



# Metals Despatch

Newsletter of the International Metals Study Groups

January 2022, Issue No. 30

## LEAD AND ZINC MARKET FORECASTS

The outlook for world supply and demand for lead and zinc was presented during the ILZSG web-meetings held on 7 and 8 October 2021.

### Lead Usage

After falling by 3.9% in 2020, global demand for refined lead metal was forecast to rise by 5.5% to 12.39 million tonnes this year and by 1.7% to 12.61 million tonnes in 2022.

### Lead Supply

Rises of 4.1% to 4.68 million tonnes and 2.8% to 4.81 million tonnes were forecast for world lead mine supply in 2021 and 2022 respectively. World refined lead production was expected to rise by 4.4% to 12.42 million tonnes in 2021 and by 1.7% to 12.63 million tonnes in 2022.

### World Refined Lead Metal Balance

ILZSG anticipated that the global supply of refined lead metal would exceed demand by a modest amount in both 2021 and 2022, with the extent of the surpluses estimated at 27,000 tonnes and 24,000 tonnes respectively.

### Zinc Usage

World demand for refined zinc metal was forecast to rise by 6.2% to 14.09 million tonnes in 2021 and to increase by 2.3% to 14.41 million tonnes in 2022.

### Zinc Supply

World zinc mine production was predicted to increase by 4.7% to 12.85 million tonnes in 2021 and by a further 4.2% to 13.39 million tonnes in 2022. Global refined zinc metal production was forecast to increase by 2.5% to 14.13 million tonnes in 2021, and 2.3% to 14.45 million tonnes in 2022.

### World Refined Zinc Metal Balance

The Group anticipated that the supply of refined zinc metal would exceed demand both in 2021 and 2022.

For further details, please contact **Joao Jorge** at [joao\\_jorge@ilzsg.org](mailto:joao_jorge@ilzsg.org)

## COPPER MARKET FORECASTS

The world balance of refined copper production and usage was developed at the ICSG web-meetings held on 5-6 October 2021.

### Copper Supply

World copper mine production, adjusted for historical disruption factors, was expected to increase by 2.1% in 2021, 3.9% in 2022, and 4.6% in 2023. World refined copper production was expected to rise by 1.7% in 2021, 3.9% in 2022, and 3.5% in 2023.

### Copper Usage

World apparent refined copper usage in 2021 was forecast to remain similar to that in 2020 and to grow by about 2.4% in 2022 and 2.9% in 2023.

### World Refined Copper Metal Balance

World refined copper balance projections indicated a deficit of about 42,000t in 2021, a surplus of 328,000t in 2022, and a surplus of 496,000t in 2023.

For further details, please contact **Ana Rebelo** at [rebelo@icsg.org](mailto:rebelo@icsg.org)

## NICKEL MARKET FORECASTS

The INSG held its web-meetings on 1 and 4 October during which it developed its production and usage forecasts for world primary nickel.

### Nickel Supply

World nickel mine production declined in 2020, mainly due to the Indonesian ore ban, but recovered in 2021 and was expected to continue to increase in 2022. World primary nickel production was 2.491Mt in 2020, and was forecast by the Group to reach 2.639Mt in 2021 and 3.120Mt in 2022.

### Nickel Usage

World primary nickel usage was 2.384Mt in 2020. The INSG forecast an increase to 2.773Mt in 2021 and to 3.044Mt in 2022.

### World Primary Nickel Balance

The implicit market balances put forward by the Group after detailed discussion were a surplus of 107kt in 2020, a deficit of 134kt in 2021, and a surplus of 76kt in 2022.

For further details, please contact **Ricardo Ferreira** at [ricardo.ferreira@insg.org](mailto:ricardo.ferreira@insg.org)

## STUDY GROUPS' NEXT MEETINGS

**INSG: 22 & 25 April 2022**

**ILZSG: 26 - 27 April 2022**

**ICSG: 28 - 29 April 2022**

### INSG MEETINGS October 2021

About 70 delegates from INSG member countries, industry and observer countries/organisations participated in the Group's web-meetings during which a variety of statistical, economic and environmental issues related to nickel were reviewed.

