

METALS DAILY

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BATTERY METALS

Lithium prices continue to fall, consumers take advantage of low DDP prices

Singapore – Consumer stockpiling in the Chinese domestic market led to lithium carbonate DDP prices dropping in value during an active week in China, with the seaborne lithium carbonate market, albeit far less active, also dropping to post yet another record low. Platts' flagship lithium carbonate CIF North Asia assessment shed \$100/mt to \$12,800/mt, while lithium hydroxide was assessed flat at \$16,000/mt on the same basis, which considers deliveries at the main ports of China, South Korea and Japan.

Chinese domestic lithium hydroxide dropped Yuan 4,000/mt to come in at Yuan 110,000/mt, while lithium carbonate remained flat at Yuan 79,000/mt, both on a DDP China basis. The four assessments refer to battery-grade material.

Despite a large portion of the seaborne lithium markets being out of the market, there were a few market participants, largely traders, that continued to look for cargoes and saw value marginally down on the last week.

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

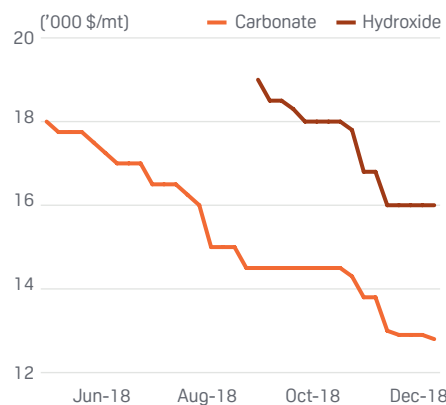
BATTERY METALS

Weekly Prices

		Change	Date Assessed
Lithium Carbonate CIF North Asia (\$/mt)	12800	-100	21-Dec-18
Lithium Carbonate DDP China (Yuan/mt)	79000	0	21-Dec-18
Lithium Hydroxide CIF North Asia (\$/mt)	16000	0	21-Dec-18
Lithium Hydroxide DDP China (Yuan/mt)	110000	-4000	21-Dec-18

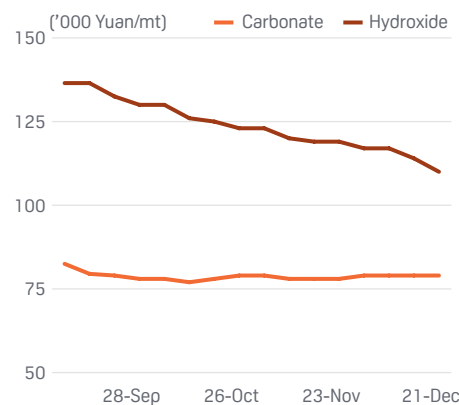
PLATTS LITHIUM CARBONATE AND LITHIUM HYDROXIDE:

CIF NORTH ASIA



Source: S&P Global Platts

DDP CHINA



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One trader heard about lithium carbonate CIF Japan offers at \$10,000-12,000/mt and \$9,000-12,000/mt CIF South Korea, but would target to offer at not less than \$13,000/mt for consumers in both countries.

Speaking to end-users and battery producers, the tone was far more lackluster and in “a wait and see what happens next year” mode. “There is not much going on in the lithium markets this week and I doubt there will be much going on until the next year,” said a cathode maker who added that contracts had been signed before people went on their vacations. This left most of the consumers with marginal needs to restock during the holiday period.

Seaborne prices “didn’t change much [recently] as no one buys overseas [material] in view of the ample domestic supply,” said a Chinese consumer who would “only consider buying overseas if there is a supply tightness

or price volatility in the domestic market.” He agreed that levels of around \$12,900/mt and \$16,000/mt were tradeable for lithium carbonate and hydroxide, respectively, on a CIF North Asia basis.

The China domestic market however saw a record number of trades reported across the lithium carbonate and lithium hydroxide market as market sources named “consumer stockpiling” as one of the reasons for the flurry of activity this week.

Another market participant also pointed out that Christmas is not as widely celebrated in China as in other markets with most offices still open across the period in China, “so you have far more people working and looking to do deals than in other markets.”

The majority of trades were done at, or around, the Yuan 110,000/mt mark.

A Chinese seller expected the price gap

from NMC 622 (nickel-manganese-cobalt in a 6:2:2 proportion) to NMC 811 to surge in the second quarter of next year as production of the latter should increase significantly and spur demand for hydroxide.

Two other Chinese producers said that tradeable ranges were at Yuan 79,000-80,000/mt for lithium carbonate and Yuan 110,000-115,000/mt for lithium hydroxide. Despite agreeing with these levels, the first Chinese consumer pointed out that Yuan 110,000-115,000/mt would be the price of hydroxide fine powders, while hydroxide coarse sands would trade lower at Yuan 105,000/mt.

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