



IWCC Copper Demand Forecasts Report

Summary of latest global copper demand figures

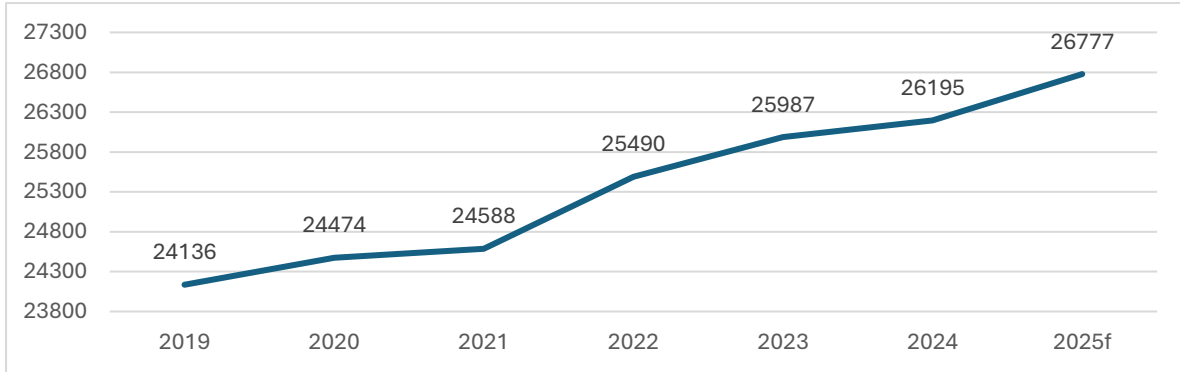


Figure 1, displaying global copper demand between 2019 and 2025, in Tonnes

Copper demand is forecasted to grow another 2% in 2025. Copper demand has grown steadily over the past five years, growing over 7% since 202. Asia currently consumes almost three-quarters of global copper consumption.

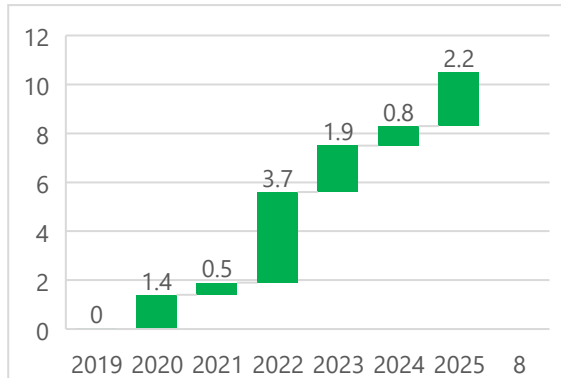


Figure 2, displaying the percentage change in global copper demand between 2019 and 2025

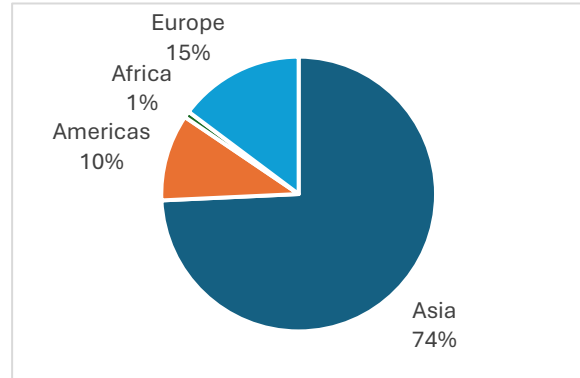


Figure 3, displaying the breakdown of copper consumption by region, displayed as a percentage, in 2024

North America

Overview of copper demand for 2024

- Wire rod demand in 2024 has been flat across all major markets.
- Slow demand for both EV and construction sectors, with EV demand decreasing slightly since 2023.
- Only power cable and magnet wire showing notable growth due to commitments to grid hardening, solar and wind power generation and strong investment in data centre infrastructure.

