

Is Your Investment On Trend?

See it, with The Northern Miner Maps

FEATURE MAP: YUKON

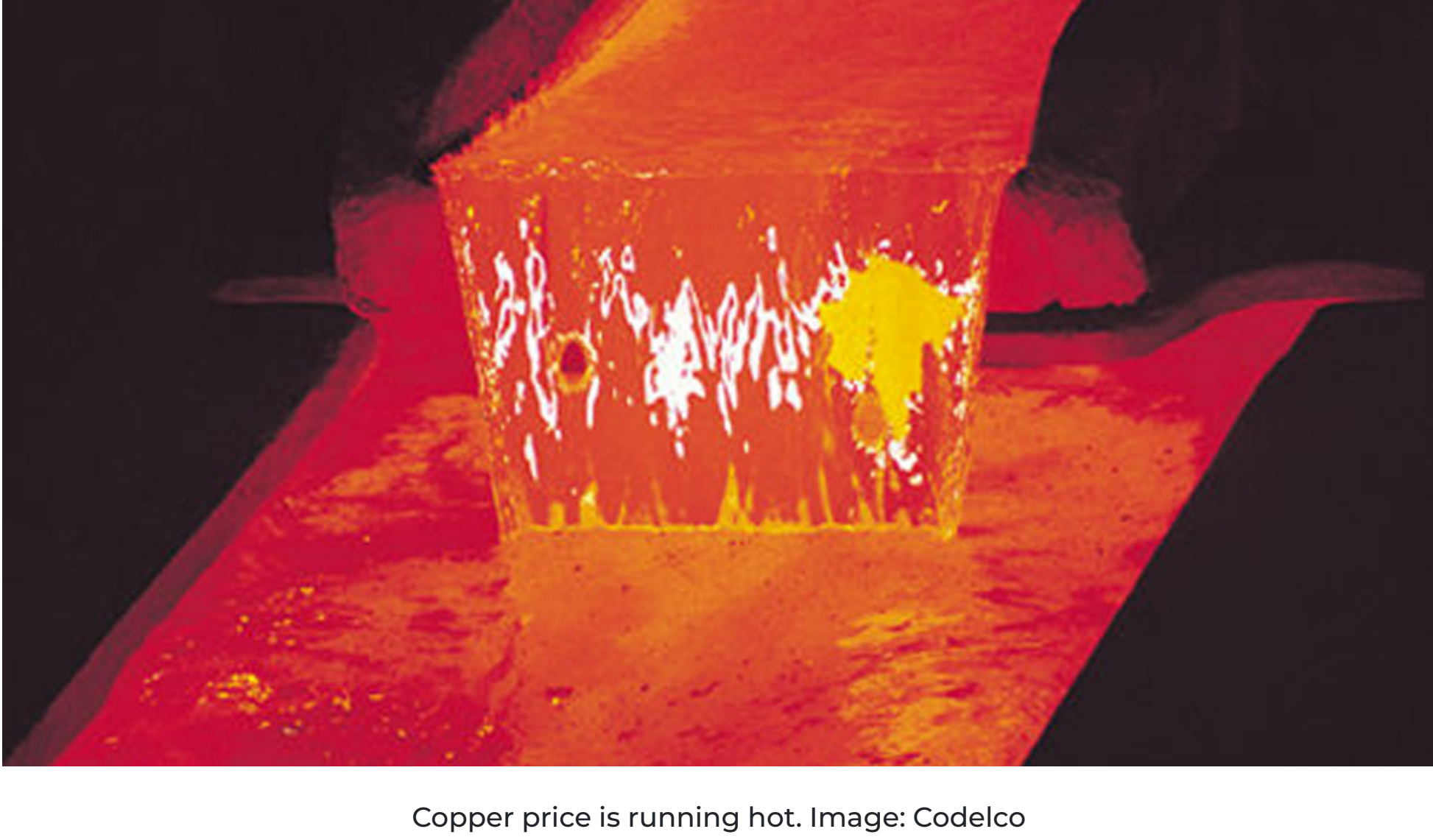
FREE DOWNLOAD

THE NORTHERN MINER

MAPS

Copper price flies high, but further out forecasts are grim

Erik Els | April 27, 2021 | 3:46 pm | [Intelligence Markets Copper](#)



Copper price is running hot. Image: Codelco

Copper was once again [approaching the pivotal \\$10,000 a tonne level](#) on Tuesday, jumping to over \$4.50 a pound or \$9,940 a tonne in New York amid über bullish sentiment and renewed supply worries in the world's top producing region.

