

# Review and Forecast On China's Copper Supply and Demand

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China Nonferrous Metals Industry Association

Tokyo, Japan 1st March, 2017

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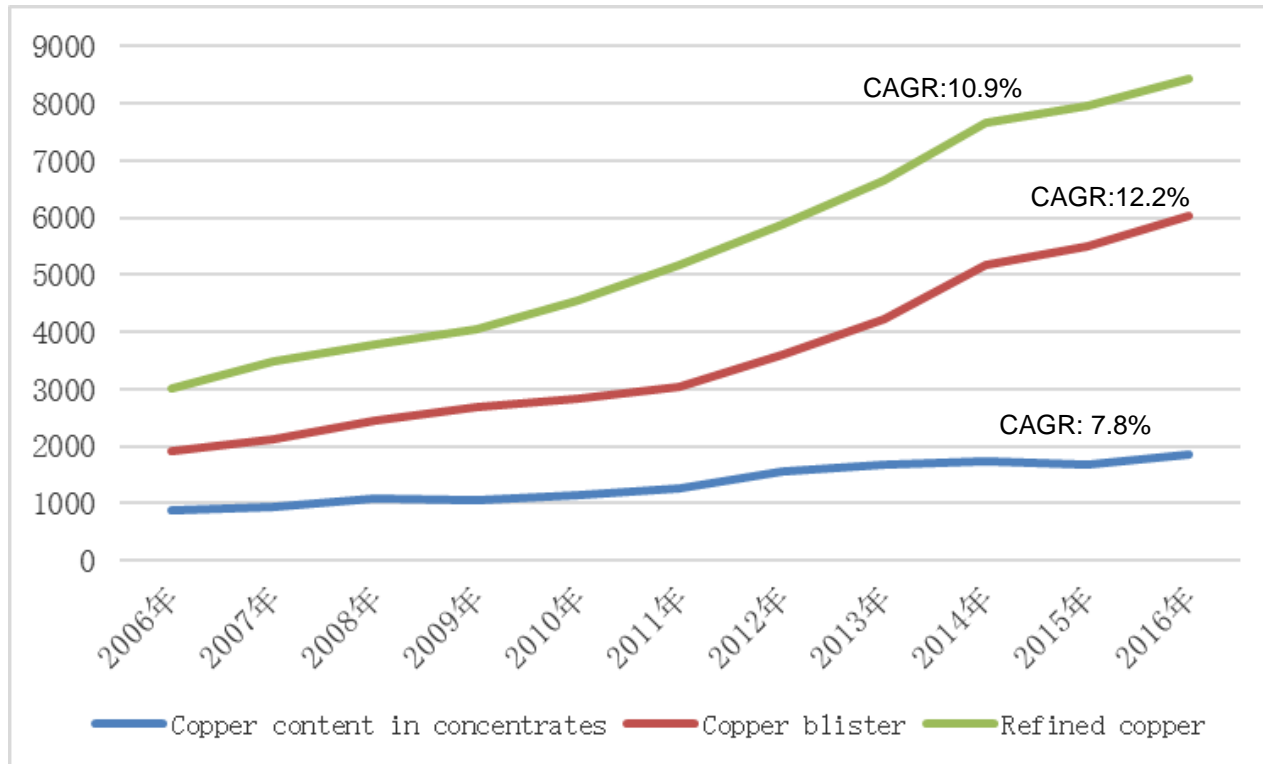
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# China's copper industry review in the past decade

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# China's copper industry review in the past decade

