

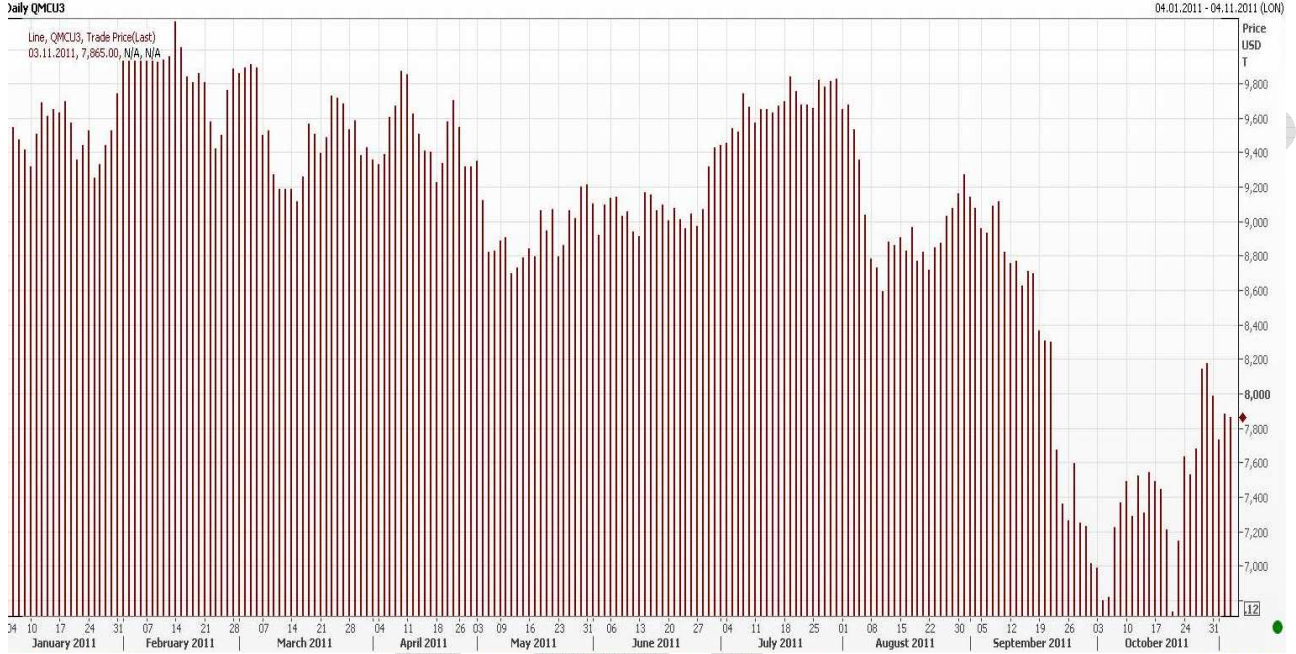


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elektrolitik bakır mamulleri a.ş.

