

GREAT AMERICAN GROUP ADVISORY & VALUATION SERVICES

Metals Monitor
July 2011

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Introduction

Welcome to the July 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: Mixed
Sales Trends: Increasing
Gross Margin: Stable to Increasing
Inventory: Increasing
Pricing: Mixed

Net orderly liquidation value (“NOLV”) changes for specific categories and companies varied based on market price, inventory costing, and companies’ ability to manage their inventory mix and levels with respect to market supply. GA has presented observations regarding some of the recent trends in NOLVs, but recognizes these should not be generalized to all companies.

In June 2011, the metals markets generally continued to reflect improved gross margins and increasing sales. Overall NOLVs were relatively strong, but the trend varied depending on companies’ ability to appropriately manage their inventory mix and levels, ranging from a decrease between two and three percentage points to an increase between zero and two percentage points.

In July, flat rolled and plate steel goods as well as aluminum have demonstrated declining market prices, primarily due to the seasonal summer slowdown, while certain non-ferrous metal prices were boosted by global factors, which remain volatile, which may impact recovery values.



ABOUT GREAT AMERICAN GROUP

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, paper and packaging, and chemicals industries, among many others.

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EXPERIENCE

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

- An initial appraisal of a distributor of processed coil steel sheet to brokers, manufacturers of steel tubes and studs, and various other customers, with annual revenues of \$34.3 million;
- An initial appraisal of a leading global processor and distributor of ferrous and non-ferrous scrap to major domestic and international steel mills, with annual revenues of \$165.9 million;
- A collateral appraisal of a major producer of welded and seamless energy tubular products for the oil and country tubular goods ("OCTG") industry, with annual revenues of \$1.4 billion; and
- A collateral appraisal of a vertically integrated producer of value-added aluminum, plastic extrusions, and other fabricated home-improvement and construction products, with annual revenues of \$89.2 million.

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, and Valley Brass Foundry. 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.

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OVERVIEW

As the domestic manufacturing sector plays a pivotal role in the U.S. economic recovery, the steel industry has called for concentrated efforts to move the sector forward. The government took note of the importance of investing in U.S. production and innovation. In June 2011, President Obama launched the Advanced Manufacturing Partnership (“AMP”), a \$500 million investment intended to unite the private sector, universities, and the government in breathing new life into the manufacturing sector. The AMP is designed to promote the development of the cutting-edge tools required for the U.S. to compete with foreign manufacturers.

Manufacturers that will initially be involved in the AMP include stainless and specialty steel producer Allegheny Technologies, Inc. (“Allegheny”) in addition to major steel-consuming companies such as Ford Motor Company (“Ford”), Caterpillar Inc., and Honeywell International Inc. The AMP will leverage existing programs and proposals, and the joint economic committee of the U.S. Congress held hearings with the National Association of Manufacturers, Alliance for American Manufacturers, and leaders of other key industry groups to further examine strategies and policies that may augment the growth of the manufacturing sector. Among the strategies under consideration were lower corporate tax rates, policies to promote exports, and a progressive international trade policy.

OVERVIEW

AUTOMOTIVE

The automotive industry is a significant consumer of steel. The strengthening auto industry, which had offered healthy demand for the first several months of 2011, weakened slightly in May before rebounding in June. The disappointing May sales numbers were due in part to production disruptions related to the Japanese earthquake and tsunami in March.

Detroit's Big Three automakers posted double-digit year-over-year sales in June. Chrysler Group LLC forged ahead, leading with a 30% sales increase to 120,394 units in June 2011 versus 92,482 units in 2010. Ford followed with a 14% sales increase to 194,114 units, with fuel-efficient cars and crossover SUVs registering the largest gains and trucks recovering from the previous month's slump. General Motors Company reported an 11% sales increase to 215,358 units.



MANUFACTURING

After a recent deceleration in growth in the U.S. manufacturing sector, which is a large consumer of metals, growth in manufacturing activity accelerated modestly in June 2011. The Institute for Supply Management's purchasing managers index ("PMI"), an indicator of manufacturing activity, increased 1.8 percentage points from 53.5 in May – the lowest PMI reported in the past year – to a reading of 55.3 in June. Readings greater than 50 signify growth in the manufacturing economy, while readings below 50 denote contraction.

The following table reveals the monthly PMI trend:

Month	PMI
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
October 2010	56.9
September 2010	55.3
August 2010	55.2
July 2010	55.1
June 2010	55.3
May 2010	57.8

ENERGY

The energy market is a large consumer of metals used for pipelines and oil rigs. The Baker Hughes Rig Counts ("Baker Hughes") represent 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.

The U.S. energy sector registered large year-over-year gains, although the rig count remained relatively flat from the prior week. The international rig count was up on both a year-over-year and week-over-week basis. However, although the Canadian rig count increased from the previous week, it fell from the year before.

According to Baker Hughes data from July 8, 2011, the U.S. rig count totaled 1,887 rigs actively exploring for or developing oil or natural gas, increasing by 320 rigs compared to the July 9, 2010 count, but inching up by only one rig from the previous 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	July 8, 2011	July 8, 2011	June 2011
Count	1,887	331	1,158
Date of Prior Rig Count	July 1, 2011	July 1, 2011	May 2011
Change From Prior Count	1	91	7
Date of Last Year's Rig Count	July 9, 2010	July 9, 2010	June 2010
Change From Last Year's Count	320	(17)	59

RECENT APPRAISAL TRENDS

In the past month, steel sheet market prices generally declined in line with seasonal trends, although prices for long products increased. Market prices for non-ferrous products such as copper and zinc were up, while aluminum prices were down.

