

PNC's Metals Industry Update

Issue 48



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Welcome to Issue 48 of PNC's Metals Industry Update. This Issue begins with a review of the role M&A has played in the metal markets over the past 12-18 months. Foreign headquartered firms have been extremely active in their efforts to acquire some of the leading publicly traded US companies. This deal activity began prior to the tariff announcements by the Trump Administration. Except for Nippon Steel's bid for US Steel, these deals have moved forward with little or no objection from any of the parties involved. At the time this Issue went to production, a resolution of the US Steel transaction remained uncertain, while the others have closed or are proceeding with required approvals without question. Following our cover story, you will find our recurring segments. Metals pricing has reacted to the tariffs and have increased across almost every product we track. The bond market was very busy as six different issuers came to market to raise almost \$5.0 billion in bonds. Finally, the syndicated bank loan market reported improved activity both year on year and sequentially.

Thank you for your interest in our Update. We remain committed to providing useful information in a concise format. With that said we are open to your ideas and suggestions. We always enjoy hearing from our readers.

M&A Remains Active. Foreign Firms Invest in the US.

The metals markets continue to be dominated by the Trump tariffs. As compelling as a story on tariffs could be, tariffs remain unpredictable and beyond our ability to provide valuable insight. As a result, we decided to turn our focus to the role M&A has played in the metals markets in the past 12-18 months. Looking at the major publicly traded metals companies, over this period we have identified 15 transactions with an estimated \$24 billion in transaction value that have either been announced or closed. The majority of the dollar value from these deals have been announced by companies headquartered outside of the US including: Japan (Nippon Steel and Toyota Tsushu), Spain (Acerinox), Belgium (Aperam), and Canada (Russel Metals). The combined value of the proposed investment in the US by these foreign companies is \$17.98 billion or 75% of the total (dominated by Nippon Steel's offer for US Steel). However, Alcoa and Cleveland Cliffs made investments outside of the US. Alcoa acquired Australian based Alumina Limited for \$2.8 billion and Cleveland Cliffs acquired Canadian based Stelco Holdings for \$2.5 billion.

Based upon the Administration's comments, companies who wish to avoid tariffs should manufacture in the US. At least in metals, five major foreign firms are already ready to invest their capital in the US. It will be interesting to watch to see how investment strategy may change in the post-tariff economy.

The remainder of this article will offer some detail on these transactions which are listed below in order of acquirer and dollar value.

Nippon Steel Corporation– In late 2023, Nippon Steel agreed to acquire US Steel for \$55 per share in a transaction estimated to be worth \$14.9 billion. Hard to imagine any M&A transaction that has created any more controversy than this deal, including

M&A Remains Active. Foreign Firms Invest in the US. (Continued)

interest from two US Presidents, comments from the Prime Minister of Japan, objections from the USW President, continued commentary from a competitor's CEO, and a proxy battle with an activist shareholder. Nevertheless, at the time of this writing, the parties involved continue to work towards some form of an agreement.

Alcoa, Inc. – On August 1, 2024, Alcoa announced the completion of its acquisition of Alumina Limited in a stock transaction with an estimated value of \$2.8 billion. Prior to the acquisition, Alumina Limited was a 40% partner in Alcoa World Alumina. The combined entity solidifies Alcoa's position as a leading global supplier of alumina, improving its competitive position in key markets.

Cleveland Cliffs, Inc. – On November 1, 2024, Cleveland Cliffs announced the completion of the acquisition of Stelco Holdings Inc. in a cash and stock transaction with an estimated value of \$2.5 billion or 4.8 times LTM adjusted EBITDA with synergies. This is the third integrated steel producer acquired by Cleveland Cliffs since March 2020 including AK Steel and ArcelorMittal USA. The total combined consideration of these three transactions was estimated to be \$6.9 billion. Cleveland Cliffs previous bid to acquire US Steel is further evidence of their interest in consolidating the North American integrated steel industry.

Toyota Tsusho America, Inc. – On March 13, 2025, Radius Recycling announced an agreement to merge with Toyota Tsusho America, a subsidiary of Toyota Tsusho Corporation for an all-cash price of \$30 per share. The implied enterprise value of the transaction, including net debt, is approximately \$1.34 billion. The target for closing the transaction is the second half of 2025, subject to all required approvals and closing conditions. Toyota Tsusho is North America's 10th largest metals distribution and processing business according to Metal Center News! The acquisition expands their business into metals recycling and steel manufacturing.

