

DRY BULK MARKET INSIGHTS

May 2026

Latest commodity and trade developments

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TRADE WAR NEWS

EARLY APRIL

President Trump signed an executive order on April 2 revamping his tariffs on steel, aluminium and copper to ensure they align with the “full value” of the imported metals. This refers to the price that the US pays for the import rather than the cost to produce in the country of origin. The Trump administration claimed that some exporting countries were artificially manipulating prices to make them appear cheaper. Items made entirely or almost entirely of the three metals will continue to have flat 50% tariffs on their full value but items that are made up of a significant amount of the metals, such as washing machines, will have tariffs cut from 50% to a flat 25% of value. Items made abroad but with entirely US steel, aluminium or copper will only face a 10% tariff. Products made of 15% or less of these metals by weight will no longer face tariffs. The changes also simplify the tariff regime which previously required importers to try and determine the value of the metal content in thousands of different products.

On April 8, President Trump threatened that any country supplying Iran with weapons will face immediate 50% tariffs on imports of their goods into the US, with no exceptions. This could prove tricky ahead of the President’s planned trip to Beijing to meet his Chinese counterpart.

MID-APRIL

The Trump administration said in mid-April that it plans to launch a tariff refund system on April 20 to recompense US importers for \$166 billion paid out in tariffs that were ruled illegal by the US Supreme Court.

LATE APRIL

President Trump said on April 21 that he will “remember” US companies that do not seek refunds for payments made on his tariffs that were subsequently deemed illegal by the US Supreme Court. He has characterised such companies as patriotic while now labelling those pursuing refunds as the “enemy”.

The Trump administration is now offering Canadian and Mexican aluminium and steel companies immediate tax relief on 50% import tariffs if they commit to moving production to the US. The Canada’s Prime Minister called these sectoral tariffs a violation of North America’s free trade deal, which is up for review in July.

ECONOMIC NEWS

IMF

The IMF released its latest World Economic Outlook on April 14 which headlines that the global economy faces renewed tests as the war in the Middle East threatens to disrupt growth and disinflation. With an assumption that the conflict remains limited in duration and scope, global growth is projected to slow to 3.1% in 2026 and 3.2% in 2027 in the IMF's reference case. Global headline inflation is projected to rise modestly in 2026, before resuming its decline in 2027. The IMF expects the slowdown in growth and the increase in inflation to be particularly pronounced in emerging market and developing economies. It also notes that downside risks dominate the outlook, including the possibility of a longer or broader conflict. The IMF has also provided downgraded global growth prospects under its Adverse and Severe scenarios. The Adverse scenario points to global growth of 2.6% in 2026 and 3.0% in 2027 while global growth falls to 2.0% and 2.2% respectively under the Severe scenario.

OECD

Year-on-year inflation in the OECD as measured by the Consumer Price Index edged up to 3.4% in February compared with 3.3% in January. OECD food inflation rose to 4.0 % in February, up from 3.7% in January, while OECD energy and core inflation remained stable.

The OECD's latest annual review of export restrictions on critical raw materials found that restrictions continue to rise, increasing risks to global supply chains by limiting export volumes and driving up prices.

UNCTAD

UNCTAD latest global trade update headlined that global trade grew by \$2.5 trillion in 2025, increasing by about 7.5% to a record \$35 trillion. Trade in goods drove most of the expansion, growing by about 7% and adding \$1.8 trillion to global growth while trade in services lost momentum. Trade growth was widespread but stronger for developing economies in East Asia and Africa. Preliminary data suggests the strong trade growth has carried into early 2026 but this trend remains fragile. Global trade growth is expected to slow down in 2026, weighed down by persistent trade tensions and rising trade costs.

WORLD BANK

The World Bank's latest Commodity Markets Outlook projects energy prices to surge by 24% this year to their highest level since Russia's invasion of Ukraine

in 2022 as the war in the Middle East sends a severe shock through global commodity markets. Fertiliser prices are projected to increase by 31% in 2026 driven by a 60% jump in urea prices. Prices for base metals, including aluminium, copper and tin are also expected to reach all-time highs, reflecting strong demand from industries including data centres, electric vehicles and renewable energy. Overall commodity prices are forecast to rise 16% in 2026. These increases will increase inflation and dampen growth worldwide. The bank also warns that commodity prices could rise even higher if hostilities escalate or supply disruptions from the war last longer than projected.

CHINA

China's economy grew by 5.0% year-on-year in the first quarter of 2026, according to official data, beating market expectations. Growth also accelerated from 4.5% in the previous quarter.

LOGISTICS NEWS

MIDDLE EAST WAR

On March 6, under instructions from President Trump, the US Development Finance Corporation launched a government-backed \$20 billion reinsurance facility to restart commercial shipping transiting the Strait of Hormuz. However, by the start of April, there had been no reports of anyone making use of the scheme.

The UK hosted talks among some 40 countries at the start of April aimed at forming a coalition to reopen the Strait of Hormuz. This followed on from President Trump saying it was not the responsibility of the US to ensure free access to the passageway as the US does not need it. He added that it was the users of the Strait that should enforce its opening.

Having previously threatened Iran that a "whole civilisation will die", President Trump announced late on April 7 a two-week ceasefire that would see the Strait of Hormuz reopen to international trade. Despite President Trump declaring "complete victory", the details and terms over accessing the Strait remained very unclear ahead of proposed peace talks hosted by Pakistan with Iran saying that it will effectively supervise ship traffic.

After failed peace talks in Pakistan over the weekend, the US said it will begin a blockade of all maritime traffic entering and exiting Iranian ports and coastal

areas from April 13. The US added that vessels transiting the Strait of Hormuz to and from non-Iranian ports will not be impacted. President Trump also said the US forces would intercept every vessel in international waters that had paid a toll to Iran.

Iran's foreign minister declared on April 17 the Strait of Hormuz was completely open for the rest of the ceasefire, following the halt to hostilities in Lebanon. This included the passage of all commercial vessels through the strait. The dramatic development saw oil and gas prices tumble. However, in practice, the blockade of the strait continued.

As the end date of the ceasefire approached, President Trump announced on April 21 that it would be extended until such time as talks are concluded, one way or another. He added that the US blockade of ships trading with Iran will continue. Meanwhile, Iran attacked three containerships attempting a transit of the Strait of Hormuz, with two said to be in "custody".

At the end of April, the US said it was preparing for an extended blockade of Iran's ports amid another surge in oil prices. The US was also reported pushing for other countries to form an international coalition to restore freedom of navigation in the Strait of Hormuz which remained effectively closed.

