

Dear reader,

Welcome to this week's investment report, where we will delve into an exciting opportunity that promises substantial returns. The focus is on copper, a commodity that has caught the attention of a billionaire investor, Robert Friedland.



What is the Next 1000% Opportunity?

In a recent Bloomberg interview, we gained valuable insights from Robert Friedland, a highly regarded billionaire known for his successful ventures in the commodities and mining industry. As the founder of Ivanhoe Mines, a leading resource conglomerate with a market capitalization of around \$10 billion, Friedland's track record lends credibility to his predictions. During the interview, he shared his beliefs about copper, hinting at the possibility of a tenfold increase in its value.

Reasons for Price Surges

Robert Friedland's optimism about copper's future stems from two significant factors that are driving its price surges. Firstly, the ongoing global push towards decarbonization, with investments in solar and wind power, has led to an unprecedented surge in demand for copper. Secondly, geopolitical events, such as the Ukrainian-Russian conflict, will further fuel copper demand due to increased armament and significant infrastructure upgrades by many countries will only further increase the demand. Simultaneously, the quality of newly discovered copper deposits has been consistently declining.

The dynamics of rising demand and diminishing supply combine to create a highly attractive investment case for copper. To put this in perspective, the estimated global copper consumption by 2035 is 50m metric tons (2022: 25m). The world needs a massive increase in copper production! To be more precise: 3 new tier-one mines p.a. for the next 29 years, that would cost about 500bn USD, and to develop such a new mine it usually takes about 15 years.

Previous Performance (USD/Lbs)



The Challenge of Depleting Copper Reserves

One critical aspect of the copper market is the declining quality of copper reserves. As time passes, new copper deposits are becoming harder to find and mine. For example, Chile, known for its substantial copper production, is facing challenges as the quality of its copper reserves deteriorates. Mining companies are required to venture into deeper and more challenging layers of the Earth to extract copper, leading to increased production costs. This decline in quality combined with rising production expenses poses additional challenges for the copper industry.

Investment Options

Considering the promising investment case for copper, let's explore various investment options. First of all, there would be the option to invest through a Copper ETC, but these are backed by futures contracts and should not be used for longer-term investments, as the rollover fees would eat up a good portion of your profits over time. If you want to profit from the price movements over the next years, then you should consider one of the following options:

1. Individual Stocks: Investors may opt to invest in individual companies heavily involved in copper mining and production, such as Freeport-McMoRan, BHP, Glencore, Southern Copper or others.
2. Exchange-Traded Funds: For broader exposure to the overall commodity market, you might consider one of the three ETFs we covered in a previous report titled "[Commodity Stocks - Which is the Best ETF?](#)" There is no pure copper-focused ETF, but copper has a significant weight in some of those ETFs.

Conclusion

Copper certainly presents an enticing investment opportunity. The convergence of increased demand driven by global decarbonization efforts, geopolitical factors, and the decline in copper reserves and its quality makes it a compelling market to consider. If you want to play the copper story on itself, then you will have to choose individual stocks, as we also do in the long-term and actively managed portfolio of our premium investment letter. In fact, with our actively managed portfolio, we are currently looking for a good entry in our favorite copper stock, which brought us significant gains in the past. We also offer a double money-back guarantee; you can find out everything about the premium letter [here](#).