



World Bureau of Metal Statistics

January to May 2007 METALS BALANCES

Primary aluminium markets records smaller deficit in January to May 2007 but surplus in May

The calculated market deficit for primary aluminium for January to May 2007 was 35 kt. Demand for primary aluminium was almost 15.3 million tonnes, 1457 kt more than the equivalent total for January to May 2006. Production rose by 1562 kt to 15.23 million tonnes during the same period. Total reported stocks rose during May to stand at 2.81 million tons, equivalent to just under one month's demand, at the end of the month. No allowance is made in the consumption calculation for unreported stock changes.

Overall, global production increased by 11.43 per cent compared with January to May 2006. Chinese output rose by 1334 kt and currently accounts for almost 32 per cent of the world production total. Net exports of unwrought aluminium from China were, at 109.4 kt, 63 per cent below the total recorded in the first five months of 2006.

Production in the EU27 was down by 1.6 per cent whilst NAFTA output increased by 3.2 per cent. Global demand rose by just under 11 per cent to 15.27 million tonnes. EU27 demand continues to be stronger and the year on year increase was just under 9 per cent.

In May, primary aluminium production was 3125.3 kt and consumption was 3070.4 kt.

Copper market records a surplus in May 2007

The copper market recorded a small calculated surplus of 47 kt for the month of May but was in 144 kt deficit for the first five months of 2007. This compares with a revised surplus of 182 kt reported for the 2006 calendar year. Reported stocks decreased by 25 kt between the beginning of January and the end of May 2007. No allowance is made in the consumption calculation for unreported stock changes.

Mine production for the five month period was, at 6.47 million tonnes, 6.0 per cent higher than in January to May 2006. Refined production rose by 2.5 per cent to just under 7.3 million tonnes. Chinese output rose by 92 kt, Indian, Japanese and Chilean production rose by 71 kt, 28 kt and 122 kt respectively compared with the first five months of 2006.

Consumption in January to May 2007 was 7.44 million tonnes which was 2.6 per cent higher than the same period of the previous year. Chinese consumption increased to 1989 kt from 1426 kt in the previous year. The calculated apparent demand data excludes any changes in government stockpiles or any other unreported stocks. EU27 demand was, at 1744 kt, 116 kt below the January to May 2006 total.

In May, refined copper production was 1491 kt and consumption was 1445 kt.

Lead market records deficit in January to May 2007

The lead market recorded a deficit of 99 kt during the first five months of 2007 which compares with the January to May 2006 surplus of 71 kt. Reported stocks rose by 16 kt during the period to 293 kt. LME stocks rose by 5 kt during May and stood at 47.6 kt at the end of the month. No allowance is made in the consumption calculation for unreported stock changes.

Lead mine production was 1772 kt with Chinese output dominating the global supply. Refined production from both primary and secondary sources was down by 1 per cent from the equivalent figure recorded one year earlier.

Global demand was about 4 per cent higher than the previous year to reach a total 3417 kt with increases recorded in many parts of Asia. EU27 demand totalled 790 kt, an increase of 2 per cent compared with January to May 2006. China consumed 1001 kt of lead in the first five months of 2007 reaching a new high of 226 kt in May.

In May, refined lead production was 708.3 kt and consumption was 711.2 kt.

Zinc market in surplus in January to May 2007

The zinc market was in surplus by 66 kt during January to May 2007 with reported stocks some 34 kt lower. The proportion of total stocks held in LME warehouse has declined from 47 per cent at the end of 2005 to less than 16 per cent at the end of May 2007.

Mine production was, at 4245 kt, 5 per cent higher than the January to May 2006 total. Refined production rose by 313 kt to 4653 kt with Asian countries (especially China) contributing an additional 279 kt to the world output. EU27 production rose by 4.7 per cent but NAFTA output was 2.8 per cent lower.

World demand was 132 kt higher than in the first five months of 2006 with the most significant increases recorded in China and America. Chinese demand was 1381 kt which is 30 per cent of the global total. No allowance is made in the consumption calculation for unreported stock changes

In May, slab zinc production was 965.4 kt and consumption was 983.6 kt.

Nickel market records deficit in January to May 2007.

The Nickel market recorded a deficit of 8.7 kt during January to May 2007 with reported stocks 5.7 kt lower. The supply and demand data include low grade ferro nickel produced in China from imported ores which had previously been excluded from the WBMS data.

Mine production in January to May 2007 was, at 632.5 kt, 8 per cent above the 2006 total. Refined production was 10.4 per cent above the comparable total for 2006 with output increases in China, South Africa and Canada accounting for most of the higher output.

World demand was 51 kt higher than the previous year. No allowance is made in the consumption calculation for unreported stock changes

In May, nickel smelter production was 127.4 kt and consumption was 117.3 kt.

Tin market in deficit for January to May 2007

The tin market recorded a calculated market deficit of 6.7 kt during January to May 2007 after allowing for reported DLA deliveries. No allowance is made in the consumption calculation for unreported stock changes.

Reported production of refined metal was down by 2.9 kt, compared with the first five months of 2006 and DLA deliveries were 6.7 kt bringing the total availability to 145.5 kt. Production fell in Indonesia, particularly after the government clampdown on illegal mining at the end of last year reduced the amount of tin available. Global demand totalled 152.2 kt which represented a decrease of 2.8 kt compared with January to May 2006 with reduced consumption in Japan and lack of significant growth in China responsible for most of the market weakness.

At the end of May, LME stocks stood at 9.4 kt which compares with the end December 2006 figure of 13.0 kt.

Tin mine production was 134.8 kt which was 2.4 kt above the total for the previous January to May. All of the increase was recorded in China.

In May, refined tin production was 29.2 kt and consumption was 30.9 kt.

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The above data are taken from World Metal Statistics July 2007 published today.

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