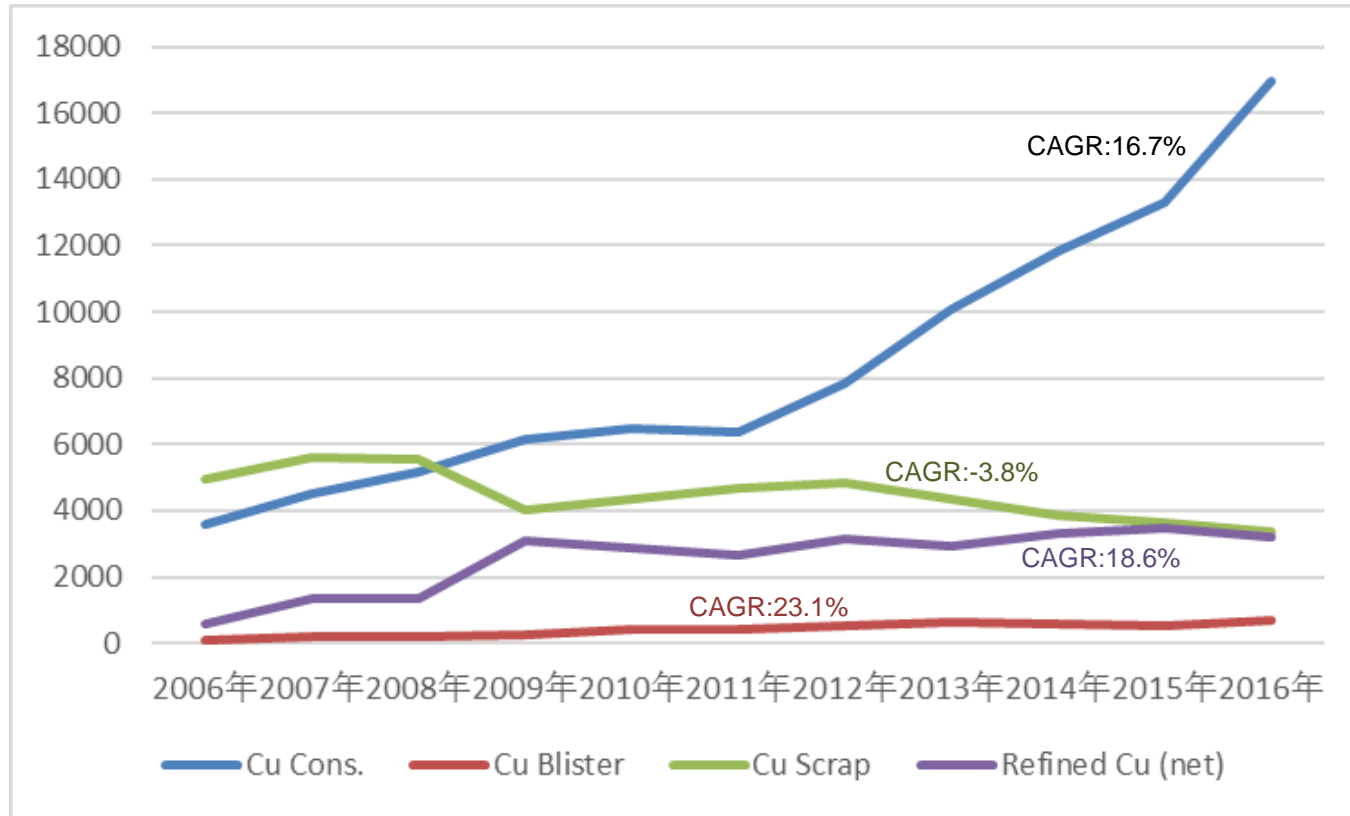


Data source: CNIA

From 2006 to 2016, China's copper production saw a rapid growth. In 2006, copper concentrate output was 873 kt, and copper blister 1.917 mlt, refined copper 3.003 mlt; in 2016, the output of copper concentrate, copper blister and refined copper reached 1.851 mlt, 6.043 mlt and 8.436 mlt, respectively.

But, the gap between copper supply and demand continue to widen.

