

GREAT AMERICAN GROUP ADVISORY & VALUATION SERVICES

**Metals Monitor
June 2011**

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Introduction

Welcome to the June 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: Increasing
Sales Trends: Increasing
Gross Margin: Consistent
Inventory: Increasing
Pricing: Consistent

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 May 2011, the metals markets continued to reflect firm gross margins and increasing sales versus the prior year as the economic recovery, although sluggish, progresses. While certain steel goods such as flat rolled steel and long products have demonstrated consistent or contracting market prices, which impacted recovery values for these products, pricing for aluminum and other non-ferrous metals have remained relatively steady.

In addition, the companies appraised by GA were generally able to pass along increases in raw material pricing to customers via higher selling prices, and have not yet realized any effects from price contractions. Overall NOLVs were therefore strong and even increasing in the range of 4.5 to 8.0 percentage points in May 2011 versus NOLVs for appraisals conducted in 2010.



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

- An initial appraisal of a metal tube mill with annual revenues of over \$100 million;
- An initial appraisal of a manufacturer and distributor of metal industrial rack systems with annual revenues of more than \$100 million;
- A collateral update appraisal of a U.K.-based manufacturer and distributor of engineered steel products with annual revenues of more than £200 million;
- A collateral update appraisal of a major importer and master distributor of industrial stainless steel with annual revenues of over \$900 million and inventory exceeding \$250 million; and
- A collateral update appraisal of a producer of custom-extruded aluminum shapes and fence components for a variety of industries with annual revenues of more than \$50 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 29 locations across the U.S., with \$900 million in annual sales and over \$150 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

Despite gains from the improving economy, the steel industry remains unstable, as demonstrated by the fluctuations in output in the beginning of 2011. In addition, long steel products in particular have suffered low demand in the first half of the year due to the continued weakness in the residential and non-residential construction markets, which remain a constant challenge. A slow and unsteady recovery for construction steel products is expected in 2011, with long-term improvement supported by demand spurred by the American Recovery and Reinvestment Act.

Producers of both steel and aluminum have expressed reservations about adding production capacity online, given the global oversupply and high production costs. Although primary aluminum production was flat in 2010, output increased 7.0% year-over-year in the first two months of 2011, and combined primary and secondary aluminum output is forecast to grow 10.3% year-over-year in 2011 overall. However, leading U.S. aluminum producer Alcoa Inc. indicated in March 2011 that the business environment was not strong enough to support the return of production capacity that had been idled after the recession, at least not until the automotive industry fully recovers. Combined annual aluminum output is therefore not expected to reach the four-million-ton mark until 2015.

OVERVIEW

AUTOMOTIVE

Healthy demand from the automotive sector has been a positive boost for U.S. steel sheet mills, which experienced significant related rebounds in both price and production thus far in 2011. However, the steady acceleration in demand from the auto industry has begun to stall, as Detroit's Big Three automakers reported mixed sales in May, and overall U.S. sales fell to lower-than-expected levels.

Overall, U.S. auto sales declined 3.7% in May 2011 versus the same month the previous year, likely a consumer response to premature auto price increases. General Motors Company reported a 1% decline to 221,192 units in May, driven by lower fleet sales volumes. Ford Motor Company's May sales remained flat compared to the previous year, at 191,102 units. Chrysler Group LLC was the only one of the Big Three to post positive results, with a 10% increase in May to reach 115,363 units, marking the company's best May sales since 2008.

MANUFACTURING

Growth in the U.S. manufacturing sector, a large consumer of metals, has been slowing in recent months, with a large decline reported from April to May 2011. The Institute for Supply Management's purchasing managers index ("PMI"), an indicator of manufacturing activity, decreased 6.9 percentage points from 60.4 in April to a reading of 53.5 in May, marking the lowest PMI reported in the past year. Readings greater than 50 signify growth in the manufacturing economy, while readings below 50 denote contraction. The manufacturing sector continued to expand for the 22nd consecutive month, despite the deceleration in growth.

"Pressures from rising commodity costs, plus supply-chain disruptions from Japan's natural disaster, and extreme weather domestically, have combined to slow manufacturing's momentum," said IHS Global Insight chief U.S. economist Nigel Gault. Gault indicated the manufacturing sector has the potential for stronger growth in the second half of the year, particularly if energy prices ease and auto production rebounds.

The following table reveals the monthly PMI trend:

Month	PMI
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 continued to post year-over-year and week-over-week gains, while the Canadian rig count was down on a year-over-year basis and the international rig count decreased on a week-over-week basis.

According to Baker Hughes data from June 3, 2011, the U.S. rig count totaled 1,854 rigs actively exploring for or developing oil or natural gas, increasing by seven rigs from the previous week and up by 348 rigs versus June 4, 2010. Of the 1,854 rigs, 959 were seeking oil while 887 were exploring for gas, with the remaining eight rigs maintaining miscellaneous uses. 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	June 3, 2011	June 3, 2011	April 2011
Count	1,854	184	1,129
Date of Prior Rig Count	May 27, 2011	May 27, 2011	March 2011
Change From Prior Count	7	5	(18)
Date of Last Year's Rig Count	June 4, 2010	June 4, 2010	April 2010
Change From Last Year's Count	348	(8)	55

RECENT APPRAISAL TRENDS

In the past month, steel market prices generally remained steady or contracted, particularly prices for flat rolled steel and long products. Market prices for non-ferrous products such as aluminum and copper have stayed relatively stable or inched up slightly.

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. Despite optimistic gains in the automotive market over most of the first half of 2011, May proved a soft month for the industry. In addition, long steel products have faced low demand due to the continued fragility of the construction market, while the growth in manufacturing activity fell in May to the lowest level reported in the past year. The U.S. energy sector remained a bright spot, however, with continued gains in the domestic rig count.