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. After a soft May, automotive sales rebounded in June. Manufacturing activity also improved after falling in May to the lowest level in the past year. The domestic energy sector continued to register year-over-year gains in the rig count, a boon to the OCTG market.

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 June 2011, GA performed a collateral appraisal of a major producer of welded and seamless energy tubular products for the OCTG industry as well as an initial appraisal of a leading global processor and distributor of scrap metal, which both posted year-over-year sales increases in the range of 50% to 65%, with the former also boasting an increase in gross margin.

GA also conducted an initial appraisal of a distributor of processed coil steel sheet that reported a sales increase between 25% and 40%.

However, GA completed a collateral appraisal of a vertically integrated producer of value-added aluminum, plastic extrusions, and other fabricated home-improvement and construction products, which demonstrated a marginal sales decline of less than 5%, although its gross margin increased slightly.

Collateral appraisals demonstrated NOLV changes ranging from a decrease between two and three percentage points to an increase between zero and two percentage points. For certain companies, decent sales trends and improvements in gross margin were offset by deterioration in the inventory mix.

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. OCTG pre-slit coils that are slit to the flat width required for pipe outside diameters represent additional value to the intended applications; however, these goods would require additional discounting for alternate distribution channels due to their limited uses in their pre-slit form outside of the intended energy applications.

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 warehouse stocks.	LME aluminum warehouse stock levels provide a global look at aluminum availability. An increase in these stocks with a relatively stable demand could result in downward pricing pressure, while a depletion in these stocks could result in higher pricing.
Monitor automotive 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

Ferrous scrap prices appeared to remain flat or slightly up in early July. According to *The Steel Index* (“TSI”), the U.S. domestic scrap reference price inched up 0.2% in the second week of July compared to the prior week, rising \$1.00 per gross ton to \$457 per gross ton, delivered Midwest mill. Buyers and sellers in the Midwest reported scrap prices were relatively consistent or up as much as \$10.00 per gross ton to a range of \$457 to \$465 per gross ton for shredded steel scrap.

Uncertainty continues to linger regarding the fate of scrap prices in the near future, however. Although availability is strong, with a steady flow of exports, steel prices have been falling recently.

UTILIZATION RATES

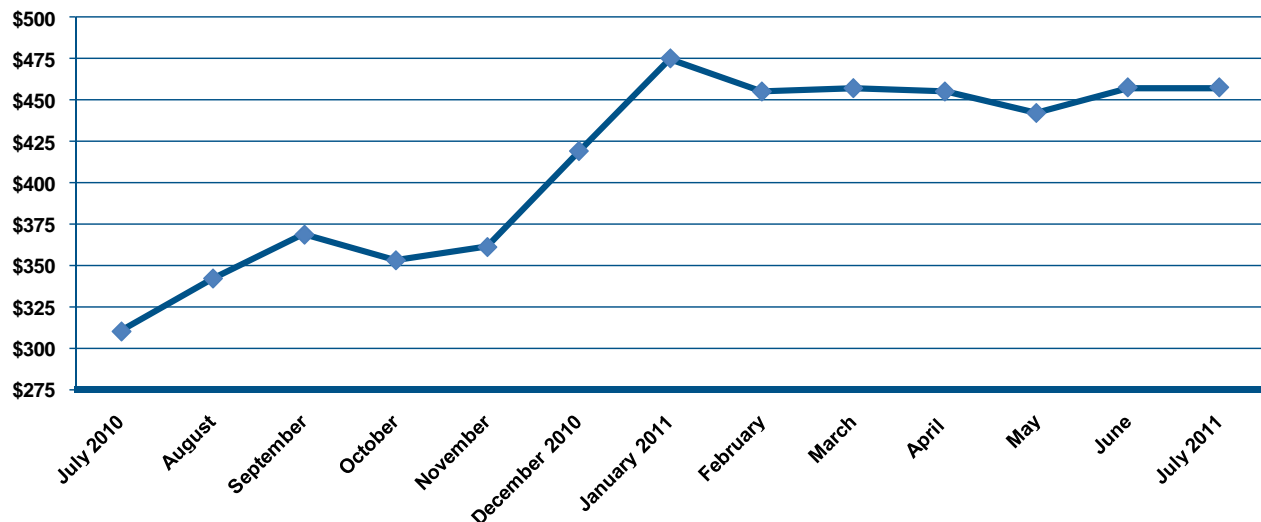
For the week ended July 2, 2011, domestic raw steel production totaled 1,853,000 net tons, according to the American Iron and Steel Institute (“AISI”). The week’s production decreased 0.7% from 1,871,000 net tons the previous week ended June 25, 2011 but increased 2.0% from 1,784,000 net tons for the week ended July 2, 2010. The AISI also reported capability utilization reached 75.8%, increasing slightly from 76.5% the prior week and 73.8% the previous 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%
Year-to-Date through July 2, 2011	47.43	4.5%

The AISI reported preliminary U.S. steel shipments increased 6% in May 2011 after falling 9.3% to 7.26 million tons in April versus the prior month. U.S. steel shipments increased 7.8% for the first four months of the year to total 29.76 million tons versus the same period the prior year.

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



CARBON STEEL

CARBON FLAT ROLLED SHEET COIL

TSI reported a sharp decline in U.S. reference prices for steel sheet coil in early July versus the prior week. The reference price for North American hot rolled coil (“HRC”) fell \$10 per net ton, while the reference price for cold rolled coil (“CRC”) dropped to \$845 per net ton.

In addition, spot prices have been trending downward over the past few weeks, with spot prices declining to a range of \$730 to \$650 per net ton for HRC, \$830 to \$860 per net ton for CRC, and \$900 to \$930 per net ton for hot-dipped galvanized coil (“HDG”).

