



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

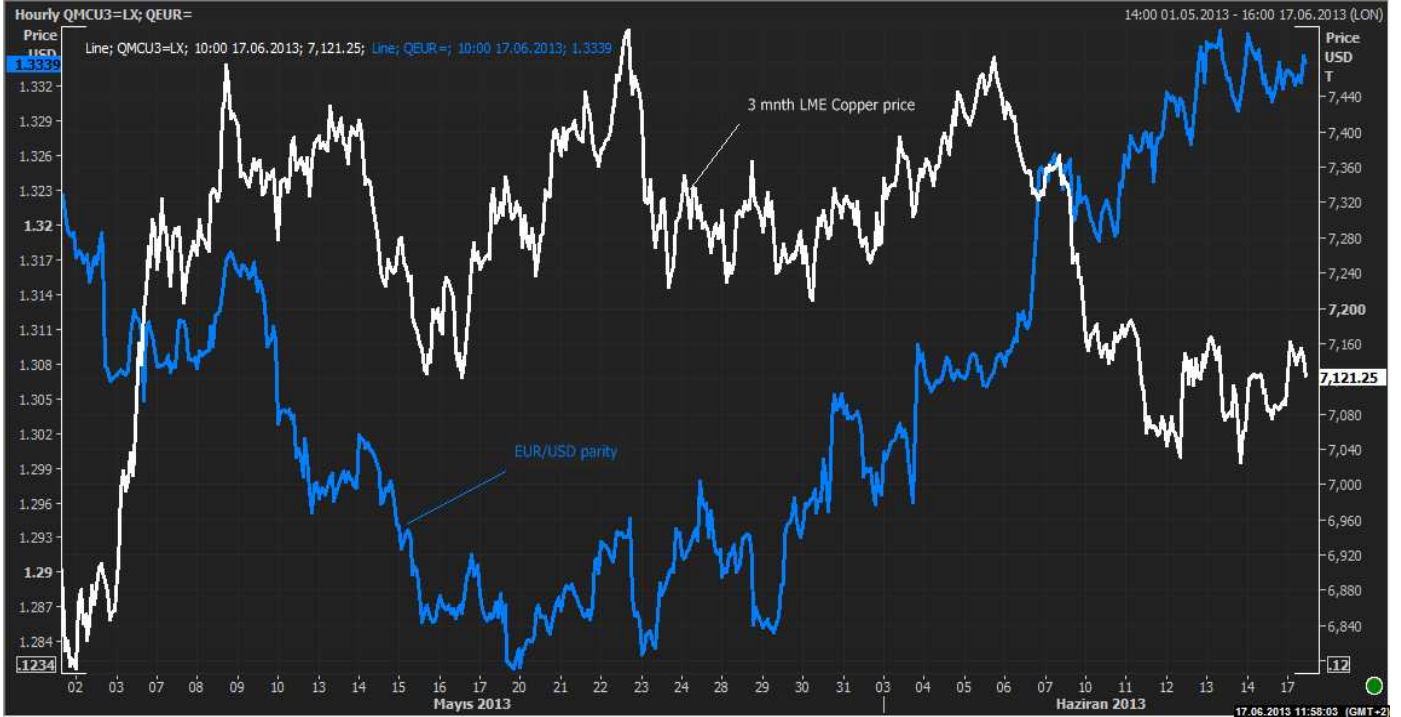
# MONTHLY COPPER BULLETIN

May-2013  
17<sup>th</sup> May 2013

## LME COPPER PRICE & VOLUME (Jan-June 2013/daily)



## LME COPPER PRICE & EUR/USD PARITY (May-June 2013/hourly)



ISO/TS 16949  
BUREAU VERITAS  
Certification  
N° 11859



ISO 14001  
BUREAU VERITAS  
Certification  
N° 30259



OHSAS 18001  
BUREAU VERITAS  
Certification  
N° 30280



Fabrika : A. Nuri ERİKOĞLU  
Cad. 20085 Gümüşler / DENİZLİ  
Vergi Dairesi : Gökpınar  
Vergi No : 336 006 27 21

Tel : +90 (258) 295 19 00 Pbx  
Faks : +90 (258) 371 21 94  
e-posta : erbakir@erbakir.com.tr  
Web : [www.erbakir.com.tr](http://www.erbakir.com.tr)