The rally in copper, which has more than doubled in price from its covid-lows, has been fuelled by a widely-held belief that demand for the bellwether metal will receive a massive boost, not just from post-pandemic economic stimulus, but also from a worldwide push for decarbonisation.

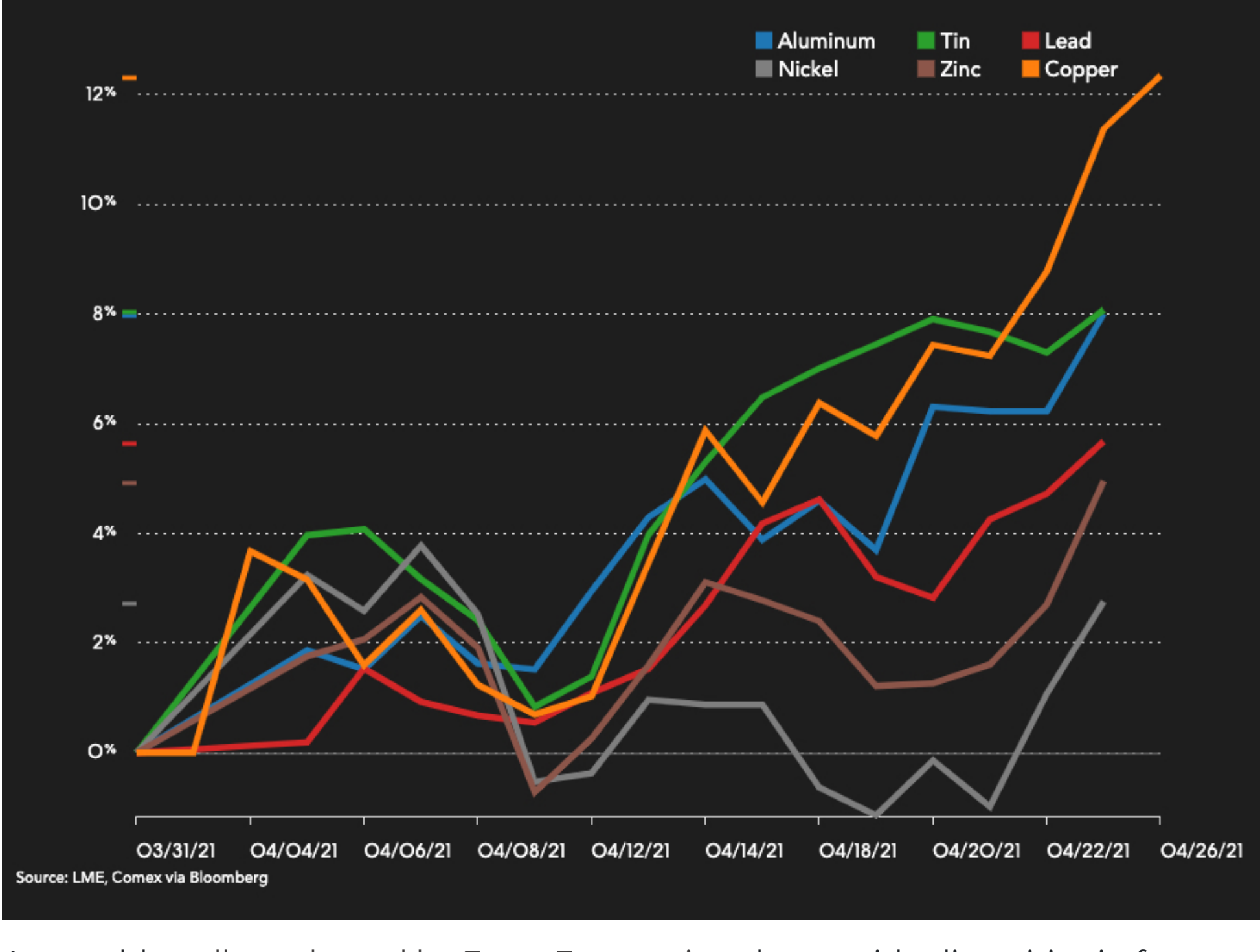
Everything to do with the green energy transition requires more copper – notably the electrification of the global vehicle fleet and massive investment electrical grids, renewable energy infrastructure and storage.

