

## Copper concentrate monthly imports touch a new record

China's copper concentrate imports for March hit a record high after the high sea waves at Chilean ports caused delays in shipment earlier this year. March imports of unwrought copper and copper products bounced, but 1Q21 volume continues to fall from the peak seen in 3Q20



Source: Shutterstock

China's copper concentrate imports hit a monthly record high at 2.17 million tonnes in March (Fig.1).

The robust imports came after a weaker shipment in February, presumably due to the fact that high sea waves at Chilean ports caused a delay. The higher concentrate imports came amid rising smelter productions that require raw material feeding. The falling treatment charges in the spot market hasn't crippled refined production growth yet.

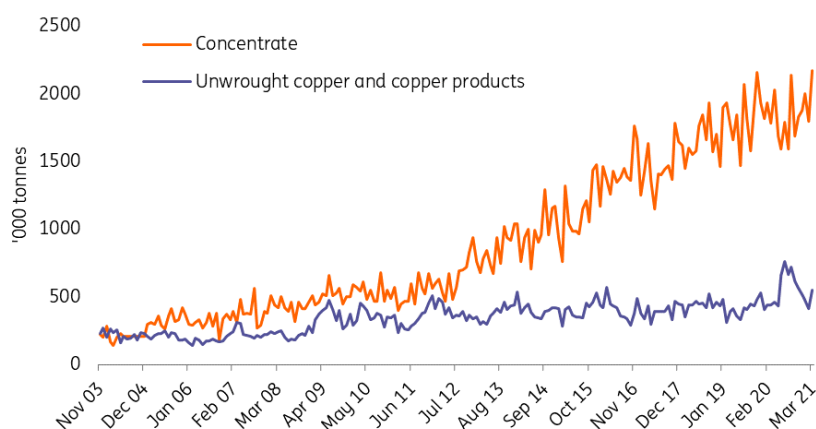
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*We expect concentrate imports to continue growing for the rest*

*of the year, while refined copper import growth could face pressure, especially from 2H21*

According to the market information agency, Shanghai Metals Market (SMM), refined copper productions have continued to climb to 86kt in March (4.7% MoM), bringing 1Q21 total productions to 2.48 mln tonnes (15% YoY).

**Fig 1. China copper imports-concentrate vs. unwrought copper and products**

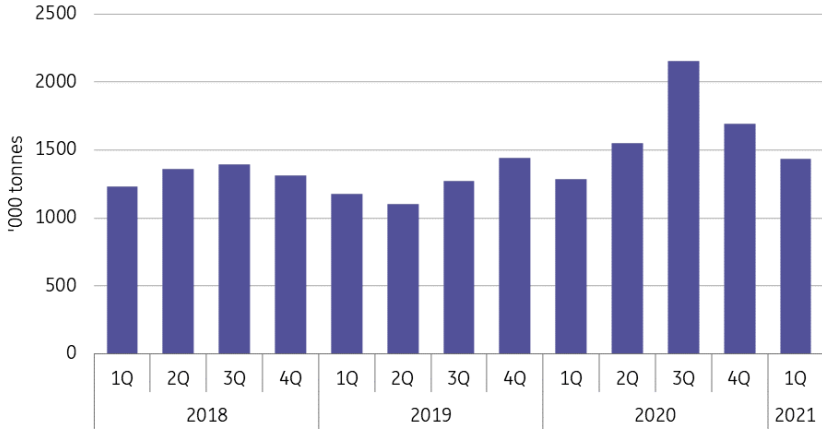


Source: China Customs, ING

As for imports of unwrought copper and copper products, March volume rebounded from the first two months to 552kt (35% MoM), however, total 1Q21 imports (Fig.2) have come down from the peak in 3Q20, broadly in line with the peak of China's credit growth.

We expect Chinese copper concentrate imports to continue growing for the rest of the year, while refined copper imports could face pressure, especially from 2H21 onwards.

**Fig 2. China quarterly imports: unwrought copper and copper products**



Source: China Customs, ING