



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

# MONTHLY COPPER BULLETIN

May-2020

10<sup>th</sup> June 2020



## 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
01.05.2020	5.061,00	4.037,82	4.611,81	5.162,20	-1,96%	-17,96%	251.425	469,99	472,89
04.05.2020	5.058,00	4.065,92	4.623,82	5.149,13	-1,77%	-18,01%	245.350	471,14	474,04
05.05.2020	5.111,50	4.105,95	4.718,89	5.149,13	-0,73%	-17,14%	245.100	480,73	483,67
06.05.2020	5.199,50	4.196,87	4.808,12	5.149,13	0,98%	-15,72%	243.700	489,73	492,68
07.05.2020	5.227,50	4.233,82	4.844,76	5.149,13	1,52%	-15,26%	241.675	493,26	496,21
11.05.2020	5.231,00	4.255,61	4.837,25	5.199,60	0,60%	-15,21%	229.750	492,58	495,52
12.05.2020	5.234,00	4.230,86	4.824,41	5.199,60	0,66%	-15,16%	227.025	491,4	494,34
13.05.2020	5.212,50	4.230,24	4.792,22	5.199,60	0,25%	-15,50%	282.675	488,09	491,02
14.05.2020	5.155,50	4.226,17	4.778,04	5.199,60	-0,85%	-16,43%	278.750	486,75	489,69
15.05.2020	5.165,00	4.247,53	4.782,41	5.199,60	-0,67%	-16,27%	276.375	487,15	490,1
18.05.2020	5.249,50	4.319,51	4.851,22	5.305,20	-1,05%	-14,91%	274.225	493,99	496,93
19.05.2020	5.314,00	4.342,57	4.853,41	5.305,20	0,17%	-13,86%	273.175	494,18	497,08
20.05.2020	5.333,00	4.348,50	4.864,10	5.305,20	0,52%	-13,55%	272.325	495,19	498,09
21.05.2020	5.387,00	4.406,54	4.899,95	5.305,20	1,54%	-12,68%	271.775	498,75	501,64
22.05.2020	5.242,50	4.304,54	4.806,99	5.305,20	-1,18%	-15,02%	270.925	489,57	492,49
26.05.2020	5.341,50	4.329,31	4.865,20	5.315,25	0,49%	-13,41%	265.375	495,29	498,18
27.05.2020	5.308,50	4.311,65	4.818,03	5.315,25	-0,13%	-13,95%	264.425	490,47	493,36
28.05.2020	5.278,50	4.307,57	4.795,58	5.315,25	-0,69%	-14,44%	261.800	488,26	491,15
29.05.2020	5.332,50	4.312,58	4.788,95	5.315,25	0,32%	-13,56%	255.725	487,52	490,37
<b>MONTHLY</b>	<b>5.233,82</b>	<b>4.253,35</b>	<b>4.798,17</b>					<b>488,63</b>	<b>491,55</b>



## MARKET COMMENTARY

Even though copper made a weak start to the month of ay, the rest of the month also copper prices rose. London copper prices was slipped to a near two-week low on 4th of May on fears of excess supply, as some producers looked set to resume operations and demand took a hit from the coronavirus outbreak. Three-month copper on the London Metal Exchange (LME) fell to \$5,060 a tonne by, its lowest since April 22.

Industrial metals prices advanced on remaining of the May on hopes for a pick up in economic activity as some U.S. states laid out plans to ease coronavirus-driven restrictions. Also Copper rose on a, buoyed by a rebound in China's demand for the manufacturing material and an unexpected rise in the country's overall exports in April.

China's April exports rose 3.5% from a year earlier, marking the first positive growth since December last year, customs data showed. China's unwrought copper imports rose 4.3% in April from the prior month, according to Reuters calculations based on customs data, boosted by an economic recovery from the coronavirus outbreak and favourable prices.



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Gains in copper, however, were capped by simmering trade tensions between Washington and Beijing. Some countries have announced plans to gradually remove restrictions that were imposed to contain the coronavirus pandemic, and governments around the world have been providing stimulus programmes to support their ailing economies.

London copper boosted by expectations of better demand for metals as certain countries started to ease lockdowns put in place to curb the coronavirus pandemic. Australia, France and Spain are slowly opening their economies, while the United Kingdom - which has the second-highest virus death toll in the world - introduced some limited easing of restrictions.

