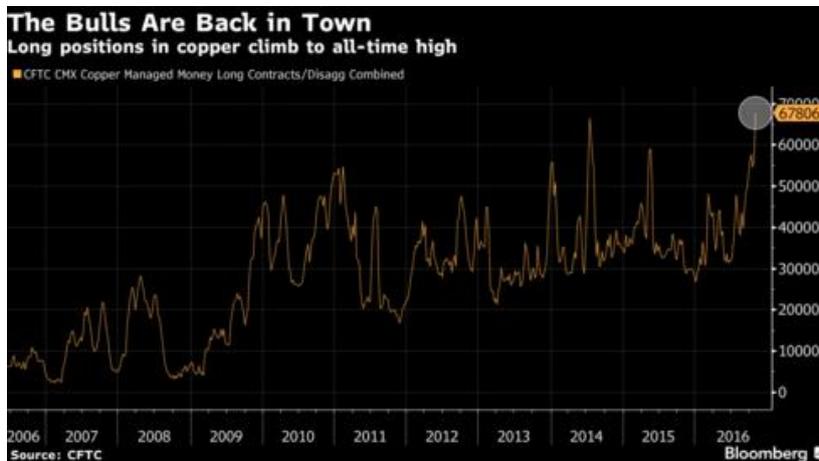


Hedge Funds Get Bullish on Copper

- Bullish bets rise to highest in CFTC data going back to 2006
- Copper gains have lagged behind other base metals this year

Money managers are betting that copper's days as a metals-market laggard may be coming to an end. Hedge funds and other large speculators boosted their long positions by 20 percent to a record 67,806 U.S. copper futures and options contracts in the week ended Nov. 1, according to Commodity Futures Trading Commission data released Friday. They held a net-long position of 23,340 contracts, after being net short a week earlier.

While copper futures are up about 6 percent this year, the metal has been left behind in a metals rally this year amid concerns that abundant supply will prolong a glut. There are signs sentiment may be turning. Antofagasta Plc's top executive is less pessimistic after meeting customers and traders this week, and the prospect of supply disruptions in Chile means production will be lower than expected and supports a positive view on copper, UBS Group AG said.



Even as copper is in an oversupply in the short term, there is a consensus that over the medium term it is one of the most scarce commodities, Vale SA Chief Financial Officer Luciano Siani said in an interview Thursday.

Copper futures have climbed for 10 straight sessions, the longest winning streak in more than two years. The metal for December delivery advanced 0.7 percent to settle at \$2.265 a pound on Friday on the Comex in New York.

In other metals

- The net-long position for platinum rose about 79 percent to 7,738 futures and options contracts, marking the first gain in net-long positions in almost three months. Net-long bets in palladium dropped for a fourth straight week.
- Silver net-long positions rebounded from the lowest since February, while net bullish bets on gold advanced for a second straight week.

<http://www.bloomberg.com/news/articles/2016-11-04/hedge-funds-get-bullish-on-copper-as-long-positions-reach-record>