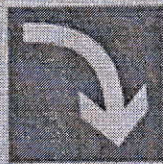


Base Metals Prices Decline on Prospects for US Rate Hike

Reuters

Base metals prices in Shanghai fell on Monday on worries of slower economic growth and metals demand after US Federal Reserve Chair Jerome Powell signalled more interest rate hikes. Powell on Friday warned that Americans were headed for a painful period of slow economic growth and possibly rising joblessness. Slowing growth



could lead to weakening demand for base metals, and copper is often used as a gauge of the global economic health.

"Powell's speech at the annual meeting was hawkish, and it is expected to have an impact on prices in the short term," said Jinrui Futures in a note. The most-traded October copper contract on the Shanghai Futures Exchange closed down 1.3% at 62,550 yuan (\$9,039.41) a tonne. Nickel dropped 5% to 165,060 yuan a tonne and zinc slipped 1.6% to 25,025 yuan a tonne.

The global nickel market could see a surplus of 111,000 tonnes this year.