While almost all agree copper's longer term future is bright, there is much less consensus on how much the price of the metal will shine in the next few years.

SIGN UP FOR THE COPPER DIGEST

Sign Up

COPPER LEADS BASE METAL CHARGE



Source: LME, Comex via Bloomberg

THE MINING CAREER MARKET MOST RECOMMENDED BY JOB SEEKERS

POST A JOB

careermine

A monthly [poll conducted by FocusEconomics](#), shows wide disparities in forecast prices by the investment banks, brokers, economists and governments in the survey compiled 13–18 April.

The lowest forecast among the more than two dozen participants for the average price in the fourth quarter this year is by BMO Capital Markets which predicts copper to retreat to the \$7,000 a tonne level.

Click [here](#) for interactive copper price chart

Other notable bears are JP Morgan, Societe Generale, BBVA and Capital Economics which also see the price in the \$7,000s with further declines in 2022.

That's a big gap to [the most bullish forecaster](#)– Goldman Sachs sees prices averaging \$10,620 a tonne in Q4. Goldman, the number one proponent of the existence of a supercycle in commodities, sees more gain in 2022 reaching \$12,250 by the end of next year.





The only other participant expecting the copper price reaching five digits is Singapore's United Overseas Bank. Only ABN Amro, Citi and ANZ see copper above \$9,000 in Q4 but apart from ABN, also see a retreat back below that level a year later.

The consensus forecast for the Q4 average is \$8,340, sliding to \$8,130 in Q4 2022.


FocusEconomics notes that in its April survey more than half of panelists adjusted predictions upward (and four became less bullish) from the forecasts compiled in March.

While the underlying copper market is moving fast at the moment, unless more market analysts come around to the idea of a supercycle in coming months, Goldman looks set to continue to be a lone voice.

READ MORE: [China copper flip to discount vs LME raises red flag](#)

Share    


MINING.COM RECOMMENDS



Mining giant Chile flush with cash as copper price soars

Sky-rocketing copper prices, combined with a major bump in economic activity expected as a result of its fast-paced vaccination drive could see Chile's gross domestic product jump 6% in 2021.


Reuters | April 27, 2021 | 11:02 am



Jiangxi Copper notches best profit in 6-1/2 years on buoyant prices

Profits jumped more than fivefold year-on-year in Q1 on the back of booming prices for the red metal.

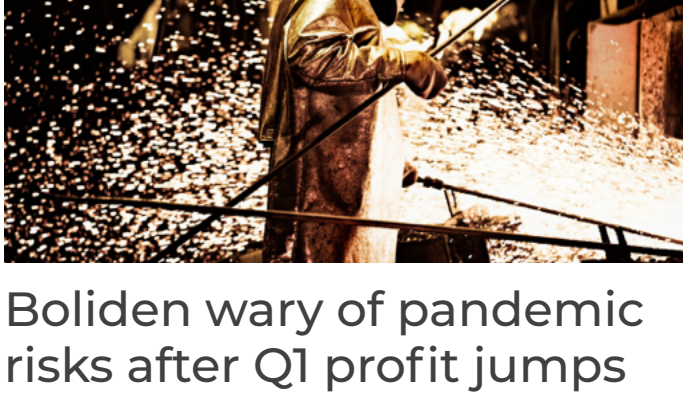
Reuters | April 27, 2021 | 8:23 am



Russell: China copper price flip to discount vs LME raises red flag amid rally

There are signs that China is already tightening credit, which may result in slower spending on copper intensive infrastructure and construction projects.