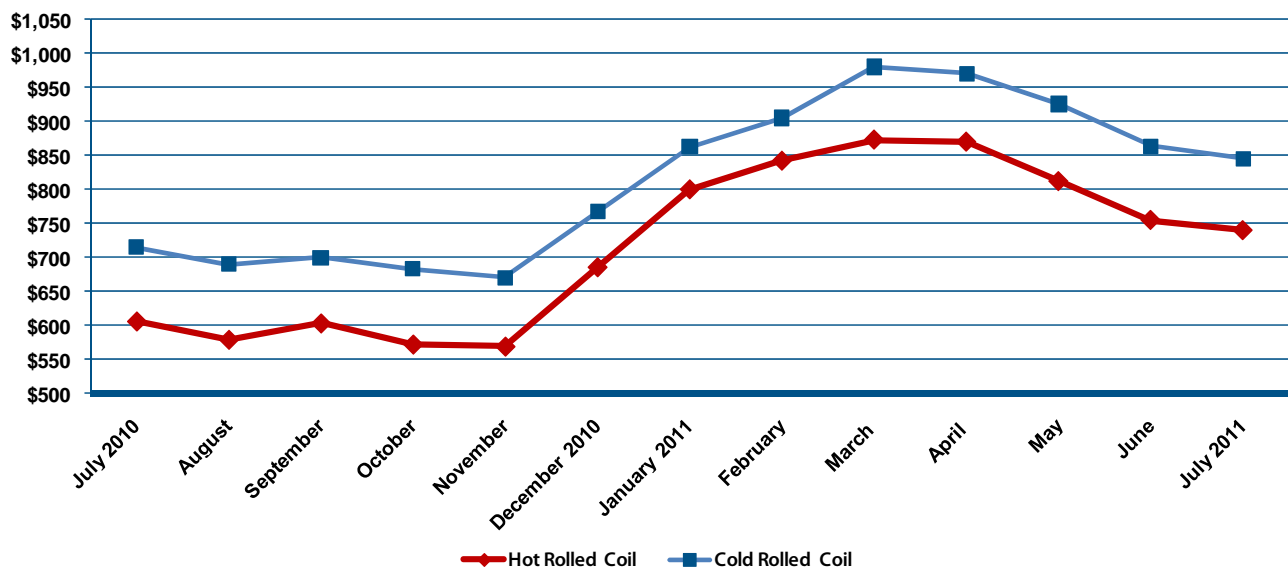
Market participants indicated the period following the Independence Day holiday is traditionally slow for the steel sheet coil market. Currently, supplies are plentiful at mills but remain low at distributors, and global orders remain weak.

“I think with the recent declines of the previous couple of weeks, prices may stabilize somewhat, possibly from (service center and mill personnel) vacations,” said an industry source from the Midwest. “We may be near a turning point as higher scrap prices now squeeze mill margins.”

Other industry participants expect higher buying activity and steel sheet coil prices in the latter half of July, particularly for CRC and HDG. Average delivery times for CRC and HDG have fallen to 6.1 weeks.



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



CARBON STEEL

PLATE

TSI indicated the reference price for grade A36 steel plate remained relatively consistent at \$1,051 per net ton, FOB Midwest mill, in early July versus the previous week. Nucor Corporation (“Nucor”) indicated its net transaction prices for plate will remain unchanged in July, although its raw materials surcharge is rising by \$15 per net ton.

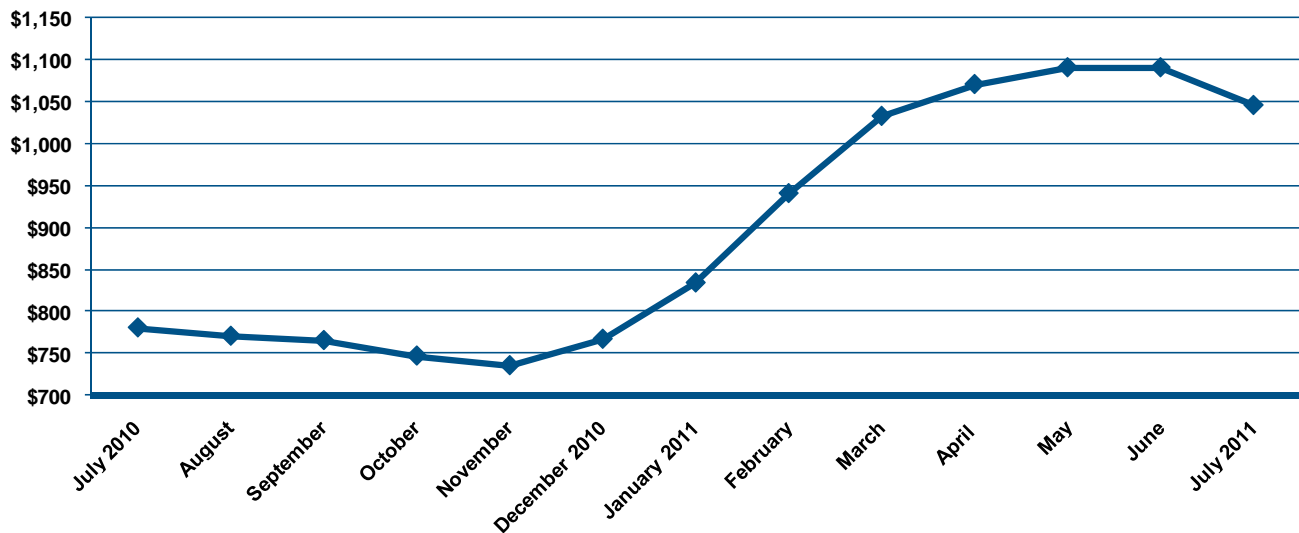
However, U.S. spot prices fell from as high as \$1,100 per net ton in April and May 2011 to a range of \$1,030 to \$1,060 per net ton, FOB mill, in July. In addition, lead times for steel plate have shortened to approximately four to six weeks, with an average lead time of 5.8 weeks for the week ended July 3, 2011.

