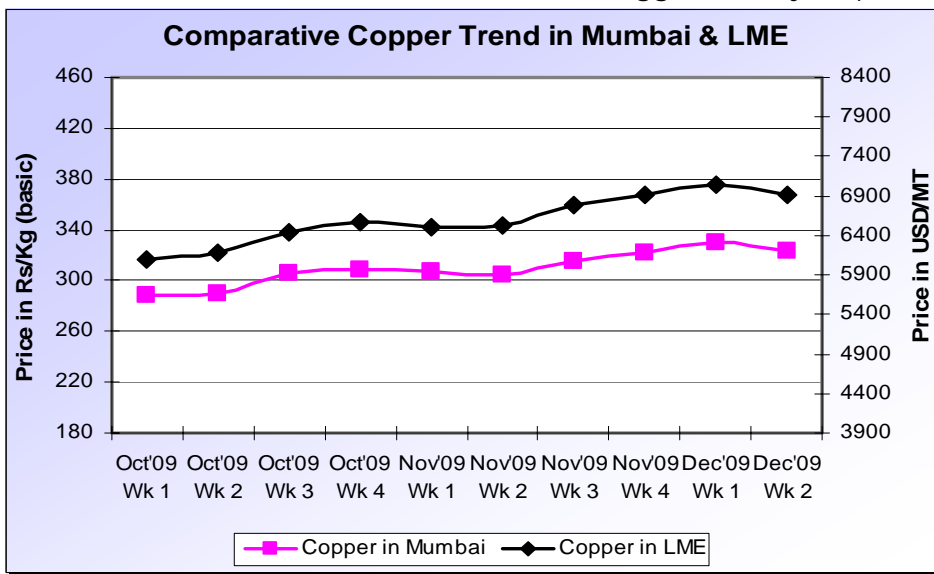


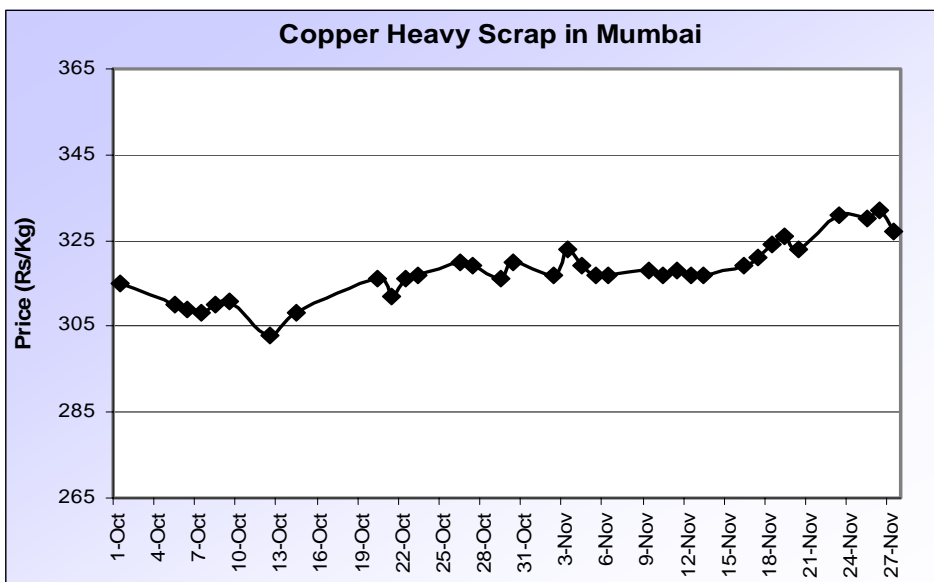
Market Report

Copper Market Overview:

Copper market saw a falling trend beginning of December with prices in both domestic and international market decreasing by 1.6 and 2 percent respectively over a week; however the month on month gain was 6.5 and 6 percent respectively in the domestic and international market. Copper Scrap prices are hovering in the range of Rs.320 to Rs.330/kg, all inclusive. Demand worries and investor concerns about the effects sovereign debt could have on the global economic recovery, have weighed on prices in recent sessions. LME copper stocks, which rose 4,450 tonnes to 466,075 tonnes, are up about 80 percent from early July. Analysts say if the rise in inventories continues, price corrections or pullbacks can be expected in the short-term. Copper, used in power and construction, hit a two-week low at \$6,762.75 on Dec10 and is headed for its biggest weekly drop since September.



