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Copper Gains to 12-Week High in New York as Dollar Weakens, Equities Climb

By Anna Stablum and Millie Munshi - Jul 29, 2010

Copper rose to a 12-week high on speculation that the global economy will be resilient and metal demand will improve.

The European Commission said today that [confidence](#) in the region's economic outlook rose in July to the highest level in more than two years. The number of Americans filing first-time jobless [claims](#) fell last week, government data showed. Copper has gained 12 percent this month.

"We're heavily invested in the base metals as a play on the economic recovery," said [Christian Wagner](#), who helps oversee \$150 million as chief investment officer of Longview Capital Management in Wilmington, Delaware.

Copper futures for September delivery gained 4.45 cents, or 1.4 percent, to \$3.29 a pound at 1:16 p.m. on the Comex in New York. Earlier, the price reached \$3.297, the highest level for a most-active contract since May 4.

The dollar dropped as much as 0.8 percent against a basket of six currencies, boosting the appeal of commodities as alternative assets.

"The markets are ready for a rally and are looking for reasons," said [Eugen Weinberg](#), an analyst at Commerzbank AG in Frankfurt.

Copper for delivery in three months rose 0.8 percent to \$7,230 a metric ton (\$3.28 a pound) on the London Metal Exchange.

Aluminum, tin, nickel, lead and zinc also gained.

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