## 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
01.05.2013	6875,00	5200,06	4415,54	6942,30	-0,97%	92,24%	616125	533,67	536,23
02.05.2013	6870,50	5207,29	4409,54	6942,30	-1,03%	88,64%	604600	529,55	532,09
03.05.2013	7122,00	5432,49	4578,00	6942,30	2,59%	-100,00%	-	550,70	553,25
06.05.2013	-	-	-	-	-	-	-	-	-
07.05.2013	7240,50	5519,94	4663,17	7004,00	3,38%	89,02%	605825	559,72	562,27
08.05.2013	7326,00	5580,44	4724,01	7004,00	4,60%	89,00%	605750	565,94	568,49
09.05.2013	7311,00	5562,23	4694,06	7004,00	4,38%	88,53%	604250	563,85	566,40
10.05.2013	7390,50	5692,01	4805,89	7004,00	5,52%	106,15%	660700	576,46	579,03
13.05.2013	7350,50	5659,02	4780,19	7317,00	0,46%	93,04%	618700	574,04	576,62
14.05.2013	7195,50	5550,80	4704,48	7317,00	-1,66%	95,80%	627525	563,12	565,70
15.05.2013	7095,50	5518,35	4666,56	7317,00	-3,03%	94,82%	624400	559,89	562,49
16.05.2013	7095,50	5508,50	4655,53	7317,00	-3,03%	96,55%	629950	559,49	562,10
17.05.2013	7329,50	5693,70	4808,75	7317,00	0,17%	95,95%	628025	578,00	580,60
20.05.2013	7276,00	5656,53	4787,16	7213,30	0,87%	94,86%	624525	573,74	576,34
21.05.2013	7384,00	5740,05	4874,89	7213,30	2,37%	95,72%	627275	581,97	584,57
22.05.2013	7480,00	5784,55	4952,33	7213,30	3,70%	94,66%	623875	586,48	589,07
23.05.2013	7285,50	5651,18	4830,91	7213,30	1,00%	93,81%	621175	573,40	576,00
24.05.2013	7240,00	5586,42	4790,58	7213,30	0,37%	93,34%	619650	566,69	569,27
27.05.2013	-	-	-	-	-	-	-	-	-
28.05.2013	7257,00	5610,79	4801,19	7333,10	-1,04%	91,49%	613725	569,24	571,83
29.05.2013	7201,50	5564,01	4769,21	7333,10	-1,79%	90,68%	611125	564,63	567,22
30.05.2013	7245,50	5593,25	4790,10	7333,10	-1,19%	-78,64%	68450	565,93	568,51
31.05.2013	7241,00	5575,15	4761,00	7333,10	-1,26%	92,58%	617225	565,24	567,81
<b>MONTHLY AVERAGES</b>	<b>7229,17</b>	<b>5566,04</b>	<b>4726,81</b>					<b>564,85</b>	<b>567,42</b>



## MARKET COMMENTARY

The market has largely come to terms with the slower growth outlook for China. As such, the base metal complex is now stabilising and range trading heading into the summer following several months of downwards trending prices. As some investors said at the time, consensus expectations were too high for China earlier this year and there was complacency about the fiscal and macro risks still clouding the European and US economies.

Concerns over Chinese deleveraging and liquidity have emerged in recent weeks and need to be monitored closely, while fading commitment to QE in the US and disruption in some of the emerging markets are also weighing on the complex and commodities in general. On balance however, with Chinese data offering fewer negative surprises, arguably most of the downside is now priced in. Whether another summer slump therefore emerges, again depends on exogenous factors, in particular Chinese liquidity.

There have been plenty of price-supportive factors in the copper market recently: Supply disruptions, scrap shortages, short positioning being unwound, improvements in Chinese demand, and declining spot availability as LME cancelled warrants rise and queues form. Prices remain volatile, though some of these positives will lose their clout. Together with concerns over central banks' commitment to QE, this should cap any attempts to rally. Provided the supply disruptions keep coming however, and continue to take the edge of the rising tide of new supply (Oyu Tolgoi is about to ship its first concentrates), we still see scope for tighter end to the year, which should be reflected in premiums and spreads in Q4, and potentially prices too. Higher prices over the past month has been in line with expectations, with prices averaging \$7,642/tonne in the five months to May.



Fabrika : A. Nuri ERİKOĞLU  
Cad. 20085 Gümüşler / DENİZLİ  
Vergi Dairesi : Gökpınar  
Vergi No : 336 006 27 21

Tel : +90 (258) 295 19 00 Pbx  
Faks : +90 (258) 371 21 94  
e-posta : erbakir@erbakir.com.tr  
Web : [www.erbakir.com.tr](http://www.erbakir.com.tr)

London copper rose more than 1 percent today after posting its steepest weekly decline in two months, as investors covered short positions ahead of a key Federal Reserve meeting that could provide greater clarity on U.S. monetary policy. Fed Chairman Ben Bernanke is expected to indicate the economy is still performing too poorly to justify slowing the pace of its \$85-billion-a-month bond buying right away, at the end of the central bank's two-day meeting on Wednesday. But rising inflation figures could prompt the Fed to rein in stimulus sooner than expected, sapping the liquidity available to metals producers and commodities investors, said Jonathan Barratt, chief executive of Barratt's Bulletin, a Sydney-based commodity research firm.

"If inflation numbers are a little higher than expectations, then the Fed might come out and say they will taper sooner. I think that would be taken negatively for copper," he said. So far, data shows underlying U.S. inflation pressures have remained well below the central bank's 2 percent target. U.S. CPI data for May is due on Tuesday.

Three-month copper on the London Metal Exchange was up 0.68 percent to \$7,138 a tonne by 0918 GMT, after rising to as much as \$7,176, as shorts rushed to cover positions, two traders said. Copper prices finished last week down nearly 2 percent, their steepest weekly decline since mid-April.