Despite lower domestic spot prices and shorter lead times for steel plate, U.S. plate imports increased for the fourth consecutive month in June to a license count of nearly 224,000 metric tons versus 179,901 metric tons in May. According to *Steel Business Briefing* (“SBB”), the highest import volumes were from Canada, Korea, and Russia.

In industry news, Nucor is contemplating facility upgrades and new construction, including a new plate mill with the capacity of one million net tons per year, which would significantly expand the company’s U.S. plate capacity. Nucor is considering several locations for the proposed plate mill, and its planned facility upgrades include an expansion of its special bar quality mill in Memphis, Tennessee, which would boost the Memphis facility’s capacity by nearly 33%.

In addition, Klöckner USA Holdings, following the acquisition of Macsteel Service Centers USA (“Macsteel”), is in the process of reorganizing and integrating its U.S. subsidiary, Namasco, with the Macsteel entity. In 2010, both Namasco and Macsteel numbered among the top 10 steel service centers in North America, with sales of \$2.5 billion and shipment volumes of 2.5 million net tons.

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



CARBON STEEL

CARBON STEEL LONG PRODUCTS

According to the London Metal Exchange (“LME”), the price of the billet futures contract increased to a range of \$604 to \$606 per ton on July 5, 2011 versus a range of \$572 to \$582 per ton a few weeks before. The rising billet prices are primarily attributed to low LME billet stocks and the traditional slowdown upon the approach of summer, rather than any significant increase in demand. LME stocks currently total 38,000 metric tons, with 5,000 metric tons already allotted to depart the warehouse, leaving only 33,000 metric tons.

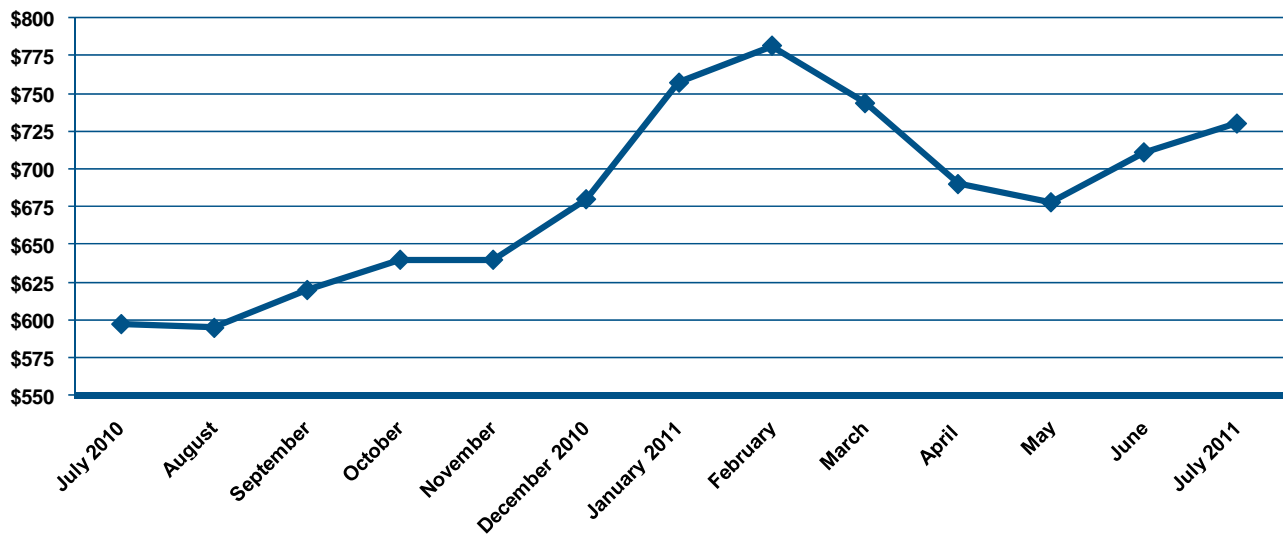
“If spot LME prices rise higher than the physical price or get to around \$650 per ton, then it would attract more stock to go into warehouses,” said one steel trader.

Rebar prices have also climbed to an average of \$730 per net ton, FOB Midwest mill, in July 2011 versus an average of \$711 per net ton in June. Spot prices ranged from \$720 to \$740 per net ton. In June, Gerdau Ameristeel Corporation had announced a \$30-per-net-ton increase in the transaction price of rebar for July shipments, while Nucor indicated it was raising its own rebar prices by \$20 per net ton. However, sluggish demand from mills may prevent the price hikes from being fully implemented.

Imports of carbon, alloy, and stainless steel line pipe greater than 16 inches in diameter decreased 22% to total 66,824 metric tons in May 2011 versus the previous month, according to the U.S. Census Bureau. Imports of line pipe less than 16 inches in diameter fell approximately 12% to 33,070 metric tons. Conversely, imports of OCTG products increased nearly 15% to a preliminary May total of 219,722 metric tons, which is relatively consistent with OCTG levels from May 2010. The demand for OCTG products has grown in 2011 as oil prices rose, and U.S. oil and gas companies increased drilling activity while also shifting to more complex drilling.

