



### China Key to This Year's Market Balance

*Cash price and exchange stocks move sideways*

*China market continues to disappoint*

*Q1 2011 market in surplus, despite low mine output*

*Serious doubts about future fall in visible stocks*

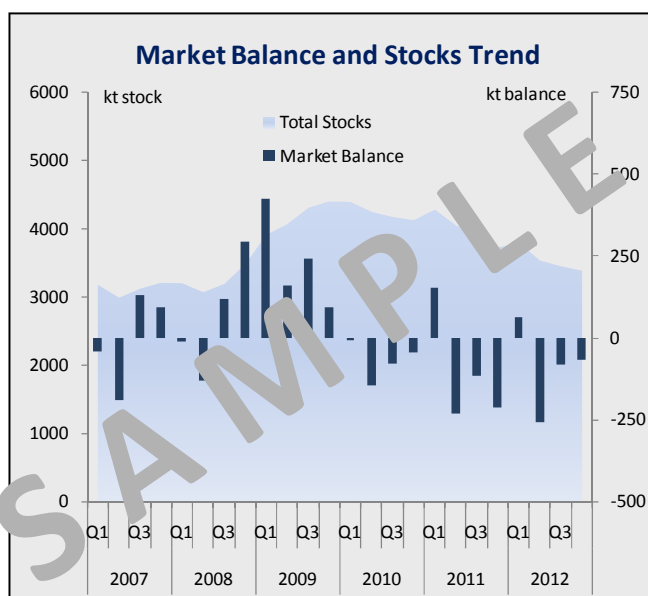
While the copper price is in pretty good shape, averaging around \$9,500/t, this cannot be said of apparent physical market fundamentals. Despite some quite low mine output figures (further depressed by constrained smelter-refinery output), there is certainly no visible shortage of the red metal.

First quarter production results from major miners shed some light on the supply side of the equation. Rio Tinto and Anglo American, both reporting a year on year decline of 14%, showed sharp falls; Freeport recorded a 4% decline. Looking behind the figures, even some of those reporting higher numbers do not look so good. BHPB, with a 19% year on year rise, achieved this mainly due to a rebound in output at Olympic Dam; its output in Q1 was in fact 9% down on the previous quarter. Output by Southern Copper, showing a 14% year on year rise, was higher only because output from Buanavista offset losses elsewhere. We remain confident that 2011 will see robust mine output growth, fully reflected in refined output, but the risk is on the downside.

Lower than expected output certainly would help achieve a strong market deficit in 2011. With forecast consumption growth of 5.1% and a market already in deficit in 2010, we had been confident that a large deficit would be achieved even with high output growth. Now we are less so. Our figures are not so different from before, but appearance of the market on the ground, especially in China, causes us concern. It is beginning to look like Chinese consumption may turn out to be lower than expected. Currently, we forecast 5.9% growth. This is modest compared to some forecasts, but looks high against an actual decline of 5.0% in apparent Chinese refined copper use year on year in Q1 2011. Fabricator capacity utilisation rates have improved, but it is by no means clear that much forward momentum can be achieved in the current credit tightening environment. It should be noted that for each 1% we are out on Chinese consumption growth, we slice 75 kt off the forecast market deficit for 2011.

Perhaps more worrying is the mountain of in-bond stock sitting in Chinese ports. Estimates for this range up to 1 Mt; we believe the figure is around 700 kt. It appears that much of this copper is being used as collateral to

back loans or finance assets. Beijing has recently imposed limits on this use of copper, which may limit further in-bond stock growth, but this does nothing to remove the stock that is already in place. It looks increasingly likely that, when an arbitrage window between the LME and SHFE exchanges does finally emerge, that in-bond stocks rather than imports will be the material of choice of domestic buyers. With copper output in China forging ahead, net Chinese imports are already running much lower than in 2009 or 2010. Should this continue to be the case, more stock will remain on show outside China this year than is widely anticipated, which in turn could seriously impact on the perception of health in this year's copper market.



Summary Data Table

	2010 Yr	2011 Q1	Q2	Q3	Q4	2012 Yr	2012 Yr
Mine Output (kt)	16138	4186	4196	4219	4219	16820	17608
% Ch Y-O-Y	1.3%	9.6%	5.1%	2.6%	-0.8%	4.7%	4.7%
Smelter Output (kt)	14942	3918	3874	3918	3798	15546	16139
% Ch Y-O-Y	2.8%	8.5%	2.6%	1.0%	0.0%	4.0%	3.8%
Refined Output (kt)	19249	4984	4984	5095	5049	20127	20919
% Ch Y-O-Y	4.0%	2.7%	3.2%	4.6%	3.8%	4.6%	3.9%
Refined Use (kt)	19526	5311	5228	5210	5260	20529	21263
% Ch Y-O-Y	-1.1%	3.2%	4.8%	5.2%	7.1%	5.1%	3.6%
Refined Balance (kt)	-277	154	-230	-114	-211	-402	-344
Exchange Stocks (kt)	575	693	537	447	407	407	264
% Ch Y-O-Y	-16.3%	-8.4%	-19.2%	-16.9%	-29.2%	-29.2%	-35.1%
Total Stocks (kt)	4133	4286	4056	3941	3731	3731	3387
% Ch Y-O-Y	-6.3%	-2.6%	-4.7%	-5.7%	-9.7%	-9.7%	-9.2%
LME Cash (\$/t)	7538	9608	9194	9362	9850	9504	9534
% Ch Y-O-Y	46.0%	32.6%	30.5%	29.3%	14.1%	26.1%	0.3%

TABLE 1	LME Copper Price Complex								\$/tonne					
	2009 Yr	2010 Yr	2011				% Ch	2012				% Ch		
			Q1	Q2	Q3	Q4	Yr		Q1	Q2	Q3	Q4	Yr	
<b>PRICES</b>														
Cash	5165	7538	9608	9194	9362	9850	9504	26.1%	9729	9102	9785	9519	9534	0.3%
3 month	5186	7554	9609	9216	9383	9871	9520	26.0%	9744	9056	9716	9443	9490	-0.3%
15 month	5211	7512	9497	9176	9298	9751	9430	25.5%	9519	8746	9341	9063	9167	-2.8%
27 month	5206	7321	9165	8991	9003	9401	9140	24.9%	9094	8206	8791	8538	8657	-5.3%
<b>CONTANGO</b>														
Cash to 3 month	22	16	1	21	21	21	16	n/a	16	-46	-69	-76	-44	n/a
3 month to 15 month	25	-42	-112	-40	-85	-120	-89	n/a	-225	-310	-375	-380	-323	n/a
15 month to 27 month	-5	-191	-332	-185	-295	-350	-290	n/a	-425	-540	-550	-525	-510	n/a
<b>CASH C/LB EQUIVALENT</b>	234	342	436	417	425	447	431	26.1%	441	413	444	432	432	0.3%

TABLE 2	Comex and Shanghai Cash Prices								Current					
	2009 Yr	2010 Yr	2011				% Ch	2012				% Ch		
			Q1	Q2	Q3	Q4	Yr		Q1	Q2	Q3	Q4	Yr	
<b>SHANGHAI</b>														
RMB/tonne	41850	58999	71728	69369	70013	72785	70974	20.3%	72336	67558	70000	70143	70334	-0.9%
US c/lb	278	395	495	482	487	508	493	24.5%	507	478	495	495	496	0.6%
US \$/tonne	6118	8709	10916	10629	10742	11195	10871	20.3%	10169	10527	11111	11111	10940	0.6%
<b>COMEX</b>														
US c/lb	235	343	437	418	425	447	432	26.4%	442	413	444	432	433	0.2%
US \$/tonne	5190	7550	9634	9209	9372	9855	9517	26.4%	9734	9107	9790	9524	9539	0.2%

TABLE 3	Treatment and Refining Charges								\$/t / c/lb					
	2009 Yr	2010 Yr	2011				% Ch	2012				% Ch		
			Q1	Q2	Q3	Q4	Yr		Q1	Q2	Q3	Q4	Yr	
<b>ANNUAL CONTRACT (cif Japan)</b>														
TC (US\$/dmt)	46.5	56.0	56.0	56.0	56.0	56.0	56.0	20.4%	70.0	70.0	70.0	70.0	70.0	25.0%
TC (US c/lb)	7.27	8.76	8.76	8.76	8.76	8.76	8.76	20.4%	10.95	10.95	10.95	10.95	10.95	25.0%
RC (US c/lb)	5.60	5.60	5.60	5.60	5.60	5.60	5.60	20.4%	7.00	7.00	7.00	7.00	7.00	25.0%
PP (US c/lb)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n/a	0.00	0.00	0.00	0.00	0.00	n/a
Total (US c/lb)	12.87	14.36	14.36	14.36	14.36	14.36	14.36	20.4%	17.95	17.95	17.95	17.95	17.95	25.0%
<b>SPOT CONTRACT (cif Shanghai)</b>														
TC (US\$/dmt)	35.0	28.8	70.0	100.0	80.0	70.0	80.0	178.3%	70.0	70.0	70.0	70.0	70.0	-12.5%
TC (US c/lb)	5.60	4.5	11.0	15.6	12.5	11.0	12.5	178.3%	11.0	11.0	11.0	11.0	11.0	-12.5%
RC (US c/lb)	3.6	2.9	7.0	10.0	8.0	7.0	8.0	178.3%	7.0	7.0	7.0	7.0	7.0	-12.5%
Total (US c/lb)	9.2	7.4	18.0	25.6	20.5	18.0	20.5	178.3%	18.0	18.0	18.0	18.0	18.0	-12.5%

## COPPER BRIEFING SERVICE

This report is published by **Bloomsbury Minerals Economics Ltd** in the UK.

In the UK:

Paul Dewison  
Editor, Copper Briefing  
Bloomsbury Minerals Economics Ltd.,  
5 Warren Mews,  
London  
W1T 6AP

Telephone: +44 (0)20 7529 8914  
E-mail: [pd@bloomsburyminerals.com](mailto:pd@bloomsburyminerals.com)

BME's office in Canada:

Neil Seldon, Chairman,  
Bloomsbury Minerals Economics Ltd.  
2918 Mathers Avenue,  
West Vancouver, BC  
Canada V7V 2K1

Telephone: +1 604 926 9228  
Facsimile: +1 604 925 2345  
E-mail: [neilseldon@seldon-associates.com](mailto:neilseldon@seldon-associates.com)

Representatives in China

Leslie Liang  
CHR Metals  
Xi'an Representative Office  
Yulang Intl Room 11321  
No 77 Jiefeng Road  
Xincheng District Xi'an  
Shaanxi 710004, P. R. China  
Telephone: 00 86 874 32148  
Email: [leslie.liang@chrmetals.com](mailto:leslie.liang@chrmetals.com)

## Prices, Market Balance and Stocks

### Prices and Exchange Stocks Range Bound

As our exchange stock and prices chart opposite shows, we are once again in a period of little movement in either prices or exchange stocks. This happened before in Q1-Q2 2009 and again in Q1-Q2 2010. When prices and stocks did eventually break out, exchange stocks fell and prices rose. The hope is that this will occur once again in 2011 but, this time, the arguments are not so much in favour of a price increase.

Since the end of March, LME Cash has traded in a band \$9,200/t to \$9,850/t. Rather than being given any direction by market fundamentals, day to day moves have been greatly influenced by changes in the value of the US Dollar and economic news. Indeed, a relatively sharp decline in the value of the US Dollar seems to have saved copper from what otherwise might have been a marked price slide.

Forward pricing seems to indicate greater confidence in copper's future credentials than the present. In April, we have seen a further flattening of the forward curve. Cash to 3-months is running firmly in contango, of around \$20/t. Meanwhile, the 3-month to 15-month backwardation has narrowed to less than \$20/t, and the 15-month to 27-month backwardation to less than \$250/t. At the beginning of 2011, these backwardations stood at around \$300/t and \$450/t respectively.

