



World Bureau of Metal Statistics

January to October 2007 METALS BALANCES

Primary aluminium markets records surplus in January to October 2007

The calculated market surplus for primary aluminium for January to October 2007 was 398 kt. Demand for primary aluminium was 31.0 million tonnes, 2654 kt more than the equivalent total for January to October 2006. Production rose by 3379 kt to 31.4 million tonnes during the same period. Total reported stocks fell by 202 kt during October with most of the fall recorded in producer inventories. Total stocks at the end of October stood at just under 2.75 million tons, equivalent to just over 4 week's demand. Total stocks held in the three exchanges in London, Shanghai and Tokyo rose to 1.03 million. No allowance is made in the consumption calculation for unreported stock changes.

Overall, global production increased by 12 per cent compared with January to October 2006. Chinese output rose by 2732 kt and currently accounts for almost 33 per cent of the world production total. Net exports of unwrought aluminium from China were, at 220 kt, 63 per cent below the total recorded in the first ten months of 2006. Output of Aluminium semis rose by 40 per cent which was slightly below the 44 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 5.4 per cent. Global demand rose by 9.4 per cent to 31.05 million tonnes. EU27 demand continues to be stronger and although the year on year increase was just over 4 per cent which compares with an increase of 6 per cent in the January to September period.

In October, primary aluminium production was 3295.1 kt and consumption was 3207.5 kt.

Copper market records a deficit in January to October 2007

The copper market recorded deficit of 207 kt for the first ten months of 2007 which compares with a deficit of 334 kt in January to September. Reported stocks decreased by 11 kt between the beginning of January and the end of October 2007. No allowance is made in the consumption calculation for unreported stock changes.

Mine production for the ten month period was, at 12.6 million tonnes, 2.1 per cent higher than in January to October 2006. Refined production rose by 2.5 per cent to 14.73 million tonnes. Chinese output rose by 357 kt, Indian, Japanese and Chilean production rose by 98 kt, 51 kt and 131 kt respectively compared with the first ten months of 2006. Zambian output fell by 9 kt

Consumption in January to October 2007 was 14.95 million tonnes which was 4.4 per cent higher than the same period of the previous year. Chinese consumption increased to 3999 kt from 2924 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 3403 kt, 6.2 per cent below the January to October 2006 total.

In October, refined copper production was 1491 kt and consumption was 1456 kt.

Lead market records deficit in January to October 2007

The lead market recorded a deficit of 198 kt during the first ten months of 2007 which compares with the January to September 2006 deficit of 136 kt. Reported stocks were virtually unchanged from the level recorded one year earlier. LME stocks rose by 17.6 kt during October and stood at 40 kt at the end of the month. No allowance is made in the consumption calculation for unreported stock changes.

Lead mine production was 3060 kt with Chinese output dominating the global supply. Refined production from both primary and secondary sources was 0.7 per cent above the equivalent figure recorded one year earlier.

Global demand was about 2.6 per cent higher than the previous year to reach a total 6852 kt with increases in India, Malaysia and South Korea contributing to the growing dominance of Asia in global demand. EU27 demand totalled 1534 kt, a decrease of 1.5 per cent compared with January to October 2006. China consumed 2042 kt of lead in the first ten months of 2007 with the October figure at 201 kt.

In October, refined lead production was 656.7 kt and consumption was 690.9 kt.

Zinc market in surplus in January to October 2007

The zinc market was in surplus by 60 kt during January to October 2007 despite a reduction in reported stocks of 12 kt. LME stocks rose to almost 80 kt which is still 10kt short of the end 2006 total.

Mine production was, at 9080 kt, 8.1 per cent higher than the January to October 2006 total. Refined production rose by 545 kt to 9274 kt with Asian countries (especially China) contributing an additional 491 kt to the world output. EU27 production rose by 1.7 per cent and NAFTA output was 0.2 per cent lower.

World demand was 185 kt higher than in the first ten months of 2006 with the most significant increase recorded in China. Chinese demand was 2900 kt which is 31 per cent of the global total. No allowance is made in the consumption calculation for unreported stock changes

In October, slab zinc production was 947.2 kt and consumption was 981.9 kt.

Nickel market records small surplus January to October 2007.

The Nickel market recorded a surplus of 5.7 kt during January to October 2007. However, reported stocks mainly in the LME were 28 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 the last three months has fallen due to lower availability of imported feed materials,

Mine production in January to October 2007 was, at 1254 kt, 6.2 per cent above the 2006 total. Refined production was 9.2 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 73 kt higher than the previous year. No allowance is made in the consumption calculation for unreported stock changes

In October, nickel smelter production was 117.6 kt and consumption was 114.2 kt.

Tin market records surplus for January to October 2007

The tin market recorded a calculated market surplus of 3.8 kt during January to October 2007 after allowing for reported DLA deliveries. Total stocks held at DLA warehouses were 8.3 kt. This figure had been revised from the September figure of 7.8 to reflect an accounting error. No allowance is made in the consumption calculation for unreported stock changes.

Reported production of refined metal was down by 1.7 kt, compared with the first ten months of 2006 and DLA deliveries were 7.1 kt bringing the total availability to 294.5 kt. Production in Indonesia is estimated at 63.6 kt which is only 2.8 kt below the comparable figure for 2006. Global demand totalled 298.3 kt which represented a decrease of 11.4 kt compared with January to October 2006 with reduced consumption in Japan and lack of significant growth in China responsible for most of the market weakness.

At the end of October, LME stocks stood at 13.2 kt which compares with the end December 2006 figure of 13.0 kt.

Tin mine production was 268.6 kt which was slightly below the January to October 2006 total.

In October, refined tin production was 31.2 kt and consumption was 31.7 kt.

Dated 19th December 2007

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



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

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World Bureau of Metal Statistics
27A High Street
Ware
Herts
SG12 9BA
United Kingdom

Tel: +44 (0) 1920 461274
Fax: +44 (0) 1920 464258