FREIGHT | FERROUS | ENERGY | METALS | ENVIRONMENTAL | AGRI | PHYSICAL



# WEEKLY BATTERY METALS MARKET PREVIEW

04 Aug 2025

info@freightinvestor.com | freightinvestorservices.com | fis-live.com London (+44) 20 7090 1120 | Dubai (+971) 4 4493900 | Singapore (+65) 6535 5189 | Shanghai (+86) 21 6335 4002

### **Battery Metals Market Signals**

#### **Bull**

- Last week, the price of lithium carbonate declined, yet downstream inquiry activity remained robust. Market participants are speculating on whether Jiangxi mines will successfully obtain mining licenses in August.
- Lithium hydroxide continued to rise, supported by relatively high discounts in marginal spot quotations and controlled shipment volumes from upstream mines.
- The price of cobalt intermediates rebounded continuously. Smelters faced cost inversion, and cobalt intermediates were relatively scarce, providing strong upward momentum.
- Due to the rapid price increases of nickel sulfate and cobalt sulfate, the market is awaiting an upward adjustment of the discount coefficient for spot orders of ternary precursors.
- In the long term, the automotive industry—aiming to curb "involution"—is gradually reining in the trend of low-price competition, which could lead to rising car prices going forward.

## **Battery Metals Market Signals**

#### Bear

- In July 2025, China's monthly lithium carbonate output reached 80,000 tons, up 4% month-on-month and 26% year-on-year. The relatively high futures prices have provided enterprises with hedging opportunities, enabling them to lock in sales prices while increasing operating rates.
- Australian mines, including IGO, Pilbara Minerals, Liontown Resources, and Wesfarmers, have raised their production guidance for the fiscal year.
- Due to reduced orders for power batteries, small and medium-sized lithium iron
  phosphate material manufacturers have cut production. However, thanks to the
  90-day extension of tariff policies, orders for energy storage have performed
  well. Going forward, demand for lithium iron phosphate may rebound once cell
  manufacturers complete inventory stocking.
- Australian miner Liontown Resources stated on Tuesday that it had resold part
  of the lithium products originally intended for Ford to a Chinese buyer.
  According to Bloomberg, Ford Motor Company's electric vehicle sales
  plummeted 31.4% in the second quarter. With the gradual reduction of U.S.
  policy support for electric vehicles, their sales volume may continue to decline.
- Recently, domestic automakers have also planned to proactively reduce inventories. Lower production schedules will affect lithium demand from the power battery sector.
- Domestic lithium carbonate inventories remain at historically high levels.

#### Others

- As of the week ending Aug 1st, the weekly trading volume of lithium carbonate
  on the Guangzhou Futures Exchange was 6,348,628 tons, a decrease of 22.59%
  week-on-week. The open interest was 696,107 tons, down by 23.35% week-onweek. Both volume and open interest dropped significantly, indicating the last
  round of speculation had come to an end.
- The registered warehouse warrants of lithium carbonate on the Guangzhou Futures Exchange were 6,605 tons last week, compared with 11,996 tons in the previous week.

Sources: SMM, China Passenger Car Association, Bloomberg, MySteel, China Customs, Guangzhou Futures Exchange, FIS, China National Bureau of Statistics, CME



## 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
Aug-25	725	3,388	Aug-25	-1.9%	0.5%	Aug-25	34,282	8,000	Aug-25	0.1%	-10.8%
Sep-25	609	3,796	Sep-25	16.7%	0.1%	Sep-25	34,657	8,530	Sep-25	0.3%	-19.8%
Oct-25	626	3,236	Oct-25	8.5%	-4.3%	Oct-25	35,561	8,850	Oct-25	-0.4%	-18.3%
Nov-25	575	3,299	Nov-25	10.4%	-4.0%	Nov-25	35,605	8,950	Nov-25	-0.5%	-17.3%
Dec-25	657	2,946	Dec-25	16.7%	-3.9%	Dec-25	35,671	9,080	Dec-25	-0.4%	-16.1%
Jan-26	598	2,292	Jan-26	0.0%	-3.2%	Jan-26	35,935	9,350	Jan-26	-0.3%	-15.8%
Feb-26	485	2,253	Feb-26	0.0%	-2.4%	Feb-26	35,979	9,350	Feb-26	-0.2%	-15.8%
Mar-26	648	2,034	Mar-26	-1.5%	-3.6%	Mar-26	36,001	9,350	Mar-26	-0.1%	-14.0%
Apr-26	371	1,158	Apr-26	-2.6%	-1.8%	Apr-26	36,200	9,700	Apr-26	0.1%	-6.0%
May-26	371	1,191	May-26	-2.6%	-1.8%	May-26	36,200	9,750	May-26	0.1%	-6.0%
Jun-26	293	1,561	Jun-26	1.7%	5.5%	Jun-26	36,222	9,800	Jun-26	0.2%	-7.6%
Jul-26	306	1,287	Jul-26	-1.6%	-3.0%	Jul-26	36,310	10,070	Jul-26	-0.2%	-8.2%
Aug-26	272	1,034	Aug-26	-1.8%	-2.8%	Aug-26	36,420	10,080	Aug-26	-0.1%	-13.8%
Sep-26	326	1,109	Sep-26	0.0%	-2.6%	Sep-26	36,707	10,150	Sep-26	0.7%	-13.2%
Oct-26	486	1,131	Oct-26	0.0%	-5.0%	Oct-26	36,817	10,500	Oct-26	0.6%	-8.7%
Nov-26	476	1,131	Nov-26	0.0%	-5.0%	Nov-26	36,861	10,530	Nov-26	0.7%	-8.4%
Dec-26	543	1,131	Dec-26	0.0%	-5.0%	Dec-26	36,883	10,550	Dec-26	0.6%	-8.3%
Jan-27	407	115	Jan-27	0.0%	-14.8%	Jan-27	37,324	10,780	Jan-27	0.8%	-17.1%
Feb-27	372	115	Feb-27	0.0%	-14.8%	Feb-27	37,368	10,800	Feb-27	0.7%	-16.9%
Mar-27	370	115	Mar-27	0.0%	-14.8%	Mar-27	37,412	10,830	Mar-27	0.7%	-16.7%
Apr-27	297	115	Apr-27	0.0%	-4.2%	Apr-27	37,523	11,200	Apr-27	0.8%	-11.1%

Source: CME

FIS

Edited by: Hao Pei, Senior Research Analyst

CONTACT

**Paul Geddes** PaulG@freightinvestor.com m: (+44) 7745644966 Federico Picciolini Federico P@freightinvestor.com m: (+44) 7543223444

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com