

# METALS DAILY

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## BATTERY METALS

### Lithium carbonate, hydroxide CIF North Asia stable on week

*Singapore* – Seaborne lithium carbonate and hydroxide markets experienced a quiet week as trade talks kept participants from the market, leading to steady prices on the week

A quiet market saw lithium carbonate assessed stable at \$12,900/mt CIF North Asia. A producer saw bids from South Korea, Japan and Europe at \$13,000/mt and felt that the tradable value lay at this level in the present market. Lithium hydroxide was also assessed unchanged at \$16,000/mt CIF North Asia. Although early December was quiet for seaborne lithium hydroxide, \$16,000/mt was heard as a tradable value from both the sides of the market.

Looking into the first quarter of 2019, a trader suggested that prices in South Korea and Japan for carbonate and hydroxide may diverge. The Japanese trader suggested that Japanese companies would be reluctant to buy in early 2019, choosing instead to let their stocks deplete at the close of the fiscal year. However they

[\(continued on page 2\)](#)

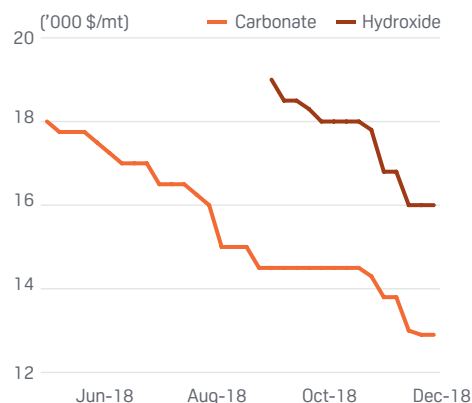
## BATTERY METALS

### Weekly Prices

		Change	Date Assessed
Lithium Carbonate CIF North Asia (\$/mt)	12900	0	7-Dec-18
Lithium Carbonate DDP China (Yuan/mt)	79000	0	7-Dec-18
Lithium Hydroxide CIF North Asia (\$/mt)	16000	0	7-Dec-18
Lithium Hydroxide DDP China (Yuan/mt)	117000	0	7-Dec-18

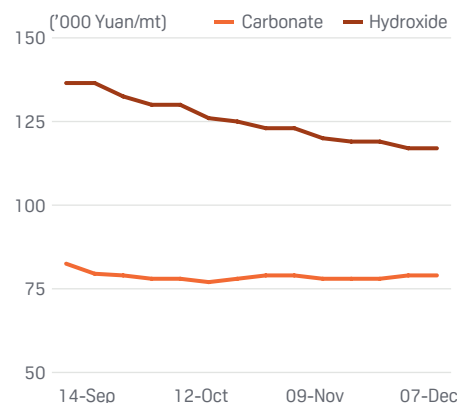
## PLATTS LITHIUM CARBONATE AND LITHIUM HYDROXIDE:

### CIF NORTH ASIA



Source: S&P Global Platts

### DDP CHINA



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expected South Korean demand to be unaffected in this period, supporting higher prices than those in Japan.

The seaborne prices of both the grades are still above the import parity in China: in the case of lithium carbonate, \$12,900/mt CIF was equivalent to Yuan 103,249/mt, including 16% VAT, based on the Platts import-parity formula; and the \$16,000/mt lithium hydroxide assessment was equivalent to Yuan 127,940/mt on the same basis. The yuan was assessed at 6.8664 to the dollar at 4:30 pm Singapore time Friday.

In the Chinese domestic market, lithium hydroxide and carbonate prices were also stable on the week. Carbonate was assessed unchanged at Yuan 79,000/mt and hydroxide was also assessed steady at Yuan 117,000/mt. Market sentiment was considered unchanged on the week.

However, there was a suggestion that lithium carbonate may have reached its bottom as consumers are expected to reenter the market to replenish their stock ahead of the Chinese New Year holidays.

Price stability in the lithium carbonate

market was confirmed by two trades captured by Platts during the week: one reported at Yuan 78,000/mt and another at Yuan 80,000/mt, supporting the assessment at 79,000/mt. Another trade was heard at Yuan 80,000/mt, but could not be fully factored into the assessment as it was heard after the 4:30 pm MOC.

Along with these trades, a producer was heard offering at Yuan 81,000-82,000/mt, a slight drop on the levels quoted the week prior but they considered the market to be largely stable. Another producer considered an offer of Yuan 83,000/mt to be representative of the market, citing a tightening market over the week as they themselves had reduced their output. This consensus, however, was not shared by the wider market.

The lithium hydroxide market was quiet this week as market participants were otherwise engaged. Major players in the market were gathered in Zhejiang province this week for an industrial event to discuss and update the state level standards for lithium hydroxide in China, as such little

market activity was observed. Despite the downturn in activity, tradable values were heard in the range of Yuan 110,000-117,000/mt by consumers and Yuan 119,000-120,000/mt by producers.

Cobalt sulfate prices in China continued to fall this week, with the lowest tradable values heard at Yuan 65,000/mt, a sizable drop on the week. The low prices saw some producers hesitant to sell and considering a reduction in their production rates. Consumers were heard to be enjoying the lower prices presently available as they looked to build inventories ahead of the Chinese New Year holidays.

Unlike cobalt sulfate, Chinese domestic nickel sulfate was largely stable this week, albeit at low levels. Stable demand was heard, with one producer stating that they were now sold out for December.

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