



Southern Copper sees growth in copper production in Peru

Reuters [reported](#) that Raul Jacob, Southern Copper’s vice president of finance, indicated that its copper production in 2023 would be 932,000 tonnes, a 4% increase on 2022, thanks to expected strong growth in production in Peru to 400,000 tonnes. In its second quarter SEC filings, the company [reported](#) that mined copper production from its Mexican and Peruvian operations rose 6.6% in H1 2023 to 993.9 million pounds (ca. 458,825 tonnes). The increase was mainly attributable to the 18.3% year-on-year growth in production in its Peruvian operations to 394.3 million pounds as a result of higher ore grades at the Toquepala mine and the return of the Cuajone mine to full operating capacity. Southern Copper is investing \$6.5 billion in projects at Tia Maria, Los Chancas, Michiquillay, which Jacob indicated would add 420,000 tonnes to production in Peru over the next decade subject to the projects coming on line as planned.

With the Philippine government keen to see the mining industry develop downstream capacity, Bloomberg [reported](#) that executives from the country’s two biggest nickel producers had indicated that they are planning to invest about \$1 billion each to build processing plants. Nickel Asia Corp, which is partly owned by Sumitomo Metal Mining Co., is looking at a high pressure acid leaching (HPAL) plant in southern Davao Oriental province, which it would build if it wins the right to operate the Pujada mine. Separately, Global Ferronickel Holdings Corp is in talks with a Chinese firm for its first HPAL facility with a capacity of about 40,000 tonnes to be built near its mines in southern Surigao province.

Statkraft has [announced](#) that it is to build Ireland’s first four-hour grid-scale battery energy storage system (BESS) in County Offaly. The 20MW BESS, supplied by Fluence, will be co-located with Statkraft’s 55.8MW Cushaling Wind Farm. The wind project is currently under construction. The battery-based energy storage system is designed to provide 20MW for up to four hours. Most grid-scale batteries currently deployed in Ireland range from 30 minutes to two hours of energy storage capacity.

Copper relative to Aluminium (LME Cash Official Prices in USD, 5 years to 22 September 2023)



Source: Bloomberg

Metal prices

Metal	Price USD (22 September)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Gold	1927.35	0.0%	6.3%	100.4%	94.1%
Silver	23.65	2.6%	-1.2%	101.0%	90.9%
Palladium	1275	0.4%	-28.2%	87.5%	55.1%
Platinum	940	1.4%	-8.8%	95.3%	83.3%
Cobalt	30376.6	0.6%	-29.7%	87.4%	53.6%
Copper	8188	-2.3%	-2.4%	95.4%	86.8%
Nickel	19050	-4.5%	-37.4%	81.0%	61.1%

Bloomberg codes: GOLDLNPM, SLVRLND, PLDMLNPM, PLTMLNPM, BYW1, LOCADY, LONIDY

Notes. All performance data to 22 September 2023. Past performance is not an indicator of future performance and the value of an investment may fall as well as rise. Investors take on currency risk when taking unhedged exposure to commodities.

The week ahead

25 Sep	DE: Ifo Business Climate; UK: CBI Distributive Trades; US: Chicago Fed National Activity Index, Dallas Fed Manufacturing Index
26 Sep	US: S&P/Case-Shiller Home Price Index, CB Consumer Conference, New Home Sales
27 Sep	AU: Monthly CPI Indicator; DE, FR: Consumer Confidence; US: Durable Goods Orders
28 Sep	AU: Retail Sales; DE, ES: Inflation Rate; ES, IT: Business Confidence; EU: Economic Sentiment US: GDP Growth Rate, Pending Home Sales, Fed Chair Powell Speech
29 Sep	JP: Unemployment Rate, Retail Sales, Industrial Production; DE: Retail Sales; EU, FR, IT: Inflation Rate; UK: Current Account, GDP Growth Rate, Mortgage Approvals US: Personal Spending, Core PCE Price Index, Chicago PMI, Michigan Consumer Sentiment

Further reading

- Bloomberg [China’s Copper Industry Is Struggling When It Should Be Booming](#)
- Bloomberg [Barrick Says Big Miners Show Interest in Pakistan Copper Project](#)
- Bloomberg [The Godfather of Solar Predicts Its Future](#)
- Reuters [EU risks depending on China for batteries after quitting Russian energy](#)
- Reuters [France's Eramet and Suez pick Dunkirk for EV battery recycling](#)

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 22 September 2023

Source: Bloomberg

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