



Metals Despatch

Newsletter of the International Metals Study Groups

January 2023, Issue No. 32

LEAD AND ZINC MARKET FORECASTS

The Group's latest outlook for world supply and demand for lead and zinc was put forward and approved during the ILZSG meetings held on 20 and 21 October 2022.

Lead Usage

After rising by 4.6% in 2021, global demand for refined lead metal was forecast to rise by 0.8% in 2022 and by 1.4% in 2023

Lead Supply

World lead mine production was forecast to remain flat in 2022 and rise by 2.7% in 2023. World refined lead production was expected to fall by 0.3% in 2022 and rise by 1.8% in 2023.

World Refined Lead Metal Balance

Global demand of refined lead metal was expected to exceed supply by 83,000 tonnes and 42,000 tonnes in 2022 and 2023 respectively.

Zinc Usage

World demand for refined zinc metal was forecast to fall by 1.9% in 2022 and to rise by 1.5% in 2023.

Zinc Supply

World zinc mine production was predicted to decrease by 0.9% in 2022 and to rise by 2.7% in 2023. Global refined zinc metal production was forecast to fall by 2.7% in 2022 and to increase by 2.6% in 2023.

World Refined Zinc Metal Balance

Demand for refined zinc metal was forecast to exceed supply by about 297,000 tonnes and 150,000 tonnes in 2022 and in 2023 respectively.

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

STUDY GROUP MEETINGS APRIL 2023

LISBON

INSG: 24 - 25 April

ILZSG: 26 April (am)

ICSG: 27 - 28 April

JOINT SEMINAR ON

**"Incentivizing Investment in Base Metal Mining":
26 April (pm)**

COPPER MARKET FORECASTS

A revised and updated world balance of refined copper production and usage was developed and agreed at the ICSG meetings held on 18 and 19 October 2022.

Copper Supply

World copper mine production was expected to increase by 3.9% and 5.3% in 2022 and 2023 respectively. World refined copper production was expected to rise by 2.8% in 2022 and 3.3% in 2023.

Copper Usage

World apparent refined copper usage was forecast to grow by about 2.2% in 2022 and 1.4% in 2023.

World Refined Copper Metal Balance

World refined copper balance projections indicated a deficit of about 328,000t for 2022 and a surplus of 155,000t in 2023.

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

NICKEL MARKET FORECASTS

The most recent INSG production and usage forecasts for world primary nickel were discussed in detail and ratified at the Group's meetings on 17 and 18 October.

Primary Nickel Production

World primary nickel production was 2.612Mt in 2021, and was forecast to reach 3.036Mt and 3.387Mt in 2022 and 2023 respectively.

Primary Nickel Usage

World primary nickel usage was 2.775Mt in 2021. The INSG forecasts an increase to 2.892Mt in 2022 and 3.216Mt in 2023.

World Primary Nickel Balance

The implicit market balances are therefore a deficit of 163kt in 2021, and surpluses of 144kt in 2022 and 171kt in 2023.

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

INSG MEETINGS OCTOBER 2022

About 60 delegates from INSG member countries, industry and observer countries/organisations participated in the Group's 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 "Regulations Related to Nickel".

Florian Anderhuber, Director, Energy and Climate, European Association of Mining Industries (Euromines), made a presentation on "European Mining – A Key Enabler of the Green and Digital Transition".

Adam Panayi, Managing Director, Rho Motion, provided an overview of "The Demand Side: Key Drivers of Battery Market Growth".

Lilian Liu, Analyst, Beijing Antaike Information Co., China P. R., reported on the Study prepared for the Group on "The Nickel Market in Indonesia and the Philippines".

Panos Kotseras, Principal Analyst, CRU, United Kingdom, reviewed the "Current Situation in the Global Stainless Steel Market".

Alberto Xodo, VP Sales at the London Metal Exchange, United Kingdom, discussed the "LME's Nickel Contract".

Wilfredo Moncano, Director, Mines and Geosciences Bureau, Department of Environment and Natural Resources (DENR) the Philippines, introduced "The Philippine Mining Industry Roadmap".

Tobias Kämmer, CEO, Oryx Stainless, Germany, assessed the trading and processing of stainless steel scrap for the production of stainless steel.

Anne Oxley, Technical Director, Brazilian Nickel, Brazil/United Kingdom, presented the company's nickel operations and projects.

