



PRESS RELEASE

9th October 2023

ILZSG SESSION/FORECASTS

1. The International Lead and Zinc Study Group held its Sixty-eighth Session in Lisbon, Portugal on 5-6 October 2023.
2. The Session included a meeting of the Study Group's Statistical and Forecasting Committee to review the current levels of world supply and demand for lead and zinc and the outlook for 2024. The Standing, Mine and Smelter Projects, and Economic and Environment Committees and Industry Advisory Panel also met. In each of the Committees a number of speakers made presentations containing valuable information about current trends and issues in the global lead and zinc sectors.

Forecasts

Lead Outlook for 2023 and 2024

Usage

3. Global **demand for refined lead** metal is forecast to increase by 1.1% to 12.80 million tonnes this year and by 2.2% to 13.08 million tonnes in 2024.
4. After falling by 3% in 2022, European lead demand is expected to rise by 3.7% in 2023. This will mainly be a consequence of increases in Austria, Germany, Greece, Italy and Poland that will more than balance a reduction in the Czech Republic. Elsewhere, apparent usage is forecast to rise in India, Mexico, Taiwan (China) and Vietnam but to decrease in the Republic of Korea.

5. In China, it is anticipated that demand will increase by 1.9% this year and by a further 2.4% in 2024. Chinese demand has been supported by rises in lead-acid battery output that increased by 13.4% over the first seven months of 2023. In the United States, apparent usage is forecast to fall by a significant 6.4% in 2023, however a partial recovery of 3.1% is anticipated in 2024.
6. In 2024, demand is forecast to rise in India, Japan and the Republic of Korea.

Supply

7. World **lead mine supply** is forecast to grow by 3.3% to 4.58 million tonnes in 2023 and in 2024, by 2.9% to 4.71 million tonnes. In China, production is expected to increase by 1.2% in 2023 and 1.5% in 2024.
8. World lead mine output in 2023 will benefit from an expected substantial increase in Australia, where Galena Mining successfully commissioned their 95 thousand tonne per year Abra mine in January. Further rises are predicted in Bolivia, Brazil, India, Kazakhstan and the United States. In Ireland and Portugal, however, output is anticipated to be lower.
9. The forecast rise in global supply in 2024 will be driven mainly by a further increase in Australia and rises in Bulgaria, India, the Russian Federation and Bosnia & Herzegovina, where the new Vares mine is expected to be commissioned by Adriatic Metals in November this year.
10. The Group expects world **refined lead supply** to rise by 2.7% to 12.84 million tonnes in 2023, after declining by 1.7% in 2022. A 2.3% rise to 13.14 million tonnes is anticipated in 2024.
11. Global refined lead output in 2023 is expected to increase in Australia, China, India and, most notably, Germany, where Trafigura's Stolberg smelter was recently reopened after a flooding event forced its closure in 2021.
12. Output is also anticipated to increase in Taiwan (China) and the United Arab Emirates, where new capacity has recently been commissioned. These rises will, however, be partially balanced by forecast falls in production in Bulgaria, Italy, the Republic of Korea and the United Kingdom, where shipments of lead bullion to be processed at the Northfleet unit significantly declined over the first half of the year.
13. In 2024, metal supply is forecast to rise in Australia, Bulgaria, China, India, Italy, Japan, the Republic of Korea and the United Arab Emirates but to decrease in Canada and the United Kingdom.

World Refined Lead Metal Balance

14. Having taken into account all of the information recently received from its member countries, the Group anticipates that global supply of refined lead metal will exceed demand by 35,000 tonnes in 2023. In 2024, a larger surplus of 52,000 tonnes is expected.

Zinc Outlook for 2023 and 2024

Usage

15. After a fall of 4.3% in 2022, global **demand for refined zinc** is forecast to rise by 1.1% to 13.59 million tonnes in 2023 and by 2.5% to 13.93 million tonnes in 2024.
16. In China, following a significant decline in 2022, it is anticipated that usage will recover by 3% this year. After falling by 12% in 2022, galvanised plate output in China increased by 12.1% over the first seven months of this year. The production of passenger cars and home appliances have also risen over the same period, however investment in the real estate sector has remained depressed. In 2024, a growth of 1.2% in Chinese zinc demand is anticipated.
17. European demand is predicted to fall by 1.8% in 2023, mainly influenced by decreases in Germany, Poland, the Slovak Republic and the United Kingdom, that will partially be balanced by anticipated increases in Italy and Norway. Elsewhere, zinc usage is forecast to rise in India, Saudi Arabia and the United States but to decline in Brazil, Japan, Taiwan (China), Thailand and Türkiye.
18. In 2024, usage is anticipated to rise in Europe, India, Japan, the Republic of Korea, the United States and Vietnam.

Supply

19. After rising by only 0.1% to 12.43 million tonnes in 2023, world **zinc mine production** is forecast to increase by 3.9% to 12.91 million tonnes in 2024.
20. In 2023, rises are predicted in China, India, Mongolia, Peru and the Russian Federation, where the new Ozerneoye mine, with a capacity of 350,000 tonne per year, is expected to be commissioned before the end of the year.
21. However, these anticipated increases will be largely offset by reductions in Australia, Bolivia, Burkina Faso, Canada, Sweden and Ireland, where Boliden's Tara mine was placed on care and maintenance in June.

22. In 2024, substantial increases in Australia and the Russian Federation will be the main driver of the forecast rise in mine production. Output is also predicted to increase in Bosnia and Herzegovina, Brazil, China and Mexico, but to decline in Ireland, the United States and Portugal, mainly as a consequence of the recent suspension of activities at the 110,000 tonne per year Aljustrel operation.
23. Global **refined zinc metal production** is forecast to rise by 3.7% to 13.84 million tonnes in 2023, and by 3.3% to 14.30 million tonnes in 2024. This will primarily be a result of a substantial increase in China, where output that is expected to grow by 6.7% and 4.1% in 2023 and 2024 respectively.
24. After falling by 11.6% in 2022, production in Europe is anticipated to decline by a further 2.6% this year. This will mainly be a consequence of a predicted reduction in Germany that will more than balance forecast increases in France, Italy, the Netherlands, the Russian Federation and Spain.
25. In 2024, output in the world ex-China will benefit from anticipated robust growth in Australia and Norway, where an expansion at the Odda smelter is expected to be completed over the second half of the year.

World Refined Zinc Metal Balance

26. Regarding the global market balance, the Group anticipates that global supply of refined zinc metal will exceed demand in both 2023 and 2024 with the extent of the surpluses forecast at 248,000 tonnes and 367,000 tonnes respectively.

Website

27. Further information on the topics covered by this Press Release can be obtained on the ILZSG website at **www.ilzsg.org** or by contacting the Secretariat.