# World Bureau of Metal Statistics

**January to September 2007 METALS BALANCES**

**Primary aluminium markets records surplus in January to September 2007**

The calculated market surplus for primary aluminium for January to September 2007 was 320 kt. Demand for primary aluminium was 27.8 million tonnes, 2493 kt more then the equivalent total for January to September 2006. Production rose by 3074 kt to 28.17 million tonnes during the same period. Total reported stocks rose again during September to stand just under 3 million tons, equivalent to 5 week's demand, at the end of the month. Total stocks held in the three exchange in London, Shanghai and Tokyo topped 1 million tonnes for the first time since 2003. No allowance is made in the consumption calculation for unreported stock changes.

Overall, global production increased by 12.3 per cent compared with January to September 2006. Chinese output rose by 2470 kt and currently accounts for just over 32 per cent of the world production total. Net exports of unwrought aluminium from China were, at 210 kt, 62 per cent below the total recorded in the first nine months of 2006. Output of Aluminium semis rose by 41 per cent which was slightly below the 46 per cent increase in Chinese apparent demand for primary metal.

Production in the EU27 was down by 0.4 per cent whilst NAFTA output increased by 5.1 per cent. Global demand rose by just under 10 per cent to 27.85 million tonnes. EU27 demand continues to be stronger and the year on year increase was just over 6 per cent.

In September, primary aluminium production was 3249.6 kt and consumption was 3192.7 kt.

**Copper market records a deficit in January to September 2007**

The copper market recorded deficit of 334 kt for the first nine months of 2007 . This compares with a revised surplus of 3 kt reported for the 2006 calendar year. Reported stocks decreased by 51 kt between the beginning of January and the end of September 2007. No allowance is made in the consumption calculation for unreported stock changes.

Mine production for the nine month period was, at 11.4 million tonnes, 3 per cent higher than in January to September 2006. Refined production rose by 2.4 per cent to 13.22 million tonnes. Chinese output rose by 301 kt, Indian, Japanese and Chilean production rose by 92k t, 48 kt and 90 kt respectively compared with the first nine months of 2006. Zambian output fell by 19 kt

Consumption in January to September 2007 was 13.6 million tonnes which was 5 per cent higher than the same period of the previous year. Chinese consumption increased to 3590 kt from 2609 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 3136 kt, 4.1 per cent below the January to September 2006 total.

In September, refined copper production was 1457 kt and consumption was 1442 kt.

**Lead market records deficit in January to Septembert 2007**

The lead market recorded a deficit of 136 kt during the first nine months of 2007 which compares with the January to September 2006 deficit of 63 kt. Reported stocks fell by 23 kt during the period to 253 kt. LME stocks fell by 2.7 kt during September and stood at 22.4 kt at the end of the month. No allowance is made in the consumption calculation for unreported stock changes.

Lead mine production was 2760 kt with Chinese output dominating the global supply. Refined production from both primary and secondary sources was 1.1 per cent above the equivalent figure recorded one year earlier.

Global demand was about 2.4 per cent higher than the previous year to reach a total 6114 kt with increases in Malaysia and South Korea contributing to the growing dominance of Asia in global demand. EU27 demand totalled

1366 kt, a decrease of 1.6 per cent compared with January to September 2006. China consumed 1841 kt of lead in the first nine months of 2007 with the September figure at 210 kt.

In September, refined lead production was 645.5 kt and consumption was 663.7 kt.

**Zinc market in surplus in January to September 2007**

The zinc market was in surplus by 50 kt during January to September 2007 despite a reduction in reported stocks of 45 kt. The proportion of total stocks held in LME warehouse has declined from 47 per cent at the end of 2005 to just over 13 per cent at the end of September 2007.

Mine production was, at 8131 kt, 8.1 per cent higher than the January to September 2006 total. Refined production rose by 534 kt to 8327 kt with Asian countries (especially China) contributing an additional 427 kt to the world output. EU27 production rose by 2.2 per cent and NAFTA output was 2.3 per cent higher.

World demand was 234 kt higher than in the first nine months of 2006 with the most significant increase recorded in China. Chinese demand was 2556 kt which is 31 per cent of the global total. No allowance is made in the consumption calculation for unreported stock changes

In September, slab zinc production was 937.2 kt and consumption was 948.7 kt.

**Nickel market close to balance January to September 2007.**

The Nickel market recorded a tiny surplus during January to September 2007. However, reported stocks mainly in the LME were 20 kt higher. 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 both August and September has fallen due to lower availability of imported feed materials,

Mine production in January to September 2007 was, at 1128.1 kt, 6.7 per cent above the 2006 total. Refined production was 11.2 per cent above the comparable total for 2006 with output increases in China, Finland and Canada accounting for most of the higher output.

World demand was 86 kt higher than the previous year. No allowance is made in the consumption calculation for unreported stock changes

In September, nickel smelter production was 115.6 kt and consumption was 107.6 kt.

**Tin market records surplus for January to September 2007**

The tin market recorded a calculated market surplus of 6.5 kt during January to September 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 1.2 kt, compared with the first nine months of 2006 and DLA deliveries were 7.6 kt bringing the total availability to 267.8 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 but has recovered some of the lost ground in the last quarter. Global demand totalled 266.7 kt which represented a decrease of 11.3 kt compared with January to September 2006 with reduced consumption in Japan and lack of significant growth in China responsible for most of the market weakness.

At the end of September, LME stocks stood at 14.0 kt which compares with the end December 2006 figure of 13.0 kt.

Tin mine production was 241.0 kt which was slightly below the January to September 2006 total.
In September, refined tin production was 28.9 kt and consumption was 30.5 kt.

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

# World Bureau of Metal Statistics

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