

Battery Metals Market Signals

Bull

- Last week, after mines in Australia and Africa maintained high prices, the price of spodumene stabilized, and the price of lithium salts rebounded. However, the trades for both spodumene and lithium salts remained quiet.
- Last week, the production of lithium hydroxide shrank. However, with stable demand and upcoming long-term contract negotiations, the price remained strong.
- SMM data shows that some domestic lithium carbonate producers have reduced production capacity by 5% week-on-week. Some domestic lithium producers are receiving more orders from overseas customers.
- LFP saw a rebound during the past week. The weakened car sales became a dragging indicator; however, the strong energy storage market supported the overall demand with growth from both domestic and overseas markets in June. The lowered tariffs expected expand export on LFPs. BBG news indicated a fast increasing on energy storage market in Europe from June to August by increasing penetration of wind and solar power. In China, several NEV models with LFP batteries scheduled to launch in late June. Some domestic LFP producers have signed long-term supply contracts with battery makers.
- The first phase of Zhenli Xinneng's newly capped Changshu factory in China has a designed annual production capacity of approximately 10 GWh cells and is expected to start trial production in November 2025. The second-phase factory has a designed annual production capacity of about 15 GWh.
- Winston Chitando, the Minister of Mines of Zimbabwe, announced on Tuesday that the country will ban the export of lithium concentrate starting from 2027 in a bid to promote the development of more local processing industries.

Battery Metals Market Signals

Bear

- SMM data shows that the high-level inventory of lithium carbonate in Chinese ports increased by 8% week - on - week as of the end of the week of June 5-16, 2025.
- The ternary precursor market continued to decline. In the power market, the Series 6 saw stronger demand due to high cost-efficiency, which squeezed the Series 5 and 8 out of market. In the consumer market, the small power applications saw some growth.
- The slowdown on NEV projects in China could potentially drag down demand for power batteries.
- The growth of the sharing economy and the trend of reducing waste may lead to a more efficient use of lithium-related products, reducing the overall demand for new lithium in June.

Others

- As of the week ending June 13th, the weekly trading volume of lithium carbonate on the Guangzhou Futures Exchange was 1,841,553 tons, a decrease of 21,377 tons from the previous week. The open interest was 597,958 tons, an increase of 32,432 tons week-on-week.
- The registered warehouse warrants of lithium carbonate on the Guangzhou Futures Exchange were 32,118 tons last week, compared with 33,309 tons in the previous week.

Sources: SMM, China Passenger Car Association, Bloomberg, MySteel, China Customs

Weekly Futures Price and Open Interest Change

| Open Interest /lots | Cobalt Metal | Lithium Hydro | OI WoW % | Cobalt Metal | Lithium Hydro | Price | Cobalt Metal \$/mt | Lithium Hydro \$/mt | Price WoW % | Cobalt Metal \$/mt | Lithium Hydro \$/mt |
|---------------------|--------------|---------------|----------|--------------|---------------|--------|--------------------|---------------------|-------------|--------------------|---------------------|
| Jun-25 | 775 | 2,945 | Jun-25 | 0.0% | 0.0% | Jun-25 | 34,172 | 8,260 | Jun-25 | -1.6% | 0.0% |
| Jul-25 | 727 | 3,674 | Jul-25 | -5.6% | -3.5% | Jul-25 | 33,907 | 8,200 | Jul-25 | 1.5% | -1.2% |
| Aug-25 | 619 | 3,274 | Aug-25 | -3.9% | -1.0% | Aug-25 | 33,951 | 8,200 | Aug-25 | -0.8% | -1.2% |
| Sep-25 | 477 | 3,465 | Sep-25 | -3.0% | -1.6% | Sep-25 | 33,995 | 8,240 | Sep-25 | -0.8% | -0.7% |
| Oct-25 | 557 | 3,559 | Oct-25 | -3.8% | -1.6% | Oct-25 | 34,701 | 8,650 | Oct-25 | -0.4% | -1.3% |
| Nov-25 | 467 | 3,417 | Nov-25 | -4.3% | -2.1% | Nov-25 | 34,701 | 8,650 | Nov-25 | -0.6% | -1.3% |
| Dec-25 | 512 | 3,020 | Dec-25 | -4.1% | -0.3% | Dec-25 | 34,701 | 8,680 | Dec-25 | -0.7% | -0.9% |
| Jan-26 | 590 | 2,042 | Jan-26 | -5.9% | 1.7% | Jan-26 | 35,274 | 8,750 | Jan-26 | -0.6% | -1.5% |
| Feb-26 | 487 | 1,964 | Feb-26 | -7.1% | 1.8% | Feb-26 | 35,428 | 8,750 | Feb-26 | -0.4% | -1.7% |
| Mar-26 | 676 | 1,807 | Mar-26 | -5.2% | 0.3% | Mar-26 | 35,428 | 8,780 | Mar-26 | -0.5% | -1.6% |
| Apr-26 | 450 | 1,059 | Apr-26 | 0.0% | 16.8% | Apr-26 | 35,605 | 9,130 | Apr-26 | -0.9% | -1.3% |
| May-26 | 450 | 1,059 | May-26 | 0.0% | 18.6% | May-26 | 35,649 | 9,130 | May-26 | -1.0% | -1.6% |
| Jun-26 | 319 | 1,149 | Jun-26 | 2.6% | 28.7% | Jun-26 | 35,671 | 9,100 | Jun-26 | -1.0% | -2.4% |
| Jul-26 | 301 | 962 | Jul-26 | 0.0% | 11.5% | Jul-26 | 36,200 | 9,250 | Jul-26 | -1.0% | -2.9% |
| Aug-26 | 261 | 962 | Aug-26 | 0.0% | 11.5% | Aug-26 | 36,222 | 9,250 | Aug-26 | -1.0% | -3.1% |
| Sep-26 | 316 | 1,007 | Sep-26 | 0.0% | 16.7% | Sep-26 | 36,266 | 9,250 | Sep-26 | -1.1% | -3.4% |
| Oct-26 | 486 | 1,023 | Oct-26 | 0.0% | 14.4% | Oct-26 | 36,531 | 9,630 | Oct-26 | -1.4% | -1.7% |
| Nov-26 | 476 | 1,003 | Nov-26 | 0.0% | 12.2% | Nov-26 | 36,553 | 9,650 | Nov-26 | -1.5% | -1.5% |
| Dec-26 | 543 | 1,003 | Dec-26 | 0.0% | 12.2% | Dec-26 | 36,597 | 9,680 | Dec-26 | -1.9% | -1.2% |
| Jan-27 | 407 | 45 | Jan-27 | 2.5% | 0.0% | Jan-27 | 36,861 | 9,980 | Jan-27 | -1.5% | -0.5% |
| Feb-27 | 372 | 45 | Feb-27 | 2.8% | 0.0% | Feb-27 | 36,883 | 10,000 | Feb-27 | -1.8% | -0.5% |
| Mar-27 | 370 | 45 | Mar-27 | 2.8% | 0.0% | Mar-27 | 36,927 | 10,030 | Mar-27 | -1.8% | -0.5% |

Source: CME

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