

## BUSINESS

## NEWSMAKERS



David Skid



Gary Mennie



Jackie Franklin



Dale Royal



Nicholas N. Kemper



David Keil

■ Morgan Stanley's **David Skid**, a financial adviser in the firm's wealth management office in Atlanta, has been promoted to managing director.

■ FisherBroyles LLP has hired **Barry Goheen** as a commercial litigation partner in its Atlanta office.

■ The owners of il Giallo Osteria & Bar have launched a catering division and hired chef **Gary Mennie** to spearhead the culinary side.

■ **Jackie Franklin** has been named director of off-premise catering.

■ Velo Solar has added two new executives with solar expertise to its management team.

■ **Thatcher Young**, vice president of business development, and **Mary Britten**, director of operations.

■ **Dale Royal**, executive director for Local Initiatives Support Corporation in Atlanta, has joined

the board of directors at Access to Capital for Entrepreneurs Inc.

■ **Kenneth Heagney**, the state of Georgia's fiscal economist, has been named the new director of Georgia State University's Fiscal Research Center.

■ IHG (InterContinental Hotels Group) has named **Jamie Cole** as senior vice president of global channels.

■ Chamberlain Hrdlicka has added **Nicholas N. Kemper** as an Atlanta-based associate in the firm's corporate, securities and finance group.

■ **Rewey**, a provider of strategic account management technology, has added **Dale Keil**, CEO of Tricentis, to its board of directors.

Please send announcements of promotions and new hires to writer [billhendrick.com](mailto:billhendrick.com) along with color head shots in jpg format.

## MINING

## One million tons of copper is on the way – but is it enough?

By Laura Millan Lombra and Jack Farchy  
Bloomberg

Giant mines currently under construction will churn out an additional 1 million tons of copper through 2023, but that won't be enough to fully close an expected gap between supply and demand in the next few years.

Industry analysts and executives descending on Santiago last week for the Cesco conference, one of the industry's biggest events, are in bullish spirits: a key indicator of the market for semi-processed copper ore — known as concentrates — is pointing to the tightest market in more than five years, and banks and brokers such as Morgan Stanley and Macquarie Group Ltd. rank the metal as one of their top picks.

"We are looking at a classic resource cycle," said Colin Hamilton, managing editor for commodities at BMO Capital Markets. "No one has copper coming now, when it is needed, but everyone has projects coming 2022-2023 — potentially after we've had to drive some substitution." Copper futures traded in New York reached the highest in more than three years at the end of 2017. Shortly after that, large copper projects that had been on hold since a downturn 2016 moved into construction phase.

Anglo American Plc has started building its Quellaveco mine in Peru, which will begin ramping up in 2022, and Teck Resources Ltd. has announced its Quebrada Blanca expansion in Chile will start producing in 2023. The two mega projects join First Quantum Metals Ltd.'s Gabczka mine, which has started producing this year.



Morgan Stanley, which late last month listed copper as its top pick among metals in a quarterly report, said it expects the market will post a deficit of 406,000 tons this year and of 187,000 tons next. [DADO GALDEBOSI / BLOOMBERG](https://www.bloomberg.com/photos/2019/04/14/01)

The researcher forecasts a 270,000-ton short by 2023. "Prices were higher at the beginning of last year, and as a result of that a lot of board approvals came through," said Vanessa Davidson, CRU's director of copper. "Because we've seen lower prices since then, a lot of people have started to hold back."

The outlook for the deficit is helping underpin prices even as concern mounts over a slowing global economy and persistent trade frictions. The metal is expected to end the year at about \$2.86 a pound, near the current \$2.93, and to remain largely unchanged for the next two years, Davidson said. The price is forecast to reach \$3.30 in 2023, according to CRU.

A decline in copper prices from last year's high has slowed development of additional projects needed to fill the shortfall. It will probably take higher prices for boards to approve additional projects, Davidson said.

"I think projects are going

last month listed copper as its top pick among metals in a quarterly report, said it expects the market will post a deficit of 406,000 tons this year and of 187,000 tons next. It also sees prices rising above \$3 per pound by the end of this year or the beginning of next.

The case for a supply-driven deficit in copper this year is strengthened by an announcement from Glencore Plc that it would cut capacity by half at its Mutanda plant in Congo, a two-month road blockage at MMG Ltd.'s Las Bambas mine in Peru and rains in northern Chile at the beginning of the year, Morgan Stanley analysts led by Susan Bates said.

MMG, Peruvian government representatives and community leaders signed an agreement Saturday to lift the road blockages, but the route would remain inaccessible Monday, the protesters' consultant Jorge Paredes told El Comercio. The company hopes the road will be unblocked and operations

look on copper for the short term, and is forecasting a mild deficit for the next two years, analysts led by Tom Price said in a report. The bank points to an emerging recovery in demand sentiment from China as trade talks with the U.S. have progressed. The bank expects the two countries to reach a trade deal that would help lift copper prices during the second quarter.

Trade negotiations between China and the U.S. and the impact that tensions could have on Chinese demand for the metal are likely to be at the center of conversations during the gathering in Santiago, China is the world's largest buyer of copper and it consumed more than half of the estimated 23.5 million tons of copper produced in 2018, according to Chile copper agency Codelco.

Brokers have renewed confidence in copper in the near term as spot treatment and refining charges, known as TC/RCs, fall while prices of the metal are up year