Manufacturing Update

November 2011

UNITED STEELWORKERS — USW — UNITY AND STRENGTH FOR WORKERS

Commodities Prices

	Unit	Latest	Month Previous	3-year Average	Peak	% Down from Peak
Aluminum	pound	$0.96	$0.99	$0.94	$1.24	23.3%
Steel, Hot Rolled Sheet	ton	$656	$678	$626	$900	27.1%
Copper	pound	$3.45	$3.34	$3.17	$4.45	22.4%
Nickel	pound	$8.10	$8.53	$8.82	$13.06	38.0%
Oil	barrel	$99.32	$85.35	$76.54	$112.30	11.6%
Gasoline	gallon	$3.31	$3.43	$2.79	$3.91	15.2%
Uncoated Paper (50 lb. roll)	ton	$930	$940	$906	$960	3.1%
Unbleached Linerboard (42 lb.)	ton	$640	$640	$606	$680	5.9%
Natural Gas (Industrial Use)	1,000 cubic feet	$4.74	$5.12	$5.55	$7.89	39.9%

Goods Producing Employment

Change since	Number	Percent
Previous Month	- 30,000	- 0.4%
Twelve Months	+ 305,000	+ 1.8%

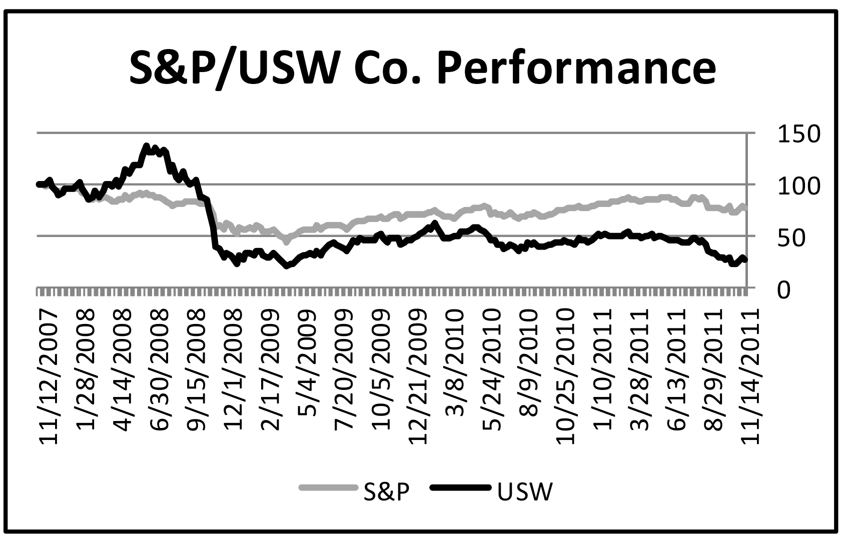
Overall Unemployment Rate	9.0%
Real Unemployment Rate (not seasonally adjusted)	15.3%

Trade in Goods ($ in billions)

	Month	Previous 12
Imports	$ 223.5	$ 2,170
Exports	$ 180.4	$ 1,462
Deficit	$ - 43.1	$ - 708