Acerinox, S.A. – On November 21, 2024, the acquisition of Haynes International was completed by Acerinox in an all-cash transaction at an enterprise value of approximately \$970 million. This acquisition builds on Acerinox's successful acquisition of VDM Metals in 2020 and positions Acerinox to benefit from growing end markets for specialty steel products. Acerinox already has a large US presence through its ownership of North American Stainless.

Aperam, S.A. – On January 23, Aperam completed the acquisition of Universal Stainless & Alloy Products, Inc. The purchase price of \$45 per share represents an enterprise value \$537 million including the assumption of debt and a 10.6x multiple of LTM adjusted EBITDA as of June 30, 2024. This acquisition continues Aperam S.A.'s growing exposure to the US market, building on a strategy which began with the acquisition of ELG at the end of 2021.

Reliance, Inc. – During 2024, Reliance completed four acquisitions including Cooksey Iron & Metal, the tolling assets of FerrouSouth, Mid-West Materials, Inc and American Alloy Steel Inc. Reliance did report that net sales for the acquired companies totaled \$502 million in the prior calendar year. The total value paid for the acquisitions net of cash acquired was \$364.6 million.

Russel Metals, Inc. – Russel Metals completed two acquisitions during 2024 for a total of \$242 million after working capital adjustments. The first deal closed on August 12 and included 7 locations from Samuel, Son & Co for a purchase price of \$167 million. The second deal was Tampa Bay Steel. It closed on December 4, 2024 for \$75 million. Both acquisitions advanced Russel stated strategic objective to grow their US business.

Nucor Corporation – On April 1, 2024, Nucor announced the acquisition of Southwest Data Products, Inc for \$115 million. The acquisition represents the continuation of Nucor's "Expand Beyond" strategy to invest in steel centric businesses that operate outside of the cyclical nature of steel production and allows Nucor the ability to capture additional benefits from the rapid growth in data centers.

Olympic Steel, Inc. – On November 11, Olympic announced the acquisition of Metal Works, a leading manufacturer of metal components made primarily from coated carbon steel and aluminum. The purchase price for this all-cash deal was not disclosed at the time. However, the 2024 10-K reported an \$80 million investment.

Ryerson Holding Corporation – On August 2, 2024 Ryerson announced the acquisition of Production Metals. The purchase price has been reported in the Company's 10-K to be \$44.1 million. The acquisition expands their capabilities in aluminum, stainless and specialty steels in the New England region. Ryerson remains acquisitive, but this was the only transaction closed in the past year.

The material presented is of a general nature and does not constitute the provision of investment or economic advice to any person, or a recommendation to buy or sell any security or adopt any investment strategy. Opinions and forecasts expressed herein are subject to change without notice. Relevant information was obtained from sources deemed reliable. Such information is not guaranteed as to its accuracy. You should seek the advice of an investment professional to tailor a financial plan to your needs.

Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties, which change over time. Future events or circumstances may change our outlook and may also affect the nature of the assumptions, risks and uncertainties to which our forward-looking statements are subject. Forward-looking statements speak only as of the date made. We do not assume any duty and do not undertake any obligation to update forward-looking statements. Actual results or future events could differ, possibly materially, from those anticipated in forward-looking statements, as well as from historical performance. As a result, we caution against placing undue reliance on any forward-looking statements.

Metals Pricing

Metals pricing during the quarter reflected the market's view of the anticipated impact of the Trump tariffs. For the first time since we began tracking our 23 products twelve years ago, 21 products saw an increase during the quarter with substantially all the increase taking place in March. Leading the way on the price increase was heavy melt scrap (up 42%), HRC (up 33%), and shredded scrap (up 21.6%). It is worth noting that moving into April HRC prices continue to move higher. In addition, 9 different products experienced double digit percentage increases during the first quarter. Only iron ore pellets and met coal saw price declines, offering some possible support to margins at the integrated producers. In normal times, price increases are reflective of growing demand, but there is no evidence that anything but tariffs are supporting the price increases taking place in March. That makes us very skeptical of the market's ability to sustain these price levels. See the complete list of monthly metal prices during the quarter.

