



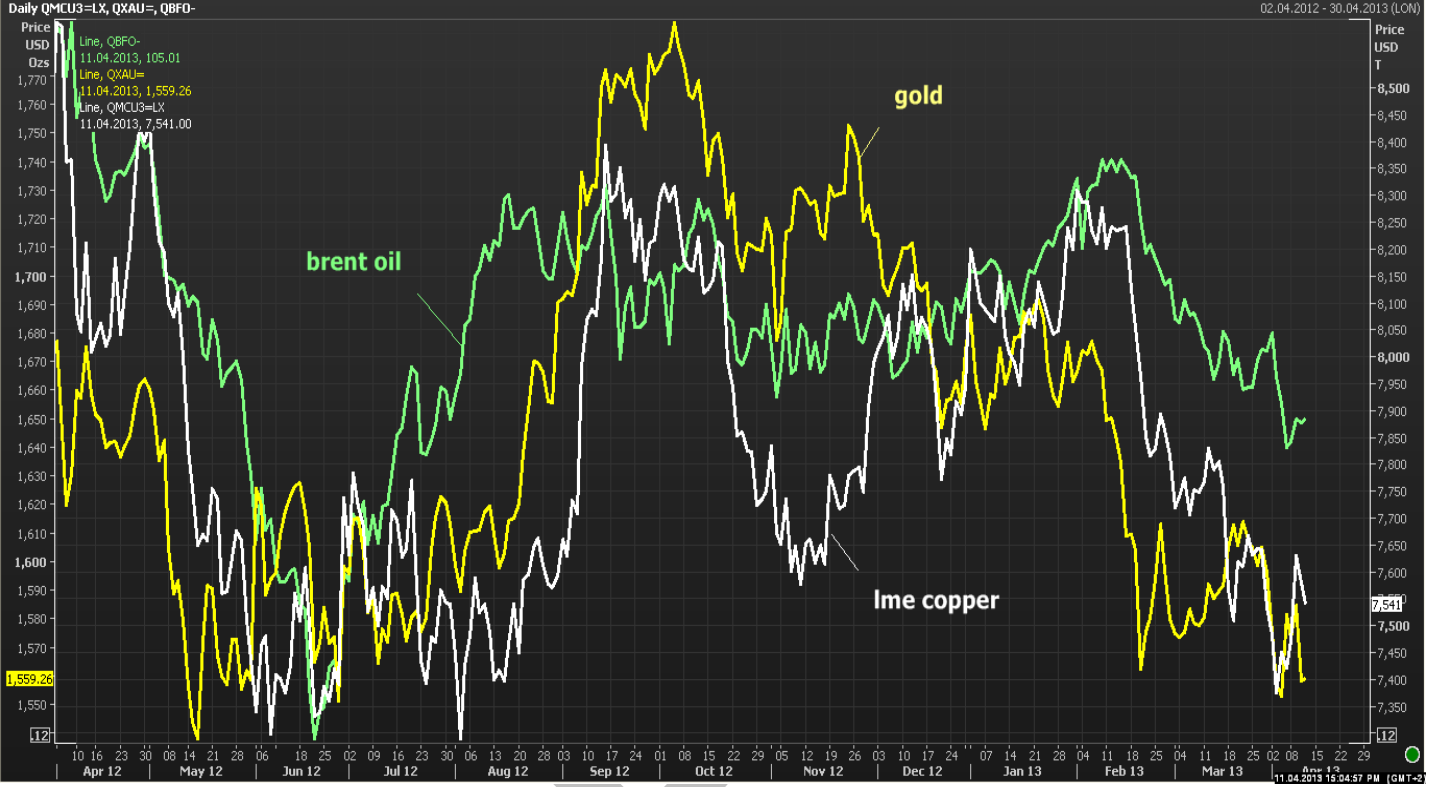
**ER-BAKIR**  
elektrolitik bakır mamulleri a.ş.