PANAMA CANAL

Another ripple effect of the Middle East war has been to drive up Panama Canal delays and transit auction prices with new demand for crude and products cargoes moving from the Atlantic to the Pacific, along with LNG and chemicals. As a result, average waiting times for ships without a reservation had quadrupled to 5.5 days in late April according to the canal authority. Average waiting times for Pacific-Atlantic transits were reported to be 6.5 days. Auction prices for jumping the queue have reportedly leapt to record highs. For the dry bulk sector, it is providing added incentive to avoid the canal and take alternative longer-haul routings.

US JONES ACT

We reported last month that the Trump administration in mid-March issued a 60-day temporary waiver of the Jones Act that requires goods shipped between US ports be moved on very expensive US-flagged and US-crewed vessels. In late April, President Trump granted a 90-day extension to the shipping waiver through to mid-August. The decision, made during a stalemate

in the Middle East war, is seen as an attempt to make it easier to move oil, fuel and fertiliser around the US and to curb rising prices.

STEEL SECTOR DEVELOPMENTS

WSA

The World Steel Association cut its forecast for global steel demand this year in its latest Short-Range Outlook due to the war in the Middle East. It projects that global steel demand will grow by just 0.3% in 2026 to reach 1,724 million tonnes followed by a rebound of 2.2% in 2027 to 1,762 million tonnes. The WSA expects the contraction in Chinese steel demand to narrow to -1.5% in 2026 as the housing market correction nears its bottom and then remain relatively flat in 2027. India is expected to be the world's fastest growing major steel market with demand predicted to expand by 7.4% in 2026 accelerating to 9.2% in 2027. Steel demand in the EU + UK region is forecast to grow by 1.3% in 2026 and by 3.0% in 2027 while demand in the US is projected to increase by 1.7% in 2026 and by 2.0% in 2027.

The latest March 2026 crude steel production data from the World Steel Association had global output across 69 reporting countries at 159.5 million tonnes, a decrease of 4.2% year-on-year. Chinese output for the month was estimated at 87.0 million tonnes, down 6.3% compared to a year earlier. Outside China, other major producers that recorded year-on-year decreases in March included Russia (-11.4%), the EU (-4.6%), Japan (-4.1%) and Brazil (-2.5%). There were year-on-year production gains in India (+9.4%), Turkey (+6.4%), Viet Nam (+5.7%), the US (+5.2%) and South Korea (+1.5%). The WSA reported Chinese crude steel output in the first three months of 2026 at 247.6 million tonnes, down 4.6% year-on-year. India's output over the same period totalled 44.7 million tonnes, up 10.8% year-on-year, while EU production totalled 31.7 million tonnes, down 2.6% year-on-year.

AUSTRALIA

A report in mid-April suggested that there may be a truce in the long running dispute between China's state-run iron ore buyer China Mineral Resources Group and BHP. CMRG had reportedly told several Chinese steel mills that they could resume buying some BHP iron ore products that were previously officially banned. This followed a recent visit to China by senior BHP officials.

In a statement on April 22, BHP confirmed that it had reached a deal with CMRG on an iron ore sales contract that reportedly set volume and pricing structures until June 2027. It was also reported that BHP agreed to use an additional Chinese iron ore index for one of its flagship products. BHP has also reaffirmed its production guidance for the year.

The Whyalla Steelworks is shutting down for several weeks due to an oil leak and urgent maintenance required on its blast furnace. The mill has been run by administrators after it was forced into administration by the state government 14 months ago. As we have previously reported, Australia's BlueScope Steel has the last right of refusal in the sale process and is part of a bidding consortium including Japan's Nippon Steel, South Korea's Posco and India's JSW Group.

BOSNIA AND HERZEGOVINA

The ending of integrated production at the Zenica Steel plant began in late April closing the sinter plant and the 1.1 million tonnes/year capacity blast furnace and putting 11,000 jobs at risk. This followed the country's Council of Ministers rejecting proposed regulation to protect domestic steel production. The company's board concluded that continuing integrated steel production is no longer sustainable due to extreme market non-competitiveness.

BRAZIL

Brazilian miner Vale reported that its iron ore sales grew 3.9% year-on-year in the first quarter of 2026 to total 68.7 million tonnes. This was the highest iron ore sales for a first quarter since 2018. The company's iron ore production in the quarter rose 3% year-on-year to 69.6 million tonnes.

CHINA

Chinese iron ore imports in March climbed 11.5% year-on-year to 104.7 million tonnes, according to customs data. Iron ore imports in the first quarter of 2026 reached 314.7 million tonnes, up 10.5% year-on-year. Meanwhile, China's steel exports fell 12.6% year-on-year in March to 9.14 million tonnes and dropped by 9.9% year-on-year in the first quarter to 24.7 million tonnes.

EU

The European Commission has launched a new investigation to assess whether safeguard measures are needed on imports of grain-oriented electrical steel. Provisional measures could be implemented within four or five months. The imports of such products from China, Japan, South Korea, Russia and the US are already subject to anti-dumping duties.

The EU reached a preliminary deal on April 13 to nearly halve imports of steel and impose import tariffs of 50% on excess shipments to help protect its domestic industry. Representatives from The European Parliament and the Council of the EU agreed to limit tariff-free steel imports to 18.3 million tonnes/year, a 47% cut compared to 2024 and double out-of-quota duties.

FRANCE

In mid-April, Italy's Marcegaglia awarded Danieli a 450 million euros contract for the construction and spares for a new electric arc furnace and flat rolling facility at its project in Fos-sur-Mer, France. On completion, the new EAF will have a capacity for more than 2 million tonnes/year of liquid steel and as much as 3 million tonnes of stainless and carbon steel hot-rolled coil. The EAF will use scrap, low carbon hot briquetted iron and nuclear and renewable energy allowing the company to claim it will enable as much as an 80% reduction in greenhouse gas emissions compared with traditional methods.

INDIA

India's latest National Steel Policy aims to cut carbon emissions by about a quarter over the next decade at the same time as more than doubling steel production. The policy proposes promoting gas-based steelmaking, increasing the use of steel scrap and offering incentives for continuous emission reduction. India has targeted expanding annual crude steel capacity to 400 million tonnes by 2035/36, up from current output of around 168 million tonnes. Annual steel exports are also targeted to more than double to 20 million tonnes. The policy also aims to cut import dependence on coking coal to 80% from 90% over the same period.

India's Ministry of Steel reported that the country's crude steel production in the fiscal year to end-March rose 10.7 % year-on-year to 168.4 million tonnes.

South Korea's Posco has signed up with JSW Steel for a \$7.3 billion investment deal to establish a joint venture to build and manage an integrated steel mill in Odisha. The facility will have a steel production capacity of 6 million tonnes/year and is due to be completed in 2031. The signing ceremony coincided with the South Korean President's state visit to India.

