



World Bureau of Metal Statistics

January to December 2007 METALS BALANCES

Primary aluminium surplus in January to December 2007

The calculated market surplus for primary aluminium for January to December 2007 was 499 kt which compares with a surplus of 341 kt registered in the first eleven months of the year and a deficit of 341 kt recorded in 2006. Demand for primary aluminium was 37.52 million tonnes, 3184 kt more than the equivalent total for January to December 2006. Production rose by 4024 kt to 38.02 million tonnes during the same period. Total stocks at the end of December stood at just over 2.83 million tons, equivalent to about 4 week's demand. Total stocks held in the three exchanges in London, Shanghai and Tokyo rose to 1.043 million from the December 2006 total of 745 kt. No allowance is made in the consumption calculation for unreported stock changes.

Overall, global production increased by 11.8 per cent compared with January to December 2006. Chinese output rose by 3210 kt and currently accounts for one third of the world production total. Net exports of unwrought aluminium from China were, at 264 kt, 62 per cent below the total recorded in 2006. Output of Aluminium semis rose by 44 per cent which was matched by a similar increase in Chinese apparent demand for primary metal.

Production in the EU27 was virtually unchanged and NAFTA output increased by 5.8 per cent. Global demand rose by 9.3 per cent to 37.52 million tonnes. EU27 demand continues to be stronger although the year on year increase was just under 4 per cent.

In December, primary aluminium production was 3295.8 kt and consumption was 3144.5 kt.

Copper market records deficit in 2007

The copper market recorded deficit of 161 kt in 2007 which compares with a deficit of 175kt for the January to November period and a surplus of 278kt in 2006. Reported stocks decreased by 33 kt between the beginning of January and the end of December 2007. No allowance is made in the consumption calculation for unreported stock changes.

Mine production for the year was, at 15.30 million tonnes, 1.26 per cent higher than in January to December 2006. Refined production rose by 2.5 per cent to 17.76 million tonnes. Chinese output rose by 498 kt, Indian, Japanese and Chilean production rose by 92 kt, 45 kt and 97 kt respectively compared with 2006. Zambian output ended the year 14 kt higher.

Consumption in January to December 2007 was 17.92 million tonnes which was 5.1 per cent higher than the same period of the previous year. Chinese consumption increased to 4861 kt from 3610 kt in the same period of the previous year. The calculated apparent demand data excludes any changes in government stockpiles or any other unreported stocks. EU27 demand was, at 4023 kt, 5.8 per cent below the January to December 2006 total.

In December, refined copper production was 1476 kt and consumption was 1423 kt.

Lead market records deficit in January to December 2007

The lead market recorded a deficit of 181 kt during 2007 which compares with the January to December 2006 deficit of 59 kt. Reported stocks were 27 kt lower than they were at the end of 2006. LME stocks rose by 1 kt during December and stood at 45 kt at the end of the month. No allowance is made in the consumption calculation for unreported stock changes.

Lead mine production was 3780 kt with Chinese output dominating the global supply. Refined production from both primary and secondary sources was 1 per cent higher than the equivalent figure recorded one year earlier. Chinese production in December was 269 kt which is the highest monthly total recorded to date.

Global demand was about 2.5 per cent higher than the previous year reaching a total 8346 kt with increases in India and Malaysia contributing to the growing dominance of Asia in global demand. EU27 demand totalled 1863 kt, a decrease of 2.3 per cent compared with January to December 2006. China consumed 2506 kt of lead in 2007 with the December figure at 252 kt.

In December, refined lead production was 730.7 kt and consumption was 748.5 kt.

Zinc market in surplus in 2007

The zinc market was in surplus by 156 kt during 2007 despite a reduction in reported stocks of 1.6 kt. LME stocks rose to almost 89 kt which is still 2kt short of the end 2006 total.

Mine production was, at 11.0 million tonnes, 3.9 per cent higher than the January to December 2006 total. Refined production rose by 665 kt to 11229 kt with Asian countries (especially China) contributing an additional 554 kt to the world output. EU27 production rose by 1.6 per cent and NAFTA output was 14kt higher.

World demand was 278 kt higher than 2006 with the most significant increase recorded in China. Chinese demand was 3585 kt which is 32 per cent of the global total. No allowance is made in the consumption calculation for unreported stock changes

In December, slab zinc production was 980.1 and consumption 954.9 kt.

Nickel market records surplus in 2007.

The Nickel market recorded a surplus of 37.2 kt during 2007 and reported stocks, held mainly in the LME, were 38 kt higher. Refined production for the year totalled 1464 kt and demand was 1427kt. 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. The quantity of this material produced in the last three months has fallen due to lower availability of imported feed materials,

Mine production in January to December 2007 was, at 1558 kt, 9.2 per cent above the comparable 2006 total. Refined production was 7.5 per cent above the 2006 total with output increases in China, Finland and Canada accounting for most of the higher output.

World demand was 32 kt higher than the previous year. No allowance is made in the consumption calculation for unreported stock changes

In December, nickel smelter production was 123.2 kt and consumption was 113.8 kt.

Tin market records deficit for January to December 2007

The tin market recorded a deficit of 2.8 kt during 2007 after allowing for reported DLA deliveries. However, the production data exclude a quantity of re-refined LME metal processed in Asian smelters. Total stocks held at DLA warehouses were 8.3 kt and other stocks were virtually unchanged from December 2006.

Reported production of refined metal (excluding re-processed LME metal) was up by 0.9 kt, compared with 2006 and DLA deliveries up to the end of October were 7.1 kt bringing the total availability to 358.4 kt. Production in Indonesia is estimated at 77.6 kt which is unchanged from 2006. Global demand totalled 361.2 kt which represented a decrease of 3.7 kt compared with January to December 2006 with reduced consumption in Japan and USA responsible for most of the market weakness.

At the end of December, LME stocks stood at 12.2 kt which compares with the end December 2006 figure of 13.0 kt.

Tin mine production was 330.5 kt which was 3 per cent above the 2006 total.

In December, refined tin production was 32.1 kt and consumption was 29.3 kt.

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The above data are taken from World Metal Statistics February 2008 published today.

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