Carbon Flat-Rolled Steel \$/NT January - March 2025			
Product	January	February	March
Hot-Rolled	660	720	880
Cold-Rolled	960	960	1,080
Galvanized	1,000	1,000	1,150

Discrete Plate \$/NT January - March 2025			
Product	January	February	March
A36	900	900	1,020
A514	2,120	2,120	2,240
AR400	2,140	2,140	2,260

Wide Flange Beam \$/cwt. January - March 2025			
Size	January	February	March
24"x12¾"	61.50	61.50	64.50
18"x6"	58.25	58.25	61.25

MBQ \$/cwt. January - March 2025			
Shape	January	February	March
1" A36 round	48.75	47.70	50.70

Rebar \$/cwt. - Grade 60 January - March 2025			
Size	January	February	March
16 mm - #5	35.50	36.50	39.00

SBQ \$/cwt. - 1" round January - March 2025			
Grade	January	February	March
HR 4140 Q&T	94.50	95.50	98.00

Pipe & Tube \$/NT January - March 2025			
Product	January	February	March
OCTG J55	1,150	1,150	1,350
Linepipe, ERW	1,150	1,150	1,350

Aluminum \$/lb January - March 2025			
Alloy	January	February	March
3003	2.09	2.14	2.28
LME	1.17	1.20	1.21
MWTP	1.40	1.54	1.62

Stainless \$/lb - Cold-Rolled Coil January - March 2025			
Grade	January	February	March
304	1.58	1.57	1.59

Copper \$/lb January - March 2025			
	January	February	March
Comex Avg.	4.25	4.55	4.91

Nickel \$/lb January - March 2025			
	January	February	March
LME Avg.	6.97	6.93	7.28

Ferrous Scrap \$/GT Midwest January - March 2025			
GRADE	January	February	March
No. 1 HMS	310	360	385
Shredded	370	420	450

Iron Ore \$/LT U.S. January - March 2025			
GRADE	January	February	March
Furnace Pellets	119	122	94

Met Coal \$/MT U.S. East Coast January - March 2025			
GRADE	January	February	March
low vol	178	177	165

The metals market price guide is courtesy of Sector3 Appraisals, Inc., provider of asset valuation and advisory services for asset-based lending (ABL) lenders, specializing in metals, chemicals and commodities. For more information, contact Michael Dawson - Editor, Market Research at mdawson@sector3appraisals.com.



Metals Bond Update²

Market Treads Lightly Going into 2025

While steady job growth and moderate inflation data kept markets stable at the start of the first quarter, confidence faded as consumers grew increasingly concerned about Trump's second-term trade policy. Rising speculation around major tariff announcements fueled end-of-quarter jitters as markets began to price in slower global growth. The S&P 500 dropped 4.2% from 1/2/25 to 4/1/25 amid the uncertainty, while 10-year Treasury yields tightened ~40 bps to 4.169% over the same period. The average yield of the Investment Grade index tightened 20 bps (from 5.36% to 5.16%), while the average yield of the High Yield index widened 26 bps (from 7.47% to 7.73%) in the first quarter.

Investment Grade issuers priced \$554.8BN in 1Q25, surpassing last year's record pace as credit spreads remained near historical lows and UST yields steadily declined. The average Investment Grade new issue concession and order book subscription level remained healthy at 3 bps and 3.44x. Throughout the quarter, A-rated and BBB-rated yields decreased 0.22% and 0.16%, respectively, despite credit spreads widening 11 bps and 18 bps on average. PNC's IG Metals Bond Index tightened 0.18% and spreads increased by 18 bps in 1Q25. Nucor Corp (Baa1/A-) was one of two Investment Grade issuers to tap the primary market in the first quarter, pricing its \$1BN equally split offering of 5-year senior unsecured notes at T+70

bps / 4.696% and 10-year senior unsecured notes at T+95 bps / 5.132%. Steel Dynamics (Baa2/BBB) also completed a \$1BN dual-tranche offering of \$600MM 10-year senior unsecured notes priced at T+115 bps / 5.380% and \$400MM 30-year senior unsecured notes priced at T+140 bps / 5.962%.