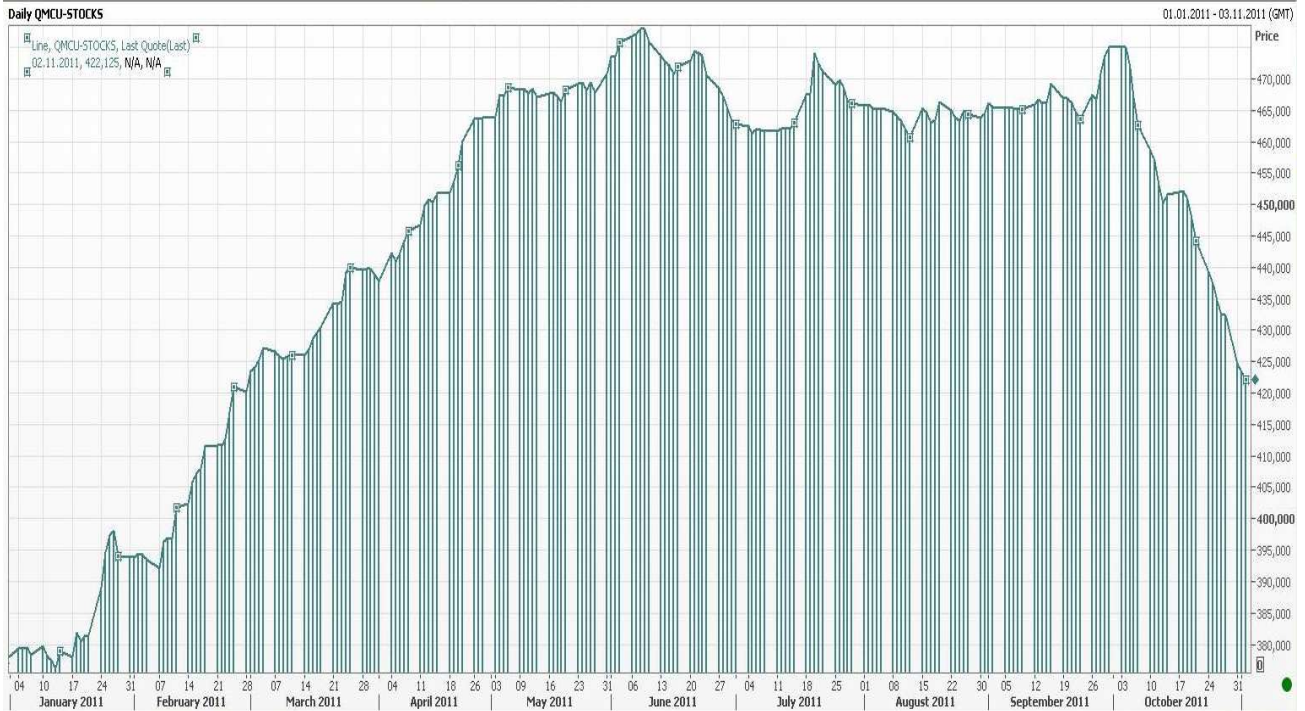
MONTHLY COPPER BULLETIN

October-2011
10th November 2011

LME COPPER PRICES (JAN 2011-NOV 2011)



LME COPPER STOCKS (JAN 2011-NOV 2011)



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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
03.10.2011	6795,00	5089,89	4376,81	7255,40	-6%	-30%	474.950	516,95	519,50
04.10.2011	6785,00	5149,12	4409,57	7255,40	-6%	-30%	475.025	523,30	525,89
05.10.2011	6860,50	5146,66	4441,32	7255,40	-5%	-30%	474.925	522,33	524,88
06.10.2011	7095,50	5340,18	4636,98	7255,40	-2%	-27%	471.725	540,42	542,97
07.10.2011	7250,00	5395,55	4666,58	7255,40	0%	-26%	467.100	547,95	550,48
10.10.2011	7314,00	5383,88	4674,68	6957,20	5%	-25%	462.525	546,73	549,24
11.10.2011	7215,50	5309,81	4617,92	6957,20	4%	-26%	463.756	539,07	541,57
12.10.2011	7419,00	5391,32	4718,87	6957,20	7%	-24%	457.000	547,13	549,60
13.10.2011	7328,00	5335,27	4669,90	6957,20	5%	-25%	453.100	541,73	544,21
14.10.2011	7500,50	5436,72	4752,57	6957,20	8%	-23%	450.200	552,02	554,49
17.10.2011	7566,00	5490,17	4801,68	7355,40	3%	-22%	451.650	556,98	559,45
18.10.2011	7271,00	5308,07	4619,44	7355,40	-1%	-25%	451.925	539,10	541,59
19.10.2011	7305,50	5286,18	4623,44	7355,40	-1%	-25%	452.175	535,90	538,36
20.10.2011	6916,50	5011,59	4379,75	7355,40	-6%	-29%	450.850	509,03	511,50
21.10.2011	7062,00	5113,69	4439,00	7355,40	-4%	-27%	447.800	521,75	524,23
24.10.2011	7380,50	5324,65	4627,56	7224,20	2%	-24%	444.275	542,12	544,58
25.10.2011	7590,50	5445,90	4741,10	7224,20	5%	-22%	439.150	552,85	555,30
26.10.2011	7720,50	5543,15	4833,17	7224,20	7%	-21%	437.425	563,09	565,54
27.10.2011	8040,00	5730,17	5025,63	7224,20	11%	-17%	434.675	581,20	583,63
28.10.2011	7981,50	5637,45	4954,99	7224,20	10%	-18%	432.375	572,04	574,45
31.10.2011	7900,50	5642,01	4927,65	7742,60	2%	-19%	429.375	572,10	574,53
MONTHLY AVERAGES	7347,50	5357,69	4663,74						