- A potential increase in domestic manufacturing capacity of wire rod available will reduce the US' reliance on imports, and the trade deficit for wire rod in the US market.
- Demand for FRP relatively flat, perhaps 2/3% down, despite an increase in busbar demand caused by increased investment in grid hardening.

Outlook for 2025

It is yet unclear the extent to which the election in November will affect copper demand in the United States, and in turn North America. It is therefore difficult to forecast an outlook for 2025 until these affects have been realised. As with Europe, growth in copper demand is greatly dependent upon interest rates and inflation decreasing, with the hope of increased investment in grid hardening and infrastructure being the 'driving force' in achieving pre COVID demand levels.

USMCA Copper Demand Levels 2019-2025

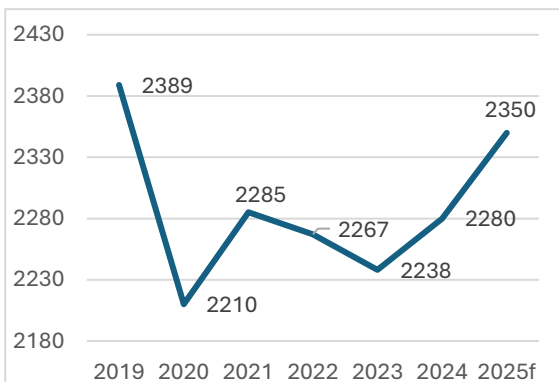


Figure 4, displaying copper demand in North America between 2019 and 2025

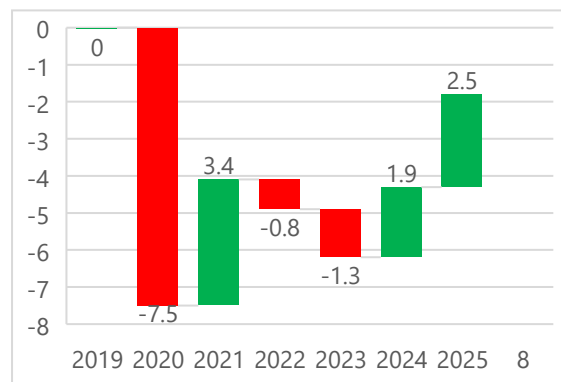


Figure 5, displaying the percentage change in North American copper demand between 2019 and 2025

Copper demand is forecasted to grow 0.8% this year and 3.1% in 2025. Demand levels are still estimated to be down ~1.6% since 2019, and have not yet recovered fully from the effects of the COVID pandemic.

Europe

Overview of demand

Demand for copper in Europe to remain flat in 2024 (0.4% decrease), and to grow by 1.2% in 2025. Despite a full recovery in 2021 from the drop felt as a result of the COVID pandemic, copper demand in Europe has remained relatively flat from 2022-2024, and is forecasted to continue this trend in 2025.

Outlook in Europe for 2025

European copper demand in 2025 is forecasted to grow in 2025 by 1%. The general consensus in Europe is that growth is subject to interest rates decreasing, causing a subsequent investment in infrastructure.

