

Copper Trades Near Four-Year Low on Weaker China Demand Concern

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Copper traded near the lowest in more than four years on speculation demand will weaken as manufacturing slows in China and the U.S., the world's biggest metals users.

The Institute for Supply Management's U.S. factory gauge fell to a six-month low while China's official Purchasing Managers' Index declined to the lowest level in 18 months, according to releases last week. The euro slid to an almost nine-year low against the dollar amid prospects the European Central Bank will embark on large-scale government-bond purchases to ward off deflation.

"We have nothing to be happy with at the beginning of the year as data that came out during the holidays were negative," said Li Ye, a Shanghai-based analyst at Shenyin & Wanguo Futures Co. Any rebound in prices "would be short-lived."

Copper for delivery in three months on the London Metal Exchange slid 0.1 percent to \$6,250 a metric ton at 10:25 a.m. in Shanghai. Prices fell 0.7 percent to \$6,255 a ton on Jan. 2, the lowest since June 2010. The metal dropped 14 percent in 2014, the biggest annual loss in three years.

In New York, copper futures for March declined 0.2 percent to \$2.813 a pound. The March contract on the Shanghai Futures Exchange dropped 1.2 percent to 45,250 yuan (\$7,276) a ton. Trading in China resumed today after being closed Jan. 1-2 for a public holiday.

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