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AUGUST 2024

THE UPM MARKET INFORMER



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Japan Airlines Will Modernize Fleet With Up to 20 More Boeing 787 Dreamliners

Boeing [NYSE:BA] and Japan Airlines (JAL) today announced an agreement for up to 20 more 787 Dreamliners, as the 787's market-leading efficiency and range are valued on international routes to North America, Asia and India. The deal includes 10 787-9s with options for 10 more, adding to JAL's current fleet of more than 50 of the popular widebody jet.

"We are delighted to announce the addition of 787 Dreamliners to our fleet. This order underscores our commitment to accelerating the introduction of the modern and more fuel-efficient aircraft to deliver unparalleled service to our customers and further reduce CO₂ emissions. We greatly appreciate the strong relationship and support from Boeing, which has been instrumental in our efforts to modernize our fleet and expand our international routes," said Yukio Nakagawa, JAL Executive Officer of Procurement.

Once this order is finalized and posted to Boeing's Orders & Deliveries website, the carrier will have 10 787s and 21 737 MAX jets on order. In recent years, JAL has leveraged the versatility of the 787 to open new point-to-point markets from Tokyo to San Diego, Boston and Bangalore. With a range of up to 7,565 nautical miles (14,010 km), the 787-9 possesses the longest-range capability within the 787 Dreamliner family, enabling JAL to open new routes and adding flexibility to its existing network.

"Japan Airlines continues to be a global ambassador for the 787 Dreamliner and this latest agreement is a testament to the versatility and efficiency of the 787-9 for the airline's key long-haul routes," said Brad McMullen, Boeing senior vice president of Commercial Sales and Marketing. "We value our long-standing partnership with Japan Airlines and are pleased that they have re-selected the 787 Dreamliner as they continue to modernize their world-class fleet."

Since revenue service began in 2011, the 787 family has opened more than 400 new nonstop routes around the world and received more than 1,900 orders from 87 customers – more than half from repeat customers, like Japan Airlines which operates both the 787-8 and 787-9. As a leading global aerospace company, Boeing develops, manufactures and services commercial airplanes, defense products and space systems for customers in more than 150 countries. As a top U.S. exporter, the company leverages the talents of a global supplier base to advance economic opportunity, sustainability and community impact. Boeing's diverse team is committed to innovating for the future, leading with sustainability, and cultivating a culture based on the company's core values of safety, quality and integrity. Read the announcement [here](#).

Nickel/Cobalt & Stainless-Steel Flat Rolled Surcharges



--	May '24	Jun '24	Jul '24	Aug '24	Sept '24	Oct '24
15-5	0.8962	0.9543	0.9410	0.8851	*	*
17-4	0.9092	0.9675	0.9540	0.8976	*	*
17-7	0.9191	0.9831	0.9570	0.8844	*	*
201	0.6521	0.6867	0.6762	0.6435	*	*
301 7.0%	0.8978	0.9586	0.9319	0.8619	*	*
302/304/304L	0.9847	1.0543	1.0253	0.9453	*	*
304-8.5%	1.0218	1.0956	1.0656	0.9805	*	*
305	1.2874	1.3916	1.3537	1.2336	*	*
309	1.3324	1.4366	1.3992	1.2791	*	*
310	1.8765	2.0416	1.9885	1.7984	*	*
316/316L	1.5068	1.6310	1.6406	1.5340	*	*
321	1.0456	1.1238	1.0926	1.0025	*	*
347	1.3552	1.4334	1.4022	1.3121	*	*
409/409 Mod	0.2988	0.2988	0.2872	0.2872	*	*
410/410S	0.3088	0.3088	0.2972	0.2972	*	*
430	0.3666	0.3668	0.3556	0.3556	*	*
439	0.3791	0.3791	0.3683	0.3683	*	*
263	7.1872	7.2037	7.5222	7.7369	8.1174	7.4431
276	8.3632	8.4690	8.8325	9.0886	9.9294	9.5647
A286	2.2421	2.2549	2.3887	2.4877	2.7088	2.4501
600	5.1756	5.2453	5.7004	6.0009	6.5626	5.7464
601	4.3571	4.4003	4.7578	4.9957	5.4508	4.8029
617	7.4124	7.4565	7.8179	8.0628	8.6323	7.9955
625	8.2697	8.3298	8.7005	8.9518	9.6282	9.0710
718	7.1970	7.2408	7.5559	7.7691	8.2477	7.7123
X-750	5.6430	5.7073	6.1339	6.4162	6.9448	6.1772
800	2.4442	2.4550	2.6283	2.7505	2.9928	2.6548
825	3.8560	3.8810	4.1142	4.2785	4.6712	4.2831
Alloy X	5.6251	5.6762	5.9659	6.1674	6.7538	6.3432
188	8.2433	8.2733	8.4554	8.5847	8.3965	8.0026
L-605	8.4775	8.4870	8.6063	8.6954	8.3402	7.9910

