



PRESS RELEASE

30th September 2024

ILZSG SESSION/FORECASTS

1. The International Lead and Zinc Study Group held its Sixty-ninth Session in Lisbon, Portugal on 26-27 September 2024.
2. The Session included a meeting of the Study Group's Statistical and Forecasting Committee to review the current levels of world supply and demand for lead and zinc and the outlook for 2025. The Standing, Mine and Smelter Projects, and Economic and Environment Committees and Industry Advisory Panel also met. In each of the Committees a number of speakers made presentations containing valuable information about current trends and issues in the global lead and zinc sectors.

Forecasts

Lead Outlook for 2024 and 2025

Usage

3. Global **demand for refined lead** metal is forecast to increase by 0.2% to 13.13 million tonnes this year and by 1.9% to 13.39 million tonnes in 2025.
4. After rising by 4.1% in 2023, European lead demand is expected to fall by 1.8% in 2024. This will mainly be a consequence of decreases in apparent usage in Austria, the Czech Republic, France, Italy and Poland that will more than offset rises in Finland, Greece and the Russian Federation. Usage is also forecast to fall in Japan, Mexico, Türkiye and the United States this year, but to increase in Brazil, India, the Republic of Korea, the United Arab Emirates and Vietnam.

5. In China, it is anticipated that demand will increase by 0.9% this year and by 0.5% in 2025. Following a rise of 10.5% in 2023, Chinese production of lead-acid batteries grew by a more modest 0.5% over the first half of 2024.
6. In 2025, demand is forecast to recover in Europe and Mexico and continue to rise in India and Vietnam.

Supply

7. World **lead mine supply** is forecast to grow by 1.7% to 4.54 million tonnes in 2024 and in 2025, by 2.1% to 4.64 million tonnes. In China, production is expected to increase by 0.5% in 2024 and by 1.5% in 2025.
8. Lead mine output in Mexico is expected to rise substantially this year, after a strike at Newmont's Penasquito mine impacted production in 2023. Increases are also anticipated in Australia, Bulgaria, Kazakhstan and Sweden. In Ireland, Portugal and South Africa, however, output is predicted to be lower.
9. The forecast rise in global supply in 2025 will be driven mainly by increases in China, Ireland and the Russian Federation, where the new Ozernoye mine has recently started production. In Bosnia and Herzegovina, output is also anticipated to grow, benefiting from higher production at the Vares mine. These rises will, however, be partially balanced by a decline in Australian output.
10. After a forecast fall of 0.2% to 13.20 million tonnes in 2024, world **refined lead supply** is anticipated to rise by 2.4% to 13.51 million tonnes in 2025.
11. In 2024, refined lead output is expected to decrease in China, Poland, Sweden and Canada, where a scheduled maintenance at Teck Resources' Trail operations negatively affected production in the second quarter. These reductions will, however, be partially offset by rises in Australia, Bulgaria, India, Italy, Japan, Kazakhstan, and the Republic of Korea.
12. In 2025, metal supply is forecast to rise in Canada, China and India but to decrease in the United Kingdom.

World Refined Lead Metal Balance

13. After having taken into account all of the information recently received from its member countries, the Group anticipates that global supply of refined lead metal will exceed demand by 63,000 tonnes in 2024. In 2025, a larger surplus of 121,000 tonnes is expected.

Zinc Outlook for 2024 and 2025

Usage

14. Global **demand for refined zinc** is forecast to rise by 1.8% to 13.83 million tonnes in 2024 and by 1.6% to 14.04 million tonnes in 2025.
15. In China, it is anticipated that usage will rise by 0.7% both this year and in 2025. Chinese production of galvanised sheet, passenger cars and home appliances increased over the first half of 2024, however investment in the real estate sector has remained depressed.
16. European demand fell by 8.6% in 2023, and this year a further decline of 1% is anticipated. This will mainly be a consequence of reductions in Bulgaria, Germany, Italy and Poland, that will be partially balanced by increases in Finland and France.
17. Elsewhere, apparent zinc demand is forecast to rise significantly in India and the Republic of Korea. Increases are also expected in Brazil, Mexico, Taiwan (China), Türkiye and Vietnam. However, apparent usage in the United States is expected to be lower in 2024.
18. In 2025, zinc usage is forecast to rise in Europe, India and Vietnam but to fall in the Republic of Korea.

Supply

19. After falling by 2.4% in 2022 and 2.1% in 2023, world **zinc mine production** is forecast to decline by a further 1.4% to 12.06 million tonnes in 2024. In 2025, however, a recovery of 6.6% to 12.86 million tonnes is anticipated, mainly influenced by a robust growth of 8.9% in the world ex-China.
20. European output is forecast to decrease by 11.4% this year, primarily as a result of reductions in Ireland and Portugal, where the Tara and Aljustrel mines respectively were placed on care and maintenance in the second half of 2023. Reductions are also anticipated in China, Canada, South Africa, the United States and Peru, where output at the Antamina mine is predicted to fall substantially. However, these anticipated declines will be partially compensated by increases in Australia, Mexico and Congo D.R., where Ivanhoe Mines commissioned the 280,000 tonnes per year Kipushi mine in June.
21. In 2025, European output is expected rise significantly, benefiting from higher production in Bosnia and Herzegovina, Portugal and Ireland, due to the imminent reopening of Boliden's Tara operation. Production in the Russian Federation is also anticipated to increase, primarily as a consequence of the commissioning of the 320,000 tonnes per year Ozernoye mine in September.

22. Further increases are forecast in Australia, Brazil, China, Congo D.R., Peru, South Africa and Saudi Arabia, where an expansion at the Al Masane mine is expected to be completed before the end of the year. In the United States, however, a further decline in production is anticipated, mainly as a result of lower output at the Red Dog operation.
23. The Group anticipates that world **refined zinc metal production** will be limited by the availability of concentrates and expects a decrease of 1.8% to 13.67 million tonnes in 2024. However, in 2025, global output is forecast to recover by 3.9% to 14.19 million tonnes.
24. Following a substantial rise of 7.7% in 2023, Chinese refined zinc metal output is predicted to fall by 3.9% this year. Production is also expected to decline in Peru and Canada, due to ongoing modernization works at Glencore's CEZinc refinery located in Quebec.
25. After falling by 3.9% in 2023, production in Europe is anticipated to remain nearly unchanged this year. This will be mainly a consequence of predicted reductions in the Netherlands and the Russian Federation that will balance forecast increases in France, Germany and Italy.
26. In 2025, global output will benefit from greater availability of concentrates and rises are forecast in Australia, Canada, China, Japan, the Netherlands, the Russian Federation and Norway, where an expansion at the Odda smelter is expected to be completed in the first quarter. In Italy, however, a reduction is anticipated, since it has recently been reported that Glencore's secondary zinc smelter in Sardinia will be closed in 2025.

World Refined Zinc Metal Balance

27. Regarding the global market balance, the Group anticipates that global demand for refined zinc metal will exceed supply in 2024 with the extent of the deficit forecast at 164,000 tonnes. In 2025, a surplus of 148,000 tonnes is anticipated.

Website

28. Further information on the topics covered by this Press Release can be obtained on the ILZSG website at www.ilzsg.org or by contacting the Secretariat.