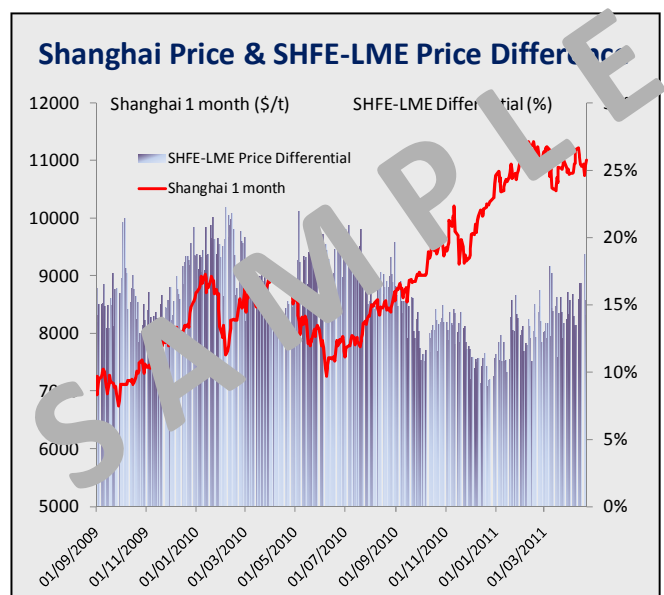
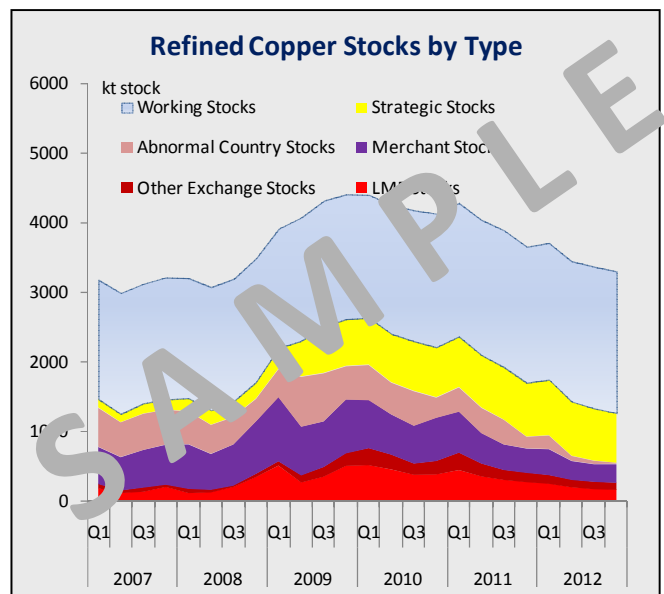
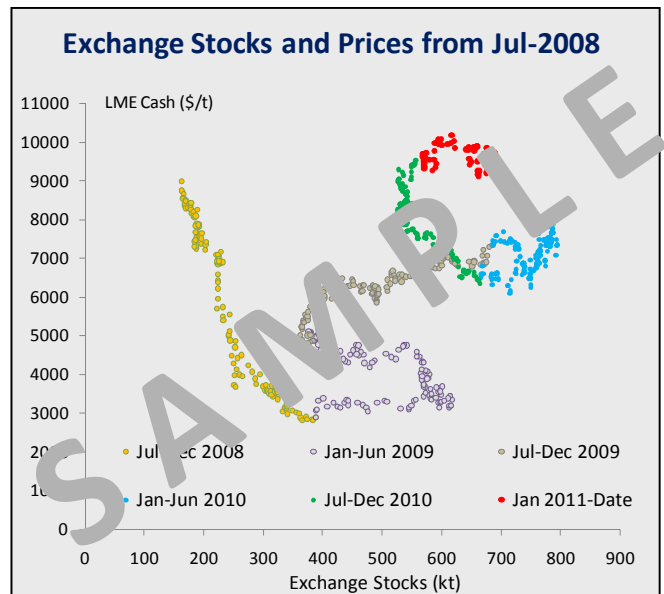
### Relocation of Visible Stocks

Since end-March, total exchange stocks have fallen by 10 kt to reach 678 kt. Though the overall move is modest, relocation has been significant. Stocks on the Shanghai exchange have fallen by 33 kt this month, this being almost exactly matched by an increase in LME stocks in Asia. LME stocks in the United States continued to fall.

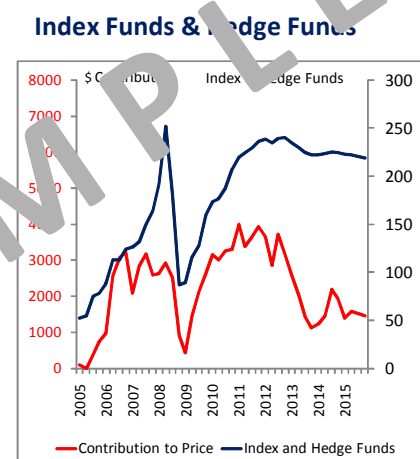
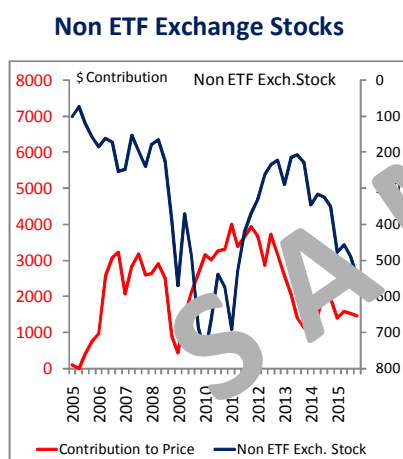
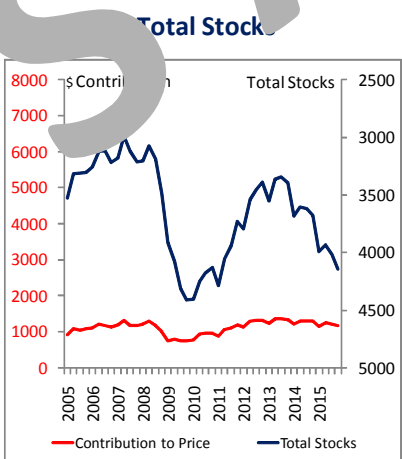
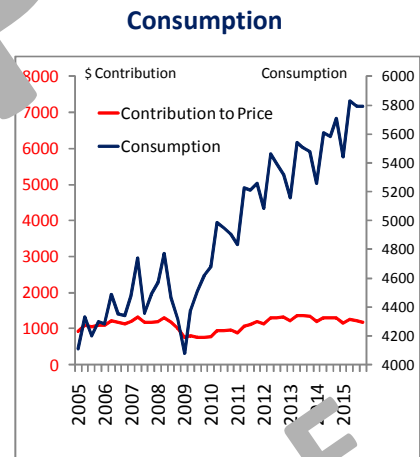
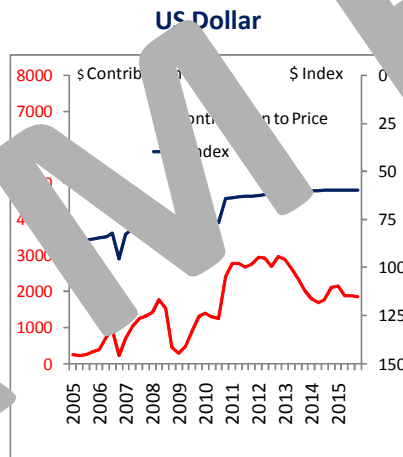
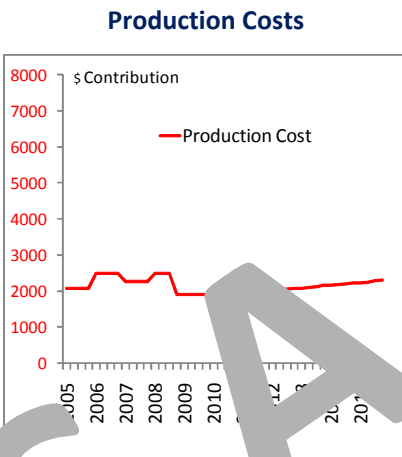
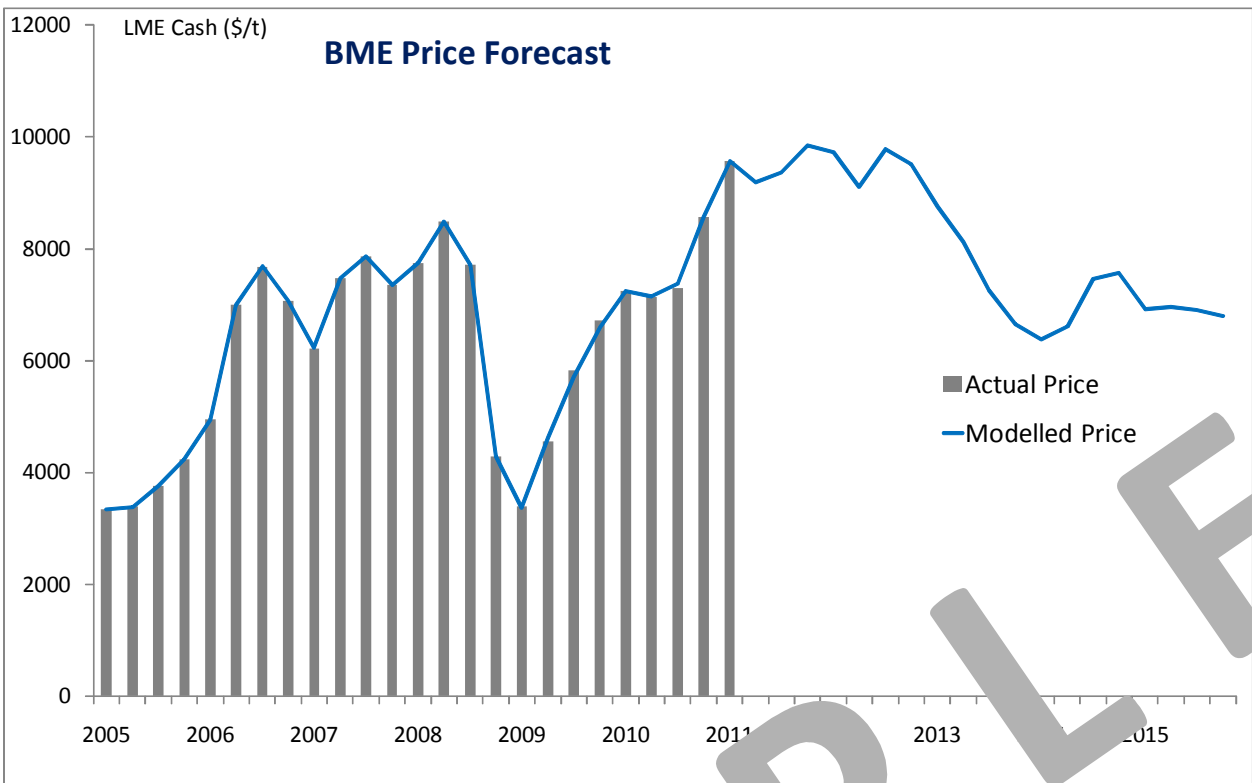
The shift of stock within Asia is further evidenced by a rise in reported exports from China, at 37 kt in March and 79 kt for Q1 2011 overall. Most of this export is attributed to sales of Chinese in-bond stock, sold abroad rather than domestically due to relatively low SHFE prices. Despite these sales, until recently Chinese in-bond stocks are thought to have been continuing to rise, probably reaching 600-700 kt.

### Chinese Market Lacks Momentum

Until mid-April, the SHFE-LME arbitrage appeared to be moving in favour of imports. At the recent low point in LME pricing, when LME cash stood at little more than \$9,200/t, the percentage differential reached over 18%. With higher LME prices in recent days, the arbitrage window has once again firmly shut,



# BME Interactive Copper Price Model Output

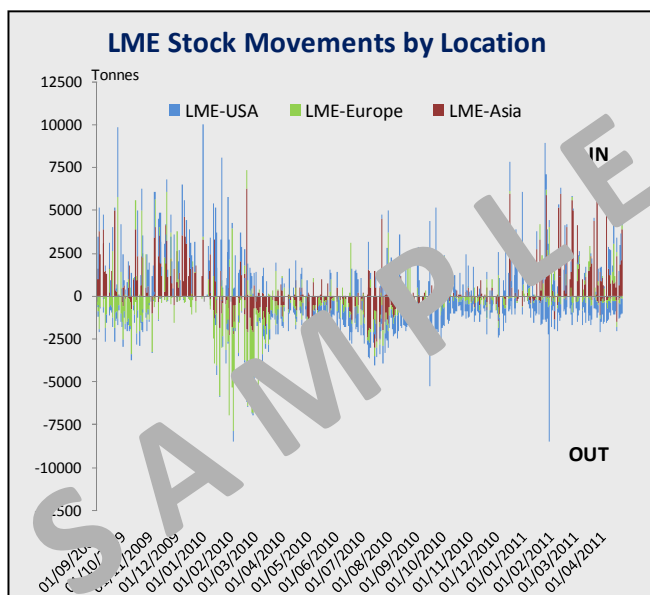


Note: "Total Stocks" and "Consumption" are combined to form the "Stocks / Consumption Ratio" contributor to price, "Non ETF Exchange Stocks" and "Index Funds & Hedge Funds" are combined to form the "Futures Balance" contributor to price.

dissuading importers from taking material on which VAT has to be paid. With March imports at only 193 kt, Q1 2011 in total saw a very modest 595 kt cathode import. Despite a seasonal pick up in demand, local sources do not expect any great improvement in imports in April or May. Indeed, some traders are reported to be cancelling import tonnage. Lack of Chinese buying is affecting spot premia in China. Though higher, at around \$70/t, figures are still quite modest. There is a knock on effect in Europe, where spot premia for Grade A material in Rotterdam have only recently edged above a low point of \$40/t to reach \$60-70/t.