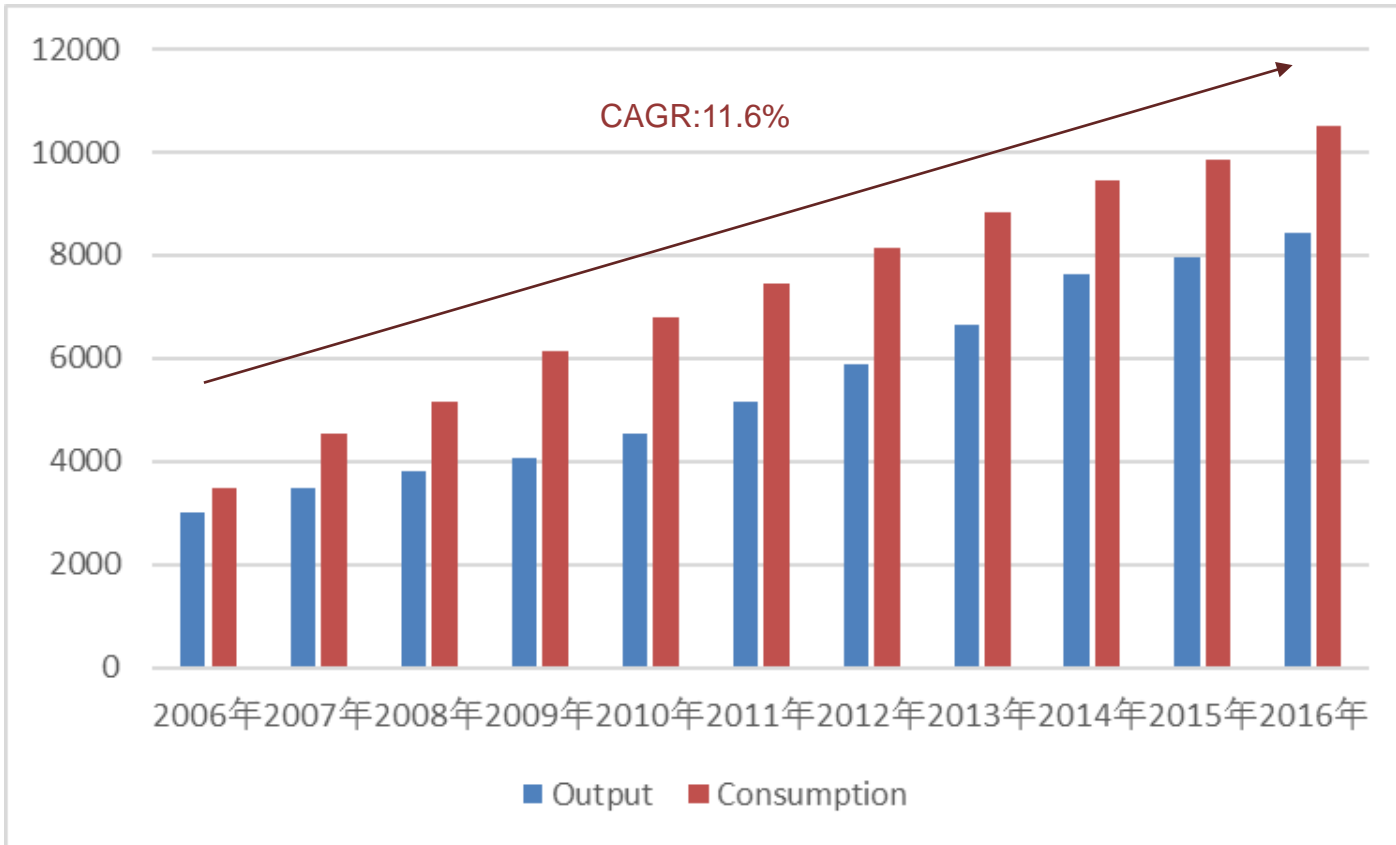
# China's copper industry review in the past decade



Data source: China Customs

Restrained by domestic copper concentrate supply, China imported large quantity copper every year. This chart witnessed a significant growth over the past decade except copper scrap.

# China's copper industry review in the past decade



Data source: CNIA

Talking about China's refined copper consumption, no doubt, it is the focus of global copper market over the past decade.

In 2006, China's refined copper consumption was 3.5 mlt, accounted for 21% of the global total.

In 2016, China's refined copper consumption reached 10.5 mlt, accounted for over 42% of the global total.