**Mr. Scott Williamson, Managing Director, Blackstone Minerals, Australia/Vietnam,** discussed the company's Ta Khoa nickel project.

**Mr. Kai Hasenclever, Director Economics, Statistics and Long Products, International Stainless Steel Forum (ISSF), Belgium,** assessed "The Current Situation in the Global Stainless Steel Market".

**Ms. Betty Sun, Senior Nickel Analyst, MySteel, P. R. China,** analysed "Current Trends in Chinese Nickel Supply and Demand".

**Ms Parul Chhabra, Market Development Analyst, Nickel Institute,** elaborated on "Nickel's Role in Clean Energy Technologies" and **Dr Mark Mistry, Senior Manager Public Policy, Nickel Institute,** updated the audience on Life Cycle Data from Nickel Institute Member Companies".

**Mr. Adam Panayi, Managing Director, Rho Motion, United Kingdom,** gave an overview of nickel's deployment in the manufacture of batteries and Rho Motion's perspective on the future of nickel use in the battery and EV sectors.

### ILZSG MEETINGS October 2021

Around 125 representatives from member governments, industry associations, companies and observer governments attended the ILZSG web-meetings.

**Mr Neil Hawkes, Principal Lead Analyst at CRU, London,** provided an informed assessment on the "Long Term Outlook for Lead Demand".

**Mr. Massimo Gasparon, Director of the European Raw Materials Alliance (ERMA), EIT RawMaterials GmbH,** introduced ERMA's structure and objectives as well as current and planned future activities.

**Ms Dan Li, Deputy Division Chief, Science and Technology Department, China Non-ferrous Metals Industry Association (CNIA),** made a presentation on "Impact Analysis of the Carbon Peak on the China's Nonferrous Metals Industry".

**Dr Andy Bush, Managing Director, International Lead Association,** discussed recent important regulatory and demand related developments in the lead sector.

**Ms. Stéphanie Laruelle, Programme Management Officer, Coordinator of the Global Mercury Partnership, United Nations Environment Programme,** made a presentation on the "UNEP Global Mercury Partnership – Overview and Ongoing Work on Mercury from Non-Ferrous Metals".

**Mr. Eisaku Toda, Senior Programme Officer, Secretariat of the Minamata Convention on Mercury,** provided a paper on the "Minamata Convention on Mercury: Update on Work Related to Mercury Releases and Waste".

**Dr. Andrew Green, Executive Director of the International Zinc Association (IZA),** briefed delegates on a number of key current initiatives being undertaken by the IZA

**Ms Antonia Loibl of the Fraunhofer Institute ISI, Germany,** presented an outline of Fraunhofer's "Dynamic Material Flow Analysis of the Global Zinc Cycle".

**Mr. Alistair Davidson, Director, Consortium for Battery Innovation (CBI),** provided an update on the "Ongoing Activities of the Consortium for Battery Innovation and Prospects for the Lead-Acid Battery Sector".

**Mr. Andrew Thomas, Research Director Lead and Zinc at Wood Mackenzie, UK** analysed the "Prospects for Zinc Demand and the Impact of Stimulus Spending".

### ICSG MEETINGS October 2021

Over 100 representatives from member governments, industry associations, companies and observer governments attended the ICSG web-meetings.

**Mr. Julian Kettle, Senior Vice President, Vice Chair Metals and Mining at Wood Mackenzie, London, UK,** provided perspectives on post-lockdown copper demand, economic activity and impacts of interest rates, taxes, debt and inflation on the copper industry.

**Mr. Oliver Nugent, Citi Investment Research, London, United Kingdom,** discussed Citi's model for "Monitoring Short Term Copper End Uses in China and the Rest of the World".

**Mr. Antony Lea, President, Copper Alliance, New York, USA,** introduced and discussed the latest Copper Alliance Substitution and Miniaturization Survey.

**Mr. Ian Littlewood, Independent Consultant, New York, USA,** presented the draft report of an ICSG funded review of "Copper and Copper Alloy

Fabrication Capacity and Output in the US, Mexico and Canada”.