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 May 2011, GA performed an initial appraisal of a metal tube mill that fabricates and distributes non-ferrous tubes and tube fabrications, which posted year-over-year sales increases in the range of 35% to 50%. GA also appraised a manufacturer and distributor of metal industrial rack systems that reported a sales increase between 15% and 25%.

In addition, GA conducted collateral updates for a U.K.-based manufacturer and distributor of engineered steel products as well as a producer of custom-extruded aluminum shapes and fence components, which both demonstrated sales increases between 30% and 45%. GA also performed a collateral update for a master distributor of industrial stainless steel products in various commodity forms, which experienced a sales increase between 65% and 80%.

As the companies appraised by GA in May boasted healthy sales growth, successfully passed raw material price increases to customers, and have not yet realized any effects from applicable market price contractions, overall NOLVs registered a positive impact. Collateral appraisals demonstrated NOLV increases within the range of 4.5 percentage points to 8.0 percentage points.

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. Discounts may also be applied for large quantities of metals inventory due to the impact of releasing such amounts into the market.

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 were flat in the beginning of June, but have recently begun moving upward as mill buyers attempt to secure supplies for the summer. Although steel demand remains weak, with recent declines registered for flat rolled steel prices, buying activity has been heating up amidst fears of tight supplies.

“There is no rational way this market should be up as much as it is,” said one Midwest scrap broker. “Flat rolled orders are weaker, [mill] operating rates have not risen, and steel prices are being discounted.”

Nevertheless, scrap prices have been giving way to increases of as much as \$20 to \$25 per gross ton in many regions. According to *Steel Business Briefing* (“SBB”), prices for both obsolete and prime industrial steel scrap grades have risen \$20 per gross ton in some cities along with prices for shredded and No. 1 busheling. No. 1 heavy melt and plate as well as structural scrap prices have been reported to increase \$15 per gross ton.

Shredded scrap prices remained steady at \$455 per gross ton in the Midwest, and held firm at \$445 per gross ton on the East Coast. However, No.1 busheling, which is used as a benchmark by Nucor Corporation (“Nucor”) to calculate scrap surcharges for flat rolled products, was reported to reach \$510 per gross ton in the Midwest. Rising scrap prices may therefore assist domestic steel mills in reversing the decline in flat rolled steel prices.

UTILIZATION RATES

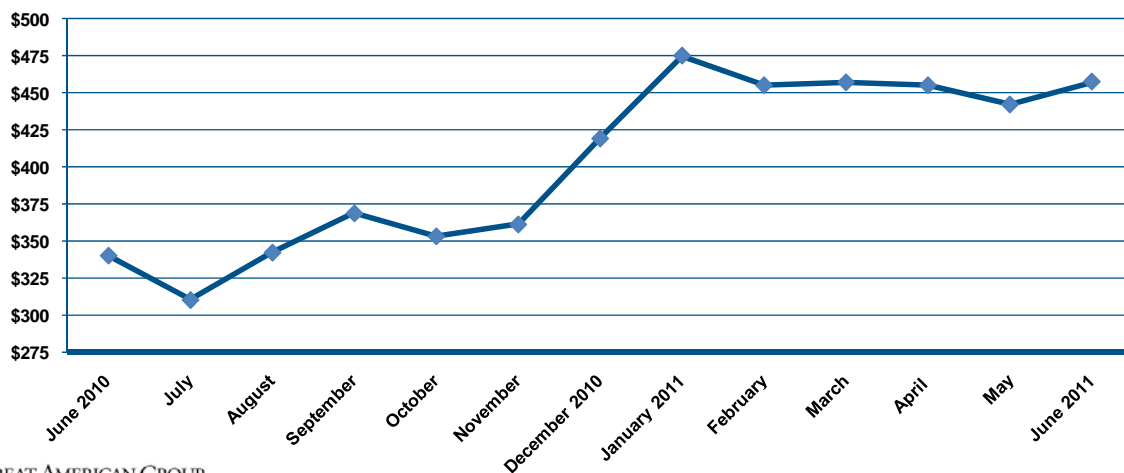
For the week ended May 28, 2011, domestic raw steel production totaled 1,801,000 net tons, according to the American Iron and Steel Institute (“AISI”). The week’s production decreased 1.1% from 1,821,000 net tons the previous week ended May 21, 2011 and declined 0.4% from 1,808,000 net tons for the week ended May 28, 2010. The AISI also reported capability utilization reached 73.7%, decreasing slightly from 74.5% the prior week and 74.8% 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%)
Year-to-Date through May 28, 2011	38.18	5.0%

The AISI reported U.S. mills shipped approximately 22.5 million net tons in the first quarter of 2011, with sheet products representing over 54% of shipments. First-quarter steel shipments from U.S. mills increased 10% year-over-year, driven by a 33.6% increase in pipe and tube products. The increase was partially offset by a nearly 25% drop in tin mill product shipments.

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



CARBON STEEL

CARBON FLAT ROLLED SHEET COIL

The Steel Index (“TSI”) reported the reference price for hot rolled coil (“HRC”) fell \$11 per net ton in early June, while the reference price for cold rolled coil (“CRC”) declined to \$880 per net ton. Spot prices for HRC currently range from \$760 to \$780 per net ton. However, HRC lead times and prices have begun to stabilize, and flat rolled prices are expected to move upwards as scrap supplies tighten and inventory levels dwindle.