# China's copper supply/demand in 2016

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# China's copper supply/demand in 2016

Product	Output	Year on Year
Copper concentrate output	1850.7	10.9%
Copper blister output	6042.6	9.8%
Refined copper output	8436.3	6.0%
Copper concentrate import	16963.3	27.6%
Copper scrap import	3348.1	-8.5%
Copper blister/anode import	707.0	33.4%
Refined copper import	3629.1	-1.3%
Refined copper export	425.6	101.2%
Refined copper net import	3203.4	-7.6%
Refined copper consumption	10500.0	6.6%

Data source: CNIA, China Customs

Note: The quantity of copper concentrate and copper import scrap is gross weight  
The production in 2016 is preliminary data



# China's copper supply/demand in 2016

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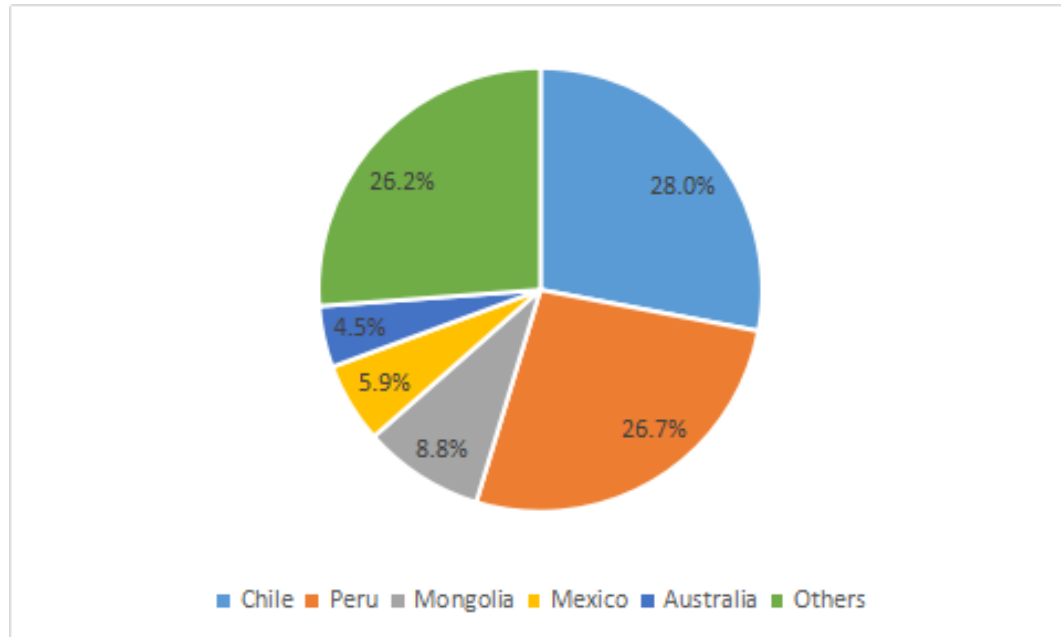
In 2016, copper concentrate production mainly distributed in Inner Mongolia, Jiangxi, Yunnan, Anhui and Gansu province, and refined copper mainly in Shandong, Jiangxi, Anhui, Gansu, Yunnan and Hubei province.

The top 5 companies for refined copper output in China were Tongling Nonferrous, Jiangxi Copper, Jinchuan Group, Dongying Fangyuan and Yunnan Copper, the refined output was 4.458 mlt, accounted for 56.0% of the China's Total refined copper production.

In 2016, the import of copper concentrate, copper blister/anode saw a rapid growth, while the refined copper export reached 425.6 kt, with a 101.2% year-on-year increase.