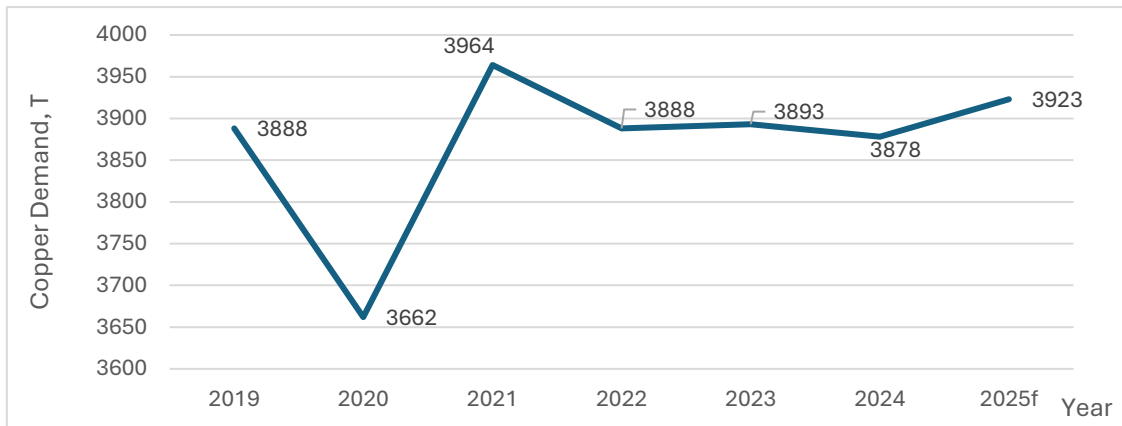


Figure 6, displaying copper demand in Europe between 2019 and 2025

Regional Breakdowns

Germany

- Copper demand in Germany on a slight negative trend, especially in the largest industries (EV, construction) but not forecast to decrease further.
- Inventories in the supply chain have ‘bottomed out,’ with no current indication of demand picking up in h2 2024 or q1 2025.
- Demand for wire rod remains relatively strong, but demand for other semis, especially FRP, are particularly weak.

Scandinavia

- Copper demand forecasted to be flat, perhaps a 1-2% growth
- Soft consumer demand in EV and construction industries
- Power transmission and distribution is the only sector propping up this 1-2% growth forecast.
- With the interest rates expected to drop another three times by the end of the year, the outlook for 2025 is more positive, but the construction industry in particular is ‘on hold’ until then.

Spain

- Demand for copper in h1 2024 has been flat compared to 2023, with no indication this will increase in h2.
- Copper tube demand has seen further decline especially for water tubes.
- Decreased interest rates and increased funding allocated to net zero infrastructure will be essential for a recovery in demand in the construction sector in 2025.
- Growth in the EV sector in 2025 is unlikely due to lack of charging infrastructure deterring consumers from purchasing electric vehicles.

Italy

- Demand across all major industries has been very weak, with the exception of defence and aerospace applications

- No indication the situation will improve in 2025.

Poland

- Demand flat for 2024, with a slowdown of the economy as a whole inhibiting a continuation of the growth seen in the past few years.
- Demand for EVs and the automotive industry as a whole has decreased slightly, with demand in the construction sector unexpectedly down too.
- Energy is currently the only sector expected to continue to grow in 2024 in line with previous expectations.
- The demand outlook for 2025 is for a slight rebound back to the trend seen over the past few years.

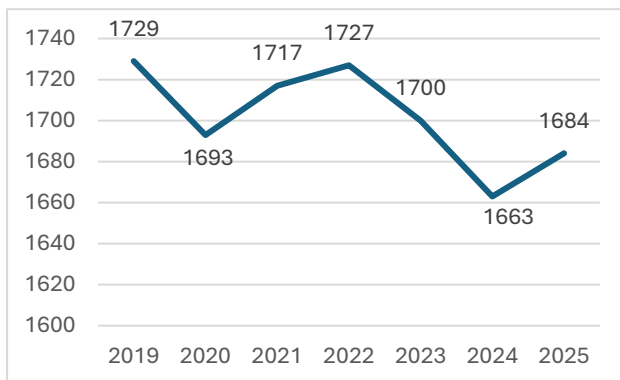


Figure 7, displaying copper demand in Belgium, Germany, Poland and Scandinavia between 2019 and 2025, in Tonnes

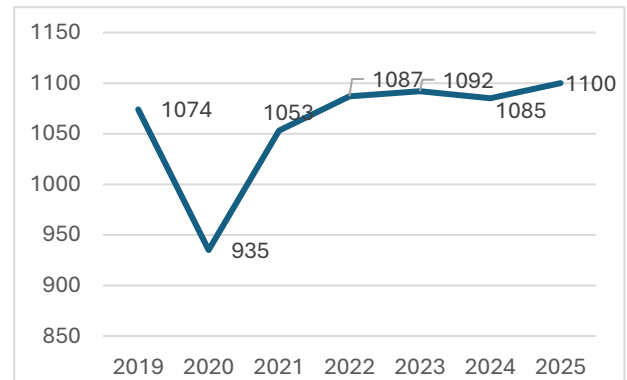


Figure 8, displaying copper demand in France, Italy and Spain between 2019 and 2025, in Tonnes

