



Metals Despatch

Newsletter of the International Metals Study Groups

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LEAD AND ZINC MARKET FORECASTS

The outlook for world supply and demand for lead and zinc was presented during the ILZSG meetings held in Lisbon on 24-25 October 2019.

Lead Usage

After declining by a marginal 0.5% in 2019, global demand for refined lead was anticipated to rise by 0.8% to 11.9 million tonnes in 2020.

Lead Supply

World lead mine production was forecast to rise by 1.7% to 4.76 million tonnes in 2019 and by 3.9% to 4.94 million tonnes in 2020. World refined lead metal output was predicted to fall by 0.3% to 11.76 million tonnes in 2019, and be followed by 1.7% rise to 11.96 million tonnes in 2020.

World Refined Lead Metal Balance

Global demand for refined lead metal would exceed supply by 46,000 tonnes in 2019, while a surplus of 55,000 tonnes is expected in 2020.

Zinc Usage

World demand for refined zinc metal was forecast to fall by a modest 0.1% to 13.67 million tonnes in 2019 and to rise by 0.9% to 13.80 million tonnes in 2020.

Zinc Supply

Global zinc mine production was forecast to rise by 2% to 13.02 million tonnes. The Group anticipated a rise in world refined zinc metal output of 2.5% to 13.49 million tonnes in 2019, and a further 3.7% rise to 13.99 million tonnes in 2020.

World Refined Zinc Metal Balance

In 2019, the market was expected to remain in deficit with the extent of the shortage forecast at 178kt while a surplus of 192kt was anticipated in 2020.

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

COPPER MARKET FORECASTS

The world balance of refined copper production and use was developed at the ICSG meetings held in Lisbon on 22-23 October 2019.

Copper Supply

After growth of 2.5% in 2018, world mine production, after adjusting for historical disruption factors, was

expected to decline by 0.5% in 2019 and to grow by around 2% in 2020.

World refined production was expected to increase by about 0.5% in 2019 and 4.2% in 2020 to reach 24.25 million tons and 25.58 million tonnes respectively.

Copper Usage

World apparent refined usage was expected to increase by around 0.3% in 2019 and 1.7% in 2020 to reach 24.57 million tonnes and 25.00 million tonnes respectively.

World Refined Copper Metal Balance

The Group's world refined copper balance projections indicated a deficit of 320,000 tonnes in 2019 and a surplus of 281,000 tonnes in 2020.

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

NICKEL MARKET FORECASTS

The INSG met on 21-22 October in Lisbon and developed its supply and demand forecasts for world primary nickel.

Nickel Supply

World primary nickel production was 2.184Mt in 2018 and was forecast to reach 2.370Mt in 2019 and 2.476Mt in 2020.

Nickel Usage

World primary nickel usage was 2.328Mt in 2018. The INSG forecasted an increase to 2.449Mt in 2019 and 2.522Mt in 2020.

World Primary Nickel Balance

The Group anticipated deficits in the global refined nickel market of 79kt and 47kt in 2019 and 2020 respectively.

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

STUDY GROUPS' NEXT MEETINGS LISBON, PORTUGAL

INSG: 20-21 April 2020

ILZSG: 22 April 2020

ICSG: 23-24 April 2020

Joint Study Groups' Seminar 22 April
"Latest Developments in the Exploration and Mapping
of Base Metal Reserves and Resources"

JOINT STUDY GROUPS' SEMINAR

"ADDRESSING THE CHALLENGE OF LOWER GRADES AND RISING LEVELS OF IMPURITIES IN CONCENTRATES"

Paul White, Common Secretary-General, International Copper Study Group, International Lead and Zinc Study Group and International Nickel Study Group, opened the seminar. He noted that, in recent years, concern about the level of impurities contained in metal concentrates shipped around the world has mounted. Of particular worry are elements such as arsenic, mercury, fluorine and chlorine as these can cause serious damage to the environment as well as human health.

Rakan Rahbani, Director Mineral Processing, Aurubis AG, Germany summarized the outcomes of the Third Minor Metal Symposium held in Lisbon on 21 October.

Iván Valenzuela, General Manager, Ecometales, Chile, presented a paper on "Monitoring Global Flows of Hazardous Substances from Mines and Smelters".

Taro Kamiya, Director, Metals Mining Technology Dept, Japan Oil Gas and Metals National Corporation (JOGMEC), Japan, reviewed "Research on the Reduction of Arsenic in Copper Ore".