Provisional government data showed that India turned a net exporter of finished steel in the financial year ending March 31. The country exported 6.6 million tonnes of finished steel in 2025/26, up 35.9% year-on-year, with Italy, Viet Nam, Belgium, the UAE and Spain the biggest buyers. In the same period,

India imported 6.5 million tonnes of finished steel, down 31.7% year-on-year, with South Korea, China, Japan, Viet Nam and Russia the biggest suppliers.

IRAN

Israel's Prime Minister said on April 3 that 70% of Iran's steel production capacity had been destroyed by air strikes, significantly hindering its ability to manufacture weapons. Two of Iran's largest steel companies, Khuzestan Steel and Mobarakeh Steel, were hit in late March with officials saying that it would take months for them to restructure the plants

Iran announced in late April that it has banned the export of steel slabs and sheets until May 30. One Iranian newspaper reported that around 10 million tonnes of annual steel production capacity, or 25% - 30% of total output, was knocked offline following airstrike damage to key facilities.

JAPAN

Japan's Ministry of Economy, Trade and Industry expects the country's crude steel production in the April-June quarter to fall 0.7% year-on-year to 20.0 million tonnes due to slack demand in the construction and manufacturing sectors.

MEXICO

Mexico's steel industry is operating at approximately 55% of installed capacity, the lowest level in 25 years, according to the country's steel association Canacero. Its president added that steel exports fell 53% in 2025 due to US tariffs while finished steel production fell 8.1% to 16.8 million tonnes, the lowest level in over a decade.

NETHERLANDS

Tata Steel Nederland announced it is to temporarily shut its direct sheet plant at its Ijmuiden works after recent emission measurements showed levels higher than legal limits.

OMAN

Vale said it halted production at its iron ore pellet plant in Oman in mid-March for scheduled maintenance and suspended construction at the Sohar concentration plant in the country. The company said its Omani operations are expected to resume at the end of the third quarter because of developments related to the Middle East war. Vale added that pellet feed originally allocated to Oman will be redirected to its Tubarao plants in Brazil to be sold as fines.

ROMANIA

Spain's Sarralle Group has won an order to supply an electric arc furnace and other equipment to upgrade UMB's Otelu Rosu steelworks in Romania. On completion, this will allow UMB to produce 700,000 tonnes/year of steel made from scrap metal to be formed into produce bars, compact coils and wire rod. The plant has been closed since 2012 and was acquired by UMB in 2024.

The assets of Romanian integrated steel mill Liberty Galati are to be put up for sale for 460 – 465 million euros, close to their liquidation value, in a second auction at the end of May. An earlier international auction in March for 690 million euros failed to attract a buyer.

RUSSIA

Russian steelmaker Severstal reported a plunge in first quarter 2026 profits to 57 million roubles from 21.1 billion roubles a year earlier, citing a 15% decrease in demand for steel in Russia.

SWEDEN

Sweden's Stegra said it has raised 1.4 billion euros in new funding allowing it to complete construction of Europe's first hydrogen-based steel facility. The plant in Boden is expected to produce 5 million tonnes/year of green steel by 2030.

Sweden's state-owned mining company LKAB is to begin trial shipments of iron ore to Stegra with the ambition of becoming a supplier to the Boden plant. Back in 2023, Stegra (then H2 Green Steel) signed multi-year deals with Rio Tinto and Vale to supply iron ore pellets from Canada and Brazil after it failed to secure a supply deal with LKAB.

UKRAINE

Ukraine's exports of iron ore in the first quarter of 2026 were reported to have fallen by 33.9% to 5.61 million tonnes. Shipments in this period to main customer China were down 43.9% at 2.56 million tonnes.

UNITED KINGDOM

Norwegian startup company Blastr was reported to be the preferred bidder for the previously Liberty-owned Speciality Steel UK, whose 1.3 million tonnes/year electric arc furnace in Rotherham has been largely idled since 2024.

USA

President Trump revamped his steel import tariffs on April 2, alongside tariffs on imported aluminium and copper (see earlier comments under Trade War News).

US Steel announced it plans to restart the Gary Tin Mill at its Gary Works facility by early 2027 at a cost of \$15 - 20 million covering equipment inspections, maintenance and obtaining materials necessary for a restart.

POWER COAL SECTOR DEVELOPMENTS

IEA

The IEA's latest Global Energy Review reports that world energy demand increased more slowly last year against a complex economic and geopolitical backdrop, but electricity use continued to rise strongly. Strong renewable growth reduced coal use in power generation in China, while coal demand increased in the US as high natural gas prices drove gas-to-coal switching in electricity generation. In India, coal-fired electricity generation also declined, mostly due to the impact of an early and strong monsoon. In the EU, the long-term decline in coal use slowed, mostly due to low hydropower and wind output. Overall, the rate of coal demand growth slowed in 2025 to just 0.4%, an increase of around 30 million tonnes.

CHINA

China's coal imports increased by 1% year-on-year in March to 39.06 million tonnes, according to customs data. Of this total, 25.92 million tonnes comprised thermal coal, down 8.8% year-on-year. Total coal imports in the first quarter of 2026 rose by 1.3% year-on-year to 116 million tonnes.

China is reviving coal-to-gas projects to reduce its exposure to natural gas imports. State-owned China Datang Corp restarted construction of a project in Fuxin in October 2025 after it lay dormant for over a decade and plans to bring it onstream in October this year. The country now has 13 new coal-to-gas projects either under construction or being planned.

INDIA

The Ministry of Coal said India surpassed the 200 million tonne milestone in coal production in the fiscal year to the end of March. Coal output from captive and commercial mines reached 210.46 million tonnes, up 10% year-on-year.

India's coal imports fell 8.5% year-on-year in February to 16.55 million tonnes reflecting record stockpiles of domestic coal and firm seaborne coal prices. Non coking coal imports during the month totalled 9.80 million tonnes, down 12.6% year-on-year.

The power ministry said it will shut about 10,000 MW of coal-fired power generating capacity in July for maintenance work, a delay of three months, to help meet its summer power demand.

INDONESIA

Indonesia's statistics bureau said the country exported 56.39 million tonnes of coal in the first two months of 2026, down 7.9% year-on-year.

ITALY

Italy's lower house of parliament passed a bill on March 31 to postpone the permanent shutdown of its coal-fired power plants by 13 years to 2038. The country has four such plants currently on stand-by. As we reported last month, the energy minister said these could be restarted in the event of an energy crisis.

KAZAKHSTAN

Kazakhstan's Energy Ministry plans to build eight new power plants and modernise 11 existing facilities by 2030 as part of a national project to expand coal-fired power generation. The new plants will have a total capacity of 5.3 GW.

