

Industrial Metals Fall On Drop In NY Manufacturing

Sandy Shore, AP Business Writer

Industrial metals prices fell Monday after manufacturing slowed in the New York area this month, reflecting a sluggish trend across the nation.

Copper, silver, platinum and palladium each fell less than 1 percent.

The Federal Reserve's Empire State Manufacturing Survey found that general business conditions declined in December for a fifth consecutive month. Orders and shipments also fell.

The results mirror a weaker trend in U.S. manufacturing, which shrank in November to the slowest pace since July 2009, according to the Institute for Supply Management.

Company owners have delayed purchases of machinery and equipment because of uncertainty about where the economy may be headed.

There also are worries about demand in China after new Communist Party leaders promised reforms aimed at reducing reliance on exports and increasing spending if needed to promote economic growth. China is a huge importer of raw materials, including copper, oil and soybeans.

Demand for industrial metals largely depends on stimulus measures to help the economy and rebuilding. None of that will start until the first quarter of next year, said George Gero, vice president at RBC Global Futures.

In March metals contracts, silver fell 1.9 cents to finish at \$32.28 per ounce, copper dropped 1.7 cents to \$3.666 per pound and palladium ended down \$3.75 at \$698.30 an ounce. January platinum fell \$6 to \$1,608.50 an ounce.

The price of gold rose slightly on encouraging signs about the budget negotiations. President Barack Obama and House Speaker John Boehner need to reach an agreement on a new budget that can be approved by Congress before Jan. 1. Without a deal, spending cuts and tax hikes will go into effect that some economists believe will push the U.S. in recession.

Gold for February delivery rose \$1.20 to end at \$1,698.20 an ounce.

Volume was light across the metals complex as many traders solidified their portfolios ahead of next week's holidays and waited for the outcome of the budget talks.

Industrial Metals Fall On Drop In NY Manufacturing

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

In other trading, benchmark oil rose 47 cents to finish at \$87.20 per barrel, heating oil fell 2.44 cents to \$2.9563 per gallon, wholesale gasoline dropped 0.75 cent to \$2.6546 per gallon and natural gas rose 4.4 cents to \$3.358 per 1,000 cubic feet.

March wheat fell 6 cents to end at \$8.08 per bushel, March corn fell 6.75 cents to \$7.24 per bushel and January soybeans were essentially flat, up 0.25 cent to \$14.9625 per bushel.

Source URL (retrieved on 09/23/2014 - 12:49am):

http://www.impomag.com/news/2012/12/industrial-metals-fall-drop-ny-manufacturing?qt-digital_editions=0&qt-most_popular=0