



ER-BAKIR
elektrolitik bakır mamulleri a.ş.

MONTHLY COPPER BULLETIN

February-2023

7th March 2023



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 |
|----------------|-----------------|-----------------|-----------------|------------------------------|-----------------------|-----------------------|---------------------------|---------------------------|----------------------|
| 1.02.2023 | 9.175,00 | 8.423,61 | 7.443,62 | 9.130,20 | -1,43% | 4,30% | 74375 | 8656,39 | 8686,77 |
| 2.02.2023 | 9.114,00 | 8.297,52 | 7.414,58 | 9.130,20 | -2,09% | 3,60% | 72450 | 8527,22 | 8557,35 |
| 3.02.2023 | 9.060,00 | 8.287,60 | 7.398,94 | 9.130,20 | -2,67% | 2,99% | 70000 | 8517,58 | 8547,85 |
| 6.02.2023 | 8.891,50 | 8.253,50 | 7.368,44 | 8.924,20 | -2,61% | 1,07% | 67450 | 8486,81 | 8517,52 |
| 7.02.2023 | 8.865,00 | 8.281,18 | 7.395,51 | 8.924,20 | -2,90% | 0,77% | 66475 | 8517,63 | 8548,55 |
| 8.02.2023 | 9.006,00 | 8.390,16 | 7.449,75 | 8.924,20 | -1,36% | 2,38% | 65100 | 8625,88 | 8656,70 |
| 9.02.2023 | 8.953,50 | 8.314,14 | 7.362,47 | 8.924,20 | -1,94% | 1,78% | 64475 | 8549,28 | 8580,01 |
| 10.02.2023 | 8.905,00 | 8.334,89 | 7.364,37 | 8.924,20 | -2,47% | 1,23% | 63100 | 8573,57 | 8604,55 |
| 13.02.2023 | 8.912,00 | 8.335,98 | 7.361,64 | 8.886,50 | -0,14% | 1,31% | 62575 | 8572,90 | 8603,85 |
| 14.02.2023 | 8.931,50 | 8.302,19 | 7.314,31 | 8.886,50 | 0,08% | 1,53% | 63800 | 8537,94 | 8568,70 |
| 15.02.2023 | 8.826,00 | 8.250,14 | 7.328,13 | 8.886,50 | -1,10% | 0,33% | 65975 | 8486,67 | 8517,60 |
| 16.02.2023 | 8.892,00 | 8.314,94 | 7.387,22 | 8.886,50 | -0,36% | 1,08% | 64975 | 8552,54 | 8583,49 |
| 17.02.2023 | 8.871,00 | 8.353,11 | 7.427,78 | 8.886,50 | -0,60% | 0,84% | 64825 | 8591,66 | 8622,82 |
| 20.02.2023 | 9.015,00 | 8.447,34 | 7.495,63 | 9.021,30 | 1,45% | 2,48% | 65500 | 8685,81 | 8716,82 |
| 21.02.2023 | 9.103,50 | 8.539,87 | 7.517,96 | 9.021,30 | 2,44% | 3,48% | 65225 | 8778,04 | 8809,09 |
| 22.02.2023 | 9.121,00 | 8.565,93 | 7.533,66 | 9.021,30 | 2,64% | 3,68% | 65425 | 8806,10 | 8837,19 |
| 23.02.2023 | 9.060,00 | 8.535,90 | 7.518,67 | 9.021,30 | 1,95% | 2,99% | 65000 | 8773,44 | 8804,61 |
| 24.02.2023 | 8.807,00 | 8.335,23 | 7.354,49 | 9.021,30 | -0,89% | 0,11% | 63775 | 8574,95 | 8606,27 |
| 27.02.2023 | 8.751,00 | 8.288,50 | 7.305,28 | 8.900,50 | -3,00% | -0,52% | 64275 | 8528,28 | 8559,62 |
| 28.02.2023 | 8.844,00 | 8.330,04 | 7.306,68 | 8.900,50 | -1,97% | 0,53% | 64.100 | 8569,40 | 8600,58 |
| MONTHLY | 8955,20 | 8359,09 | 7402,46 | | | | | 8595,60 | 8626,50 |



MARKET COMMENTARY

Global markets started February with a busy macro data calendar and interest rate decisions of major central banks. In the Fed's meeting, which ended on February 1, in line with the expectations, interest rates increased by 25 basis points. US markets started February at a premium after Powell's less hawkish statements. However, on the last trading day of the 5th week, after the non-farm employment data, which was announced to have increased by 517,000, above the expectations of 185,000, the markets faced sales as the Fed pointed out that it would continue its monetary policy tightening approach for a long time. On the other hand, on the Chinese side, manufacturing PMI increased from 47.0 points to 50.1 points in January, while services PMI increased from 48.0 points to 52.9 points in January after a 4-month contraction, pointing to growth.