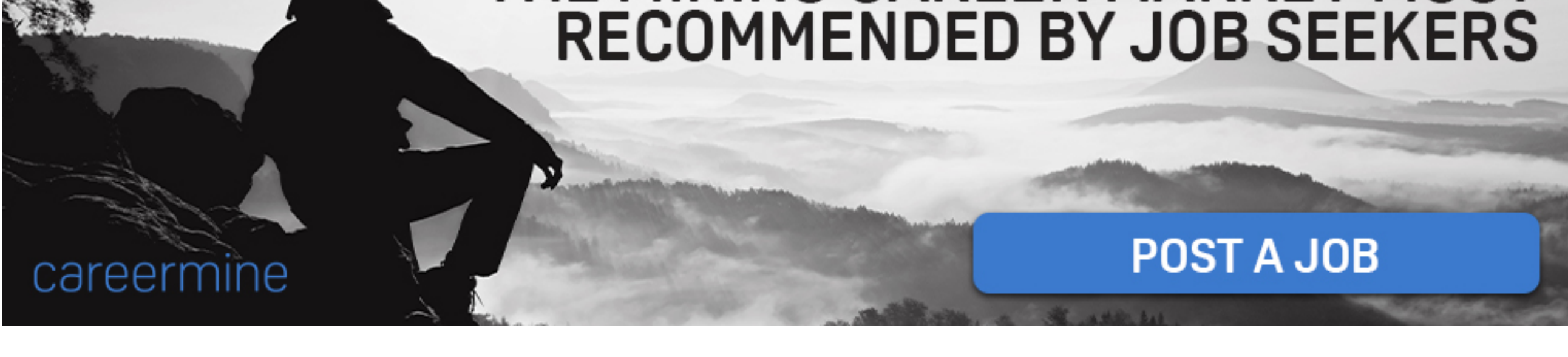
Reuters | April 27, 2021 | 8:18 am



Boliden wary of pandemic risks after Q1 profit jumps

Operating profit rose to \$332 million from \$170 million a year earlier.

Reuters | April 27, 2021 | 7:45 am



THE MINING CAREER MARKET MOST RECOMMENDED BY JOB SEEKERS

POST A JOB

careermine

COMMENTS

Your email address will not be published. Required fields are marked *

Name*

Email*

Website

☐ Save my name, email, and website in this browser for the next time I comment.

Write your comment here...