Fundamental demand remains steady and is likely to keep a floor under prices, Barratt said. "We're at that point where the market is pretty happy to be here, and not to push too much lower. China's 7 percent growth still requires copper as does the housing market in the States," he said. Hedge funds and money managers turned vastly more negative on the copper market in the week to June 11, increasing their net short positions in copper futures and options for the first time in four weeks and by the most in more than six months.



## MONTHLY REVIEW & INDUSTRY NEWS

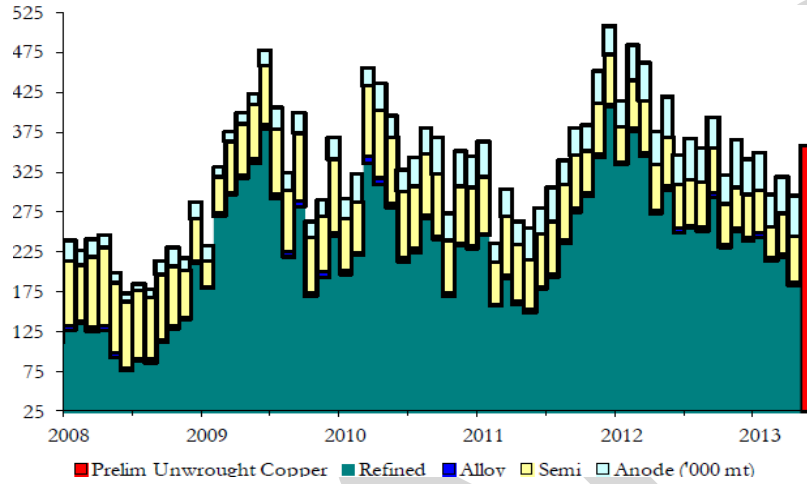
- Freeport-McMoRan Copper & Gold Inc. declared force majeure on shipments from its Grasberg operation in Indonesia, the world's second-largest copper mine, after an accident killed 28 workers last month.
- India's top copper smelter Sterlite Industries can operate once it re-opens until the second week of July, when experts will submit a report on its operations, a Supreme Court judge said. The smelter was shut on March 30 after nearby residents complained of emissions that led to breathing problems.
- Yunnan Copper Industry Company, the fourth-largest producer of the metal in China, has shut a 100,000-tonne-a-year unit due to supply shortage of raw material scrap.
- Codelco's copper output rose around 3 percent in the first quarter to about 385,000 tonnes due to improvements at the Chuquibambilla, Radomiro Tomic and El Teniente deposits.
- Production at the BHP Billiton-run Escondida copper mine in northern Chile in January-March jumped to 305,563 mt, up 27.2% from 240,215 mt in the year-ago period.
- High electricity prices, rising wages and the shortage of water could threaten Chile's hopes of realizing a major increase in copper production over the next decade, according to a report by management consultants McKinsey & Company.



Fabrika : A. Nuri ERİKOĞLU  
Cad. 20085 Gümüşler / DENİZLİ  
Vergi Dairesi : Gökpınar  
Vergi No : 336 006 27 21

Tel : +90 (258) 295 19 00 Pbx  
Faks : +90 (258) 371 21 94  
e-posta : erbakir@erbakir.com.tr  
Web : [www.erbakir.com.tr](http://www.erbakir.com.tr)

- ✚ Chile's, already the world's largest producer of copper, has plans to lift production of the red metal to more than 8 million mt by 2020, up from 5.45 million mt in 2012.
- ✚ Peru's copper production in April rose 5.5% to 100,631 mt from the same month last year on increases according to information the Peruvian Energy and Mines Ministry published.
- ✚ Preliminary data showed that China's copper imports at 395.000m/ton in May, down 24,7% year to date.



- ✚ China's recycled copper output jumped 21% year on year to 718,800 mt, accounting for 34% of total refined copper output, China Nonferrous Metals Industry Association's affiliate Antaika said.
- ✚ Russia's copper exports fell in January-April from a year earlier, reflecting falling demand for the metals on world markets, according to federal customs service data. Russia exported in January-April 76,600 tons of copper, 25% less than in January-April 2012.
- ✚ Japan's output of copper and copper- alloy fabricated products rose 2.9 percent in April from a month earlier, increasing for a third month as the country's economy expanded the most in a year last quarter.
- ✚ Mexican copper output fell 5.3 percent in March to 37,732 tonnes Mexico's national statistics agency INEGI said on Friday.
- ✚ The global copper market was in oversupply by 252,700 metric tons in the first three months of the year, the World Bureau of Metal Statistics said.
- ✚ Global refined copper production in January to March rose 5.2% from the same period a year earlier, to 5.204 million tons, while global consumption fell 3.6% to 4.951 million tons. Chinese apparent consumption fell by 6.8% to 2.055 million tons in the period, which represented 41.6% of global demand.

***DISCLAIMER: This material has been prepared by ER-BAKIR for information purposes only and has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. The material is based on information obtained from sources believed to be reliable. However, ER-BAKIR makes no guarantee of its accuracy and completeness of factual or analytical data and is not responsible for errors of transmission or reception, nor shall ER-BAKIR be liable for damages arising out of any person's reliance upon this information.***