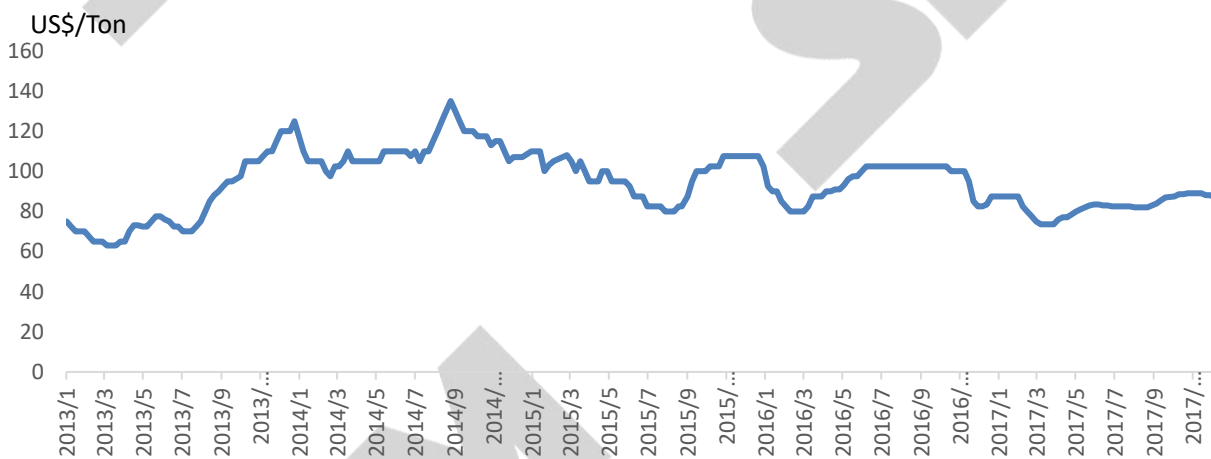


# LME Copper Hit \$7,000/Ton on Trump's Tax Reform Bill

## Bill

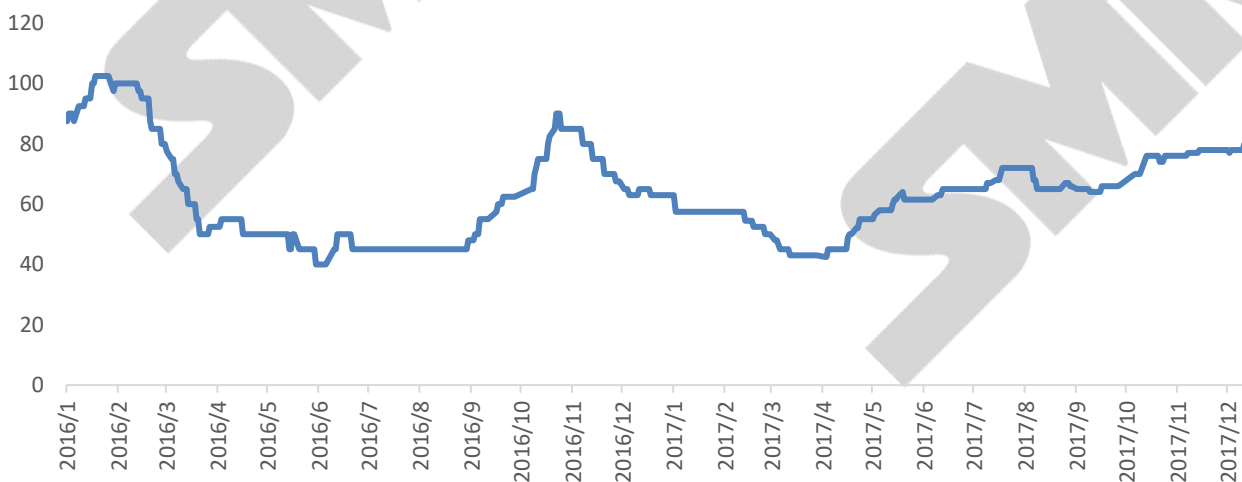
LME copper exceeded \$7,000/ton on the approval of the U.S. tax cuts bill and the associated infrastructure investments plan afterwards. According to SMM's channel checks, smelters and miners are still yet to agree on the 2018 annum TC/RC, expected to be delayed until January 2018. The spot TC was at \$87/ton as of last Friday, down 1.14% from the previous week. Yangshan copper premium edged up 2.56% to \$80/ton during the same period.