High Yield issuers combined to price \$67.8BN in 1Q25. While still 20% behind 1Q24's \$84.2BN figure, March was the busiest month since September 2024. After hovering near 20-year lows at the end of February, BB-rated and B-rated spreads ended the quarter 41 bps and 78 bps wider on average, with ~80% of the movement coming in the last week of March as tariff concerns escalated. The average spread of issuers in the PNC HY Metals Bond Index widened 74 bps, while yields widened 0.27% in the first quarter. Novelis (Ba3/BB) was the first high yield issuer to price its \$750MM (up from \$500MM) 5NC2 senior unsecured notes at 6.875% in early January. Cleveland-Cliffs (Ba3/BB-) followed in February, pricing \$850MM (upsized from \$750MM) 6.6NC3 senior unsecured notes at 7.500% to pay down Revolver borrowings that were used to fund the Company's acquisition of Stelco. JW Aluminum (B3/B) came to market on March 3rd to price \$350MM 5NC2 first-priority senior secured notes at 10.25%, and Alcoa (through its Australian subsidiary borrower Alumina) (Ba1/BB) hit the market the following week (March 10th) to price an evenly split \$1BN dual-tranche offering of 5NC2 senior unsecured notes at 6.125% and 7.5NC3 senior unsecured notes at 6.375%.

Metals Bond Index

As of Date	PNC IG Metals Bond Index			PNC HY Metals Bond Index		
	4/1/2025	1/2/2025	(Δ)	4/1/2025	1/2/2025	
Effective Maturity (Years)	8.35	8.01	0.34	5.01	5.17	0.00
Composite Rating	BBB+	BBB+	-	BB-	BB-	-
Weighted Avg. Coupon	4.36%	4.26%	0.10%	6.05%	5.86%	0.19%
Yield to Worst	5.01%	5.19%	-0.18%	6.80%	6.53%	0.27%
Option Adjusted Spread to Treasuries (bps)	96.5	78.9	17.6	272.6	198.3	74.3