Antti Nironen, Maritime Safety Division, International Maritime Organisation (IMO) presented an overview of "Maritime Regulations Regarding Shipping of Concentrates".

David Humphreys, DaiEcon Advisors, UK, made discussed "The Challenge of Declining Ore Grades".

Gu Liangmin, Deputy Managing Director, Minmetals (UK) Ltd. reviewed "Minmetals' Strategies for the Management of Complex Concentrates".

Ken Davis, Program Officer, Chemicals and Health Branch, United National Environment Program (UNEP) briefed the audience on Minamata Convention on Mercury.

Antti Arpalahti, Chief Production Officer, Terrafame Oy, Finland, made a presentation on "The Processing of Low Grade Ore Using Bioleaching Technology".

Takashi Nakamura, Professor Emeritus, Tohoku University, Japan, analyzed the "Role of the Non-ferrous Metals Industry in the Era of Sustainable Development Goals (SDGs)".

INSG MEETINGS October 2019

More than 60 delegates from INSG member countries, industry and observer countries/organisations met in Lisbon on 21-22 October for the INSG 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 "Current and Future Policy Challenges and Opportunities for Nickel and Nickel Containing Products".

Adam Panyi, Managing Director, Rho Motion, United Kingdom assessed the latest developments in "Battery Chemistry and the Outlook for EV Adoption".

Jianbin Meng, INSG Director of Economics and Environment presented details of the recently-completed Joint Study Groups' report on "Responsible Sourcing Initiatives along the Minerals and Metals Supply Chains".

Kai Hasenclever, Director, Economics & Statistics and Long Products, ISSF, Belgium provided the Group with an update on "The Current Situation on the Global Stainless Steel Market".

Lilian Liu, Analyst, Beijing Antaike Information Co., China P. R., presented an overview of the first draft of the INSG Study on "Nickel in Indonesia".

Isidro Alcantara Jr., Chairman, Philippine Nickel Industry Association (PNIA), Vice Chairman, Marcventures Mining Development Corporation (MMDC), the Philippines presented "A Roadmap for the Nickel Industry in the Philippines".

Johnna Muinonen, President Dumont Nickel, RNC Minerals (RNC), Canada provided an overview of the company's activities including its new mine.

ILZSG MEETINGS October 2019

Representatives from member governments, industry associations, companies and observer governments attended the ILZSG Meetings in Lisbon, Portugal on 24-25 October 2019.

Chen Quanxun, President, China Nonferrous Metals Industry Association (CNIA) gave the keynote speech on developments in and prospects for China's non-ferrous metals industry.

Alice Fox, Principal Analyst, CRU, UK analysed "Trends in the Cost of Production of Lead and Zinc".

David Guberman, International Trade Analyst, Office of Industries, US International Trade Commission, United States discussed

"International Trade in Lead and Zinc: Flows, Barriers and Tariffs".

Alexander Molyneux, CEO/Managing Director, Galena Mining, Australia, introduced the "Development of the Abra Lead Project".

Guo Qinmu, Senior Manager, Shanghai Futures Exchange (SHFE), China discussed the "SHFE Lead and Zinc Contracts and Likely Future Developments".

Roger Miksad, Attorney at Law, Wiley Rein, United States, made a presentation on "US Regulation, Legislation and Lead: The Current Position and Future Challenges".

Nicolo Campagnol, Knowledge Consultant, Battery Materials Expert, McKinsey and Company, Belgium assessed the latest developments in "The XEV Revolution".

Cindy Xia, Manager, Lead and Zinc Department, Beijing Antaika Information Co., China presented on "The Status Quo and Prospects for Lead and Zinc Production Capacity in China".

Gary Stanley, Director and **Salim Bhabhrawala**, Senior International Trade Specialist, Office of Material Industries, Dept. of Commerce, United States made a presentation on the United States' "Federal Strategy to Ensure Secure and Reliable Supplies of Critical Materials".

Andrew Green, Executive Director of International Zinc Association updated delegates on "Recent Developments in IZA's Activities".

Andy Bush, Managing Director, International Lead Association spoke on the subject of "The Lead Industry – An Overview of Recent Developments".

Gert Meylemans, Senior Manager Communications, **Eurobat** considered and assessed "The European Battery Market".

Pierre De Pasquale, Head of Stakeholder Engagement, Responsible Mining Foundation, Switzerland provided an explanation of the "RMI Framework 2020: Encouraging Continuous Improvement in Responsible Mining".