**Mr Anthony O’Sullivan, Chief Development Officer, the Metals Company**, gave an overview of the Metals Company’s deep-sea research program including the Clarion Clipperton project.

**Mr Guy Cook, Product Manager at Earth-i and Mr Piers Montgomery, Technology Consultant at Marex**, described the use of Satellite Earth Observation as a Tool to Track Copper Smelting Activity

**Mr George Gilchrist, Vice President, Resources at Ivanhoe Mines**, made a detailed presentation on the recently commissioned Kamo-a-Kakula mine project in the D.R. Congo.

**Mrs Meri Rovira, Strategic Marketing Director at La Farga**, analysed “The Contribution of the Copper Industry to a Sustainable Economy”.

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

#### LAUNCH OF NEW ICSG WEBSITE

The ICSG launched a redesigned and updated website in December 2021. The new site has a contemporary look, has been improved with new features, and is easier to use than the previous version. Feedback on the content is welcome. For further information please contact Ana Rebelo at [rebelo@icsg.org](mailto:rebelo@icsg.org) or Shairaz Ahmed at [ahmed@icsg.org](mailto:ahmed@icsg.org).

#### EXTERNAL WEBINARS AND VIRTUAL CONFERENCES

Due to the ongoing COVID19 Pandemic the staff of the Study Group secretariats have not been able to undertake their normal travel commitments. However, they have participated in and presented at numerous online seminars and conferences. Over the past few months these have included:

- London Metal Exchange (LME) Metals Seminar, October 2021
- Wood Mackenzie LME Week Forum, October 2021.
- CRU Breakfast Seminar, October 2021
- International Zinc Association (IZA) Annual General Meeting, October 2021
- CESCO/CNIA CEO Summit, November 2021.
- Advanced Lead acid battery and Energy Storage - India Lead Zinc Development Association (ILZDA) and Hindustan Zinc Ltd., August 2021
- Pb Online 2021 - International Lead Association (ILA) and Consortium for Battery Innovation (CBI), June 2021
- 17th Annual General Meeting on Building Tomorrow Together: Mining for a responsible

and inclusive future - The Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development, October 2021.

- Turning Points for Battery Metal Markets - S&P Global Market Intelligence, April 2021
- International Merchandise Trade Statistics – UN Statistical Division, April 2021
- EU Recovery Fund: Risks & Opportunities – Fitch Solutions, May 2021
- Global Trade Virtual Week – Economist in June and July 2021
- Social Progress in Mining-Dependent Countries: the role of good governance – ICMM, July 2021
- The Carbon Circular Economy: Managing Carbon Holistically – the Economist, August 2021
- China International Nickel & Cobalt Industry Forum – CNIA, November 2021
- MySteel Conference, 2021
- Team Stainless meetings, March, June and September 2021.
- “Is the Copper Cycle Losing Strength? Opportunities and Threats to the Mining Industry”. - the National Mining Society (Sonami) and CRU.
- Skarn Associates Webinar: Water in Mining, July 2021
- Impact Monitoring and Stakeholder Engagement at Mine-site Level - Responsible Mining Foundation (RMF), July 2021.
- Non-Ferrous Metal Traders and Recyclers International Conference, Gdansk, Poland, Sept. 2021
- Metals Make Climate Change Mitigation Possible – Citi Research, July 2021.
- Shanghai Metal Markets Base Metals Seminars Summer 2021.
- Roskill Copper Market Trends.
- Webinar on Metal Scrap Trade Trends - Bureau of International Recycling (BIR)

#### RECENT INSIGHTS AND ARTICLES

##### ILZSG

- “A Discussion of Likely Future Trends in China’s Economic Development and Implications for the Lead and Zinc Industry” published in January 2022

##### INSG

- Nickel Market Chain in Latin America and the Caribbean, published in April 2021
- “The World Nickel Market in 2021 – Indonesia Rising to the Top”, published in June 2021
- “An Overview of Stainless Scrap Trade in 2020” Published in September 2021