### 1. China Copper Spot TC (US\$/ton)



Source: SMM

### 2. Yangshan Copper Premium (US\$/ton)

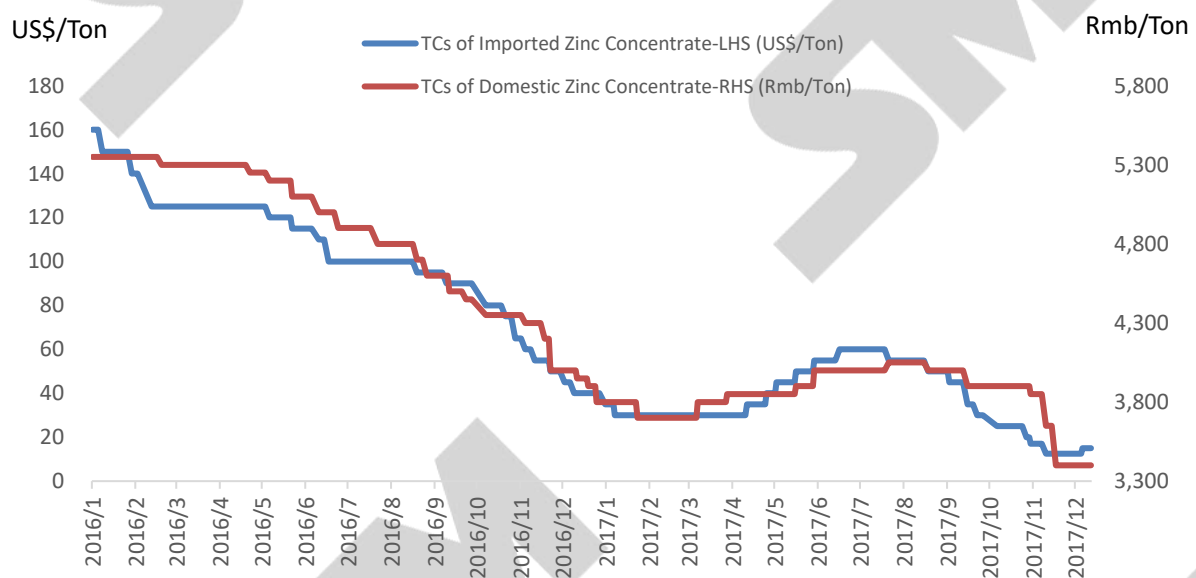


Source: SMM

## Zinc TC Increased Slightly on Less-than-Expected Zinc Output Additions from Glencore

Glencore announced last Tuesday that it expected to produce 1.09 million tons of zinc in 2018, less than the market expectation and supporting zinc prices. This reaffirms SMM's view that zinc TCs will open low in 2018 and go higher later on. Spot TC for imported zinc concentrate was at US\$15/ton as of last Friday, up 20% from the previous week.

### 4. Domestic and imported zinc concentrate spot TCs



Source : SMM

SMM has comprehensive **China Cost Database** for nonferrous and ferrous metals, by conducting regular field trips and interviews with all Chinese metal producers, from large-scaled to small-scaled, from SOEs to private-owned. We collect their detailed cost breakdown for individual plants/mines and for the whole production processw, and update the database regularly as well as keep close track of any updates/changes.

We also have Cost Database for Steel, Iron Ore, Aluminum, Copper, Copper Mine, Nickel, Nickel-Pig-Iron (NPI), Tin, Manganese, Lead and Lead Ore, etc.