

Copper price consensus outlook suggest rally will run out of steam

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Copper futures trading on the Comex market in New York raced ahead on Wednesday as global supply disruptions came back into view and [large-scale speculators place huge bets on rising prices](#).

In massive volumes of more than 3 billion pounds by lunchtime copper for delivery in September jumped to a high of 2.9795 a pound (\$6,569 per tonne), up more than 3% from Tuesday's close to the highest since end-November 2014.

The Chinese government's efforts to rein in credit growth in order to avoid the buildup of asset bubbles are likely to dampen demand
Copper's 2017 year to date gains in percentage terms now top 18% and the red metal has recovered 54% in value after falling to six-year lows below \$2.00 a pound in January last year.

The outlook for the rest of the year is more subdued however.

According to an [August survey by FocusEconomics](#) copper prices are set to dip after getting slightly ahead of fundamentals following the rally from its summer lows:

The Chinese government's efforts to rein in credit growth in order to avoid the buildup of asset bubbles are likely to dampen demand for the red metal going forward, while the resolution of the dispute at the Grasberg mine would boost supply.

This month 18 analysts polled by FocusEconomics took a wait-and-see approach and kept their projections unchanged for Q4 2017, while five upgraded their forecasts and one projection was revised down from last month's estimate.

Analysts project that prices will average \$5,722 per tonne in Q4 2017 and \$5,832 per tonne in Q4 2018. The lowest forecast for Q4 2017 is \$4,899 per tonne, while the maximum forecast is \$6,200 per tonne.

COPPER OUTLOOK 2017

Quarterly Copper Prices

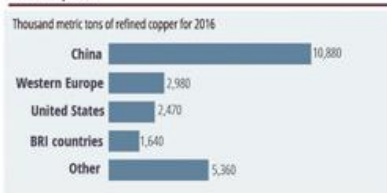


Forecast & Change from Spot

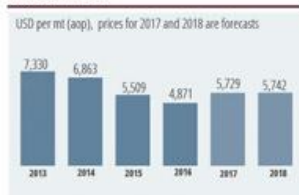
Forecast Period	Forecast	Δ Spot	Forecast (Last 6 months)
Q3 17	5,749	-2.4%	
Q4 17	5,722	-2.9%	
Q4 18	5,832	-2.1%	

Spot Price	1 month ago	1 year ago
6,348 04-August 2017	5,867	4,815
	+8.2%	+31.8%

Consumption



Annual Prices



Global Production & Consumption