“Certain signals in global steel and scrap markets suggest U.S. steel pricing has seen its correction and should stabilize near current levels of \$800 to \$840 per net ton,” said Aldo Mazzaferro, research director at Burke & Quick Partners. “These signals include firming scrap markets; higher steel prices in Turkey, Ukraine and other key markets; continuing producer discipline; and low supply from U.S. imports, inventory, and steel output.”

China’s slowdown may hinder a recovery in steel sheet prices if it proves more extensive than expected, and domestic demand may also slow in anticipation of the planned removal of the U.S. Federal Reserve’s second monetary stimulus.

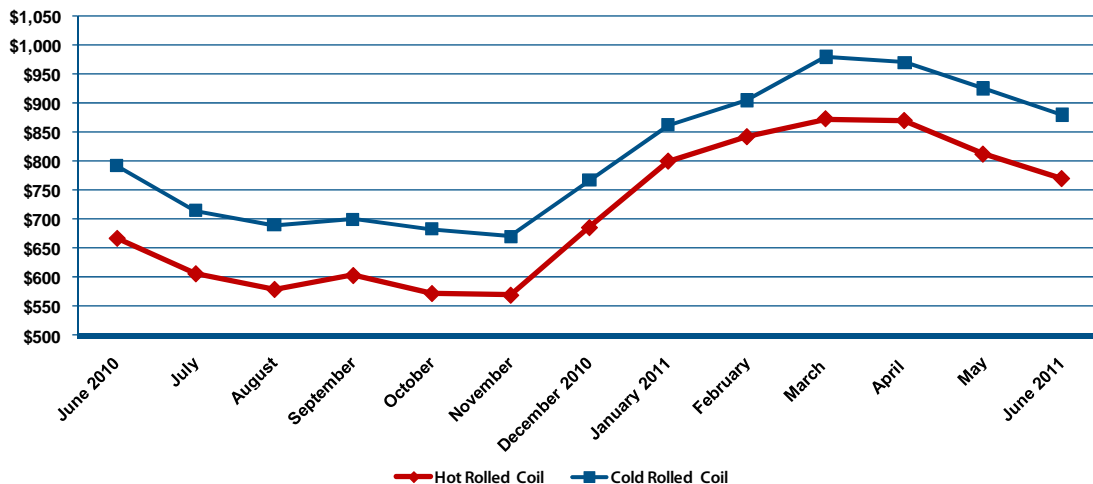
“The ultimate issue remains increased production and lower demand,” said Steel Reality chief analyst Josh Spoore. “Any further lackluster demand coupled with flat scrap prices would likely limit gains of steel prices.”



In industry news, Steel Dynamics, Inc. (“SDI”) has made headway in its plans to add a new U.S. flat rolled steel mill, with potential sites narrowed down to West Virginia, Ohio, and Indiana.

SDI’s facility would utilize new melting and refining technologies and open the company to new markets with its light plates, material for pipes and tubes, and sheet for exposed architectural panels and high-end appliances. The mill is expected to commence operations in mid-2013, with an anticipated 1.7 million net tons in annual capacity.

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



CARBON STEEL

PLATE

In late May, Nucor had announced plate transaction pricing through July, which certain industry analysts interpreted as a move to keep prices stable. TSI indicated reference prices for steel plate FOB Midwest mill remained nearly unchanged at \$1,050 per net ton in early June.

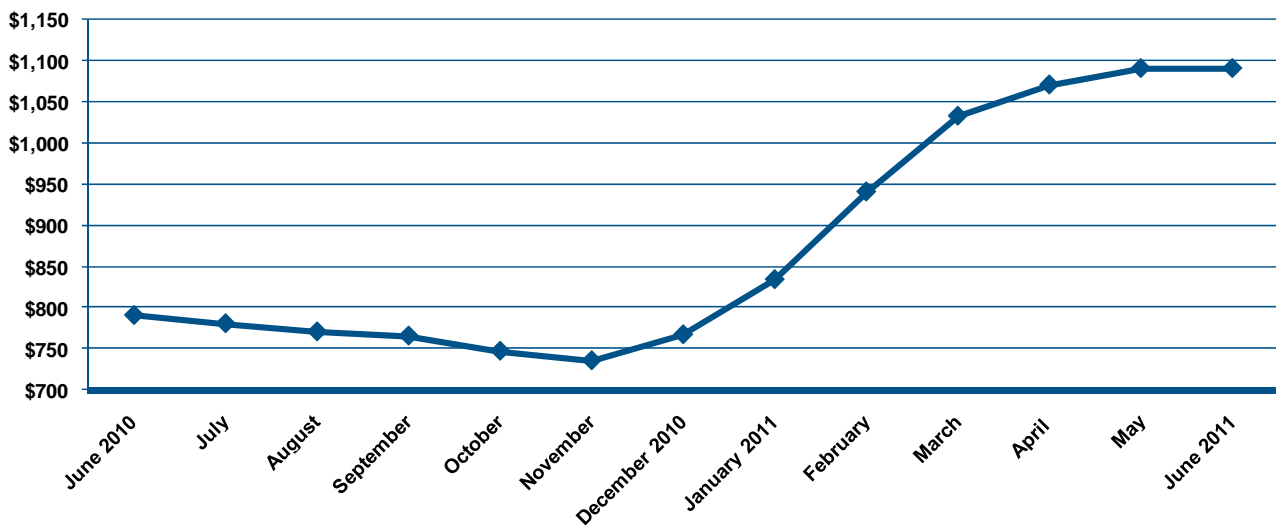
Plate prices have also remained relatively steady on the spot market. According to SBB, spot prices for A36 grade steel plate ranged from \$1,080 to \$1,100 per net ton in early June, consistent with the larger part of May.

