



ER-BAKIR

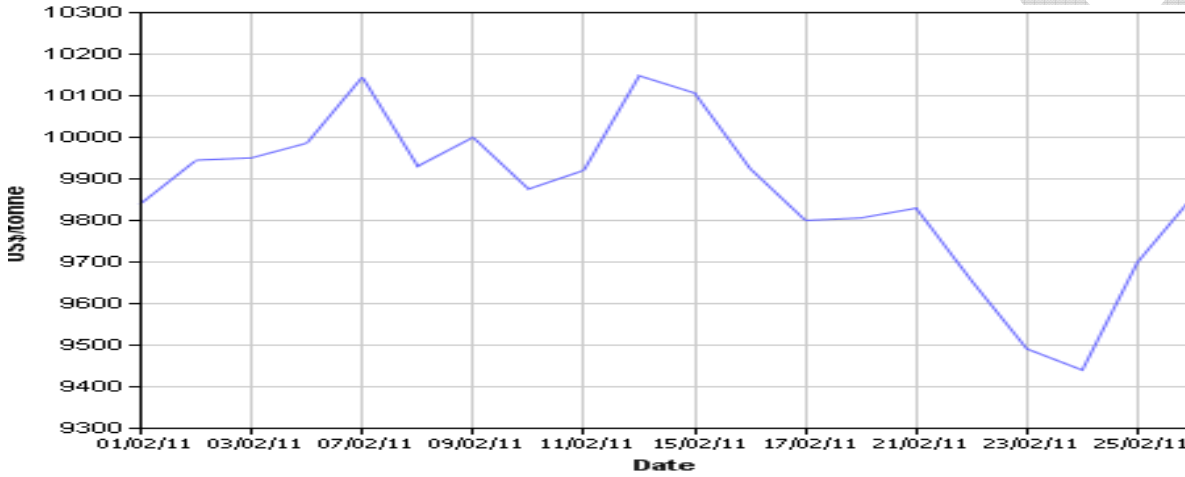
elektrolitik bakır mamulleri a.ş.

