



Metal Bulletin Research Consultancy Services

Independent business strategy solutions and market
data services for the mining and metals industries

MetalBulletin
Research Consulting



In a survey conducted by the independent Berne Group in 2011, 64% of respondents regarded Metal Bulletin Research as the best steel information provider of all key competitors in terms of quality of analysis.

Metal Bulletin Research was established to provide specialist independent market research and consulting services exclusively for the mining, metals and industrial mineral markets.

As the independent research division of Metal Bulletin Ltd, our team of consultants can draw on an unparalleled wealth of knowledge and networks accumulated since the company was founded in 1913.

With a large team of consultants in our offices around the world, the company provides regular and tailor-made solutions, market/price analysis and outlooks, and company-specific strategy recommendations within the global metals markets.

Our clients are metals producers, consumers, traders, financial institutions, government authorities, service providers and other consultancy firms.

“MBR’s study provided real and penetrative insights into a complicated area of research. Based on their work for me, I would be happy to recommend MBR to other financial industry clients interested in all aspects of metals/mining research.”

Director, Davy

Our competencies, market sectors, services and product coverage

Competencies

Strategy

Multi-commodity coverage of operating, marketing, technical, general business and purchasing strategies from a globally recognized independent management consultancy firm.

Project valuation and implementation

Advising companies and financial institutions on brownfield and greenfield project assessments, IPOs, financial inputs and modelling, risk-adjusted valuation models and internal business plan analysis.

High-performing databases and market information services

Extensive access to multi-commodity market and company-specific price and company databases – bringing transparency and accuracy where such data does not normally exist in the public domain. We deliver high-value data and information to you, your stakeholders and business partners as an independent third-party authority.

Market sectors

- Commodity producers, traders and service centers
- Commodity end-users including:
 - Automotive and component suppliers
 - Mechanical engineering
 - Construction
 - Packaging
 - Defence
 - Railway transportation
 - Shipbuilding
 - Aerospace
 - Oil/gas/water distribution
 - Other energy, including green technologies
- Commodity-related financial derivatives, indices and instruments



Services

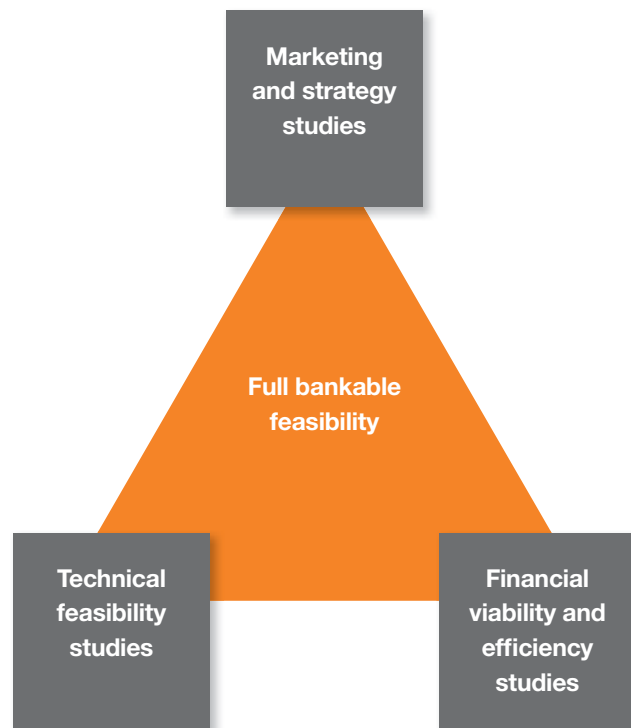
- Fundamental, competitive and project/business risk and viability assessments
- Pre-feasibility and feasibility studies, competitor expansion assessments and growth strategy recommendations
- Fundamental market and price analysis and forecasts. As an independent, authoritative source, we help you really understand the future demand, supply and price trends you face
- Uniquely extensive and granular databases, multi-commodity forecasting models and executive networks – all fully accessible by our clients
- Management surveys and interviews from key end-users (such as automotive and packaging companies) and metals producers
- Procurement best practice. Are you paying a fair market price for your commodity?
- Market price transparency specific to your product range and requirements
- Budget planning support
- Market entry advice and identification of new value-adding opportunities for producers
- Financial and project valuation modelling and capital-raising assistance
- Price-risk hedging strategies and recommendations
- Training and support to companies and advisors operating in the metals/mining sector
- Commodity workshops – identifying new investment opportunities for the financial community
- Marketing and contract negotiation support
- Information technology services feeding our data straight into client spreadsheets and models
- Preparation of internal marketing documentation and conference presentations

