



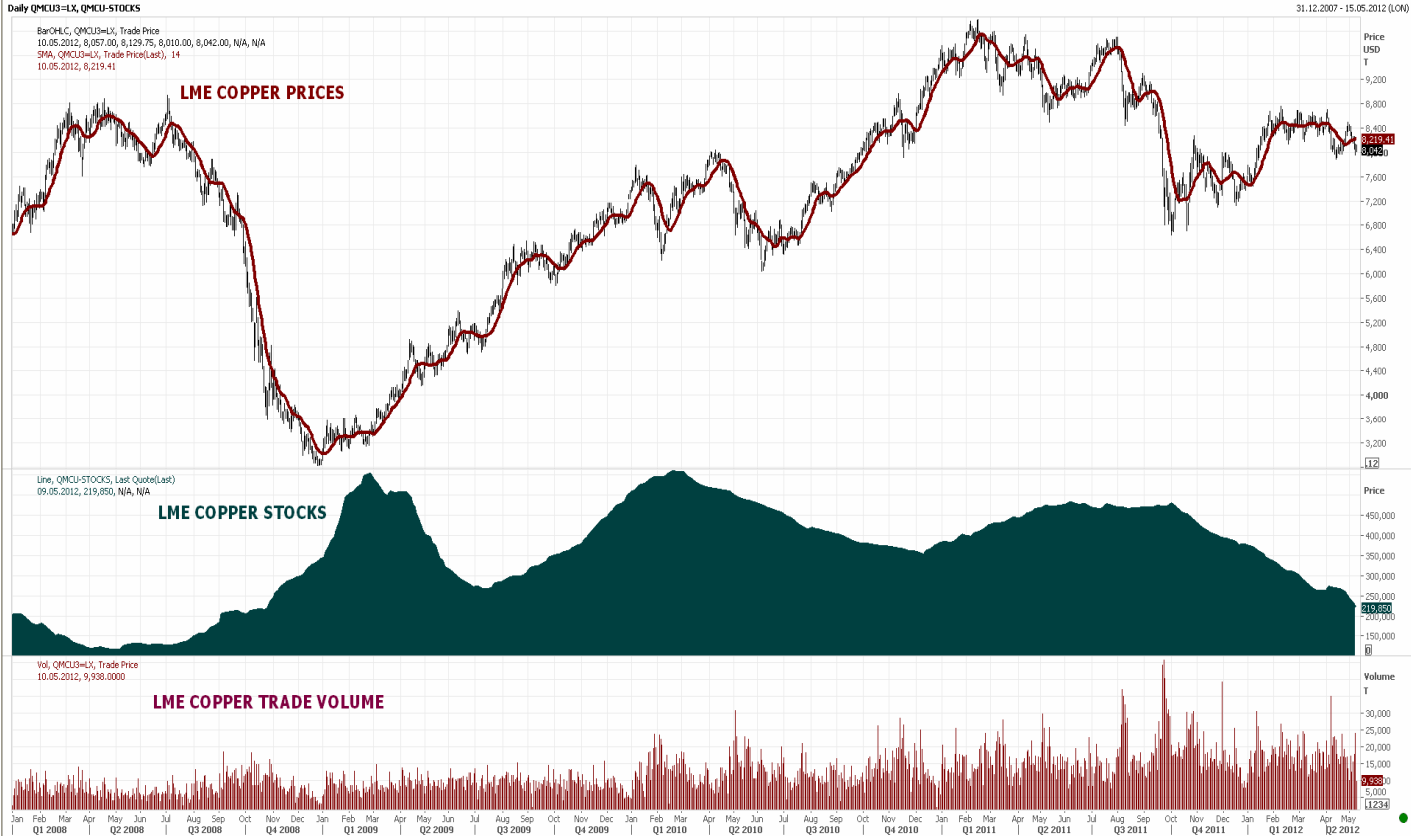
**ER-BAKIR**  
elektrolitik bakır mamulleri a.ş.

