



ICSG forecasts copper market surplus in 2024

The International Copper Study Group (ICSG) [released](#) its 2023/24 global copper market forecast. It sees the market moving from a small deficit in 2023 to a surplus of 467,000 tonnes in 2024. The surplus is a result of projected 4.6% growth in refined copper production, mainly from the expansion of Chinese electrolytic capacity, outstripping the 2.7% projected growth in refined copper demand. The figures come with caveats, including the fact that the ICSG only reports apparent demand figures for China, which are based on reported data: production + net trade +/- SFE stock changes. Changes in unreported stocks (State Reserve Bureau, producer, consumer, merchant/trader, bonded) are not considered and they can have a marked affect on the global supply-demand balance.

Barrick [announced](#) that it is investing almost \$2 billion in an expansion project designed to increase the annual production of the open-pit Lumwana mine to an estimated 240,000 tonnes of copper, which would take it into the global top 20 of copper production (see [slide 7](#)). The Zambian president, Hakainde Hichilema, responded positively to the announced investment, identifying Barrick as “a key strategic partner” in the country’s drive to reach annual copper production of 3 million tonnes by 2030. Separately, CEO Mark Bristow, who was visiting Zambia, indicated that the mine was on course to meet its 2023 production guidance of 118,000-131,500 tonnes.

The [agreement](#) between Redelfi and Flash, part of WRM Group, to create a joint venture (JV) targeting 2.8GW of battery storage investments in Italy is the latest of a series of announcements in Italy’s burgeoning grid-scale energy storage market, led by Enel Green Power that is [building](#) capacity of 1.6GW scheduled to be operational in 2024. Italy’s transmission system operator, Terna, has [estimated](#) that Italy will need to instal about 71 GWh of new energy storage by 2030 to meet the EU’s ‘Fit-for-55’ greenhouse gas emission reduction target.

Spot Platinum (XPT)/Palladium (XPD) ratio (five years to 6 October 2023)



Source: Bloomberg

Metal prices

Metal	Price USD (6 October)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Gold	1819.6	-2.7%	0.3%	94.6%	88.8%
Silver	21.115	-8.5%	-11.8%	90.4%	81.1%
Palladium	1146	-11.1%	-35.4%	80.5%	49.8%
Platinum	858	-7.0%	-16.8%	87.5%	76.1%
Cobalt	32969.1	7.6%	-23.7%	96.6%	58.2%
Copper	7887	-4.2%	-6.0%	92.1%	83.6%
Nickel	18280	-1.2%	-39.9%	79.5%	58.6%

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

Notes. All performance data to 6 October 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.

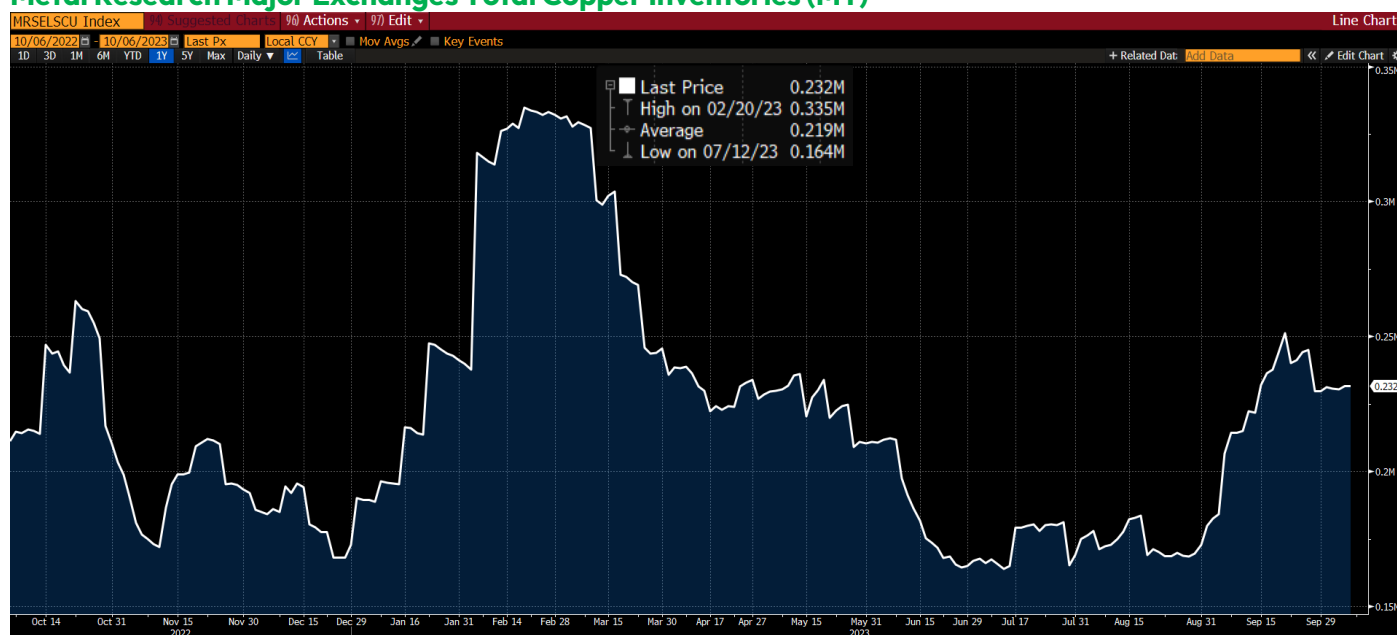
The week ahead

9 Oct	DE: Industrial Production; MX: Inflation Rate
10 Oct	AU: Westpac Consumer Confidence Index; JP: Current Account; IT: Industrial Production
11 Oct	JP: Reuters Tankan Index; DE: Inflation Rate; US: PPI, FOMC Minutes
12 Oct	JP: Machinery Orders; UK: GDP, Industrial Production, Manufacturing Production; US: Core Inflation Rate, Inflation Rate, CPI, Monthly Budget Statement
13 Oct	CN: Inflation Rate, Balance of Trade; EU: Industrial Production; US: Export Prices, Import Prices, Michigan Consumer Sentiment

Further reading

- Bloomberg [Aurubis to Keep European Copper Premium at Record High Next Year](#)
- Bloomberg [UAE Starts First Wind Power Plants Ahead of UN Climate Summit](#)
- Reuters [INSG forecasts a third consecutive year of nickel surplus](#)
- Reuters [Sibanye CEO says Zambia's Mopani Copper Mines investment not 'onerous'](#)
- Reuters [India's Reliance unveils swappable, multipurpose batteries for EVs](#)

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 6 October 2023

Source: Bloomberg

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