Copper, used as a gauge of global economic health, has leaped 19% on the LME since March 19, when the contract hit a 45-month low, on improved demand from top consumer China, supply shortage worries and hopes for a pick up in global economy. LME copper, as demand for the red metal was still under pressure to what many describe as a long and bumpy road to recovery ahead. Copper prices declined on week of 11-15 May as traders fretted about signs of a second wave of coronavirus infections that could add more pressure to the already-hit global economy. Copper prices extend losses after the U.S. Federal Reserve chief warned of an "extended period" of weak economic growth, sparking concerns of lean demand for the metal.

Copper prices climbed on 18th of May as the reopening of economies paralyzed by the coronavirus crisis boosted hopes of a revival in demand for metals.

Copper prices retreated from a two-month high on 21th of May as worries about the economic damage from the COVID-19 pandemic offset optimism over a potential vaccine. Three-month copper on the London Metal Exchange climbed to \$5,464 a tonne. The last wee of May Copper prices fell on Wednesday as Sino-U.S. friction over Hong Kong quashed initial euphoria following the easing of lockdown restrictions in many countries. London Metal Exchange (LME) ended the May from \$6,097.53 level with %3.8 monthly advantage.





## MONTHLY REVIEW & INDUSTRY NEWS

- ✚ China's copper cathodes imports in April fell 3.46% to 276.223 ton year on year, copper concentrate imports rose 22.93% to 2.030.000 tons, copper scrap imports dropped 52.57% to 82.605 tons according to China's General Administration of Customs.
- ✚ China's refined copper output in April rose by 9.2% to 819.000 tons year-on-year and was also up 6.2% to from the previous month, according to data from the National Bureau of Statistics. The 4-month production of 2020 was realized as 3.110.000 tons with an increase of 2.5% compared to the same period of the previous year.
- ✚ Russian copper exports declined 22.38% to 152.200 tons in the first three months of 2020, official customs data showed.
- ✚ Kazakhstan's output of refined copper rose 10.4% to 165.085 tons on-year between January and April, Statistics Committee data showed.
- ✚ The global world refined copper market showed a 131,000 tonnes surplus in February, compared with a 2,000 tonnes deficit in January, the International Copper Study Group (ICSG) said in its latest monthly bulletin. For the first 2 months of the year, the market was in a 129,000 tonnes surplus compared with a 29,000 tonnes surplus in the same period a year earlier, the ICSG said.
- ✚ According to the ICSG report, World refined copper output in February was 1.80 million tonnes, while consumption was 1.67 million tonnes.
- ✚ ICSG expects a 3% year-on-year decline in world mined copper output in 2020, citing lockdowns that have been in place since March and the impact of those lockdowns on the industry will be felt more strongly in the second quarter, the group said.
- ✚ Diego Hernandez, president of Sonami, an association of mining companies with operations in top producer Chile, said both supply and demand would drop as the global economy falters. "The association anticipates supply to fall by 3%, which, combined with a decline in scrap metal recovery, would leave a balance of 200,000 tonnes." Hernández told Reuters.
- ✚ Chilean copper commission Cochilco said state miner Codelco, the world's top copper producer, saw production rise 2.8% year-on-year in April to 133.300 tonnes and 3.8% in the first four months of 2020, while BHP's Escondida, the world's largest mine, pumped out 102.600 tonnes, a rise of 11.4% on the same month the previous year, Collahuasi a joint-venture between Anglo American and Glencore, produced 54.100 tonnes, a 45.8% year on year rise, and was up 22.6% in 2020.
- ✚ According to Cochilco's description Chile's total copper production rose 2.6% year-on-year to 470.600 tonnes, an increase of 3.8% to 1.87 million tonnes in the year.
- ✚ Poland's state-run KGHM, which is one of the world's biggest copper and silver producers, sees demand for its copper stable, with some exceptions in Italy, which has been severely hit by the new coronavirus pandemic. "We observe a stable demand and except for some occasional problems with supplies to Italy we do not have problems with sales," Pawel Gruza, KGHM deputy head told a news conference.



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- ✚ On the other hand KGHM is expected to report a 22% fall in its first-quarter net profit on lower sales volumes and and rising costs.
- ✚ Glencore announced that they revised the 2020 copper production amount forecast as 1.255.000 tons.

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