

# METALS DAILY

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## BATTERY METALS

### Battery grade lithium stable on week in seaborne, Chinese domestic market

*Singapore* – Seaborne lithium carbonate and hydroxide prices were stable on the week as both buyers and sellers considered tradeable values to be unchanged.

S&P Global Platts assessed both battery grade lithium carbonate and hydroxide unchanged on a CIF North Asia basis, at \$12,700/mt and \$16,000/mt, respectively. The prices refer to deliveries at the main ports of China, Japan and South Korea.

A South Korean consumer saw \$12,700/mt and \$16,000/mt as tradeable for carbonate and hydroxide on the spot market, adding that in the longer term, “CIF prices are on a downtrend for sure.”

Hydroxide prices delivered to North Asia have been steady at \$16,000/mt since late November, while carbonate prices were unchanged for the past three weeks.

Both grades remained above the import parity in China. In the case of lithium carbonate, \$12,700/mt CIF was equivalent to Yuan 99,925/mt, including 16% VAT, based on

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

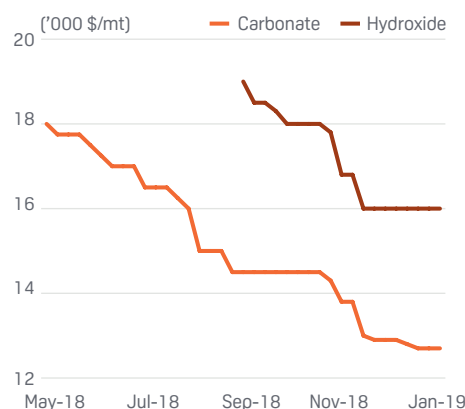
## BATTERY METALS

### Weekly Prices

		Change	Date assessed
Lithium Carbonate CIF North Asia (\$/mt)	12700	0	11-Jan-19
Lithium Carbonate DDP China (Yuan/mt)	80000	0	11-Jan-19
Lithium Hydroxide CIF North Asia (\$/mt)	16000	0	11-Jan-19
Lithium Hydroxide DDP China (Yuan/mt)	107000	0	11-Jan-19
Cobalt Sulfate CIF North Asia (\$/mt)	12900	-500	11-Jan-19

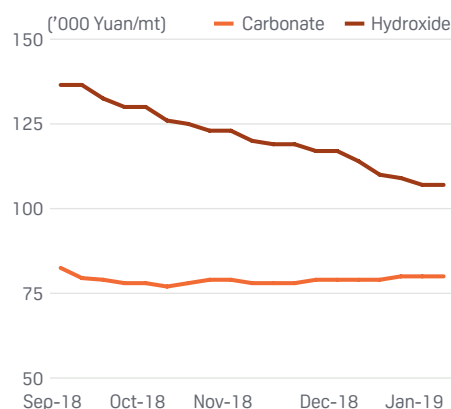
## PLATTS LITHIUM CARBONATE AND LITHIUM HYDROXIDE:

### CIF NORTH ASIA



Source: S&P Global Platts

### DDP CHINA



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the Platts import-parity formula. The \$16,000/mt lithium hydroxide assessment was equivalent to Yuan 125,760/mt on the same basis. The yuan was assessed at 6.7489 to the dollar at 4:30 pm Singapore time Friday.

"The price gap between CIF prices and domestic prices will continue unless Chinese domestic prices rise significantly," said a Chinese consumer source who paid Yuan 78,000/mt for lithium carbonate this week. "Domestic prices are unlikely to increase sharply considering the increasing supply," he added, agreeing that import prices are in line with Platts assessments.

The Chinese domestic market for battery grade lithium carbonate and hydroxide was also stable.

Platts assessed lithium carbonate DDP China stable at Yuan 80,000/mt in line with three trades heard done at this level.

Lithium hydroxide DDP China was also

assessed unchanged at Yuan 107,000/mt, as both consumers and producers saw this as a tradeable value.

Price stability is expected to continue going into the Lunar New Year with both demand and supply likely to fall.

Many consumers have now secured ample stocks to last through the holiday period, while many producers have almost sold out of material.

Lithium hydroxide prices have fallen from early September, when prices reached Yuan 136,500/mt.

"The demand for lithium hydroxide decreased by the end of 2018 and many customers shifted to lithium carbonate," according to a Chinese supplier.

The supplier said this sustained carbonate prices around Yuan 80,000/mt on a DDP China basis.

A producer based in the Americas saw

more support for hydroxide prices than for carbonate.

Carbonate demand "was more active recently thanks to the consumers' intentions to stock up before the Lunar New Year holidays," a Chinese seller said, adding that he would sell at as low as Yuan 78,000-79,000/mt "to large and regular customers."

A producer said that the high cost of raw materials would support lithium carbonate prices after the Lunar New Year holiday. Some producers will undergo maintenance over the holiday period, limiting supply.

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## Seaborne cobalt sulfate prices fall despite continued pre-Lunar New Year stockpiling

Cobalt sulfate delivered into North Asia fell \$500/mt this week, as a producer was heard fielding lower offers, despite ongoing domestic Chinese restocking ahead of Lunar New Year.

S&P Global Platts assessed cobalt sulfate with 20.5% cobalt content at \$12,900/mt CIF North Asia Thursday.

A major producer was heard offering at \$13,000/mt, and the producer also suggested that deals could be done slightly below this level. Offers in the range \$13,500-\$14,000/mt were viewed as unrealistic by the producer.

Cobalt sulfate with 21% cobalt content continued to be valued above material with 20.5% cobalt. The higher cobalt content material was heard to be tradeable at \$14,000/mt for delivery into Japan or South Korea by a China-based producer.

The Chinese producer conceded prices in the region of \$13,500/mt could potentially be found if peers offered lower, a scenario the producer felt feasible given the current disparity between domestic and export prices.

Despite the falling price, consumer stockpiling ahead of Lunar New Year celebrations in China is keeping producers optimistic. On top of that, there are expectations of prices rising after the holiday period also.

In the Chinese domestic market, prices continued to rebound this week as several consumers committed to continuing production through the Lunar New Year holidays.

Buying activity is expected to remain strong until late January, with one market participant saying January 25 would be the last available date for delivery.

A Chinese trader said he expected the strong demand would continue after Lunar New Year, adding he anticipated seeing domestic prices gain as a result.

Cobalt sulfate was heard traded at Yuan 71,000-72,000 (\$10,459-\$10,606)/mt DDP by a Chinese producer, while 21% cobalt content material was heard traded at Yuan 74,000/mt by another supplier.

One producer, however, considered Yuan 74,000/mt for 21% cobalt content material to be too high, and saw the tradable value at Yuan 68,000-70,000/mt.

The producer said that most consumers had secured their pre-Lunar New Year supplies already. "Those who want to buy now might need to pay more."

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