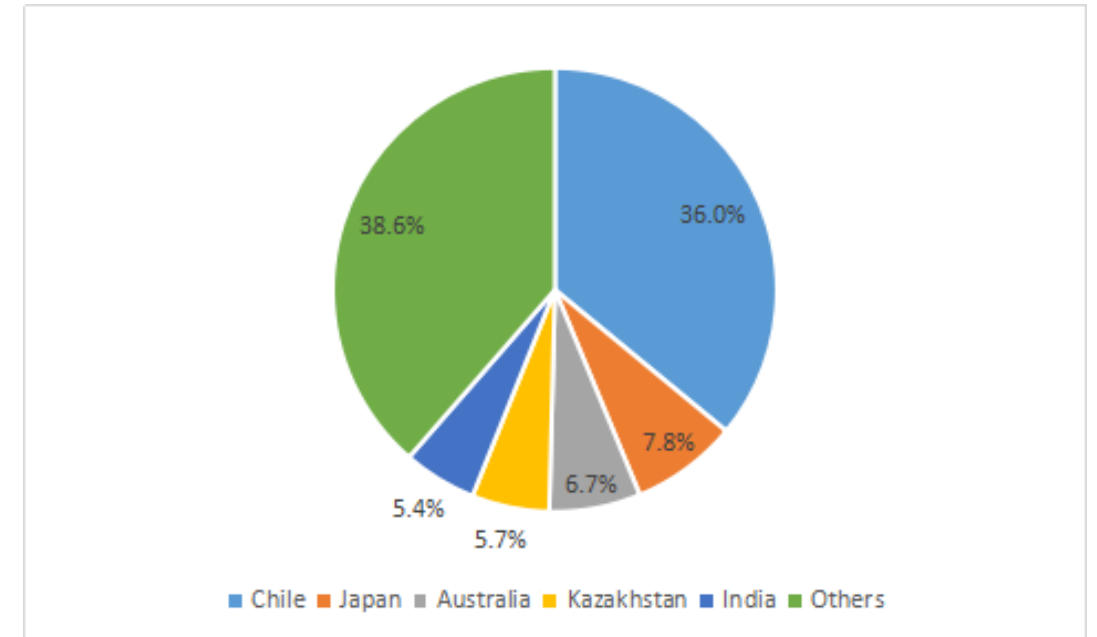
# China's copper supply/demand in 2016

Copper concentrate import by country



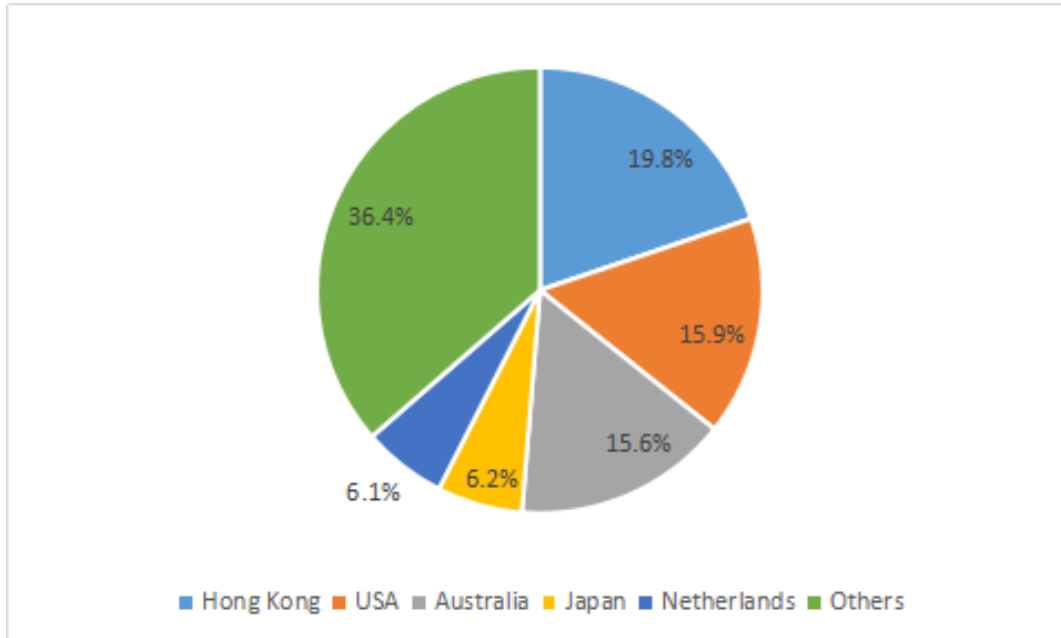
Data source: China Customs

Refined Copper import by country



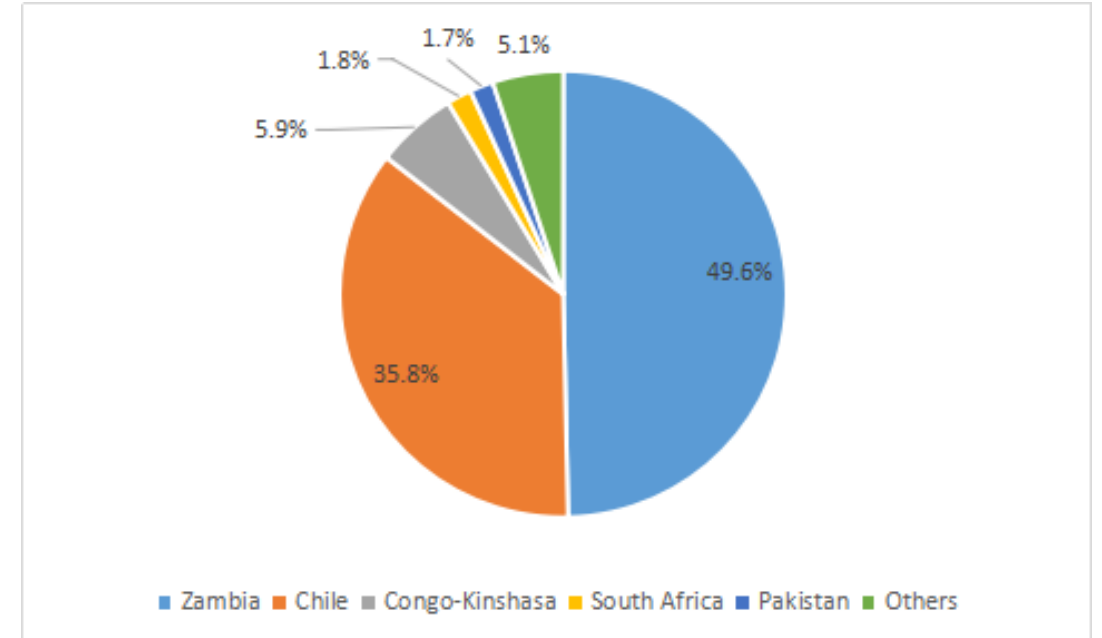
# China's copper supply/demand in 2016

Copper scrap import by country/region



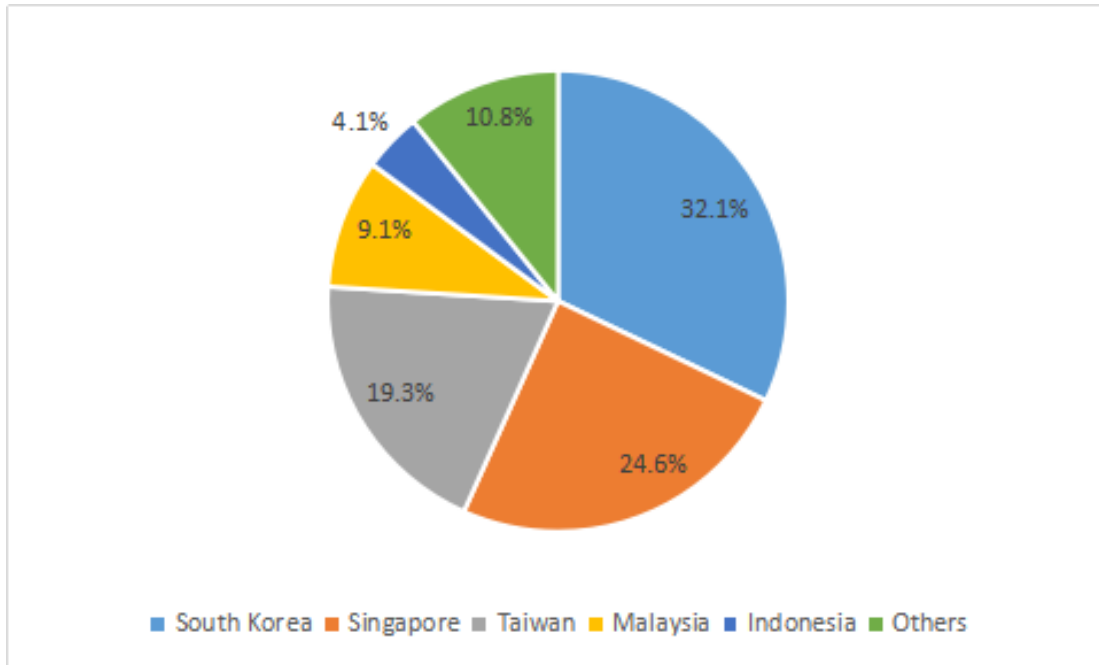
Data source: China Customs

Copper bliter/anode import by country

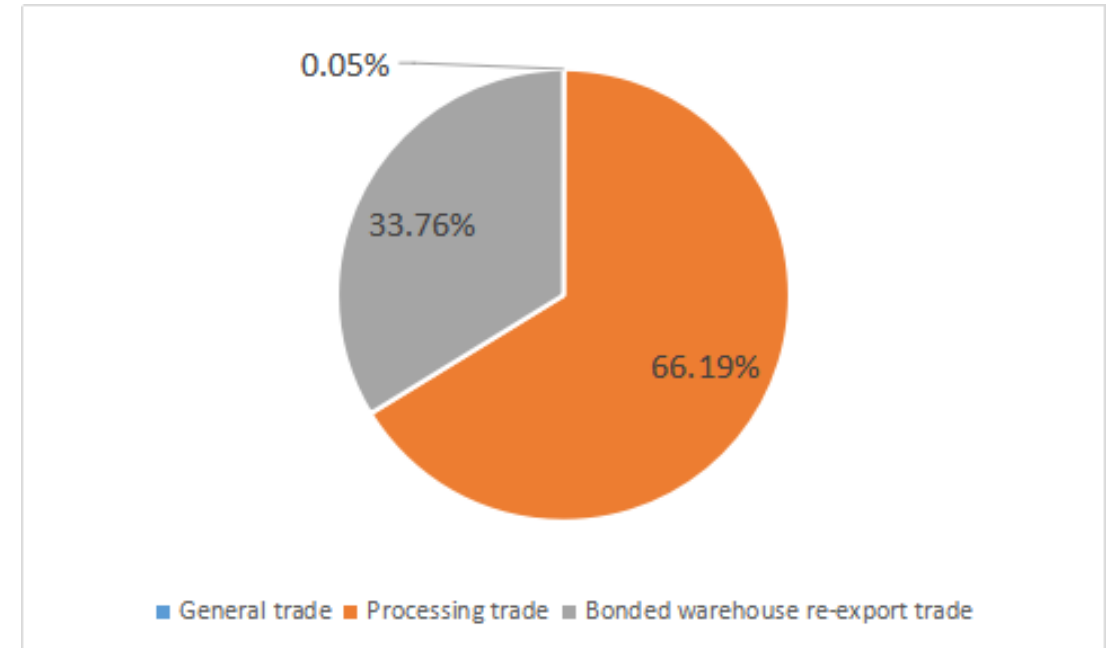


# China's copper supply/demand in 2016

Refined copper export by country/region



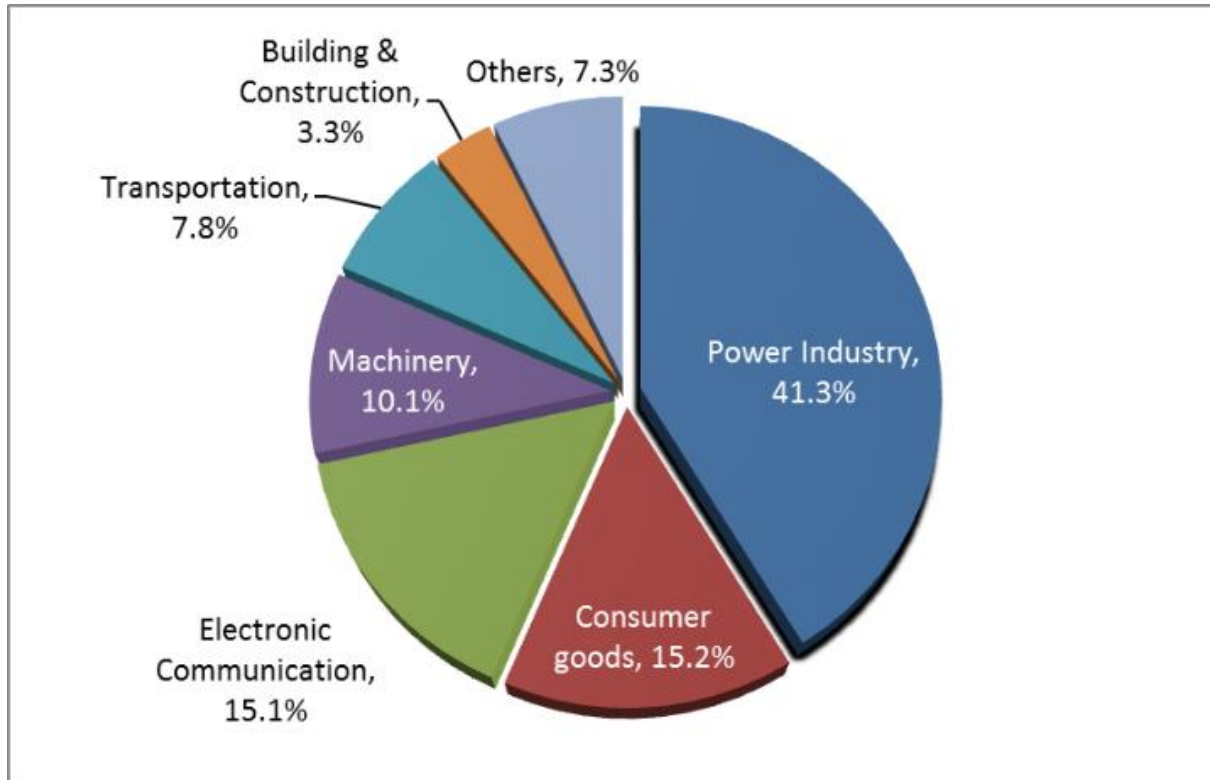
Refined copper export by trade mode