### Scrap Market More Active, Concentrates Market Still Oversupplied

Against a background of low cathode and concentrates trade, Chinese imports of scrap have been quite robust. Imports were up by 2% year-on-year in Q1 2011, and orders are reported to be on a sharp upward trend. For higher grade scrap, some consumers are buying this material as a cheaper alternative to high priced cathode. Lower grade scrap sales are boosted by some smelters holding out for very favourable TC/RC deals. They are thought to be well supplied with concentrates built up late in 2010 and early this year. Cuts to Japanese smelter



output, expected to total 130 kt between March and September, continue to be the main force buoying up TC/RCs, but it appears that spot figures have passed the peak. For prompt delivery, spot TC/RCs have slipped to \$110 -120/dmt and 11-12 c/lb from \$130/dmt and 13 c/lb early

**TABLE 4 Stock Ratios Along the Process Chain (Days)**

	2009 Yr	2010 Yr	2011				Yr	% Ch	2012				Yr	% Ch
			Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4		
<b>CONCENTRATES</b>														
Normal Country Stocks	26.9	26.5	25.5	26.3	26.1	27.7	26.7	1.1%	26.0	26.1	26.1	26.8	26.0	-0.4%
<b>Total</b>	<b>40.7</b>	<b>38.0</b>	<b>36.2</b>	<b>38.5</b>	<b>37.2</b>	<b>42.3</b>	<b>40.8</b>	<b>7.3%</b>	<b>39.8</b>	<b>39.3</b>	<b>39.5</b>	<b>43.2</b>	<b>42.9</b>	<b>5.2%</b>
<b>BLISTER GRADE COPPER</b>														
Normal Country Stocks	50.9	51.1	49.7	50.3	50.3	51.7	51.2	0.0%	50.3	50.8	50.4	51.0	51.2	0.0%
<b>Total</b>	<b>53.0</b>	<b>52.7</b>	<b>51.9</b>	<b>52.7</b>	<b>52.1</b>	<b>52.3</b>	<b>52.3</b>	<b>-1.8%</b>	<b>51.0</b>	<b>52.2</b>	<b>51.9</b>	<b>52.6</b>	<b>52.8</b>	<b>2.0%</b>
<b>REFINED COPPER</b>														
Normal Country Stocks	27.3	26.5	26.8	26.7	26.7	25.5	26.1	0.5%	26.1	25.0	25.6	26.0	26.0	-0.6%
At Exchanges	14.3	10.7	13.1	13.8	13.4	7.1	7.2	-37.4%	6.7	5.1	4.7	4.5	4.5	-37.4%
<b>Total</b>	<b>91.5</b>	<b>77.3</b>	<b>81.0</b>	<b>70.5</b>	<b>60.1</b>	<b>64.7</b>	<b>66.3</b>	<b>-14.2%</b>	<b>68.1</b>	<b>59.1</b>	<b>58.4</b>	<b>58.1</b>	<b>58.1</b>	<b>-12.4%</b>

**TABLE 5 Scrap Use Along the Process Chain**

	2009 Yr	2010 Yr	2011				Yr	% Ch	2012				Yr	% Ch
			Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4		
<b>AT SMELTER</b>														
Scrap Use	70	2435	660	683	691	684	2718	11.6%	652	706	707	688	2753	1.3%
Share of Total	4.4%	16.3%	16.8%	17.7%	17.5%	18.1%	17.5%	n/a	16.5%	17.4%	17.2%	17.1%	17.1%	n/a
<b>AT REFINERY</b>														
Scrap Use	804	1018	280	288	284	291	1143	12.2%	295	299	302	311	1208	5.7%
Share of Total	5.3%	6.4%	6.8%	7.0%	6.7%	7.1%	6.9%	n/a	7.0%	7.0%	6.9%	7.2%	7.0%	n/a
<b>PROCESSING OF CATHODE</b>														
Scrap Use	2874	3453	940	972	975	974	3861	11.8%	947	1005	1009	998	3960	2.6%
Share of Total	15.5%	17.9%	18.9%	19.4%	19.1%	19.3%	19.2%	n/a	18.4%	19.3%	19.0%	19.0%	18.9%	n/a

**TABLE 6 Concentrates Balance and Stocks '000 tonnes Cu**

	2009	2010	2011				Yr	% Ch	2012				Yr	% Ch
	Yr	Yr	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4		
<b>COPPER IN CONCENTRATES BALANCE</b>														
Production	12531	12745	3347	3329	3331	3276	13283	4.2%	3382	3475	3495	3515	13868	4.4%
Consumption	12582	12815	3352	3275	3348	3172	13148	2.6%	3377	3445	3490	3412	13723	4.4%
<b>Balance</b>	<b>-51</b>	<b>-70</b>	<b>-6</b>	<b>54</b>	<b>-17</b>	<b>104</b>	<b>135</b>	<i>n/a</i>	<b>5</b>	<b>30</b>	<b>6</b>	<b>103</b>	<b>144</b>	<i>n/a</i>
<b>COPPER IN CONCENTRATES STOCKS</b>														
<b>Normal</b>	<b>927</b>	<b>929</b>	<b>937</b>	<b>945</b>	<b>959</b>	<b>963</b>	<b>963</b>	<b>3.7%</b>	<b>963</b>	<b>986</b>	<b>999</b>	<b>1002</b>	<b>1002</b>	<b>4.0%</b>
At mines	69	70	70	72	72	73	73	4.2%	73	75	76	76	76	4.4%
At smelters	469	478	481	482	491	490	490	2.6%	490	502	510	512	512	4.4%
In domestic transit	389	381	386	391	396	400	400	5.0%	400	409	413	415	414	3.5%
<b>Abnormal Country Stocks</b>	<b>36</b>	<b>-40</b>	<b>-56</b>	<b>-12</b>	<b>-43</b>	<b>52</b>	<b>52</b>	<i>n/a</i>	<b>59</b>	<b>65</b>	<b>45</b>	<b>135</b>	<b>125</b>	<i>n/a</i>
<b>International Transit</b>	<b>441</b>	<b>445</b>	<b>447</b>	<b>449</b>	<b>449</b>	<b>454</b>	<b>454</b>	<b>2.0%</b>	<b>453</b>	<b>453</b>	<b>466</b>	<b>476</b>	<b>476</b>	<b>4.9%</b>
<b>Total</b>	<b>1404</b>	<b>1334</b>	<b>1328</b>	<b>1382</b>	<b>1365</b>	<b>1469</b>	<b>1469</b>	<b>10.1%</b>	<b>1474</b>	<b>1504</b>	<b>1510</b>	<b>1510</b>	<b>1613</b>	<b>9.8%</b>

Note: Data include copper in copper concentrates, copper-nickel concentrates and precipitates ("cement copper")

**TABLE 7 Blister Grade Copper Balance and Stocks '000 tonnes Cu**

	2009	2010	2011				Yr	% Ch	2012				Yr	% Ch
	Yr	Yr	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4		
<b>BLISTER GRADE COPPER BALANCE</b>														
Production	14416	14917	3918	3870	3950	3782	15420	4.0%	3937	4059	4004	4014	16114	3.8%
Consumption	14415	14863	3865	3847	3929	3831	15472	4.1%	3934	3981	4066	4014	15996	3.4%
<b>Balance</b>	<b>1</b>	<b>54</b>	<b>53</b>	<b>23</b>	<b>21</b>	<b>-48</b>	<b>448</b>	<i>n/a</i>	<b>3</b>	<b>78</b>	<b>38</b>	<b>0</b>	<b>119</b>	<i>n/a</i>
<b>BLISTER GRADE STOCKS</b>														
<b>Normal</b>	<b>2009</b>	<b>2083</b>	<b>2104</b>	<b>2122</b>	<b>2116</b>	<b>2172</b>	<b>2172</b>	<b>4.1%</b>	<b>2167</b>	<b>2215</b>	<b>2246</b>	<b>2245</b>	<b>2245</b>	<b>3.4%</b>
At smelters	79	82	83	83	85	85	85	4.0%	85	87	88	88	88	3.8%
At refineries	553	570	580	580	592	593	593	4.1%	592	605	614	614	614	3.4%
In process	1251	1305	1321	1332	1361	1366	1366	4.6%	1363	1394	1415	1414	1414	3.5%
In domestic transit	126	126	125	125	125	128	128	1.7%	126	129	129	129	129	1.1%
<b>Abnormal Country Stocks</b>	<b>24</b>	<b>-3</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>-40</b>	<b>-40</b>	<i>n/a</i>	<b>-30</b>	<b>-3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<i>n/a</i>
<b>International Transit</b>	<b>59</b>	<b>67</b>	<b>69</b>	<b>69</b>	<b>69</b>	<b>63</b>	<b>63</b>	<b>-5.5%</b>	<b>62</b>	<b>64</b>	<b>67</b>	<b>69</b>	<b>69</b>	<b>8.8%</b>
<b>Total</b>	<b>2093</b>	<b>2147</b>	<b>2200</b>	<b>2222</b>	<b>2243</b>	<b>2195</b>	<b>2195</b>	<b>2.2%</b>	<b>2198</b>	<b>2276</b>	<b>2314</b>	<b>2314</b>	<b>2314</b>	<b>5.4%</b>

Notes: 1) Data include copper in stock copper blister, anode and low grade electrowon needing re-refining. 2) In process stocks include nascent cathode.

**TABLE 8 Refined Copper Balance and Stocks '000 tonnes Cu**

	2009	2010	2011				Yr	% Ch	2012				Yr	% Ch
	Yr	Yr	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4		
<b>REFINED COPPER BALANCE</b>														
Production	18500	19249	4984	4998	5095	5049	20127	4.6%	5149	5204	5312	5253	20919	3.9%
Consumption	17580	19526	4831	5228	5210	5260	20529	5.1%	5086	5460	5396	5320	21263	3.6%
<b>Balance</b>	<b>920</b>	<b>-277</b>	<b>154</b>	<b>-230</b>	<b>-114</b>	<b>-211</b>	<b>-402</b>	<i>n/a</i>	<b>63</b>	<b>-256</b>	<b>-83</b>	<b>-67</b>	<b>-344</b>	<i>n/a</i>
<b>REFINED COPPER STOCKS</b>														
<b>Normal Country Stocks</b>	<b>1313</b>	<b>1417</b>	<b>1417</b>	<b>1447</b>	<b>1465</b>	<b>1468</b>	<b>1468</b>	<b>3.6%</b>	<b>1455</b>	<b>1498</b>	<b>1515</b>	<b>1514</b>	<b>1512</b>	<b>3.0%</b>
At producers	507	527	532	539	549	552	551	4.6%	550	564	573	574	573	3.9%
At consumers	495	557	554	574	580	581	581	4.5%	575	595	602	601	601	3.3%
In domestic transit	311	333	331	335	336	335	335	0.5%	330	338	340	338	338	0.9%
<b>Other Country Stocks</b>	<b>1843</b>	<b>1591</b>	<b>1775</b>	<b>1661</b>	<b>1560</b>	<b>1354</b>	<b>1354</b>	<b>-14.9%</b>	<b>1373</b>	<b>1162</b>	<b>1078</b>	<b>998</b>	<b>998</b>	<b>-26.3%</b>
LME	502	378	439	350	297	269	269	-28.7%	246	192	168	159	159	-40.9%
Other Exchanges	184	197	254	187	150	138	138	-29.9%	126	115	110	105	105	-23.9%
Strategic Stocks	675	725	730	760	760	780	780	7.6%	805	785	755	720	720	-7.7%
Abnormal Country Stocks	482	291	352	364	353	167	167	<i>n/a</i>	196	69	45	14	14	<i>n/a</i>
<b>Non Country Stocks</b>	<b>1253</b>	<b>1124</b>	<b>1093</b>	<b>947</b>	<b>916</b>	<b>908</b>	<b>910</b>	<b>-19.1%</b>	<b>965</b>	<b>878</b>	<b>861</b>	<b>877</b>	<b>877</b>	<b>-3.6%</b>
International Transit	455	499	502	497	501	486	486	-2.6%	507	520	524	522	522	7.4%
Misc. Bonded Stocks & ETFs	798	625	591	450	415	424	424	-32.2%	458	358	337	355	355	-16.2%
<b>Total</b>	<b>4409</b>	<b>4133</b>	<b>4286</b>	<b>4056</b>	<b>3941</b>	<b>3731</b>	<b>3731</b>	<b>-9.7%</b>	<b>3793</b>	<b>3537</b>	<b>3454</b>	<b>3387</b>	<b>3387</b>	<b>-9.2%</b>

## Macroeconomic Trends

The IMF's Global Financial Stability Report released mid April states that "global financial stability has improved in the past six months, but fragilities remain". While some economies are praised for their efforts to relieve their debt burdens, the IMF strongly criticises the United States for making little fiscal progress. Gross U.S. government debt (including that held by the Social Security trust fund) has risen to 100% of GDP, still below Japan, but above all the major European economies and the euro zone as a whole. The primary U.S. fiscal deficit, that reflects the true cost of the 2009 stimulus efforts, is the largest of any country examined by the IMF, and shows no sign of rapid reduction. American households are also in trouble, with gross debt much higher than for most other countries. The unprecedented doubts over the ability of Washington to bring the massive federal budget deficits under control in the next three years were reflected in the decision of Standard & Poors' rating agency to downgrade its long-term outlook on US government debt to "Negative" from "Stable".

