily and weekly technical indicators are negative, which suggests we should see the market remain under pressure.

# STAINLESS STEEL

Stainless steel prices continued to decline in December, following the trend for nickel prices. According to Metalprices.com, the base selling price for 301(7%) stainless steel, including alloy surcharges, averaged \$1.40 per pound in December, declining from an average of \$1.42 per pound in November. The prices for grades 304(8%) and 316 also slipped. Alloy surcharges also fell, with the surcharge on 301(7%) grade product at \$0.81 per pound, U.S. mill, in December versus \$0.82 per pound in November.

**Stainless Steel Flat Rolled Coil  
Monthly Average Base Selling Price Per Pound  
Less Discounts, Including Surcharges  
January 2011 Through December 2011**



In Europe, stainless steel surcharges also continued to decrease. Although surcharges were initially expected to rise late this year, projections have been revised to January 2012, when mills intend to increase prices.

In industry news, German steelmaker ThyssenKrupp has reported heavy losses during its fiscal year due to write-downs on its U.S. and stainless steel businesses. The company’s construction of a facility in Brazil has experienced cost overruns, and the U.S. and European markets have demonstrated weakness, which hampered the company’s attempt to enter these markets with its steel business.

# METALS REFERENCE SHEET

## CARBON STEEL SCRAP VALUES — CHICAGO MARKET

	YEAR AGO	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011 MTD
AUTO SHRED	\$405.00/GT	\$441.00/GT	\$415.00/GT	\$410.00/GT
HMS (HEAVY MELT STEEL)	\$385.00/GT	\$411.00/GT	\$389.00/GT	\$385.00/GT
BUSHELING	\$440.00/GT	\$501.00/GT	\$458.00/GT	\$450.00/GT

## CARBON STEEL VALUES IN MAJOR COMMODITY FORMS

### CARBON FLAT ROLLED SHEET COIL BASE PRICE

	SEPTEMBER 2011	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011 MTD
HOT BANDS	\$697.60/NT	\$668.00/NT	\$654.00/NT	\$700.00/NT
COLD ROLLED	\$807.60/NT	\$775.00/NT	\$759.00/NT	\$805.00/NT
HOT DIPPED COATED GALVANIZED	\$907.60/NT	\$878.00/NT	\$864.00/NT	\$910.00/NT

### CARBON STEEL PLATES BASE PRICE

		OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011
PLATE COILS AND STRIP MILL COILS		\$670 - \$690/NT	\$640 - \$660/NT	\$690 - \$710/NT
DISCRETE PLATES*	CARBON STEEL	\$970/NT	\$946/NT	\$920/NT
	ALLOYS PLATES	\$1,220/NT	\$1,220/NT	\$1,220/NT

\*Depending on thickness limits and subject to grade extras up to \$600/NT

### HOT ROLLED MERCHANT BAR (MBQ) SHAPES (NET OF DISCOUNTS AND REBATES)

	OCTOBER 2011 DELIVERY	NOVEMBER 2011 DELIVERY	DECEMBER 2011 DELIVERY
1/2" X 4" FLATS*	\$869 Avg/NT	\$863 Avg/NT	\$854 Avg/NT
2" X 2" X 1/4" ANGLES*	\$864 Avg/NT	\$858 Avg/NT	\$849 Avg/NT
REBAR COILS, GRADE 60: #3 TO #5 SIZES	\$787 Avg/NT	\$784 Avg/NT	\$775 Avg/NT
MERCHANT BAR (FOB MIDWEST MILL)	\$860 - \$890/NT	\$860 - \$890/NT	\$845 - \$875/NT

\*Variances include East to West Coast markets and variances in rebates.

# METALS REFERENCE SHEET

## SBQ BARS (INCLUDING SURCHARGES, NET OF REBATES)

	OCTOBER 2011 DELIVERY	NOVEMBER 2011 DELIVERY	DECEMBER 2011 DELIVERY
HOT ROLLED 1000 1" DIAMETER	\$52.75/CWT (\$1,055/NT)	\$52.25/CWT (\$1,045/NT)	\$53.50/CWT (\$1,070/NT)
HOT ROLLED 4100 1" DIAMETER	\$58.00/CWT (\$1,160/NT)	\$57.50/CWT (\$1,150/NT)	\$58.75/CWT (\$1,175/NT)
COLD FINISHED C1018 1" DIAMETER	\$66.35/CWT (\$1,327/NT)	\$65.85/CWT (\$1,317/NT)	\$67.10/CWT (\$1,342/NT)

## OCTG AND LINE PIPE SAMPLING

	OCTOBER 2011 DELIVERY	NOVEMBER 2011 DELIVERY	DECEMBER 2011 DELIVERY
J55 ERW 4 1/2" TO 8 5/8"	\$1,400 - \$1,450/NT	\$1,400 - \$1,450/NT	\$1,400 - \$1,450/NT
LINE PIPE ERW 4" BLACK	\$990 - \$1,090/NT	\$990 - \$1,090/NT	\$990 - \$1,090/NT

## PRIMARY MAJOR NON-FERROUS METALS

### ALUMINUM

	SEPTEMBER 2011	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011 MTD
ALUMINUM NA (HIGH GRADE P1020)	\$1.0418/LB	\$0.9853/LB	\$0.9405/LB	\$0.9600/LB
MWTP (MIDWEST PREMIUM)	\$0.0804/LB	\$0.0810/LB	\$0.0797/LB	\$0.0763/LB
ALUMINUM ALLOY A380.1, LME VALUES	\$1.1735/LB	\$1.1332/LB	\$1.1075/LB	\$1.0825/LB

### NICKEL & COPPER

	SEPTEMBER 2011	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011 MTD
NICKEL, LME VALUES	\$9.2497/LB	\$8.5668/LB	\$8.1112/LB	\$7.9175/LB
COPPER HIGH GRADE A, LME VALUES	\$3.7716/LB	\$3.3328/LB	\$3.4254/LB	\$3.5586/LB

# METALS REFERENCE SHEET

## STAINLESS STEEL FLAT ROLLED SHEET COIL VALUES

(Product prices using current average distributor discount)

"0.044" X 48/60' WIDE X COIL	SEPTEMBER 2011 DELIVERY	OCTOBER 2011 DELIVERY	NOVEMBER 2011 DELIVERY	DECEMBER 2011 DELIVERY
T304*	\$1.7585/LB	\$1.6510/LB	\$1.5263/LB	\$1.5055/LB
T316/316L*	\$2.4072/LB	\$2.2699/LB	\$2.1030/LB	\$2.0608/LB

\*The above changes in product prices are driven by changes in monthly elemental metallic surcharges. These are most heavily impacted by changes in nickel values but result from the combined impact of nickel, chrome, molybdenum, titanium, ferrous scraps, and energy (natural gas). Surcharges are established from the monthly averages of the elements two months prior to the affected month.

## SURCHARGES (FROM NORTH AMERICAN STAINLESS)

	SEPTEMBER 2011	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011
T304/304L	\$1.1425/LB	\$1.0350/LB	\$0.9103/LB	\$0.8895/LB
T316/316L	\$1.6092/LB	\$1.4719/LB	\$1.3050/LB	\$1.2628/LB