In industry news, the U.S. government has begun its sunset reviews of import duties for various steel pipe and tube products from a number of countries to determine whether the duties will continue or expire. The U.S. International Trade Commission has commenced the third sunset reviews of antidumping duties on welded carbon standard pipe, circular welded non-alloy standard pipe, and light-walled rectangular carbon pipe from certain countries. Sunset reviews are also underway for the countervailing duty on Turkish standard pipe.

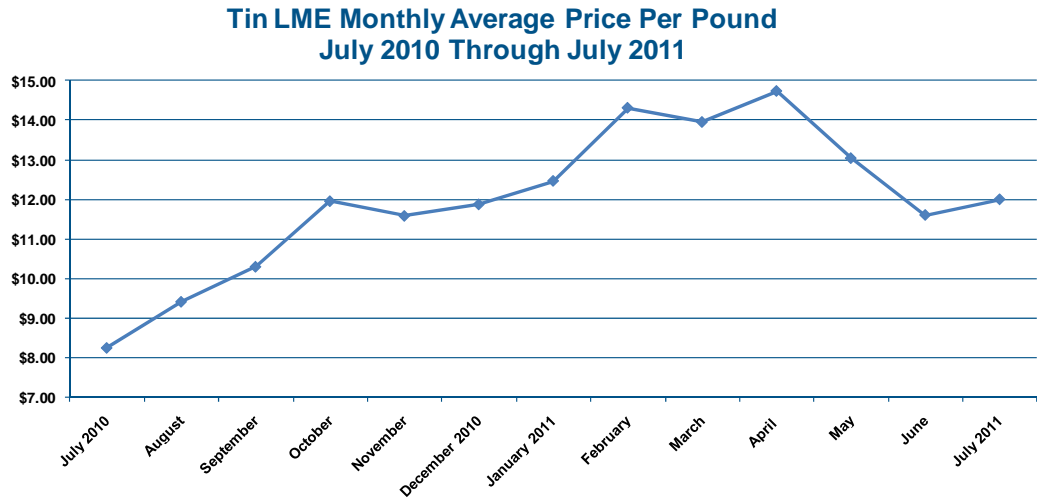
**Long Products/Rebar
North America Domestic FOB U.S. Midwest Mill
Monthly Average Price Per Net Ton
July 2010 Through July 2011**



TIN

Tin prices experienced declines in June due to China's sale of the metal, weak sentiment, and greater-than-anticipated supply in the market.

Industry participants expect a deficit in tin stocks, although inventory has not yet been falling consistently and there has been no dash to invest in new tin mine capacity.



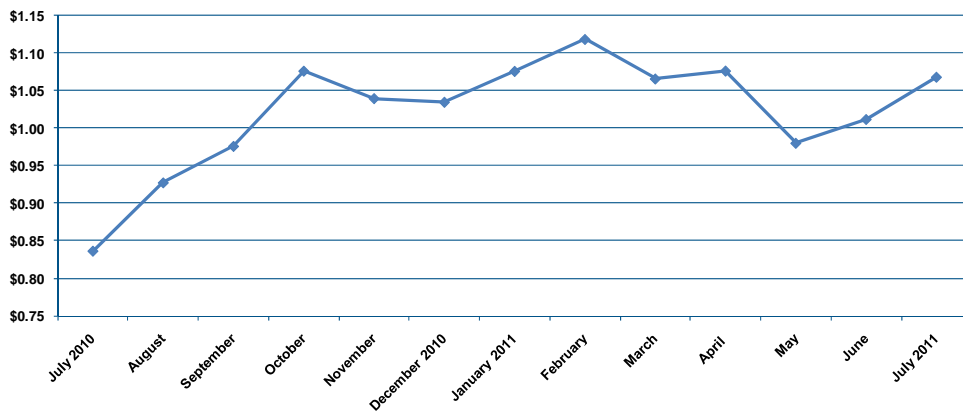
Previous increases in tin prices had been driven by investors. Towards the end of business trading in the last week of June, the LME three-month price contract for tin fell to a range of \$25,100 to \$25,200 per metric ton versus \$26,950 to \$28,000 per metric ton the prior month. "Demand for tin is steady, and the fundamentals of the market are driving the price down," said a trader. "Prices are currently historically very high, but there is still some further softening to go."

The price for tin on the LME averaged \$11.99 per pound in July 2011, increasing from an average of \$11.60 per pound in June. Industry analysts believe the slight rise may be due to the European debt crisis and sovereign issue, the increase in the U.S. dollar, and the unpredictable rate of the domestic economic recovery. Given the overall uncertainty surrounding tin market conditions, pricing for the next few months may prove volatile.

ZINC

The zinc market price on the LME increased to an average of \$1.07 per pound in July 2011 versus an average of \$0.98 per pound in June. Industry analysts indicate the zinc price remains above the cost curve for production, although increasing numbers of mining projects are returning. Despite the abundance of zinc stock and production, as well as the incentives for producers to bring more capacity on stream, shortages are forecast for the future due to scheduled closures of large mines such as the Century mine in Australia and the Brunswick mine in Canada.