Donna Walsh, Director, Metals Business Unit, Indium Corporation, United States examined "By-products of Lead and Zinc Mining – Trends in the Indium Market".

ICSG MEETINGS October 2019

Representatives from member governments, industry associations, companies and observer governments attended the ICSG spring meeting in Lisbon, Portugal on 22-23 October 2019. The ICSG

IAP meeting was held in on 31 October 2019 in parallel with LME Week in London.

Vanessa Davidson, Director, Base Metals Research and Strategy, CRU, London presented the "CRU View of the Global Copper Market".

Laila Marafi, Commercial and Purchasing Manager, Dubai Cable Co, Dubai was unable to attend the meetings but provided a paper on the "Outlook for Copper in the Middle East".

Fernando Nuño, Energy and Climate Portfolio Manager at the European Copper Institute outlined "Actions of the Copper Industry Related to Climate Change and Energy Transition".

Mikhail Sprogis, Associate, Goldman Sachs International, London reviewed the "Role of Recycled Copper in the Global Copper Market: Goldman Sachs View."

Carlos Risopatrón, ICSG Director of Economics and Environment, presented the Group's latest "Survey of Regulatory Developments Affecting Copper 2019".

Juan Carlos Guajardo, Executive-Director, PlusMining, Santiago, Chile provided an overview of the "Latin American Copper Industry".

Bernard Respaut, Chief Executive, European Copper Institute presented an "Update on Regulatory Issues Affecting Copper and Copper Products".

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

EXTERNAL PRESENTATIONS MADE IN 2019

- ILZSG/INSG/ICSG Secretary-General, Paul White was invited to attend "The Nickel Initiative 2019", the first conference organised by the recently inaugurated **Philippine Nickel Industry Association (PNIA)**. The event was held in Manila from 18 to 19 March and included addresses by former President of the Philippines, the Hon. Gloria Macapagal-Arroya and Secretary Roy Cimatu of the Department of the Environment and Natural Resources. Mr. White presented an "Overview of the Current World Nickel Market".
- Carlos Risopatrón, ICSG Director of Economics and Environment overviewed "Global Copper Value Chain: Challenges 2020-2025" at **Copper Conference 2019** in Vancouver, Canada in August.
- Joao Jorge, ILZSG Director of Market Research and Statistics, made a presentation on "Lead – Current & Future Scenario" at the "Int'1

Conference on Lead & Lead Batteries Energy Storage, E-Mobility & Environment in Mumbai, India in December 2019

- Ricardo Ferreira, INSG Director of Market Research and Statistics, gave an update on the outlook for global nickel production and end-use as well as the latest nickel project developments at **Fastmarkets Asian Nickel Seminar** in Jakarta, Indonesia in September.
- Francisco Pinto, INSG Manager of Statistical Analysis summarized the worldwide nickel market at the **International Ferroalloy and Minerals Summit** in Tianjing, China in June 2019.
- During a business trip to Chile in November Carlos Rispatron made presentations on the global copper market at conferences organised by **COCHILCO and the Universidad de Concepcion (UDC)** and on the treatment of copper concentrates at a seminar jointly hosted by **CESCO and the UDC**.
- Shairaz Ahmed, ICSG Manager of Statistical Analysis, made a presentation on "ICSG's Outlook for Global Mines & Plants by 2023" at the **17th China International Copper Forum 2019** in Qiqihar, China in September 2019
- The INSG was represented at the 2019 **China International Nickel and Cobalt Industry Forum**, held in Xiamen in November, by Ricardo Ferreira, the Group's Director of Market Research and Statistics. He presented a paper of the outlook for the world nickel market.
- **Aurubis** hosted the third **Minor Metal Symposium discussing Multi Metal Management and Sustainable Processing of Complex Sulfide Materials** in Lisbon immediately prior to the ICSG meetings and organised in co-operation with the ICSG. Carlos Rispatron, ICSG Director of Economics and Environment, made one of the opening presentations.

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

INSIGHTS AND ARTICLES PUBLISHED

ILZSG

- No. 46, "Briefing on the Second Meeting of the Conference of the Parties to Minamata Convention on Mercury" Published in January 2019

INSG

- "World nickel market: expected smaller deficit in 2019". Published in *Stainless Steel World Magazine* June Issue 2019
- No. 31, "An Overview of World Stainless Steel Scrap Trade in 2017 and 2018" published in July 2019

Copies of these publications are available from the Study Groups' secretariats.