Source: LME & MCX



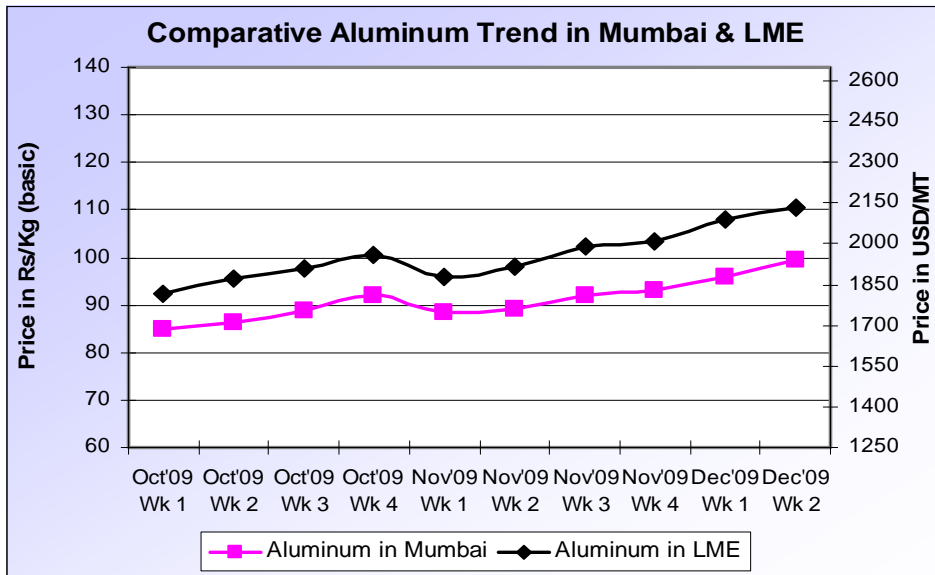
Price is in Rs/ Kg & all inclusive in Mumbai market Source: Metal Trade Intelligence

Aluminium Market Overview:

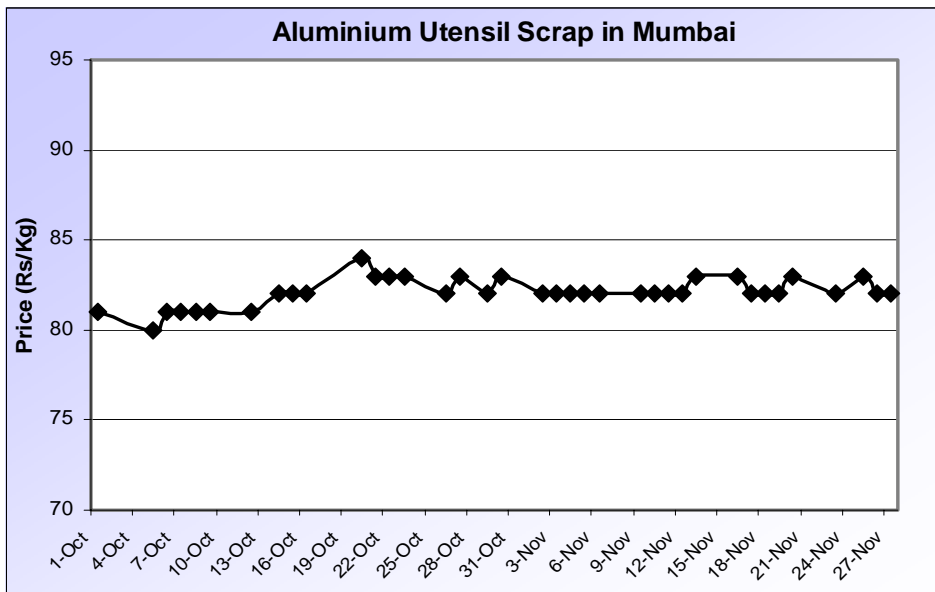
Aluminium market saw an improved trend beginning of December with prices in both domestic and international market increasing by 4 and 2 percent respectively over a week and around 6.8 and 6.2 percent respectively over a fortnight. LME stocks for the metal, used in transport and packaging, eased 3,875 tonnes but remain near record levels above 4.5 million tonnes.

Aluminum was steady at \$2,204 a tonne from \$2,212, after rising to a 13-month peak of \$2,215 on Dec 09. The metal used in transport and packaging has been buoyed in recent weeks by rising physical premiums in parts of Europe as the bulk of record high LME inventories are tied up in financing deals.

