

# METALS DAILY

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## LIGHT METALS

### Seaborne lithium carbonate price flat in thin trading

*Singapore*— Battery-grade lithium carbonate prices were unchanged this week as market fundamentals were little changed in the international and China domestic markets. S&P Global Platts assessed 99.5% battery-grade lithium carbonate unchanged from last Friday at \$17,750/mt CIF North Asia in thin seaborne spot trading.

Offer levels were largely unchanged from the previous week, heard between \$18,000/mt and \$20,000/mt this week, but with no deals transacted, which indicated value was below these levels.

"There isn't anything critically impacting the market this week," said an Australian producer who saw \$17,750/mt as likely value in the absence of new deals.

A second Australian producer kept his indicative offer for spot cargoes at \$20,000/mt CIF North Asia, and Yuan 140,000/mt DDP China this week, as good quality spodumene and lithium carbonate are rare finds in the market.

The producer source took a bullish longer-term view, and several Chinese

## BATTERY METALS

### Weekly Prices

		Change	Date Assessed
Lithium Carbonate CIF North Asia (\$/mt)	17750.00	0.00	25-May-18

consumers attributed rather bearish sentiment to slow demand in May.

Both Chinese domestic and export prices fell this week, with Shanghai China Lithium offering at Yuan 131,000/mt DDP for spot trades of minimum one truck load as well as offering at Yuan 134,000/mt for a cargo exported to Japan, South Korea and Europe.

Shanghai China Lithium reported monthly production of 300 mt battery-grade lithium carbonate. A domestic sales person from the company pegged the tradable level at Yuan 129,000-131,000/mt DDP this month.

On the buy side, a consumer was heard saying that average prices this year could be Yuan 110,000-130,000/mt in China, with the same consumer also reporting to having paid "below Yuan 130,000/mt" for two truckloads of 30 mt each.

A second consumer said lithium carbonate recycled from batteries was offered at Yuan 132,000/mt DDP. Although availability is fairly low at 100-200 mt a month, the quality is good for NCM precursors and cathode materials.

Nevertheless even buyers were aware that there will be a price floor.

While they were careful not give a precise level for this one producer said "the price will not go down to Yuan 100,000/mt [as some say] since the DSO production cost is high -- it's not possible to sell below the cost [of production]."

Some consumers also pointed out they would not consider imported lithium carbonate from certain producers on concerns about impurities such as water, iron, magnetic materials, sodium, calcium

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and magnesium, despite a lower price.

A Hunan-based cathode maker attributed the bearish sentiment to a potential pick-up in supply in the coming months, both from spodumene and recycled batteries.

As for other battery metals in China, spot cobalt sulphate was heard traded at Yuan 127,800/mt DDP for a clip of 100-200 mt

between a Chinese producer and consumer, while a second source heard trades at Yuan 120,000/mt.

The transition from high-cobalt content to high-nickel content in batteries would likely change the supply and demand structure for battery metals, shifting from cobalt sulphate to more nickel sulphate, as the latter costs significantly less than the

former, sources said on the sidelines of the China International Battery Fair in Shenzhen earlier this week.

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