

**Copper hits more than 3-week high after Chile quake**  
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London copper climbed to its highest in more than three weeks on Wednesday after a powerful earthquake off the coast of top mine supplier Chile triggered a tsunami alert, which raised supply concerns and set off a volley of technical buying.

Copper prices jumped 1% on the news, before steadily paring gains. Prices have been slowly recovering from three-and-a-half-year lows touched last month, but have failed to find momentum given demand from top consumer China has been sluggish.

"The most immediate risk would be that these tsunami warnings might affect loadings in the ports," said analyst Mark Keenan of Societe Generale in Singapore.

Still, there may be room for copper to make more gains after Friday's non-farm payroll report, which should shed fresh light on the state of the US economy.

"The stock market hit record highs. US data improved. Copper is not only driven by what is going on in China," he added.

Three-month copper on the London Metal Exchange added 1 percent to US\$6,728.75 a ton and the highest since March 10, before easing to US\$6,662 a ton by 0233 GMT (10.33am, Malaysia time), up 0.1% and adding to small gains from the previous session.

The most-traded July copper contract on the Shanghai Futures Exchange also gained more than 1 percent before trading flat at 46,620 yuan a ton.

A major earthquake of magnitude 8.2 struck off the coast of Chile on Tuesday, triggering a tsunami that hit the northern part of the country and a tsunami warning for all of South and Central America's Pacific coast.

Iquique is a key copper exporting port, close to the country's main copper mines. Mining companies Codelco and BHP Billiton said that had not yet received reports of damage to mines.

London-listed Antofagasta Minerals also said on Tuesday its copper operations were unharmed.

On the demand side, manufacturing in Asia and Europe finished the first quarter on a weaker note but activity in the United States remained relatively steady, suggesting severe winter weather in North America had only a modest effect on US factories.

Persistent weakness in China's manufacturing sector has reinforced fears of a sharper-than-expected slowdown at the start of 2014, and some government economists think authorities have already started boosting spending to put a floor under growth, which has lent support to copper prices.

However, for now Chinese end-users of refined copper have limited buying of spot metal to a hand to mouth basis, betting prices will decline further after a 5% fall last month and despite a seasonal rise in orders as well as weaker domestic supply. – Reuters, April 1, 2014.

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