# MONTHLY COPPER BULLETIN

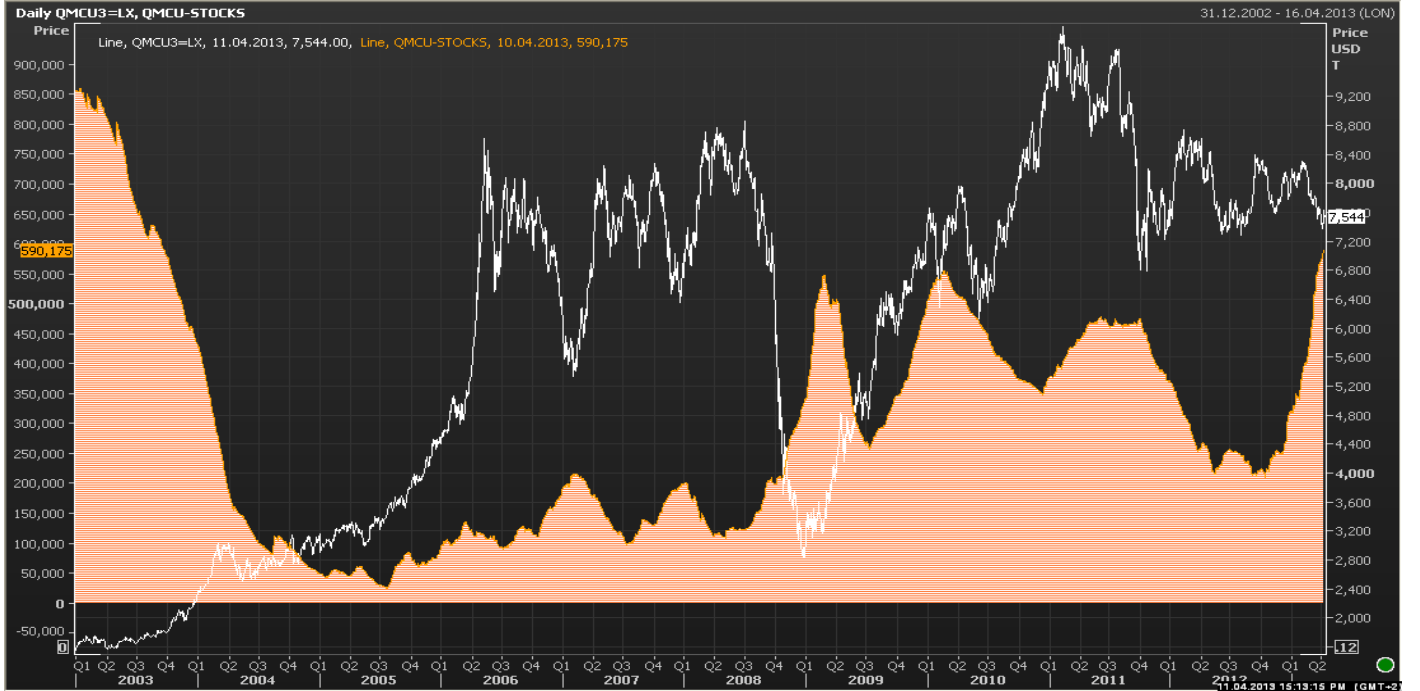
March-2013

11<sup>th</sup> April 2013

## LME COPPER, BRENT OIL & GOLD (Apr 2012- Apr 2013)



## LME COPPER PRICE & LME WAREHOUSE COPPER STOCKS (Jan 2003-Mar 2013)



ISO/TS 16949  
BUREAU VERITAS  
Certification  
N° 11859



ISO 14001  
BUREAU VERITAS  
Certification  
N° 30259



OHSAS 18001  
BUREAU VERITAS  
Certification  
N° 30280



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## OFFICIAL MARKET DATA & PRICE INDICATORS

DATE	CASH (USD/t)	CASH (EUR/t)	CASH (GBP/t)	WEEKLY AVERAGE (USD/t)	WEEKLY CHANGE %	YEARLY CHANGE %	LME STOCKS (Tonnes)	DEL NOTIZ (€/100Kg)	DEL NOTIZ HIGH
01.03.2013	7620,50	5863,28	5065,81	7965,50	-4,33%	-4,08%	562400	593,37	595,94
04.03.2013	7751,00	5958,18	5150,85	7786,00	-0,45%	-2,43%	572975	604,44	607,02
05.03.2013	7720,00	5923,88	5095,37	7786,00	-0,85%	-2,82%	573750	600,25	602,81
06.03.2013	7699,50	5906,34	5103,74	7786,00	-1,11%	-3,08%	581225	598,26	600,82
07.03.2013	7671,00	5892,61	5093,29	7786,00	-1,48%	-3,44%	59425	598,26	600,82
08.03.2013	7730,00	5904,37	5144,42	7786,00	-0,72%	-2,70%	513550	597,52	600,08
11.03.2013	7677,00	5905,38	5155,81	7714,30	-0,48%	-3,36%	517900	598,46	601,03
12.03.2013	7815,00	5993,10	5248,84	7714,30	1,31%	-1,63%	520500	608,68	611,25
13.03.2013	7777,50	5995,14	5201,65	7714,30	0,82%	-2,10%	522250	606,02	608,59
14.03.2013	7762,00	5998,92	5198,93	7714,30	0,62%	-2,29%	525825	608,72	611,31
15.03.2013	7782,00	5940,91	5132,23	7714,30	0,88%	-2,04%	543925	-	-
18.03.2013	7555,50	5837,97	5002,98	7762,70	-2,67%	-4,89%	547025	591,69	594,28
19.03.2013	7539,00	5822,52	4982,82	7762,70	-2,88%	-5,10%	550825	590,51	593,09
20.03.2013	7574,50	5854,46	5003,30	7762,70	-2,42%	-4,65%	557450	594,78	597,37
21.03.2013	7580,00	5866,42	4993,08	7762,70	-2,35%	-4,59%	562475	594,93	597,52
22.03.2013	7618,00	5882,17	5015,47	7762,70	-1,86%	-4,11%	565350	596,35	598,93
25.03.2013	7602,00	5874,35	5004,94	7573,40	0,38%	-4,31%	566325	593,23	595,80
26.03.2013	7631,00	5931,14	5034,31	7573,40	0,76%	-3,94%	567900	601,78	604,38
27.03.2013	7570,00	5924,24	5013,25	7573,40	-0,04%	-4,71%	569775	600,91	603,53
28.03.2013	7582,50	5925,68	5008,59	7573,40	0,12%	-4,55%	571125	600,01	602,62
29.03.2013	-	-	-	-	-	-	-	-	-
<b>MONTHLY AVERAGES</b>	<b>7662,90</b>	<b>5910,05</b>	<b>5082,48</b>					<b>598,85</b>	<b>601,43</b>