TAIWAN

Taiwan's Ministry of Economic Affairs has instructed Taipower to restart two coal-fired units at its Mailiao power plant in May, citing concerns over LNG supply disruption linked to the Middle East war. Units 1 and 3 at the facility, both with a capacity of 0.5 million kilowatts, are expected to resume operations for an initial three months, with possible extension depending on developments.

USA

The US Energy Information Administration expects US power use to hit record highs in 2026 and 2027 as AI use surges. Its latest Short-Term Energy Outlook forecasts the country's electricity power consumption will increase from 4,195 billion kilowatt-hours in 2025 to 4,244 kWh in 2026 and 4,381 kWh in 2027. The share of coal-fired generation is expected to decline from 17% in 2025 to 16% in 2026 and to 15% in 2027.

ALUMINIUM SECTOR DEVELOPMENTS

IAI

The International Aluminium Institute reported that global primary aluminium production in March increased 0.96% year-on-year to total 6.302 million tonnes, with 60.2% produced in China. Global production in the first three months of this year totalled 18.33 million tonnes, up 1.18% year-on-year.

The IAI also reported that global metallurgical-grade alumina production in March totalled 11.896 million tonnes, down 1.1% year-on-year. Global metallurgical-grade alumina production in the first three months of 2026 totalled 35.433 million tonnes, up 0.3% year-on-year.

BAHRAIN

According to a press report at the start of April, the Iranian drone and missile attack on the Aluminium Bahrain (Alba) smelter in late March caused significant damage and is expected to reduce plant utilisation to around 30%.

CHINA

The National Bureau of Statistics reported that China's primary aluminium production in March rose 2.7% year-on-year to 3.85 million tonnes. In the first three months of 2026 output totalled 11.41 million tonnes, up 3.1% year-on-year.

According to customs data, China imported 255,000 tonnes of primary aluminium in March, up 14.8% year-on-year. Imports in the first three months of 2026 totalled 646,000 million tonnes, up 10.6% from the same period last year.

Chinese customs data also showed China's bauxite imports reached 21.78 million tonnes in March, up 28.5% on February and up 32.3% year-on-year. Bauxite imports in the first quarter of 2026 totalled 57.98 million tonnes, a rise of 23.1% year-on-year. Over the same timeframe, imports of Guinean bauxite hit 36.54 million tonnes up 27.9%.

EGYPT

The Egyptian prime minister met with the chairman of China's Henan Zhongfu Industrial Co in April to review plans for establishing a major aluminium plant in East Port Said within the Suez Canal Economic Zone. The project is estimated to involve investments of around \$2 billion.

GUINEA

Last month, we reported that Guinea's government was considering introducing export quotas as global bauxite prices retreated and shipping costs climbed, squeezing government revenues. Ship traffic reports indicate that there has been a slowdown in Guinean bauxite exports in April. News of diesel shortages in the country hampering mining operations plus the approaching rainy season suggest that a slowdown is set to continue to the detriment of the Cape freight market.

Data from Guinea's mine ministry indicated the country exported 60.9 million tonnes of bauxite in the first three months of 2026, up 25.3% year-on-year, ahead of new export controls coming into force.

ICELAND

As we reported earlier, Century Aluminium said on February 19 that repairs would allow the Line 2 shuttered capacity at its Grundartangi smelter in Iceland to restart in April, six months earlier than previous guidance. The restart was confirmed by the company in late April. The 320,000 tonnes/year capacity plant had to cut production by two-thirds in late October.

INDONESIA

Indonesian state-owned aluminium company PT Inalum has called on the government to impose a moratorium on new alumina and aluminium plants due to fears of oversupply and pressure on the country's bauxite reserves. Inalum estimated that once all alumina projects in the pipeline commence operations, Indonesia will have 29.8 million tonnes of annual alumina production capacity, up from around 9 million tonnes currently. On the same basis, annual primary aluminium production capacity is estimated to increase from 1.13 million tonnes at present to 14.9 million tonnes. This would boost annual bauxite requirements from 36 million tonnes to 94 million tonnes. Inalum say that such industry intensity could potentially shorten the lifetime of proven bauxite reserves to 10 years.

China's Tsingshan Holdings Group is reported to be in talks with potential partners about building another aluminium smelter in North Maluku, Indonesia. The proposed \$3 billion smelter is planned at Weda Bay Industrial Perk with a capacity of 800,000 tonnes/year to be constructed in two equal stages.

IRAN

Iran's main aluminium production facility in Arak, owned by Iran Aluminium Company (Iralco), was attacked by airstrikes in early April, according to Iranian media.

JAPAN

Japan's reliance on the Middle East for aluminium is reportedly forcing companies to both scramble for alternative supplies and to cut back on production. Domestic carmakers get about 70% of their aluminium imports from the Middle East according to Japan's main auto lobby. The Japan Aluminium Association said Japan imported around 590,000 tonnes of aluminium from the Middle East in 2025, or about 30% of its total supply.

OMAN

Notwithstanding the Middle East war, Oman is reportedly considering the construction of up to three aluminium projects in its Special Economic Zone at Duqm. This includes the Green Aluminium project with an envisioned production capacity of 530,000 tonnes/year of green aluminium ingots, in addition to 620,000 tonnes/year of aluminium billets and pre-cast slabs. The project would make use of green hydrogen and other low-carbon emission technologies that are expected to come onstream in the zone from 2030 onwards.

UAE

Emirates Global Aluminium was forced to halt operations at its Al Taweelah aluminium facility after the Iranian missile and drone attack on March 28 damaged a power plant, according to a press report at the start of April. In an update, EAG said that early indications are that a complete restoration of primary aluminium production could take up to 12 months. The facility produced 1.6 million tonnes of aluminium in 2025. EAG was also reported to be offering to sell many of its contracted alumina cargoes scheduled for the second quarter of this year.

USA

President Trump revamped his aluminium import tariffs on April 2, alongside tariffs on imported steel and copper (see earlier comments under Trade War News).

Press reports on April 7 indicated that the Trump administration had so far rejected requests by Ford Motor and other US automakers for relief from aluminium tariffs after fires at the Novelis plant created supply bottlenecks.

In mid-April, Century Aluminium said it had begun production of the first hot metal from the expansion project at its Mt. Holly smelter in South Carolina. Full production is expected to be reached by the end of June. The aluminium smelter has a capacity to produce 229,000 tonnes/year and has been operating at around 75% of capacity.

Alcoa is reported to be considering restarting a fourth production line at its Warrick aluminium smelter in Indiana that would boost annual output by 50,000 tonnes. However, the company said the condition of the line was poor and would require an investment of \$100 million and take one or two years to implement.

