



**INTERNATIONAL
NICKEL STUDY GROUP**
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PRESS RELEASE

INSG APRIL 2015 MEETINGS

The International Nickel Study Group (INSG) met on 20 to 21 April 2015 in Lisbon, Portugal, under the chairmanship of Mr. Mattia Pellegrini (European Union).

More than 70 government and industry representatives from member countries, including observers and several international organizations, participated in the meetings.

Nickel market observations for 2013, 2014 and 2015

The government and industry participants extensively discussed current nickel market trends during the meetings. An estimated lower GDP increase in China in line with the government goal to achieve a more sustainable and environmental friendly growth will have an impact on primary nickel usage that will continue to grow but at a lower rate than in recent years. The implementation of the Indonesian export ban on nickel ore which took effect in January 2014 is expected to reduce further the nickel pig iron (NPI) production in China despite the increase in nickel ore exports from the Philippines that enabled Chinese nickel producers to keep producing at higher levels than previously foreseen. Limited NPI production is expected in Indonesia as progress in building up production facilities remains slow.

In the United States and Europe primary nickel usage will record a moderate growth due to a slower increase in stainless steel production, in particular during the first half of the year, although a better economic environment should bring some improvement towards the end of the current year.

World primary nickel production was 1.96 Mt in 2013, and increased to 1.99 Mt in 2014. INSG projects a decrease in production which could reach around 1.96 Mt in 2015. There is a degree of uncertainty in these figures in regard to Chinese NPI production. The estimates do not include any general adjustment factor for possible production disruptions.

World primary nickel usage was 1.78 Mt in 2013 and increased to 1.87 Mt in 2014. For 2015 INSG estimates an increase to around 1.94 Mt.

INSG recognizes the significant impact of the current financial, economic and political uncertainty in many parts of the world. The effects of the above on both the supply and demand for nickel are not fully known. The Study Group cautions that future market developments could alter the forward-looking market balance.

Statistics Committee

The Statistics Committee received valuable input to its work through a series of presentations and discussions.

Mr Nic Brown, Head of Commodities Research, Natixis, United Kingdom, gave a presentation on “Outlook for the Global Nickel Market”.

Mr. Kai Hasenclever, Director Economics, Statistics and Long Products, ISSF, Belgium, made a presentation on latest developments in the world of stainless steel and its markets

Mr. Markus Moll, Managing Director SMR Group, Austria, gave a presentation on “Competitiveness in the stainless steel industry, the renaissance of Europe and North America”.

Mr. Loïc Racon, Market Research Analyst, ICDA, France, made a presentation on “Overview of the Chromium Industry”.

Industry Advisory Panel

The Study Group received valuable input on its work program priorities from the INSG Industry Advisory Panel, comprised of representatives from the world’s nickel producing, using and recycling industries. During the meeting of the Panel the following presentations were made and discussed:

Ms. Xu Aidong, Chief Analyst Nickel, Beijing Antaika Information Development Co. Ltd., China P.R., made a presentation on the study “Primary Nickel Usage: New Frontiers in China”.

Mr. Evan Spencer, CEO, Asian Mineral Resources, Vietnam, gave a presentation on “Launch Platform for a World-Class Nickel District in Vietnam”.

Mr. Anil Shah, President, Ni-Met Metals Inc., Canada, gave a presentation on “India’s Nickel & Stainless – Past, Present & Future”.

Environmental & Economics Committee

Discussions in the Environmental and Economics Committee covered a wide range of topics including economic trends and changes in regulations on environment, health and safety relating to nickel. During the meeting the following presentations were made and discussed:

Dr. Chris Broadbent, Wardell Armstrong, and **Dr. Serik Sadykov**, Director at MMK Yertis Ferronickel Works LLP, gave a presentation on “The Application of the Vanyukov Process to Process Low Grade Nickel Ore at Gornastai, Kazakhstan.”

Mr. Seo Ou, General Manager, Ganzhou Highpower Technology, a subsidiary of Highpower Group, made a presentation on the use of nickel-containing batteries in electric cars.

Mr. Matt Johnson, External Relations Manager at the Eagle Mine in Michigan, United States, spoke on the operation of this recently-opened mine, the only nickel mine in the US.

Mr. Marco Vallini, Public Policy Specialist, Nickel Institute, made a presentation on the ongoing issues that affect nickel production and use.

Dates of Next Meetings of INSG

The next meetings of the Study Group will be held in Lisbon, Portugal in the period 5 to 7 October 2015, with a Joint Study Groups' Seminar to be held on Wednesday 7 October.

Presentations made available by speakers will be placed on the INSG website. For further information please contact the secretariat at insg@insg.org or visit the website www.insg.org.