

## Zinc and copper are essential



In the automotive industry, and not only there, zinc and copper are indispensable.

The supply of zinc on the European market is limited. By the end of May, zinc inventories on the LME had fallen by a good eleven percent compared with April. As a result, zinc inventories in Europe were almost empty at the end of May. Currently, zinc costs just under US\$3,600 per ton. The average AME Europe zinc spot price in May was US\$3,785 per ton. So, the price is still some way off the April peak of US\$4,527 per ton. The fundamentals for the metal are strong, all that's missing is an economic recovery to drive demand for zinc. The problem for automakers is supply chain issues. After all, order backlogs have even reached historic record levels, customers want to buy vehicles, but the industry can only deliver to a limited extent.

Copper is also an important raw material in the automotive industry. Besides, the green revolution does not work without the reddish metal. In May, Chinese demand for cars fell due to the zero-covid policy. And so, the price of copper has been on a downward trend since March. It is cheaper than it has been since last October. Perhaps this is the best chance to get in, because in the longer term, copper demand should pick up again. Experienced analysts also expect copper prices to return to the five-digit range by 2023 at the latest.

Among copper companies, **Hannan Metals** - <https://www.youtube.com/watch?v=d24jQVrtkKE> - appeals. As one of the largest landowners in Peru, the company develops sustainable metal deposits.

When it comes to zinc, **Griffin Mining** - <https://www.youtube.com/watch?v=8RJs1mZ1ics> - comes to mind. The company owns 88.8 percent of the Caijiaying zinc-gold mine in China, which is producing successfully and makes Griffin Mining the largest zinc producer in China.

Current corporate information and press releases from Hannan Metals (- <https://www.resource-capital.ch/en/companies/hannan-metals-ltd/> -) and Griffin Mining (- <https://www.resource-capital.ch/en/companies/griffin-mining-ltd/> -).

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