



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

# MONTHLY COPPER BULLETIN

June-2015

09<sup>th</sup> July 2015



## 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
01.06.2015	5970,50	5460,99	3923,06	5967,90	-2,27%	-6,11%	320950	555,67	558,55
02.06.2015	5998,50	5437,86	3938,61	5967,90	-1,80%	-5,67%	317500	553,93	556,79
03.06.2015	5992,00	5389,94	3919,93	5967,90	-1,91%	-5,77%	318625	548,12	550,95
04.06.2015	5954,00	5255,54	3868,75	5967,90	-2,56%	-6,37%	318100	535,90	538,68
05.06.2015	5924,50	5276,07	3863,38	5967,90	-3,07%	-6,83%	315125	538,00	540,81
08.06.2015	5915,00	5301,60	3877,16	5948,80	-0,89%	-6,98%	312300	539,85	542,67
09.06.2015	5989,00	5328,29	3913,87	5948,80	0,35%	-5,82%	310825	542,25	545,05
10.06.2015	6045,50	5356,64	3903,85	5948,80	1,28%	-4,93%	308025	545,82	548,61
11.06.2015	5906,00	5258,19	3822,65	5948,80	-1,05%	-7,12%	317475	535,68	538,49
12.06.2015	5888,50	5255,24	3802,22	5948,80	-1,35%	-7,40%	314025	534,69	537,50
15.06.2015	5760,50	5137,80	3716,21	5737,10	-3,27%	-9,41%	314400	534,69	537,50
16.06.2015	5752,00	5120,17	3681,28	5737,10	-3,42%	-9,55%	318600	522,76	525,57
17.06.2015	5749,00	5101,61	3654,80	5737,10	-3,48%	-9,59%	318100	519,53	522,32
18.06.2015	5761,00	5051,29	3619,86	5737,10	-3,26%	-9,40%	318925	514,89	517,65
19.06.2015	5663,00	5008,40	3574,22	5737,10	-5,05%	-10,95%	317700	511,00	513,79
22.06.2015	5646,00	4977,52	3568,67	5716,50	-1,61%	-11,21%	315475	507,43	510,21
23.06.2015	5725,00	5110,24	3629,39	5716,50	-0,21%	-9,97%	314250	520,86	523,68
24.06.2015	5765,00	5139,52	3658,46	5716,50	0,48%	-9,34%	311475	524,01	526,83
25.06.2015	5715,50	5100,85	3633,04	5716,50	-0,38%	-10,12%	309275	519,92	522,74
26.06.2015	5731,00	5117,42	3644,05	5716,50	-0,11%	-9,88%	310300	521,49	524,31
29.06.2015	5767,00	5191,29	3673,25	5753,20	0,88%	-9,31%	307650	527,96	530,79
30.06.2015	5721,00	5123,59	3642,56	5753,20	0,08%	-10,03%	324100	521,20	524,02
<b>MONTHLY AVERAGES</b>	<b>5833,61</b>	<b>5204,55</b>	<b>3751,33</b>					<b>530,71</b>	<b>533,52</b>



## MARKET COMMENTARY

Copper sank to a three-month low of \$5642 at one point in June and although it staged a bit of a bounce during the last two weeks of the month, the complex still closed down. However, July has gotten off to a much nastier start, with prices off some 3% so far in the month, almost equaling June's entire decline. We suspect that the particular weakness we are seeing in copper is partly on account of the massive selloff going on in the Chinese stock market, as this is presumably forcing many funds to shore up cash positions in order to either meet equity margins or perhaps average down further on some beaten down names. Things are not being helped on the copper supply side either. In this regard, May Chilean copper production rose 2.1% from a year earlier and is up by the same amount on a year-to-date basis. Local Chinese production continues to climb as well--up some 10% year-to-date. The comfortable supply situation stands in stark contrast to declining Chinese refined import demand -- off some 12.4% through May of this year, while overall Chinese refined copper demand is estimated to grow by only 5% in 2015.

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Copper prices rose in this session, extending a rebound from a six-year low hit in the previous session, as Beijing managed to halt panic selling in Chinese equities, though underlying worries about Chinese growth persisted.

Chinese stocks rallied 6 percent after the securities regulator banned selling by shareholders with large stakes in listed companies; Beijing's most drastic step yet to stem a sell-off that has roiled financial markets.

European bourses and bonds made early gains as strong export figures from Germany and hopes that Greece's debt negotiations will succeed complemented the rebound in Asia and commodity markets, but sentiment towards copper remained cautious.

"We could see continued weakness in the coming weeks, with the Greek situation unresolved and concerns regarding growth from China, (though) there's a limit to how low copper can go because (global) growth will strengthen going into next year," Danske Bank analyst Jens Pederson said.

