

Investments - Flash

M. Alain Freymond - Partner & CIO



A WINDOW OF OPPORTUNITY TO REPOSITION ON COPPER AFTER ITS SHARP CORRECTION

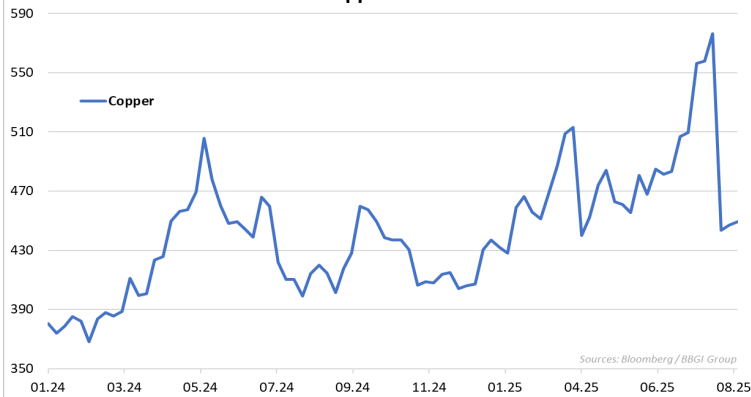
Marked decline in prices but fundamentals remain strong

After a generally favorable year for industrial metals in 2024, 2025 began with a sharp correction, particularly for copper. Since the spring, prices have fallen by nearly 20% from their highs last year, against a backdrop of industrial slowdown in Europe and downward revisions to global growth forecasts. After rebounding in the second half of 2024, Chinese momentum has also slowed at the start of this year, adding to the downward pressure. However, the correction appears to be more related to excessive pessimism than to a real structural deterioration. Global copper inventories remain close to historic lows, confirming that supply is constrained by several years of underinvestment and production disruptions in Latin America. Under these conditions, the ability of supply to respond to a recovery in demand remains limited. In the medium term, the outlook for consumption remains solid. Copper remains at the

heart of projects related to the energy transition: electrification of networks, development of electric vehicles, energy storage, and massive investments in infrastructure. Added to this is the prospect of renewed support in China and a recovery cycle in India, which could trigger a rebound in demand by the end of the summer. Our outlook for the end of 2025 is therefore constructive: after what we consider to be an excessive correction, copper prices should stabilize over the summer and be well positioned to benefit from renewed investor interest. We believe that a recovery is likely, driven by a combination of low inventories, structurally growing demand, and the reactivation of infrastructure plans. In this context, current price levels may prove to be a good window for long-term repositioning in this asset.



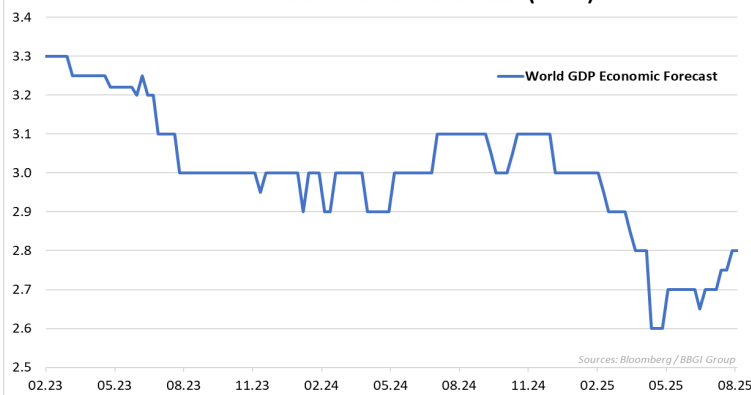
Copper Price



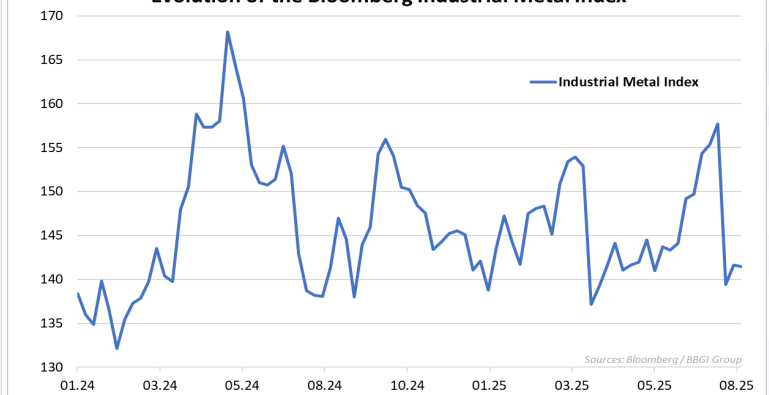
Copper Inventory Composite Index



World GDP Economic Forecast (YoY%)



Evolution of the Bloomberg Industrial Metal Index



Important information: This document is confidential and intended exclusively for its recipient and may not be transmitted or reproduced, even partially, without the express written consent of BBGI Group. It is provided for information purposes only and does not constitute an offer or solicitation to buy, sell or subscribe. BBGI Group cannot be held responsible for any decisions taken on the basis of the information provided. The figures are based on quantitative and judgmental analysis. The client remains fully responsible for the management decisions made in relation to this document. We endeavour to use information that is deemed reliable and cannot be held responsible for its accuracy and completeness. The opinions and all information provided are subject to change without notice. The data mentioned is indicative only and is subject to change without notice in the light of changing market conditions. Past performance and simulations are not indicative of future results.