Copper Prices and Stocks:

Preliminary data indicates that world apparent refined usage increased by about 0.5% in January 2020 compared to January 2019, with concentrate production remaining essentially unchanged and solvent extraction-electrowinning (SX-EW) increasing by around 2%:

- Chilean production increased by 0.5% with lower Codelco output partially offsetting growth at other mines such as Escondida.
- Aggregated production in the Democratic Republic of Congo (DRC) and Zambia declined by just over 5% mainly impacted by temporary shut downs at some mines.
- Official data indicates that Chinese mine production declined by 4%.
- In Indonesia, transition of the country’s major two copper mines to different ore zones is still impacting output levels with production declining by around 4%.
- Among other major copper mine producers output declined in Peru, increased in the United States and remained essentially unchanged in Mexico.
- Production in Panama was higher as the country was not producing copper in January 2019.
- On a regional basis, mine production is estimated to have increased by around 3% in North America, 2% in Latin America and 2% in Europe but declined by approximately 2.5% in Asia and 5% in Africa.

Preliminary data indicates that world refined production increased by about 3% in January 2020 compared to January 2019 with primary production (electrolytic and electrowinning) up by 5% and secondary production (from scrap) down by 3%:

- Chilean electrolytic refined output increased by a significant 40% as in the comparative month of 2019 production was negatively affected by temporary smelter shutdowns whilst undergoing upgrades to comply with new environmental regulations. Total Chilean refined production (including Electrowinning) increased by 16%.
- Chinese refined production was impacted in January in by the earlier than usual Chinese New Year with official data indicating a growth of about 1.5%.
- Aggregated production in the DRC and Zambia declined by 14% due to temporary shutdowns and operational issues at electrolytic and electrowinning refineries.
- Japanese refined production increased by 3%.
- On a regional basis, refined output is estimated to have increased in Asia (1.5%), in the Americas (17%) and in Europe (2.5%) but declined in Africa (-14%) and in Oceania (4%).

Preliminary data indicates that world apparent refined usage increased by about 0.5% in January 2020 compared to January 2019:

- Chinese apparent usage declined by 3% mainly as a consequence of lower Chinese refinery output and a decline of 11% in net refined copper imports.
- Among other major copper users, demand increased in the EU and in the United States but declined in Japan.
- World ex-China usage increased by just over 2%.

Preliminary world refined copper balance for January 2020 indicates a balanced market:

- In developing its global market balance, ICSG uses an apparent demand calculation for China that does not take into account changes in unreported stocks [State Reserve Bureau (SRB), producer, consumer, merchant/trader, bonded]. To facilitate global market analysis, however, an additional line item—Refined World Balance Adjusted for Chinese Bonded Stock Changes—is included in the attached table that adjusts the world refined copper balance based on an average estimate of changes in unreported inventories provided by three consultants with expertise in China’s copper market.
- In January 2020, the world refined copper balance, based on apparent Chinese usage (excluding unreported/bonded stocks), indicated a balanced market.
- The world refined copper balance adjusted for changes in Chinese bonded stocks indicated a market surplus of 65,000 t.

Copper Prices and Stocks:

- Based on the average of estimates provided by independent consultants, China’s bonded stocks are thought to have increased by about 60,000 t in January 2020 compared to the year-end 2019 level. Bonded stocks increased by around 22,000t in January 2019.
- As of the end of March, copper stocks held at the major metal exchanges (LME, COMEX, SHFE) totalled 615,040 t, an increase of 312,653 t (103%) from stocks held at the end of December 2019. Stocks were up at the LME (+53%) and SHFE (+194%) and down at COMEX (-13%).
- The average LME cash price for March 2020 was US$ 5,178.68 /t, down 9% from the February average of US$ 5,686.45 /t.
- The 2020 high and low copper prices through the end of March were US$ 6,300.50 /t (on 16th Jan) and US$ 4,617.50 /t (on 23rd Mar), respectively, and the year average was US$ 5,636.60 /t (6% below the 2019 annual average).

Please visit the ICSG website www.icsg.org for further copper market related information.

(World Refined Copper Usage and Supply Trends table on next page)
# World Refined Copper Usage and Supply Trends

**Thousand metric tonnes, copper**

Due to the nature of statistical reporting, the published data should be considered as preliminary as some figures are currently based on estimates and could change.

1/ Based on EU apparent usage.
2/ Surplus/deficit is calculated using refined production minus refined usage.
3/ Surplus/deficit is calculated using seasonally adjusted refined production minus seasonally adjusted refined usage.
4/ For details of this adjustment see the paragraph of the press release on “World refined copper balance”.

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>World Mine Production</td>
<td>20,082</td>
<td>20,577</td>
<td>20,489</td>
<td>1,669</td>
<td>1,677</td>
<td>1,736</td>
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<tr>
<td>World Mine Capacity</td>
<td>24,018</td>
<td>24,127</td>
<td>24,238</td>
<td>2,103</td>
<td>2,112</td>
<td>2,089</td>
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<tr>
<td>Mine Capacity Utilization (%)</td>
<td>83.6</td>
<td>85.3</td>
<td>84.5</td>
<td>79.4</td>
<td>79.4</td>
<td>83.1</td>
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<tr>
<td>Primary Refined Production</td>
<td>19,485</td>
<td>20,055</td>
<td>19,842</td>
<td>1,646</td>
<td>1,727</td>
<td>1,709</td>
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<tr>
<td>Secondary Refined Production</td>
<td>4,053</td>
<td>4,043</td>
<td>4,083</td>
<td>355</td>
<td>344</td>
<td>341</td>
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<tr>
<td>World Refined Production (Secondary+Primary)</td>
<td>23,538</td>
<td>24,098</td>
<td>23,925</td>
<td>2,001</td>
<td>2,071</td>
<td>2,050</td>
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<tr>
<td>World Refined Capacity</td>
<td>27,445</td>
<td>27,879</td>
<td>28,836</td>
<td>2,415</td>
<td>2,491</td>
<td>2,473</td>
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<tr>
<td>Refineries Capacity Utilization (%)</td>
<td>85.8</td>
<td>86.4</td>
<td>83.0</td>
<td>82.8</td>
<td>83.1</td>
<td>82.9</td>
</tr>
<tr>
<td>World Refined Usage 1/</td>
<td>23,710</td>
<td>24,488</td>
<td>24,284</td>
<td>2,078</td>
<td>2,065</td>
<td>2,070</td>
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<tr>
<td>World Refined Stocks End of Period</td>
<td>1,375</td>
<td>1,227</td>
<td>1,247</td>
<td>1,221</td>
<td>1,318</td>
<td>1,314</td>
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<tr>
<td>Period Stock Change</td>
<td>10</td>
<td>-148</td>
<td>20</td>
<td>-6</td>
<td>70</td>
<td>5</td>
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<tr>
<td>Refined Balance 2/</td>
<td>-171</td>
<td>-391</td>
<td>-359</td>
<td>-77</td>
<td>5</td>
<td>-20</td>
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<tr>
<td>Seasonally Adjusted Refined Balance 3/</td>
<td></td>
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<td></td>
<td></td>
<td>-75</td>
<td>9</td>
</tr>
</tbody>
</table>

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