“There’s good demand for aluminum from Europe and the U.S. Stocks are still tied up in financing deals so what appears to be an oversupply is not a problem in the short term,” said an analyst.



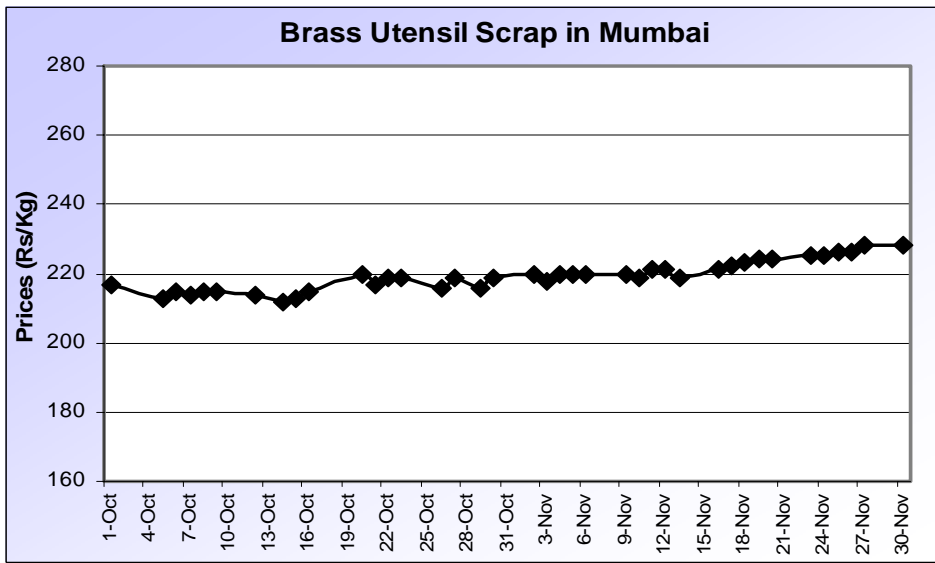
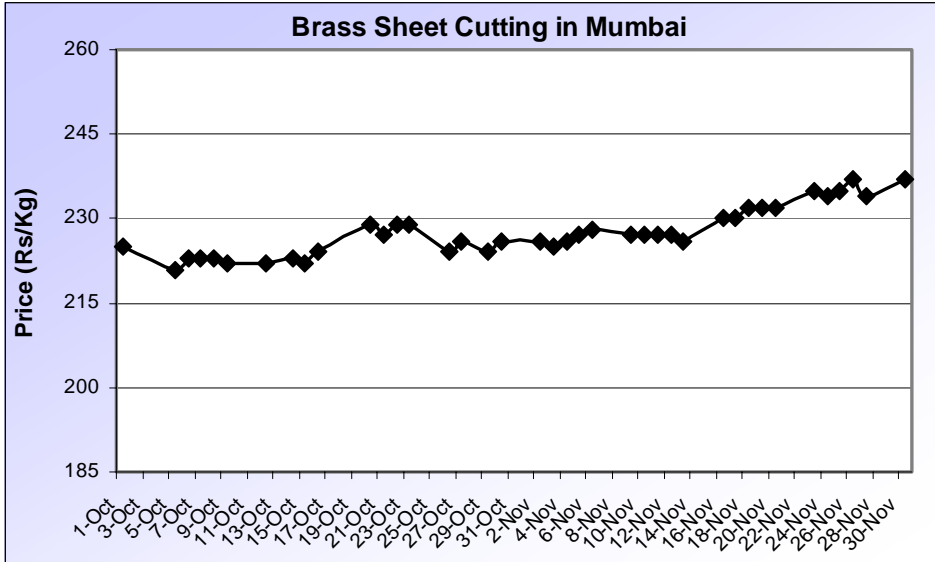
Source: LME & NCDEX



Price is in Rs/ Kg & all inclusive in Mumbai market Source: Metal Trade Intelligence

Brass Market Overview:

Brass market showed a firm price trend over a month with scrap prices hovering in the range of Rs.220 to Rs.230/kg, all incl.



Price is in Rs/ Kg & all inclusive in Mumbai market Source: Metal Trade Intelligence

Stainless Steel Market Overview:

The domestic Stainless steel market remained subdued due to low demand and fluctuating raw material prices.