MONTHLY COPPER BULLETIN

February-2011

7th March 2011

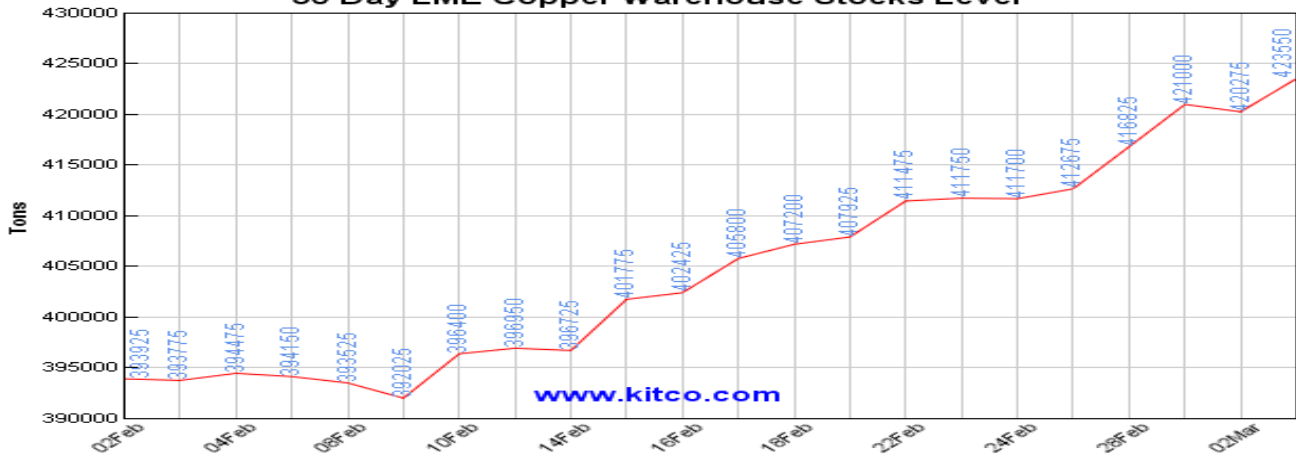
LME CASH SETTLEMENT – CASH SELLER AND SETTLEMENT, FEBRUARY 2011



LME CASH SETTLEMENT – CASH SELLER AND SETTLEMENT, LAST 3 MONTHS



30 Day LME Copper Warehouse Stocks Level



ISO/TS 16949

BUREAU VERITAS
Certification

N° 11859



ISO 14001

BUREAU VERITAS
Certification

N° 30259



OHSAS 18001

BUREAU VERITAS
Certification

N° 30260



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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 NOTICE (€/100Kg)	DEL NOTICE HIGH
01.02.2011	9.840,5	7.152,6	6.108,3	9.459	4,03%	1,04%	323.925	723,96	726,44
02.02.2011	9.945,0	7.205,5	6.141,5	9.459	5,14%	2,11%	393.775	729,45	731,91
03.02.2011	9.950,5	7.233,0	6.140,0	9.459	5,19%	2,17%	394.475	732,02	734,50
04.02.2011	9.986,0	7.326,0	6.206,7	9.459	5,57%	2,53%	394.150	741,69	744,19
07.02.2011	10.145,0	7.480,5	6.292,3	9.888,4	2,59%	4,16%	393.525	758,07	760,58
08.02.2011	9.930,5	7.280,4	6.169,2	9.888,4	0,43%	1,96%	392.025	735,60	738,10
09.02.2011	10.000,0	7.326,0	6.225,1	9.888,4	1,13%	2,67%	396.400	742,34	744,84
10.02.2011	9.875,5	7.245,4	6.146,8	9.888,4	-0,13%	1,40%	396.950	732,75	735,25
11.02.2011	9.920,5	7.331,7	6.199,5	9.888,4	0,32%	1,86%	396.725	742,77	745,29
14.02.2011	10.148,0	7.548,4	6.343,3	9.974,3	1,74%	4,19%	401.775	763,43	765,96
15.02.2011	10.106,5	7.477,4	6.268,4	9.974,3	1,33%	3,77%	402.425	755,61	758,13
16.02.2011	9.925,0	7.344,2	6.180,7	9.974,3	-0,49%	1,90%	405.800	743,10	745,63
17.02.2011	9.800,0	7.220,2	6.073,8	9.974,3	-1,75%	0,62%	407.200	732,26	734,78
18.02.2011	9.806,0	7.206,1	6.049,7	9.974,3	-1,69%	0,68%	407.925	732,71	735,22
21.02.2011	9.829,5	7.189,0	6.062,7	9.957,1	-1,28%	0,92%	411.475	727,56	730,05
22.02.2011	9.655,0	7.066,0	5.973,2	9.957,1	-3,03%	-0,87%	411.750	715,13	717,63
23.02.2011	9.491,0	6.913,6	5.838,5	9.957,1	-4,68%	-2,55%	411.700	699,72	702,20
24.02.2011	9.440,0	6.851,5	5.835,8	9.957,1	-5,19%	-3,08%	412.675	694,73	697,21
25.02.2011	9.700,0	7.039,7	6.030,1	9.957,1	-2,58%	-0,41%	416.825	712,37	714,85
28.02.2011	9.857,5	7.128,1	6.075,9	9.623,1	2,44%	1,21%	421.000	721,47	723,93
MONTHLY AVERAGES	9.867,6	7.228,3	6.118,1					731,84	734,33



MARKET COMMENTARY

At the beginning of February, London copper edged higher trading around \$10,000 a tonne, but an earlier attempt to set a new high was thwarted, and the risk of retracement grew with bullish investors increasingly frustrated by the market's inability to press on. Copper has surrendered more than 3 percent of its value from the highs, as investors began to question whether the sky-high futures price was justified, given the sluggish state of physical market demand. "There is significant scale-up selling interest each time prices get through \$10,000. The market is overheated and there is little appetite in Asia at least to press ahead," said a trader in Hong Kong.