Although LME copper was supported by the weakening dollar in the middle of the week after Powell's statements, it ended the week at \$8925.50, down 3.72%, as demand in China remained stagnant after the Lunar New Year holiday and the dollar gained value after the non-farm employment data.

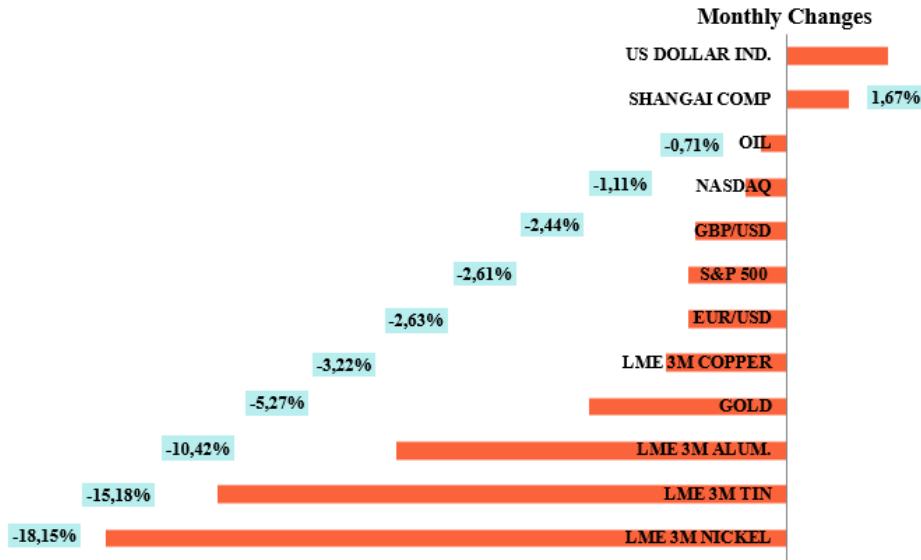


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Global markets started the 6th week cautiously after the non-farm employment data announced the previous week. However, after the detection of a suspicious balloon moving from China to the USA via Canada, sales were observed in the markets as the tension increased as the USA lowered the balloon. In addition, the Chinese consumer price index increased by 2.1% in January, below the expectations of 2.2% on an annual basis.

3M LME Copper tested \$8808 on February 6, 3M LME Copper finished the week down 0.80% at \$8854, recovering some of its losses as hopes of recovery in Chinese demand and continued supply disruptions bolstered the price.



Global markets started the 7th week cautiously ahead of the US's January CPI data. Global markets faced sales as US consumer prices were announced in January, above the expectations of 6.4% to 6.2% compared to the same month of the previous year, indicating that inflation remained high, and Fed officials pointed out that interest rates will remain higher for longer than investors expected.

3M LME Copper closed the week at \$9009 with a premium of 1.15%, after testing the lowest level since January 10 at \$8786 with the expectations of more interest rate hikes by the Fed and the pressure of the stronger dollar in the 7th week.

Global markets faced sales as the minutes of the Fed's last meeting were dominated by concerns that the hawkish stance continued and interest rates would remain high for longer than anticipated. In addition, the US GDP growth was 2.7%, below the expectations of 2.9%, and the personal consumption item was announced as 1.4%, below the expectations of 2%.

3M LME Copper tested the \$8684 on February 24, as the expectation of more interest rate hikes in the US raised concerns in the markets and strong dollar pressure. LME copper finished the week down 3.49% at \$8694.5%.

3M LME copper tested \$8670 the lowest level since January 9th on the first trading day of the 9th week as uncertainty over demand in China, the largest consumer, increased. LME Copper rose as high as \$8947 on the last day of February, with speculators buying at low prices and hopes for a resurgence in demand in China. 3M LME copper after traded in the range of \$8670-9260, closed the month with a loss of 3.22% at \$8980.

