

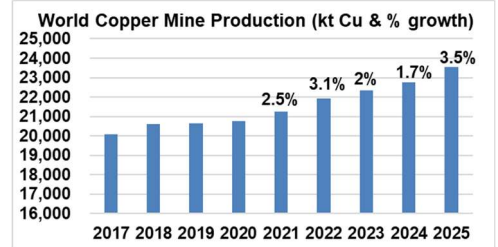


## Copper Market Forecast 2024/2025

The International Copper Study Group (ICSG) met in Lisbon, Portugal, on 24-25 September 2024. Government delegates and industry advisors from most of the world's leading copper producing and using countries participated to discuss key issues affecting the global copper market. At the meeting of the Statistical Committee, the ICSG view of the world balance of refined copper production and use was developed.

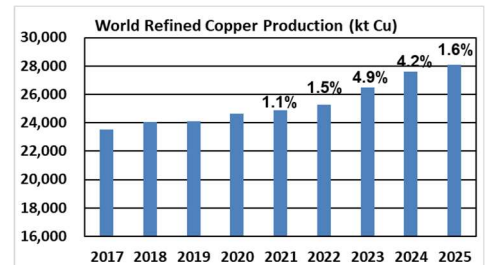
### World copper mine production is expected to increase by 1.7% in 2024 with growth of 3.5% forecast for 2025:

- World growth in 2024 is expected to be slightly lower than the 2% growth seen in 2023, as additional output from projects/expansions and improved output at few major mines has been partially offset by the Cobre Panama mine closure that removed 330kt Cu from global output in 2024.
- Actual aggregated production from the world major copper mines increased by 4.5% in 1<sup>st</sup> half of 2024, as a result of the recovery from reduced output in the 1<sup>st</sup> half of 2023 (eg Grasberg and Escondida) and capacity ramp-up (eg Tenke and QB2).
- Additional output from few new smaller sized mines is also contributing to global production.
- In 2025, growth is expected to be higher at 3.5% with global output mainly benefiting from a further ramp-up in capacity at mines in the D.R. Congo (including Kamoakakula) and Mongolia (Oyu Tolgoi underground) and also from the start-up of the Malmyzhskoye mine in the Russian Federation. A number of expansions and the opening of some medium and small mines will also add to production.



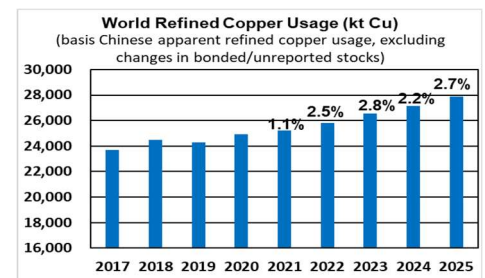
### World refined copper production is forecast to rise by about 4.2% in 2024 and 1.6% in 2025:

- In 2024, global refined copper output is expected to recover from a series of maintenance outages, accidents and operational issues that occurred in 2023 in a number of major producing countries including Chile, Japan, India, Indonesia and United States.
- Concurrently, additional output from new and ramp-up plants in the D.R. Congo (electrowinning) and China (electrolytic) as well as a further increase in secondary refined output (from scrap) are contributing to growth.
- In 2025, a lower growth is anticipated. Although production will benefit from the continued expansion of Chinese electrolytic capacity and the ramp-up of new smelters/refineries in Indonesia and India, the increase in primary electrolytic refined production is expected to be limited by the constrained availability of concentrates. However, electrowinning output is forecast to rise by 2.5% and secondary refined production (from scrap) by 6%, benefiting from expanded capacity.



### World apparent refined copper usage is expected to increase by about 2.2% in 2024 and 2.7% in 2025:

- The rate of global growth remains mostly in line with the forecast put forward at the Group's April meetings, with downward revisions in a number of countries, mainly in the EU, offset by growth elsewhere.
- Chinese usage is expected to grow by about 2% in 2024 and 1.8% in 2025.
- After an estimated decline of 3% in 2023, world ex-China usage in 2024 and 2025 is expected to increase by 2.4% and 3.7% respectively, mainly due to the development of new semis production capacity in India and a number of other countries.
- Copper is essential to economic activity and to the modern technological society. Additionally, infrastructure developments in major countries and the global trend towards cleaner energy and electric cars will continue to support copper demand in the longer term.



### World refined copper balance projections indicate a surplus of about 469,000 tonnes for 2024 and 194,000 tonnes for 2025:

- ICSG recognizes that global market balances can vary from those projected owing to numerous factors that could alter projections for both production and usage. In this context, it should be noted that actual market balance outcomes have, on recent occasions, deviated from ICSG market balance forecasts due to unforeseen developments.
- In developing its global market balance, ICSG uses an apparent demand calculation for China that does not consider changes in unreported stocks (State Reserve Bureau (SRB), producer, consumer, merchant/trader, bonded) which can be significant during periods of stocking or de-stocking and which can markedly alter global supply-demand balances. Apparent copper demand for China is based only on reported data (production + net trade +/- SHFE stock changes).
- ICSG expects a surplus of about 469,000 tonnes for 2024 compared to a surplus of about 162,000 tonnes forecast last April with the difference mainly due to higher than anticipated refined copper production. A surplus of about 194,000 tonnes is currently expected for 2025.

The next Meetings of the International Copper Study Group will be held in Lisbon in April 2025.

(Supply and Demand forecast table on next page)

## World Refined Copper Usage and Supply Forecast

Thousand metric tonnes, copper

REGIONS ( <sup>'000 t Cu</sup> )	COPPER MINE PRODUCTION			REFINED COPPER PRODUCTION			REFINED COPPER USAGE		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Africa	3,665	3,981	4,422	2,409	2,614	2,926	184	187	180
N.America	2,340	2,432	2,531	1,574	1,689	1,676	2,133	2,188	2,255
Latin America	8,862	8,631	9,059	2,514	2,350	2,403	381	395	405
Asean-10	1,063	1,143	1,078	454	636	1,177	1,151	1,220	1,306
Asia ex Asean/CIS	2,587	2,654	2,925	14,907	15,642	16,232	18,743	19,223	19,750
Asia-CIS	983	1,010	1,072	499	517	531	107	107	107
EU	760	766	800	2,467	2,467	2,524	2,985	2,934	2,969
Europe Others	1,241	1,332	1,514	1,234	1,266	1,352	871	897	902
Oceania	866	858	852	445	450	452			
<b>TOTAL</b>	<b>22,367</b>	<b>22,807</b>	<b>24,252</b>	<b>26,503</b>	<b>27,632</b>	<b>29,272</b>	<b>26,556</b>	<b>27,150</b>	<b>27,875</b>
<b>World adjusted 1/ 2/</b>	<b>22,367</b>	<b>22,746</b>	<b>23,541</b>	<b>26,503</b>	<b>27,619</b>	<b>28,068</b>	<b>26,556</b>	<b>27,150</b>	<b>27,875</b>
% change	2.0%	1.7%	3.5%	4.9%	4.2%	1.6%	2.8%	2.2%	2.7%
<b>World Refined Balance (China apparant usage basis)</b>							<b>-53</b>	<b>469</b>	<b>194</b>

1/ Based on a formula for the difference between the projected copper availability in concentrates and the projected use in primary electrolytic refined production.

2/ Allowance for supply disruptions based on average ICSG forecast deviations for previous 5 years.