



Metals Despatch

Newsletter of the International Metals Study Groups

June 2023, Issue No. 33

LEAD AND ZINC MARKET FORECASTS

The Group's latest outlook for world supply and demand for lead and zinc was put forward and approved during the ILZSG meetings held on 26 April 2023.

Lead Usage

Global demand for refined lead metal was forecast to rise by 1.7% to 12.53 million tonnes in 2023

Lead Supply

World lead mine production was forecast to grow 2.8% to 4.56 million tonnes and world refined lead production was expected to increase by 2.8% to 12.51 million tonnes.

World Refined Lead Metal Balance

The global demand for refined lead metal was expected to exceed supply by 20,000 tonnes this year.

Zinc Usage

World demand for refined zinc metal was forecast to rise by 2.1% to 13.80 million tonnes in 2023.

Zinc Supply

World zinc mine production was predicted to increase by 3% to 12.86 million tonnes and global refined zinc metal production was forecast to grow by 3.1%.

World Refined Zinc Metal Balance

The demand for refined zinc metal was forecast to exceed supply by about 45,000 tonnes in 2023.

For further details, please contact João Jorge at joao_jorge@ilzsg.org

STUDY GROUP MEETINGS OCTOBER 2023

LISBON, PORTUGAL

INSG: 2 - 3 October

ICSG: 3 - 4 October

ILZSG: 5 - 6 October

JOINT SEMINAR ON

“The Role of Recycling in Meeting Future Demand for Base Metals”: 4 October (pm)

COPPER MARKET FORECASTS

The latest ICSG forecast for 2023-2024 copper production and usage was presented in detail and approved at the Group's meetings held on 27 and 28 April 2023.

Copper Supply

World copper mine production was forecast to increase by 3% and 2.5% in 2023 and 2024 respectively. World refined copper production was forecast to rise by 2.6% in 2023 and 4.4% in 2024.

Copper Usage

World apparent refined copper usage was forecast to grow by about 1.4% in 2023 and 2.8% in 2024.

World Refined Copper Metal Balance

World refined copper balance projections indicated a deficit of about 114,000t for 2023 and a surplus of 298,000t in 2024.

For further details, please contact Ana Rebelo at rebelo@icsg.org

NICKEL MARKET FORECASTS

The most recent INSG production and usage forecasts for world primary nickel were discussed in detail and ratified at the Group's meetings on 24 and 25 April 2023.

Primary Nickel Production

World primary nickel production was 2.610Mt in 2021 and 3.060Mt in 2022, and was forecast to reach 3.374Mt in 2023.

Primary Nickel Usage

World primary nickel usage was 2.779Mt in 2021 and 2.955Mt in 2022. The INSG forecasts an increase to 3.134Mt in 2023.

World Primary Nickel Balance

The implicit market balances are therefore a deficit of 169kt in 2021, and surpluses of 105kt in 2022 and 239kt in 2023.

For further details, please contact Ricardo Ferreira at ricardo.ferreira@insg.org

INSG MEETINGS APRIL 2023

About 60 delegates from INSG member countries, industry, and observer countries/organizations participated in the Group's meetings during which a variety of statistical, economic, and environmental issues related to nickel were reviewed.

Veronique Steukers, Director H&E Public Policy, Head of Office, Nickel Institute, discussed "Life Cycle Assessment of Nickel".

James Birch, Analyst Smelting & Refining Assets, CRU, presented "CRU's Carbon Emissions Model for Base Metals".

Adina Georgescu, Energy and Climate Change Director, Eurometaux, reviewed "The Impact of Energy Costs on the European Metals Sector".

Onur Birol, Deputy General Manager, Meta Nikel Kobalt A.Ş., Türkiye, provided delegates with an update on Meta Nikel's Gördes project.

Daniel Fletcher-Manuel, Head of Prices, Data & Indices, Benchmark Mineral Intelligence, United Kingdom, assessed Benchmark's latest perspectives on the battery supply chain.

Dmitry Kuznetsov, Marketing Manager, Glencore, Norway/Switzerland, discussed the company's participation in the world's first battery passport proof of concept launched by the Global Battery Alliance.

Xu Aidong, Chief Analyst, Antaike, China P. R., made a presentation on "The Nickel Industry in China and Indonesia".

Kai Hasenclever, Director Economics, Statistics and Long Products, Worldstainless, Belgium, provided a "Stainless Steel Market Outlook".

ILZSG MEETINGS APRIL 2023

Approximately 60 representatives from member governments, industry associations, companies, and observer governments attended the ILZSG meetings.

Elena Belletti, Head of Carbon Research, Wood Mackenzie, UK, made a presentation on "Benchmarking Carbon Emissions Along the Minerals and Metals Value Chain".