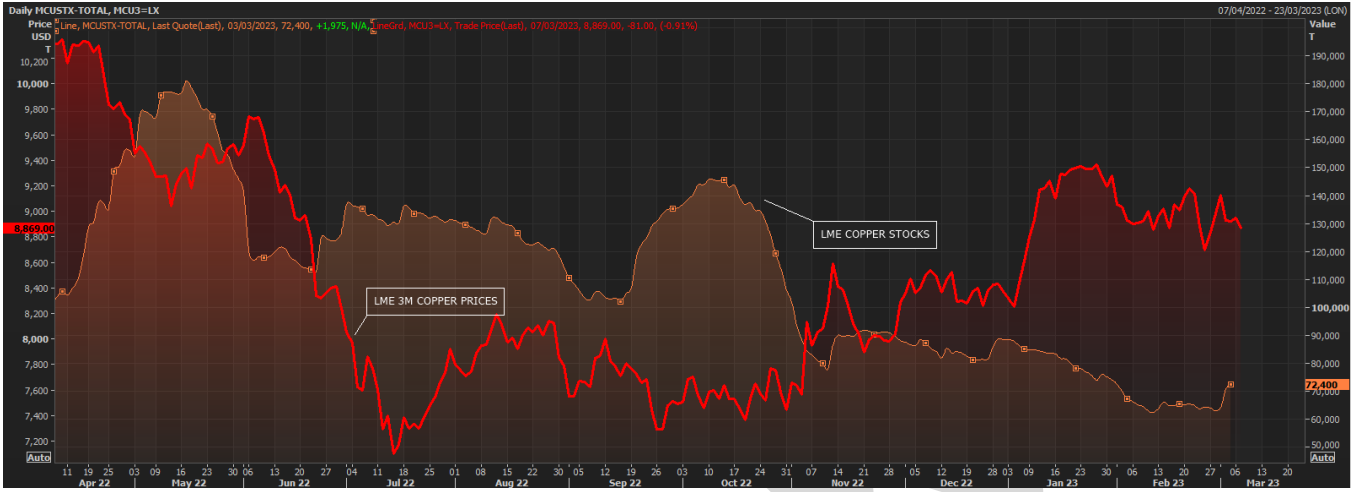


MONTHLY REVIEW & INDUSTRY NEWS

- ✚ The world's refined copper market saw a 3 tonne surplus in December, compared with a deficit of 93,000 tonnes in November, the International Copper Study Group (ICSG) said in its latest monthly bulletin.
- ✚ World refined copper output and consumption in December were about 2.2 million tonnes.
- ✚ In 2022, the market was in a 376,000 tonne deficit compared with a 455,000 tonne deficit in the previous 12-month period, the ICSG said.
- ✚ Analysts at Bank of America said about 12% of global copper production has been affected by uncertainty or disruption so far this year.
- ✚ Credit being pumped into China's economy should boost growth and copper consumption, said Dan Smith, head of research at Amalgamated Metals Trading.
- ✚ Dan Smith said copper supply and demand should accelerate and the market should see a deficit of around 200,000 tonnes this year, predicting prices above \$10,000 by the end of June.
- ✚ The Chilean Copper Commission (Cochilco) has recently released its forecast for Chile's copper production from 2022 to 2033, which shows that Chile's copper production is expected to exceed 6 million mt in 2025 and rise to 6.58 million mt in 2033, a 17% increase compared to 2021 but lower than previous forecast.
- ✚ In addition, the report downgraded its forecast for Chilean copper production peak to 7.14 million mt in 2030, which is 2 years later than previous forecast.
- ✚ Chile's total copper production fell 0.5% in December to 495,800 tonnes, government body Cochilco said.
- ✚ Copper output in Chile, the world's largest producer of the metal, rose 1.3% year-on-year to 435,939 tonnes in January, the country's statistics agency INE said
- ✚ Kazakhstan's January refined copper output dropped 11.1% year on year to 36,133 data from the statistics bureau showed.
- ✚ Japan's January refined copper export down 7.1% year on year to 48,026.
- ✚ Production from state-owned giant Codelco slipped 11.8% on a yearly basis to 145,100 tonnes in December, Cochilco said, while output from controlled Escondida fell 1% to 85,500 tonnes in December.
- ✚ Collahuasi, a joint venture of Anglo American and Glencore, produced 51,300 tonnes, a 2.8% increase in December.
- ✚ The huge Chinese-owned Las Bambas copper mine in Peru is set to halt production on 1 February as road blockades preventing the arrival of key inputs to the site have not yet been lifted, a source close to the mine told Reuters.

✚ First Quantum Minerals Ltd said on Thursday it had suspended ore processing at its Cobre Panama mine. It has been locked in a prolonged contract dispute with the Panama government over tax and royalties.

✚ LME stock and price chart are provided below for your information:



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