Data source: China Customs

# China's copper supply/demand in 2016

Copper consumption by sector



Data source: CNIA

## Note

Consumer goods: refrigerator, air-conditioner, freezer, door-lock, small household appliance, kitchen utensil, etc.

Machinery: locomotive, construction machinery, instruments, heavy mining machinery, machinery tool manufacturing, etc.

# China's copper supply/demand in 2016

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## Summary:

In 2016, the net increase quantity of copper production was still considerable although the growth rate maintain moderate pace.

Stimulated by smelting capacity expansion and relatively higher TC/RC, and abundant copper concentrate supply in the world, the import of copper concentrate saw a high growth rate.

The increase of copper smelting/refining capacity will bot back to the previous boom years.

Refined copper consumption was better than expected, and power industry was the main driver for Chinese copper demand.

# China's copper supply/demand forecast in 2017



# China's copper supply/demand forecast in 2017

Unit: kt

	2016	Y-O-Y	2017	Y-O-Y
Copper concentrate output	1851	10.9%	1880	1.6%
Refined copper output	8436	5.9%	8900	5.5%
of which, Primary	6229	9.8%	6550	5.2%
Secondary	2207	-3.9%	2350	6.5%
Refined copper net import	3203	-7.6%	2960	-7.6%
Refined copper demand	10500	6.6%	11000	4.8%

Data source: CNIA



# China's copper supply/demand forecast in 2017

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China's copper production and consumption will be in a medium level growth rate

The smelting/refining capacity expansion will be about 300 kt respectively.

Copper concentrate import with higher growth due to smelting expansion in recent years.

Copper demand in power industry and transportation sector expected better, and real estate market is difficult to pick up.

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Thank you for your attention!

Question?