Source: Bloomberg

Note: PNC IG Metals Bond Index excludes bonds of size < \$250 million

Issuance Date	Issuer	Amount Outstanding (\$MM)	Structure	Moody's Rating	S&P Rating	Maturity	Coupon Rate	Price at Issuance	Issuance Spread over Treasury	As of 4/1/2025		Since 1/2/2025		
										Yield to Worst	Spread (OAS)	1/2/2025 Spread	Δ in Spread (bps)	%Δ in Spread
Steel Mills														
4/5/2024	Algoma Steel Inc	\$350	2nd lien	B3	B	4/15/2029	9.125%	100.00	490 bps	10.970%	721 bps	384 bps	337 bps	87.8%
3/11/2019	ArcelorMittal SA	\$401	Sr Unsecured	Baa3	BBB-	3/11/2026	4.550%	99.72	200 bps	4.710%	76 bps	101 bps	-25 bps	-24.9%
11/29/2022	ArcelorMittal SA	\$1,200	Sr Unsecured	Baa3	BBB-	11/29/2027	6.550%	99.91	255 bps	4.800%	93 bps	75 bps	18 bps	23.4%
7/16/2019	ArcelorMittal SA	\$500	Sr Unsecured	Baa3	BBB-	7/16/2029	4.250%	99.00	225 bps	4.844%	98 bps	73 bps	25 bps	33.7%
11/29/2022	ArcelorMittal SA	\$1,000	Sr Unsecured	Baa3	BBB-	11/29/2032	6.800%	99.37	305 bps	5.477%	142 bps	119 bps	23 bps	19.0%
3/7/2011	ArcelorMittal SA	\$434	Sr Unsecured	Baa3	BBB-	3/1/2041	6.750%	99.18	230 bps	6.267%	194 bps	177 bps	16 bps	9.3%
9/18/2020	Big River Steel LLC	\$720	Secured	Ba2	BB- *	1/31/2029	6.625%	100.00	604 bps	5.959%	114 bps	164 bps	-50 bps	-30.5%
2/6/2025	Cleveland-Cliffs Inc	\$850	Sr Unsecured	Ba3	BB-	9/15/2031	7.500%	100.00	305 bps	7.931%	385 bps	-	-	-
10/22/2024	Cleveland-Cliffs Inc	\$900	Sr Unsecured	Ba3	BB-	5/1/2033	7.375%	100.00	339 bps	8.033%	375 bps	287 bps	88 bps	30.7%
10/22/2024	Cleveland-Cliffs Inc	\$900	Sr Unsecured	Ba3	BB-	11/1/2029	6.875%	100.00	303 bps	7.390%	344 bps	263 bps	81 bps	30.8%
5/13/2019	Cleveland-Cliffs Inc	\$555	Sr Unsecured	Ba3	BB-	6/1/2027	5.875%	96.13	-	6.119%	174 bps	144 bps	31 bps	21.4%
2/17/2021	Cleveland-Cliffs Inc	\$368	Sr Unsecured	Ba3	BB-	3/1/2029	4.625%	100.00	368 bps	6.770%	298 bps	225 bps	72 bps	32.1%
4/14/2023	Cleveland-Cliffs Inc	\$750	Sr Unsecured	Ba3	BB-	4/15/2030	6.750%	100.00	325 bps	7.487%	342 bps	255 bps	87 bps	34.3%
2/17/2021	Cleveland-Cliffs Inc	\$325	Sr Unsecured	Ba3	BB-	3/1/2031	4.875%	100.00	374 bps	7.563%	365 bps	256 bps	109 bps	42.4%
3/18/2024	Cleveland-Cliffs Inc	\$1,425	Sr Unsecured	Ba3	BB-	3/15/2032	7.000%	100.00	276 bps	7.748%	355 bps	261 bps	95 bps	36.3%
1/28/2022	Commercial Metals Co	\$300	Sr Unsecured	Ba2	BB+	1/15/2030	4.125%	100.00	249 bps	5.670%	173 bps	159 bps	14 bps	8.6%
2/2/2021	Commercial Metals Co	\$300	Sr Unsecured	Ba2	BB+	2/15/2031	3.875%	100.00	279 bps	6.022%	206 bps	172 bps	35 bps	20.2%
1/28/2022	Commercial Metals Co	\$300	Sr Unsecured	Ba2	BB+	3/15/2032	4.375%	100.00	267 bps	6.000%	191 bps	163 bps	28 bps	17.5%
4/16/2014	GUSAP III LP	\$481	Sr Unsecured	Baa2	BBB	4/16/2044	7.250%	100.00	368 bps	6.188%	177 bps	164 bps	12 bps	7.6%
3/5/2025	Nucor Corp	\$500	Sr Unsecured	Baa1	A-	6/1/2030	4.650%	99.77	70 bps	4.674%	80 bps	-	-	-
3/5/2025	Nucor Corp	\$500	Sr Unsecured	Baa1	A-	6/1/2035	5.100%	99.73	95 bps	5.230%	111 bps	-	-	-