In China, government is still trying to tame price pressures, but the combination of low responsiveness to actions taken to date, high global commodity prices

and rising service costs will push inflation to three-year highs in the coming months. Credit growth remains a headache. Even if the central bank's tightening of monetary policy succeeds in slowing the rate of credit growth, new loans should remain at very high levels. In another policy initiative, Beijing is taking measures to wean the economy off exports by boosting domestic demand. A 4% appreciation of the yuan against the US Dollar in March will have helped achieve this.

Europe's sovereign debt troubles seem not to have eased. This month Portugal became the third country to request financial help from the European Union and the IMF. Discussions about Greece's debt restructuring have intensified, as the policy programme to date has not delivered the expected results.

Global IP was unchanged month on month in February. This compares to growth of 0.6% in January. PMI data for March were mixed. PMIs for the United States and Europe remained at healthy levels, coming in at 61.2 and 57.5 respectively. The Chinese PMI, however, was relatively weak. Normal seasonality suggests that the Chinese PMI should have risen sharply, but the 1.2 point rise to 53.4 in March was smaller than the 3 point gain usually observed at this time of year.

## Consumption Trends

Despite evident fragility in the global economy, copper consumption remains strong. For China, the China Nonferrous Metals Industry Association expects copper consumption to rise by a healthy 7% this year (to 7.3 Mt) which, in the context of tighter credit, looks quite robust. The boost is expected to come from the planned upgrades to the rural power grid, and Beijing's drive to create more affordable housing. Copper intensive equipment manufacturing and high-speed rail industries are set to grow also.

In Japan, copper fabricators and their customers alike are struggling to recover from earthquake related damage. But, demand for copper power cables is strong, and Japanese manufacturers are not able to respond fast enough. The Japanese Ministry of Economy, Trade & Industry has urged cable makers to raise output by as much as possible to help alleviate a cable shortage in the earthquake-hit region.

As a positive knock on effect of the Japan earthquake, Europe-based copper fabricator Luvata anticipates higher demand for copper products used in renewable energy as governments turn away from nuclear power. It points in particular to products used in wind power and solar photovoltaics. Demand in Europe generally is doing better than expected,

especially for German machinery related business. For the United States, recovery in growth continues to be weighed down by a moribund construction market. Somewhat surprisingly, however, US-based copper tube and brass rod producer Mueller reported a 42% year-on-year growth in Q1 sales, around half of which it attributed to higher sales volume.

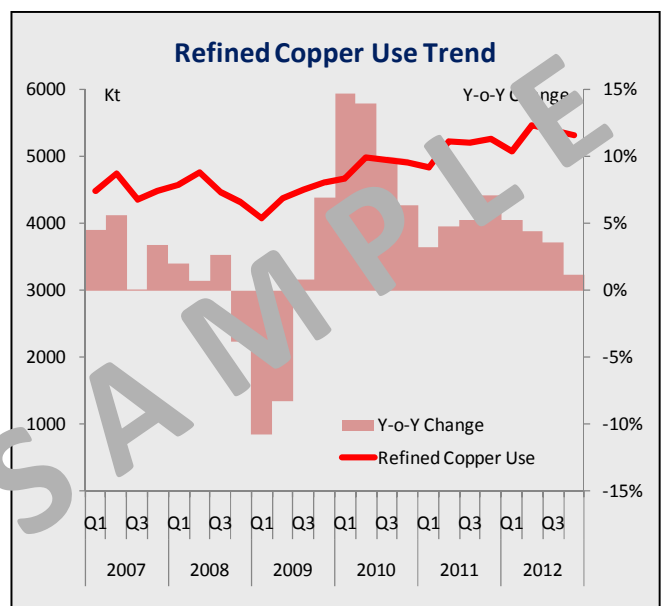


TABLE 9

## Refined Copper Balance Detail

'000 tonnes Cu

	2009	2010	2011				Yr	% Ch	2012				Yr	% Ch
	Yr	Yr	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4		
<b>PRODUCTION-CONSUMPTION BALANCE</b>														
Production	18500	19249	4984	4998	5095	5049	20127	4.6%	5149	5204	5312	5253	20919	3.9%
Consumption	17580	19526	4831	5228	5210	5260	20529	5.1%	5086	5460	5396	5320	21263	3.6%
<b>Prod-Cons Balance</b>	<b>920</b>	<b>-277</b>	<b>154</b>	<b>-230</b>	<b>-114</b>	<b>-211</b>	<b>-402</b>	<i>n/a</i>	<b>63</b>	<b>-256</b>	<b>-83</b>	<b>-67</b>	<b>-344</b>	<i>n/a</i>
<b>EFFECTIVE MARKET BALANCE</b>														
Added to Working Stocks	-8	148	2	25	22	-11	37	<i>n/a</i>	8	55	21	-3	80	<i>n/a</i>
Added to Strategic Stocks	430	50	5	30	0	20	55	<i>n/a</i>	25	-20	-30	-35	-60	<i>n/a</i>
<b>Effective Market Balance</b>	<b>498</b>	<b>-475</b>	<b>147</b>	<b>-285</b>	<b>-136</b>	<b>-220</b>	<b>-494</b>	<i>n/a</i>	<b>30</b>	<b>-291</b>	<b>-75</b>	<b>-30</b>	<b>-364</b>	<i>n/a</i>
<b>TOTAL STOCKS AND LIQUID STOCKS</b>														
<b>Total Stocks</b>	<b>4409</b>	<b>4133</b>	<b>4286</b>	<b>4056</b>	<b>3941</b>	<b>3731</b>	<b>3731</b>	<b>-9.7%</b>	<b>3793</b>	<b>3537</b>	<b>3454</b>	<b>3386</b>	<b>3387</b>	<b>-9.2%</b>
<b>Liquid Stocks</b>	<b>1966</b>	<b>1491</b>	<b>1636</b>	<b>1352</b>	<b>1216</b>	<b>997</b>	<b>997</b>	<b>-33.1%</b>	<b>1026</b>	<b>735</b>	<b>660</b>	<b>633</b>	<b>633</b>	<b>-36.5%</b>
LME	502	378	439	350	297	269	269	-28.7%	246	192	168	159	159	-40.9%
Other Exchanges	184	197	254	187	150	138	138	-29.9%	126	115	110	105	105	-23.9%
Abnormal Country Stocks	482	291	352	364	353	167	167	<i>n/a</i>	196	69	45	14	14	<i>n/a</i>
Exchange Traded Funds	0	1	1	15	50	75	75	<i>n/a</i>	85	90	85	85	85	<i>n/a</i>
Misc. Bonded Stocks	798	624	590	435	365	349	349	-44.2%	373	268	252	270	270	-22.5%
<b>WORKING STOCK CHANGES DETAIL</b>														
Added to Producer Stocks	3	21	5	7	10	2	24	<i>n/a</i>	-2	14	9	1	22	<i>n/a</i>
Added to Consumer Stocks	-9	62	-3	19	6	2	25	<i>n/a</i>	-7	20	7	-1	19	<i>n/a</i>
Added to Domestic Transit	18	22	-3	4	2	-1	2	<i>n/a</i>	-5	8	2	-1	1	<i>n/a</i>
Added to International Transit	-20	44	3	-6	4	-14	-13	<i>n/a</i>	21	13	4	-2	1	<i>n/a</i>
<b>Working Stocks Increase</b>	<b>-8</b>	<b>148</b>	<b>2</b>	<b>25</b>	<b>22</b>	<b>-11</b>	<b>37</b>	<i>n/a</i>	<b>8</b>	<b>55</b>	<b>21</b>	<b>-3</b>	<b>8</b>	<i>n/a</i>
<b>STRATEGIC STOCK CHANGES DETAIL</b>														
China	400	50	0	25	0	25	50	<i>n/a</i>	25	-5	-25	-25	-50	<i>n/a</i>
South Korea	30	0	5	5	0	-5	5	<i>n/a</i>	0	5	-5	-10	-10	<i>n/a</i>
Other (incl. Codelco Chile)	0	0	0	0	0	0	0	<i>n/a</i>	0	0	0	0	0	<i>n/a</i>
<b>Strategic Stock Increase</b>	<b>430</b>	<b>50</b>	<b>5</b>	<b>30</b>	<b>0</b>	<b>20</b>	<b>55</b>	<i>n/a</i>	<b>25</b>	<b>-20</b>	<b>0</b>	<b>0</b>	<b>-60</b>	<i>n/a</i>

Notes: Increase in Total Socks equals Production-Consumption Balance, increase in Liquid Stocks equals Effective Market Balance  
Abnormal Country Stocks are mainly non-bonded merchant stocks

TABLE 10

## Capacity Utilisation

'000 t Cu / %

	2009	2010	2011				Yr	% Ch	2012				Yr	% Ch
	Yr	Yr	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4		
<b>MINE</b>														
<b>Concentrates</b>														
Capacity	14909	14909	15347	15347	15651	15755	15573	4.5%	16032	16118	16199	16248	16149	3.7%
Utilisation	85.5%	85.5%	87.2%	85.5%	85.1%	83.2%	85.3%	-0.2%	84.4%	86.2%	86.3%	86.5%	85.9%	0.7%
<b>Total</b>														
Capacity	19926	19926	19639	19881	20031	20153	19926	4.2%	20463	20591	20700	20770	20631	3.5%
Utilisation	84.4%	84.4%	83.3%	84.4%	84.3%	83.7%	84.4%	0.0%	84.2%	85.5%	85.9%	85.8%	85.3%	1.1%
<b>SMELTER GRADE</b>														
<b>Total</b>														
Capacity	18702	18702	19225	19510	19740	19967	19611	4.9%	20057	20252	20699	21049	20514	4.6%
Utilisation	79.7%	79.9%	81.5%	79.4%	80.2%	76.1%	79.3%	-0.8%	78.6%	80.3%	79.4%	76.5%	78.7%	-0.8%
<b>REFINED COPPER</b>														
<b>EL &amp; Fire Refinery</b>														
Capacity	19491	19491	19795	20055	20350	20537	20184	3.6%	20717	20842	21204	21414	21044	4.3%
Utilisation	81.5%	81.5%	83.8%	82.5%	82.8%	80.3%	82.3%	1.0%	81.7%	82.2%	82.4%	80.8%	81.7%	-0.7%
<b>High Grade Electrowon</b>														
Capacity	4138	4138	4215	4266	4303	4322	4277	3.4%	4355	4397	4425	4446	4406	3.0%
Utilisation	81.4%	81.4%	75.7%	76.7%	77.3%	77.9%	82.1%	0.9%	80.5%	76.4%	78.0%	79.4%	84.3%	2.7%
<b>Total</b>														
Capacity	23629	23629	24011	24321	24654	24859	24461	3.5%	25072	25239	25629	25860	25450	4.0%
Utilisation	81.5%	81.5%	83.0%	82.2%	82.7%	81.2%	82.3%	1.0%	82.2%	82.5%	82.9%	81.2%	82.2%	-0.1%

Notes: Total mine capacity includes electrowon (high grade and low grade). Smelter grade capacity includes a small amount of low grade electrowon

## Production Trends

### Focus on the Planned Barrick-Equinox Deal

Bar a last minute hiccup, it appears probable that leading gold miner Barrick Gold will acquire emerging copper producer Equinox Minerals in a C\$7.3 billion (US\$7.68 billion) all cash takeover deal. While the acquisition may be met with enthusiasm by the shareholders of Equinox, it is not so welcomed by Barrick stakeholders and has surprised analysts. Indeed, Barrick shares lost 10% of their value following the announcement of the deal. Why, many ask, should a near pure gold play company diversify into base metals. After all, the market values gold companies at a premium, placing share values typically at a multiple of ten times forward cash flow in comparison to a multiple of six achieved by base metals companies.