Post

More News

New capacity needed to meet rapid copper demand growth

Reuters | April 27, 2021 | 7:39 am

Copper price surges toward \$10,000 as bulls bet on global rebound

Bloomberg News | April 27, 2021 | 5:13 am

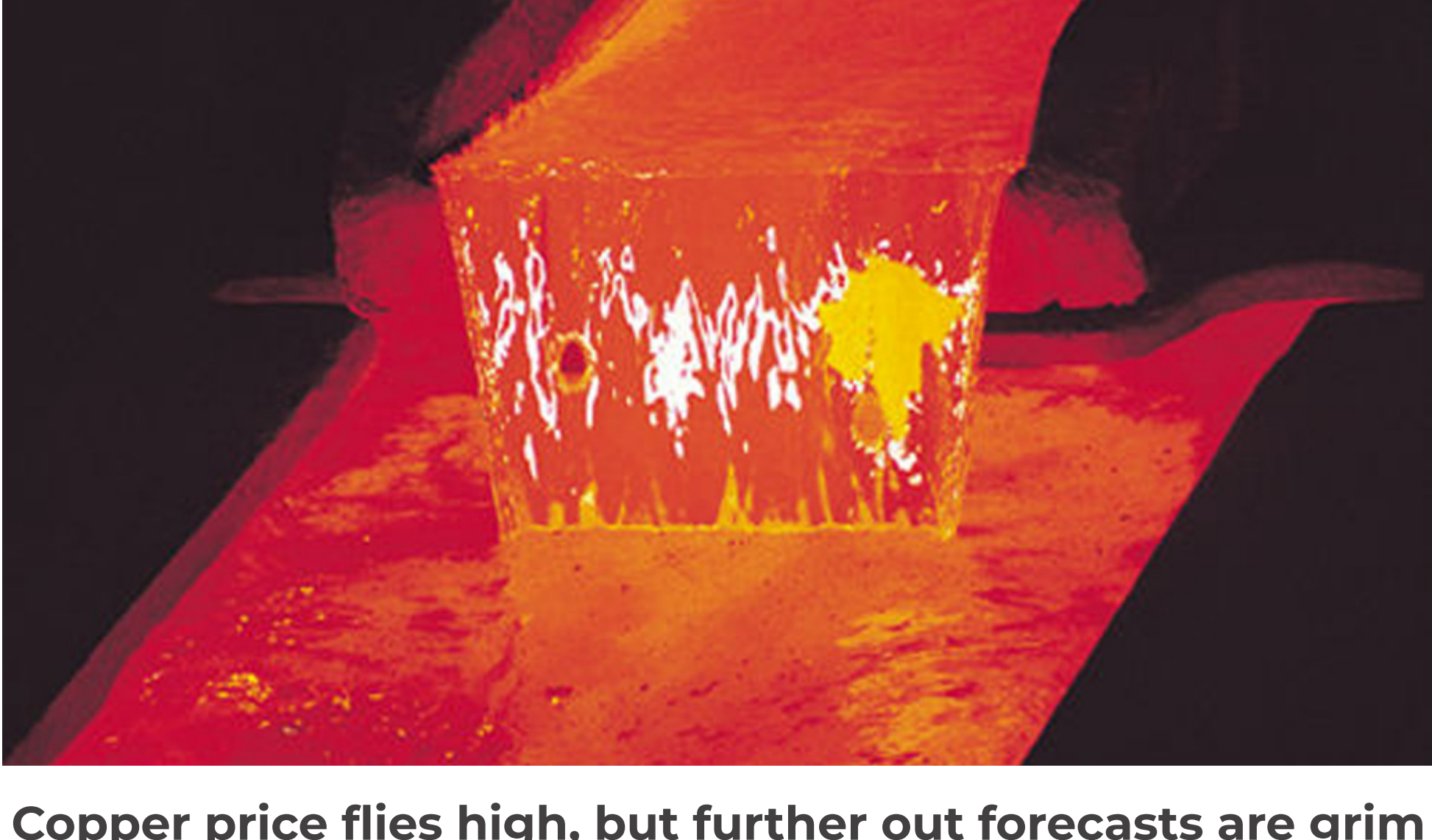
Vale mulls base metals spinoff to tap EV market

Cecilia Jamsmie | April 27, 2021 | 3:54 am

Investors love copper but not the price of building a new mine

Bloomberg News | April 26, 2021 | 6:05 pm


LATEST STORIES



Copper price flies high, but further out forecasts are grim

Out of a panel of over two dozens banks, brokers and economists Goldman Sachs alone sees gains from today's levels.


Erik Els | April 27, 2021 | 3:46 pm



Osisko Mining drills 296 g/t Au at Lynx deposit, Windfall

Infill drilling continues to deliver extremely high grades pointing toward resource expansion.

Canadian Mining Journal Staff | April 27, 2021 | 11:43 am



Mining giant Chile flush with cash as copper price soars

Sky-rocketing copper prices, combined with a major bump in economic activity expected as a result of its fast-paced vaccination drive could see Chile's gross domestic product jump 6% in 2021.

Reuters | April 27, 2021 | 11:02 am

MINING.COM Digests

Join over 130,000 for free access to breaking industry news

Select the commodities for each newsletter you'd like to delivered to your inbox.

☒ Daily Digests


☐ Battery Metals Digest

☐ Copper Digest

☐ Precious Metals Digest

[More Digests](#)