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

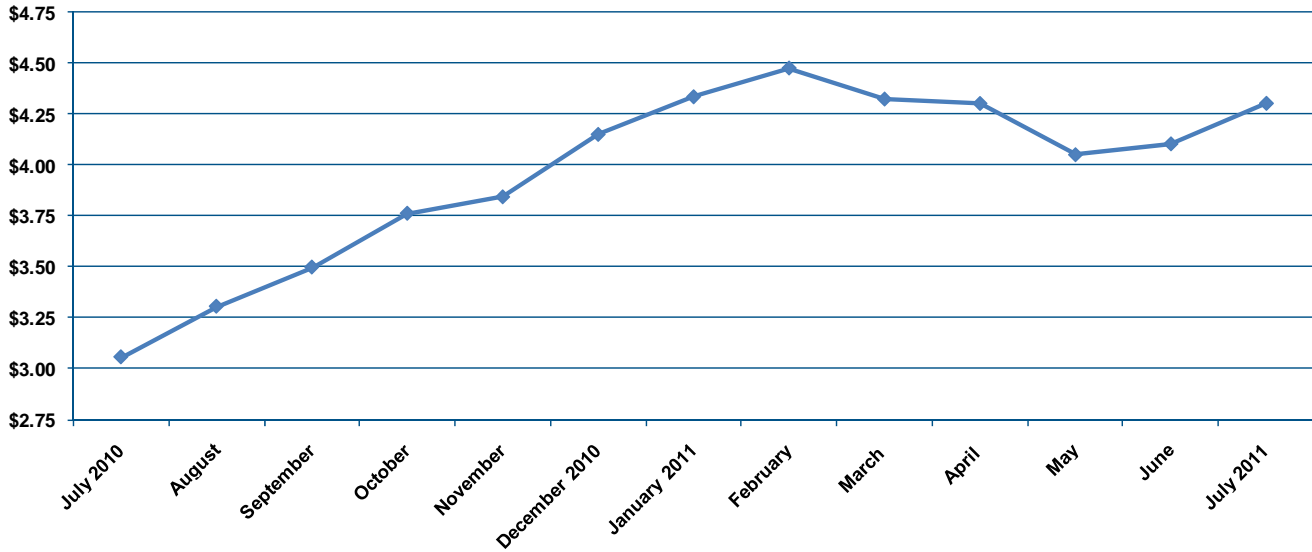


LME stocks of zinc increased to the highest level in over 16 years after inventories rose 1.9%, or 10,175 metric tons, to 533,975 metric tons in New Orleans, Louisiana, which stores nearly 61% of LME zinc stocks.

The New Orleans increase pushed overall LME zinc stocks up 1%, or 8,675 metric tons, to 879,725 metric tons.

COPPER

Copper LME Monthly Average Price Per Pound July 2010 Through July 2011



Copper prices averaged \$4.30 per pound on the LME in July 2011, increasing from an average of \$4.10 per pound in June. Prices were boosted by an increase in Chinese imports in June, after imports had declined in the first half of the year.

However, Chinese destocking remains a key issue in the refined copper market. Capacity utilization is low and disruptions abound due to labor strikes, although there is no significant threat of shortages in the concentrates market.

Refined copper demand is projected to increase only 3% in 2011, versus 12% in 2010, according to Barclays Capital. The power cable sector is expected to lead consumption of the red metal, followed by the household appliance, automotive, and construction sectors. Barclays Capital indicated that producers of semi-fabricated products are unlikely to shift to restocking until the second half of 2011.

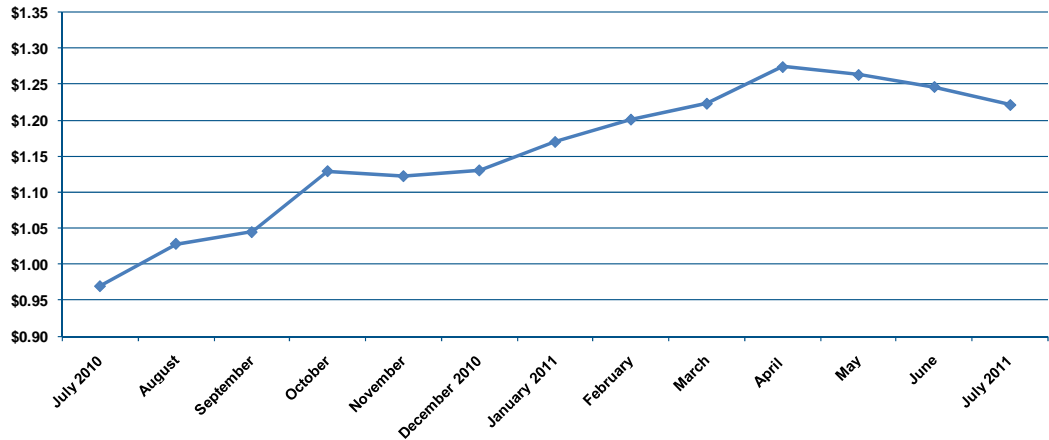


ALUMINUM

The LME market price for aluminum fell from an average of \$1.25 per pound in June 2011 to an average of \$1.22 per pound in July.

Aluminum prices had climbed in the first quarter of the year primarily due to higher energy prices; however, the release of U.S. strategic oil reserves at the end of June dampened some of the demand.

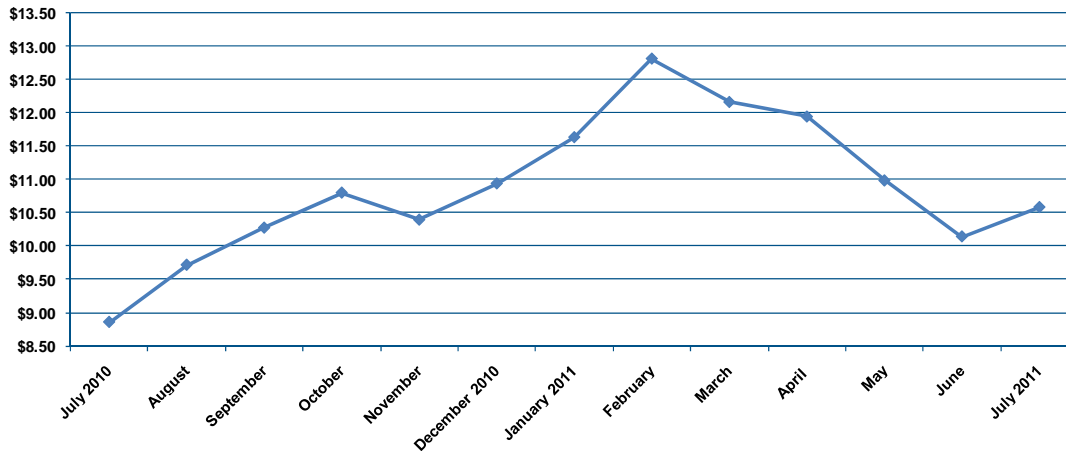
**P1020 Primary Aluminum Sheet Ingot
Average Monthly Price Per Pound
July 2010 Through July 2011**