ILZSG MEETINGS OCTOBER 2022

Approximately 100 representatives from member governments, industry associations, companies and observer governments attended the ILZSG meetings.

Andrew Green, Executive Director of International Zinc Association, spoke about zinc's importance in a number of key areas and updated the audience on the key initiatives with regard to the IZA's activities.

Thomas Lauridsen, Chief Advisor, Ministry of Mineral Resources and Justice, Government of Greenland, made a presentation on "The Potential of Mining and Metals in Greenland".

Andy Bush, Managing Director, International Lead Association, provided a comprehensive update on "Lead Industry Issues and Activities".

Violaine Verougstraete, Chemicals Management Director of the European Non-ferrous Metals Association, commented on the "Implications of Current EU Regulations and Zero Pollution Ambition for the Metals Sector".

Murray Cook, Executive Director, European General Galvanizers Association (EGGA), discussed "The General (Batch) Hot Dip Galvanizing Industry in Europe".

Ryan Cochrane, Head of Research, Open Mineral, Switzerland, provided "An Overview of the Lead and Zinc Concentrates Market and the Outlook for TCs".

Ola Hekselman, CEO and Co-founder, Solveteq, United Kingdom, briefed the audience on "Developments in Hydrometallurgical Lead Recycling".

Patrick Ammerlaan, Director Raw Materials, Boliden Smelters, Sweden, introduced "Boliden Low Carbon Zinc and Green Zinc Odda 4.0".

Duncan Hobbs, Research Manager, Concord Resources, United Kingdom, analysed "The Implications of the Macro-Economic Outlook for Zinc".

Huw Roberts, Director, CHR Metals Ltd, United Kingdom, reviewed "Current Trends in the Chinese E-bike Sector".

Savas Sahin, CEO, Esan Eczacibasi Industrial Raw Materials Co., Turkiye, discussed the "Development of the Balikesir Balya Mine".

Tom Rutland, Senior Analyst, CRU, United Kingdom, assessed "The Five-Year Outlook for Zinc Mine Supply".

ICSG MEETINGS OCTOBER 2022

Around 100 delegates from member governments, industry associations, companies and observer governments attended the ICSG meetings.

Piotr Kulas, Senior Analyst, Base Metals, presented CRU's views on long-term copper supply and demand.

Li Lan, Managing Director of BGRIMM Li Lan Consulting provided an outlook for Chinese copper supply and demand in 2022/2023.

Francisco Donoso, Representative of the Chilean Copper Commission COCHILCO, delivered a presentation that focused on the challenges Chile faces as a mining country and the main policies that the government is promoting to maintain Chile's position at the top of the global copper industry.

Simon Hunt, Founder and Owner of Simon Hunt Strategic Services Ltd (London, UK and Dubai, UAE), made a presentation on copper and copper alloy products as wire rod, brass mills and semis and their raw materials, refined copper and scrap.

JOINT ICSG ILZSG INSG SEMINAR - "THE ROLE OF METALS IN THE TRANSITION TO GREEN ENERGY"

On Wednesday, 19 October 2022 at the Altis Grand Hotel in Lisbon Portugal, representatives from the governments of the copper, lead, zinc and nickel Study Groups met with industry and academic experts. The objective was to discuss the role of metals in the transition to green energy.

Paul White, the Common Secretary-General of ILZSG/ICSG/INSG, made some opening remarks summarising the essential role metals will play as the world gradually transitions to using increasing amounts of renewable energy.

Hajime Myoi, President, Metals Economic Research Institute (MERIJ), Japan, discussed "Japanese Challenges to Green Energy in the Metals Sector".

Titus Anuskevicius, DG Grow, European Commission, emphasized the "Importance of Metals to the Future of Energy in Europe".

Alistair Davidson, Director, Consortium for Battery Innovation (CBI), presented a summary of the CBI's recent work on lead-based batteries and their role in the transition to green energy.

Gary Stanley, Director, Office of Materials Industries, International Trade Administration, U.S. Dept of Commerce, briefed the audience on "U.S. Government Efforts in Supporting the Transition to Green Energy".

Alastair Ramsay, Vice President, Rystad Energy, United Kingdom, assessed the implication for metals of the expected rise in demand for renewable energy and the downturn in the use of fossil fuels.

Alex Griffiths, Metals and Mining Analyst, Wood Mackenzie, analysed the question of "Could Constraints in Metal Supply Impede the Transition?".

