

Expected interest rate cuts good for industrial metals such as copper



If interest rates fall in the USA over the course of the year, this could also happen in China and give industrial metals a boost.

When the Chinese central bank (PBoC) recently lowered the minimum reserve ratio (banks' compulsory deposit), the prices of industrial metals immediately reacted positively. This easing is intended to stimulate the economy. China is still suffering from various developments such as the pandemic measures and the problematic real estate market. However, the further economic development in Asia is still uncertain. However, if interest rate cuts in the USA are followed by interest rate cuts in China, this should boost industrial metals such as copper. In the case of copper, there is also a shortage of copper supply.

Panama's largest copper mine has ceased operations. Cobre Panamá accounts for 1.5 percent of global copper production. Overall, according to the International Copper Study Group, the global copper market ended 2023 with a deficit of 93,000 tons. The deficit increased in November and December in particular. This could be another factor for a price recovery for the copper price. In any case, China's economy grew by 5.2 percent last year, more than in the previous year. And once the real estate market in the world's second largest economy recovers, there is further potential.

Copper is an important raw material for the growing e-mobility sector and also for the expansion of renewable energies in China and beyond. Tin, a raw material that tends to be neglected, is also important for e-mobility, for example in batteries and, of course, as solder in printed circuit boards.

Tin One Resources - <https://www.commodity-tv.com/ondemand/companies/profil/tinone-resources-inc/> -, for example, is focusing on tin with its promising tin projects in Tasmania and New South Wales.

In addition to gold, **Aurania Resources** - <https://www.commodity-tv.com/ondemand/companies/profil/aurania-resources-ltd/> - owns copper in its The Lost Cities project in the Andes in Ecuador.

Current company information and press releases from Aurania Resources (- <https://www.resource-capital.ch/en/companies/aurania-resources-ltd/> -).

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