

Copper PMI

US copper users continue to outperform those in Asia and Europe

- **Output at US copper users rises at sharpest rate in five months...**
- **...while growth remains sluggish in Asia and Europe**

Regional disparities widened in July as US copper users outperformed those in Asia and Europe. The latest Copper PMI data from Markit signalled that output growth in the US accelerated to a five-month high. This contrasted with only marginal expansions in the other two regions, where growth slowed since June. Globally, output at copper users rose at a modest rate that was the weakest in seven months.

Purchasing trends also diverge

Purchasing activity developments reflected the differing regional output trends. US copper users signalled a rise in input volumes for the tenth consecutive month, and the sharpest increase since March. However, Asian firms reported the first decline in purchase quantities since last October, while those in Europe indicated a reduction in input buying for the twenty-fifth successive month.

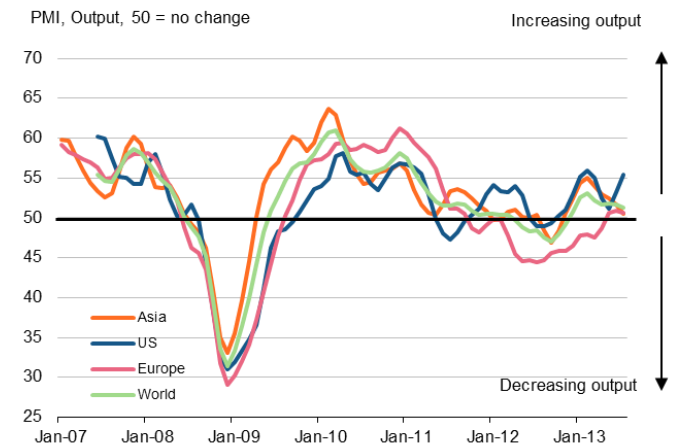
New orders to stocks ratio points to stable prices

The ratio between new orders and stocks of purchases at global copper users provides an indication of raw material demand pressures, and tends to correlate well with copper price changes.

The new orders:stocks ratio at global copper users fell to 1.03 in July, the lowest since last October. This indicator therefore suggests the rise in copper prices seen during early-August may not have much further to run.

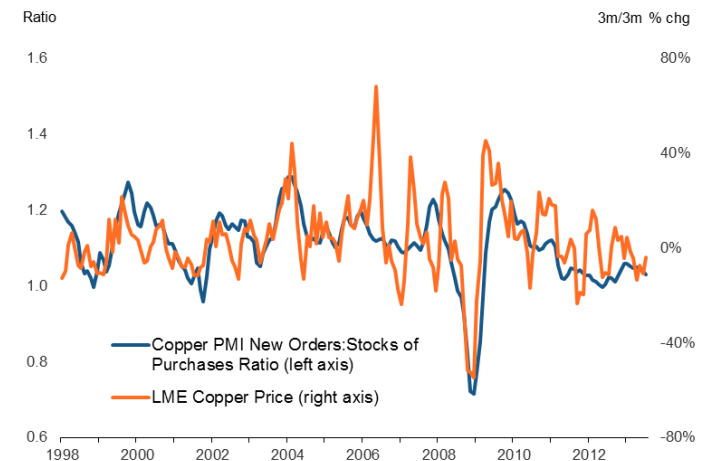
For further information on PMI data, please contact economics@markit.com.

Upturn in US copper users' output



Source: Markit

New orders:stocks ratio consistent with flat prices



Sources: Markit, LME

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