

Shanghai Metals Market Draft Copper Concentrate Index Methodology

SMM Copper Concentrate Index

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1. About Shanghai Metals Market

Shanghai Metals Market (SMM) is an integrated business information agency of commodity pricing and big data services. SMM's portfolio of businesses include price assessment reports and analysis and key information database of nonferrous metals, as well as customised consulting projects and industry conferences.

SMM's big data department provides extensive support for market research, price forecast and consulting services. Prices indices generated from the big data system are widely used in physical and paper trades in the commodities industry.

Price assessments for China's spot market ("SMM price/index") are published on a regular basis, which strictly adhere the International Organization of Securities Commissions (IOSCO) standards and a specific assessment methodology. SMM, an independent third party agency, interact with market participants on a regular basis, and the price assessment methodology is

constantly reviewed according to most common product specifications, trade terms and conditions.

The SMM price/index provides a reference benchmark to business owners, which helps them in trading cost reduction and market risk aversion, so as to achieve higher standards in the nonferrous metals market.

2. Guidelines to SMM spot copper concentrate index assessment methodology

The SMM copper concentrate index reflects the spot price of copper concentrate at Chinese smelters on a weekly basis. The document specifies the calculation model for SMM copper concentrate index as well as the collection and processing processes of trade sample data in accordance with IOSCO standards, in pursuit of fair and accurate presentation of transactions in China's spot copper concentrate market. It also creates an accurate, transparent and verifiable mechanism for the assessment of the index.

To reflect the actual trades in the SMM copper concentrate spot market on an unbiased basis, SMM produces the benchmark data based on historical data collected through market survey.

SMM copper concentrate index

		Remarks	Benchmark	Highest	Lowest
Benchmark	Spot price of copper concentrate at Chinese smelters	Cu%	25	38	18
Unit	USD/mt(Treatment charges) , cents/lb(refining charges)	Au(g/dmt)	1.1	30	0
Quantity	around 5,000 mt	Ag(g/dmt)	75	400	0
Delivery time	Within 3 months	S(%)	32	40	20
Delivery terms	letter of credit at sight	Fe(%)	28	35	12
Publishing time	Every working Friday	Pb(%)	0.1	4	0
SMM copper concentrate index is produced on the basis of the price assessment methodology of copper concentrate TCs. The assessment methodology will be revised from time to time to reflect the latest trading trends of the spot copper concentrate market. For any queries, please contact us at copperconindex@smm.cn		Zn(%)	1	5	0
		As(%)	0.2	0.5	0
		Sb(%)	0.02	0.2	0
		Hg(ppm)	2.5	10	0
		Bi(ppm)	150	2000	0

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For full version of the Shanghai Metals Market Draft Copper Concentrate Index Methodology, please contact legal@smm.cn