



ICSG PRESS RELEASE

Copper: Preliminary Data for March 2003

The International Copper Study Group (ICSG) released preliminary March 2003 data for world copper supply and demand in its June 2003 Copper Bulletin.

According to ICSG data, the apparent refined copper balance for the first quarter of 2003 amounted to a deficit of 74,000 tonnes (t). This compares with a surplus of 213,000 t in the same period of last year. With the copper market nearly balanced in January and February, March accounted for most of the deficit. The accumulated copper balance for the first three months of 2003 has fallen in line with the reported stock change of -75,000 t of refined copper.

The move from surplus to deficit resulted from a 6% increase in world copper usage in the first 3 months of 2003, compared with the same period of 2002, and a 1.8% decline in world refined copper production over the same comparative period. Usage in the European Union (EU) recovered strongly in March following a weak February. Refined copper usage for the EU jumped 28% month on month, which turned the year on year comparison for the EU into positive territory (+2.0%). Asia continued to show strong growth, copper usage in the first quarter of 2003 grew by 13.7% compared with the first quarter of 2002. Refined copper usage for the United States was down by 2% for the same comparative periods. Refined copper production decreased in the Americas (-6.2%) and Europe (-1.7%) but increased in Asia (+3.3%). In contrast to refined output, mine production rose by 2.6% in the first quarter of 2003 compared with that of the same period a year ago. Last year started with high refined production and low mine output, but the relationship between mine output and primary refined production has returned to more balanced conditions in the first quarter of this year.

At the end of May 2003 copper stocks held at the major metal exchanges (LME, COMEX, SHFE) totalled 1,100,758 t, a decrease of 35,297 t from stocks held at the end of April 2003. Stock levels decreased at the warehouses of the COMEX and LME, but increased at the SHFE. Since the end of last year, the exchange stocks have declined by 192,230 t. The average LME cash price for May 2003 was US\$1,648 per tonne, as compared with the April average of US\$1,587.5 per tonne.

World Refined Copper Usage and Supply Trends, 1997-2003

Thousand metric tonnes, copper

	1997	1998	1999	2000	2001	2002	2002	2003	2002	2003		
							Jan-Mar	Dec	Jan	Feb	Mar	
World Mine Production	11,550	12,246	12,784	13,194	13,624	13,501	3,258	3,342	1,232	1,126	1,043	1,173
World Mine Capacity	12,392	13,107	13,801	14,204	14,460	15,055	3,663	3,818	1,306	1,311	1,188	1,320
Percent Capacity Utilization	93.2	93.4	92.6	92.9	94.2	89.7	89.0	87.5	94.4	85.9	87.8	88.9
Primary Refined Production	11,383	12,021	12,446	12,650	13,720	13,445	3,379	3,328	1,153	1,138	1,053	1,137
Secondary Refined Production	2,103	2,055	2,103	2,125	1,868	1,889	467	450	146	151	142	157
Refined Production (Secondary+Primary)	13,486	14,076	14,548	14,776	15,587	15,334	3,846	3,778	1,300	1,289	1,195	1,294
World Refinery Capacity	15,439	16,093	16,869	16,993	17,665	18,227	4,448	4,584	1,571	1,575	1,426	1,583
Percent Capacity Utilization	87.4	87.5	86.2	87.0	88.2	84.1	86.5	82.4	82.7	81.8	83.8	81.8
Percent Scrap in Total Refined Production	15.6	14.6	14.5	14.4	12.0	12.3	12.1	11.9	11.3	11.7	11.9	12.1
World Usage ^{1/}	13,093	13,468	14,266	15,102	14,842	15,045	3,633	3,852	1,153	1,286	1,199	1,366
Four Weeks of World Usage	1,007	1,036	1,097	1,162	1,142	1,157	1,130	1,198	1,042	1,162	1,199	1,234
Refined Stocks, End of Period ^{2/}	1,189	1,509	1,634	1,318	2,076	2,174	2,334	2,098	2,174	2,082	2,055	2,098
Period Stock Change	373	319	126	-316	757	98	259	-75	23	-92	-26	43
Refined Surplus/Deficit ^{3/}	393	608	282	-327	745	290	213	-74	146	3	-4	-72

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/ Refined stocks includes those held by exchanges, producers, consumers, merchants and governments

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