

## **January to December 2021 Metals Balances**

***Please note that the impact of the Covid 19 pandemic has had a dramatic effect on both the supply and demand for metals worldwide. In particular, production and demand were unusually depressed in many countries early in 2020 and so year on year comparisons may appear distorted.***

The most recent metal balances report shows the primary aluminium, copper, lead, zinc and nickel metal balances were in deficit and the tin metal balance was in surplus during January to December 2021. Read on to unpack the latest update on the LME metals balances.

### **Primary aluminium metal balance in deficit in January to December 2021**

The calculated market balance for primary aluminium for the period of January to December 2021 was a deficit of 1931 kt which follows a surplus of 1041 kt recorded for the whole of 2020. Demand for primary aluminium for January to December 2021 was 69.06 million tonnes, 5015 kt more than in the comparable period in 2020. Demand is measured on an apparent basis and national lockdowns may have distorted the trade statistics. Production in January to December 2021 rose by 3.1 per cent. Total reported stocks fell in December to close at the end of the period 1621 kt below the December 2020 level. Total LME stocks (including off warrant stocks) were 1213.4 kt at the end of December 2021 which compares with 2917.0 kt at the end of 2020. Shanghai stocks decreased in December but ended the period 98 kt above the December 2020 total. No allowance is made in the consumption calculation for large unreported stock changes especially those held in Asia.

Overall, global production of primary aluminium rose in January to December 2021 by 3.1 per cent compared with the whole of 2020. Chinese output was estimated at 38502.6 kt despite lower availability of imported feedstocks during the year and this currently accounts for about 57 per cent of the world production total. Chinese apparent demand was 5.1 per cent higher than in January December 2020 and the output of semi-manufactures rose by 5.6 per cent compared with the production in 2020. China became a net importer of unwrought aluminium in 2020. During January to December 2021 Chinese net exports of aluminium semi manufactures were 4926 kt which compares with 4266 kt for the whole of 2020. Exports of semi manufactures rose by 16 per cent compared with the January to December 2020 total

Japanese demand was up by 308 kt and US demand increased by 313 kt. Global demand rose by 7.8 per cent during 2021 compared with the levels recorded one year previously.

December metal balances for primary aluminium recorded production at 5513.3 kt and demand at 5678.8 kt.

### **Copper metal balance in deficit in January to December 2021**

The copper market recorded a deficit of 397 kt in January to December 2021 which follows a deficit of 690 kt in the whole of 2020. Reported stocks (including LME off warrant stocks) at the end of December 2021 were 180.4 kt lower than at the end of December 2020. Net deliveries out of Shanghai warehouses were 37.0 kt and Comex stocks decreased by 7.5 kt. Demand is measured on an apparent basis and it is likely that the full effects of national lockdowns will have distorted the trade statistics. No allowance is made in the consumption calculation for unreported stock changes, particularly in the Chinese government stockpile.

World mine production in January to December 2021 was 21.37 million tonnes which was 3.8 per cent higher than the whole of 2020. Global refined production for January to December 2021 was 24.66 million tonnes up 2.1 per cent compared with the previous year with significant increases recorded in China (up 466 kt) and in India (up 151 kt).

Global demand in January to December 2021 was 25.06 million tonnes which was 0.9 per cent higher than the total recorded for the whole of 2020. Chinese apparent demand for the period January to December 2021 was 13.89 million tonnes which was 4.4 per cent lower than the comparable period in 2020. Reported output of semi manufactures in China rose by 3.8 per cent. US refined copper production was 1022.7 kt which was 105 kt higher than the comparable months of 2020.

December metal balances for refined copper recorded production at 2158.2 kt and demand at 2272.7 kt.

### **Lead metal balance records deficit in January to December 2021**

The lead market recorded a deficit of 130.9 kt in January to December 2021 which follows a deficit of 108.7 kt recorded in the whole of 2020. Total stocks at the end of December were 55.5 kt lower than at the end of 2020. No allowance is made in the consumption calculation for unreported stock changes. Demand is measured on an apparent basis, and it is likely that the full effects of national lockdowns will have distorted the trade statistics.

World refined production during January to December 2021 from both primary and secondary sources was 14374 kt which was 21.7 per cent higher than in the comparable months of 2020. Chinese apparent demand was estimated at 7288.8 kt which was 2291 kt higher than the comparable period in 2020 and represented about 50 per cent of the global total. For the USA, apparent demand has increased by 103 kt for January to December 2021 compared to the same months of 2020.

December metal balances for refined lead recorded production at 1331.1 kt and demand at 1345.4 kt.