Turkey

- The combination of high interest rates and inflation decreasing at a slower rate than initially hoped has reduced market activity. Despite this, demand in the cable markets grew roughly 7% in August, and are forecasted to pick up further by the end of the year.
- Turkish wire and cable exports are forecasted to grow by 5% since 2023, with exports primarily being to the UK. The domestic market remains stagnant.
- There is a low availability of scrap copper.
- The outlook for 2025 is more optimistic, but relies on lower interest rates and inflation rates.

Asia

Overview of demand

China currently consumes almost three quarters of copper consumption in Asia. Figure 9 emphasises how demand in Asia has rebounded strongly since 2020 and the COVID Pandemic, growing ~9.2% since then. This response is much more positive than both European and North American markets.

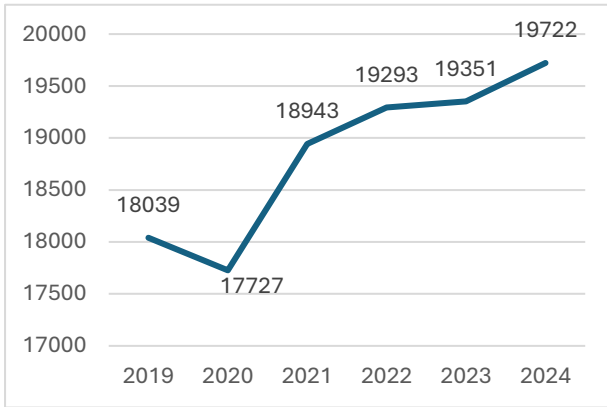


Figure 9, displaying the copper demand in Asia and Australasia between 2019 and 2025, in Tonnes

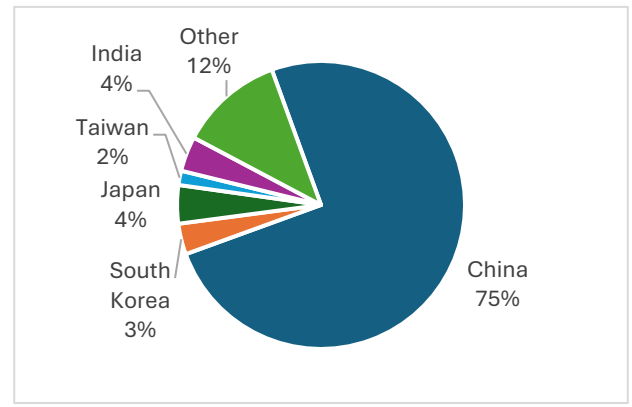


Figure 10, displaying the breakdown of Asian copper demand by country in 2024

Regional Breakdowns

China

- GDP grew by 5% in h1 2024, with investment in infrastructure and manufacturing sectors increasing by 5.4% and 9.1% respectively.
- Refined copper consumption to grow nearly 2% in 2024, much lower than 5% growth seen in 2023.
- Strong investment in power cable sector, with spending on power grids increasing by almost 20%.
- Demand in solar power industry has grown 10% YTD.
- Demand for cable in March and April was weak, due to high copper prices on global metal exchanges, but this has picked up since July, with these copper prices falling.
- Exports in EV industry strong so far but forecast to weaken in q4 2024.
- Copper tube demand strong h1 2024 but forecast to decrease in h2.
- Some substitution in power cable sector, including for high voltage cables, where aluminium substitution is occurring.