MARKET COMMENTARY

The lower price environment of the past month following September's steep sell-off has changed the fundamental landscape for the base metals. On the supply side, the marginal cost of production has been brought sharply into focus for some metals, albeit to varying degrees. Meanwhile, mounting fears over the Eurozone debt crisis has spooked investors, and sent consumers running to the hills. It isn't all bad however, with the lower prices resulting in a notable pick-up in both speculative and price-related consumer restocking. Again we have seen this in most of the base metals, and it is Chinese buyers who are by far the most active. However, it appears that it is largely merchants doing the bulk of the restocking, not Chinese consumers who are still constrained by tight domestic credit markets, as well as uncertainty about the short to medium outlook for export markets.

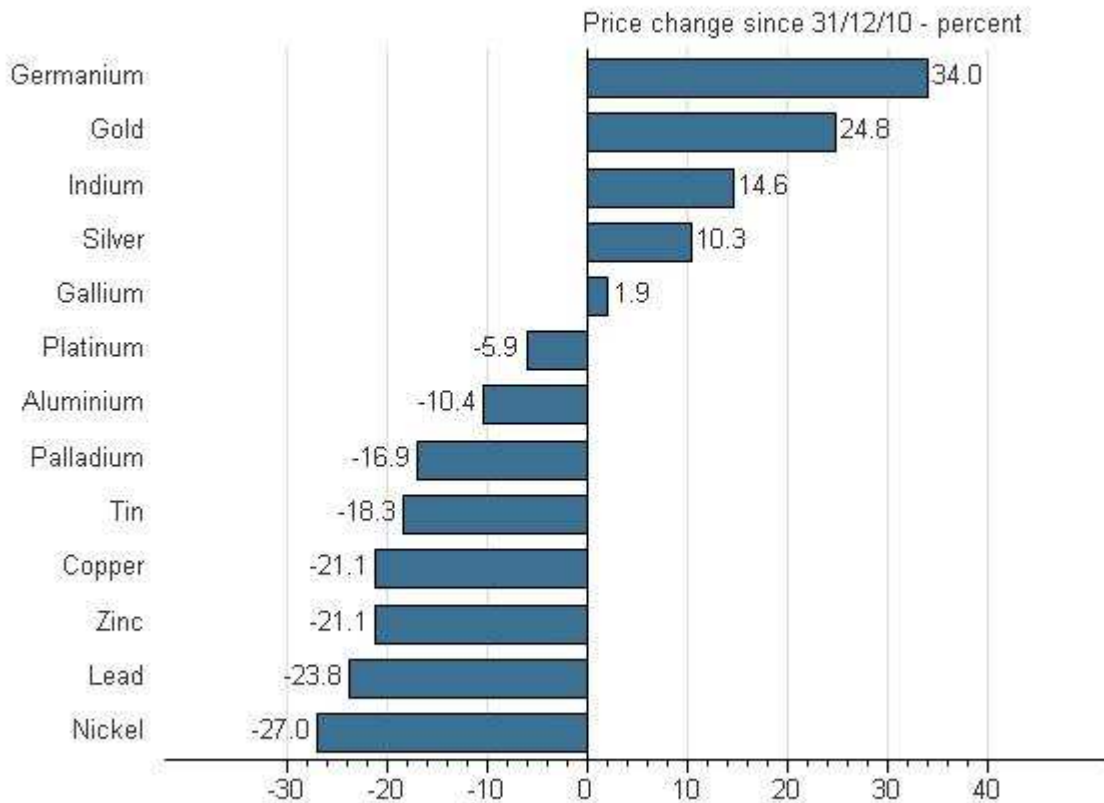
The main stories in copper over the past month have been about supply disruptions and Chinese merchant restocking. Both are supportive fundamental themes that have helped to counteract negative sentiment stemming for the ongoing European debt fiasco and banking crisis. No doubt they have contributed to the extreme volatility in copper prices, last seen during the 2008/2009 crisis. Copper prices breached September's lows in October, touching \$6,735/tonne on a closing basis at one point. However, even with marginal cost support still well below these levels, strategic players taking a longer term view in these volatile markets – investors and Chinese trade buyers – are still reluctant to look at copper too bearishly.

