

Copper climbs on weaker dollar, hopes of better demand

Reuters

Beijing

Copper prices rose on Monday, supported by a weak U.S. dollar and hopes of better demand after top consumer China's pledged to boost its economy and real estate sector.

Three-month copper on the London Metal Exchange was up 0.8 per cent at \$8,378.50 a tonne by 0239 GMT, while the most-traded January copper contract on the Shanghai Futures Exchange added 0.7 per cent to 65,960 yuan (\$9,455.28) a tonne.

The dollar slid against most currencies on Friday as data signalled that the US economy is cooling a bit, reinforcing expectations of smaller interest rate increases from the Federal Reserve and improving investors' risk appetite.

On Monday, the dollar index slid 0.04% to 104.25. A weaker dollar makes the greenback-priced commodity more attractive for non-dollar buyers.

Raising hopes of policy support, a top advisor to the People's Bank of China on Saturday called for strengthening of real estate policy in light of sluggish economic growth over the past several years.

Meanwhile, a key road for mining transportation in Peru was cleared after days of protests, a government minister said, as the country struggles with political tensions following the ousting and arrest of former President Pedro Castillo.

LME aluminium slid 0.4 per cent at \$2,395 a tonne; zinc advanced 1.1 per cent to \$2,979.50. Lead rose 1.9 per cent to \$2,258.50, and tin was unchanged at \$23,940.

SHFE aluminium gained 0.1 per cent to 18,645 yuan a tonne, zinc rose 1.2 per cent to 23,425 yuan, nickel was up 0.3 per cent at 217,080 yuan, and tin added 0.3 per cent to 197,050 yuan.