Jindal Stainless cuts export offers by \$50/tonne: India's biggest stainless producer Jindal Stainless has lowered export offers by around \$50 per tonne from last month on lower raw material costs. Jindal is now offering \$1,650 per tonne fob for 200-series cold rolled stainless, compared with \$1,700 per tonne last month. It is offering \$2,800-2,900 per tonne fob for 300-series cold rolled stainless, compared

with \$2,950 per tonne last month, "Raw materials like nickel are lower, and export market sales are also lower," said an official.

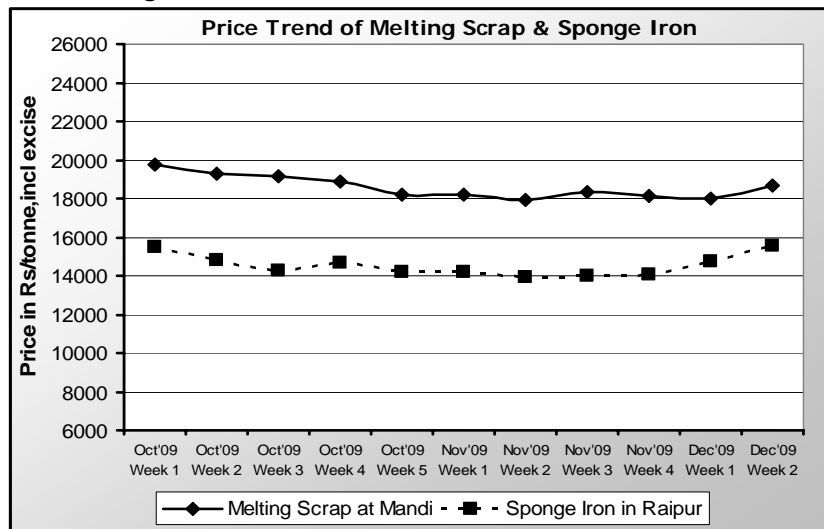
The international market sees a similar situation where markets are facing downward pressure. Prices of East Asian origin 304 stainless cold rolled sheets for delivery in one-to-two months held at \$2,500-2,600/t cfr China in the 30 November week. But prices could inch downwards as December is expected to be a quiet trading month.

Stainless steel scrap prices in Europe and the UK have continued to fall as buyers cut their orders and nickel prices sagged. 18/8 solids traded in the UK at £900-950 (\$1,497-1,580) per tonne down from £930-980 last week. 18/8 solids sold in the EU at \$1,590-1,670 per tonne down from \$1,600-1,690 one week ago. The market sentiment is bearish and prices will continue to fall, according to another UK trader.

Melting Scrap Market Overview:

The domestic scrap steel market remained more or less stable last week as demand conditions improved to some extent compared to Flats market which still continued to remain down due to cheaper imports available in the market. Long steel market witnessed some buying activities as downstream demand saw some recovery and finished steel items exhibited a stable price trend over a week. The beginning of this week saw further gains with TMT Bar prices surging by almost 4% over a week due to the increased prices of raw materials coupled with dealers' optimistic attitude of the forthcoming market. A firm trend was also noticed in the raw materials section including Steel Ingot prices that exhibited a price improvement in the range of Rs.800/MT to Rs.1000/MT per tonne over a week. Ingot prices opened on a slightly higher note with the commencement of this week in the range of 400/MT to 500/MT since the close of the last week at various places. Melting scrap and sponge iron prices also moved in the positive direction, a weekly improvement in the range of Rs.600 to Rs.800/tonne was noticed. Stability is expected in the coming days as some retailers return to the market and build stocks prudently with sales performance becoming better.

Indian ferrous scrap buyers turn to Middle East and Africa: Indian buyers are turning to the Middle East and Africa for cheaper ferrous scrap supplies as European and US prices remain uncompetitive. The latest deals for shredded material in containers from the UK were closed at \$315 per tonne cfr Nhava Sheva, market participants said. Offers from Europe are now at around \$320 per tonne, but Indian buyers are not willing to pay more than \$310-315 cfr. Indian customers are increasingly buying higher volumes of scrap from the Middle East and Africa, where offers for HMS 1&2 are at \$290-295 cfr Nhava Sheva and transport is quicker and cheaper. Freight from Europe to India is higher than it was a couple of weeks ago.



Price in Rs/MT is incl. excise duty

Source: Steel Town Weekly, MCX