AGRICULTURE SECTOR DEVELOPMENTS

FAO

The FAO's World Food Price Index for March averaged 128.5 points, up 2.4% from the revised February figure, and a second consecutive monthly increase. Prices rose across most commodity groups to varying degrees. The FAO's March Cereal Price Index increased by 1.5% from February to average 110.4 points and by 0.6% year-on-year. World wheat prices rose sharply by 4.3% from February supported by deteriorating crop conditions in the US and drought concerns in Australia. This was partly offset by generally favourable conditions in Europe. World maize prices rose by a more modest 0.9% reflecting amply global supply but also worries over fertiliser affordability. Prices of barley and sorghum also increased. The FAO All Rice Price Index declined by 3.0% from February with falls across all major market segments. Meanwhile, the FAO Sugar Price Index averaged 92.4 points, up 7.2% from February and its highest level since November 2025. This in part reflected higher international oil prices raising expectations of more sugarcane-based ethanol production, particularly in Brazil.

The FAO revised its 2025/26 Cereal Supply and Demand Brief in early April. It marginally raised its forecast for world cereal output by 0.2% to 3.036 billion tonnes, up 5.8% year-on-year to a new record level. The upward revisions were mainly due to updated official data for wheat production in Central Asia and maize production in India. The FAO also raised its forecast for world trade in cereals in 2025/26 by 3.6 million tonnes to total 505.3 million tonnes. This was

partly down to recent trade data pointing to substantial purchases of barley and wheat by Iran earlier in the season.

The FAO warned on April 13 that ships carrying critical agricultural inputs must start moving through the Strait of Hormuz as soon as possible to avert the risk of a dangerous spike in food price inflation later this year that could turn into a global agrifood catastrophe.

IGC

The International Grains Council has raised its 2025/26 production forecast for total grains (wheat and coarse grains) by 4 million tonnes to 2,474 million tonnes mainly on an upgrade for Argentinian maize. World total grain trade in 2025/26 is raised by 2 million tonnes to 451 million tonnes. 2026/27 grain output is expected to remain elevated at 2,414 million tonnes but with anticipated declines for all major crops is forecast to be 2% down on the previous year's crop. 2026/27 trade volumes are forecast to fall slightly to 448 million tonnes. As for rice, world production and trade estimates in 2026/27 are unchanged at 548 million tonnes and 61 million tonnes respectively.

USDA

The US Department of Agriculture's April forecasts for 2025/26 season export trade saw only modest and largely offsetting corrections. Looking across all the principal commodities (wheat, coarse grains, rice, soybeans, and soybean meal), net changes to the 2025/26 season compared to March forecasts saw an overall export trade increase of 0.07 million tonnes, a rise of just 0.005%. The global wheat outlook for 2025/26 is for larger supplies, lower consumption, slightly less trade and increased ending stocks. A 1.0 million tonne rise in the Russian wheat export forecast due to a larger crop and sizable shipments in March was offset by a same-sized fall in the Ukrainian estimate due to continuing logistics difficulties. Similarly, a 0.5 million tonnes increase in the Kazakhstan estimate was offset by a 0.5 million cut in the Australian forecast. There were only very modest adjustments made to 2025/26 coarse grain and rice exports. There was no overall change to the 2025/26 soybean export assessments with a 1.0 million tonnes increase in the Brazilian export assessment largely offset by a fall in the US estimate, the latter due to higher crush and competition from South America. Soybean meal exports for 2025/26 were virtually unchanged. Next month, we should get the USDA's first take on 2026/27 grain trade.

ARGENTINA

Argentina's government has allowed a voluntary increase in the ethanol content of gasoline to 15% to mitigate the impact of rising crude oil prices on consumers.

Argentinian farmers were reported to be considering reducing wheat planting or fertiliser use in response to a doubling in urea prices because of the Middle East war. Some producers may also switch from wheat to maize or soybeans due to limited profit margins.

AUSTRALIA

Australian farmers are expected to switch to less nitrogen-intensive crops such as barley over wheat and canola in the upcoming season in response to the surge in fertiliser and fuel costs caused by the war in the Middle East.

BANGLADESH

Bangladesh's rice crop was threatened in late April by heavy pre-monsoon rainfall and surging upstream flows from India which have swollen rivers in the northeast of the country. This could see vast areas flooded during the crucial summer rice harvest.

BRAZIL

Brazil's crop agency Conab said in mid-April that the country's soybean crop this year is getting even bigger. It has now increased its already record large estimate to 179.152 million tonnes thanks to an all-time projected high in yield. Total maize production is now set at 139.572 million tonnes, up 0.9% from its March estimate but down 1.1% from 2025.

CHINA

China's soybean imports in March rose 14.9% year-on-year to 4.02 million tonnes according to customs data but were still below market expectations, weighed down by delayed shipments from Brazil because of tougher inspections to rule out contamination.

China's agriculture minister has urged the country's pig sector to meet production capacity reduction targets as pork prices languished at low levels.

EU

The EU has relaxed state aid rules for agriculture to allow member states to cover up to 70% of increased energy, fuel and fertiliser costs caused by the Middle East war, with aid of up to 50,000 euros per company. The European Commission's proposal is intended to be limited to 2026 only.

INDIA

India's National Federation of Cooperative Sugar Factories reported that the country's 2025/26 sugar production in the period from October 1 to April 15 rose by 7.7% year-on-year to 27.39 million tonnes.

India is likely to experience below average monsoon rains this year for the first time in three years raising concerns over farm output. India's Meteorological Department expects the monsoon to reach 92% of its long-period average in 2026.

India's Flour Millers' Federation forecast the country's 2026 wheat production at 110.65 million tonnes in late April, notably below the government's record estimate of 120.21 million tonnes.

NETHERLANDS

The Netherlands has rejected at least two Argentinian soybean meal cargoes in April after non-approved genetically modified material was found, threatening to disrupt an important trade flow. The Netherlands is a major gateway for feed imports into the EU.

USA

The high cost of fertilisers is expected to reduce yields and acreage impacting food and feed supplies. See commentary from the American Farm Bureau Federation under USA in Fertiliser Sector Developments.

VIET NAM

Viet Nam's government said the country's transition E10 biofuel should be completed by April 30. Ethanol demand to meet the 10% ratio is estimated at between 100,000 and 110,000 cubic metres per month while domestic production capacity is only around 92,000 to 100,000 cubic metres per month under favourable conditions. The industry is calling for government support.

