

Deal Leaders International's Andrew Bahlmann: Rio-Glencore deal to shake things up

Copper is fast becoming the Lewis Hamilton of metal mining strategy. Estimates reckon copper demand has the potential to increase by roughly 50% by 2040. Its growing allure is pushing more and more producers to secure their seat at the copper assets table through lucrative deals.

By [Andrew Bahlmann](#) 13 Jan 2026



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Therefore, the renewed merger discussions between Glencore and Rio Tinto represent one of the most significant potential consolidations in the global mining industry in years.

I see the potential tie-up as symptomatic of a new phase of consolidation driven by the global energy transition.

Copper sits at the core of electrification, renewable energy infrastructure and electric vehicles, with miners consequently chasing scale in metals in a move to underpin decarbonisation.

A combined Rio-Glencore entity controlling ~8–9 % of global mined copper production would establish a formidable platform to serve tightening markets.



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From a financial perspective, combining Rio's disciplined capital allocation with Glencore's broader commodity portfolio could unlock cost synergies and increased operational efficiency, although from an M&A perspective, integration risks remain significant.

Identifying this risk, capital markets have reacted nervously so far, with Rio shares sliding on news of the talks, underscoring investor scepticism about valuation and execution.

For the broader global mining sector, a deal of this magnitude would likely accelerate further consolidation particularly among companies seeking to scale up in high-growth metals or diversify risk.

Highlighting this trend is the recent Anglo American-Teck Resources merger, itself framed around copper leadership.

While the Glencore-Rio Tinto merger is focused on global assets, there are possible knock-on effects for South Africa.



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Glencore is listed on the JSE and has operations in the country, including ferrochrome, vanadium and coal interests.

Any strategic repositioning — whether divestitures or capital reallocations — could influence local employment, investment flows and commodity markets.

However, South African stakeholders may be indirect beneficiaries rather than central drivers of the transaction, given the global strategic motivations centred on copper and portfolio optimisation.

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