

Battery Metals Market Signals

Bull

- Last week, overseas lithium ore quotations remained firm. Additionally, due to the accelerated inventory destocking, traders showed reluctance to sell, while lithium salt plants maintained a full production scheduling pace.
- Open positions of lithium carbonate on GFEX increased while warehouse warrants decreased, indicating rising speculative sentiment after prices hit a low. Meanwhile, the supply of spot circulating resources in some regions was relatively tight.
- AMG Lithium GmbH and Beijing Easpring Material Technology Co., Ltd. signed a Memorandum of Understanding (MoU) on the supply and procurement of battery-grade lithium hydroxide monohydrate.
- JPMorgan Chase announced the launch of the "Safety and Resilience Initiative" on Monday, committing to deploy up to USD 1.5 trillion over 10 years to strengthen U.S. supply chain security. The initiative covers 27 sub-sectors, including mining, solar energy, and battery energy storage.
- Demand for power batteries and energy storage batteries continued to maintain high growth in October, thus accelerating the inventory destocking process.
- According to SMM sources, the supply of circulating cobalt intermediates from major miners and traders is relatively tight. Coupled with the limited arrival of raw materials from the Democratic Republic of the Congo before the Spring Festival, some enterprises have continued to suspend quotations.
- The sharp upward movement of cobalt sulfate has driven the rapid price increase of ternary precursors and ternary materials.

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Bear

- Due to the ongoing digestion of pre-holiday inventories, the marginal demand for lithium hydroxide remains limited at present.
- November marks the start of the traditional off-season for demand, and the potential decline in demand may once again exert pressure on prices.
- Affected by export controls, anode materials may face upward inventory pressure in the later period. Meanwhile, battery cell manufacturers are pressing for price cuts, making it difficult for anode material prices to rebound.

Others

- As of the week ending Oct 17th, the weekly trading volume of lithium carbonate on the Guangzhou Futures Exchange was 2,491,214 tons. The open interest was 705,766 tons, up by 3.53% on the week.
- The registered warehouse warrants of lithium carbonate on the Guangzhou Futures Exchange were 30,686 tons last week, compared with 42,669 tons before China golden 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
Oct-25	594	3,397	Oct-25	0.0%	0.0%	Oct-25	44,732	9,600	Oct-25	2.9%	0.5%
Nov-25	848	3,119	Nov-25	-1.2%	-3.1%	Nov-25	46,297	9,750	Nov-25	-2.8%	1.8%
Dec-25	1,295	2,719	Dec-25	5.3%	1.3%	Dec-25	46,297	9,800	Dec-25	-5.0%	2.3%
Jan-26	690	2,799	Jan-26	0.0%	0.7%	Jan-26	54,101	10,010	Jan-26	11.6%	3.4%
Feb-26	554	2,740	Feb-26	0.0%	0.8%	Feb-26	54,101	10,010	Feb-26	11.6%	3.1%
Mar-26	696	2,578	Mar-26	1.8%	0.8%	Mar-26	54,101	10,060	Mar-26	11.6%	2.8%
Apr-26	468	1,353	Apr-26	4.5%	0.7%	Apr-26	54,057	10,220	Apr-26	11.7%	3.0%
May-26	455	1,436	May-26	2.2%	0.7%	May-26	54,057	10,250	May-26	11.6%	1.5%
Jun-26	428	1,858	Jun-26	4.9%	0.5%	Jun-26	54,057	10,290	Jun-26	11.6%	2.4%
Jul-26	361	1,525	Jul-26	5.9%	0.7%	Jul-26	54,168	10,480	Jul-26	11.7%	2.1%
Aug-26	373	1,273	Aug-26	5.7%	0.8%	Aug-26	54,168	10,500	Aug-26	11.6%	1.6%
Sep-26	389	1,245	Sep-26	5.4%	0.8%	Sep-26	54,168	10,520	Sep-26	11.6%	2.0%
Oct-26	451	1,256	Oct-26	3.9%	0.0%	Oct-26	54,278	10,630	Oct-26	11.8%	0.9%
Nov-26	445	1,240	Nov-26	4.0%	0.0%	Nov-26	54,278	10,700	Nov-26	11.8%	0.9%
Dec-26	521	1,240	Dec-26	3.4%	0.0%	Dec-26	54,278	10,730	Dec-26	11.8%	1.2%
Jan-27	387	105	Jan-27	0.0%	0.0%	Jan-27	54,388	10,930	Jan-27	11.1%	-0.6%
Feb-27	352	138	Feb-27	0.0%	0.0%	Feb-27	54,388	10,950	Feb-27	11.1%	-0.5%
Mar-27	355	105	Mar-27	0.0%	0.0%	Mar-27	54,388	10,980	Mar-27	11.1%	-0.6%
Apr-27	322	10	Apr-27	0.0%	0.0%	Apr-27	54,410	11,350	Apr-27	11.3%	0.4%
May-27	322	10	May-27	0.0%	0.0%	May-27	54,410	11,400	May-27	11.3%	0.0%
Jun-27	237	10	Jun-27	0.0%	0.0%	Jun-27	54,410	11,450	Jun-27	11.2%	0.0%

Source: CME

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