# MONTHLY COPPER BULLETIN

April-2012

10<sup>th</sup> May 2012

## LME WAREHOUSE COPPER STOCKS & LME COPPER PRICES & LME COPPER TRADE VOLUME (JAN 2008-MAY 2012)



## S&P 500 INDEX & EUR/USD PARITY (JAN 2008-MAY 2012)



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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
02.04.2012	8480,00	6362,55	5289,09	8468,13	0,14%	10,92%	257550	644,02	646,20
03.04.2012	8575,50	6443,87	5363,71	8468,13	1,25%	11,91%	260.650	651,05	653,23
04.04.2012	8451,50	6428,46	5325,79	8468,13	-0,20%	10,62%	259.675	650,43	652,64
05.04.2012	8365,50	6395,64	5276,92	8468,13	-1,23%	9,70%	264.775	648,48	650,70
06.04.2012	-	-	-	-	-	-	-	-	-
09.04.2012	-	-	-	-	-	-	-	-	-
10.04.2012	8256,00	6305,18	5209,49	8180,38	0,92%	8,50%	268.400	640,08	642,30
11.04.2012	8115,00	6176,74	5102,49	8180,38	-0,81%	6,91%	267.150	625,71	627,93
12.04.2012	8185,00	6217,24	5129,09	8180,38	0,06%	7,71%	266.075	631,25	633,46
13.04.2012	8165,50	6202,43	5116,87	8180,38	-0,18%	7,49%	264.400	628,42	630,62
16.04.2012	8054,00	6185,87	5087,17	8081,10	-0,34%	6,21%	261.700	626,80	629,03
17.04.2012	8100,50	6168,52	5078,36	8081,10	0,24%	6,75%	261.075	625,13	627,35
18.04.2012	8085,00	6180,25	5061,03	8081,10	0,05%	6,57%	261.150	626,63	628,85
19.04.2012	8045,50	6146,76	5021,53	8081,10	-0,44%	6,11%	262.700	621,84	624,05
20.04.2012	8120,50	6155,62	5042,22	8081,10	0,49%	6,98%	261.150	623,90	626,10
23.04.2012	8125,00	6182,47	5050,98	8280,80	-1,92%	7,03%	258.850	627,05	629,26
24.04.2012	8194,00	6221,72	5073,68	8280,80	-1,06%	7,81%	256.875	630,87	633,08
25.04.2012	8285,50	6275,94	5142,76	8280,80	0,06%	8,83%	256.400	635,37	637,57
26.04.2012	8356,00	6322,64	5161,53	8280,80	0,90%	9,60%	255.350	640,97	643,17
27.04.2012	8443,50	6382,09	5203,36	8280,80	1,93%	10,53%	251.825	646,72	648,92
30.04.2012	8529,50	6451,97	5247,31	8414,50	1,35%	11,44%	248.350	653,59	655,79
<b>MONTHLY AVERAGES</b>	<b>8259,63</b>	<b>6274,00</b>	<b>5157,02</b>				<b>260.216</b>	<b>635,70</b>	<b>637,91</b>



## MARKET COMMENTARY

On the surface it looks like China's imports of key commodities were weak in April, with crude oil, copper and iron ore all posting monthly declines. But one month's numbers don't tell the whole story and there are solid reasons behind the fall in commodity imports, and none really alters the base case that China is having a soft start to 2012 but is still a long way from a hard landing.

China's copper imports fell 18.8 percent to an 8-month low in April, preliminary official data showed on today, as a plentiful supply of the metal in the world's top copper consumer curbed its purchases on the international market. The monthly drop had been broadly expected and copper prices showed little strong reaction, while April imports were still 42.9 percent higher than a year ago.

China's copper consumption this year has been weaker than predicted, while the bulk of term shipment orders placed late last year for delivery in 2012 have arrived, lifting copper stocks in the world's second-biggest economy to a record. About 1.1 million to 1.4 million tonnes of refined copper is now stored in China, the highest since 2009, traders and sources at Chinese copper smelters have estimated. The stocks excluded the stockpile of the State Reserves Bureau. Owners of bonded copper stocks in Shanghai had already re-exported some stocks in April and large Chinese smelters agreed to export refined copper cathodes in May and June.

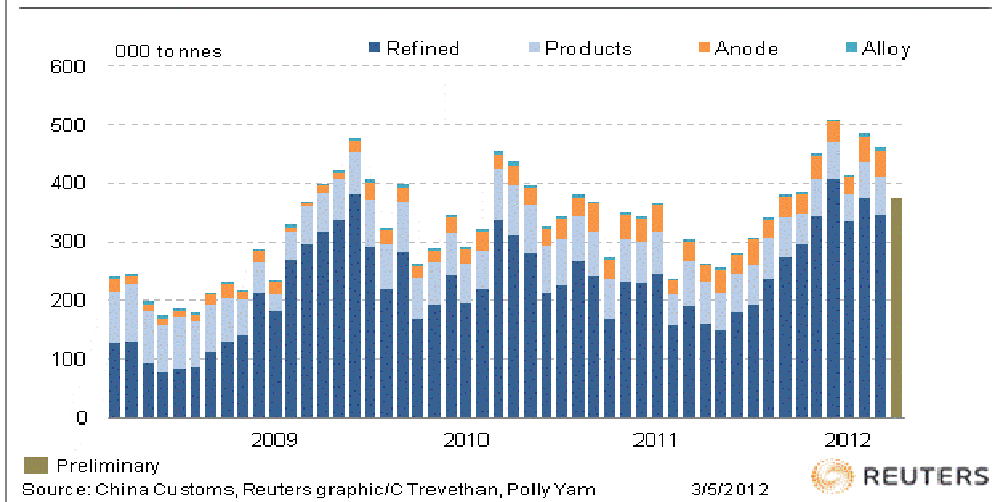
Arrivals of anode, refined metal, alloy and semi-finished copper products fell to 375,258 tonnes in April after dropping 4.6 percent in March to 462,182 tonnes, which itself was the fourth-highest on record.



