

## Cerro Flow Products Pricing - December 7, 2010 HD Supply

### Plumbing Tube Comments:

Copper extended its rally by 3% to a record peak overnight on reports of improved demand in 2011 and a dwindling supply base. Copper prices are up 21% this year and reached a record today, partly as manufacturers and other buyers who anticipate shortages build inventories to meet demand for next year. Imports into China, the world's largest consumer, typically are strongest in the second quarter, helping to boost copper prices and leading gains in lead, nickel and aluminum. Copper stockpiles tracked by the London Metal Exchange have slid 30% this year.

JP Morgan and two other companies are buying copper inventories to back new Exchange-Traded Product funds. JP Morgan alone is looking to secure \$500,000,000 of raw copper to back their fund.

Cerro Flow Products will price from our November 8, 2010 price sheet today.

