

Copper holds its ground despite China's Covid wave

Reuters

London

Copper prices hovered around \$8,350 a tonne on Wednesday as hopes that China's easing of Covid-19 restrictions will eventually lift demand were offset by a surge in infections that is reducing consumption in the short term.

Its strict zero-Covid policy disrupted economic activity and helped pull copper from a record high of \$10,845 in March to as low as \$6,955 in July.

"Copper is in a difficult situation," said an analyst in Europe who requested anonymity because he does not have permission to talk to media.

The market is stuck between weak demand now and hopes for a rebound in the longer term, he said, predicting choppy prices in the short term but a rise above \$10,000 next year.

Benchmark copper on



MAY TURN RED HOT.

Analysts see choppy prices in the short term but a rise above \$10,000 next year

the London Metal Exchange (LME) was up 0.1% at \$8,360.50 a tonne at 1128 GMT. It was up 1.5 per cent this month after gaining 10.6% in November.

LME aluminium was up 0.8 per cent at \$2,392.50 a tonne, zinc was down 1.3 per cent at \$3,043.50, nickel fell 1.5 per cent to \$27,905.

Lead slipped 0.9 per cent to \$2,160 and tin was 0.1 per cent lower at \$23,900.