5/23/2022	Nucor Corp	\$500	Sr Unsecured	Baa1	A-	5/23/2025	3.950%	99.94	115 bps	4.645%	101 bps	70 bps	30 bps	43.0%
5/22/2020	Nucor Corp	\$500	Sr Unsecured	Baa1	A-	6/1/2025	2.000%	99.85	170 bps	4.827%	109 bps	88 bps	22 bps	25.0%
5/23/2022	Nucor Corp	\$500	Sr Unsecured	Baa1	A-	5/23/2027	4.300%	99.84	145 bps	4.375%	50 bps	42 bps	8 bps	19.8%
4/26/2018	Nucor Corp	\$500	Sr Unsecured	Baa1	A-	5/1/2028	3.950%	99.85	100 bps	4.413%	55 bps	58 bps	-3 bps	-5.3%
5/22/2020	Nucor Corp	\$500	Sr Unsecured	Baa1	A-	6/1/2030	2.700%	99.72	205 bps	4.611%	75 bps	62 bps	14 bps	22.0%
3/11/2022	Nucor Corp	\$550	Sr Unsecured	Baa1	A-	4/1/2032	3.125%	99.67	130 bps	4.885%	86 bps	71 bps	15 bps	20.8%
3/11/2022	Nucor Corp	\$550	Sr Unsecured	Baa1	A-	4/1/2052	3.850%	99.07	165 bps	5.605%	108 bps	94 bps	14 bps	15.1%
12/7/2020	Nucor Corp	\$329	Sr Unsecured	Baa1	A-	12/15/2055	2.979%	99.29	130 bps	5.593%	108 bps	89 bps	19 bps	21.7%
3/12/2025	Steel Dynamics Inc	\$400	Sr Unsecured	Baa2	BBB	5/15/2055	5.750%	97.03	140 bps	4.730%	145 bps	-	-	-
3/12/2025	Steel Dynamics Inc	\$600	Sr Unsecured	Baa2	BBB	5/15/2035	5.250%	98.98	115 bps	4.730%	120 bps	-	-	-
7/3/2024	Steel Dynamics Inc	\$600	Sr Unsecured	Baa2	BBB	8/15/2034	5.375%	98.65	123 bps	4.518%	119 bps	93 bps	27 bps	28.7%
6/5/2020	Steel Dynamics Inc	\$400	Sr Unsecured	Baa2	BBB	6/15/2025	2.400%	99.62	210 bps	4.730%	100 bps	84 bps	16 bps	19.2%
12/6/2016	Steel Dynamics Inc	\$400	Sr Unsecured	Baa2	BBB	12/15/2026	5.000%	100.00	266 bps	4.040%	37 bps	-134 bps	171 bps	-127.9%
10/9/2020	Steel Dynamics Inc	\$350	Sr Unsecured	Baa2	BBB	10/15/2027	1.650%	99.30	120 bps	4.798%	77 bps	49 bps	28 bps	56.7%
12/11/2019	Steel Dynamics Inc	\$600	Sr Unsecured	Baa2	BBB	4/15/2030	3.450%	99.74	165 bps	4.798%	87 bps	65 bps	22 bps	33.3%
6/5/2020	Steel Dynamics Inc	\$500	Sr Unsecured	Baa2	BBB	11/15/2031	3.250%	99.86	260 bps	4.798%	93 bps	74 bps	19 bps	25.2%
10/9/2020	Steel Dynamics Inc	\$400	Sr Unsecured	Baa2	BBB	10/15/2050	3.250%	96.33	185 bps	4.798%	124 bps	104 bps	20 bps	19.5%
2/11/2021	United States Steel Corp	\$475	Sr Unsecured	B1	BB- *	3/1/2029	6.875%	100.00	592 bps	6.060%	149 bps	181 bps	-32 bps	-17.5%
5/21/2007	United States Steel Corp	\$274	Sr Unsecured	B1	BB- *	6/1/2037	6.650%	99.41	180 bps	6.761%	265 bps	231 bps	34 bps	14.5%
Distribution														
8/3/2020	Reliance Inc	\$400	Sr Unsecured	Baa1	BBB+	8/15/2025	1.300%	99.69	110 bps	4.687%	87 bps	81 bps	6 bps	7.4%
8/3/2020	Reliance Inc	\$500	Sr Unsecured	Baa1	BBB+	8/15/2030	2.150%	99.72	160 bps	4.911%	100 bps	77 bps	23 bps	29.5%
11/20/2006	Reliance Inc	\$250	Sr Unsecured	Baa1	BBB+	11/15/2036	6.850%	99.43	220 bps	5.492%	140 bps	134 bps	6 bps	4.2%
Specialty														
7/13/2020	Alcoa Nederland Holding BV	\$141	Sr Unsecured	Ba1	BB	12/15/2027	5.500%	100.00	255 bps	5.706%	157 bps	33 bps	124 bps	381.5%
5/17/2018	Alcoa Nederland Holding BV	\$219	Sr Unsecured	Ba1	BB	5/15/2028	6.125%	100.00	314 bps	5.934%	183 bps	128 bps	55 bps	42.9%
