

China's lead ore/concentrate import down by 17.76% YOY in 2013

BEIJING (Asian Metal) 29 Jan 14 - According to the statistics published by China Customs, China imported 1,493kt of lead ore/concentrate in 2013, down by 17.76% year-on-year.

The following chart presents China's lead ore/concentrate import from 2005 to 2013.



Although lead concentrate supply was very tight in Chinese market in 2013, the lead concentrate import volume was still very low due to the high cost of the imported material. When lead futures kept at about USD2,000-2,300/t on the LME in 2012, the lead ingot prices lingered at about RMB14,700-15,500/t (USD2,410-2,541/t) in the Chinese spot market. However, when lead futures were about USD2,000-2,200/t on the LME in the most time of 2013, the lead ingot 99.994%min prices were only about RMB13,500-14,500/t (USD2,213-2,377/t) in Chinese spot market. There was almost no profit for Chinese lead ingot producers to import lead concentrate as raw materials in 2013, though the treatment charges for imported lead concentrate kept rising from USD80-90/t in early 2013 to about USD130-140/t in late 2013. Therefore, most Chinese lead smelters reduced lead concentrate import to reduce production cost. Meanwhile, silver prices hovered in the range of RMB5,500-6,000/kg (USD902-984/kg) in Chinese spot market in the first quarter of 2013 but the prices declined sharply to about RMB4,000/kg (USD656/kg) in the second quarter and then lingered at around RMB4,000/kg (USD656/kg) in the second half of 2013. In view of the great decline of silver prices, most Chinese buyers became more cautious about placing orders to import lead concentrate, which usually contains high content of silver.

The following chart shows the treatment charges of China's imported lead concentrate 50%min in 2013.

Unit: USD/t



As the imported high-grade lead concentrate prices were high, some Chinese buyers began increasing the import volume of low-grade lead ore/concentrate in 2013.

The following table and chart shows the twenty largest origins for China's imported lead ore/concentrate in 2013.

Rank	Origin	Import (Ton)	YOY%
1	USA	215,737	-8.33
2	Russia	215,301	0.5
3	Australia	144,763	-6.37
4	Korea	117,550	53.11
5	Peru	104,811	-63.99
6	Turkey	94,189	53.28
7	Mexico	62,210	-37.83
8	South Africa	54,009	-30.33
9	Poland	53,945	4.99
10	Germany	44,331	-34.32
11	Kazakhstan	38,944	-38.21
12	Iran	37,790	-20.87
13	Belgium	35,666	338.13
14	Tajikistan	29,292	110.71
15	Canada	25,194	11.59
16	Ireland	24,689	-45.52
17	Morocco	24,444	-45.2
18	Myanmar	23,283	18.36

19	Greece	18,705	5.61
20	Nigeria	16,304	-19.48