## MARKET COMMENTARY

For the third consecutive week, on the London Metal Exchange copper fell. It made a low of \$7,331 only to recover in the last couple of sessions to close at \$7,422. It was flat at the beginning of April after a slump in factory output in the U.S. was offset by a revival in manufacturing in China. The second-largest economy's manufacturing Purchasing Managers Index rose to an 11-month high of 50.9. Despite a rise in China's vast service sector PMI, which came in at 55.6, prices tumbled due to record high unemployment in Europe (12%) and stockpiles at the LME rose. The copper prices made the low of the last week as private employment figures in the U.S. came in below expectations, raising doubts about the ongoing global recovery, along with rising inventories. However, prices recovered later in the session when strikes at Chilean ports halted 9,000 tons of exports daily along with the closure of the Tuticorin smelter in the south Indian state of Tamil Nadu, the largest in India. On Friday, markets fell again as nonfarm payrolls data from the U.S. came in way below expectations, at just 88,000, against expectations of 196,000.

Global exchange stocks, comprising those registered on the LME, the COMEX and the Shanghai Futures Exchange, have surged by 290,000 tons since the start of the year. Visible inventory hit 832,500 tons at March-end, the highest since 2003. In theory, such an ample cushion should buffer the market from precisely the sort of unforeseen supply disruptions of the last few days.

This morning copper prices slipped as concerns about the outlook for demand and global oversupply weighed on sentiment although some optimism about China's economic revival helped cushion falls. Three-month copper on the London Metal Exchange traded at \$7,550.50 a tonne, down 0.3 percent from Wednesday's close at \$7,575.

Prices hit a two-week high of \$7,645.25 this week, rebounding from 8-month lows at the start of April,



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but traders said they are selling into rallies. The metal used in power and construction is down by almost 5 percent this year.

"In general we attribute the weakness to institution investors fleeing commodity markets due to the weak performance in recent months and during the last year compared to equities," said Daniel Briesemann, analyst at Commerzbank. "Looking ahead, investors are focused on economic data including China's GDP numbers, which will be a major driver for base metals prices."

Demand remains uncertain due partly to rising stockpiles and a slowdown in economic growth in China, which accounts for as much as 40 percent of global demand for refined copper.

China's annual economic growth is likely to have nudged higher in the first three months of 2013 over the last quarter of 2012, with fixed asset investment and factory output growth in double digits, a Reuters poll showed. Also greasing the wheels of industry in China, banks extended 1.06 trillion yuan (\$171.2 billion) of new local currency loans in March, sharply up from the previous month, central bank data showed.

In the United States, commodities prices were hurt by uncertainty over the outlook for the Federal Reserve's stimulus programme, with the minutes of its meeting last month suggesting the central bank could be on course to end its extraordinary bond buying by year-end. Chinese imports of key commodities rebounded in March from the month before as hopes of a strengthening economy encouraged end-users to ramp up output and cautiously replenish stocks.

China's March copper arrivals rose 7.2 percent from a month earlier on hopes factories would resume output after the Lunar New Year break, but fell by a sharp 30 percent from a year ago, indicating the pick-up in demand was not as strong as expected. The world's top consumer has also exported some of its surplus. The latest data showed exports of refined copper jumped to 64,781 tonnes for the first two months of the year, up from 753 tonnes from the same period a year earlier.