David Wilson, Director, Commodity Strategy, BNP Paribas, London, provided delegates with an assessment of the "Medium Term Challenges and Opportunities for Zinc".

RECRUITMENT OF ICSG DIRECTOR OF ECONOMICS AND ENVIRONMENT



Applications are now being sought for the **Director of Economics and Environment position at the ICSG** with the successful applicant expected to join the secretariat by January 2024.

For further details please refer to the **ICSG website: www.icsg.org**.

ICSG MEETINGS APRIL 2023

Around 90 delegates from member governments, industry associations, companies, and observer governments attended the ICSG meetings.

Phillip Mackey, a member of the Canadian Mining Hall of Fame, delivered a presentation on the impact of changing copper concentrate and copper/alloy scrap composition.

Tom Mulqueen, Metals Strategist, Commodities Research at Citi Global Markets, presented Citi's estimates of the expected medium-term gap between copper mine supply and end use.

Cao Mingyue, Deputy Director, International Cooperation Department, China Non-Ferrous Metals Association, made a presentation on industry developments and the outlook for copper supply and demand in China this year and next.

Mark Loveitt, President at the IWCC, discussed trends of copper usage in the EU in light of relevant developments in other geographies.

Alice Fox, Associate Director, Commodities Strategy, at Macquarie Group, discussed the outlook and trends for copper demand in the longer term.

Dan Smith, Head of Research, Amalgamated Metal Trading, presented a traders' view on the outlook for the copper market with a particular focus on China and investors.

JOINT ICSG ILZSG INSG SEMINAR - “INCENTIVIZING INVESTMENT IN BASE METAL MINING”

On Wednesday, 26 April 2023 at the Study Groups' offices in Lisbon, representatives from the governments of the copper, lead, zinc, and nickel Study Groups together with industry and academic experts came together in order to exchange views on how best to encourage companies to invest in the base metal mining sector.

Paul White, the Common Secretary-General of ILZSG/ICSG/INSG, made some opening remarks pointing out the importance of incentivizing investment in order to bring adequate supply to the market in meeting the green transition and tackling climate change.

Dieudonné Tambwe, Deputy Technical Director, Technical Mining Coordination and Planning Unit (CTCPM), Ministry of Mines, Democratic Republic of Congo (DRC), addressed “D.R. Congo's Base Metals Potential – Strategies to Enhance Responsible Mining and Quality Products”.

Gary Stanley, Director, Office of Critical Minerals and Metals, and Lauren Schefsky, Trade Specialist, Office of Critical Minerals and Metals, US Department of Commerce, outlined current “U.S. Government Efforts to Incentivize Investment in Base Metal Mining”.

Barry Jackson, Principal Market Intelligence – Battery and Stainless-Steel Raw Materials, Anglo American, United Kingdom, talked about the company's business structure and efforts in meeting ESG standards.

Ian Devlin, Assistant Principal, Geoscience Policy Division, Department of Environment, Climate and Communications, Government of Ireland, briefed the audience on “Lead and Zinc Prospective and Mining in Ireland”.

Rui Coelho, Técnico Superior, Direção Geral de Energia e Geologia (DGEG), Portugal, made a presentation that focused on three aspects regarding mineral resources in Portugal: history, geology, and policy framework.

Peter Åkerhammar, Senior Adviser, Geological Survey of Sweden (SGU), Uppsala, Sweden, provided a Swedish/Nordic perspective on incentivizing investment in base metal mining.

Copies of most of these presentations are available on the respective INSG, ILZSG, and ICSG websites.

EXTERNAL PRESENTATIONS MADE IN H1 2023

- Jianbin Meng, INSG/ILZSG Director of Economics and Environment presented a paper “Overview of Global Lead and Zinc Industry and Scrap Metals Role in Meeting the Demand” at the **World Recycling Convention 2023 organized by the Bureau of International Recycling (BIR)**, in Amsterdam, the Netherlands, in May 2023.
- Jianbin Meng, INSG/ILZSG Director of Economics and Environment talked about the “Developments in Chinese Environmental Legislation Impacting Lead Value Chains” at the **23rd International Lead Conference organized by the International Lead Association (ILA)**, held in Athens, Greece, in June.
- João Jorge, ILZSG Director of Market Research and Statistics provided delegates with a “Review of the Current Zinc Situation and Outlook for 2023” at the **International Zinc Conference Europe hosted by the International Zinc Association (IZA)**, held in Dublin, Ireland in May.
- Carlos Risopatrón, ICSG Director of Economics and Environment, made a presentation on “ICSG and Copper Market Transparency: Lessons Learned and Challenges for 2023 – 2030” at the **2023 Metallurgical Conference organized by ALTA Metallurgical Services**, held in Perth, Australia in May.
- Carlos Risopatrón, ICSG Director of Economics and Environment prepared and delivered a presentation “Opportunities for Copper in the Global Scenario for 2023 and Beyond” at the **India Copper Conference 2023 organized by India Copper Development Centre (ICDC)**, held in Mumbai, India in February.
- Ricardo Ferreira, INSG Director of Market Research and Statistics presented on the “Global Nickel Market Outlook” at the **Indonesia Nickel and Cobalt Industry Chain Conference organized by SMM** in Jakarta, Indonesia in May.
- Carlos Risopatrón, ICSG Director of Economics and Environment provided the audience with “The Anatomy of the Global Copper Industry in 2023 and Challenges for the Future” at the **Copper Alliance Remote Copper Conference organized by the International Copper Association and the European Copper Institute**, in March.