Chinese aluminum stocks have been falling at a rapid rate, and the nation's primary aluminum sector is currently in a deficit in spite of high production rates. Given the potential for power outages in the summer, which could pose production risks, as well as the unpredictable energy market, aluminum prices remain volatile.

NICKEL

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

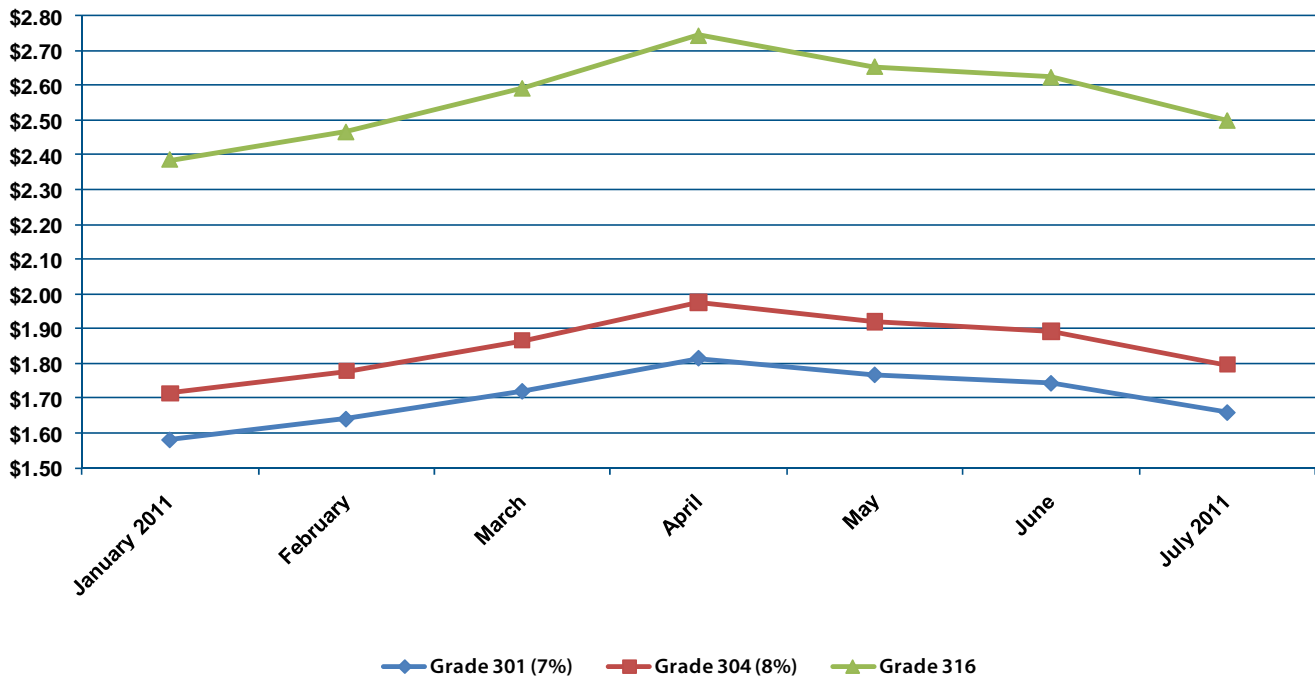


LME nickel prices increased to an average of \$10.58 per pound in July 2011 versus \$10.14 per pound in June.

The price boost is primarily due to the abundance of recent supply-side disruptions, which have resulted in a deficit in nickel supplies.

STAINLESS STEEL

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



Stainless steel prices edged down in July, as the stainless market is seasonally slow in the summer. In addition, North American stainless steel sheet producers AK Steel Corporation (“AK Steel”), ATI Allegheny Ludlum (“ATI Ludlum”), and North American Stainless (“NAS”) have reduced their August surcharges on certain commodity grades, according to SBB.

AK Steel is reducing its type 304 surcharge from nearly \$1.18 per pound to \$1.09 per pound, while bringing down its type 316 surcharge from \$1.70 per pound to approximately \$1.57 per pound. Both ATI Ludlum and NAS have followed suit, announcing that type 304 and 316 surcharges will approximate \$1.09 per pound and \$1.57, respectively, while type 430 surcharges will remain relatively consistent at \$0.31 per pound.

ATI Ludlum recently indicated it will change the raw material reference period used to calculate surcharges for stainless flat rolled steel products, effective with shipments on September 4, 2011, in order to better reflect raw material costs and help stabilize the volatile market. The nickel component of the surcharge will be determined based on the LME’s average nickel price, which is calculated on the daily official cash settlement price from the 21st day of two months prior through the 20th day of the month before. The reference periods for other raw material components of the surcharge are also being modified.