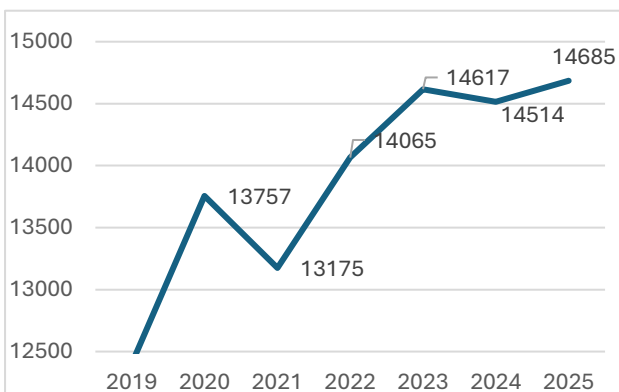


Figure 11, displaying copper demand in China between 2019 and 2025, in Tonnes

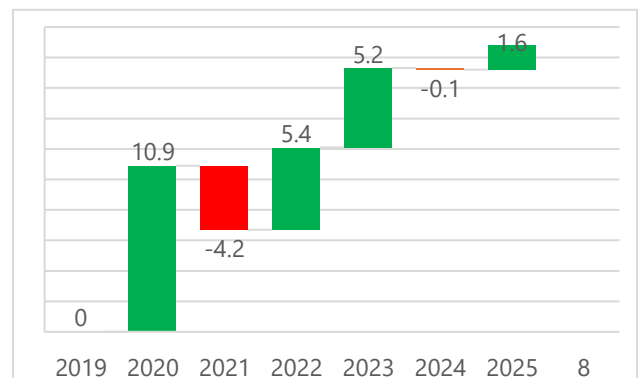


Figure 12, displaying percentage change in copper demand in China between 2019 and 2025

Japan

- General downward trend in demand across all major sectors of the economy, with industry struggling to recover to pre pandemic levels.
- Some growth in offshore wind and new semiconductor plants being built, but these do not yet have the volume to make significant impact on overall consumption.
- For the brass mill industry, demand is expected to recover slightly, primarily due to growth in the EV, textiles and semiconductors industries.
- Air conditioner demand remains relatively stable, especially medium and large sized units, despite a labour shortage.
- A 'sluggish' number of new housing projects limit greatly the recovery of the housing and construction sectors.
- For 2025, difficult to forecast demand this early, but a slight increase in demand is expected, continuing the trend over the past few years. Demand is forecasted to grow 1.9%.

Korea

- Construction sector demand strongly decreased by up to 40%
- Industry as a whole in a 'slump' with high stockpiles and inventory in the supply chain is reducing current demand levels.
- However, electronics and semiconductor industries expected to grow strongly in h2 2024, as they have done consistently in the past few years.
- Regarding renewable energy sources, a lack of wind in Korea strongly limits the growth potential of wind farms, and small growth in solar farms is insignificant compared to other industries.
- In 2025 demand is forecasted to be the same as 2024 levels.