3/24/2021	Alcoa Nederland Holding BV	\$500	Sr Unsecured	Ba1	BB	3/31/2029	4.125%	100.00	274 bps	6.031%	221 bps	164 bps	57 bps	35.0%
3/21/2024	Alcoa Nederland Holding BV	\$750	Sr Unsecured	Ba1	BB	3/15/2031	7.125%	100.00	301 bps	6.170%	194 bps	152 bps	43 bps	28.0%
3/17/2025	Alumina Pty Ltd	\$500	Sr Unsecured	Ba1	BB	9/15/2032	6.375%	100.00	226 bps	6.582%	227 bps	-	-	-
3/17/2025	Alumina Pty Ltd	\$500	Sr Unsecured	Ba1	BB	3/15/2030	6.125%	100.00	211 bps	6.154%	206 bps	-	-	-
8/10/2023	Arsenal AIC Parent LLC	\$700	Secured	Ba3	B+	10/1/2030	8.000%	100.00	396 bps	7.100%	295 bps	218 bps	77 bps	35.2%
11/22/2019	ATI Inc	\$350	Sr Unsecured	B1	BB-	12/1/2027	5.875%	100.00	414 bps	6.098%	183 bps	158 bps	25 bps	16.0%
9/14/2021	ATI Inc	\$325	Sr Unsecured	B1	BB-	10/1/2029	4.875%	100.00	255 bps	6.081%	209 bps	163 bps	46 bps	28.5%
9/14/2021	ATI Inc	\$350	Sr Unsecured	B1	BB-	10/1/2031	5.125%	100.00	255 bps	6.210%	212 bps	167 bps	45 bps	27.1%
8/11/2023	ATI Inc	\$425	Sr Unsecured	B1	BB-	8/15/2030	7.250%	100.00	313 bps	5.848%	190 bps	167 bps	23 bps	13.9%
7/24/2020	Carpenter Technology Corp	\$400	Sr Unsecured	B1	BB	7/15/2028	6.375%	100.00	587 bps	5.848%	164 bps	120 bps	44 bps	36.9%
3/16/2022	Carpenter Technology Corp	\$300	Sr Unsecured	B1	BB	3/15/2030	7.625%	100.00	566 bps	5.848%	148 bps	178 bps	-30 bps	-16.8%
4/14/2021	Century Aluminum Co	\$250	Secured	B3	B	4/1/2028	7.500%	100.00	615 bps	6.142%	209 bps	197 bps	12 bps	5.9%
9/1/2021	Howmet Aerospace Inc	\$700	Sr Unsecured	Baa1	BBB	1/15/2029	3.000%	100.00	255 bps	4.617%	76 bps	63 bps	13 bps	21.1%
1/25/2007	Howmet Aerospace Inc	\$625	Sr Unsecured	Baa1	BBB	2/1/2037	5.950%	99.62	113 bps	5.359%	115 bps	96 bps	19 bps	20.4%
11/26/2019	Kaiser Aluminum Corp	\$500	Sr Unsecured	B2	BB-	3/1/2028	4.625%	100.00	289 bps	6.525%	276 bps	225 bps	51 bps	22.7%
5/20/2021	Kaiser Aluminum Corp	\$550	Sr Unsecured	B2	BB-	6/1/2031	4.500%	100.00	288 bps	6.745%	280 bps	230 bps	50 bps	21.5%
1/13/2025	Novelis Inc	\$750	Sr Unsecured	Ba3	BB	1/30/2030	6.875%	100.00	836 bps	6.327%	223 bps	-	-	-
8/11/2021	Novelis Corp	\$750	Sr Unsecured	Ba3	BB	11/15/2026	3.250%	100.00	836 bps	5.298%	147 bps	173 bps	-26 bps	-14.9%
1/16/2020	Novelis Corp	\$1,600	Sr Unsecured	Ba3	BB	1/30/2030	4.750%	100.00	836 bps	6.319%	245 bps	201 bps	44 bps	22.1%
8/11/2021	Novelis Corp	\$750	Sr Unsecured	Ba3	BB	8/15/2031	3.875%	100.00	836 bps	6.297%	236 bps	201 bps	35 bps	17.2%
6/10/2015	Precision Castparts Corp	\$850	Sr Unsecured	Aa2	AA	6/15/2025	3.250%	99.80	110 bps	4.476%	43 bps	47 bps	-4 bps	-9.0%
6/10/2015	Precision Castparts Corp	\$275	Sr Unsecured	Aa2	AA	6/15/2035	4.200%	99.40	130 bps	4.737%	57 bps	55 bps	1 bps	2.6%
12/20/2012	Precision Castparts Corp	\$500	Sr Unsecured	Aa2	AA	1/15/2043	3.900%	99.38	100 bps	5.398%	95 bps	84 bps	11 bps	13.0%
6/10/2015	Precision Castparts Corp	\$325	Sr Unsecured	Aa2	AA	6/15/2045	4.375%	99.67	145 bps	5.375%	83 bps	74 bps	9 bps	11.6%
3/18/2025	JW Aluminium Continuous	\$350	Secured	B3	B	4/1/2030	10.250%	100.00	624 bps	10.258%	622 bps	-	-	-