In 2011, U.S. imports of stainless steel have remained above 2010 levels, according to SBB. In the first five months of this year, stainless imports averaged 85,200 metric tons per month, up from 70,700 metric tons per month in 2010, with total import volumes rising 36%. Stainless steel CRC represented the most-imported stainless product, and these imports continue to rise from China. Imports of stainless coiled plate have also surged over twice the monthly average from last year, with Germany representing the largest supplier to the U.S.

METALS REFERENCE SHEET

CARBON STEEL SCRAP VALUES — CHICAGO MARKET

	YEAR AGO	MAY 2011	JUNE 2011	JULY 2011 MTD
AUTO SHRED	\$350.00/GT	\$437.86/GT	\$449.32/GT	\$450.00/GT
HMS (HEAVY MELT STEEL)	\$300.00/GT	\$407.86/GT	\$419.32/GT	\$420.00/GT
BUSHELING	\$410.00/GT	\$490.71/GT	\$509.09/GT	\$512.50/GT

CARBON STEEL VALUES IN MAJOR COMMODITY FORMS

CARBON FLAT ROLLED SHEET COIL BASE PRICE

	APRIL 2011	MAY 2011	JUNE 2011	JULY 2011 MTD
HOT BANDS	\$886.60/NT	\$806.60/NT	\$768.80/NT	\$735.00/NT
COLD ROLLED	\$986.60/NT	\$906.60/NT	\$869.60/NT	\$850.00/NT
HOT DIPPED COATED GALVANIZED	\$1,064.20/NT	\$979.60/NT	\$992.60/NT	\$970.00/NT

CARBON STEEL PLATES BASE PRICE

		MAY 2011	JUNE 2011	JULY 2011
PLATE COILS AND STRIP MILL COILS		\$800 - \$820/NT	\$780 - \$800/NT	\$780 - \$800/NT
DISCRETE PLATES*	CARBON STEEL	\$1,110/NT	\$1,080/NT	\$1,080/NT
	ALLOYS PLATES	\$1,250/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)

	MAY 2011 DELIVERY	JUNE 2011 DELIVERY	JULY 2011 DELIVERY
1/2" X 4" FLATS*	\$856 Avg/NT	\$850 Avg/NT	\$869 Avg/NT
2" X 2" X 1/4" ANGLES*	\$852 Avg/NT	\$845 Avg/NT	\$864 Avg/NT
REBAR COILS, GRADE 60: #3 TO #5 SIZES	\$752 Avg/NT	\$745 Avg/NT	\$760 Avg/NT
MERCHANT BAR (FOB MIDWEST MILL)	\$845 - \$870/NT	\$835 - \$860/NT	\$835 - \$860/NT

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

METALS REFERENCE SHEET

SBQ BARS (INCLUDING SURCHARGES, NET OF REBATES)

	MAY 2011 DELIVERY	JUNE 2011 DELIVERY	JULY 2011 DELIVERY
HOT ROLLED 1000 1" DIAMETER	\$53.25/CWT (\$1,065/NT)	\$52.25/CWT (\$1,045/NT)	\$52.25/CWT (\$1,045/NT)
HOT ROLLED 4100 1" DIAMETER	\$57.10/CWT (\$1,142/NT)	\$56.00/CWT (\$1,120/NT)	\$56.00/CWT (\$1,120/NT)
COLD FINISHED C1018 1" DIAMETER	\$63.90/CWT (\$1,278/NT)	\$64.50/CWT (\$1,290/NT)	\$64.50/CWT (\$1,290/NT)

OCTG AND LINE PIPE SAMPLING

	MAY 2011 DELIVERY	JUNE 2011 DELIVERY	JULY 2011 DELIVERY
J55 ERW 4 1/2" TO 8 5/8"	\$1,500 - \$1,580/NT	\$1,350 - \$1,400/NT	\$1,350 - \$1,400/NT
LINE PIPE ERW 4" BLACK	\$1,200 - \$1,300/NT	\$1,150 - \$1,200/NT	\$1,100 - \$1,150/NT

PRIMARY MAJOR NON-FERROUS METALS

ALUMINUM

	APRIL 2011	MAY 2011	JUNE 2011	JULY 2011 MTD
ALUMINUM NA (HIGH GRADE P1020)	\$1.1926/LB	\$1.1758/LB	\$1.1591/LB	\$1.1294/LB
MWTP (MIDWEST PREMIUM)	\$0.0675/LB	\$0.0894/LB	\$0.0858/LB	\$0.0852/LB
ALUMINUM ALLOY A380.1, LME VALUES	\$1.2325/LB	\$1.2194/LB	\$1.2029/LB	\$1.2013/LB

NICKEL & COPPER

	APRIL 2011	MAY 2011	JUNE 2011	JULY 2011 MTD
NICKEL, LME VALUES	\$11.9373/LB	\$10.9815/LB	\$10.1397/LB	\$10.5718/LB
COPPER HIGH GRADE A, LME VALUES	\$4.3090/LB	\$4.0492/LB	\$4.1029/LB	\$4.3069/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	APRIL 2011 DELIVERY	MAY 2011 DELIVERY	JUNE 2011 DELIVERY	JULY 2011 DELIVERY
T304*	\$1.9752/LB	\$1.9196/LB	\$1.8919/LB	\$1.7957/LB
T316/316L*	\$2.7438/LB	\$2.6545/LB	\$2.6236/LB	\$2.4984/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)

	APRIL 2011	MAY 2011	JUNE 2011	JULY 2011
T304/304L	\$1.3592/LB	\$1.3036/LB	\$1.2759/LB	\$1.1797/LB
T316/316L	\$1.9458/LB	\$1.8565/LB	\$1.8256/LB	\$1.7004/LB