Barrick CEO Aaron Regent and Chairman Peter Munk have been keen to answer the doubters. Firstly, Equinox is seen as a “billion dollar” cash generating company. Such cash flow is the lifeblood of a company, such as Barrick, focussed on growth. Secondly, Barrick is already a copper producer, with its output from Zaldivar in the 150 ktpy range (and likely to double) and in future around 100 ktpy to come from the Cerro Casale. The Equinox acquisition can be seen simply as building on this. It will expand the Barrick footprint in copper with a major mine in the African Copperbelt, Lumwana in Zambia, with ultimate capacity potential of around 300 ktpy, and also allow it to enter the Middle East with the 60 ktpy Jabal Sayid development project in Saudi Arabia.

So far, the increased exposure to copper has not really changed Barrick’s stance as a gold company. Without matching growth in gold, however, the doubling of output planned in copper for the two companies taken together of 600 ktpy would. Currently, the combined company would achieve 80% of its revenue from gold, which is already at the low end for a gold company. Those criticising the acquisition raise fears that growth in copper may take the focus off gold, where Barrick had previously announced its intention to raise output from 7.6-8.0 Mozpy in 2011 to 9.0 Mozpy.

If Barrick’s focus is moving away from gold, and this is by no means certain, it could be said to reflect more realism than the doubters give the company credit for. Global gold production is on a downward path. To maintain growth, activity outside this arena is probably needed. Moreover, even in gold, most of the big deposits with a long mine life are polymetallic. In gold, it is difficult to find projects that have a 25-year mine life, whereas with a big copper-gold porphyry, a miner can get 20, 30, or even more years mine life. Whatever Barrick’s logic, it is clear that, if the Equinox deal goes ahead, it is here to stay as a major player in the copper business.

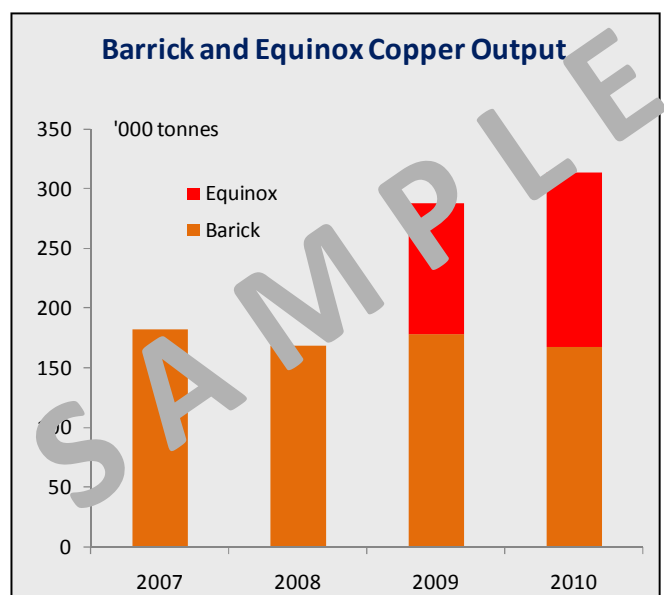
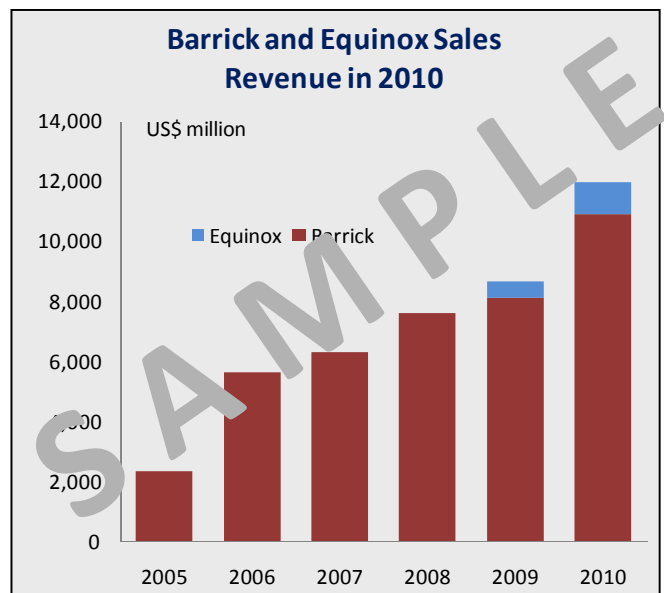
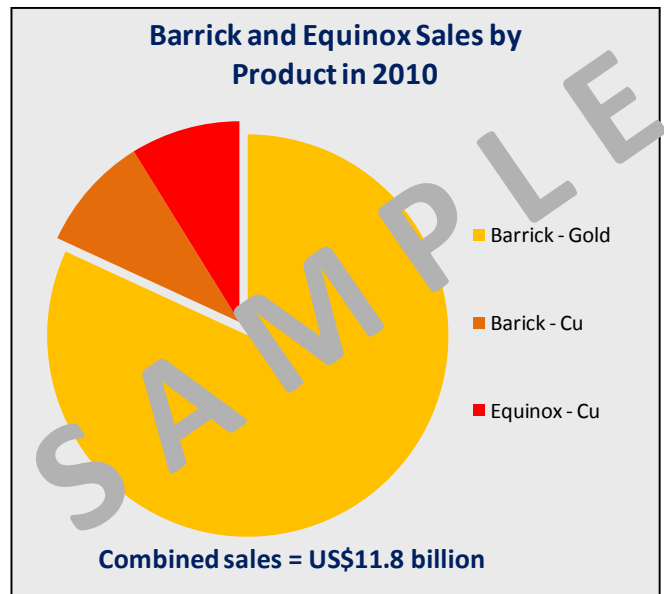


TABLE 11	Mine Output											'000 tonnes Cu			
	2009 Yr	2010 Yr	2011				Yr	% Ch	2012				Yr	% Ch	
			Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4			
<b>Western Europe</b>	178	223	72	71	65	60	267	19.5%	79	85	78	82	324	21.4%	
Central Europe	581	574	150	145	150	139	585	1.8%	146	146	151	145	588	0.5%	
<b>FSU</b>	1222	1238	312	310	315	302	1239	0.1%	311	320	323	320	1273	2.7%	
Russia	702	711	178	176	176	175	705	-0.8%	181	182	182	185	730	3.5%	
<b>Africa</b>	1117	1332	342	357	351	384	1434	7.7%	406	416	422	404	1649	15.0%	
Congo	305	353	98	98	100	99	395	11.9%	115	123	129	113	480	21.5%	
Zambia	625	775	196	204	200	225	825	6.5%	238	236	236	230	940	13.9%	
<b>M. East &amp; S. Asia</b>	395	400	98	103	103	111	415	3.7%	101	107	106	125	439	5.7%	
<b>China</b>	1030	1191	337	331	335	323	1325	11.3%	324	353	362	361	1400	5.7%	
<b>North East Asia</b>	0	0	0	0	0	0	0	n/a	0	0	0	0	0	n/a	
<b>South East Asia</b>	1170	1061	261	235	253	250	999	-5.8%	245	240	251	245	979	-2.0%	
Indonesia	996	855	205	177	191	187	761	-11.0%	188	181	189	189	736	-3.3%	
<b>Other Asia</b>	154	152	37	38	38	40	154	1.3%	37	39	38	40	154	0.0%	
<b>Australasia</b>	1024	999	270	268	271	243	1052	5.3%	253	267	266	256	1042	-1.0%	
Australia	858	839	221	232	232	219	904	7.8%	208	230	226	223	826	1.0%	
<b>NAFTA</b>	1930	1927	547	529	550	527	2153	11.7%	604	600	584	575	2333	11.7%	
Canada	491	525	161	135	131	121	548	4.5%	152	152	131	142	563	2.7%	
United States	1200	1141	306	316	327	322	1270	11.3%	333	348	335	337	1330	4.7%	
<b>Latin America</b>	7128	7041	1760	1808	1788	1841	7195	1.1%	1800	1860	1855	1844	7428	3.2%	
Chile	5480	5414	1343	1397	1376	1439	5480	2.6%	1357	1409	1409	1446	5625	1.3%	
Peru	1274	1247	308	307	307	308	1274	-1.4%	321	330	327	342	1320	7.3%	
<b>World</b>	15928	16138	4186	4196	4219	4219	16800	1.1%	4307	4404	4445	4453	17608	4.7%	
<b>Concentrates</b>	12531	12745	3347	3329	3311	3276	13283	1.1%	3382	3475	3495	3515	13868	4.4%	
<b>Electrowon</b>	3397	3393	839	867	908	943	3517	1.1%	924	929	950	937	3741	5.8%	

Acknowledgements: Historical figures draw in part on the work of ICSG and WBM.

TABLE 12	Smelter Output											'000 tonnes Cu			
	2009 Yr	2010 Yr	2011				Yr	% Ch	2012				Yr	% Ch	
			Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4			
<b>Western Europe</b>	1362	1417	365	365	366	353	1460	3.0%	364	365	372	369	1469	0.6%	
Germany	545	595	155	150	150	145	600	0.8%	145	147	148	150	590	-1.7%	
<b>Central Europe</b>	869	869	214	221	224	224	883	1.6%	213	223	225	229	889	0.7%	
Poland	477	495	126	134	130	130	520	3.0%	126	133	131	132	522	0.4%	
<b>FSU</b>	1390	1390	354	358	354	324	1390	2.4%	358	372	365	339	1434	3.2%	
Russia	745	865	226	224	224	201	875	1.2%	226	232	233	214	905	3.4%	
<b>Africa</b>	740	666	159	184	184	214	740	11.1%	188	204	203	215	810	9.5%	
<b>M. East &amp; S. Asia</b>	973	926	239	238	245	251	973	5.1%	257	254	265	270	1045	7.4%	
India	698	658	173	171	177	184	705	7.1%	194	188	197	197	777	10.2%	
<b>China</b>	3435	3675	1020	1049	1055	946	4070	10.7%	1034	1101	1102	993	4230	3.9%	
<b>North East Asia</b>	1895	2043	528	445	510	517	2000	-2.1%	508	490	517	549	2065	3.3%	
Japan	1410	1540	400	322	385	383	1490	-3.2%	393	367	392	398	1550	4.0%	
South Korea	485	503	128	124	125	134	510	1.4%	116	123	125	152	515	1.0%	
<b>South East Asia</b>	466	452	113	106	111	99	429	-5.1%	114	110	115	109	449	4.7%	
<b>Other Asia</b>	20	26	7	7	7	7	28	8.2%	6	7	7	7	28	-1.1%	
<b>Australasia</b>	400	382	109	111	113	91	424	11.0%	95	109	111	101	415	-2.1%	
<b>NAFTA</b>	1066	1040	284	266	268	277	1095	5.3%	284	276	282	303	1145	4.6%	
Canada	346	325	98	77	78	57	310	-4.6%	87	76	77	70	310	0.0%	
United States	575	580	147	142	146	144	580	0.0%	141	142	149	152	585	0.9%	
<b>Latin America</b>	2169	2090	517	524	518	495	2054	-1.7%	521	554	546	540	2161	5.2%	
Chile	1612	1540	385	382	385	343	1495	-2.9%	368	397	397	378	1540	3.0%	
<b>World</b>	14531	14942	3918	3874	3956	3798	15546	4.0%	3941	4065	4109	4023	16139	3.8%	
<b>Primary Smelter</b>	12231	12457	3258	3183	3254	3083	12778	2.6%	3282	3347	3391	3317	13337	4.4%	
<b>Secondary Smelter &amp; LG EW</b>	2300	2485	660	691	702	714	2768	11.4%	660	718	718	707	2803	1.2%	

Note: Includes copper in blister, anode, black copper, matte and low grade electrowon needing re-refining.  
 Acknowledgements: Historical figures draw in part on the work of ICSG and WBMS.

