

January to April 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.

Primary aluminium market in deficit in January to April 2021

The calculated market balance for primary aluminium for the period of January to April 2021 was a deficit of 588 kt which follows a surplus of 1074 kt recorded for the whole of 2020. Demand for primary aluminium for January to April 2021 was 23.45 million tonnes, 2304 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 April 2021 rose by 5.8 per cent. Total reported stocks rose significantly in March, fell back in April to close at the end of the period 610 kt above the December 2020 level. Most of the increase in stocks was attributable to a rise of 457 kt in LME warehouses in Malaysia. Total LME stocks were 1827.8 kt at the end of April 2021 which compares with 1340.5 kt at the end of 2020. Shanghai stocks rose in the first three months of the year but fell slightly in April ending the period 131 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 rose in January to April 2021 by 5.8 per cent compared with the first four months of 2020. Chinese output was estimated at 13018 kt despite slightly lower availability of imported feedstocks and this currently accounts for about 57 per cent of the world production total. Chinese apparent demand was 16 per cent higher than in January to April 2020 and the output of semi-manufactures rose by 19 per cent compared with the revised production data for the early months of 2020. China became a net importer of unwrought aluminium in 2020. During January to April 2021 Chinese net exports of aluminium semi manufactures were 1499 kt which compares with 1446 kt for January to April 2020. Exports of semi manufactures rose by 18 per cent compared with the January to April 2020 total

Production for January to April in the EU28 was 6.3 per cent lower than the previous year and NAFTA output decreased by 0.6 per cent. EU28 demand was 33 kt higher than the comparable 2020 total. Global demand rose by 10.9 per cent during January to April 2021 compared with the levels recorded one year previously.

In April primary aluminium production was 5724.5 kt and demand was 6092.5 kt.

Copper market in deficit in January to April 2021

The copper market recorded a deficit of 46 kt in January to April 2021 which follows a deficit of 952 kt in the whole of 2020. Reported stocks at the end of April 2021 were 142 kt higher than at the end of December 2020. Net deliveries into the LME warehouses were 31.6 kt and Comex stocks decreased by 9.2 kt. Shanghai stocks rose by 124.8 kt during the first four months of the year. 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 April 2021 was 6.90 million tonnes which was 3.5 per cent higher than the first four months of 2020. Global refined production for January to April 2021 was 7.94 million tonnes up 2.8 per cent compared with the previous year with significant increases recorded in China (up 271 kt) and in India (up 59 kt).

Global demand in January to April 2021 was 7.99 million tonnes compared with 7.75 million tonnes for the first four months of 2020. Chinese apparent demand for the period January to April 2021 was 4.41 million tonnes which was 8.7 per cent higher than the comparable period in 2020. Reported output of semi manufactures rose by 15.9 per cent. EU28 production rose by 4.1 per cent and demand was 15 kt lower than the comparable 2020 total.

In April 2021, refined copper production was 2038.8 kt and demand was 2088.0 kt.

Lead market records deficit in January to April 2021

The lead market recorded a deficit of 164 kt in January to April 2021 which follows a deficit of 113 kt recorded in the whole of 2020. Total stocks at the end of April were 6 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 April 2021 from both primary and secondary sources was 4587 kt which was 15 per cent higher than in the comparable months of 2020. Chinese apparent demand was estimated at 2274.8 kt which was 554 kt higher than the comparable period in 2020 and represented about 48 per cent of the global total. For the USA, apparent demand has increased by 58 kt for January to April 2021 compared to the same months of 2020.

In April 2021, refined lead production was 1122.9 kt and demand was 1163.3 kt.

Zinc market records deficit in January to April 2021

The zinc market was in deficit by 38 kt during January to April 2021 which compares with a surplus of 607 kt recorded in the whole of the previous year. Reported stocks increased by 151 kt during January to April which included a net increase in Shanghai of 61.5 kt over the period. LME stocks rose over the January to April period to close 89.7 kt above the December 2020 level. LME stocks represent 37 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 rose by 5 per cent and demand was 13.6 per cent higher than the levels recorded one year earlier. Japanese apparent demand was, at 188 kt, 30 per cent above the equivalent total for January to April 2020.

World demand was 564 kt higher than for January to April 2020. Chinese apparent demand was 2334 kt which is 50 per cent of the global total. No allowance is made in the consumption calculation for unreported stock changes.

In April 2021 slab zinc production was 1146.2 kt and demand 1196.6 kt.

Nickel market records deficit in January to April 2021

The nickel market was in deficit during January to April 2021 with apparent demand exceeding production by 34.3 kt. In the whole of 2020, the calculated surplus was 96.2 kt. Reported stocks held in the LME at the end of April 2021 were 14 kt higher than at the end of the previous year. Refined production in January to April 2021 totalled 820.5 kt and demand was 854.8 kt.

Mine production during January to April 2021 was 821.3 kt, 123 kt above the comparable 2020 total. Chinese smelter/refinery output rose by 18 kt compared with 2020 and apparent demand was 437.1 kt 82 kt higher than in the previous year. In Indonesia, production in the first four months of 2021 was 275 kt which is 48 per cent higher than in January to April 2020 and demand more than doubled to 120 kt.

World apparent demand was 157 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.

In April 2021, nickel smelter/refinery production was 222.3 kt and demand was 236.8 kt.

Tin market records tiny surplus in January to April 2021

The tin market recorded a surplus of 0.5 kt during January to April 2021. Chinese demand is calculated on an apparent basis using reported stocks on the Shanghai exchange. Global reported stocks were 0.9 kt higher than at the end of 2020. 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 25 kt, compared with the January to April 2020 total. Apparent demand in China was 29 per cent higher than the equivalent period of the previous year.

Global tin demand during January to April 2021 was 136.1 kt which was 11 per cent higher than the comparable period of 2020. Japanese demand was 9.2 kt which was 25 per cent above the comparable total for January to April 2020.

In April 2021, refined production was 37.9 kt and consumption was 38.9 kt

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The above data are taken from World Metal Statistics June 2021 published today.

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