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## Chinese copper imports



Traders said weak demand and high stocks had encouraged Chinese importers to sell back partial term delivery of refined copper, the most popular class in the domestic and international markets, to overseas suppliers in April. Some of this metal was still in China last month and was being stored in duty-free bonded warehouses by the suppliers.

Chinese importers have also asked overseas' suppliers to delay or cut term shipments due to arrive in May because of high stocks of refined copper, they said. "I'm not surprised at April's fall in copper imports given that Chinese demand in the second quarter has been softer than in previous years," said Yang Jun, analyst at China Futures Co. "The arbitrage window for imports into China was not open in April, so consumers who wanted to restock would have gone to the Chinese bonded warehouses where stocks are high," he added.

Copper prices quoted on the London Metal Exchange had touched a three-week low on Wednesday below \$8,000 per tonne in London. For monthly basis, it had decreased 2.4 percent at \$8,259.63 (-13 percent yoy) in April and the range was \$7,885-8,703 per ton.

Today copper was steady and worries about difficulties Greece and Spain face in reducing their sovereign debt kept the red metal under pressure. Benchmark copper on the London Metal Exchange was at \$ 8,033 a tonne by 0933 GMT, 0.3 percent down from a last bid of \$8,053 on Wednesday.

"Copper is taking a breather after the heavy shake-up across markets we have seen in the past few days but there is still a lot of uncertainty out there: there are concerns about China, about the outlook for Spain, Greece and the euro zone," said Credit Suisse analyst Stefan Graber. Spain on Wednesday took over Bankia, one of the country's biggest banks, aiming to dispel concerns over the government's ability to clean up the financial sector. Greek Socialist leader Evangelos Venizelos will make a last-ditch attempt to form a government on Thursday and avoid a new election after voters rejected a bailout deal and pushed Greece into a political crisis. Unlike the macro outlook though, copper fundamentals pointed to a slightly stronger picture.

Copper inventories in LME-monitored warehouses fell to 219,850 tonnes, hitting a fresh 3 1/2 year low. In the short term, the copper price could remain under pressure, given that China's import demand has had a major bearing on the price for long periods in the past," Commerzbank said in a research note. "Copper briefly dipped below the \$8,000 a tonne mark yesterday to hit its lowest price for three weeks, though it recovered again overnight. It would appear that there is increased buying interest among market players at prices below \$8,000 a tonne."

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## MONTHLY REVIEW & INDUSTRY NEWS

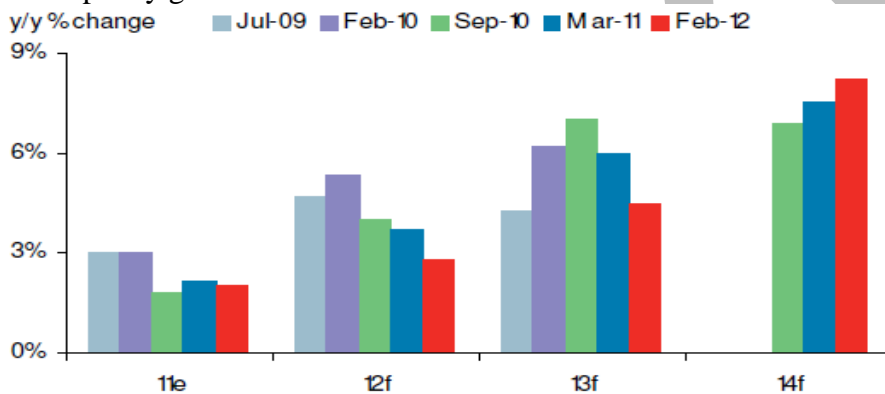
- Bank of America Merrill Lynch's commodity price forecasts for 2012 & 2013.