TABLE 13		Refined Copper Output										'000 tonnes Cu			
	2009	2010	2011				Yr	% Ch	2012				Yr	% Ch	
	Yr	Yr	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4			
<b>Western Europe</b>	<b>1822</b>	<b>1912</b>	<b>504</b>	<b>489</b>	<b>497</b>	<b>483</b>	<b>1973</b>	<b>3.2%</b>	<b>497</b>	<b>494</b>	<b>507</b>	<b>517</b>	<b>2015</b>	<b>2.1%</b>	
Germany	669	709	177	179	185	178	720	1.6%	178	177	186	179	720	0.0%	
<b>Central Europe</b>	<b>749</b>	<b>817</b>	<b>213</b>	<b>202</b>	<b>209</b>	<b>201</b>	<b>825</b>	<b>1.0%</b>	<b>203</b>	<b>203</b>	<b>209</b>	<b>212</b>	<b>826</b>	<b>0.1%</b>	
Poland	502	547	146	136	136	132	550	0.5%	135	134	136	140	545	-0.9%	
<b>FSU</b>	<b>1341</b>	<b>1322</b>	<b>337</b>	<b>359</b>	<b>350</b>	<b>334</b>	<b>1380</b>	<b>4.4%</b>	<b>348</b>	<b>370</b>	<b>356</b>	<b>343</b>	<b>1416</b>	<b>2.6%</b>	
Russia	860	875	217	231	229	213	890	1.7%	223	235	232	225	915	2.8%	
<b>Africa</b>	<b>821</b>	<b>1014</b>	<b>251</b>	<b>272</b>	<b>280</b>	<b>316</b>	<b>1119</b>	<b>10.4%</b>	<b>299</b>	<b>314</b>	<b>335</b>	<b>337</b>	<b>1285</b>	<b>14.8%</b>	
Zambia	565	680	165	178	183	204	730	7.4%	191	196	209	219	815	11.6%	
<b>M. East &amp; S. Asia</b>	<b>991</b>	<b>958</b>	<b>243</b>	<b>241</b>	<b>258</b>	<b>279</b>	<b>1022</b>	<b>6.7%</b>	<b>270</b>	<b>260</b>	<b>280</b>	<b>299</b>	<b>1110</b>	<b>8.7%</b>	
India	720	670	174	167	187	192	720	7.5%	198	186	206	199	790	9.7%	
<b>China</b>	<b>4085</b>	<b>4535</b>	<b>1282</b>	<b>1286</b>	<b>1278</b>	<b>1189</b>	<b>5035</b>	<b>11.0%</b>	<b>1279</b>	<b>1323</b>	<b>1355</b>	<b>1303</b>	<b>5260</b>	<b>4.5%</b>	
<b>North East Asia</b>	<b>1980</b>	<b>2099</b>	<b>517</b>	<b>473</b>	<b>531</b>	<b>549</b>	<b>2070</b>	<b>-1.4%</b>	<b>549</b>	<b>522</b>	<b>537</b>	<b>527</b>	<b>2135</b>	<b>3.1%</b>	
Japan	1440	1549	378	329	383	410	1500	-3.1%	406	375	388	390	1475	4.0%	
South Korea	540	550	139	144	148	140	570	3.6%	143	147	149	136	575	0.9%	
<b>South East Asia</b>	<b>541</b>	<b>534</b>	<b>130</b>	<b>126</b>	<b>133</b>	<b>132</b>	<b>522</b>	<b>-2.2%</b>	<b>132</b>	<b>127</b>	<b>133</b>	<b>131</b>	<b>532</b>	<b>0.0%</b>	
<b>Other Asia</b>	<b>23</b>	<b>28</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>31</b>	<b>8.9%</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>31</b>	<b>0.0%</b>	
<b>Australasia</b>	<b>440</b>	<b>412</b>	<b>118</b>	<b>124</b>	<b>124</b>	<b>100</b>	<b>467</b>	<b>13.3%</b>	<b>106</b>	<b>124</b>	<b>124</b>	<b>111</b>	<b>467</b>	<b>-0.4%</b>	
<b>NAFTA</b>	<b>1781</b>	<b>1736</b>	<b>439</b>	<b>447</b>	<b>464</b>	<b>480</b>	<b>1830</b>	<b>5.4%</b>	<b>491</b>	<b>463</b>	<b>483</b>	<b>473</b>	<b>1910</b>	<b>0.5%</b>	
United States	1185	1140	293	289	298	320	1200	5.3%	304	300	302	315	1210	0.5%	
<b>Latin America</b>	<b>3928</b>	<b>3884</b>	<b>943</b>	<b>971</b>	<b>964</b>	<b>977</b>	<b>3855</b>	<b>-0.7%</b>	<b>967</b>	<b>986</b>	<b>986</b>	<b>985</b>	<b>3935</b>	<b>2.1%</b>	
Chile	3272	3240	788	802	809	801	3200	1.0%	787	810	816	790	3215	0.5%	
<b>World</b>	<b>18500</b>	<b>19249</b>	<b>4984</b>	<b>4998</b>	<b>5095</b>	<b>5049</b>	<b>20099</b>	<b>4.0%</b>	<b>5149</b>	<b>5204</b>	<b>5253</b>	<b>5209</b>	<b>20919</b>	<b>3.9%</b>	
<b>EL &amp; Fire Refined</b>	<b>15219</b>	<b>15881</b>	<b>4145</b>	<b>4135</b>	<b>4213</b>	<b>4121</b>	<b>16309</b>	<b>4.6%</b>	<b>4229</b>	<b>4281</b>	<b>4325</b>	<b>4325</b>	<b>17203</b>	<b>3.5%</b>	
<b>Electrowon</b>	<b>3282</b>	<b>3368</b>	<b>839</b>	<b>863</b>	<b>882</b>	<b>928</b>	<b>3790</b>	<b>4.3%</b>	<b>920</b>	<b>923</b>	<b>944</b>	<b>928</b>	<b>3716</b>	<b>5.8%</b>	

Acknowledgements: Historical figures draw in part on the work of ICSG and WBMS

TABLE 14		Copper Use										'000 tonnes Cu			
	2009	2010	2011				Yr	% Ch	2012				Yr	% Ch	
	Yr	Yr	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4			
<b>Western Europe</b>	<b>2798</b>	<b>3152</b>	<b>777</b>	<b>777</b>	<b>835</b>	<b>835</b>	<b>3255</b>	<b>3.3%</b>	<b>772</b>	<b>822</b>	<b>778</b>	<b>834</b>	<b>3207</b>	<b>-1.5%</b>	
Germany	1134	1325	361	361	325	325	1395	5.3%	319	335	342	339	1335	-4.3%	
Italy	525	626	174	174	175	175	645	3.0%	150	168	149	168	635	-1.6%	
Spain	110	337	78	92	83	95	348	3.3%	89	96	88	98	372	6.9%	
<b>Central Europe</b>	<b>411</b>	<b>411</b>	<b>100</b>	<b>110</b>	<b>111</b>	<b>116</b>	<b>437</b>	<b>6.1%</b>	<b>115</b>	<b>114</b>	<b>114</b>	<b>118</b>	<b>461</b>	<b>5.6%</b>	
<b>FSU</b>	<b>532</b>	<b>532</b>	<b>133</b>	<b>153</b>	<b>161</b>	<b>155</b>	<b>602</b>	<b>8.7%</b>	<b>163</b>	<b>171</b>	<b>176</b>	<b>156</b>	<b>665</b>	<b>10.5%</b>	
Russia	105	119	105	119	127	118	470	6.8%	130	135	140	120	525	11.7%	
<b>Africa</b>	<b>325</b>	<b>307</b>	<b>77</b>	<b>84</b>	<b>83</b>	<b>85</b>	<b>329</b>	<b>7.2%</b>	<b>85</b>	<b>90</b>	<b>90</b>	<b>96</b>	<b>361</b>	<b>9.7%</b>	
<b>M. East &amp; S. Asia</b>	<b>1587</b>	<b>1558</b>	<b>390</b>	<b>424</b>	<b>428</b>	<b>427</b>	<b>1669</b>	<b>7.1%</b>	<b>411</b>	<b>450</b>	<b>459</b>	<b>443</b>	<b>1764</b>	<b>5.7%</b>	
India	585	612	158	164	167	156	645	5.4%	164	176	182	168	690	7.0%	
Turkey	330	375	92	100	96	97	384	2.4%	91	105	99	100	395	2.9%	
<b>China</b>	<b>6385</b>	<b>7150</b>	<b>1747</b>	<b>1925</b>	<b>1973</b>	<b>1931</b>	<b>7575</b>	<b>5.9%</b>	<b>1895</b>	<b>2063</b>	<b>2018</b>	<b>1934</b>	<b>7910</b>	<b>4.4%</b>	
<b>North East Asia</b>	<b>2244</b>	<b>2496</b>	<b>629</b>	<b>610</b>	<b>650</b>	<b>658</b>	<b>2547</b>	<b>2.1%</b>	<b>648</b>	<b>687</b>	<b>703</b>	<b>669</b>	<b>2706</b>	<b>6.2%</b>	
Japan	875	1060	285	212	255	293	1045	-1.4%	293	276	290	275	1135	8.6%	
South Korea	875	903	229	249	242	219	940	4.1%	228	257	255	245	985	4.8%	
Taiwan	494	532	115	149	153	145	562	5.6%	126	154	158	148	586	4.3%	
<b>South East Asia</b>	<b>757</b>	<b>852</b>	<b>216</b>	<b>228</b>	<b>234</b>	<b>241</b>	<b>919</b>	<b>7.9%</b>	<b>232</b>	<b>240</b>	<b>249</b>	<b>254</b>	<b>975</b>	<b>6.1%</b>	
<b>Other Asia</b>	<b>65</b>	<b>69</b>	<b>19</b>	<b>18</b>	<b>18</b>	<b>16</b>	<b>70</b>	<b>2.2%</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>17</b>	<b>71</b>	<b>1.4%</b>	
<b>Australasia</b>	<b>130</b>	<b>130</b>	<b>34</b>	<b>37</b>	<b>32</b>	<b>31</b>	<b>134</b>	<b>3.1%</b>	<b>32</b>	<b>36</b>	<b>32</b>	<b>32</b>	<b>132</b>	<b>-1.5%</b>	
<b>NAFTA</b>	<b>2045</b>	<b>2199</b>	<b>542</b>	<b>607</b>	<b>560</b>	<b>580</b>	<b>2289</b>	<b>4.1%</b>	<b>540</b>	<b>582</b>	<b>568</b>	<b>574</b>	<b>2264</b>	<b>-1.1%</b>	
United States	1630	1760	435	485	445	460	1825	3.7%	427	457	450	451	1785	-2.2%	
<b>Latin America</b>	<b>539</b>	<b>648</b>	<b>156</b>	<b>179</b>	<b>181</b>	<b>188</b>	<b>703</b>	<b>8.5%</b>	<b>174</b>	<b>186</b>	<b>192</b>	<b>194</b>	<b>747</b>	<b>6.2%</b>	
Brazil	330	430	104	118	120	123	465	8.1%	115	124	130	132	500	7.5%	
<b>World</b>	<b>17580</b>	<b>19526</b>	<b>4831</b>	<b>5228</b>	<b>5210</b>	<b>5260</b>	<b>20529</b>	<b>5.1%</b>	<b>5086</b>	<b>5460</b>	<b>5396</b>	<b>5320</b>	<b>21263</b>	<b>3.6%</b>	

Acknowledgements: Historical figures draw in part on the work of ICSG and WBMS

### Mining News

**Australia:** **BHP Billiton** has progressed the **Olympic Dam** expansion project to feasibility study phase. The environmental approval process has begun, a decision being expected in the second half of this year. The expansion, that could cost US\$20 billion or more, would nearly quadruple the mine's copper output to 750 ktpy over 30 years and would lift uranium output from around 4 ktpy to 19 ktpy. *Platts, March 30th 2011.*

**Xstrata** has conditionally agreed to buy two tenements in **Queensland** from explorer **Exco Resources** for A\$175 million (US\$183 million) as part of plans to expand its **Ernest Henry** operations. An incremental contribution to output is expected from this acquisition from the second half of 2012. At the end of 2009, Xstrata approved an outlay of US\$542 million to extend the life of the 50 ktpy Ernest Henry operation to at least 2024 through the transition from open-pit to underground mining from 2012. *Platts, April 25th 2011.*

**Canada:** **Western Copper** has begun new engineering studies to alter plans for its **Carmacks** copper project in **Yukon Territory**. Regulators refused to grant a water licence for the project based on the initial mine plan. Carmacks is expected to produce about 16 ktpy of copper over a six-year mine life. *Thomson Reuters, March 25th 2011.*

**Lundin Mining** and **Inmet Mining** mutually agreed to terminate their proposed C\$9.0 billion (US\$9.2 billion) merger plan on March 29th. At the time, Lundin had an alternative suitor, as **Equinox Minerals** had made a C\$4.8 billion (US\$5.0 billion) bid to acquire it. The Lundin board rejected this offer as "inadequate". China's state owned **Minmetals Resources Ltd.** then offered US\$6.5 billion in cash for Equinox, representing a 23%

premium to current share value. The offer was conditional on Equinox dropping its bid for Lundin. Then **Barrick Gold Corp.** entered the picture, agreeing to pay US\$7.68 billion in cash for Equinox, 16% more than Minmetals' offer. The Barrick bid is deemed "fair" by the Equinox board, and it has entered into an acquisition agreement subject to a US\$250 million cancellation clause. Meanwhile, Equinox has dropped its bid for Lundin. *Thomson Reuters, March 30th to April 26th 2011.*