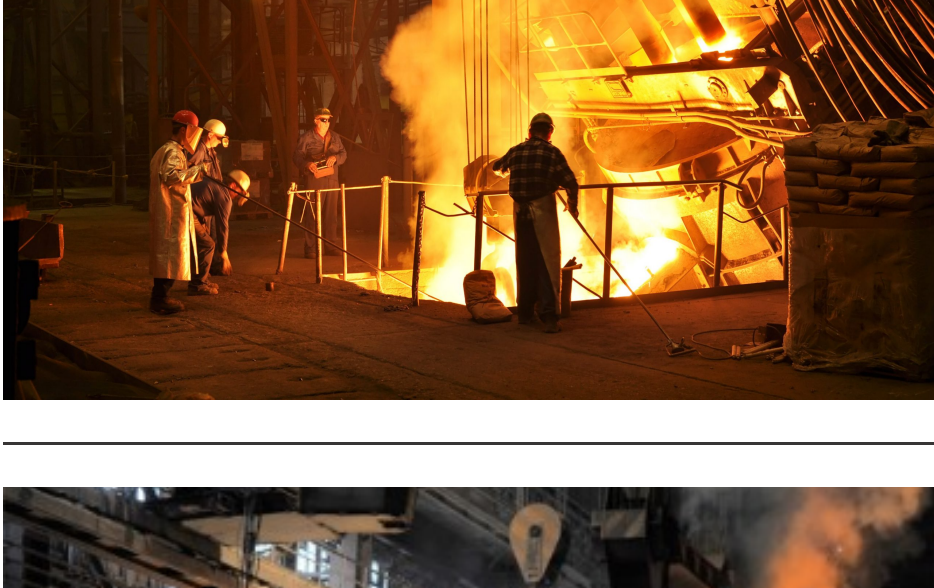
Next



Loss-making Tianqi Lithium flags Q2 turnaround

The company started losing money in the third quarter of 2019 as lithium prices tanked amid oversupply.

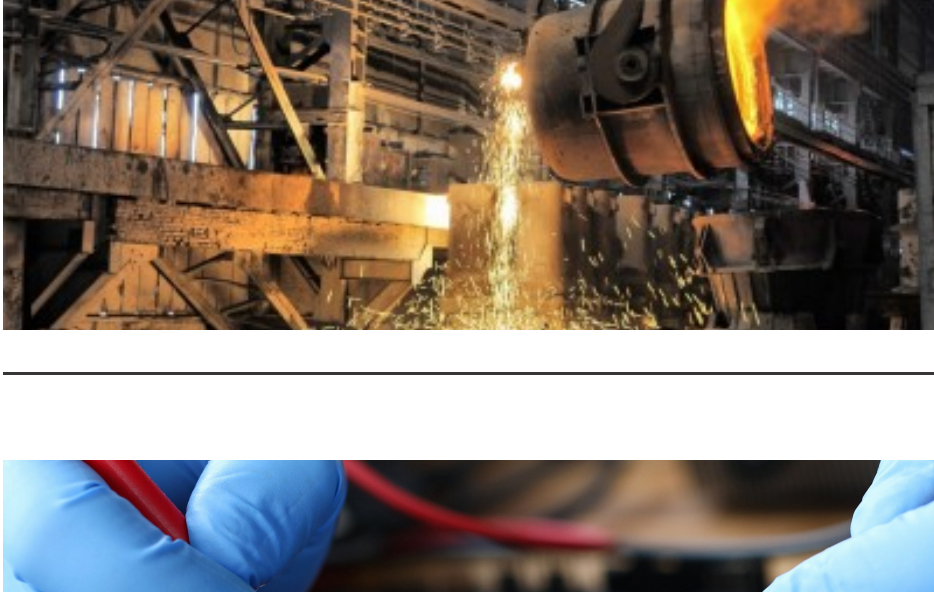
Reuters | April 27, 2021 | 10:47 am



Iron ore price extends rally while China steel body calls for more government action

Chinese Iron and Steel Association wants China's securities regulator to pay more attention to improving current futures rules.


MINING.COM Staff Writer | April 27, 2021 | 10:03 am



Global steel boom builds as rampant demand overwhelms supply

The world outside China is finally catching up with the Asian steel giant's already strong markets.

