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MEDIA RELEASE

Views on the copper and cobalt markets for 2024 from Eurasian Resources Group

By Benedikt Sobotka, CEO of Eurasian Resources Group and Co-Chair of the Global Battery Alliance

Key takeaways:

- Demand for copper is expected to grow by 4% y-o-y in 2024; demand for cobalt by 15%
- The copper market as a whole in 2023 shifted from a projected surplus to a deficit, driven by global supply challenges and rising demand
- Entering 2024, strong market fundamentals, including green energy initiatives, positioning copper for further growth and higher prices
- Demand for copper in China rose by nearly 7% YoY in 2023, thanks to positive economic stimulus and easing of Covid-19 restrictions
- Demand for cobalt, is expected to grow by 15% in 2024 on a y-o-y basis
- Globally, batteries which contain cobalt, maintain market share, driven by a strategic shift in Western EV supply chains, aiming to decouple from Chinese counterparts
- EV sales are continuing to increase at double-digit rates, with projections indicating that in 2024, 21% of total car sales will be EV. While there was less demand for cobalt in the portable electronics sector in 2023, we expect to see a far greater demand this year due to anticipated high levels of replacement products

In 2023, prices were mixed for many key commodities, with some showing a clear negative trend while others like iron ore and copper bucked this trend. The reasons for this disparity were varied: a combination of local factors specific to each market as well as the slower than expected pace of China's growth re-acceleration. An unexpected boon though has been the resilience of the US economy, particularly against the difficult backdrop of consistently high interest rates. As we welcome 2024, there are pockets of positivity: market analysts consider that there will be a 'soft landing' for the US economy and healthy confidence overall in the global economy. Taking copper

and cobalt specifically: the copper market is well-positioned for higher price levels, reflecting strong market fundamentals and increasing demand, driven largely by the necessary continued focus on green infrastructure and renewable energy. The cobalt market looks set to weather a dynamic and resilient trajectory, with clear strategic shifts in global EV dynamics and increasing demand across a range of sectors, setting the stage for growth for 2024.

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About Eurasian Resources Group:

Eurasian Resources Group (ERG) is a global metals and mining company, with a workforce of around 80,000 and integrated exploration, mining, processing, energy and logistics operations in Kazakhstan, Africa, the Kingdom of Saudi Arabia and Brazil. ERG operates in 16 countries and is a growing supplier of critical raw materials that are enabling the global energy transition.

In **Kazakhstan**, ERG represents one third of the metals and mining industry. It is also a key power supplier and a large railway operator in Central Asia. ERG manages several of Kazakhstan's leading production entities, including Kazchrome, SSGPO, Kazakhstan Aluminium Smelter (KAS), Aluminium of Kazakhstan, Eurasian Energy Corporation, and others.

ERG is the world's largest high-carbon ferrochrome producer by chrome content and one of the largest producers of cobalt. It is also a large global supplier of copper and high-grade iron ore. In Eurasia, it is one of the largest suppliers of alumina and is Kazakhstan's only producer of high-grade aluminium.

In **Africa**, ERG mines and processes copper and cobalt ore and produces copper metal and cobalt hydroxide. Frontier is the cornerstone of the Group's copper business, while ERG's Metalkol, a major tailings reprocessing operation in the Democratic Republic of the Congo, has become one of the world's largest producers of cobalt as well as a major producer of copper. The Group has its own supply chain on the continent through its logistics company Sabot as well as development projects which are focused on other minerals and products across Africa, including in South Africa and Zimbabwe.

In **Brazil**, ERG is developing BAMIN, an integrated mining and logistics project in the State of Bahia, which comprises the Pedra de Ferro iron ore mine, the Porto Sul deep-water port and the associated stretch of the new FIOLE broadgauge railway.

In the **Kingdom of Saudi Arabia**, ERG is focused on adopting a technological leadership position through industry partnerships, with the Kingdom serving as a strategic base for an advanced, high-impact hub to sustainably meet mineral demand. ERG intends to expedite early-stage exploration in the Kingdom to help meet the surging demand for battery metals, by deploying innovative and sustainable exploration technologies through its Technology Intelligence division.

ERG is a Strategic Partner Associate of the **World Economic Forum** and a founding member of the **Global Battery Alliance (GBA)** which is dedicated to establishing a sustainable and responsible global supply chain for the lithium-ion batteries that can power the Fourth Industrial Revolution and a low carbon economy through mobile devices, electric vehicles and renewable energy systems.

Since its establishment in 2017, the GBA has grown into a partnership with of more than 150 businesses, governments, academics, industry actors, international and non-governmental organisation. In 2022, the [GBA launched its flagship initiative, the Battery Passport](#), at the World Economic Forum Annual Meeting

in Davos. The Battery Passport will become a legal requirement in Europe, by 2026, with other geographies likely to follow suit in the future.

ERG is also a co-founder of the [ReSource](#) initiative, working together with CMOC, Glencore, Umicore and Tesla. The initiative uses blockchain to track cobalt and other battery materials in real operating conditions from the mine to an electric vehicle.