Three-month copper on the London Metal Exchange climbed 1.9 percent to \$5,595 a tonne in official trading. It had gained 3.4 percent in the previous session, having sunk at one point to its weakest since July 2009 at \$5,240.

Helping copper was a weaker outlook for the dollar after the Federal Reserve signalled on Wednesday that it might be too soon to raise interest rates. A weaker dollar makes dollar-priced metals cheaper for non-U.S. investors. The dollar recovered its poise versus the euro, however, with attention glued to proposals expected from Athens for a deal to keep Greece and its banks afloat.



## MONTHLY REVIEW & INDUSTRY NEWS

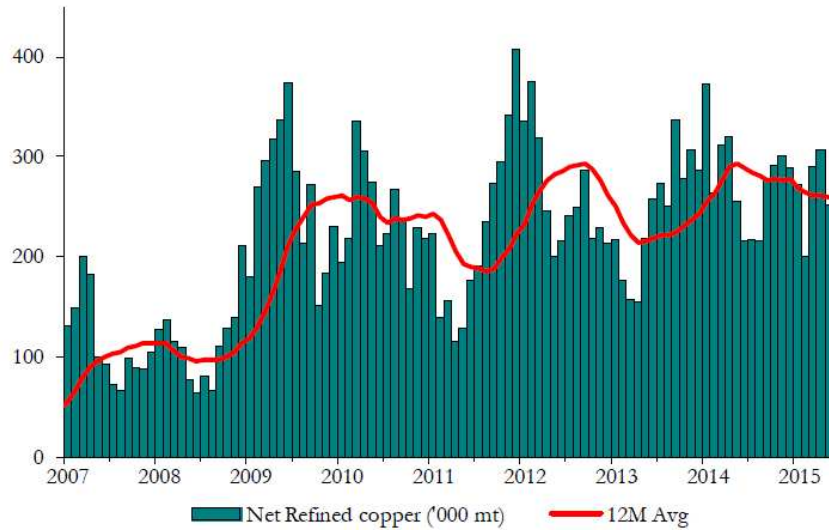
- ✚ The global world refined copper market showed a 6,000 tonnes surplus in March, compared with a 126,000 tonnes surplus in February, the International Copper Study Group (ICSG) said in its latest monthly bulletin.
- ✚ For the first 3 months of the year, the market was in a 167,000 tonnes surplus compared with a 233,000 tonnes deficit in the same period a year earlier, the ICSG said. World refined copper output in March was 1.92 million tonnes, while consumption was 1.91 million tonnes.
- ✚ Deutsche Bank says forecasts average copper price at \$6109/t for 2015.
- ✚ Bank of America Merrill Lynch says forecasts average copper price at \$5,792/t for 2015 (versus \$5,784/t previously)
- ✚ The copper price is seen averaging \$2.77/lb (\$6105/t) a pound this year, Cochilco said, falling to \$2.70/lb (\$5950/lb) next year.
- ✚ Credit Suisse says lowers average 2015 copper price forecast by 3 percent to \$6,143/t; sees 2016 and 2017 outlook at \$5,850/t and \$5,700/t respectively.
- ✚ Escondida, the world's largest copper mine, produced 347,125 tonnes during the first three months of the year, up 27% from 272,775 tonnes in the same period of 2014, the BHP Billiton-operated facility said.



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- World No. 1 copper exporter Chile is expected to produce 5.88 million tonnes of the metal in 2015, state copper commission Cochilco said, slightly lowering its prior forecast (5.94 million tonnes).
- Copper production in Peru totalled 131,955 tonnes in May 2015, up by 16.1% from the same month last year, according to figures from Peruvian energy and mines ministry.
- Japan's output of rolled copper product fell to 61,065 tonnes in May on a seasonally adjusted basis, down 9.9 percent from a year earlier, preliminary data showed .
- Kazakhstan's refined copper output grew sharply in January-May compared with the same period of last year. Production of refined copper rose by 41.5 percent to 151,871 tonnes, Statistics Committee data showed.
- Copper output in Zambia, Africa's No.2 producer of the metal, could fall this year compared with 2014 following a row with mining companies over taxes, the mines minister said on Friday. Zambia's copper production dropped to 708,000 tonnes in 2014 from 760,000 tonnes in 2013.
- Peru's copper production grew 18.5% year-on-year in April, mainly boosted by higher volumes from Antamina, Southern Copper and Chinalco Peru. The country produced a total of 122,506 tonnes of copper in April, against 103,410 tonnes in the same month of last year, according to figures from Peruvian energy and mines ministry, MEM .
- China's refined copper imports down 2,7 percent to 257,383 tonnes, compared with the same period of last year.



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