

# *International Lead and Zinc Study Group*

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## **PRESS RELEASE**

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### **ILZSG SPRING 2023 MEETINGS/FORECASTS**

1. The International Lead and Zinc Study Group held its Spring meetings in Lisbon on 26 April 2023. During the meetings the Group received a **review of the current outlook for trends in world supply and demand for lead and zinc during 2023.**

### **Forecasts**

#### **Lead - Outlook for 2023**

##### **Usage**

2. **Global demand for refined lead** metal is anticipated to increase by 1.7% this year to 12.53 million tonnes.
3. European usage fell by 1.9% in 2022, mainly a consequence of reductions in Austria, Poland, the Russian Federation, Spain and Ukraine. In 2023, a modest growth of 0.4% is expected, despite a significant reduction in Italian demand.
4. After rising by 0.9% last year, Chinese demand is forecast to increase by a further 0.7% in 2023. Rises are also expected in India, Japan, the Republic of Korea, Mexico and the United States.

##### **Supply**

5. World lead mine production is forecast to grow by 2.8% to 4.56 million tonnes in 2023 principally due to an expected significant increase in Australia, where Galena Mining successfully commissioned their 95 thousand tonne per year Abra mine in January. Further rises are expected in China, India, Kazakhstan and Mexico.
6. An anticipated increase in world refined lead metal output of 2.8% to 12.51 million tonnes will be mainly influenced by a rise in Germany, where Trafigura's Stolberg smelter was recently reopened after a flooding event forced its closure in 2021.

7. Output is also anticipated to increase in Australia, India, Kazakhstan, the Republic of Korea, Mexico, Taiwan (China) and the United Arab Emirates, where new capacity is expected to be commissioned. These rises will, however, be partially balanced by significant forecast falls in production in Bulgaria and Italy.

### **World Refined Lead Metal Balance**

8. Having taken into account all of the information recently received from its member countries, the Group anticipates that global demand for refined lead metal will exceed supply by 20,000 tonnes in 2023.

### **Zinc - Outlook for 2023**

#### **Usage**

9. After a fall of 3.9% in 2022, global demand for refined zinc metal is forecast to rise by 2.1% to 13.80 million tonnes in 2023.
10. In China, following a significant 4.9% decline in 2022, it is anticipated that usage will increase by 2.1% this year.
11. Elsewhere, usage is forecast to rise in India, the Republic of Korea, Türkiye and the United States but to fall by a marginal 0.5% in Europe.

#### **Supply**

12. After declining by 2.5% in 2022, world zinc mine production is forecast to rise by 3% to 12.86 million tonnes in 2023. This will be driven mainly by anticipated increases in Australia, India, Brazil, Kazakhstan, Mexico, South Africa and the United States.
13. Production in Burkina Faso and Canada is expected to decrease this year, primarily as a consequence of a combination of planned and unforeseen mine closures in 2022. In China, mine production is forecast to rise by 1.5% in 2023, after falling by 2.3% in 2022.
14. European output will benefit from an expansion at Lundin Mining's Neves Corvo operation in Portugal completed last year and further rises in Ireland, Sweden and Bosnia and Herzegovina, where the new 38 thousand tonne per year Vares mine is expected to be commissioned by Adriatic Metals in the second half of the year.
15. The Group anticipates that world refined zinc metal output will rise by 3.1% to 13.76 million tonnes in 2023, after a decline of 3.8% in 2022.
16. Chinese output is predicted to rise by a significant 4% this year. Production is also expected to increase in Australia, Canada, India, Kazakhstan and Mexico but to fall in Japan and the Republic of Korea.

17. In Europe, output fell by 11.4% last year, mainly a consequence of significant cutbacks at a number of smelters due to a sharp rise in energy prices. However, in 2023 production is expected to recover by 2.3%, influenced by a retraction in energy prices and the resumption of activities at most of the smelters that were idled in 2022.

#### **World Refined Zinc Metal Balance**

18. Regarding the global market balance, the Group continues to anticipate that global demand for refined zinc metal will exceed supply in 2023 with the extent of the deficit currently forecast at a modest 45,000 tonnes.

### **ILZSG Website**

19. Further information on the topics covered by this Press Release can be obtained on the ILZSG web site at [www.ilzsg.org](http://www.ilzsg.org) or by contacting the secretariat at [sales@ilzsg.org](mailto:sales@ilzsg.org)