On 10th of Nov copper fell as demand prospects dimmed amid a protracted euro zone debt crisis, though hopes that political deadlock in Italy and Greece may be easing kept falls in check. Zinc, tin, lead, nickel and aluminium also came off lows, along with world stocks and the euro, as Italian bond yields eased off levels seen as unsustainable, prompting investors to take on some risk. Italy moved closer to a national unity government on Thursday, following Greece's lead in seeking a respected veteran European technocrat to pilot painful economic reforms in an effort to avert a euro zone bond market meltdown.

Political and economic turmoil in Italy has spurred fears of a possible break-up of the euro zone with borrowing costs for Europe's third biggest economy at unsustainable levels and the 17-nation currency bloc unable to afford a bailout. "The firmer equity markets and the weaker US dollar is limiting the price fall in base metals. Base metals are cyclical commodities, if the economy is deteriorating you are better off with other commodities, probably gold," said Commerzbank analyst Daniel Briesemann.

Three-month benchmark copper CMCU3 on the London Metal Exchange fell to an intraday low of \$7,357 per tonne, the lowest since Oct. 24. It was at \$7,456 at 1455 GMT, down from Wednesday's \$7,621 close. Copper prices have fallen about 22 percent this year. A weaker dollar lifted some of the pressure off metals prices. The dollar fell against a basket of currencies, making diollar-priced metals cheaper for holders of other currencies.

Minor vs. other metals



Reuters graphic/Vincent Flasseur - data to previous close 10/11/2011

Source: Thomson Reuters Datastream

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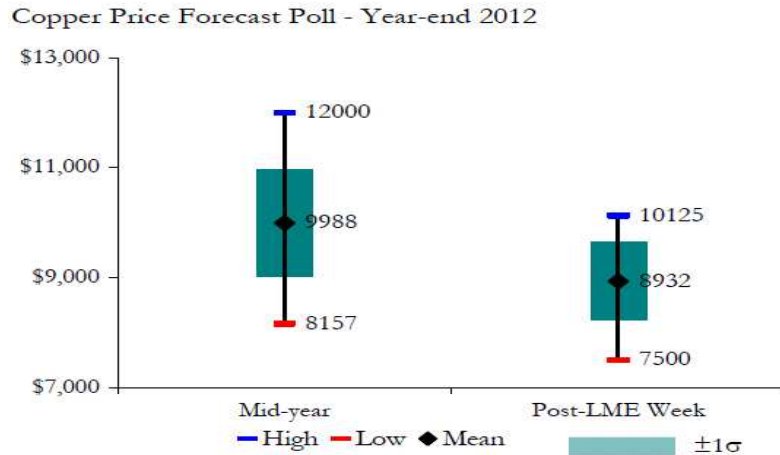
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MONTHLY REVIEW & INDUSTRY NEWS

- ✚ Results of New Reuters Poll; Cu Price Expectations Significantly Reduced.