*Surcharge currently not available

Thin Gauge Stainless Steel and Nickel Alloy Surcharges



--	May '24	June '24	Jul '24	Aug '24	Sept '24	Oct '24
301 7%	1.0773	1.1503	1.1182	1.0342	*	*
302/304/304L	1.1816	1.2651	1.2303	1.1343	*	*
304 8.5%	1.2261	1.3147	1.2787	1.1766	*	*
305	1.5449	1.6699	1.6244	1.4803	*	*
316L	1.8082	1.9572	1.9687	1.8408	*	*
321	1.2547	1.3488	1.3110	1.2029	*	*
347	1.6262	1.7201	1.6825	1.5744	*	*
201	7.6654	7.8060	8.5373	9.0187	9.8935	8.5862
600	6.2108	6.2943	6.8405	7.2011	7.8751	6.8957
625	9.9237	9.9958	10.4406	10.7422	11.5539	10.8853
625LCF	9.9237	9.9958	10.4406	10.7422	11.5539	10.8853
718	8.6365	8.6889	9.0671	9.3229	9.8972	9.2548
Alloy X	6.7502	6.8115	7.1591	7.4009	9.7410	7.6118
X750	6.7716	6.8487	7.3607	7.6994	8.3337	7.4126

*Surcharge currently not available

Nickel/Cobalt & Stainless-Steel Bar Surcharges



	Mar '24	Apr '24	May '24	Jun '24	Jul '24	Aug '24
316LS/316LVM	2.27	2.36	2.43	2.62	2.49	2.43
Custom 455	1.30	1.34	1.41	1.48	1.35	1.35
Custom 465	1.84	1.91	2.00	2.11	1.97	1.98
Custom 630	0.99	1.01	1.05	1.11	1.03	1.01
CCM	12.30	11.93	11.81	11.04	10.96	10.88
625	8.86	9.31	9.67	10.39	9.79	9.62
718	6.69	7.06	7.37	7.89	7.29	7.15
718CR	6.69	7.06	7.37	7.89	7.29	7.15
A286	3.27	3.44	3.62	3.86	3.55	3.50
A2861	3.27	3.44	3.62	3.86	3.55	3.50
A2862	3.27	3.44	3.62	3.86	3.55	3.50
A2867	3.27	3.44	3.62	3.86	3.55	3.50
A286R1	3.27	3.44	3.62	3.86	3.55	3.50
A286SH	3.27	3.44	3.62	3.86	3.55	3.50
Alloy X	7.37	7.70	7.99	8.56	8.14	8.03
Wasp6	8.64	8.98	9.28	9.66	8.99	8.76
L605	12.54	12.40	12.35	11.84	11.87	11.60
321	1.44	1.50	1.56	1.66	1.51	1.46
347	1.45	1.50	1.56	1.66	1.51	1.47
Greek Ascoloy	1.33	1.34	1.35	1.39	1.41	1.38

*Surcharge currently not available

Titanium Surcharges



Form	Grade	Q1 2024 Surcharge	Q2 2024 Surcharge	Q3 2024 Surcharge
TI - SHEET	6AL4V	8.23	7.82	6.36
TI - PLATE	6AL4V	8.08	6.52	5.30
TI - PLATE	6AL4VE	7.28	4.18	3.62
TI - COIL	GR 2	8.70	8.92	8.92
TI - COIL	GR 3	8.70	8.92	8.92
TI - COIL	GR 4	8.70	8.92	8.92
TI - SHEET	GR 2	8.70	8.92	8.92
TI - SHEET	GR 3	8.70	8.92	8.92
TI - SHEET	GR 4	8.70	8.92	8.92
TI - BAR	6AL4V	5.45	6.02	4.90
TI - BAR	6AL4VE	5.45	6.02	4.90

What Farnborough Engine Orders Mean for the Aftermarket



Commercial engine aftermarket activity at the Farnborough Airshow is typically related to OEM service agreements attached to new aircraft and engine orders. At this year's show the trend has continued, with several big-ticket orders for new-generation programs, including some maintenance-inclusive deals where MRO responsibility is transferred to the manufacturer.