Product coverage

- Steel
- Steel raw materials
 - Scrap
 - Iron ore
 - Coking coal
 - Coke
 - DRI/HBI
- Tube and pipe
- Ferro-alloys
- Stainless steels
- Aluminium
- Copper
- Tin
- Zinc
- Lead
- Nickel
- Ores and concentrates
- Gold/silver/PGMs
- Industrial minerals
- Minor metals
- Power/energy/gas/oil
- Wire and cable

“The services are extremely detailed, and a very useful tool for any participant making trading decisions. I can recommend Metal Bulletin Research.” **Trader, Standard Bank**

Metal Bulletin Research can assist you with successful project implementation of the following services:



Marketing and strategy studies

- Recommended product mix, market penetration, prices, competitor and project risk analysis
- Strategy consulting
- M&A advisory services

Technical feasibility studies

- Is sufficient power, water, natural gas, oxygen etc. available?
- Are the logistics (rail, road, ports) adequate for:
 - Raw material imports?
 - Finished product exports?
- Technology – what options are available?
- Project implementation
 - Turnkey, functional turnkey or project managed?
 - What is the timing?
- Development of cashflow model
 - Generate IRR, NPV to measure project efficiency
 - Conduct sensitivity analysis on key parameters
- Consideration of national and international parameters
 - Environmental/labour requirements and so on
- Human resources – staff numbers and costs



Financial viability and efficiency studies

- Development of cashflow models:
 - Plant flowsheet, inputs sheet, sales plan
 - These develop into production plan COGS (cost of goods sold)
 - Development of capex plan with phasing
 - Free cashflow from project inception to say 20 years is developed
 - From this financial efficiencies are measured – IRR and NPV
- Project test for sensitivity for the following parameters:
 - Change in input costs
 - Change in sales volumes
 - Change in sales prices or margins
 - Change in capex costs and phasing

Full bankable feasibility

- Presentation of market, technical and financial plans
- Presentation of human resources plans – staffing numbers, costs, skills and training requirements
- Project risk – sensitivities and SWOT analysis

Clients we've recently worked with include:

- Alcoa
- Baosteel
- ArcelorMittal
- Alba
- Posco
- HSBC
- BNP Paribas
- Standard Bank
- Nippon Steel Corporation
- EBRD
- Duferco Group
- U.S. Steel
- Magnitogorsk Iron and Steel
- Metinvest Holding LLC
- Whirlpool Corporation
- Boston Consulting Group

“Metal Bulletin Research is analytical, data-rich and dependable. I can recommend them for high-level market and price forecast studies that assist me in making strategic decisions for the company.” **Head of Marketing, Ezz Steel**

Why should you approach us for your consultancy requirements?

Independent

- We are a leading commodity market research firm known for its reliability, independence and integrity.

Authoritative and accurate

- The Metal Bulletin brand is well known for market research and we have extensive contacts through the steel industry that facilitate this. Our powerful brand opens doors to high-level executives within the metals industry.
- We have a proven track record of forecasting accuracy, and innovative and provocative research established over more than a decade of continuous publication and bespoke assignments.
- Since 2011, Metal Bulletin Research analysts have taken the Top 4 and Top 5 positions on the overall APEX leader board for price forecast accuracy in copper and aluminium, with an accuracy rate of over 94%. The APEX survey tracks performance of more than 20 top base metal price forecasters, including leading global financial institution analysts. We ranked fifth overall in all base metal forecasts.
- Our research embraces fundamental valuation, market analysis and forecasting through globally integrated models and extensive databases.
- Our extensive and experienced consultant team reflects the company's highest standards of excellence and expertise, with many having previously held senior positions at the world's leading metal producers, management consultants and metal purchasers.
- We believe that the volume of repeat business we receive highlights how reliably we meet our primary objective of delivering total customer satisfaction.



Cost effective and timely

- Our degree of regular specialism in analyzing the metals markets means we are ahead of the game compared with our multi-disciplined and multi-sector competitors. We don't need to reinvent the wheel.
- Our consultancy business aims always to provide its clients with a flexible-consulting unit that is in tune with the marketplace, providing the very highest standards of client service, speed of response and attention.

