

METALS DAILY

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LIGHT METALS

Battery-grade lithium carbonate trades at \$18,000 CIF North Asia

Singapore—In its inaugural assessment in battery metals, S&P Global Platts assessed 99.5% battery-grade lithium carbonate at \$18,000/mt CIF North Asia, including main ports Japan, South Korea and China on May 4.

The price reflects reported offers, bids and deals in the spot market for cargoes of 5-40 mt and a lead time of 15 to 60 days from the day of publication on a letter of credit basis.

The electrification trend in the automotive industry continues to boost demand for battery metals, supporting steep increases in seaborne lithium carbonate prices this year.

A producer in the Americas, who saw the tradeable value at \$18,000-\$20,000/mt for orders above 20 mt, said that lower spodumene ore (DSO) availability from Australian producers had been boosting the CIF market.

However, a trader in eastern China said these elevated price levels were not here to stay. "Miners are expanding and more lithium carbonate production capacity [will be] released

BATTERY METALS

Weekly Prices

		Change	Date Assessed
Lithium Carbonate CIF North Asia (\$/mt)	18000.00	—	04-May-18

in China in the second half," the trader said.

An Australian spodumene and lithium carbonate producer reported trades booked at \$16,000-\$22,000/mt CIF China, Japan and South Korea. The minimum quantity is one container of 20 mt materials.

"Prices differ from customer to customer, and also [there are differences regarding the] shipping cost," said the producer, who put the price at \$20,000/mt on average for 20 mt orders.

A second Australian miner said the numbers depended on relationships and negotiations between buyers and sellers.

Domestic prices in China are "trending down as fundamentals are weakening," said a Chinese lithium-ion battery cathode maker, who put domestic spot prices slightly above Yuan 150,000/mt (around

\$20,000/mt) on a DDP basis.

"Demand is dropping from battery makers — many of them [will] find it hard to survive this year in China," he added, also stressing that the CIF price was "usually lower than [the] domestic price."

Both producers and consumers mentioned major Chinese lithium carbonate producers such as Tianqi and Ganfeng had increased capacity to level supply up, and that government subsidies were driving prices down.

Many industry sources expect 2018 to be a volatile year for lithium carbonate prices.

"Spot prices can move up and down, but the interest in the long term will be up," said a Canadian supplier.

— *Xinyue Zhang with Henrique Ribeiro in Sao Paulo and Marcel Goldenberg in London*

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