



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

# MONTHLY COPPER BULLETIN

July-2017

18<sup>th</sup> August 2017



## 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
03.07.2017	5.894,00	5.186,10	4.550,30	5.839,30	0,94%	21,21%	278275	526,12	528,88
04.07.2017	5.847,00	5.151,09	4.521,69	5.839,30	0,14%	20,24%	275600	522,70	525,46
05.07.2017	5.818,00	5.134,13	4.503,44	5.839,30	-0,36%	19,65%	315925	520,92	523,69
06.07.2017	5.828,50	5.118,56	4.502,51	5.839,30	-0,18%	19,86%	314775	519,42	522,18
07.07.2017	5.809,00	5.092,04	4.503,45	5.839,30	-0,51%	19,46%	315075	516,57	519,33
10.07.2017	5.780,00	5.075,52	4.486,88	5.843,50	-1,02%	18,87%	319975	515,05	517,8
11.07.2017	5.795,00	5.085,56	4.490,16	5.843,50	-0,76%	19,18%	319750	516,07	518,83
12.07.2017	5.882,50	5.135,76	4.567,16	5.843,50	0,74%	20,97%	318550	520,96	523,7
13.07.2017	5.902,00	5.171,75	4.561,76	5.843,50	1,07%	21,38%	318225	524,77	527,52
14.07.2017	5.858,00	5.130,50	4.513,10	5.843,50	0,32%	20,47%	313300	520,59	523,34
17.07.2017	5.965,50	5.203,68	4.568,46	5.958,70	2,09%	22,68%	309125	527,86	530,6
18.07.2017	5.940,50	5.143,29	4.566,81	5.958,70	1,66%	22,17%	307275	521,77	524,48
19.07.2017	5.956,00	5.165,65	4.570,64	5.958,70	1,93%	22,49%	309250	524,02	526,74
20.07.2017	5.930,00	5.163,26	4.579,86	5.958,70	1,48%	21,95%	308050	523,83	526,56
21.07.2017	6.001,50	5.155,04	4.617,60	5.958,70	2,70%	23,42%	306625	522,79	525,49
24.07.2017	6.000,00	5.152,43	4.602,64	6.199,20	0,69%	23,39%	305875	522,53	525,22
25.07.2017	6.150,00	5.271,28	4.706,51	6.199,20	3,21%	26,48%	304850	534,54	537,23
26.07.2017	6.238,00	5.357,73	4.780,08	6.199,20	4,69%	28,29%	303250	543,03	545,73
27.07.2017	6.325,00	5.409,22	4.812,08	6.199,20	6,15%	30,07%	302125	548,29	550,98
28.07.2017	6.283,00	5.361,38	4.800,95	6.199,20	5,44%	29,21%	300575	543,45	546,12
31.07.2017	6.347,00	5.412,30	4.838,39	6.313,50	3,91%	30,53%	296975	548,42	551,09
<b>MONTHLY AVERAGES</b>	<b>5.978,60</b>	<b>5.194,11</b>	<b>4.602,12</b>					<b>526,84</b>	<b>529,57</b>



## MARKET COMMENTARY

Copper and other metals have been supported by relief that China's economy is proving more resilient than expected, partly due to easier liquidity ahead of China's national congress later this year which has fed metals demand. A pick-up in the industrial sector helped China post better-than-expected second quarter economic growth as finance and real estate expansions slowed to multi-year lows. China's exports and imports grew much less than expected in July, raising concerns over whether global demand is starting to cool even as major Western central banks consider scaling back years of massive stimulus support. China's copper imports rose 8 percent in July from last year as the availability of credit improved, even as concerns lingered about manufacturing activity.

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The Federal Reserve kept interest rates unchanged on 27th July and said it expected to start winding down its massive holdings of bonds "relatively soon" in a sign of confidence in the U.S. economy. A gauge of U.S. factory activity slid from a near three-year high in July amid a slowdown in new orders and consumer spending barely rose in the prior month, setting the stage for a moderate economic expansion in the third quarter. Federal Reserve policymakers appeared increasingly wary about recent weak inflation and some called for halting interest rate hikes until it was clear the trend was transitory, according to the minutes of the U.S. central bank's last policy meeting.

