

International Lead and Zinc Study Group

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PRESS RELEASE

Lisbon, 24 April 2024

ILZSG SPRING 2024 MEETINGS/FORECASTS

1. The International Lead and Zinc Study Group held its Spring meetings in Lisbon on 24 April 2024. During the meetings the Group received a **review of the current outlook for trends in world supply and demand for lead and zinc during 2024.**

Forecasts

Lead - Outlook for 2024

Usage

2. **Global demand for refined lead** metal is anticipated to increase by 1.9% this year to 13.42 million tonnes.
3. After falling by 3.8% in 2023, apparent usage in the United States is forecast to partially recover by 0.7% in 2024. European usage rose by 6.7% in 2023, benefiting from an increase in automotive production. In 2024, a further rise by 1% is expected.
4. Chinese demand rose by 2% last year and is anticipated to grow by a further 1.6% in 2024. Rises are also expected in India, Japan, the Republic of Korea and Mexico.

Supply

5. World lead mine production is forecast to grow by 1.8% to 4.59 million tonnes in 2024 principally due to increases in Australia, Bosnia and Herzegovina, Bulgaria and Mexico that are expected to more than balance reductions in Ireland and Portugal. In China, output is anticipated to rise by 1% after increasing by 0.7% in 2023.
6. An expected increase in world refined lead metal output of 1.4% to 13.46 million tonnes in 2024 will be mainly influenced by rises in Australia, China, India, Japan, the Republic of Korea and the United Arab Emirates. In the United States and Canada, however, production is expected to decline.

7. In Europe, anticipated rises in Bulgaria and Italy will be partially offset by forecast falls in Poland and the United Kingdom, resulting in overall growth of 0.9% in 2024.

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 supply of refined lead metal will exceed demand by 40,000 tonnes in 2024.

Zinc - Outlook for 2024

Usage

9. Global demand for refined zinc metal is forecast to rise by 1.8% to 13.96 million tonnes in 2024.
10. In China, following a significant 7.1% increase in 2023, it is anticipated that usage will rise by a more contained 1.4% this year.
11. Elsewhere, demand is forecast to rise in India, Italy, Japan, Türkiye and the United States but to fall in Australia, Bulgaria, the Republic of Korea and Spain.

Supply

12. After declining by 2.3% in 2022 and 1.2% in 2023, primarily as a consequence of a combination of planned and unforeseen mine closures, world zinc mine production is forecast to rise by 0.7% to 12.42 million tonnes in 2024. This will be driven mainly by anticipated increases in Australia, Mexico and the Democratic Republic of Congo, where the new 250,000 tonnes per year Kipushi mine will be commissioned in the second half of the year.
13. Production is expected to decrease in Canada, South Africa, the United States and Peru, where output at the large Antamina mine is predicted to fall. In China, mine production is forecast to rise by 1% in 2024, after recording a growth of 0.5% in 2023.
14. After falling by 6.2% in 2023, European mine output is anticipated to decline by a further 7.9% this year. This will mainly be a result of the suspensions of the Tara mine in Ireland in June and the Aljustrel operation in Portugal in September. These reductions will be partially balanced by the recent commissioning of Adriatic Metals' new Vares mine in Bosnia and Herzegovina.
15. The Group anticipates that world refined zinc metal output will be limited by the availability of concentrates and expects a modest increase of 0.6% to 14.01 million tonnes in 2024.

16. After rising by a substantial 7.7% in 2023, Chinese refined zinc metal output is predicted to grow by a more contained 1% this year. Production is also expected to increase in Australia, the Republic of Korea, Japan and Mexico but to fall in Canada.
17. In Europe, output fell by 2.4% last year, mainly as a consequence of a significant reduction in Germany, where Glencore's Nordenham smelter remained idled. In 2024, production is expected to decline by a further 1.8%, primarily influenced by the suspension of activities at the 300,000 tonne per year Budel smelter in the Netherlands in January. This reduction is anticipated to more than offset increases in France, Norway and Germany, where the Nordenham plant resumed production in March. Norwegian output is forecast to rise as a result of the expected completion of a capacity expansion at Boliden's Odda smelter during the second half of the year.

World Refined Zinc Metal Balance

18. Regarding the global market balance, the Group continues to anticipate that global supply of refined zinc metal will exceed demand in 2024 with the extent of the surplus currently forecast at 56,000 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 or by contacting the secretariat at sales@ilzsg.org