One thing going against the prices of base metals, particularly copper, is that the demand-supply gap--as indicated by lower inventories--may be corrected at the start of the second semester of 1989. Demand for the red metal may taper off due to the slower growth of industrial countries. This precludes that copper-intensive capital goods industries will also register lower growths in output. While on the supply side, large production units in major copper-producing countries are scheduled to come on-stream in the coming years. The threat of substitutes, however, is seen to have an effect yet in the long term. A slight reduction in copper prices may be expected this year. Also, the dampening effects of these negative factors will be felt strongly in 1990's when copper prices will be around $0.60 to $0.85 per pound.

Mineral Reserves

Positive or measured reserves [1] of metallic minerals as measured in 1986 are shown in the table below.

Table 4.1: Positive Reserves of Metallic Minerals, 1986

Mineral	Unit	Positive Reserves Metal Content
Primary Gold	Kg.	153,873
Secondary Gold	Kg.	1,040,162
Copper	Mt.	15,881,551
Nickel	Mt.	16,777,296
Lead	Mt.	149,436
Iron Ore	Mt.	461,852,517
Chromite:		
Metallurgical	Mt.	10,962,339
Refractory	Mt.	4,708,836
Chemical	Mt.	3,225,939

Note: Figures for iron ore and chromite are comparative tonnages for ores and not net metal contents.

Source: BMGS, SGV (1988)