

## Strikes can drive up copper prices



A strike at Chile's largest copper mine, the Escondida mine, has just been called off. But the threat of a strike looms ever larger.

If strikes last longer, this can reduce the copper supply and drive up the copper price. The world's largest copper mines are located in Chile. About 28 percent of the world's copper comes from the country. China's demand, which is extremely robust, also acts as a price driver. Strikers at Chile's JX Nippon's Caserones copper mines and Codelco Andina Mine are demanding better benefits and higher wages. The Andina mine produced over 184,000 tonnes of copper in 2020. Strikes are also currently threatening two other copper mines in Chile, Cerro Colorado and Salvador.

Strikes often last for weeks. As a result, voices are already being raised that see higher copper prices. The copper price reached a new all-time high as recently as May, because copper, a metal of the economy, is in high demand. Infrastructure projects, renewable energies and electromobility devour copper, as do house construction and electronics. So, it's worth watching the strike activity.

One thing that could reduce demand for the reddish metal would be a delaying reopening of the economy by the delta variant of the pandemic, although this would probably only be a short-term effect. Demand from key sectors should remain intact, according to experts at UBS, for example. The decarbonisation initiatives are providing confidence among copper experts for a price rally.

So, it's time to take an interest in companies with copper in their projects. **Copper Mountain Mining** holds a 75 percent stake in the producing Copper Mountain Mine in British Columbia. The second quarter of 2021 was very successful in terms of production volume and also cash flow.

**GoldMining** - <https://www.youtube.com/watch?v=eZ9UEdMQAyw> - owns the projects Titiribi and La Mina in Colombia, both containing copper, gold and silver, further projects in North and South America are in the portfolio.

Current corporate information and press releases from Copper Mountain Mining (- <https://www.resource-capital.ch/en/companies/copper-mountain-mining-corp/> -) and GoldMining (- <https://www.resource-capital.ch/en/companies/goldmining-inc/> -).

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