

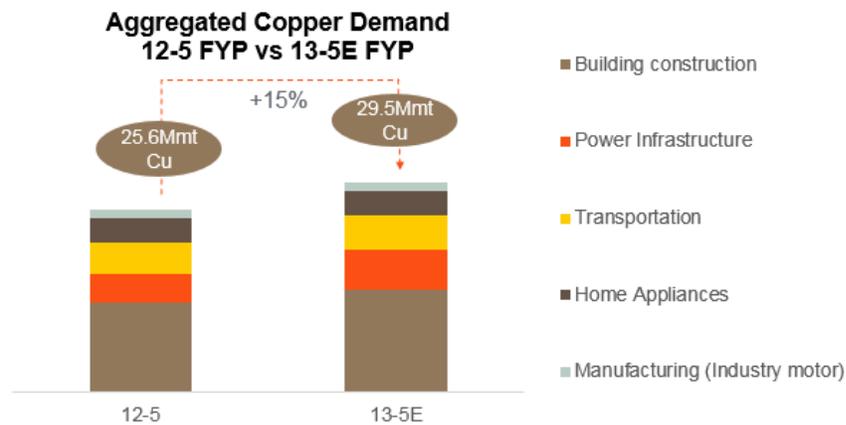
FOR IMMEDIATE RELEASE

New Study Shows 15 percent Growth in Demand for Copper Under China's Latest Five-Year Plan

New York, NY, (Sept 13 2016)—According to data released today by the International Copper Association, Ltd. (ICA), projections based on China's [13th Five-Year Plan](#) (FYP) show the potential for 15 percent growth in the Chinese copper market. ICA, the leading authority on copper end-use, commissioned the study (which was conducted by All China Marketing Research Co., Ltd.) to analyze potential demand in China under the country's most recent FYP.

ICA's study examined five key markets that represent more than 50 percent of the total copper market in China: building construction, power infrastructure, transportation, home appliances and manufacturing. A snapshot of the overall findings can be found in the chart below.

Aggregated Copper Demand on Selected End Use Markets between 12-5 FYP & 13-5E FYP Cu



“China has set forth several ambitious goals over the next five years and, as a result, we see wide-ranging opportunities for growth moving forward,” said Richard Xu, Asian regional director, ICA. “Under the 13th Five-Year Plan, China is expected to see at least 6.5 percent growth in GDP annually and double the personal income of its citizens by the end of 2020. To do so, the government will have to invest great resources in areas such as transportation, building infrastructure and energy. All of these sectors provide strong opportunities for the use of copper.”

Power infrastructure is seen as a significant area for growth with an expected investment in both the power grid and power generation. The projected growth of copper demand in the two sectors is 82 percent for power generation and 40 percent in the power grid. As a result of the expected enhancement to this infrastructure, it translates to an estimated aggregate growth in copper demand of 1.78 million tonnes.



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The renewable energy market represents a much larger portion of the new FYP compared to the historical average. Out of the expected new power generation installations, wind and solar will account for more than 40 percent of the new capacity vs. 13 percent in pre-2015. This is important to growth because on average, these renewable energy systems—solar, wind, hydro—require 4 to 12 times more copper per kilowatt than traditional power generation.

A deeper look into the findings show the Chinese government's aspirations during this FYP are particularly favorable to driving the use of copper in the transportation sector. Substantial growth opportunities are likely to occur based on a greater adoption of electric vehicles. It is expected that the number of electric vehicles is expected to grow more than 800 percent. This projection is significant for copper demand because a full-electric vehicle uses three to four times as much copper as its gas powered counterpart. As a result of this trend toward alternative fuels, the total number of electric vehicle charging stations and piles are projected to increase by nearly 500 percent and 1,800 percent, respectively.

Additional findings and analysis of this study will be discussed at ICA's upcoming event, *Market Update on Copper Use* on Friday, 28 October 2016, prior to LME Week in London. Visit copperalliance.org/events to learn more and to see if you are prequalified for an invitation.

About the International Copper Association (ICA)

ICA brings together the global copper industry to develop and defend markets for copper and to make a positive contribution to society's sustainable development goals. Headquartered in New York, the organization has offices in four primary regions: Asia, Europe and Africa, Latin America and North America. Copper Alliance® programs and initiatives are executed in nearly 60 countries through its regional offices. For additional information please visit copperalliance.org.

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