FERTILISER SECTOR DEVELOPMENTS

MIDDLE EAST WAR

The UN was reported in mid-April to be pushing a proposal to ensure safe passage for fertiliser shipments through the Strait of Hormuz to mitigate a potential humanitarian crisis, particularly in fertiliser-dependent nations in Asia and Africa.

BRAZIL

Mosaic announced it will begin the process of idling and demobilising its Araxa Mining and Chemical Complex and related mining activities at the Patrocinio Complex. This is expected to reduce annual phosphate production at Mosaic Fertilizantes by approximately 1 million tonnes. Mosaic also plans to pursue the sale of its Araxa assets.

CHINA

China's farmers are not having to struggle with shortages of urea given that 78% of its domestic output is produced from coal. The country is expected to produce 76.5 million tonnes of urea this year, up 6.3% from 2025, with domestic demand estimated at 66 million tonnes, including 43 million tonnes for agriculture, according to the China Nitrogen Fertiliser Industry Association.

The Chinese government has tightened export controls through the China Entry-Exit Inspection and Quarantine system since mid-March, limiting shipments of phosphates and most nitrogen fertilisers, including urea. The government has also released reserves to help keep local prices steady during the planting season.

EGYPT

Indorama Corp has signed a contract to establish a major phosphate fertiliser and chemical complex in Egypt's Suez Canal Economic Zone in the Ain Sokhna Industrial Area, with an initial investment of \$525 million, in partnership with Misr Phosphate. The first phase will have a production capacity of up to 600,000 tonnes/year focusing on phosphate fertilisers and related chemical products. Approximately 80% of output is expected to be exported.

EU

The industry body Fertilisers Europe has called for EU Emissions Trading System free allocations to be frozen until 2030 and for a robust implementation of the Carbon Border Adjustment Mechanism to prevent carbon leakage and fertiliser plant closures.

The European Commission said it will present a fertiliser action plan on May 19. The plan will aim to address structural vulnerabilities and market imbalances, boost domestic production of fertilisers and diversify supply chains, supported by regulatory adjustments if needed.

FRANCE

The European Commission has approved 144 million euros in French state aid to support renewable and low-carbon hydrogen production for the fertiliser sector. The funding will back a project by HyforSeeds to install and operate a 50 MW hydrogen production unit at the site of fertiliser and industrial chemicals manufacturer LAT Nitrogen in the Haut-Rhin region.

INDIA

The Indian government raised its nutrient-based fertiliser subsidy for summer-sown crops by 11.6% from a year earlier on April 8 to help protect its farmers from rising global fertiliser prices due to the Middle East war. Earlier in the month, state-run Indian Potash was looking to purchase 2.5 million tonnes of urea through tenders.

India said it had temporarily eliminated basic customs duties on imports of a broad range of key chemicals, including ammonium nitrate, between April 2 and June 30.

A report in mid-April indicated that India was considering restricting sulphur exports after industry groups raised concerns about soaring prices and disruption to supplies from the Middle East. India has already directed oil refineries, which account for most domestic sulphur production, to supply adequate amounts to local fertiliser companies.

India Potash has reportedly agreed to buy 1.5 million tonnes of urea at \$935/tonne for delivery to India's west coast and an additional 1 million tonnes at \$959/tonne for delivery on the east coast in a record single tender. This is at nearly double the price paid two months ago.

INDONESIA

Indonesia has agreed to supply approximately 250,000 tonnes of agricultural-grade urea to Australia, with deliveries scheduled between May and December. The deal between Incitec Pivot Fertilisers and PT Pupuk Indonesia is expected to cover about 20% of Australia's remaining fertiliser needs for the current season.

MOROCCO

Morocco's state-owned fertiliser producer OCP has raised \$1.5 billion through its first international hybrid bond and is looking to boost its share of the European fertiliser market. It has been lobbying EU officials to soften the rules in the bloc's Fertiliser Regulation and to encourage imports of its fertilisers in

the European Commission's upcoming Action Plan on fertilisers. Morocco currently has around a 19% share in the EU fertiliser market, down from 32% in 2018. The EU's 2019 Fertiliser Regulation imposed a 60mg limit on cadmium volumes in fertilisers. Moroccan phosphate typically contains up to 80mg.

NEW ZEALAND

Victorian Hydrogen announced plans for a \$3 billion lignite-to-urea fertiliser plant in Southland, New Zealand. The project aims to produce 1.5 million tonnes/year of urea and reduce import dependency.

PARAGUAY

UK-based Atome has reached a final investment decision on its 260,000 tonnes/year low-carbon fertiliser project at Villeta in Paraguay. This is expected to produce calcium ammonium nitrate fertiliser, made from green ammonia produced from 100% renewable baseload hydropower. Operations are expected to start on or before October 2029. Back in September 2025, we reported that Yara International had signed a 10-year offtake agreement to purchase all the plant's output.

RUSSIA

The Russian government has set a 20 million tonnes quota on mineral fertiliser exports from June 1 to November 30 to maintain stable domestic availability during the agricultural season. Individual product quotas include more than 8.7 million tonnes for nitrogen fertilisers, over 4.2 million tonnes for ammonium nitrate, and upwards of 7 million tonnes for complex fertilisers.

A fertiliser plant in the Vologda region owned by Apatit, a subsidiary of PhosAgro was reported to have been damaged in late April in a Ukrainian drone attack. According to PhosAgro, Apatit is Europe's biggest producer of phosphate-based fertilisers.

THAILAND

Thailand's Minister of Agriculture launched an initiative in early April to import 2 million tonnes of Russian fertiliser to address domestic supply shortages. The initiative also includes a crackdown on domestic hoarding of fertilisers.

TURKEY

In early April, Turkey's Trade Ministry lifted customs duty on the import of ammonia-based composite fertilisers to help protect its agricultural sector from cost increases due to the Middle East war. An earlier presidential decree had lifted customs duty on imports of urea from certain countries.

USA

A nationwide survey by the American Farm Bureau Federation conducted in the first half of April found that 70% of respondents said that fertiliser is so expensive that they will not be able to buy all they need. The AFBR President commented that without the necessary fertilisers, we'll face lower yields and some farmers will reduce acres altogether, which will impact food and feed supplies.

FOREST PRODUCTS SECTOR DEVELOPMENTS

ALGERIA

Ghamoud has started production at its new continuous particleboard plant in El Euima in Algeria. The plant has an annual capacity of 100,000 cubic metres.

BRAZIL

According to the International Tropical Timber Organisation, Brazilian exports of wood-based products (excluding pulp and paper) totalled US\$216.8 million in February, down 22% year-on-year. Among main products, pine sawnwood export volumes declined 28% year-on-year to 204,800 cubic metres, while pine plywood export volumes fell 14% year-on-year to 160,300 cubic metres.