- ✚ Freeport-McMoRan Copper & Gold Inc., the world's largest publicly traded copper producer, said it declared force majeure on some sales agreements because of a strike at its Grasberg mine in Indonesia. There has been no resolution to the strike which is over 2 months old, as workers turned down a 30 percent wage-increase offer, and extended the strike through Nov. 15.
- ✚ The global market for refined copper is seen in a 250,000 tonne production deficit in 2012, before easing to become near balanced in 2013 as global growth slows, the International Copper Study Group (ICSG) said. The ICSG said that it saw a global production deficit of 200,000 tonnes this year. World refined copper production was seen at 20.840 million tonnes in 2012.
- ✚ BHP Billiton's copper production fell 24% to 220,300 tonnes in the quarter compared with the corresponding quarter last year. Output was down 19% compared with the previous quarter ending June 30. Lower ore grades and industrial action at the Escondida mine in Chile; planned maintenance activity at the Pampa Norte mine in Chile; and planned smelter and refinery outages at the Olympic Dam mine in Australia all impacted copper production over the period.
- ✚ Rio Tinto's copper mines produced about a third less in the third quarter than a year earlier. Mined copper output dropped 32% to 109,300 mt, and refined copper output dropped 36% to 68,300 mt. Lower grades at its Escondida and Kennecott Utah mines.
- ✚ Chile state copper giant Codelco approved investment of \$875 million for initial works to transform Chuquibambilla, the world's No.1 open-pit mine, into an underground operation.
- ✚ Chilean copper producer Codelco will stop production of copper fire-refined ingot in the next year or two. Its El Teniente mine produces 403,616 tpy of fine copper as fire-refined ingot (RAF) and copper cathode, according to the Codelco website. About 100,000-130,000 tonnes is fire-refined ingot.
- ✚ Xstrata's total mined copper production in the third quarter of 2011 was in line with the second quarter but 4% lower than the same period of 2010. Total refined copper production, including third party material, decreased by 5% compared with the corresponding period last year.

- # A strong performance by Norilsk Nickel's Russian copper divisions helped the group achieve quarter-on-quarter increases in production in the third quarter of the year. Copper production was up by 5% to 95,075 tonnes.
- # Zambia's copper production fell by 0.8% year-on-year to 622,449 tonnes in the nine months to September, raising fears that Africa's top red metal producer will not meet its 2011 target of 900,000 tonnes.
- # Japan's copper output will return to pre-quake levels in the October-March half-year, rising 5.7 percent from a year earlier to 762,000 tonnes as manufacturers recover from the March 11 disaster while demand in emerging markets remains solid.
- # Pan Pacific Copper will raise copper output in the October-March second-half to cope with tightening demand in the domestic market after the March earthquake. The company plans to produce 272,400 tonnes of copper in the six months to March 31, up 2.9 percent from the same period a year ago.
- # Vedanta Resources Plc. said fiscal second-quarter output at its Tuticorin smelter rose 28 percent. Tuticorin's copper-cathode output jumped to 87,000 metric tons in the quarter ended Sept. 30 from 68,000 tons a year earlier.
- # Australia-based Minmetals Resources Wednesday posted copper cathode output of 21,178 mt for the third quarter ended September, up 67% from 12,671 mt produced in the same period of 2010.
- # Kazakhmys' copper cathode production fell by 6% in the third quarter of 2011 as output of copper in concentrate declined because of lower ore grades. Cathode output decreased to 77,900 tonnes in July to September compared with 81,300 tonnes in the previous quarter.
- # Kazakhstan's copper output fell by 1.4% to 248,700 tons.
- # China Prelim Sep Copper Output Down 4.1% MoM At 479K mt, YTD +15.5%.
- # China's Amer International expects to double its copper rod production capacity to 500,000 mt/year by December.
- # Japanese copper wire and cable shipments fell 1.6 percent from a year earlier to an estimated 59,500 tonnes in September.
- # Prelim China's September Cu Imports at 380,526 mt, Up 3.3% YoY.

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