However, despite Nucor's announcement and recent stability within the plate market, certain industry analysts speculate a decline may be on the horizon, as plate price trends tend to trail sheet prices by 30 to 45 days. Yet, others remain comfortable that plate prices will hold firm.

"Plate demand is still good and inventories are still okay," said one Midwestern source. "I do not expect the price range to move at all over the next few months."



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



CARBON STEEL

CARBON STEEL LONG PRODUCTS

SDI announced in late May that it would reduce prices for its wide-flange beam products by \$80 per net ton, effective immediately. Nucor and Gerdau Ameristeel Corporation have followed suit with similar price announcements. While SDI had indicated the price cut was intended to address imports, certain market sources also cited similar deals other domestic mills had given large customers.



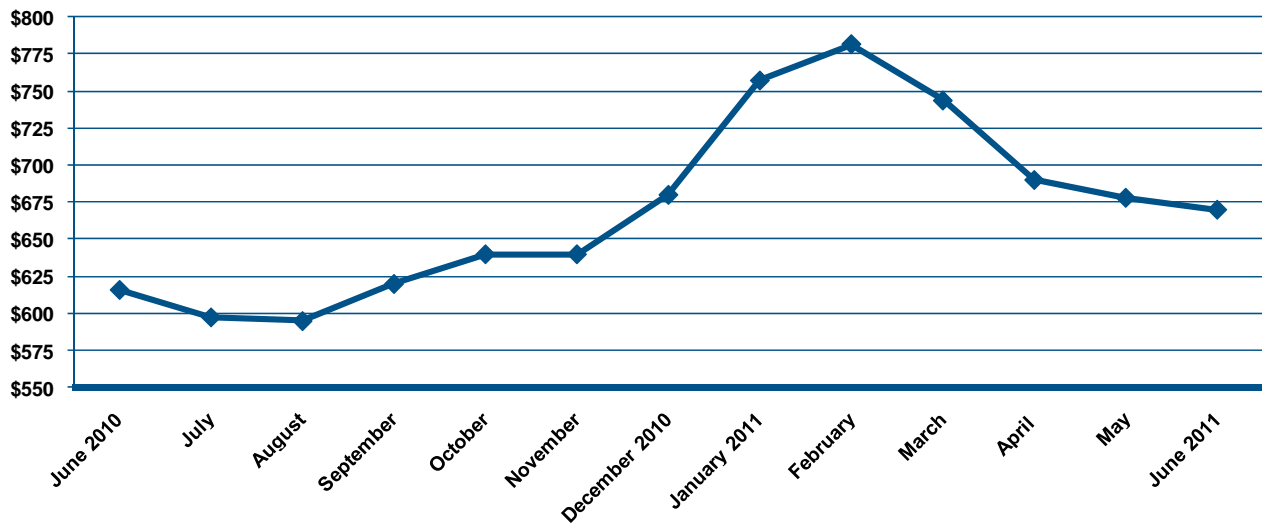
Following the price decrease, spot prices for medium wide-flange beam products fell from a range of \$890 to \$910 per net ton, FOB mill, to a range of \$820 to \$830 per net ton.

In industry news, U.S. tubing producer TMK IPSCO has entered into a new five-year contract with the 160 unionized employees at its facility in Catoosa, Oklahoma.



“TMK IPSCO’s commitment to quality and innovation is shared by all of our employees,” said John DeSanzo, plant manager of the Oklahoma facility. “This five-year contract allows all of us to maintain the focus on continuous improvement and meeting our customers’ needs.”

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

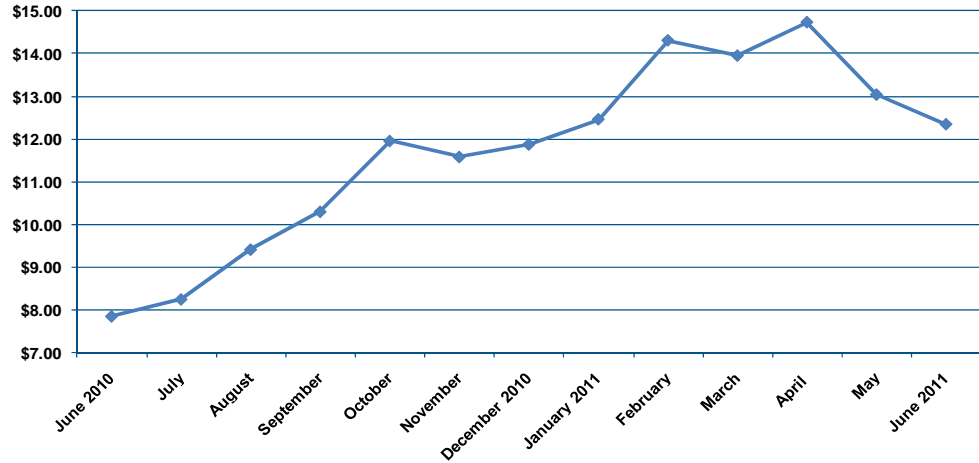


TIN

Tin prices on the London Metal Exchange (“LME”) fell from an average of \$13.03 per pound in May to \$12.34 per pound in June.

Although tin is among the least popular base metals traded on the LME, the metal outperformed its peers in 2010 by compounding nearly 54% of its worth over the course of the year.