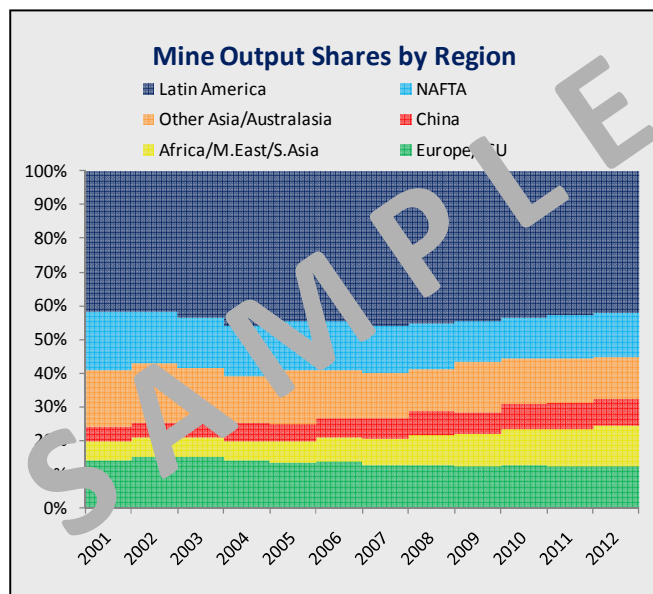
A preliminary technical study by **Wardrop Engineering** reports that the **Pebble** copper-gold project near **Bristol Bay** in **Alaska** could operate for 78 years and become "one of the most important metal producers". The study estimates an indicated resource of 27.5 Mt of copper, 67 Moz of gold, and 1.6 Mt of molybdenum. The project would require around US\$4.7 billion investment, excluding capital costs. The mine would be developed by the **Pebble Partnership**, comprising of **Anglo American**, **Rio Tinto** and junior miner **Northern Dynasty Minerals**. The development of Pebble is strongly opposed by environmental groups, with actor **Robert Redford** being a prominent face in the opposition campaign. *Thomson Reuters, April 22nd 2011.*

**Chile:** On March 31st **Collahuasi** lifted a force majeure on exports of copper concentrates from the mine. Force majeure was declared on December 20th after a ship loader at its **Patache** port facility collapsed, killing three workers. Mine output is said to have been affected. *Platts, April 1st 2011.*

**BHP Billiton** has approved a US\$554 million investment to boost dwindling output at its **Escondida** copper mine from 2013 onwards. The project will relocate crushing and conveying facilities in Escondida's main pit to improve access to higher grade ore. BHP Billiton operates and owns 57.5% of Escondida, **Rio Tinto** owns 30% and a **consortium of Japanese firms** owns the balance. *Platts, March 30th 2011.*

**Anglo American** has received environmental approval for a US\$68 million project to extend the life of its **Mantos Blancos** copper mine until the end of the current decade. The project involves the construction of a permanent leaching pad with a capacity for 92.1 Mt of material, plus four pools and a solution pumping system. *Platts, April 4th 2011.*

**Ecuador:** **Ecuacorriente**, an affiliate of Canada-based **Corriente Resources**, plans to start the construction of **Mirador** copper mine in **Zamora Chinchipe** province. The project has estimated reserves of 12.5 Mt of copper. Corriente Resources is part of **CRCC-Tongguan**, controlled by China's **Tongling Nonferrous Metals Group**



and **China Railway Construction**. *Thomson Reuters, March 30th 2011.*

**Indonesia:** State investment agency **Pusat Investasi Pemerintah** has indicated that it will buy a 7% stake in the copper-gold producer **PT Newmont Nusa Tenggara** (PTNNT), operator of the **Batu Hijau**, for US\$272 million. The stake in PTNNT must be sold to an Indonesian party by foreign stakeholders **Newmont** and **Sumitomo** under government rules. PNNT is expected to follow the acquisition with a public offering of 10% of its shares within twelve months, intended to raise US\$500 million. Local people oppose the central government plan, demanding that the 7% stake in PTNNT be allocated to the government of **West Sumbawa**. Local company **Pukuafu Indah** currently holds a 20% stake in PTNNT. Newmont holds 31.5%, Sumitomo holds 24.5%, with the remainder being held by other Indonesian interests. *Platts March 29th & April 25th, Thomson Reuters April 18th 2011.*

Hundreds of employees at **Freeport McMoran's** giant **Grasberg** mine protested for two days, refusing to go to work until the company could guarantee their safety. The protests followed the killing of two workers by gunmen in **Papua**, a province with a simmering separatist movement. The mine has been regularly targeted by arson and bombings since the 1970s. *Thomson Reuters, April 8th 2011.*

**Freeport McMoran** has halted operations in the deep ore zone at the **Grasberg** mine after an accident killed two workers. "Wet material that flowed unexpectedly" was the cause of the accident, which is currently under investigation. *Platts, April 19th 2011.*

**Kazakhstan:** The **government** plans to toughen laws to reduce waste in mining, forcing companies to spend more on treating waste. Authorities claim that, under current legislation, it is more profitable to pay fines on tailings than to utilise them by investing in new technology and equipment. The changes are being debated in the lower chamber of parliament. *Thomson Reuters, March 30th 2011.*

**Peru:** **Southern Copper**, a subsidiary of **Grupo Mexico**, has postponed its US\$1 billion 120 ktpy **Tia Maria** mining project. The environmental impact study presented by the company to government was rejected it as "inadmissible" and locals, worried about water supply issues, had begun a new round of violent protests. The firm has indicated that it will reassess the viability of Tia Maria and, will consider alternative sites in **Argentina** and **Ecuador** for development. *Thomson Reuters, March 30th & April 11th 2011.*

Peruvian miner **Milpo**, controlled by Brazil's **Votorantim**, won a concession for a US\$400 million copper project in an auction. The company has 48

months to explore **Magistral**, located in central Peru. *Thomson Reuters, April 18th 2011.*

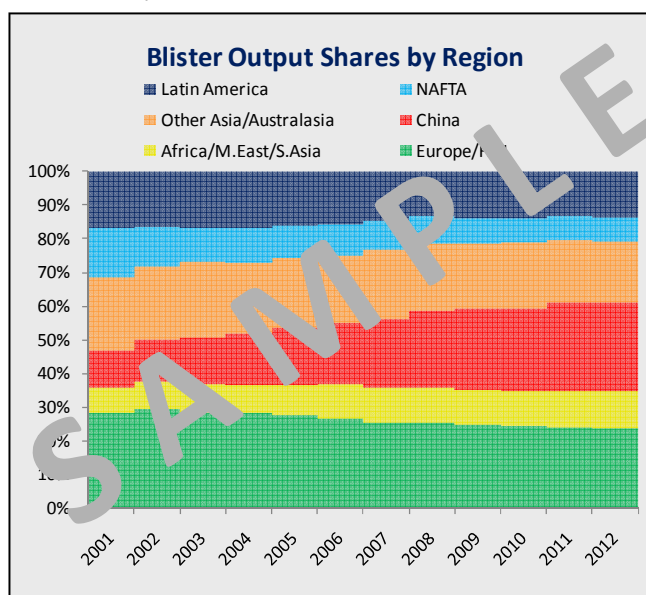
**Philippines:** The governor of **South Cotabato**, the province that imposed a ban on open-pit mining, plans to push for a review of the local mining code. A review of the code, introduced by the current governor's predecessor, could lead to the lifting of the ban that threatens **Xstrata's** US\$5.9 billion **Tampakan** copper-gold project. *Thomson Reuters, March 28th 2011.*

**Russia:** **OOO Lunsin**, a subsidiary of **Zijin Mining** and the **Heilongjiang Longxing International Resource Development Group**, has suspended its plans to develop a polymetallic mine and 1 Mt concentrate plant at the **Kyzyl-Tashty** deposit in **Tuva Republic** until 2012. The deposit contains 2 Mt of copper ore and 6.2 Mt of pyrite ore. *Interfax, April 1st 2011.*

**South Africa:** Brazilian miner **Vale** has made an offer to acquire **Metorex Ltd.** for ZAR 7.5 billion (US\$1.13 billion), a 20% premium on the closing price on March 25th. The acquisition is subject to approval by Metorex shareholders. Metorex is engaged in production of copper and cobalt and holds assets in **D.R.Congo** and **Zambia**. *Thomson Reuters, April 8th 2011.*

**United States:** **Rio Tinto** has approved US\$238 million to advance a feasibility study to extend the life of **Bingham Canyon** copper mine in **Salt Lake City** from 2019 to 2028. Mine operator **Kennecott Utah Copper**, a subsidiary of Rio Tinto, is expected to make a final decision on the project in the first half of 2012. *Platts, April 7th 2011.*

**Zambia:** **Copperbelt Energy Corp. (CEC)**, Zambia's largest supplier of power to mines, plans to invest over US\$900 million in new projects by 2018 to meet rising mining sector demand. CEC intends to build five new hydro sites in sequence in northern Zambia with a combined potential of 800 MW. It has also



made significant progress in developing the 40 MW **Kabompo** hydro power project in north-western Zambia, expected to be commissioned in 2015 at a cost of US\$170 million. CEC is currently negotiating higher power prices, that would add to the costs of mining. *Thomson Reuters, March 30th & April 20th 2011.*

**Konkola Copper Mines (KCM)**, owned by **Vedanta Resources**, has submitted an environmental report for a new 50 ktpy copper treatment plant, that would cost US\$172 million. The lifespan of the project, located by the **Nchanga** mine, is estimated at 13 years. *Thomson Reuters, April 11th 2011.*

### Smelting & Refining News

**Chile:** Operations at **Codelco's** 400 ktpy **Ventanas** smelter have normalised after problems during start up following planned maintenance in March. Restart was delayed to March 24th, after smoke emissions on initial start up on March 22nd led to the closure of a nearby school. Local complaints led to a lower Court Order to close the plant, but this order was overturned by the **Appeals Court of Valparaiso** on March 31st. Codelco states that the delayed start up did materially affect production. *Platts, March 24th to 31st 2011.*

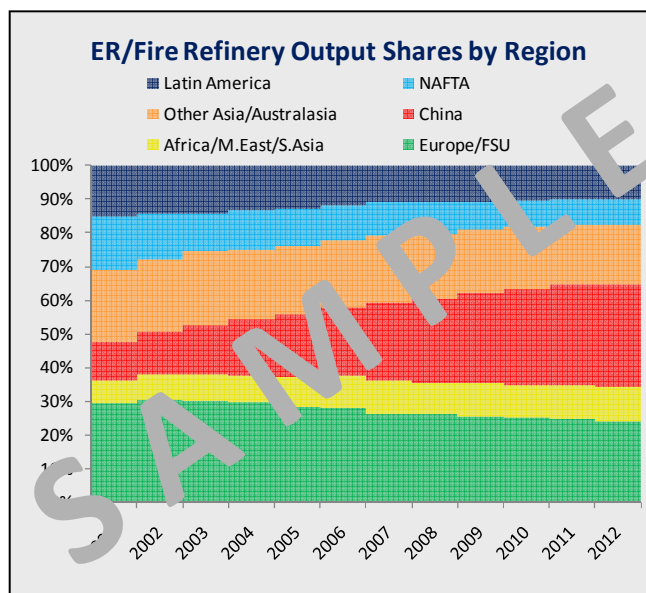
**China:** **Daye Nonferrous Metals Co., Ltd.** has granted to **China Nerin Engineering Co., Ltd.** a contract to upgrade its anode furnace, which is to have 375 ktpy capacity. The total investment is estimated at RMB 180 million (US\$28 million). *Antaika, April 1st 2011.*

Copper semis producer **Jiangxi Xinjinye Industrial Co., Ltd.** has started the construction of a combined copper production and fabricating facility in **Shangrao City**, Jiangxi Province. The RMB 600 million (US\$92 million) project will have the capacity to produce 100 ktpy of refined copper, 50 ktpy of copper wire rod and 50 ktpy of copper ball. *Antaika, April 1st 2011.*

**Bayannaer Western Refinery Co., Ltd.** started trial production at its **Inner Mongolia** 50 ktpy refined copper project. This is Stage 1 of an RMB 240 million (US\$37 million two stage project. A Stage 2 100 ktpy copper wire rod, line is to be introduced at a later date. *Antaika, April 1st 2011.*

**Qinghai Baihe Aluminium** plans to build a 100 ktpy copper smelter by 2015 in order to diversify its business. Qinghai Baihe already has 50 ktpy copper in concentrate mining capacity, which it will use to partially feed the smelter when operational. *Platts, April 19th 2011.*

**Japan:** Japan's second biggest copper smelter **Sumitomo Metal Mining Co.** plans to produce 155 kt of copper in H1 fiscal 2012, down 24% from the preceding six months. The firm plans a sixty day plant



maintenance at its mainstay **Toyo** plant, starting on September 13th. Sumitomo is the only copper smelter among Japan's top three that did not suffer damage from the recent earthquake. *Thomson Reuters, March 31st and Japan Metal Bulletin, April 4th 2011.*

