



COBRE 2023

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DEL 29 DE MAYO AL 01 DE JUNIO



CENTRO DE EXPOSICIONES

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PRESS RELEASE

Rómulo Mucho: It will require an investment of US\$100 billion to cover world copper consumption by 2030

- In the framework of Expocobre 2023, the former vice-minister said that Peruvian copper production is expected to increase to 2.8 million tons in 2023 and to over 3 million tons in 2024, always under normal conditions.

"Looking ahead to 2030, global copper demand is expected to outstrip supply by 6.6 million tons, and to produce that amount, an average investment of USD 100 billion is needed," said Eng. Rómulo Mucho in the framework of Expocobre 2023.

In this context, the director of the Peruvian Institute of Mining Engineers pointed out that it is expected that Peruvian copper production is expected to increase to 2.8 million metric tons in 2023 and more than 3 million tons in 2024, always under normal conditions.

He recalled that part of this increased production would mainly come from the Quellaveco operation and later from future deliveries of the Toromocho Expansion, Antamina Replacement, Magistral, Zafranal and Yanacocha Sulfides projects. Toromocho Expansion, Antamina Replacement, Magistral, Zafranal and Yanacocha Sulfides projects.

However, he warned that social conflicts will continue to affect the performance of mining production, as happened recently with Las Bambas, Antapaccay and Constancia, which represent more than 50% of the copper extracted in the southern regions.

"The generalized paralysis in the country as a consequence of the protests has not been faced in a timely and effective manner by the government, which has had a strong negative effect on the economy and will surely increase the social crisis", the expert pointed out.

If production of copper and other raw materials continues at a good pace, it is expected to increase by 3.2% this year and by 4.8% next year, contributing to its partial recovery after the pandemic hit in 2020 (-13.8%).

China could import less copper from Peru

And even if Peru increases its copper supply in the coming years, it is possible that China will reduce its demand, as the poor state of its economy translates into less construction of houses and electricity grids, where the main input is copper.



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The price of copper rose in January to USD 9,300 per tonne due to expectations of China's awakening with the Covid 0 measures. However, weeks ago, the first data revealed a loss of momentum in its economic activity", he said.

Therefore, based on global analysis, he estimated that China should buy enough copper to bring its price to USD 8,000 per tonne; however, if the economic slowdown is greater, the price would fall to USD 7,500.

More than 35 unbuilt mining projects

During his presentation at Expocobre 2023, Rómulo Mucho mentioned that only 4 mining projects in the pipeline are under construction, while 6 projects are expected to start projects between this year and next year, and 37 mining projects still have no construction schedule yet.

"For the time being, existing operations have allowed the mining sector to account for 57% of total Peruvian exports in 2022 and copper alone contributed almost 30% of mining exports", remarked the former vice-minister of Mines and director of the IIMP.