Copper stumbled to three-week lows on February 17, as inflation worries and the demand-stifling effect of prices near record highs kept sentiment in check. Three-month copper on the London Metal Exchange traded at \$9,745 a tonne from \$9,843 a tonne. It fell to \$9,705, its lowest since Jan. 31. "We have seen record highs, but you can clearly see that demand is cooling down a little on the current high prices. This is not just limited to copper but also for the others base metals as well," Commerzbank analyst Daniel Briesemann said. He also cited profit-taking for falling prices.

Three-month copper on the London Metal Exchange raised \$90.75 to \$9,515.75 a tonne on Feb. 24, after having touched \$9,365, a near one-month low, in the previous session. "Metals have decoupled from energy in recent days and the market is obviously worried about the inflationary impact of oil prices," said Edward Meir, analyst at MF Global in New York. "Energy prices are going higher with daily news of falling exports from Libya, but something has to give - either Gaddafi will be overthrown, which seems likely or the Saudis will pump more oil. Either way we



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should see a dip in oil and rallies in metals." U.S. crude oil futures raised more than \$1 on Thursday 24, on mounting fears that unrest in Libya could spread to other oil producers in the Middle East and North Africa, while Brent touched a 2-1/2 year high of \$113 a barrel. The turmoil in Libya continued, as thousands of Libyans celebrated the liberation of the east of the country from the rule of Muammar Gaddafi, who has vowed to crush the revolt.

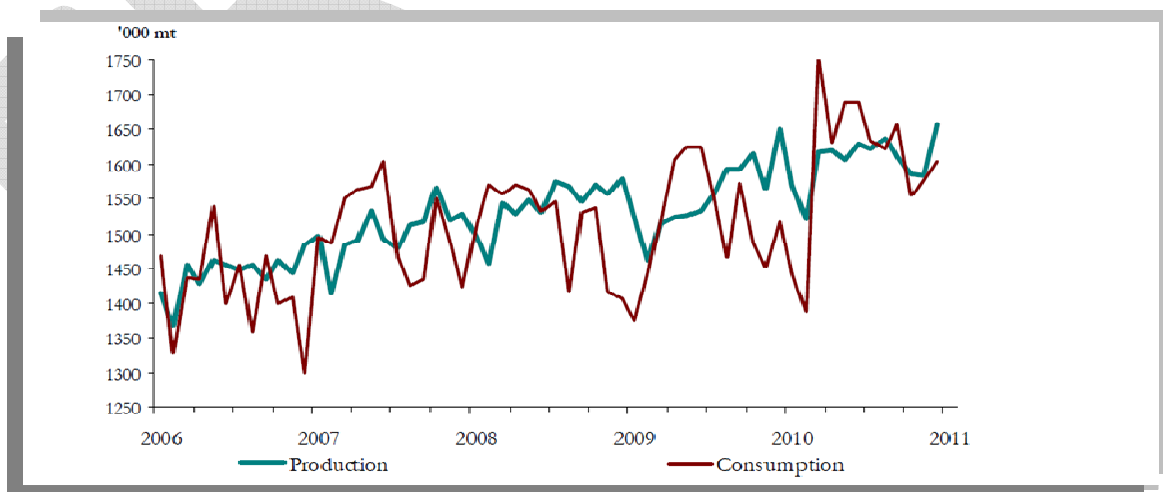
Three-month copper on the London Metal Exchange traded at \$9,908.50 a tonne on March 03. On the week, LME copper has 1.5 percent, on track for its first gains since the start of February. "Metals are moving again on oil. The gains in crude are a worry when it comes to growth, but to be honest, no one is taking on any big positions ahead of the jobs numbers," a trader in Singapore said. "We've been burned too many times. The forecasts point to big numbers but the reports have had a tendency to disappoint. Maybe this time the surprise will be on the upside, but I am not betting on it."