**Pan Pacific Copper**, Japan's biggest copper smelter, has restarted operations at its 200 ktpy **Hitachi** copper refinery after a five week stoppage. Output was suspended following the devastating earthquake and tsunami. *Platts, April 19th 2011.*

A restart of operations at **Mitsubishi's Onahama** smelter could occur as early as June-July, but lengthy port reconstruction work may delay this. Currently the general cargo facilities, that bring in copper concentrate, are operating at 15% capacity. *Japan Metal Bulletin, April 20th 2011.*

**Zambia:** Operations at the 150 ktpy **Chambishi** copper smelter have resumed after miners ended a strike, agreeing to restart negotiations with management. Miners rejected an initial 12% pay offer, demanding instead a block figure of about US\$450 per worker. Chambishi is a joint venture between **China Nonferrous Metals** and **Yunnan Copper**. *Platts, March 28th 2011.*

Canada's **First Quantum Minerals (FQM)** is planning to build a copper smelter in northern Zambia to handle growing volumes of concentrate from its mines, including an expansion at **Kansanshi** and the new **Centinel** project. The ISA smelt plant, with the capacity to process 1.2 Mtpy of concentrate will be built near the company's Kansanshi mine. FQM plans to start construction later this year. *Platts, April 11th 2011*

### Fabricator News

**Brazil:** US based cable producer **Belden Inc.** has completed the acquisition of **Poliron Cabos Eléctricos Especiais Ltda.**, a cable producer, for around US\$30

million in cash. Belden intends to leverage Poliron's capability to improve cost and lead times in Brazil and elsewhere in the region. *Belden, April 4th 2011.*

**China:** **Guangxi Nonferrous Secondary Metals Co., Ltd.** has gained approval from local authorities for a 200 ktpy copper wirerod project. The company is mainly engaged in the recycling and processing of copper and related products. *Antaika, April 1st 2011.*

**Haojidi International** has invested US\$100 million to establish **Huameida Copper Co., Ltd.** in **Beizhen City**, Liaoning Province. Production facilities will be built over the next two years. In Stage 1, the company will build a of 100 ktpy copper wirerod line, while in Stage 2 it will establish a 1.2 ktpy solar battery copper wire facility. *Antaika, April 1st 2011.*

**Chinalco Luoyang Copper Co., Ltd.** is expecting soon to start commercial production at a 100 ktpy copper strip and plate facility. The project, costing RMB 2.3 billion (US\$353 million), was started in 2007. Since the completion of construction in June 2009, the plant has been in trial production. *Antaika, April 1st 2011.*

**Jinchuan Group Co., Ltd.** commissioned a 60 ktpy copper-nickel tube, rod and wire plant at the beginning of this year. Total investment was RMB 1.4 billion (US\$215 million). *Antaika, April 1st 2011.*

**Golden Dragon Group (GD Copper)** seeks to raise RMB 3.5 billion (US\$540 million) through a domestic initial public offering in order to raise capacity. It plans a 110 ktpy capacity increase in energy saving copper and copper alloy products, including tube, and 50 ktpy aluminium products capacity. In 2010 GD Copper produced 400 kt of copper tube. The company is partly owned by **Lehman Brothers Holdings Inc**, **Goldman Sachs** and the private equity arm of **Standard Chartered Plc.** *Antaika, April 1st 2011.*

**Dyden Corp.**, a Japanese electric wire and cable maker, plans to establish a factory automation cable plant in **Kunshan City**, Jiangsu province, in May 2011. The plant will become operational in April 2012 and requires investment of Yen 600 million (US\$7.3 million). *Japan Metal Bulletin, April 18th 2011.*

**France:** Chile's **Madeco**, a manufacturer of copper and aluminium products, has agreed to gradually increase its 9% stake in cable maker **Nexans** to 20%. This would cost around €210 million (US\$306 million) at current market prices. Madeco will have 18 months to lift its holding to 15% and another 18 months to bring it to 20%. The Chilean company achieved its current stake in Nexans in 2008, in return for its own cable business. *Madeco, March 28th 2011.*

**Germany:** Wiring systems manufacturer **Leoni** has

established a new business unit, **Electromobility**, to focus on wiring for alternative drive system vehicles, including electric vehicles, hybrids and fuel cell vehicles. In Q2 2011, the company is to start serial delivery of both conventional and high voltage (HV) wiring systems for the German electric microbus "mia". Meanwhile, **Brilliance China Automotive Holdings Ltd.**, a Chinese joint venture partner of **BMW AG**, has denied rumours that is bidding to acquire **Leoni**. *Wireworld, March 21st & 24th 2011.*

**India:** German cable, industrial connectors and accessories company **Lapp Group**, is to invest INR 1.5 billion (US\$33 million) to set a plant in **Pilukedi**, Bhopal, destined to become the largest within the group in five years, employing 400 people. Initial development will be for single core low voltage wires, with later development aimed at high voltage multi-core aluminium cables. *Lapp Group, March 29th 2011.*

**United States:** **Steel Dynamics, Inc.** and Spanish wirerod and wire producer **LaFarga Group**, have set up a joint venture to build a US\$39 million copper wirerod facility in **Indiana**. The new venture, based on LaFarga's process to utilise copper scrap feed, will become operational in 2013. *Steel Dynamics, April 15th 2011.*

**LS Cable** subsidiary **Superior Essex** plans to invest US\$58 million in a second plant in **Talboro**, North Carolina, to make power cable for commercial, industrial and utility markets. The plant, due to become operational in 2012, will create 115 new jobs and become part of a new operational division **Superior Essex Energy Inc.** *Superior Essex, April 14th 2011.*

**Publication date April 28th 2011**

*For editorial enquiries please contact Paul Dewison:  
Tel: +44(0)20 7529 8914 or +44(0)782 5178 614  
Email: pd@bloomsburyminerals.com*

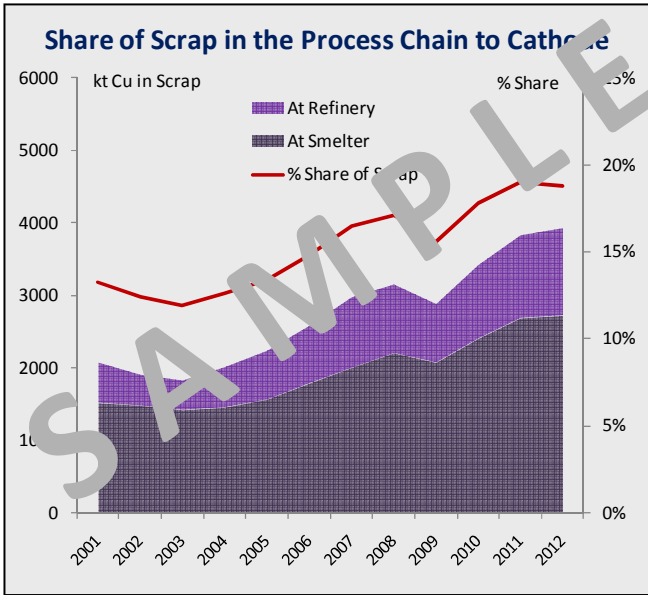


TABLE 15

## Key Market Indicators

Various  
Indicators

	2009					2010					2011				
	Q4	Q1	Q2	Q3	Q4	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
<b>COPPER MARKET INDICATORS</b>															
<b>LME Cash (\$/t)</b>	6648	7232	7027	7242	8636	6735	7284	7709	8282	8470	9153	9533	9881	9503	
3-mth Contango (\$/t)	27	27	34	19	-18	25	22	11	11	-19	-46	-17	-9	11	
LME / Shanghai Difference (\$/t)	1050	1318	1199	1177	1024	1215	1191	1121	1036	1105	924	1174	1302	1344	
LME Open Interest (kt)	620	685	662	731	680	682	689	731	731	790	680	701	694	694	
<b>LME Stocks (kt)</b>	<b>502</b>	<b>514</b>	<b>448</b>	<b>374</b>	<b>378</b>	<b>413</b>	<b>398</b>	<b>374</b>	<b>369</b>	<b>356</b>	<b>378</b>	<b>390</b>	<b>420</b>	<b>439</b>	
Benelux	37	28	27	19	15	24	23	19	20	17	15	15	18	17	
Germany	12	9	11	11	10	11	11	11	11	11	10	10	10	8	
Spain	13	13	11	4	2	8	7	4	3	2	2	2	2	2	
Other Europe	23	33	8	5	4	6	6	5	5	4	4	4	4	4	
Singapore	23	19	9	10	11	9	10	10	10	11	11	14	14	14	
South Korea	105	81	75	43	50	53	46	43	44	44	50	67	95	116	
United States	279	325	305	278	284	298	291	278	272	272	284	277	273	259	
Other Countries	10	6	4	5	2	3	4	5	5	5	2	2	2	2	
<b>Comex Stocks (kt)</b>	<b>88</b>	<b>92</b>	<b>91</b>	<b>67</b>	<b>59</b>	<b>91</b>	<b>91</b>	<b>88</b>	<b>64</b>	<b>58</b>	<b>60</b>	<b>64</b>	<b>75</b>	<b>77</b>	
<b>Shanghai Stocks (kt)</b>	<b>96</b>	<b>155</b>	<b>124</b>	<b>87</b>	<b>132</b>	<b>105</b>	<b>111</b>	<b>88</b>	<b>106</b>	<b>123</b>	<b>106</b>	<b>129</b>	<b>158</b>	<b>172</b>	
<b>MACROECONOMIC INDICATORS</b>															
<b>IP Change (% Y-O-Y)</b>	<b>1.5%</b>	<b>10.5%</b>	<b>10.9%</b>	<b>8.3%</b>	<b>5.7%</b>	<b>9.2%</b>	<b>8.7%</b>	<b>7.2%</b>	<b>7.2%</b>	<b>6.7%</b>	<b>7.1%</b>	<b>6.8%</b>	<b>6.4%</b>	<b>n/a</b>	
Germany	-8.7%	7.0%	12.8%	10.7%	6.5%	11.9%	12.0%	11.4%	12.6%	11.6%	12.9%	11.6%	13.6%	n/a	
Italy	-9.1%	3.5%	7.8%	6.3%	6.5%	5.4%	9.0%	7.4%	3.1%	4.1%	5.6%	0.7%	2.5%	n/a	
Russia	2.0%	9.3%	10.9%	6.6%	6.9%	9.9%	7.2%	5.7%	7.4%	6.5%	6.2%	7.0%	5.8%	n/a	
China	17.5%	17.4%	17.0%	10.6%	9.4%	10.4%	9.6%	10.2%	9.6%	8.2%	10.0%	10.8%	9.9%	n/a	
India	13.1%	15.7%	15.0%	10.6%	6.0%	14.0%	7.4%	4.9%	12.1%	3.8%	2.4%	3.6%	3.6%	n/a	
Japan	-5.0%	26.0%	20.1%	12.8%	8.3%	15.4%	13.4%	9.6%	5.7%	4.2%	4.6%	1.9%	2.9%	n/a	
South Korea	18.8%	26.4%	18.8%	19.9%	14.9%	14.9%	14.2%	9.8%	9.2%	9.8%	10.7%	14.8%	9.5%	n/a	
United States	-5.5%	1.6%	6.5%	6.5%	6.3%	7.5%	6.8%	6.3%	6.0%	6.0%	6.8%	5.7%	5.6%	n/a	
OECD	1.0%	7.4%	9.8%	8.0%	6.5%	8.7%	8.5%	6.7%	6.1%	6.2%	7.0%	5.9%	6.0%	n/a	
Non-OECD	11.0%	15.5%	12.6%	8.9%	7.8%	9.9%	8.9%	7.9%	8.9%	7.4%	7.1%	8.1%	7.1%	n/a	
<b>DOLLAR EXCHANGE RATES</b>															
Canadian / US\$	1.02	1.04	1.03	1.04	1.01	1.04	1.04	1.03	1.02	1.01	1.01	0.99	0.99	0.98	
Australian \$ / US\$	1.02	1.06	1.11	1.03	0.97	1.05	1.04	1.00	0.97	0.99	0.97	0.96	0.95	0.92	
Japanese Yen / US\$	80.8	90.7	92.1	85.7	82.5	87.5	85.3	84.4	81.7	82.6	83.3	82.7	82.6	80.9	
Euro / US\$	0.68	0.72	0.79	0.77	0.74	0.78	0.78	0.76	0.72	0.73	0.76	0.75	0.73	0.72	
Chinese / US\$	6.83	6.83	6.82	6.77	6.66	6.78	6.79	6.74	6.67	6.65	6.65	6.60	6.58	6.57	