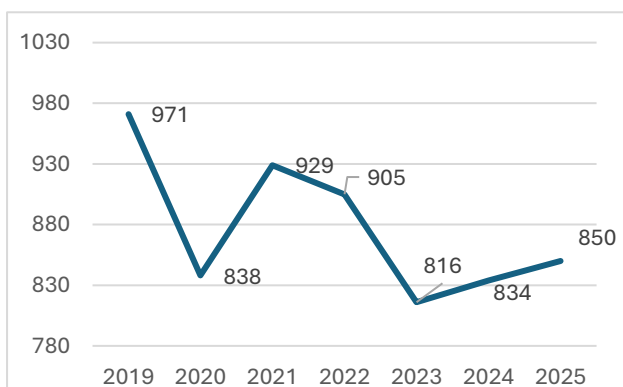


Figure 13, displaying copper demand in Japan between 2019 and 2025, in Tonnes

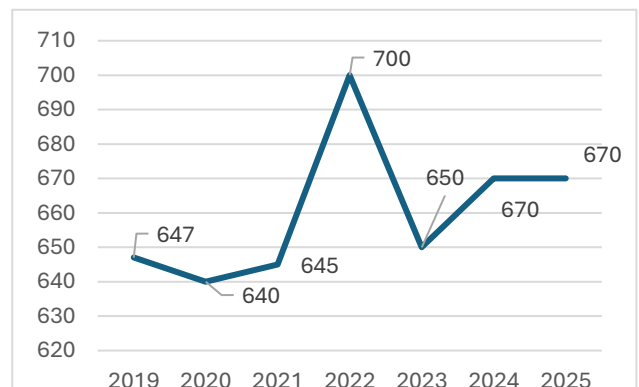


Figure 14, displaying copper demand in Korea between 2019 and 2025, in Tonnes

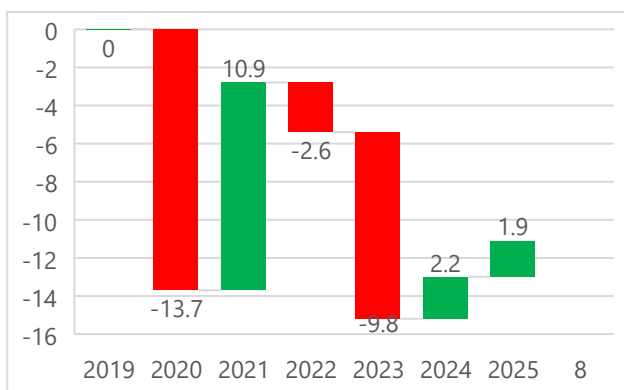


Figure 15, displaying percentage change in copper demand in Japan between 2019 and 2025

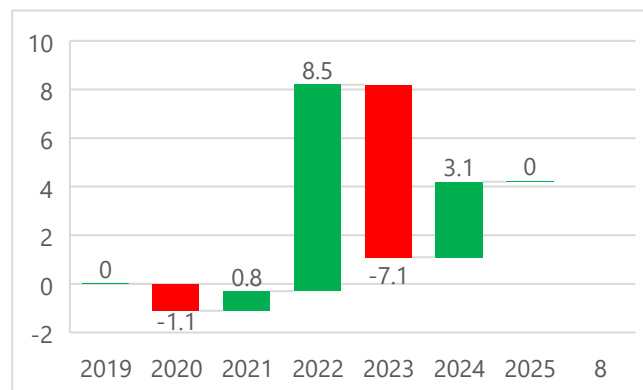


Figure 16, displaying percentage change in copper demand in Korea between 2019 and 2025

Indonesia

- Copper demand in Indonesia in 2024 forecasted to be 227k tonnes.
- A slowdown of inflation has caused an increased investment in infrastructure.
- Demand of power cables has been strong, expected to continue in 2025 with supportive new government policies and the recovery of the global economy.
- Consumptions for 2025 forecasted at 279k tonnes, a growth of 22.9%.

Malaysia

- Copper demand in Malaysia for 2024 is forecasted to be 285k
- GDP growth in Q1 2024 was 4.2%, Q2 growth was 5.9%, driven by consumer spending and increases in investment.
- Investment in construction is strong in both private and public sectors.
- Semiconductor demand is very strong, and will continue with further innovation in AI.
- Forecasted consumption in 2025 is 305k tonnes, a growth of 7%.

Thailand

- Copper demand expected to be 330k tonnes in 2024.
- Exports of air conditioners to Europe is still weak.
- Demand not expected to recover in 2025 unless global economy recovers and causes a knock on effect for Thai economy.
- Forecasted consumption for 2025 is 240k tonnes, a growth of 3% from 2024.

Vietnam

- Demand in Vietnam in 2024 expected to be 323k tonnes, 335k in 2025.
- Growth will be driven primarily by the manufacturing and construction industries.

- Demand for semiconductors is slightly weaker than in 2023.
- The outlook for 2025 is mixed dependant on the industry, with demand forecasted overall to grow by 3.7%.