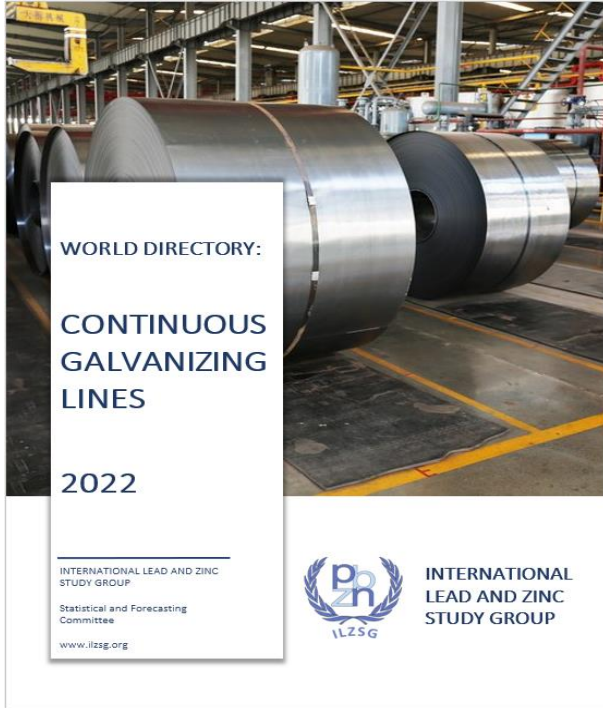
##### ICSG

- “Recent Changes in Mineral Composition of Copper Concentrates”, published in March 2021.