Key Takeaways from the Joint Seminar

1. Strong consensus on the essential role of metals in an achievable transition to green economy was again stressed. Market transparency and effective communications between the industry, government and other stakeholders will play a crucial role in ensuring a smooth, inclusive, equitable, and sustainable transition to the low carbon economy, in achieving the UN Sustainable Development Goals (SDGs), and in meeting the targets set in the Paris Treaty.
2. While looking at the carbon peak and carbon neutrality goals of an individual country, it should be noted that climate change is a global challenge to be tackled collectively and collaboratively. The necessity and urgency for cooperation in pooling resources to meet the demand for metals for the green transition is stark.
3. Political will and policy support needs to be furthered in securing diversified supply chains. This includes geographical diversification and developing resilient domestic capacities that cover both primary metal production and recycling.
4. The green transition comes with a growing energy requirement and this is likely to lead to exponential demand growth for metals. Thus, all existing and emerging technologies should be adapted and, where necessary, further innovated to meet this demand.
5. The identification of critical minerals in meeting the green transition needs and the strategies for securing the supply of those minerals are already at the top of government agendas.
6. Sizeable investment is expected to be drawn to the minerals and metals sectors if the increased demand for metals is to be met.
7. Strict scrutiny of environment, social and governance issues related to minerals and metals sector is already in place and is expected to be strengthened further in order to minimize any potential adverse impacts of the green transition.
8. The International Metals Study Groups (ILZSG, INSG and ICSG) provide continuous market transparency and are unbiased platforms for the discussion of issues of common concern and interest to member governments.

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

EXTERNAL PRESENTATIONS MADE IN H2 2022

- Paul White, INSG/ICSG/ILZSG Secretary-General made a remote presentation on the “Global Nickel Market Outlook” at the Nickel Producers, Processors and Buyers Conference organised by **CoalMetalAsia Magazine and Petromindo.com** and held in Jakarta, Indonesia in July 2022.
- A presentation entitled “Copper Market Facts, Forecasts and Fundamentals” was given by ILZSG/INSG/ICSG Secretary-General, Paul White at **CRU’s World Copper Conference Asia 2022** held in Singapore from 23-24 November.
- Jianbin Meng, INSG/ILZSG Director of Economics and Environment presented a paper on “The Impact of Government Policy on Lead Battery and Lead Metal Use in China” at the **European Lead Battery Conference (ELBC) organized by ILA**, in Lyon, France, in September 2022.
- João Jorge, ILZSG Director of Market Research and Statistics made a presentation on “Zinc Industry Facts and Fundamentals” at the **Zinc College 2022 organized by International Zinc Association (IZA)** and held in Oviedo, Spain in June 2022.
- During a business trip to Chile in November 2022, Carlos Risopatrón, ICSG Director of Economics and Environment, made presentations on “ICSG, Global Copper Market Transparency 2007-2022 and Challenges for the Future” at the **Copper 2022 International Conference**, “ICSG Global Copper Market Views: New Research and Trends” at a seminar organised by the **Comisión Chilena del Cobre COCHILCO and Ministry of Mines**, and “ICSG and the Global Copper Market: Trends in 2022 and Beyond” at an event held by the **Centro de Estudios del Cobre (CESCO)**.
- The INSG was invited to participate in the **Institute of Scrap Recycling Industries (ISRI)** Roundtable meetings held in Chicago in September. Paul White, INSG/ICSG/ILZSG Secretary-General, presented on and discussed the Global Nickel Market Outlook during the Nickel/Stainless Roundtable held on 14 September.
- Ricardo Ferreira, INSG Director of Market Research and Statistics made remote presentations on the “Global Nickel Market Outlook” at the **7th China International New Energy Conference**, July 2022, China P. R., organized by **Shanghai Metals Market**

(SMM), the **5th Chromium, Nickel, Molybdenum, Manganese and Stainless Steel Industry Chain Qiushi Summit**, August 2022, China P. R., organized by **MySteel, and China International Nickel & Cobalt Industry Conference 2022**, November 2022, China P.R., hosted by the **China Nonferrous Metals Industry Association (CNIA)** and organized by **Antaika**.