The engine segment accounts for the largest share of the commercial aftermarket, commanding 48% in 2024, which Aviation Week's Fleet & MRO Forecasts data values at \$53.1 billion. When Farnborough last convened in July 2022, engine orders were dominated by a narrowbody segment in full recovery mode as traffic continued to ascend post-pandemic and operators began to enact some of their future fleet considerations.

Two years later—following a subsequent period of material shortages, extended repair lead times and durability issues sparking operator concerns related to time-on-wing—long-term confidence

does not appear to be dented in either the CFM International Leap or the Pratt & Whitney Geared Turbofan (GTF) engine programs. While airlines have placed orders for both engine types, leasing companies have also been a big buyers of these engines at Farnborough while generally not buying engines. The trend of lessors increasing their presence in the engine segment comes average lease rates rise. Avolon placed an order for 160 PW1100G engines for 80 Airbus A320neo aircraft, along with a separate commitment for 150 Leap 1A engines as part of a 75-strong A320neo order. Fellow lessor SMBC, which already has 142 GTF engines in its portfolio, also placed a hefty order for more engines, totaling 42, while Macquarie AirFinance finalized an agreement for 20 737 MAX aircraft powered by 40 Leap 1Bs.

While under pressure to deliver a high volume of engines, both manufacturers have been ramping up the aftermarket side of their businesses over the past few years as engine shop capacity remains constrained against a backdrop of increasing shop visit demand. CFM runs a Leap network comprised of eight shops operated by the Safran and GE Aerospace joint venture's partners, 10 on-site shops providing quick-turn services and five external MRO partners in its open Leap network around the world. The company is hoping to add more maintenance companies to its external network. This year, it has been administering fixes to the engine's fuel nozzle coking system on both production and in-service engines. The fixes aim to improve engine durability by installing a retrofittable external device called the reverse bleed system.

Meanwhile, Pratt & Whitney has gradually added to its GTF aftermarket network with 10 active shops, including expansions to an existing MRO site in West Palm Beach, Florida, with the intention to add more facilities down the line. The OEM is operating on a time frame of 2026 for implementing GTF fixes on engines impacted by problems with the combustion/heat exchanger and the high-pressure turbine blades. The issues have led to multiple operator groundings. This week, Switzerland-based MRO SR Technics confirmed the induction of its first GTF engine at its shop in Zurich. The widebody engine segment, viewed as stable in terms of maintenance demand, is where the most intriguing engine order occurred this week. UK flag-carrier British Airways (BA) selected the GENx engine as the powerplant for six on-order Boeing 787s. The selection raised eyebrows as it represents a switch from BA's current 787 engine partner, Rolls-Royce. Read the full article [here](#).

Farnborough Air Show Kicks Off with \$51 Billion in Deals as Airbus Shows Off New Jet



The Farnborough Air Show generated deals worth £39.3 billion (\$50.8 billion) across its first day, the organizers of one of the biggest events in the aviation world calendar said, as Airbus showcased its new single-aisle long-haul jet. ADS Group, comprising the Farnborough organizers and trade group ADS, said the headline figure represented deals struck at list prices and included 163 firm aircraft orders worth £4.6 billion to the U.K.

Crisis-hit Boeing, which had been seen as keeping a lower profile at the event by continuing a recent trend of avoiding passenger jet displays, nonetheless occupied a large pavilion and received an early boost from

several orders. Korean Air signed for 40 wide-body jetliners from the U.S. plane maker, while Japan Airlines placed a firm order for 10 of its 787-9 Dreamliners, with an option for 10 more.

Budget Vietnamese carrier VietJet placed an order for 20 of Airbus' A330neo aircraft on Monday. Airbus meanwhile grabbed the attention of the thousands of trade delegates with an early afternoon display of the soon-to-launch A321XLR, set to be the world's longest-range single-aisle aircraft. The jet received European certification on Friday and is eagerly awaited by numerous airlines including Ireland's Aer Lingus and Spain's Iberia, for its capacity to cover long routes that have previously only been served by widebodies, with lower fuel costs.

