



ICSG PRESS RELEASE

Copper: Preliminary Data for February 2005

The International Copper Study Group (ICSG) released preliminary February 2005 data for world copper supply and demand in its May 2005 Copper Bulletin.

According to the preliminary ICSG data, the refined market balance for February 2005 showed a surplus of 19,000 metric tonnes (t). After making seasonal adjustments for world usage, however, the calculated surplus for February increased to 47,000 t. The apparent refined copper balance for the first 2 months of 2005, including revisions to data for January, showed a production surplus of 24,000 t and a seasonally adjusted surplus of 60,000 t. This compares with a production deficit of 236,000 t and 201,000 t, respectively, for the same period in 2004. Total reported stocks of refined copper at the end of February were up by 45,000 t compared with the stock level at yearend 2004. The surplus over the past couple of months was the result of a low level of world refined usage.

World refined usage for January - February 2005 fell by 5.3% compared with that of January - February 2004. Usage in the European Union and the United States, which usually recover after the Christmas break, remained at the low levels of December 2004. With the exception of China, demand in Asia also remained weak. The year-on-year percentage changes for the first two months of 2005 were: the United States, -16.2%; the EU-15, -12.3%; South Korea, -8.6%; Japan, -7.7%; and China, +4.3%.

On the supply side, mine production increased by 8.1% in January - February 2005 compared with that in January - February 2004. For the first 2 months 2005, primary refined production rose by 5% compared with that of the equivalent period in 2004. Secondary refined production (from scrap) increased by 2.1%, resulting in an increase in total refined copper production of 4.6% compared with that of January - February 2004.

At the end of April 2005 copper stocks held at the major metal exchanges (LME, COMEX, SHFE) totalled 105,586 t, an increase of 4,659 t from the end of March. Stocks were up on the LME and SHFE, but down on the Comex. However, compared to the year-end 2004 level, exchange stocks decreased by 18,703. The average LME cash price for April 2005 was US\$3,394.5 per tonne, as compared with the March average of US\$3,379.6 per tonne.

World Refined Copper Usage and Supply Trends, 1999-2005

Thousand metric tonnes, copper

	1999	2000	2001	2002	2003	2004	2004	2005	2004	2005		
							Jan-Feb		Nov	Dec	Jan	Feb
World Mine Production	12,787	13,211	13,626	13,579	13,676	14,529	2,129	2,302	1,284	1,351	1,211	1,091
World Mine Capacity	13,760	14,201	14,462	15,121	15,273	15,766	2,522	2,657	1,334	1,386	1,393	1,264
Mine Capacity Utilization (%)	92.9	93.0	94.2	89.8	89.5	92.2	84.4	86.6	96.3	97.4	86.9	86.3
Primary Refined Production	12,443	12,634	13,718	13,422	13,460	13,804	2,178	2,286	1,203	1,230	1,181	1,105
Secondary Refined Production	2,103	2,125	1,862	1,846	1,774	1,980	326	333	161	155	172	161
Refined Production (Secondary+Primary)	14,545	14,759	15,580	15,268	15,234	15,784	2,504	2,619	1,365	1,386	1,353	1,266
World Refinery Capacity	16,946	17,046	17,741	18,327	18,806	19,303	3,108	3,245	1,633	1,694	1,702	1,543
Refineries Capacity Utilization (%)	85.8	86.6	87.8	83.3	81.0	81.8	80.6	80.7	83.6	81.8	79.5	82.1
World Refined Usage 1/	14,271	15,122	14,885	15,140	15,620	16,499	2,741	2,594	1,432	1,284	1,347	1,248
Four Weeks of World Refined Usage 3/	1,098	1,163	1,145	1,165	1,202	1,269	1,298	1,228	1,327	1,297	1,233	1,223
Refined Stocks End of Period	1,634	1,291	1,992	2,048	1,780	923	1,578	968	909	923	887	968
Period Stock Change	126	-344	702	55	-267	-857	-202	45	25	14	-36	81
Refined Balance 2/	274	-363	695	128	-385	-716	-236	24	-67	101	6	19
Refined Balance Seasonally adjusted 2/ 3/	274	-363	695	128	-385	-716	-201	60	-56	-25	13	47

Due to the nature of statistical reporting, the published data should be considered as preliminary since some figures are currently based on estimates and could change.

1/ Based on EU apparent usage

2/ Surplus or deficit is calculated using total refined production minus refined usage

3/ Seasonally adjusted for the months