The big jump in the euro was potentially highly supportive for base metals, but there are concerns an interest rate rise, combined with higher oil prices, may be too much for consumers to bear and slow the economic recovery. Market focus remains on the geopolitical uncertainties in the Middle East and North Africa in March.



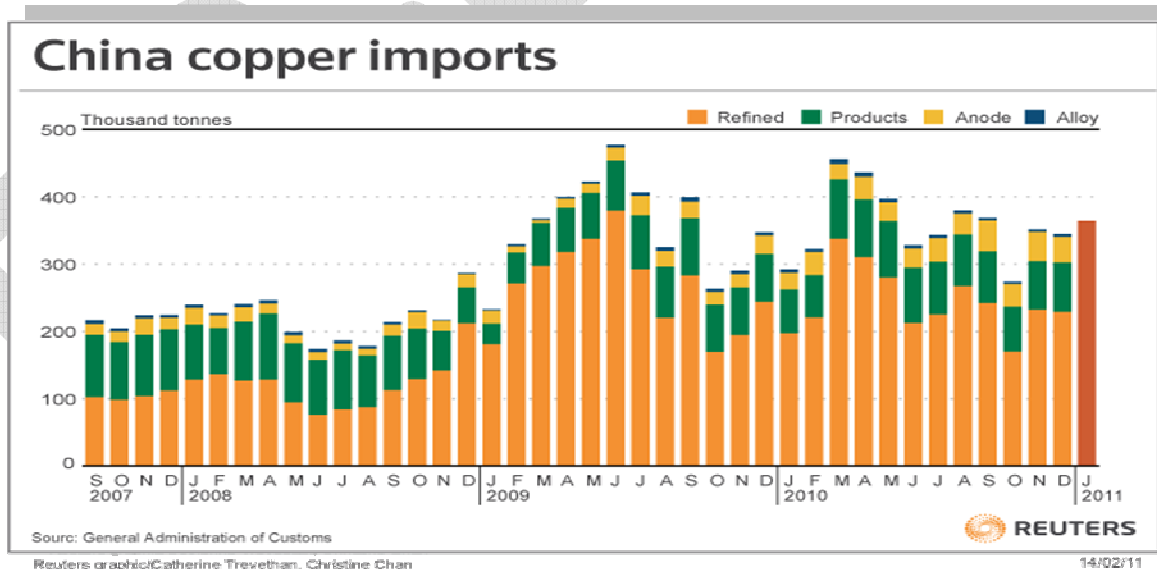
MONTHLY REVIEW & INDUSTRY NEWS

- ✚ The world copper market had a deficit of 400,000 tonnes in the January to November period of 2010 compared with a surplus of 98,000 tonnes in the same period the previous year, an industry report showed. The International Copper Study Group (ICSG) said in its latest monthly bulletin that world refined copper production in January-November was 17.37 million tonnes and consumption was 17.77 million tonnes.
- ✚ Barclays Capital expects 822,000 tons of copper in 2011, while Macquarie, a commodity research company, expects a 550,000 tons shortage.
- ✚ According to the WBMS, the copper market recorded a small surplus of 20 kt in January to December 2010 which compares with a surplus of 410 kt in the whole of 2009 and surplus of 343 kt in 2008.



Global consumption during 2010 was 19.23 million tonnes and the 2009 calendar year total was 18.24 million tonnes, Chinese apparent consumption rose by 275 kt due largely to an increase in domestic production.