Copies of these presentations are available from the Groups' secretariats.

INSIGHTS AND ARTICLES

ILZSG

➤ João Jorge, ILZSG Director of Market Research and Statistics prepared a detailed Insight on "The Potential Impact of Hybrid and Electric Vehicles on Lead Demand – Update 4" published in April. *This Insight is available for download on the ILZSG website.*

INSG

➤ Ricardo Ferreira, INSG Director of Market Research and Statistics and Francisco Pinto, INSG Manager of Statistical Analysis wrote an article on "The World Nickel Market in 2023 – Large Surplus Expected" published in June.

OTHER ACTIVITIES H1 2023

➤ Paul White, Secretary-General of the ICSG/ILZSG/INSG, participated in the **Europbat Battery Convention and eMobility Expo and World Congress held in Valencia, Spain on 23 March**. The event comprised an extensive exhibition together with presentations given by representatives of the VW Group, DG Environment, Albemarle, Eurometaux, DG Growth, the European Battery Alliance, Ford Europe, CATL China, and the Spanish and Valencian governments.

➤ The International Wrought Copper Council (IWCC), with whom the ICSG works closely regarding trends in copper usage, held its **2023 Joint Meeting in Bangkok, Thailand from 7 to 10 May**. The meeting was attended by ICSG/ILZSG/INSG Secretary-General, Paul White and ICSG Director of Market Research Ana Rebelo. Ms Rebelo also participated in and contributed to the **Joint Statistical Committee meeting**.

➤ Jianbin Meng, ILZSG/INSG Director of Economics and Environment, represented the Study Groups at **Sustainability Week Insight Hour: Evaluating the role of low-carbon hydrogen in the future energy organized by Economist Event in February 2023 (webinar)** and the **Future Facing Commodities Forum 2023 - EMEA/US Edition organized by Wood Mackenzie in March 2023 (webinar)**.

➤ The Study Groups were invited by UNEP to participate in the **ad hoc open-ended working group (OEWG) to prepare proposals for the "Science-policy panel to contribute further to the sound management of chemicals and waste and to prevent pollution"** and Jianbin Meng, the ILZSG Director of Economics and Environment represented the Secretariats at the meetings in February 2023.

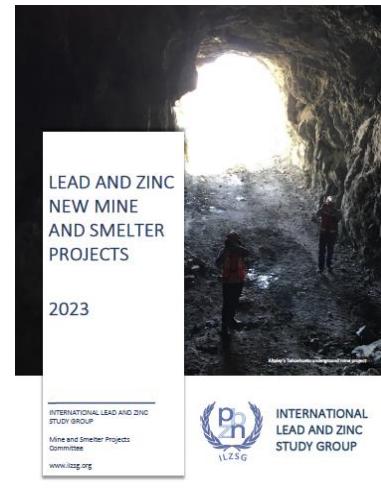
➤ Francisco Pinto, INSG Manager of Statistical Analysis participated in the **6th webinar on The Politics of the Nickel Supply Gap** in February 2023

➤ Ricardo Ferreira, INSG Director of Market Research and Statistics and Francisco Pinto, INSG Manager of Statistical Analysis participated in the meetings of **Team Stainless held in March and June 2023**. In addition to the INSG, Team Stainless partners include World Stainless, IOMA, ICDA, Nickel Institute, Eurofer and EuRIC.

For further information related to these activities, please contact the Study Groups' secretariats.