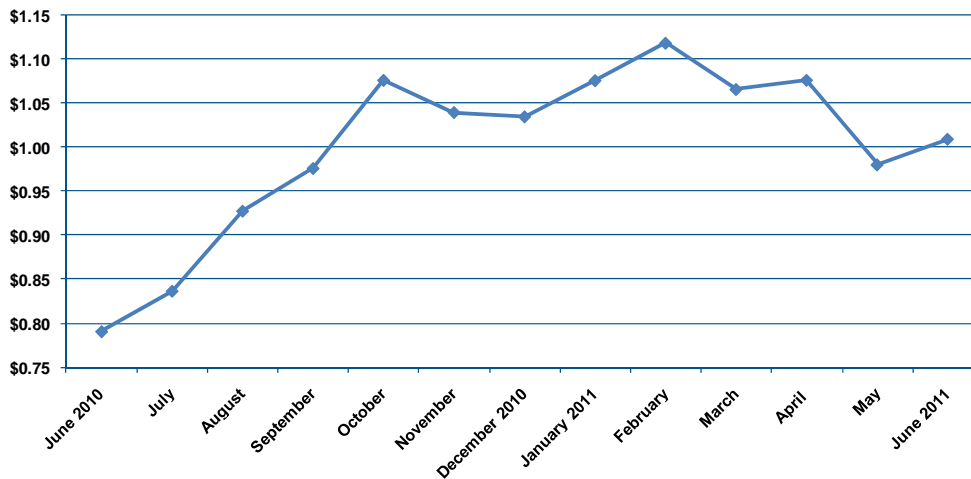
**Tin LME Monthly Average Price Per Pound
June 2010 Through June 2011**



Industry analysts therefore believe the recent declines in tin prices represent a temporary development brought on by weather-related production disruptions, the slowdown in the Chinese markets, and last month’s sell-off in commodities. Demand for tin persists, as tin has increasingly been used to replace lead for soldering. As China is the largest consumer of tin, accounting for nearly 44% of the global tin demand, increased Chinese participation in the tin market could push prices up. Although industry analysts foresee further monetary tightening for China in light of the nation’s recent inflation numbers, they continue to advocate higher tin prices.

ZINC

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

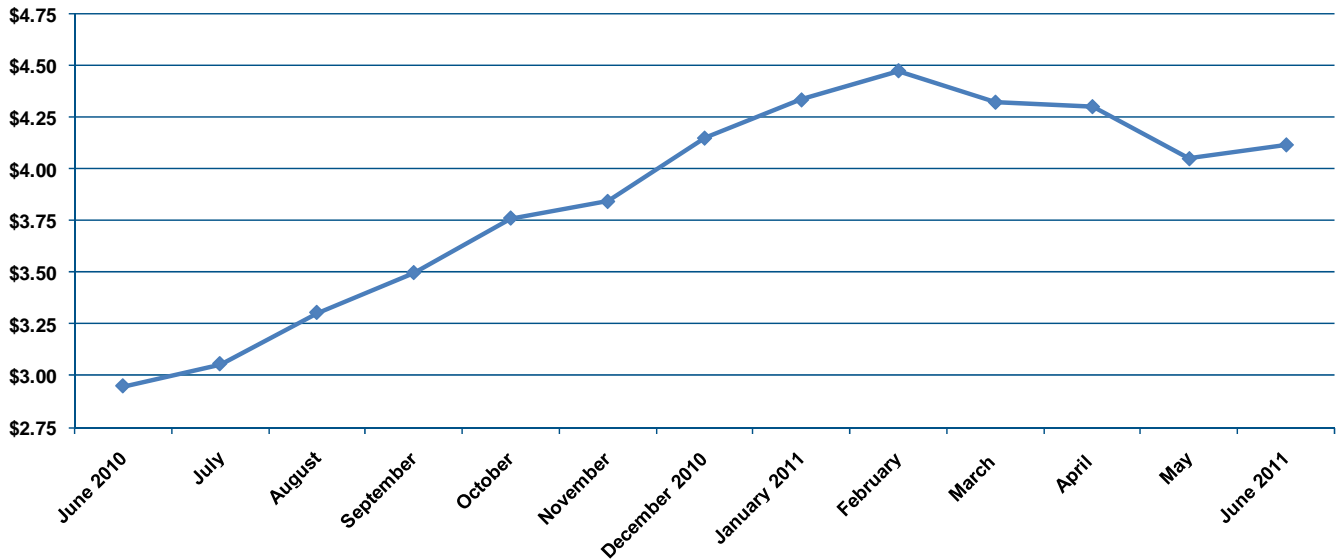


Zinc prices on the LME climbed from an average of \$0.98 per pound in May to \$1.01 per pound in June, despite rising inventory levels. LME zinc stockpiles increased 1.5%, or 28.3 million pounds to 1.9 billion pounds in early June, marking the highest level since June 1995.

The rise in inventory levels was driven by increases in zinc in the New Orleans warehouses, where zinc stocks have risen 31% in 2011 and represent 59% of total LME inventories.

COPPER

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



Spot prices for copper cathode remained relatively stable in the first half of 2011 due to the aggressive deals made at the end of 2010. The copper market has experienced an early summer slowdown, with many customers maintaining sufficient or even surplus stocks, and certain customers have even sought to sell off some inventory in light of summer shutdowns.

The copper market continues to be impacted by a weak wire market due to lackluster demand from the construction industry, although the automotive and energy markets have supported some demand for copper wire.

Copper and brass lead times from mills increased in the second quarter of 2011, although it remains uncertain whether this indicates actual demand growth or production limitations incited by cost-cutting initiatives.

“The lead times for some of the domestic mills are out pretty far,” said one distributor of flat copper products. “That should lead me to believe that there’s certainly good business out there, but from our perspective it seems that business has softened up a little bit.”