## MONTHLY REVIEW & INDUSTRY NEWS

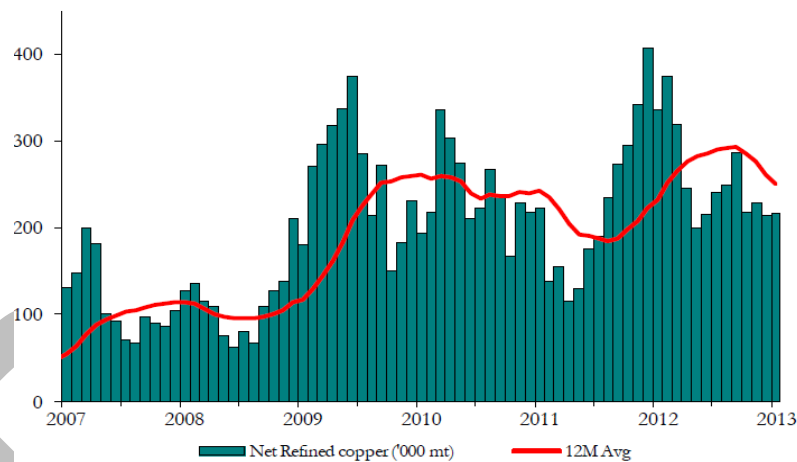
- Bank of America Merrill Lynch cut its 2013 price forecasts for copper. The bank lowered its copper price forecast by 2.3 percent to 7,971 \$/t from 8,163 \$/t.
- Credit Suisse cuts 2013 copper price forecasts to 7,482\$/t from 8,113\$/t and 2014 to 6,675\$/t from 7,500\$/t.
- Cochilco sees copper prices averaging \$3.57 per pound (7870\$/ton) this year, unchanged from its previous estimate.
- The equation between copper supply and demand will remain tight this year, though production from new mines and revamped ones may tilt the market into a surplus at the end of the year, Antafagosta Plc added.
- The world refined copper market deficit deepened last year to 340,000 tonnes, from 216,000 tonnes in 2011, due to constrained growth in refined production and a surge in usage in China, the International Copper Study Group (ICSG) showed.
- Cochilco sees a surplus of 66,000 metric tons of copper as supply of the industrial metal will likely grown 2.6% year-on-year to 20.9 million metric tons, while demand will inch up 1.4% to 20.83 million tons.



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- Chile is seen producing 5.596 million tonnes of copper this year, up 3 percent from 2012 levels, as heavy investment in mines in the world's No. 1 producer pays off, the country's state copper commission, Cochilco, said.
- The world's biggest copper mine, Chile's Escondida, will gradually boost its production until it stabilizes around 1.3 million annual tonnes between 2015 and the end of the decade, controller BHP Billiton said.
- Japan's output of rolled copper product fell to 60,949 tonnes in February on a seasonally adjusted basis, down 4.8 percent from a year earlier, preliminary data showed.
- China's Yunnan Copper produced 433,540 mt of refined copper in 2012, up 14% year on year, the Shenzhen-listed copper major said.
- Mexican miner Grupo Mexico will produce 850,000 tonnes of copper in 2013, the company's chief financial officer Daniel Muniz said.
- China's consumption of refined copper fell 2.9 percent in February from the previous month and hit a 21-month low due to lower net imports and higher stocks, according to Reuters calculations based on official data released.
- China's February net refined copper imports down 44.6% (year to date).



- Here is BNP Paribas's base metal price forecasts.

#### Base Metals Price Forecasts

	Issue date	2012 (actual)	2013 (forecast)	2014 (forecast)	Q1 2013a	Q2 2013f	Q3 2013f	Q4 2013f	Q1 2014f
Aluminium cash (USD/t)	11/03/2013	2,018	2,110	2,300	2,003	2,065	2,140	2,220	2,250
Copper cash (USD/t)	11/03/2013	7,950	7,825	7,250	7,931	8,100	7,725	7,500	7,400
Nickel cash (USD/t)	11/03/2013	17,526	17,825	19,250	17,314	17,500	17,800	18,650	18,900
Zinc cash (USD/t)	11/03/2013	1,946	2,175	2,500	2,033	2,100	2,195	2,350	2,425
Lead cash (USD/t)	11/03/2013	2,061	2,460	2,750	2,301	2,360	2,495	2,670	2,725
Tin cash (USD/t)	11/03/2013	21,093	26,050	27,500	24,125	25,550	26,800	27,500	27,750

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