### **Zinc metal balance records deficit in January to December 2021**

The zinc market was in deficit by 26.1 kt during January to December 2021 which compares with a surplus of 632 kt recorded in the whole of the previous year. Reported stocks decreased by 69.8 kt during 2021 which included a net increase in Shanghai of 25 kt over the period. LME (including off warrant) stocks closed 20.7 kt above the December 2020 level. Total LME stocks represent 33 per cent of the global total with the bulk of the metal held in Asian and US warehouses. Demand is measured on an apparent basis and it is likely that the full effects of national lockdowns have not been fully reflected in the trade statistics.

Global refined production fell by 0.05 per cent and demand was 4.9 per cent higher than the levels recorded one year earlier. Japanese apparent demand was, at 540.7 kt, 50 per cent above the equivalent total for January to December 2020.

World demand was 651 kt higher than for January to December 2020. Chinese apparent demand was 7000.5 kt which is 50 per cent of the global total. No allowance is made in the consumption calculation for unreported stock changes.

December metal balances for slab zinc recorded production at 1193.6 kt and demand at 1138.4 kt.

### **Nickel metal balance records deficit in January to December 2021**

The nickel market was in deficit during January to December 2021 with apparent demand exceeding production by 144.3 kt. In the whole of 2020, the calculated surplus was 84.0 kt. Reported stocks held in the LME (Including Off warrant stocks) at the end of December 2021 were 177.4 kt lower than at the end of the previous year. Refined production in January to December 2021 totalled 2787.6 kt and demand was 2931.9 kt.

Mine production during January to December 2021 was 2705.7 kt, 236 kt above the comparable 2020 total. Chinese smelter/refinery output rose by 62 kt compared with 2020 and apparent demand was 1651.3 kt, 236 kt higher than in the previous year. In Indonesia, smelter/refinery production in 2021 was 873.1 kt which is 39 per cent higher than 2020 and demand rose by 79 per cent to 400.3 kt.

World apparent demand was 486 kt higher than the previous year. No allowance is made in the consumption calculation for unreported stock changes. Demand is measured on an apparent basis and it is likely that the full effects of national lockdowns have not been fully reflected in the trade statistics.

December metal balances for nickel smelter/refinery recorded production at 231.7 kt and demand was 246.4 kt.

### **Tin metal balance records surplus in January to December 2021**

The tin market recorded a surplus of 2.1 kt during January to December 2021. Chinese demand is calculated on an apparent basis using reported stocks on the Shanghai exchange. Demand is measured on an apparent basis and it is likely that the full effects of national lockdowns have not been fully reflected in the trade statistics.

Global reported production of refined metal was up by 3 kt, compared with the January to December 2020 total. Chinese reported production fell over the summer but recovered in recent months to total 200.5 kt for the January to December period. Japanese apparent demand was 28.4 kt which was 40 per cent above the comparable total for 2020, Apparent demand in China was 11.6 per cent lower than the equivalent period of the previous year.

Global tin demand during January to December 2021 was 378.0 kt which was 1.7 per cent lower than the comparable period of 2020. US apparent demand rose by 18.4 per cent year on year to 34.6 kt

December metal balances for refined tin recorded production at 29.1 kt and consumption at 30.5 kt.

Dated 16<sup>th</sup> February 2022

- ENDS-

The above data are taken from World Metal Statistics February 2022 published today.

Editors requiring more detailed information should contact Sue Eales by email at [suee@world-bureau.co.uk](mailto:suee@world-bureau.co.uk) or by telephone +44 (0) 1920 461274

#### **Disclaimer**

Whilst every effort is made to ensure the accuracy and validity of the information contained in this release **WBMS** and its Board of Directors can accept no responsibility for any losses incurred as a direct result of any actions based on conclusions drawn from the data.

#### **Terms of Use**

All data herein may be copied freely, duplicated and further distributed provided that **WBMS** is cited as the source.

#### **About World Bureau of Metal Statistics:**

The World Bureau of Metal Statistics is the data resource of first resort for anyone involved with the global metals industry. By outsourcing their research to WBMS, whether via regular publications or surveys tailored to their needs, organisations not only enjoy the benefit of reliable, first class data but also save significantly on cost and time. Through regular publications, available on subscription in print and electronic format, WBMS are able to keep companies and organisations throughout the world up to date on the production, consumption and trade in the major non-ferrous metals.

Launched in 1947, WBMS concentrated initially on the metals trade within the then British Empire. With the contraction of Empire, the organisation switched focus to the world stage and began collecting and collating data from a huge number of global sources. More than half a century later, its massive and regularly updated database forms the basis of printed and electronic publications aimed at the many and varied users of metal statistics. In particular, its monthly World Metal Statistics Bulletin represents the most comprehensive data available anywhere.

Page 4 of 4  
Herts  
SG12 7AA  
United Kingdom

Tel: +44 (0) 1920 461274