- Antofagasta, the world's 11th-largest copper producer, expects its output of the metal to rise to about 715,000 tonnes in 2011. Antofagasta's copper production rose 18 percent in 2010, the Chilean miner said.
It sees prices for the metal hovering above \$10,000 during 2011 and 2012, its top executive told Reuters.
- Chile's copper export revenue rose 8.3 percent to \$3.73 billion in January from a year ago as copper prices soar, the central bank said. However copper export revenue was down sharply from \$4.5 billion reported for December.
- According to Kazakhstan Statistics Bureau, the country produced 29,713 tonnes of refined copper in January, up 4.5 percent year-on-year.
- Aurubis AG, Europe's largest copper producer, confirmed a fall in its first-quarter operating profit in February. According to the company, Aurubis processed 424,000 tonnes of copper concentrate in the quarter, down 23 percent on the year. Output of copper cathodes (new metal) fell 5 percent to 225,000 tonnes.
- Germany's Wieland-werke, one of Europe's largest producers of semi-finished copper products, expects this year to at least match the 400,000 tonnes of the metal it bought in 2008/2009. "The metal quantity to be purchased is strictly based on our quantity sold to our customers," spokeswoman Karin Maier said.
- Kazakh copper miner Kazakhmys plans to spend \$6 billion over the next three to four years to upgrade its metal plants and develop energy and mining projects, the company's chairman said. Kazakhmys produced 303,300 tonnes of copper cathode from its own concentrate last year, in line with its target of at least 300,000 tonnes, but less than 2009 output of 320,400 tonnes.
- China's imports of copper rose 5.7 percent to 364,240 tonnes in January from 344,558 tonnes in the previous month, data from the General Administration of Customs showed. Copper imports to China, the world's leading copper and aluminium consumer, include anode, refined, alloy and semi-finished copper products.



- China's arrivals of refined copper rose 7.4 percent in January from the previous month due to restocking by fabricators, reversing a 1.6 percent fall in December. Imports raised to 245,617 tonnes in January, up from 228,609 tonnes in December, the data from the General Administration of Customs showed.

- ✚ Japan's output of rolled copper product fell to 70,339 tonnes in January on a seasonally adjusted basis, down 1.3 percent from a year earlier, preliminary data showed.
- ✚ Equinox Minerals Ltd. will look to create a half-million-tonne-per-year copper producer in 5-6 years if it succeeds in acquiring Lundin Mining, Equinox Chief Executive Craig Williams said. "It is a growth path that is real," Williams told Reuters. Equinox earlier on Monday launched an unsolicited takeover offer for Lundin, which it said was worth C\$8.10 per Lundin share, valuing Lundin at C\$4.8 billion.
- ✚ Mexican copper output rose 22.7 percent in December the National Statistics Institute declared in February.
- ✚ Chile's copper output rose 5.4 percent in January compared with a year earlier to 446,887 tonnes, the National Statistics Institute (INE) said.
- ✚ Japan's refined copper exports fell 45 percent in January from a year earlier to 26,208 tonnes, for a fourth straight month of year-on-year declines, Ministry of Finance data showed in February. Of the total copper exports, 33 percent went to China, the world's top consumer of copper, down from 39 percent in December. About a quarter went to Taiwan, steady from December Indonesia and Thailand are also key markets for Japan's copper.
- ✚ Metals-focused hedge fund Red Kite said the record highs in copper were unsustainable and prices needed to fall 20 percent or so to attract top buyer China back into the market in a big way. "The price needs to come down to around \$7,500 to \$8,000 a tonne," Scott Hobart, portfolio manager at HFZ Capital Management Ltd in Hong Kong, a unit of New York-based Red Kite.
- ✚ Southern Copper Corp. Chief Executive Officer Oscar Gonzalez sees the price of copper at \$4 a pound this year on demand from China.
- ✚ Japanese copper wire and cable shipments rose 4.9 percent in January from a year earlier led by a 53 percent jump in exports, but domestic demand including from the auto sector stayed weak, an industry body said. January shipments were estimated at 56,600 tonnes, slightly down from a revised 56,739 tonnes in December, data from the Japanese Electric Wire and Cable Makers' Association showed in February. It was the third lowest shipment figure for January after 53,961 tonnes in 2010 and 52,686 tonnes in 2009, the association added.

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