



**INTERNATIONAL
NICKEL STUDY GROUP**
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PRESS RELEASE

INSG OCTOBER 2017 MEETINGS

The International Nickel Study Group (INSG) met on 23 and 24 October 2017 in Lisbon, Portugal. More than 60 government and industry representatives from member countries, observers and several international organizations participated in the meetings.

Nickel market observations for 2016, 2017 and 2018

The government and industry participants extensively discussed current nickel market trends during the meetings.

According to the International Stainless Steel Forum (ISSF), world stainless steel melting production reached 23.2 million tonnes in the first half of 2017, representing a 5% growth year-on-year. In the second half, production is expected to grow at a slower rate. 2018 should also be a positive year for stainless steel but with lower projected growth. Increasing production of nickel-containing batteries will have a positive effect on nickel usage as well.

Nickel pig iron (NPI) production in China declined in 2016, but could increase in 2017 and 2018 due to more ore availability from Indonesia - the government loosened the ban on nickel ore exports in January 2017. Also in Indonesia, NPI production will continue to increase in 2017 and 2018 due to the ramp up of new projects. In the Philippines it was announced that the review of suspended mines would be concluded by the end of the year.

World primary nickel production was 1.991Mt in 2016, and it is projected to increase to 2.052Mt in 2017 and to around 2.206Mt in 2018. There is a degree of uncertainty in these figures, especially in regard to Chinese and Indonesian NPI production. The estimates do not include any general adjustment factor for possible production disruptions.

World primary nickel usage was 2.037Mt in 2016. INSG forecasts increases to 2.150Mt in 2017 and to around 2.259Mt in 2018.

INSG recognizes the significant impact of the current financial, economic and political uncertainties on commodity market 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 program through a series of presentations and discussions.

Mr. Kai Hasenclever, Director, Economics & Statistics and Long Products, ISSF, Belgium, made a presentation on “The current situation on the global stainless steel market”. **Mr. Robert Messmer**, SMR, Austria, made a presentation on the markets for stainless steel and nickel. **Ms. Lara Smith**, Managing Director and Founder, Core Consultants, United Kingdom, made a presentation on “Lithium batteries market and nickel”. **Mr Paolo Viganò**, Centro Inox, Italy, and **Mr. Stefano Ferrari**, Siderweb, Italy, made a presentation on “Italian Stainless Steel Industry: Market and Product Outlook”.

Industry Advisory Panel

The Study Group also received valuable input for its work program from the INSG Industry Advisory Panel, comprised of representatives from the world’s nickel producing, using and recycling industries.

Mr. Sean Mulshaw, Principal Analyst Nickel Markets, Wood Mackenzie, United Kingdom, made a presentation on “Nickel, EVs and the Challenge of Future Supply”. **Mr. Magnus Völkner**, Group Sales, ELG Haniel, Germany, made a presentation on “Scrap: Part of the Raw Material Mix & an Environmental Friendly Option”. **Mr. Robert Fig**, United Kingdom, made a presentation on “The Latest Developments in the Hedging of Nickel”.

Environmental & Economics Committee

Discussions in the Environmental and Economics Committee covered a wide range of topics including economic issues and trends and changes in regulations on environment, health and safety relating to nickel.

Dr. Veronique Steukers, Director H&E Public Policy, Nickel Institute, made a presentation on “Nickel: An Indispensable and Responsible Material”. **Ms. Krisztina Kalman-Schueler**, Managing Partner, DMM Advisory Group, made a presentation on “The Long-term Socioeconomic, Environmental and Technological Megatrends Impacting Nickel Demand”. **Mr. Ross Bartley**, Trade & Environment Director, Bureau of International Recycling, made a presentation on “BIR Trade & Environment Perspectives from the UN/OECD/EU”.

Joint Study Groups/CNIA/Antaïke Seminar “China and East Asia: Continuing Dominance of Metals Markets”

A seminar on the topic “China and East Asia: Continuing Dominance of Metals Markets” was held jointly by the International Nickel Study Group, International Lead and Zinc Study Group, International Copper Study Group, China Nonferrous Metals Industry Association and Antaïke on 25 October.

Dates of Next Meetings of INSG

The next meetings of the Study Group will be held in Lisbon, Portugal on Monday 23 April and Tuesday 24 April 2018, with a Joint Study Groups’ Seminar to be held on Wednesday 25 April.

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.