CPI Change

Since Previous Month	-0.29%
Since Twelve Months	3.92%

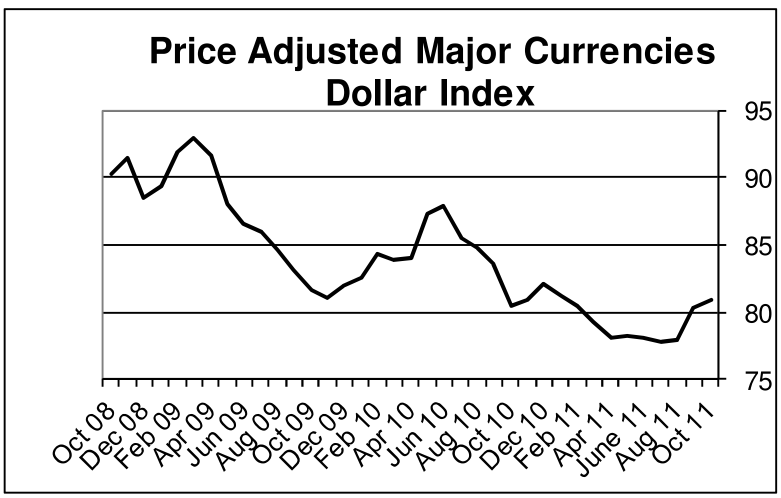


Other Economic Indicators

	Recent Month	Change Over Previous	Change Over Year Ago	Peak
Housing Starts (000s)	54.0	-6.3%	18.9%	-20.8%
New Home Sales (000s)	25.0	0.0%	8.7%	-39.0%
Home Price Index	155.7	-0.4%	-3.3%	-8.2%
Consumer Confidence	40.9	-11.9%	N/A	-43.2%
Manufacturing Output	91.3	0.4%	0.1%	-1.1%
Cars & Lt Trucks (millions)*	9.0	6.2%	13.1%	0.0%
Mfg. Capacity Utilization	75.4	0.3%	3.8%	0.0%
PMI	50.8	-1.6%	-10.7%	-17.3%
New Orders Index	52.4	5.6%	-11.0%	-22.9%
Retail Sales ($ billions)**	320.5	1.9%	5.8%	-14.4%
Federal Fund Rate	0.25%	0 pt.	0 pt.	(1.5) pts

* Annualized

** Excluding food & motor vehicles



GDP Growth

3rd Quarter 2011	*2.0%
2nd Quarter 2011	1.3%
Trend:	▲ 8 quarters

*- second estimate

Data Explanation

Car & Lt. Trucks – Annualized monthly number, data from the Fed

Mfg. Capacity Utilization – Excluding food and automobiles

PMI - An indicator of economic health in the manufacturing sector. The PMI index is based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment. A PMI of more than 50 represents expansion of the manufacturing sector, compared to the previous month. A reading under 50 represents a contraction, while a reading of 50 indicates no change.

Retail Sales – Excludes auto and auto parts sales.

Note: All data is for the most recent month available; most have a lag of one month, although for some, like housing and natural gas prices, there is a two-month lag.

S&P Data: The five USW companies used to form a composite number to be compared with the overall S&P are: Alcoa, Goodyear, ArcelorMittal, US Steel, and International Paper.

Notes & Observations on the most recent data:

- The official U.S. national unemployment rate was at 9% in October, the 31st straight month with a rate of 8.8% or higher. The Real Unemployment rate was at 15.3%. Compared year-over-year, the current unemployment rates are only slightly improved (9.6% and 15.9%).

- More than 800,000 jobs were added to non-farm payrolls in the most recent month, with nearly 3 million jobs having been added since the first of the year. Non-farm payrolls have increased in eight of the last nine months.

- Jobs in the Goods Producing sector fell for a second straight month. The Goods Producing Sector, which includes Manufacturing, Construction, Mining and Logging, lost about 30,000 jobs in the most recent month. Since January, Goods Producing has added about 1.1 million jobs, even though employment numbers are still remains about 3 million below pre-crisis levels.

- Manufacturing capacity numbers were up again, establishing a new, three-year high for the second consecutive month. Capacity is now running at more than 75% when compared against its baseline year. Manufacturing output also reported strong numbers with its best showing of 2011.

- More good news in the auto industry where October Auto and Light Truck production numbers were the best of the last three years, at more than 9 million vehicles produced (annualized over 12 months). The auto industry has posted solid production numbers for three straight months. *The Detroit News* says that 190,000 jobs will need to be added to the auto industry by 2015, with many of those jobs projected to be in Michigan, which has been especially hard hit.

- Crude Oil prices leaped more than 14% from mid-October through mid-November to settle in at just under $100 per barrel. Copper is the only other commodity to increase in price over the last month, and was up about 4%.

- Despite the hefty jump in Oil, gasoline prices fell. On average, consumers were paying about 8 cents less per gallon than they were in mid-October.

- Natural Gas continues to be affordable, dropping to less than $5 (per 1,000 square feet) for industrial customers. That price is nearly 40% below the peak price of the last three years. Prices for aluminum, domestic, hot-rolled steel sheet, nickel and coated paper were all down slightly in the last month.

- For the third straight month, the value of the U.S. dollar was up when compared against other major currencies of the world. Since July, the dollar is up modestly, about 4%.

- The Consumer Price Index fell for just the second time in the last 16 months with lower gas prices serving as one of the key drivers of the drop. Over the past 12 months, inflation is running at 3.92%.

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