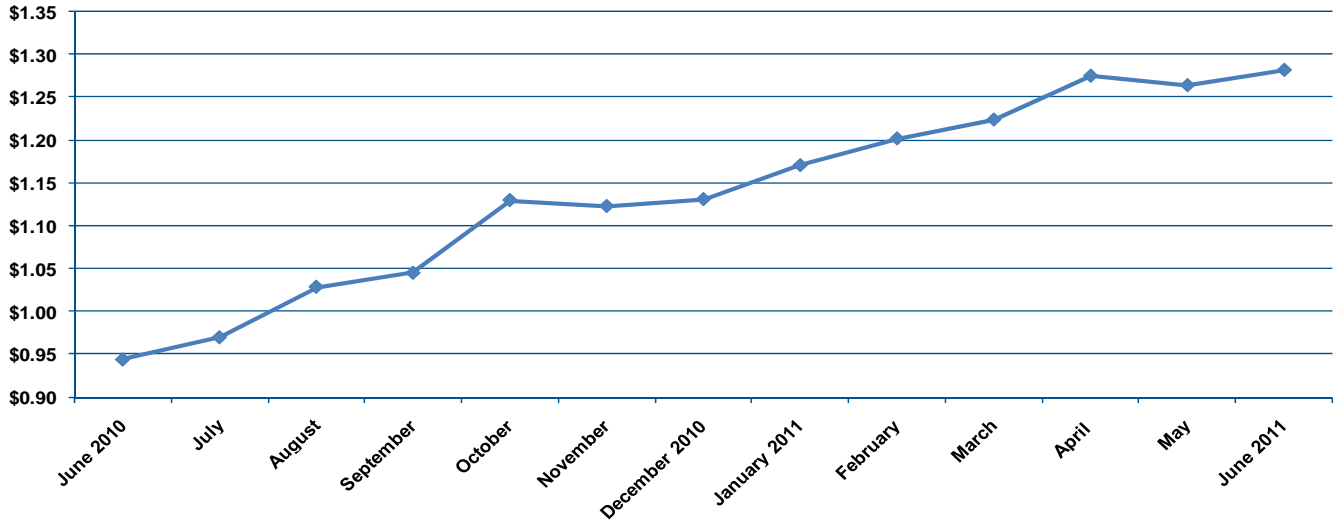
However, copper prices edged up slightly in June in light of supply disruptions in Chile and Peru, which represent key global producers.



As of June 6, 2011, the most-actively traded contract, for July delivery, had risen 0.5% to \$4.15 per pound on COMEX. Copper for June delivery was up 0.2% to \$4.14 per pound. On the LME, copper prices averaged \$4.12 in June, up from \$4.05 in May.

ALUMINUM

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

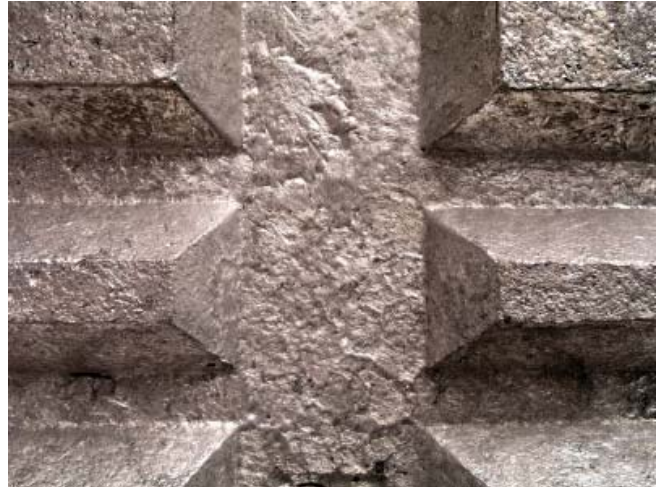


Primary aluminum sheet ingot prices on the LME averaged \$1.28 per pound in June, rising from \$1.26 per pound in May despite increases in aluminum stockpiles.

Aluminum levels in LME warehouses climbed to 4.7 million metric tons as of June 2, 2011, up from 4.5 million metric tons the prior year. According to industry sources, bank financing deals account for nearly 70% of the aluminum stocks tied up in LME warehouses.

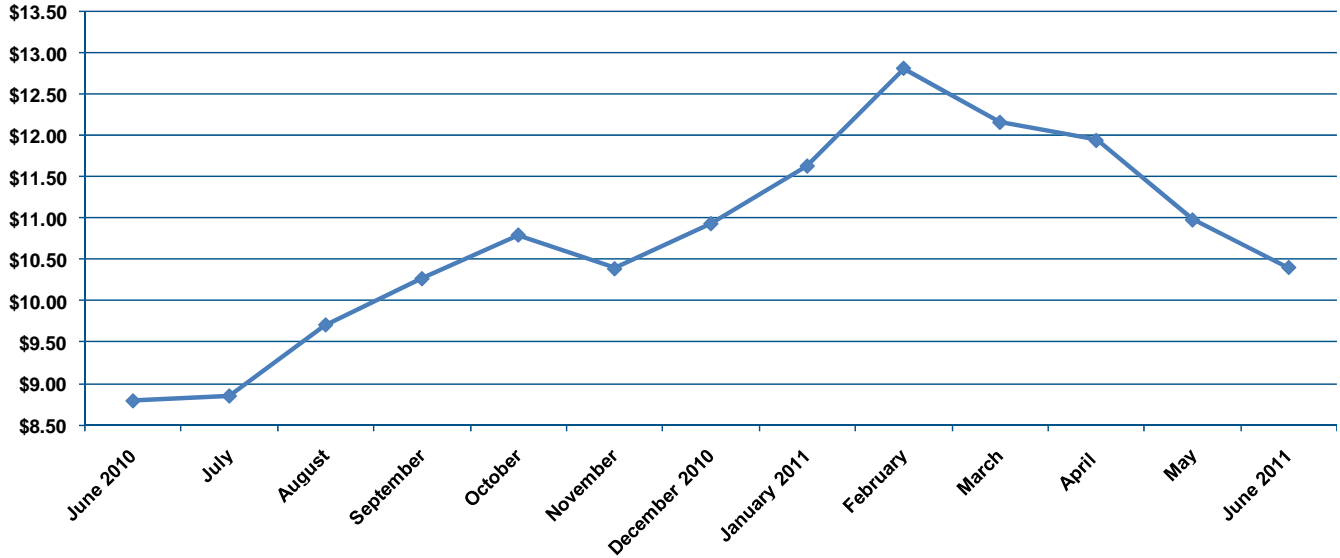
However, industry analysts have voiced concerns that the domestic aluminum market may experience production disruptions due to flooding along the Mississippi River.