Denotes new issuance since 1.2.2025

Denotes bond that matures in the next two years

*+/- Indicates ratings currently on review for upgrade/downgrade

Syndicated Bank Loan Market

Following a weak fourth quarter of 2024, the first quarter of 2025 reported more transactions (8 deals vs 6 deals) for twice the volume (\$5.4 billion vs \$2.7 billion). This result was on par with the first quarter of last year which produced 10 deals for \$7.3 billion. Nucor did the largest deal of the quarter, increasing their Revolving Credit Agreement by \$500,000,000 to \$2.25 billion. Novelis did the next largest deal, a \$1.25 billion Term Loan B with proceeds used primarily to refinance an existing Term Loan B. Others doing financing in the quarter were AMG Resources, ASP Grede, European Metal Recycling, Edward Levy, TMS International, and Mill Steel.

The following provides publicly available details for some of the more notable transactions.

	AMG Resources Corp.	Novelis Inc.	Nucor Corp.	Mill Steel Co.	EMR (USA Holdings) Inc.	ASP Grede Acqco. LLC
Date	Dec-21 (Amend. Mar-25)	Mar-25	Nov-21 (Amend. Mar-25)	Mar-25	Jun-21 (Amend. Mar-25)	Jul-21 (Amend. Jan-25)
Deal Size (\$ in MM)	\$90.0	\$1,250.0	\$2,250.0	\$325.0	\$350.0	\$105.0
Facility Type	CF Revolver	TLB	CF Revolver	ABL Revolver	ABL Revolver	ABL Revolver
Tenor	5 years	7 years	5 years	~3.2 years	5 years	3 years
Purpose	Corporate Purposes	Corporate Purposes / Refinance	Corporate Purposes	Corporate Purposes	Corporate Purposes	Corporate Purposes
Ratings						
S&P	NR	BB	A-	NR	NR	NR
Moody's	NR	Ba2	Baa1	NR	NR	NR
Amortization	-	1.0% per annum	-	-	-	-
Pricing at close (bps)						
All-in Spread		200.0	100.0	140.0	175.0	245.0
SOFR Margin	<i>Not disclosed</i>	200.0	92.0	125.0	175.0	235.0
Facility Fee		-	8.0	15.0	-	<i>Not disclosed</i>
Commitment Fee		-	-	-	<i>Not disclosed</i>	<i>Not disclosed</i>
Sustainability Adjustment	<i>Not disclosed</i>	-	-	<i>Not disclosed</i>	<i>Not disclosed</i>	<i>Not disclosed</i>
Pricing Detail (bps)						
			Debt Rating	SOFR Spread	Facility Fee	All-In Spread
			≥ A+ / A1	69.0	6.0	75.0
			A / A2	80.5	7.0	87.5
			A- / A3	92.0	8.0	100.0
	<i>Not disclosed</i>	<i>See above</i>	BBB+ / Baa1	102.5	10.0	112.5
			≤ BBB / Baa2	112.5	12.5	125.0
SOFR Adjustment (bps) (1-mo / 3-mo / 6-mo)	<i>Not disclosed</i>	-	10.0 bps all tenors	<i>Not disclosed</i>	<i>Not disclosed</i>	<i>Not disclosed</i>
Rate Floor	<i>Not disclosed</i>	-	-	<i>Not disclosed</i>	<i>Not disclosed</i>	<i>Not disclosed</i>
OID	-	100.0	-	-	-	-
Call Protection	-	101 soft call 6 months	-	-	-	-
Financial Covenants						
Fixed Charge Coverage Ratio		-	-			
Interest Coverage Ratio		-	-			
Total Leverage Ratio	<i>Not disclosed</i>	-	-	<i>Not disclosed</i>	<i>Not disclosed</i>	<i>Not disclosed</i>
Net Leverage Ratio		-	-			
Funded Debt to Capital Ratio		-	60.0%			
Debt to Capital Ratio		-	-			
Secured	<i>Not disclosed</i>	Yes	No	Yes	Yes	Yes

Sources: S&P Capital IQ ,
Moody's, Refinitiv Loan
Connector

Sources: S&P Capital IQ, Moody's, Refinitiv Loan Connector

1 www.metalcenternews.com
2 Bloomberg

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