SELECTED STUDY GROUP PUBLICATIONS

1. **ILZSG Lead and Zinc New Mine and Smelter Projects 2023**

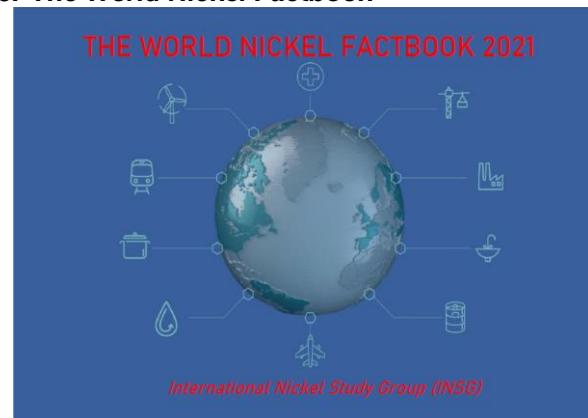


2. **ILZSG Environment, Health and Safety (EHS) Regulations Relating to Lead 2023**
3. **ICSG Directory of Copper and Copper Alloy Fabricators (First Use) – 2023**
4. **INSG World Directory of Nickel Production Facilities 2022**
5. **ILZSG World Directory: Continuous Galvanizing Lines 2022**
6. **ICSG Directory of Copper Mines, Smelters and Refineries – Outlook for 2023-2027 (March 2023)**

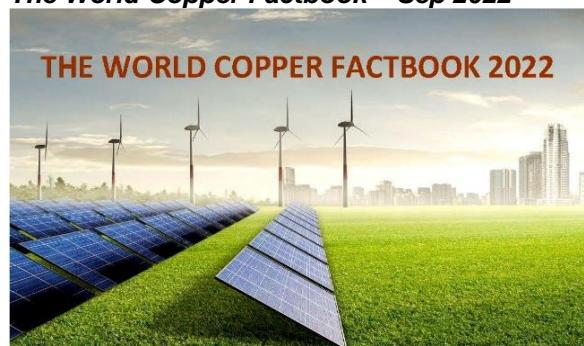
7. ICSG The Chinese Copper Smelter and Refining Industry – November 2022
8. ICSG Mineral Composition of Copper Concentrates & Byproducts 2023
9. ILZSG The Chinese Primary and Secondary Lead Metal Sector 2022
10. INSG Environment, Health and Safety (EHS) Regulations Relating to Nickel 2022
11. ICSG Annual Recyclables Survey 2022
12. ILZSG World Directory of Lead and Zinc Mines 2022
13. ILZSG World Directory of Primary and Secondary Lead Plants 2022
14. ILZSG World Directory of Primary and Secondary Zinc Plants 2022
15. ICSG Statistical Yearbook 2022
16. INSG World Nickel Statistics Yearbook 2022
17. ILZSG Lead and Zinc: National Trade Tariffs and Measures 2021
18. ICSG A Review of Copper and Copper Alloys Fabrication in North America: Capacity, Output, Perspectives 2021
19. ILZSG Lead and Zinc: End Use Industry Statistical Supplement 2020
20. INSG Nickel Production and Usage in Indonesia 2020
21. ICSG European Semi-Manufactured Copper Product Capacity 2019
22. ICSG Smelting and Hydrometallurgy Treatment for Copper Sulphide Ores and Concentrates 2019
23. Joint Study on Solid Wastes in Base Metal Mining, Smelting and Refining: A Comprehensive Study for the Copper, Lead, Zinc and Nickel Industries 2019
24. Joint Study on Responsible Sourcing Initiatives Along the Minerals and Metals Supply Chain 2019

STUDY GROUP FACTBOOKS

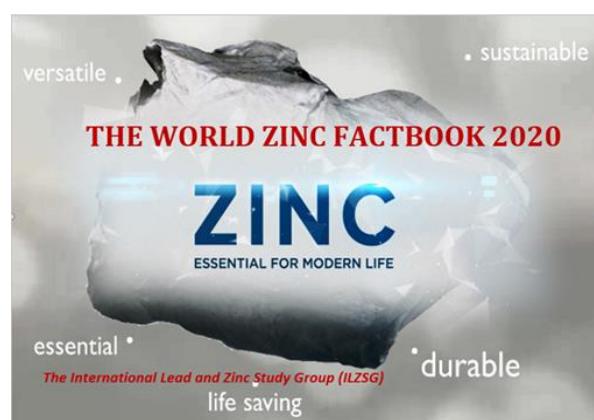
25. The World Nickel Factbook



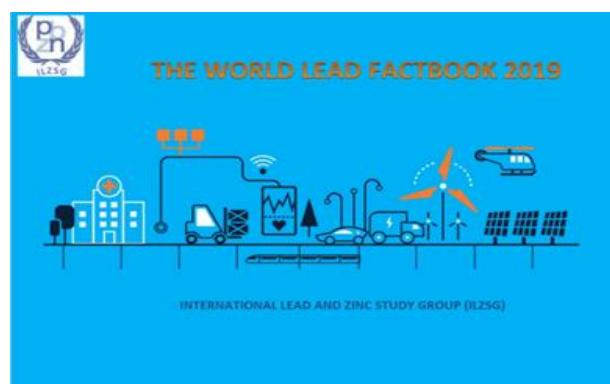
26. The World Copper Factbook – Sep 2022



27. The World Zinc Factbook



28. The World Lead Factbook



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