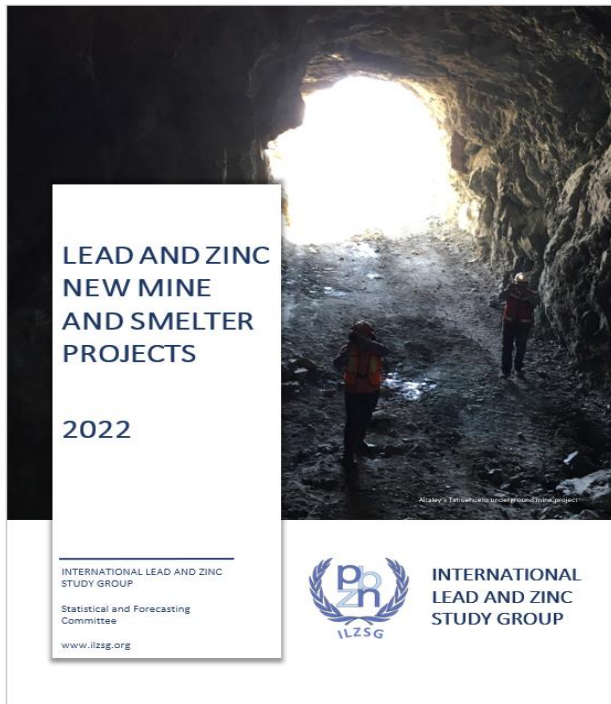


## SELECTED STUDY GROUP PUBLICATIONS

### 1. *World Directory: Continuous Galvanizing Lines 2022*



### 2. *Lead and Zinc New Mine and Smelter Projects 2022*



### 3. *The World Nickel Factbook 2021*



### 4. *The World Copper Factbook 2021*



### 5. *Directory of Copper Mines and Plants 2022*

#### DIRECTORY OF COPPER MINES AND PLANTS

Up to 2026



Published 13<sup>th</sup> January 2022

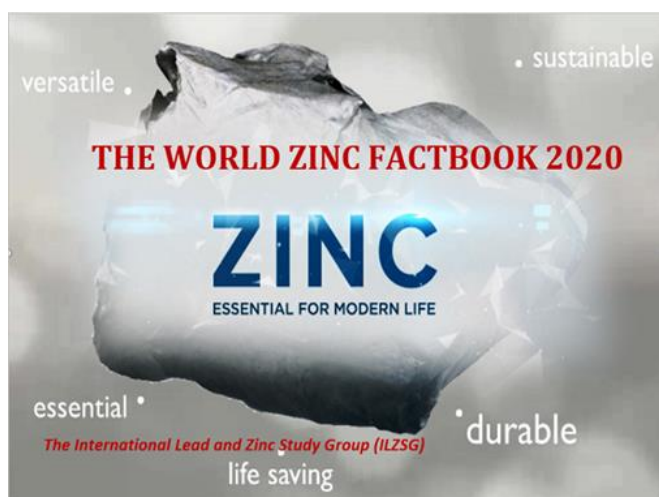
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6. *The Chinese Primary and Secondary Lead Metal Sector 2022*
7. *Lead and Zinc: National Trade Tariffs and Measures 2021*
8. *ILZSG World Directory of Lead and Zinc Mines 2021*
9. *ILZSG World Directory of Primary and Secondary Lead Plants 2021*
10. *ILZSG World Directory of Primary and Secondary Zinc Plants 2021*
11. *ICSG Directory of Copper and Copper Alloy Fabricators (First Use) – December 2021*
12. *A Review of Copper and Copper Alloys Fabrication in North America: Capacity, Output, Perspectives 2021*
13. *ICSG Statistical Yearbook 2021*
14. *INSG World Directory of Nickel Production Facilities 2021*
15. *INSG World Nickel Statistics Yearbook 2021*
16. *Lead and Zinc: End Use Industry Statistical Supplement 2020*
17. *ICSG European Semi-Manufactured Copper Product Capacity 2019*
18. *ICSG Smelting and Hydrometallurgy Treatment for Copper Sulphide Ores and Concentrates 2019*
19. *Nickel Production and Usage in Indonesia 2020*
20. *ILZSG World Zinc Factbook 2020*
21. *Joint Study on Solid Wastes in Base Metal Mining, Smelting and Refining: A Comprehensive Study for the Copper, Lead, Zinc and Nickel Industries 2019*
22. *Joint Study on Responsible Sourcing Initiatives along the Minerals and Metals Supply Chains 2019*
23. *ILZSG World Lead Factbook 2019*



24. *INSG Report on the Use of Nickel in Batteries 2018*
25. *ICSG Market Study on Industrial Use of Copper in Japan, Korean Republic, Taiwan (China) and Vietnam 2018*
26. *ILZSG Market Research Zinc Chemicals 2017*
27. *ILZSG Study on the Main End Use Markets for Lead and Zinc in Europe 2017*

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



### International Copper Study Group (ICSG)

**Mr Paul White**

Secretary-General

**Ms Ana Rebelo**

Director of Market Research and Statistics

**Mr Carlos Risopatron**

Director of Economics and Environment

**Mr Shairaz Ahmed**

Manager of Statistical Analysis

**Ms Ana Paula Calheiros**

Secretary

**Tel: + 351 21 351 3870**

**Fax: + 351 21 352 4035**

**e-mail: [mail@icsg.org](mailto:mail@icsg.org)**

**Website: [www.icsg.org](http://www.icsg.org)**

### International Lead & Zinc Study Group (ILZSG)

**Mr Paul White**

Secretary-General

**Mr Joao Jorge**

Director of Market Research and Statistics

**Mr Jianbin Meng**

Director of Economics and Environment

**Mr. Juan Luis Mamani Rodriguez**

Manager of Statistical Analysis

**Ms Inês Lopes**

Secretary

**Tel: + 351 21 359 2420**

**Fax: + 351 21 359 2429**

**e-mail: [sales@ilzsg.org](mailto:sales@ilzsg.org)**

**Website: [www.ilzsg.org](http://www.ilzsg.org)**

### International Nickel Study Group (INSG)

**Mr Paul White**

Secretary-General

**Mr Ricardo Ferreira**

Director of Market Research and Statistics

**Mr Jianbin Meng**

Director of Economics and Environment

**Mr Francisco Pinto**

Manager of Statistical Analysis

**Ms Inês Lopes**

Secretary

**Tel: + 351 21 356 7030**

**Fax: + 351 21 356 7039**

**e-mail: [insg@insg.org](mailto:insg@insg.org)**

**Website: [www.insg.org](http://www.insg.org)**

#### Common Secretariat Address

Rua Almirante Barroso 38, 5-6 Floors  
1000-013 Lisbon  
Portugal



### ICSG Member States

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