In recent years, Farnborough — held every two years in alternation with the Paris Air Show — has firmed up its role as a deal-making event and industry showcase, with fewer aircraft displays and interactive exhibits. In 2019, it announced it would drop the weekend portion of the event open to the general public. A large number of startups working across electric eVTOLS (electric vertical take-off and landing vehicles), hydrogen-powered planes and other next-generation projects were prominent at the event. Read the full article [here](#).

Airbus vs Boeing: Who Won at the Farnborough Airshow & What Comes Next?



While Airbus started off the event relatively slower than Boeing, by day four on July 25, the European plane maker overtook Boeing in terms of total orders that were announced at the event.

In total, following the late announcement of the flynas and Abra Group, the parent company of Colombia's avianca and Brazil-based Gol Linhas Aéreas Inteligentes (GOL), memorandum of understandings (MoU) on July 24, Airbus had secured 164 orders and commitments for its aircraft, ranging from the Airbus A320neo aircraft family to the A350-900. Split between days, on July 22, Airbus announced a MoU with Drukair – Royal Bhutan Airlines for five A320neo family aircraft, three A320neo and two A321XLR, and Vietjet's order for 20 A330-900s. While it has not been confirmed, Airbus already had booked an order in its backlog from an undisclosed airline for 20 A330-900 in May.

Another important development was that Airbus has already begun eyeing the market for the successor of the A320neo aircraft family, with Julie Kitcher, the chief sustainability officer of the OEM, and Christian Scherer, the chief executive officer (CEO) of Airbus Commercial Aircraft, dropping hints about Airbus' new-generation single-aisle aircraft at the event.

Whatever the case might be in terms of its rivalry against Airbus, Boeing's agenda throughout this year's Farnborough International Airshow could not be described as unsuccessful, with the US-based OEM booking 118 orders, including 96 firm orders and 22 options from airlines and lessors.

That was despite the fact that between July 24 and July 26, the aircraft manufacturer announced zero orders. Its main news came on July 22 and July 23, with a total of six order announcements throughout the two days.

This had included the first order of the event when National Airlines purchased four 777Fs, followed by Korean Air purchasing 20 777X and 30 787-10s (ten 787-10 options), Japan Airlines adding 20 787s to its backlog (ten 787-9, ten 787 options, with the airline yet to choose the variant for the options), and Luxair ordering four 737 MAX 10 (two firm, two options). Read the article [here](#).

UPM Focus: UPM Takes on the Farnborough Airshow



United Performance Metals, had the opportunity to send several key team members to the 2024 Farnborough International Airshow in the United Kingdom this July. While UPM was busy with meetings and making the most out of their time at the show, a few were able to provide us with their thoughts on the show's impact to the industry and the company.

Patrick Sprague, Director of Emerging Markets, said "At a high level, the long term demand for the aerospace industry remains strong, with robust backlogs and high travel demand. While Boeing's woes will trickle down the industry, there was a positive spirit amongst suppliers and customers, due in large part to the continued increase in travel worldwide. UPM was able to learn from productive meetings and connect with new and existing partners. In addition to the aerospace activity, Farnborough hosted many EVTOL (electrical vertical takeoff and landing) companies, which was fascinating to see."

Max Harkavy, a relatively new Business Development Manager at UPM, attended the show for the first time and gave us a first-timer's review! "Attending the Farnborough Airshow for the first time was an unforgettable experience. I had the opportunity to meet with industry experts from all major defense primes, fostering valuable connections and gaining insights into the latest advancements in the industry. Engaging with suppliers and holding productive meetings with key stakeholders further enriched my experience. It was also great to spend time with the executive team and learn more about their perspective on UPM's business and the aerospace industry as a whole."

Lastly, our Director of Airframe/International, Rich Vanatsky, had several crucial insights that he gathered from the show with regard to an outlook for the aerospace industry. "Demand for military aircraft is strong in the US and globally. There were the usual announcements about new Airline orders for aircraft and engines, but the emphasis is not on demand levels, rather, it is on getting the supply chain fixed so the large backlog of aircraft orders can be delivered. Lastly, geopolitics are still affecting the global titanium supply chain, which sparked much conversation about how this valuable material can get to the companies that need it; UPM is committed to being a resource for those seeking titanium."

In the words of Sprague, "It was a great week for UPM to improve our relationships with key partners, build our brand in the industry, and leave with new, exciting insights to help us grow." Following the show, UPM looks to capitalize on the information gathered and chart the