



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

### **INSG OCTOBER 2020 WEB MEETINGS**

The International Nickel Study Group (INSG) held web meetings on 12 and 13 October 2020 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 2020 and 2021**

The COVID-19 pandemic has been negatively impacting the world economy and also bringing a high level of uncertainty. This trend is expected to continue in 2021. The government and industry participants extensively discussed current nickel market trends during the meetings.

The International Stainless Steel Forum (ISSF) had released figures for the first half of 2020 showing that stainless steel melt shop production decreased by 9.4% year-on-year to 23.7 million metric tons. All regions registered decreased output. Production is expected to decrease in 2020, despite a recovery in China in the second half, but is anticipated to expand in 2021. The continued electrification of vehicles will have positive effects on nickel usage, through the use of nickel sulphate in batteries.

Indonesia stopped exporting unprocessed nickel ore from January 2020 and China will therefore have less material available to feed its nickel pig iron (NPI) industry. As a consequence, NPI production in China is expected to decrease in 2020 and 2021, after increasing during the previous four years. New NPI projects in Indonesia will continue to ramp up in 2020 and 2021.

World nickel mine production is expected to decline in 2020, mainly due to the Indonesian ore ban, but will grow in 2021. Indonesia will continue to be the world's top nickel miner due to its expanding domestic nickel industry. High pressure acid leaching (HPAL) projects being developed in Indonesia and other parts of the world will have a positive impact on mine volumes.

World primary nickel production was 2.382Mt in 2019, and is forecast to reach 2.436Mt in 2020 and 2.586Mt in 2021. However, there is a degree of uncertainty in these figures, especially with regard to Chinese and Indonesian NPI production. The estimates do not include any adjustment factor for possible production disruptions.

World primary nickel usage was 2.403Mt in 2019. The INSG forecasts increases to 2.318Mt in 2020 and 2.518Mt in 2021. The implicit market balances are a deficit of 21kt in 2019, and surpluses of 117kt in 2020 and 68kt in 2021.

### **Joint Statistics Committee / Industry Advisory Panel**

The Joint Statistics Committee / Industry Advisory Panel received constructive input to its work program through a series of presentations and discussions.

**Mr. Jim Lennon**, Senior Commodities Consultant, Macquarie Capital Europe, United Kingdom, made a presentation on “Nickel After Covid-19: What Has Changed?”.

**Mr. Kai Hasenclever**, Director Economics, Statistics and Long Products, International Stainless Steel Forum (ISSF), Belgium, made a presentation on “The current situation on the global stainless steel market”.

### **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.

**Ms. Parul Chabra**, Market Development Analyst, Nickel Institute, made a presentation on “Market Development for the Metal of the Future”.

**Mr. Tom Butler**, Chief Executive Officer, International Council on Mining & Metals (ICMM), made a presentation on ICMM’s mission and key activities related to the minerals and metals sector.

**Ms. Camila Meireles**, Technical officer, Extractives & Energy, the International Labour Organization (ILO), made a presentation on the impact of COVID-19 on the world of work and how ILO has seen this affect the mining sector.

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

The next Study Group meetings are scheduled for 26-27 April 2021 in Lisbon, Portugal.

Presentations made available by speakers will be placed 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).