U.S. aluminum premiums have begun to decline, although they remain above premiums at the start of the year. Conversely, European premiums have reached record levels as global aluminum demand remains strong and availability has become somewhat limited.



NICKEL

Nickel LME Monthly Average Price Per Pound June 2010 Through June 2011



Nickel prices on the LME averaged \$10.41 per pound in June, falling from \$10.98 per pound in May. Nickel prices on the LME have been declining since March due to the increased use of nickel substitutes in steel production and a potential nickel surplus caused by new large-scale nickel production.

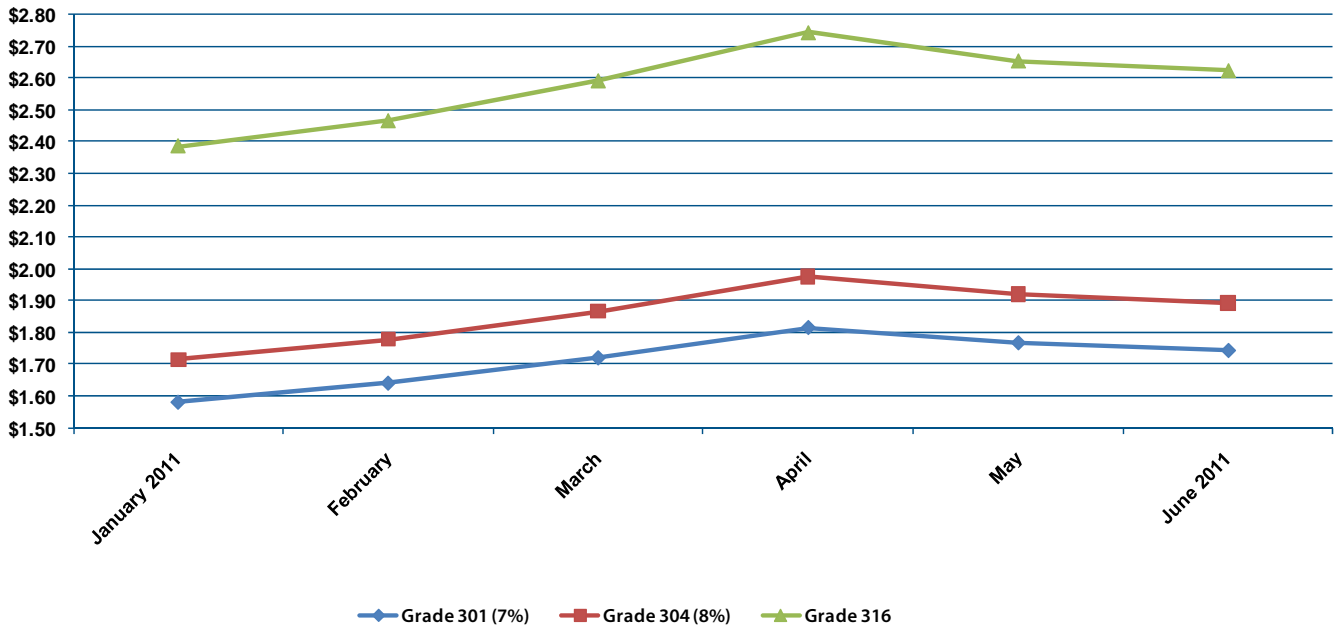
According to *Nickel Investing News*, nearly 60% of nickel demand is derived from stainless steel applications. China's demand for nickel imports for use in stainless steel is declining, as the nation is seeking to reduce production costs and has turned to its own production of nickel pig iron as a substitute.

Although U.S. stainless steel demand has grown, the nickel market is likely to face a surplus this year, which will be exacerbated in the short term by new large nickel operations that come online.



STAINLESS STEEL

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



U.S. stainless and specialty steel producer ATI Allegheny Ludlum has announced price hikes of 4% to 6% for nickel-based alloys, high-nickel-bearing stainless steels, and other premium melted alloys.

POSCO, a South Korean steel products manufacturer, has reduced its domestic list prices for austenitic stainless hot rolled and cold rolled coils by \$277 per ton for June due to the recent decline in nickel prices. This represents the third consecutive month that POSCO has cut its domestic prices, and the producer plans to slash export prices for its 300 series as well.

In the U.S., the market price for bellwether grade 304 stainless CRC steel remained flat in early June, according to SBB, with prices reported at nearly \$1.91 per pound. However, spot prices have been cited as low as \$1.87 per pound. The bellwether product held firm after a four-week cumulative increase approximating 4%.

Stainless steel surcharges have been trending downward on the heels of lower nickel prices. AK Steel Corp. (“AK Steel”) reduced its surcharges by nearly 7% on most stainless steel products for July, although the company increased its surcharge for electrical steel.