CANADA

Statistics Canada reported that Canadian sawmills produced 3.375 million cubic metres of lumber in January 2026, up 16.2% on December but down 12.8% year-on-year. Lumber shipments totalled 3.403 million cubic metres in January, down 13.5% from the previous month and down 10.5% from a year earlier.

Interfor announced it will indefinitely curtail operations at its Nairn Centre and Gogama sawmills in Ontario, citing weak market conditions and ongoing US trade actions.

CHINA

China's customs statistics showed that the country's timber imports in March totalled 4.678 million cubic metres, up 45.5% from February but down 14.2% year-on-year. Of this total, log imports accounted for 2.761 million cubic metres, down 12.8% year-on-year. China's total timber imports in the first quarter of 2026 amounted to 12.181 million cubic metres, a decrease of 12.4% from the same quarter in 2025.

EU

The European Commission has imposed a 5.4% definitive anti-dumping duty on imports of Brazilian softwood plywood for all Brazilian exporters except for one company. Provisional duties have already been imposed since early November 2025.

GERMANY

Germany harvested 57.3 million cubic metres of logs in 2025, down 6.4% year-on-year, according to preliminary data compiled by the Federal Statistics Office. The drop was primarily due to a significant fall in damage-related timber harvesting which totalled 12.7 million cubic metres, a reduction of more than half compared to 2024.

NEW ZEALAND

Juken New Zealand is seeking a buyer for its Kaitaia timber mills, which face possible closure if a buyer is not found. One mill produces sawn timber and the other manufactures Triboard, a construction product. Rising costs, particularly for power and water, are reportedly driving the decision to explore a sale.

Niagara Sawmilling Company has announced a NZ\$115 million expansion at its Kennington site near Invercargill that is expected to be operational in late 2027. The new sawmill is expected to more than double output, with log intake rising to over 500,000 tonnes/year.

URUGUAY

Brazil's BrasPine has launched a greenfield sawmill project in Uruguay with a projected production capacity of 35,000 cubic metres of sawn timber per month. The new sawmill is expected to start operations in 2027.

USA

The USDA Foreign Agricultural Service reported that US wood pellet exports in February totalled 608,572 tonnes, down 37% from January and down 24% year-on-year. The UK was the top destination for February shipments, having been sent 471,781 tonnes. Total pellet exports in the first two months of 2026 reached 1.57 million tonnes, down from 1.62 million tonnes a year earlier.

The US Department of Commerce has signalled that it plans to lower anti-dumping and countervailing tariffs later this year on imports of Canadian softwood lumber products from the current rate of 35.16% to 24.83%, following its annual review of existing tariffs. These preliminary findings were

released on April 13, and final results are expected in 120 days at which time lower duties will take effect.

VIET NAM

The Viet Nam Customs Office reported that the country's exports of wood and wood products in March totalled \$1.15 billion, down 22% year-on-year. In the first three months of 2026 wood and wood product exports earned \$3.7 billion, down 5% from the first quarter of 2025.

CEMENT SECTOR DEVELOPMENTS

ARGENTINA

Argentina's cement consumption in March increased by 11.6% year-on-year to 0.826 million tonnes, according to the national cement association AFCEP. Total consumption in the first three months of 2026 was 2.311 million tonnes, up just 0.1% from a year earlier. Meanwhile, domestic cement production in the same period slipped by 0.3% year-on-year to 2.324 million tonnes.

BANGLADESH

The Bangladesh Cement Manufacturers Association has formally urged the government to make major tax reforms to support domestic producers. The president of the association noted that, despite a massive installed cement capacity of 100 million tonnes, the industry saw utilisation drop to 40 million tonnes in 2025.

BRAZIL

The National Cement Industry Union, SNIC, reported that cement sales in Brazil in March totalled 5.789 million tonnes, up 9.1% year-on-year. Cement sales in the first three months of 2026 totalled 15.934 million tonnes, up 1.8% from a year earlier. The president of SNIC commented that, despite a resilient start to the year, the projection for 2026 is for moderate growth.

COLOMBIA

Colombia's cement consumption in February rose 4.4% year-on-year to total 1.025 million tonnes, according to the national statistics agency DANE. Domestic cement production during the month totalled 1.080 million tonnes, up 1.3% year-on-year. In the first two months of 2026, cement consumption was up 5.6% year-on-year to 1.976 million tonnes, while domestic production grew 2.2% year-on-year to 2.072 million tonnes.

JAPAN

According to the Japan Cement Association, domestic cement demand is projected to fall to 30 million tonnes in the 2026 financial year, below the level last recorded in 1964, having reached a peak of 86.3 million tonnes in 1990. The latest reduction is attributed to reduced construction activity, labour shortages and work reforms that limited overtime.

NIGERIA

The Edo State government said in late April that it had signed an agreement with a Chinese firm to build a 10 million tonnes/year cement plant with groundwork to begin in mid-May.

PAKISTAN

According to the All-Pakistan Cement Manufacturers Association, cement dispatches in March increased 1% year-on-year to total 3.75 million tonnes. Domestic dispatches fell by 0.2% year-on-year to 3.10 million tonnes while cement exports increased 7% year-on-year to 0.65 million tonnes. During the first nine months of the current fiscal year, total cement dispatches reached 38.5 million tonnes, up 10% year-on-year.

The Pakistan government has approved seven new cement plant projects. The approvals were granted to Flying Cement, Lucky Cement, Bhutta Cement, Asian Precious Minerals, Orient Cement, Dandot Cement and Maple Cement.

SAUDI ARABIA

Cement sales volumes in Saudi Arabia in March fell by 6.7% year-on-year and 21.3% month-on-month to 3.37 million tonnes according to Al Rajhi Capital, reflecting local holidays and the war in the Middle East. Sales volumes in the first quarter of 2026 declined by 4.7% year-on-year to 12.76 million tonnes.

SPAIN

Spain's cement association Oficemen reported that the country's cement consumption rose 9% year-on-year in the first quarter of 2026 to reach 3.89 million tonnes. Consumption in March jumped by 28% year-on-year to 1.54 million tonnes, the best monthly total in the past 15 years.

SWITZERLAND

Cement deliveries in Switzerland in the first quarter of 2026 totalled 795,000 tonnes, up just 0.4% year-on-year, according to Cemsuisse. The association said that construction activity remained resilient despite snowfall during the period.

UGANDA

A new cement plant operated by Yaobai Cement Uganda was commissioned in late April in Moroto. The new clinker production line will have the capacity to produce 6,000 tonnes/day, cutting the country's reliance on imported clinker. The plant is designed to eventually produce 2 million tonnes/year of clinker and 3 million tonnes/year of cement upon full operation.