COMMODITY PRICE FORECASTS		
	2012E	2013E
COPPER	8257 \$/t	7625 \$/t
ALUMINIUM	2324 \$/t	2425 \$/t
LEAD	2163 \$/t	2350 \$/t
NICKEL	18938 \$/t	18250 \$/t
ZINC	2133 \$/t	2425 \$/t
GOLD	1750 \$/oz	1750 \$/oz
SILVER	34,45 \$/oz	37,00 \$/oz

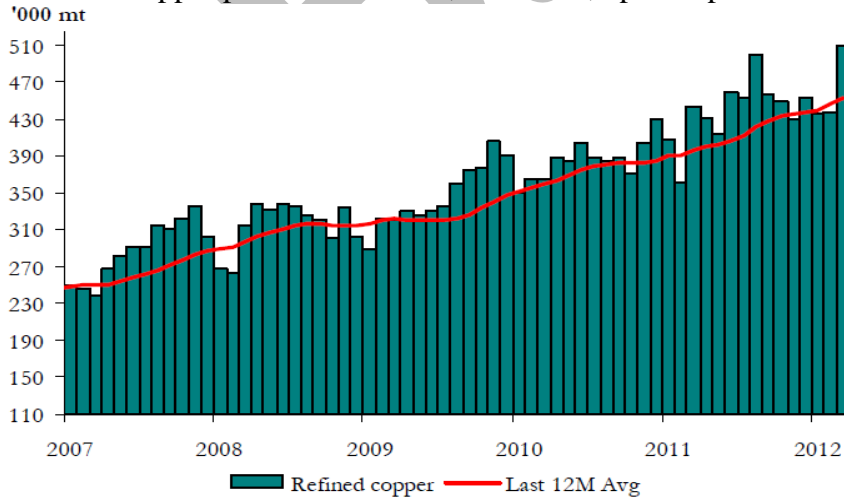
- Codelco, the world's biggest copper producer, is optimistic about prices for the metal as northern European demand shows signs of recovering while new supply entering the market will be restricted, said Chief Executive Officer Diego Hernandez.
- "We are keeping our 2012 refined copper production forecast at 5.7 million tonnes," said Yang Changhua, senior copper analyst at state-backed research firm Antaika.
- Global demand for refined copper is expected to exceed production by 240,000 tonnes in 2012, but the market is projected to move into a production surplus the following year, the International Copper Study Group (ICSG) said.
- Copper production lagged behind demand by 29,000 metric tons in January, the International Copper Study Group said in a report on its website.
- China's copper consumption is forecast to reach 12.235 million mt in 2015, up 66% from 7.38 million mt consumed in 2011, state-run metals consultancy Beijing Antaika said, citing strong demand from the domestic power and new energy sectors.
- China's refined-copper demand may grow 5.2 percent a year through 2015, compared with an average growth rate of 15 percent a year from 2005 to 2010, according to Wang Jin, chief information officer at China Minmetals Nonferrous Metals Holding Corp.
- Chinese copper demand this year will grow at least 6.5 percent as the world's top metal consumer's demand remains firm, but market jitters will keep red metal prices volatile, Antofagasta Minerals top executives said.
- European demand for copper products "can still be considered restrained overall at the beginning of the second quarter," Aurubis AG said in a report.
- CESCO's executive director Juan Carlos Guajardo told Reuters he expected a 200,000 tonne deficit this year as supply falls short of demand particularly from top consumer China, adding the mining industry needed coordinated action to ensure future supplies.
- Japan's exports of copper cathode to China fell 5 percent from a year earlier to 23,203 tonnes last month. Overall Japanese exports of refined copper, which comprises of cathode, billet and

others, gained 21 percent to 60,835 tonnes, the data showed.

- ✚ Japan's copper wire and cable shipments increased 5.9 percent in March, climbing for a second month, as automobile and electric-machinery demand grew, an industry group said.
- ✚ Copper exports from Zambia, Africa's biggest producer of the metal, fell to 65,496 metric tons in March, the central bank said. Exports dropped from 69,907 tons in February, the Lusaka-based bank said in a report on its website.
- ✚ In 2012, Rio Tinto share of mined and refined copper production is expected to be approximately 600,000 tonnes and 320,000 tonnes, respectively.
- ✚ World top copper producer Chile's output of the red metal jumped in March from February but fell 2.6 percent from a year earlier on disruptions in operations and smelting, the government said.
- ✚ ICSG mine capacity growth forecast.



- ✚ China prelim March copper production at 510,000 m/ton, up 15.2 percent from a year earlier.



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