AK Steel’s surcharges for grade 304 products fell 7.5% to \$1.18 per pound, while grade 201 surcharges declined 6.2% to \$0.76 per pound, grade 316 surcharges declined 6.8% to \$1.70 per pound, and grade 430 surcharges declined 1% to \$0.31 per pound.

In industry news, two hearings were conducted in Washington, DC in early June to consider the expiration of antidumping and countervailing duties on flat rolled stainless steel sheet and plate products from various countries. The final votes for the cases are scheduled for July.

METALS REFERENCE SHEET

CARBON STEEL SCRAP VALUES — CHICAGO MARKET

	YEAR AGO	APRIL 2011	MAY 2011	JUNE 2011 MTD
AUTO SHRED	\$350.00/GT	\$455.00/GT	\$437.86/GT	\$445.00/GT
HMS (HEAVY MELT STEEL)	\$335.00/GT	\$425.00/GT	\$407.86/GT	\$415.00/GT
BUSHELING	\$455.00/GT	\$494.52/GT	\$490.71/GT	\$503.33/GT

CARBON STEEL VALUES IN MAJOR COMMODITY FORMS

CARBON FLAT ROLLED SHEET COIL BASE PRICE

	MARCH 2011	APRIL 2011	MAY 2011	JUNE 2011 MTD
HOT BANDS	\$900.00/NT	\$886.60/NT	\$806.60/NT	\$780.00/NT
COLD ROLLED	\$1,000.00/NT	\$986.60/NT	\$906.60/NT	\$880.00/NT
HOT DIPPED COATED GALVANIZED	\$1,105.00/NT	\$1,064.20/NT	\$979.60/NT	\$953.00/NT

CARBON STEEL PLATES BASE PRICE

		APRIL 2011	MAY 2011	JUNE 2011
PLATE COILS AND STRIP MILL COILS		\$890 - \$910/NT	\$800 - \$820/NT	\$780 - \$800/NT
DISCRETE PLATES*	CARBON STEEL	\$1,100/NT	\$1,110/NT	\$1,080/NT
	ALLOYS PLATES	\$1,240/NT	\$1,250/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)

	APRIL 2011 DELIVERY	MAY 2011 DELIVERY	JUNE 2011 DELIVERY
1/2" X 4" FLATS*	\$870 Avg/NT	\$856 Avg/NT	\$850 Avg/NT
2" X 2" X 1/4" ANGLES*	\$865 Avg/NT	\$852 Avg/NT	\$845/NT
REBAR COILS, GRADE 60: #3 TO #5 SIZES	\$775 Avg/NT	\$752 Avg/NT	\$745/NT
MERCHANT BAR (FOB MIDWEST MILL)	\$935 - \$955/NT	\$845 - \$870/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)

	APRIL 2011 DELIVERY	MAY 2011 DELIVERY	JUNE 2011 DELIVERY
HOT ROLLED 1000 1" DIAMETER	\$49.75/CWT (\$995/NT)	\$53.25/CWT (\$1,065/NT)	\$52.25/CWT (\$1,045/NT)
HOT ROLLED 4100 1" DIAMETER	\$53.50/CWT (\$1,070/NT)	\$57.10/CWT (\$1,142/NT)	\$56.00/CWT (\$1,120/NT)
COLD FINISHED C1018 1" DIAMETER	\$61.00/CWT (\$1,220/NT)	\$63.90/CWT (\$1,278/NT)	\$64.50/CWT (\$1,290/NT)

OCTG AND LINE PIPE SAMPLING

	APRIL 2011 DELIVERY	MAY 2011 DELIVERY	JUNE 2011 DELIVERY
J55 ERW 4 1/2" TO 8 5/8"	\$1,500 - \$1,580/NT	\$1,500 - \$1,580/NT	\$1,500 - \$1,580/NT
LINE PIPE ERW 4" BLACK	\$1,200 - \$1,300/NT	\$1,200 - \$1,300/NT	\$1,200 - \$1,250/NT

PRIMARY MAJOR NON-FERROUS METALS

ALUMINUM

	MARCH 2011	APRIL 2011	MAY 2011	JUNE 2011 MTD
ALUMINUM NA (HIGH GRADE P1020)	\$1.1694/LB	\$1.1926/LB	\$1.1758/LB	\$1.1931/LB
MWTP (MIDWEST PREMIUM)	\$0.0650/LB	\$0.0675/LB	\$0.0894/LB	\$0.0875/LB
ALUMINUM ALLOY A380.1, LME VALUES	\$1.2275/LB	\$1.2325/LB	\$1.2194/LB	\$1.2100/LB

NICKEL & COPPER

	MARCH 2011	APRIL 2011	MAY 2011	JUNE 2011 MTD
NICKEL, LME VALUES	\$12.1616/LB	\$11.9373/LB	\$10.9815/LB	\$10.3691/LB
COPPER HIGH GRADE A, LME VALUES	\$4.3225/LB	\$4.3090/LB	\$4.0492/LB	\$4.1189/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	MARCH 2011 DELIVERY	APRIL 2011 DELIVERY	MAY 2011 DELIVERY	JUNE 2011 DELIVERY
T304*	\$1.8656/LB	\$1.9752/LB	\$1.9196/LB	\$1.8919/LB
T316/316L*	\$2.5916/LB	\$2.7438/LB	\$2.6545/LB	\$2.6236/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)

	MARCH 2011	APRIL 2011	MAY 2011	JUNE 2011
T304/304L	\$1.2496/LB	\$1.3592/LB	\$1.3036/LB	\$1.2759
T316/316L	\$1.7936/LB	\$1.9458/LB	\$1.8565/LB	\$1.8256