Global reach

- Our clients, in more than 70 countries, include producers, banks, fund managers, metal-driven consumers, brokerages, leading management consultants, economists, strategists, corporate officers and other professionals at the world's leading financial institutions and metals-related corporations.
- We value diverse perspectives and our projects teams reflect the company's many global offices, particularly centred on the emerging markets.
- Since October 2006, Metal Bulletin has been part of Euromoney Institutional Investor PLC, which is a FTSE-250 company. The latest financial reports can be obtained from www.euromoneyplc.com
- As part of the leading metals news journal *Metal Bulletin*, North America's leading daily metals newspaper *American Metal Market* and their associated events businesses, we have access to an invaluable network of international contacts.
- BCA and Ned Davis Research, leading economics consulting companies, are also fully owned subsidiaries of Euromoney Institutional Investor PLC, and work closely with us on our long-term economic-based modelling.

“A trusted and reliable business intelligence provider in determining my global tube and pipe procurement and sales strategy.” **Director – Tube & Pipe Division, Duferco SA**

What we can offer you - a typical case study^{*}

Lender's due-diligence market consultant for a major expansion project for a major steel manufacturer.

Project task

Metal Bulletin Research was the financial lender's market consultant for a major steel player undertaking a global and regional market feasibility for a flat and long steel expansion facility. This included a full financial feasibility study and resulted in the company raising finance and building a large-scale operation. We examined all the major producers and downstream markets, including splitting by product consumption by grade, thickness and dimension.

Consultancy overview

We provided:

- Global analysis and forecast of demand by flat, long and tube and pipe steel products, by major grade, dimension/thickness, by product type and by major country market out to 2020
- Analysis and forecast out to 2020 of producer capacity, capex, producer production, country exports, imports and consumption by product and type
- Access to our complete forecasting and analytical model, enabling the client to alter input assumptions, influence scenario analysis and conduct “what-if” analysis
- Analysis and forecast by product, operating costs (and all key components for over 200 steel companies around the world) and prices out to 2020. Cost data covered key items including feedstock, energy, technical/plant-specific operating cost inputs, maintenance costs and so on

^{*}For further case study examples visit our website.



- Breakdown of capex into relevant equipment areas by product. For all capex projects, we provided a complete breakdown of project types and investment goals of (a) greenfield development, including replacement and modification of existing equipment by producer, and (b) production/capacity increases for HR coil, auto-galv and construction materials, quality improvement and energy efficiency. The information included capacity, production utilization rates, plant name, technical specifications, year of operational start-up and general notes uncovered regarding the plant in our general research.
- Complete analysis and strategic recommendations relative to existing and future market dynamics, competitive advantage, market/customer penetration, PEST and SWOT analysis, in all relevant strategic plans relating to the client's plans
- Independent advice on recommended production volumes and mix, target markets, expected market shares and penetration rates, price/margin expectations by product and by market, distribution opportunities/risks, off-take agreements (reviewing volumes, prices, payment terms etc), cost structures and competitor benchmarking, existing and future trends in trade and trade regulation, environmental and business regulations and market practices
- A full financial model for the project, providing sensitivity/risk analysis and recommendations according to our expertise by our consultants to the project

Project outcome

After revisions to product capacity and mix, based on our recommendations, the client's project received full go-ahead as well as the required financial funding. The executive team continues to utilize our databases, models and team support functions to this day in driving their business forward and adapting nimbly to stay ahead of their competitors in volatile and changing product markets.

"Your in-depth market study was extremely insightful, useful and we really appreciated your patience with the amount of questions we funnelled to you to best assist us with our financing of our metals project. I have no problem recommending you to others and we will be using you for future bankable feasibility type work." **CFO, Al-Rajhi Group**



The Metal Bulletin Research consultancy team has extensive industry-wide experience gained from previous employment with Corus Steel, Arthur D Little, Accenture, Maanshan Iron & Steel Co, McKinsey & Co, Dubai, JBWere, Harsco Metals, Bloomberg, Alcan, Baosteel, Emirates Steel, Outokumpu Oyj, Ispat Industries, Mitsui & Co, KPMG and many more.

For a no-obligation 30-minute consultation to discuss any aspect of our services, or to receive a competitive quotation, please contact:

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