USA

Total shipments of Portland and blended cement, including imports, in the US and Puerto Rico in December 2025 were an estimated 6.82 million tonnes, according to the US Geological Survey. Shipments for the whole of 2025 totalled 101 million tonnes, down 1.7% year-on-year. Clinker production in 2025, excluding Puerto Rico, totalled an estimated 69.5 million tonnes, down 4% from the previous year.

VIET NAM

Hoang Long Group has commissioned its 2.3 million tonnes/year Hoang Long Hoa Binh cement plant in Phu Tho province. The plant increases the company's total production capacity to around 8 million tonnes/year.

Viet Nam exported 3.46 million tonnes of cement and clinker in March according to the National Statistics Office, up 14% year-on-year. Exports in the first three months of this year totalled 9.9 million tonnes.

The Viet Nam National Cement Association reported that the country's cement production in the first quarter of 2026 reached 28.32 million tonnes, up 22% year-on-year.

OTHER INDUSTRIAL MINERAL DEVELOPMENTS

ICSG

The International Copper Study Group reported that world **copper** mine production is expected to increase by 1.6% in 2026 to 23.559 million tonnes of copper content and by a further 2.3% in 2027. World refined copper production, including secondary production, is forecast to rise by about 0.4% in 2026 to 28.760 million tonnes of copper content and by a further 3.0% in 2027. Meanwhile, world apparent refined copper usage is expected to increase by 1.6% in 2026 to 28.664 million tonnes of copper content and by a further 2.0% in 2027. The latest ICSG analysis of the world's refined copper balance

indicates apparent surpluses of about 96,000 tonnes in 2026 and 377,000 tonnes in 2027.

ILZSG

The International Lead and Zinc Study Group held its spring meeting in April reviewing the current outlook for 2026. Global demand for lead metal is expected to increase by 1.1% this year to 13.72 million tonnes, while world lead mine production is forecast to grow by 1.2% to 4.60 million tonnes with increases in Australia, China, India, Ireland and Portugal more than offsetting reductions in the US and Sweden. The ILZSG anticipates that global supply of refined lead will continue to exceed demand in 2026, with the surplus increasing to 109,000 tonnes.

Global demand for refined zinc is projected to rise by 1.3% this year to 14.00 million tonnes, while world zinc mine production is forecast to grow by just 0.3% to 12.55 million tonnes with increases in the Democratic Republic of Congo, Portugal and China largely offset by declines in Peru, Sweden and the US. The ILZSG anticipates that global demand for refined zinc metal will exceed supply in 2026, with the deficit estimated at 19,000 tonnes.

INSG

The International Nickel Study Group reviewed the current outlook for 2026 at its April meeting. World primary nickel usage is forecast to increase from 3.596 million tonnes in 2025 to 3.747 million tonnes in 2026. However, world primary nickel production is estimated to fall from 3.880 million tonnes in 2025 to 3.715 million tonnes this year. The INSG also noted that Indonesia, the world's leading nickel producer, has introduced additional measures in 2026 to more closely regulate its mining sector. The INSG anticipates that a global nickel surplus of 283,000 tonnes in 2025 will reverse to a 32,000 tonnes deficit in 2026.

AUSTRALIA

The Western Australian government has announced a A\$15 million interest-free loan initiative aimed at supporting its **nickel** sector. It is designed to assist operating nickel producers, facilitate the restart of idled mines and support the ramp-up of new projects in Western Australia.

South32 has lowered its financial year forecast for its **manganese** unit after wet season rainfall and Tropical Cyclone Narelle disrupted operations. The

company now expects production in the fiscal year to end-June to be 3 million tonnes, down more than 6% from its previous forecast.

CHINA

China's **copper** smelters are expected to trim output after Beijing banned the export of sulphuric acid. The rally in the export price of this byproduct of smelting had offset falling processing fees paid by miners to refine copper during a period of acute shortage of copper concentrate.

CONGO, DEMOCRATIC REPUBLIC

Ivanhoe Mines has revised down its production guidance for its Kamoakakula Copper Complex in the Democratic Republic of Congo after receiving the results of an updated independent technical report. Seismic events in May 2025 resulted in flooding on the eastern side of the Kakula mine that impacted production. It now plans to produce between 290,000 tonnes and 330,000 tonnes of **copper** anodes this year and between 380,000 tonnes and 420,000 tonnes in 2027. Output is expected to increase to above 500,000 tonnes from 2028.

See also commentary under Zambia on restricted sulphuric acid supplies which are set to constrain **copper** and **cobalt** mining in the DRC.

INDONESIA

Freeport-McMoRan said it expects a slower-than-anticipated recovery of its flagship Grasberg **copper** mine in Indonesia after a fatal flood in 2025 disrupted operations. The company now expects only about 65% of production at the world's second largest copper mine to be restored by the second half of this year, down from a previous forecast of 85%.

PANAMA

The Panamanian government has formally approved to remove, process and export stockpiled **copper** ore at First Quantum Minerals' shuttered Cobre Panama mine, one of the world's largest open-pit copper deposits. An estimated 38 million tonnes of ore is stockpiled containing approximately 70,000 tonnes of recoverable copper. The mine shut in 2023 amid widespread protests over environmental concerns. First Quantum said the move does not constitute a reopening of the mine.

SOUTH AFRICA

Africa Rainbow Mines (ARM) said it is considering restarting open-pit operations at its Nkomati **nickel** mine in South Africa after agreeing a

conditional off-take deal with Sweden's Boliden. The mine has been in care and maintenance since 2021. Russia's Nornickel sold its 50% interest in the mine to ARM in 2025 leaving ARM as the sole owner. Under the off-take deal, ARM will sell nickel concentrate to Boliden for processing at Boliden's Harjavalta smelter in Finland, the only large-scale nickel smelter in Europe.

USA

President Trump revamped his **copper** import tariffs on April 2, alongside tariffs on imported steel and aluminium (see earlier comments under Trade War News).

ZAMBIA

Two of Zambia's largest **copper** smelters and sulphuric acid producers (Mopani and Chambishi) are expected to shut down for extensive maintenance later this year. The country's sulphuric acid stocks are said to be so depleted there is effectively no capacity to export to neighbouring Democratic Republic of Congo whose miners rely on these supplies, more so given supply disruptions caused by the Middle East war.

Zambia's mine ministry said the Luanshya Copper Mine, majority owned by China Nonferrous Mining Corporation, is scheduled to resume **copper** production in August, having been idled for more than two decades. The mine has had to undergo a dewatering process after severe flooding damaged infrastructure. The mine is expected to produce around 100,000 tonnes/year by 2030 once fully operational.