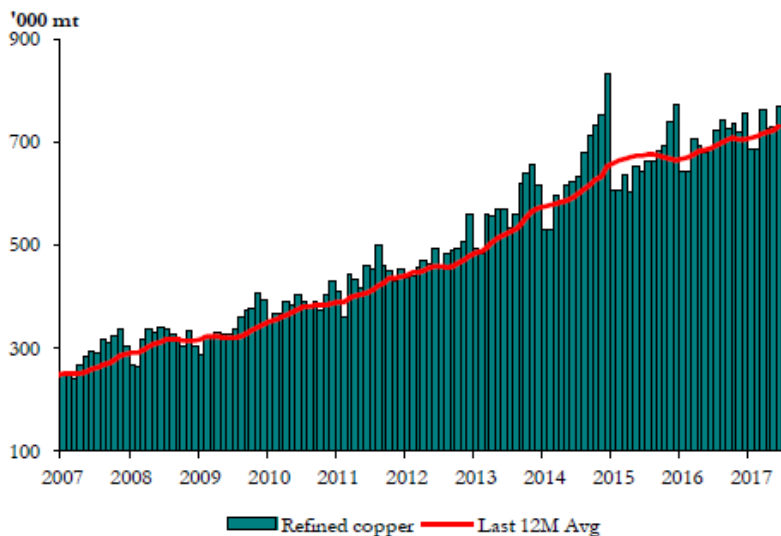
The dollar dipped, making dollar priced metals cheaper for non-U.S. investors, while world stocks, seen as a proxy for growth, breached new records on better-than-expected company earnings and strong U.S. jobs data. North Korea were the right response to a series of missile tests, but dialogue was vital to resolve a complex and sensitive issue, now at a "critical juncture". North Korea said it is "carefully examining" plans for a missile strike on the U.S. Pacific territory of Guam, just hours after U.S. President Donald Trump told the North that any threat to the United States would be met with "fire and fury". The dollar firmed this week after North Korea's leader signalled that he would delay plans to fire a missile near Guam, further easing tensions and prompting investors to move back into riskier assets. Also

Copper prices were at their highest since 2014 as rises across most industrial metals triggered pre-set buy orders and a wave of speculative buying and supported by a weaker dollar and increasingly upbeat views about China's economic growth and metals demand. Benchmark copper was 2.5 percent higher at \$6,580 on 17th August, its highest since November 2014. But the gains came despite data showing China's home price growth slowed in July, reinforcing expectations that property price growth may stagnate over the course of the year, a negative for industrial commodities. Also metals were set in downward motion on 17th August by weaker than expected U.S. industrial production, which rose only 0.2 percent in July.



## MONTHLY REVIEW & INDUSTRY NEWS

- China's July copper output at 733.000 mt; year to date output 8.72 mio mt annualized, up 6.6% year to date.



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- ✦ Chile's copper mine production fell 9% year on year in the first half of 2017, heavily affected by the 44-day strike at Escondida output totalled 2.518 mio mt in the year to June, compared with 2.77 mio mt in the corresponding period of 2016.
- ✦ Chile State Copper Commission Cochilco forecasts Chile's copper production of 5,6 mio mt in 2017 up 0,8 % from previous year.

The Commission Cochilco forecasts copper price of \$2.64 in 2017, \$2.68 in 2018

- ✦ Peru's copper shipments jumped 36.1% to 234,200 mt from 172,100 mt a year earlier.
- ✦ Russia's first half of 2017 copper output 275.900 mt, up 12.8% year on year.
- ✦ Glencore reported first half own sourced copper production of 642,900 mt was 60,100 mt (9%) down on first half of 2016.
- ✦ BHP Billiton expects a 24.8%-35.0% spike in copper production in the current fiscal year ending June 30, 2018, to 1.66 mio-1.79 million mt, after a year of operational challenges which dragged fiscal 2016-2017 (July-June) output down 16.1% to 1.33 mio mt.
- ✦ Antofagasta PLC Group copper production in Q2 2017 was 174,400 mt, 1,5% higher than in previous quarter.

The company copper production for 2017 is expected to be between 685.000 and 720.000 tonnes, unchanged from beginning of year.

- ✦ Kaz Minerals, a copper firm focused on mining in Kazakhstan, narrowed its full-year output guidance to 235,000-260,000 mt from 225,000-260,000 mt, after first half output more than doubled to 118,000 mt.

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