



International Lead and Zinc Study Group

PRESS RELEASE

22 February 2023

REVIEW OF TRENDS IN 2022 ZINC

The International Lead and Zinc Study Group (ILZSG) released preliminary data for world zinc supply and demand during 2022. A brief summary is listed in the table below. **Full details are available in the February 2023 edition of the Group's 44 page 'Lead and Zinc Statistics' Bulletin.**

World Refined Zinc Supply and Usage 2018 - 2022											
000 tonnes	2018	2019	2020	2021	2022	Jan - Dec		2022			
						2021	2022	Sep	Oct	Nov	Dec
Mine Production	12,723	12,799	12,252	12,797	12,476	12,797	12,476	1,044.7	1,057.9	1,061.7	1,090.6
Metal Production	13,142	13,546	13,780	13,858	13,286	13,858	13,286	1,092.9	1,101.9	1,069.1	1,083.6
Metal Usage	13,722	13,788	13,286	14,062	13,592	14,062	13,592	1,197.7	1,172.8	1,136.0	1,184.1

Source: ILZSG

- Initial data compiled by the ILZSG for the year 2022 show that the global market for refined zinc metal recorded a deficit of 306kt. Inventories held in LME and Shanghai Futures Exchange warehouses together with those reported by producers, consumers and merchants decreased by 178kt to total 630kt.
- **Zinc mine production** declined by 2.5% globally, primarily a result of decreases in Australia, China, Peru and Canada, where the closure of the 777, Matagami and Caribou mines resulted in an overall capacity reduction of 172 thousand tonnes. There were also falls in Brazil, Greece, Ireland, Kazakhstan and Burkina Faso, as a consequence of the suspension of Trevali's Perkoa mine in April due to a flooding event. These were partially offset by rises in Bolivia, India, Pakistan, Portugal, South Africa and the United States.
- Lower **refined zinc metal production** in Europe, where output at a number of smelters was negatively impacted by the sharp rise in the price of electricity, was the main driver behind an overall substantial decrease worldwide of 4.1%. Production also fell in China, Kazakhstan, Mexico and Canada, primarily as a result of technical issues at Glencore's Valleyfield plant and the permanent closure of Hudbay's Flin Flon smelter. In both India and the Republic of Korea, output was higher than that of 2021.
- Global **usage of refined zinc metal** fell by 3.3% in 2022. This was mainly due to a significant reduction in China and further falls in Europe, Australia, Brazil, Japan, the Republic of Korea and Taiwan (China). These declines were, however, partially balanced by rises in Saudi Arabia, South Africa and the United States.
- Chinese imports of zinc contained in zinc concentrates in 2022 rose by 13.1% to 1,968kt. Net exports of refined zinc metal totalled 2kt compared to net imports of 429kt in 2021.
- After rising by a significant 32.7% in 2021, the average LME Cash Settlement Price increased by a further 15.7% to US\$3478 in 2022. The highest Cash Settlement Price of US\$4530 was recorded on 19 April and the lowest of US\$2682 on 3 November.
- The average Shanghai Futures Exchange (SHFE) Cash Settlement Price rose by 12% in 2022, to RMB25,031.

The 2023 edition of the ILZSG 'Lead and Zinc New Mine and Smelter Projects' report, with details of nearly 300 lead and zinc projects spread throughout 59 countries, is now available.

Further details about the International Lead and Zinc Study Group (ILZSG) together with a full list of publications are available on the Group's website at www.ilzsg.org

ZINC

ANNUAL DATA

	2018	2019	2020	2021	2022	000 tonnes Change 2022-2021	
							%
Mine Production*							
Europe	1137	1112	1096	1074	1066	-9	-0.8%
Canada	305	323	247	234	164	-71	-30.1%
Mexico	691	677	688	743	744	1	0.1%
Peru	1474	1404	1335	1532	1370	-163	-10.6%
United States	824	753	718	704	770	66	9.3%
China	4170	4213	4058	4136	4041	-95	-2.3%
India	747	713	727	794	836	42	5.3%
Kazakhstan	346	322	341	318	312	-7	-2.1%
Australia	1147	1337	1312	1323	1232	-91	-6.9%
Other Countries	1882	1944	1729	1938	1943	6	0.3%
World Ex China Total	11899	12046	11534	12093	11707	-386	-3.2%
World Total	12723	12799	12252	12797	12476	-320	-2.5%
Refined Production							
Europe	2555	2453	2485	2457	2191	-267	-10.9%
Canada	686	655	684	643	471	-172	-26.7%
Peru	334	357	319	340	346	6	1.8%
China	5607	6162	6342	6408	6358	-50	-0.8%
India	746	712	710	779	838	59	7.5%
Japan	521	527	501	517	517	-1	-0.1%
Kazakhstan	329	318	319	327	266	-61	-18.5%
Korea Rep	866	858	904	840	880	40	4.8%
Australia	490	432	468	463	358	-105	-22.7%
Other Countries	1009	1072	1049	1083	1061	-22	-2.0%
World Ex China Total	12397	12834	13070	13078	12448	-630	-4.8%
World Total	13142	13546	13780	13858	13286	-572	-4.1%
Refined Usage							
Europe	2484	2394	2215	2391	2309	-83	-3.5%
United States	867	939	866	920	973	53	5.8%
China	6479	6638	6736	6854	6515	-339	-4.9%
India	684	661	558	643	644	1	0.1%
Japan	482	458	382	431	396	-34	-7.9%
Korea Rep	496	474	449	468	428	-40	-8.5%
Other Countries	2230	2224	2081	2354	2327	-27	-1.2%
World Ex China Total	7243	7151	6550	7207	7077	-131	-1.8%
World Total	13722	13788	13286	14062	13592	-470	-3.3%
Reported Metal Stocks (End of Year)							
Producers	342	357	343	336	361	25	
Consumers	137	138	148	129	132	3	
Merchants	14	14	14	13	13	0	
L.M.E.	129	51	202	199	30	-169	
SHFE	20	28	29	58	20	-37	
CNFSRA	254	254	254	74	74	0	
Total	896	842	989	809	630	-178	

* Lead content.

Source: ILZSG