



**INTERNATIONAL  
NICKEL STUDY GROUP**  
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## **PRESS RELEASE**

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### **INSG October 2009 MEETINGS**

The International Nickel Study Group (INSG) met on 5, 6 and 7 October 2009 in Lisbon, Portugal, under the Chairmanship of Mr. Per Z. Brekke (Norway).

About 60 government and industry representatives from Member Countries, including observers and several international organizations, participated in the meetings.

#### **Nickel market observations for 2008, 2009 and 2010**

The government and industry participants extensively discussed current nickel market trends. The recovery in stainless steel production started in China, Korea and Taiwan, China in the second quarter of this year and to lesser extent in Europe and the United States in the third quarter. Subsequently, primary nickel demand was strong in China and surrounding countries, with both real and apparent consumption increasing in that area. In Europe and the United States demand is expected to decline this year due to weak stainless steel production and also relatively high usage of nickel-containing scrap. In 2010 it is possible that growth in stainless steel and nickel use will continue in China and in other parts of the world but at slower rate.

World primary refined nickel production was 1.38 Mt in 2008, and declined to 1.28 Mt in 2009. In 2010 production is anticipated to increase to 1.44 Mt. The 2009 and 2010 figures do not include any general adjustment factor for possible production disruptions.

World primary nickel usage was 1.29 Mt in 2008, and decreased to 1.21 Mt in 2009. For 2010 a recovery to 1.35Mt is envisaged.

INSG recognizes that the current global economic crisis has created a large degree of uncertainty in the global market, and its impacts on both the supply and demand for nickel are still not fully known. Again, the Study Group cautions that future market developments could significantly 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. Markus Moll**, Managing Director & Senior Market Analyst of SMR: Steel & Metals Research, Austria, made a presentation on “Market drivers for Nickel-alloys”.

**Mr. Bian Gang**, China Non-Ferrous Metals Industry Association (CNIA), China, made a presentation on “Nickel in China”.

A presentation provided by **Mr. Peter Kaumanns**, ISSF, Belgium, on latest developments in the world stainless steel market was delivered on his behalf.

### **INSG 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, consuming and recycling industries. During the meeting of the Panel the following presentations were made and discussed:

**Mr. Denis Lencou-Bareme** from Eramet discussed the global nickel supply and demand situation.

**Mr. Benno Kratz** from ELG, Germany spoke on the latest world trends in the supply and demand for stainless steel scrap from the point of view of a large processor.

**Mr. Michael Widmer**, Metals Strategist, Bank of America-Merrill Lynch, made a presentation on nickel pig iron in China.

### **Environmental & Economic Issues**

Discussions in the Environmental and Economics Committee covered a wide range of topics that impact nickel. INSG reported on work done to provide members with information on downstream nickel-using sectors, including nickel-containing batteries.

**Mr Stephen Barnett**, President, Nickel Institute, made a presentation on REACH and the Globally Harmonized System of Classification and Labelling of Chemicals (GHS).

**Mr. Sylvain Bintein**, DG Environment, European Commission, Brussels, made a presentation on The EU Approach to Nickel Classification and its Consequences.

The Secretariat updated members on the United Nations Commission on Sustainable Development (UNCSD) process under which international meetings related to mining and metals will be held in 2010 and 2011.

The Environmental and Economics Committee agreed that a study would be undertaken on heap leaching technology and its impact on costs, carbon emissions and reserves.

### **Joint Study Groups’ Seminar**

A well-attended Joint Study Groups’ Seminar was held on 7 October entitled “Post-crisis metals: What will be different?” A representative of the World Bank presented an overview of the world economy and the prospects for recovery with a focus on mining and metals. A range of metal-specific presentations were made and discussed, and the impact of the responses by governments to the crisis were examined.

### **Dates of Next Meetings of INSG**

The next meetings of the Study Group will be held in Lisbon, Portugal on 26-27 April 2010.

Presentations will be available on the INSG website.

For further information please contact the Secretariat at [insg@insg.org](mailto:insg@insg.org) or visit the website [www.insg.org](http://www.insg.org)