- **The 25th China Lead and Zinc Conference hosted by China Nonferrous Metals Industry Association (CNIA) and organised by Beijing Antaika Information Co.** was held in Nanning in November. ILZSG/INSG/ICSG Secretary-General, Paul White, made a video welcome address and provided the audience with the ILZSG’s latest “Outlook for the Global Lead and Zinc Markets”.
- João Jorge, ILZSG Director of Market Research and Statistics assessed “Lead - Current and Future Scenarios” at the **2nd International Conference on Lead and Lead Batteries-Energy Storage, E-mobility and Environment a paper, organized by the India Lead Zinc Development Association (ILZDA)** and held in New Delhi, India, in December 2022.
- ICSG Director of Economics and Environment, Carlos Risopatrón, made remote presentations at the **Shanghai Metal Markets (SMM) Copper Summit** held in Shandong in July 2022, the **ALTA Metallurgical Conference** held in Perth in May 2022 and the **Canadian Mining and Metallurgy Foundation MET SOC Copper Conference** held in Vancouver in August 2022.
- The ICSG was invited to speak at the **Fastmarkets Copper Conference** held in Barcelona Spain in September 2022 and a presentation was made on “Relationships Between Primary and Secondary Copper” by Carlos Risopatrón, Director of Economics and Environment.

Copies of these presentations are available from the Groups’ secretariats.

INSIGHTS AND ARTICLES

INSG

- “An Overview of the World Nickel Resources” published in October 2022
- “The World Nickel Market in 2022 and 2023 – Surplus from Class II and Intermediates” published in November 2022.
- “An Overview of World Stainless-Steel Scrap Trade in 2021” published in November 2022

OTHER ACTIVITIES H2 2022

- ILZSG/INSG/ICSG Secretary-General, Paul White attended various events and meetings over the course of **London Metal Exchange (LME) Week** held in London in October 2023. These included the LME Dinner, ICA Board of Directors Reception and Dinner, LME Metals Seminar, CRU Breakfast, Macquarie Base Metals Summit, Anglo Chilean Society Update on Mining in Chile, Wood Mackenzie Metals Forum, Freeport-McMoRan Reception and IZA Annual General Meeting.
- On the Wednesday of LME Week, the ICSG hosted a meeting of its Industry Advisory Panel (IAP) at the Marriott Hotel, Park Lane. The meeting was chaired by Mark Loveitt, President of the International Wrought Copper Council (IWCC). **Minister Marcelo Hernando Pérez the Chilean Minister of Mines** attended together with the **Chilean Ambassador to the United Kingdom, Susana Herrera**. ICSG/INSG/ILZSG Secretary-General Paul White summarised the ICSG's latest activities. Ana Rebelo, ICSG Director of Market Research and Statistics, presented a detailed overview of the ICSG's latest market forecasts for global copper supply and demand. Participants also received an interesting insight into **Aurubis'** recycling business provided by **Hannu Heiskanen, Vice President, Recycled Raw Materials**.
- Ricardo Ferreira, INSG Director of Market Research and Statistics represented the Secretariat at the **International Stainless & Special Steel Conference 2022**, September 2022, Germany, **organized by SMR – Steel & Metals Market Research, 7th Raw Materials Week 2022**, Belgium, November 2022, **organized by the European Commission, and Rho Motion Seminar Series Q4 2022**, France, December 2022, **organized by Rho Motion**.
- Francisco Pinto, INSG Manager of Statistical Analysis participated a web seminar on **Mitigating risk amid high and volatile prices in September 2022**, **organized by Benchmark Minerals**.
- João Jorge, ILZSG Director of Market Research and Statistics participated in the **12th International Advanced Automotive Battery Conference (AABC) Europe**, held in Mainz, Germany in June 2022.
- **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 Singapore in November. The ICSG was represented by its

Secretary-General, Paul White. Mr. White participated in the CEO Summit and attended the 11th Asia Copper Dinner both held on 24 November.

- Paul White, ICSG/INSG/ILZSG Secretary-General made a video welcome address at the **20th International Copper Forum** held in Jiangxi. The event was hosted by the **China Nonferrous Metals Industry Association (CNIA) and organised by Beijing Antaika Information Co.**
- **18th 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 secretariats at this meeting.
- Jianbin Meng, ILZSG/INSG Director of Economics and Environment, represented the Study Groups at the **Eurobat Forum Belgium** in June 2022.
- The Study Groups have been invited by **UNEP** to participate in the **ad hoc open-ended working group (OEWG) to prepare proposals for the "Science-policy panel to contribute further to the sound management of chemicals and waste and to prevent pollution"** and Jianbin Meng, the ILZSG Director of Economics and Environment represented the Secretariats at the meetings.
- The INSG participated in the meetings of **Team Stainless held in September and December 2022**. In addition to the INSG Team Stainless partners include World Stainless, IMO, ICDA, Nickel Institute, Eurofer and EuRIC.