OTHER ACTIVITIES

- ILZSG/INSG/ICSG Secretary-General, Mr. Paul White attended various events and meetings over the course of **London Metal Exchange (LME) Week** held in London in October 2019. These included the LME Dinner and the hosting of the ICSG Industry Advisory Panel meeting. Ms Ana Rebelo, ICSG Director of Market Research and Statistics, also participated in this meeting and presented an overview of ICSG's latest market forecasts for global copper supply and demand.
- ILZSG/INSG/ICSG Secretary-General, Paul White attended the **2019 China Nonferrous Metals Forum** in London during the LME Week, the Secretary-General participated in the CEO dialogue session.
- **Asia Copper Week** organized by the Centro de Estudio del Cobre y la Minería (CESCO) and China Nonferrous Metals Industry Association (CNIA) was held in Shanghai, China in November. The ICSG was represented by its Secretary-General, Paul White. Mr. White also moderated a panel discussion on impurities, in particular increasing arsenic content, in copper concentrates at **FastMarkets Asia Copper Conference** which took place in Shanghai during the same week.
- **The Third Meeting of Conference of Parties to the Minamata Convention on Mercury** took place from 25 to 29 November 2019 at the International Conference Centre in Geneva, Switzerland. Jianbin Meng, ILZSG/INSG Director of Economics and Environment participated in this meeting on behalf of ILZSG, ICSG and INSG which are observers to the Convention.
- **15th Annual General Meeting of Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development** was held in United Nations Office at Geneva, Switzerland, in October. ILZSG/INSG Director of Economics and Environment, Jianbin Meng represented the secretariat at this meeting and promoted the Study Groups' responsible sourcing work.

- **The 2019 EUROBAT Forum** was held in June in Berlin, Germany. Joao Jorge, ILZSG Director of Market Research and Statistics, represented the secretariat at this meeting.
- The INSG hosted meetings of **Team Stainless** in January and June 2019. The Group also coordinated a teleconference on 10 December. Team Stainless is an informal group of associations that include the INSG, Nickel Institute, International Stainless Steel Federation, International Molybdenum Association and International Chromium Development Association. The meetings were chaired by Paul White, INSG Secretary-General.

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



RECENT STUDY GROUP PUBLICATIONS

1. **Joint Study on Solid Wastes in Base Metal Mining, Smelting and Refining: A Comprehensive Study for the Copper, Lead, Zinc and Nickel Industries 2019**
2. **Joint Study on Responsible Sourcing Initiatives along the Minerals and Metals Supply Chains 2019**
3. **ILZSG World Lead Factbook 2019**
4. **ICSG European Semi Manufactured Copper Product Capacity 2019**
5. **ICSG Smelting and Hydrometallurgy Treatment for Copper Sulphide Ores and Concentrates 2019**
6. **ILZSG Lead and Zinc New Mine and Smelter Projects 2020**
7. **ILZSG World Directory of Lead and Zinc Mines 2019**
8. **ILZSG World Directory of Primary and Secondary Lead Plants 2019**
9. **ILZSG World Directory of Primary and Secondary Zinc Plants 2019**
10. **ILZSG World Directory of Primary and Secondary Zinc Plants 2019**
11. **ICSG Directory of Copper Mines and Plants - July 2019**
12. **ICSG World Copper Factbook 2019**
13. **ICSG 2019 Statistical Yearbook**
14. **INSG World Nickel Statistics Yearbook 2019**
15. **INSG Report on the Use of Nickel in Batteries 2018**
16. **ICSG Directory of Copper and Copper Alloy Fabrication Capacity (First Use) 2019 Edition**
17. **ICSG Market Study on Industrial Use of Copper in Japan, Korean Republic, Taiwan (China) and Vietnam 2018**
18. **INSG World Directory of Nickel Production Facilities 2018**
19. **INSG World Nickel Factbook 2018**
20. **ILZSG Market Research Zinc Chemicals 2017**
21. **ILZSG Market for Zinc 2017**
22. **ILZSG World Directory of Continuous Galvanizing Lines 2017**
23. **ILZSG Study on the Main End Use Markets for Lead and Zinc in Europe 2017**
24. **Joint Study on Social Acceptance of Mining 2016**

For further details, please refer to the Study Groups' websites.

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