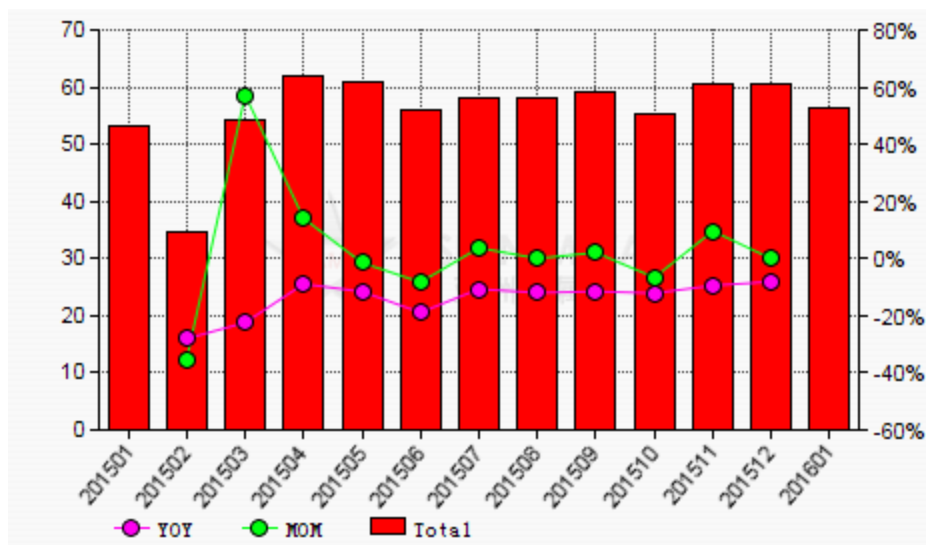


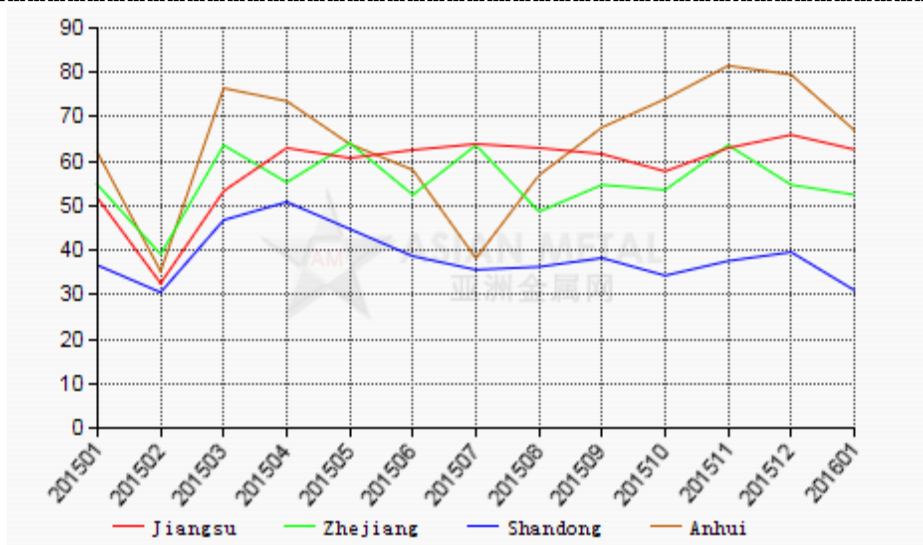
AM Statistics: Operating rate of Chinese low-oxygen copper rod plants falls to 56.25% in January

BEIJING (Asian Metal) 5 Feb 16 - According to figures from Asian Metal, the average operating rate of low-oxygen copper rod plants in China was around 56.25% in January 2016, down from 60.65% in December 2015, and the operating rate was only around 53.3% in January 2015.

The following picture demonstrates the operating rate of Chinese low-oxygen copper rod producers in 2015-2016 (%):



According to statistics from Asian Metal, Chinese outputs of low-oxygen copper rod reached 408,500t in January, down from 440,500t in December 2015. In mid-January, power cable producers started to cut or even stopped production for the coming Spring Festival holiday, and demand for copper rod slackened. Moreover, end-users still faced high pressure on capital turnover and were unclear about copper market trend, so they dare not make bulk purchases before the holiday. In view of the shrinking demand, some major copper rod producers started to suspended production, like Jiangtong North China Tianjin Copper Co., Ltd and Chinalco Kunming Copper Co., Ltd. Therefore, the average operating rate of Chinese low-oxygen copper rod producers moved down in January. The following picture shows the average operating rates in main provinces (%):



Seen from the above picture, the operating rates of Chinese low-oxygen copper rod producers in many provinces fell in January, and the rate in Anhui declined from 79.48% in December to 67.01% in January because of the output decreases from Anhui Xinke New Material and Tongling Nonferrous Metal.

In early February, power cable producers start to take a holiday, and most copper rod producers stop production and would restart operations after February 15. Therefore, participants anticipate that operating rates from Chinese low-oxygen copper rod producers may retreat further in February.