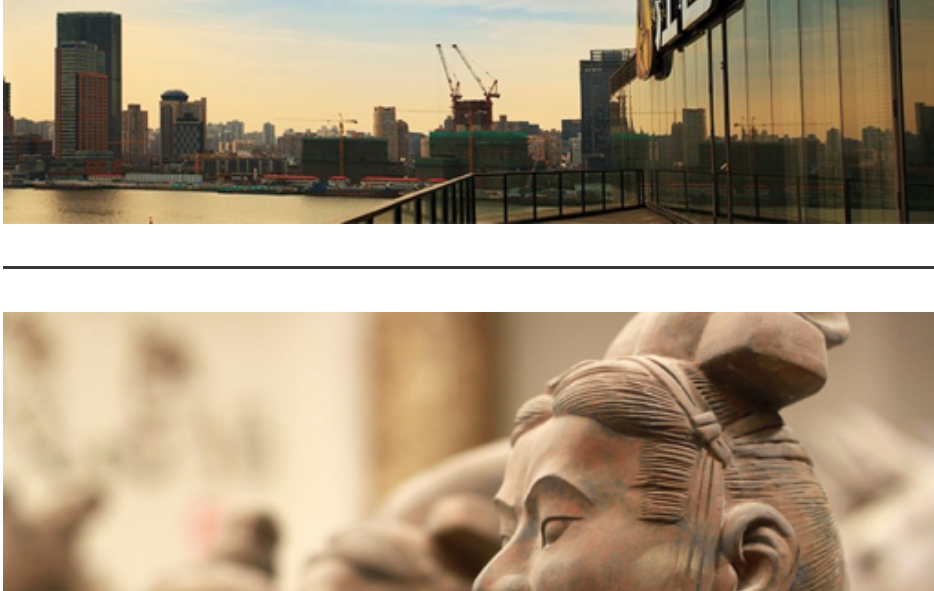
Bloomberg News | April 27, 2021 | 9:51 am



Home: China ramps up tin exports as rest of the world runs dry

Parts of the world seem to have run out of the metal essential for circuit-board soldering.

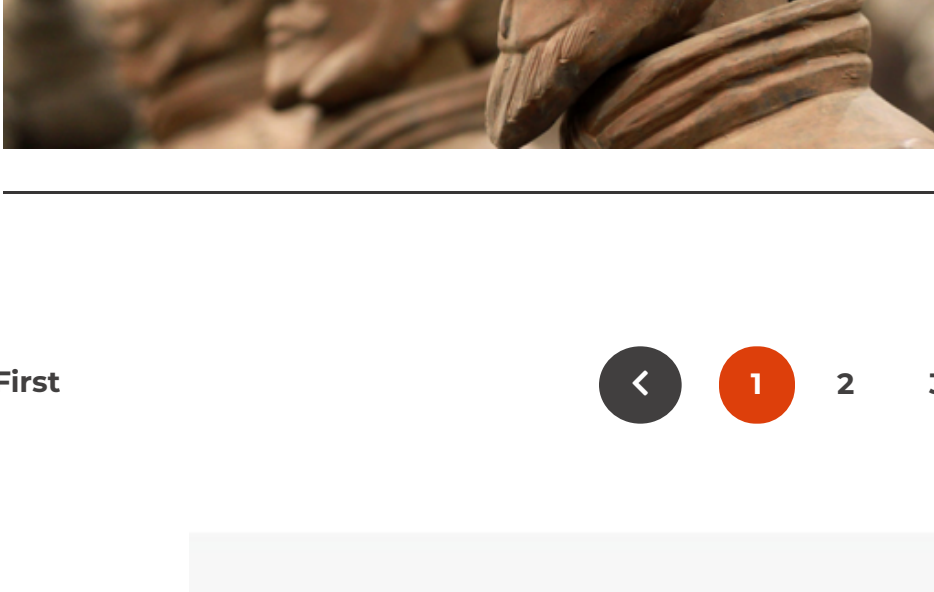
Reuters | April 27, 2021 | 9:04 am



Jiangxi Copper notches best profit in 6-1/2 years on buoyant prices

Profits jumped more than fivefold year-on-year in Q1 on the back of booming prices for the red metal.

Reuters | April 27, 2021 | 8:23 am



Russell: China copper price flip to discount vs LME raises red flag amid rally

There are signs that China is already tightening credit, which may result in slower spending on copper intensive infrastructure and construction projects.

Reuters | April 27, 2021 | 8:18 am

First

4

1

2

3

4

5

6

2

Last

Is Your Investment On Trend?


See it, with The Northern Miner Maps

THE NORTHERN MINER

MAPS

FREE DOWNLOAD

FEATURE MAP: YUKON



Terms of Use | About Us

© 2021 Glacier Media Group, All Rights Reserved

Advertise | Contact Us