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

SELECTED STUDY GROUP PUBLICATIONS

1. **ILZSG Lead and Zinc New Mine and Smelter Projects 2023**
2. **ILZSG Environment, Health and Safety (EHS) Regulations Relating to Lead 2023**
3. **ICSG Directory of Copper and Copper Alloy Fabricators (First Use) – January 2023**

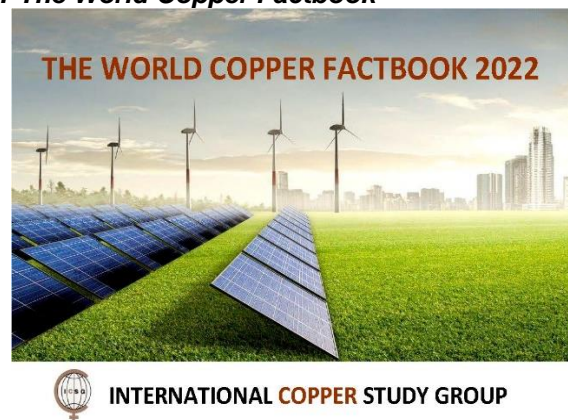
4. **INSG World Directory of Nickel Production Facilities 2022**
5. **ILZSG World Directory: Continuous Galvanizing Lines 2022**
6. **ICSG The Chinese Copper Smelter and Refining Industry – November 2022**
7. **ICSG Directory of Copper Mines and Plants - August 2022**
8. **ILZSG The Chinese Primary and Secondary Lead Metal Sector 2022**
9. **INSG Environment, Health and Safety (EHS) Regulations Relating to Nickel 2022**
10. **ICSG Annual Recyclables Survey 2022**
11. **ILZSG World Directory of Lead and Zinc Mines 2022**
12. **ILZSG World Directory of Primary and Secondary Lead Plants 2022**
13. **ILZSG World Directory of Primary and Secondary Zinc Plants 2022**
14. **ICSG Statistical Yearbook 2022**
15. **INSG World Nickel Statistics Yearbook 2022**
16. **ILZSG Lead and Zinc: National Trade Tariffs and Measures 2021**
17. **ICSG A Review of Copper and Copper Alloys Fabrication in North America: Capacity, Output, Perspectives 2021**
18. **ILZSG Lead and Zinc: End Use Industry Statistical Supplement 2020**
19. **INSG Nickel Production and Usage in Indonesia 2020**
20. **ICSG European Semi-Manufactured Copper Product Capacity 2019**
21. **ICSG Smelting and Hydrometallurgy Treatment for Copper Sulphide Ores and Concentrates 2019**
22. **Joint Study on Solid Wastes in Base Metal Mining, Smelting and Refining: A Comprehensive Study for the Copper, Lead, Zinc and Nickel Industries 2019**
23. **Joint Study on Responsible Sourcing Initiatives Along the Minerals and Metals Supply Chain 2019**

STUDY GROUP FACTBOOKS

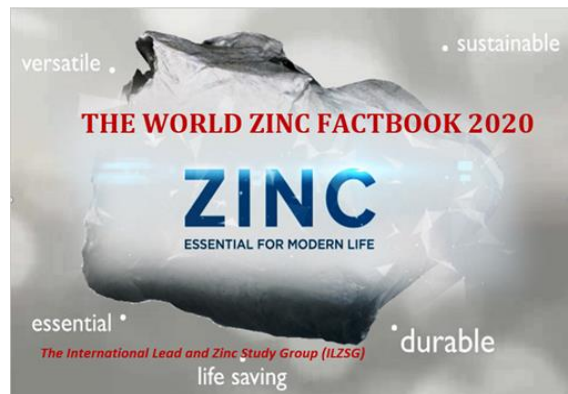
24. The World Nickel Factbook



25. The World Copper Factbook



26. The World Zinc Factbook



27. The World Lead Factbook



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Finland, France, Germany,
India, Iran,
Italy, Japan, Luxembourg
Mexico, Mongolia, Peru, Poland,
Portugal, Russian Federation,
Serbia, Spain,
Sweden, United States



ILZSG Member States

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