

## Battery Metals Market Signals

### Bull

- Shanxi Youanshi New Energy Technology Co., Ltd. kicked off its 50,000-tonne high-compaction LFP production base in the high-tech industrial zone of Datong Economic & Technological Development Area, Shanxi Province. This facility marks Phase I of the overall 100,000-tonne annual high-compaction lithium iron phosphate cathode material project. Phase I carries a planned total investment of roughly RMB 250 million and will deliver an annual output capacity of 50,000 tonnes upon completion.
- The Beijing CATL power battery base project has passed official acceptance, with a full-capacity annual power battery output of 15GWh.
- Zimbabwe's Finance Minister Mthuli Ncube clarified on June 24 that despite collective industry appeals for a delay, the government will not postpone the lithium concentrate export ban scheduled to take effect in January 2027. Operators without self-owned processing plants are encouraged to sign toll-processing agreements with firms possessing local beneficiation capacity.
- Canadian metals firm Sherritt International announced on Monday that it will shut down its Fort Saskatchewan nickel and cobalt refinery. The facility boasted an annual capacity of 35,000 tonnes of nickel and 3,800 tonnes of cobalt prior to closure.
- Beyond Phase I of the Thacker Pass project, Phase II plans to extract and process an additional 40,000 tonnes of lithium over the next decade.

### Bear

- Massive warrant cancellations for GFEX lithium carbonate are scheduled to hit in late July. Current outstanding warrants stand at 48,000 tonnes, down from the peak of 57,000 tonnes. The flood of physical material entering the spot market post-cancellation will create a near-term supply surplus and cap price upside.
- Approval for the resumption of the large Jianxiawo lepidolite mine has been finalized, stoking market fears of substantial supply additions in Q4.
- LFP manufacturers have accelerated capacity expansion and fundraising recently. Some upstream suppliers plan vertical integration downstream, while material producers aim to expand upstream to cut costs and boost product competitiveness.
- Kodal Minerals released audited nine-month financial results ending December 31, 2025. Over 69,000 tonnes of concentrate from the Bougouni project were shipped and sold under Kodal's offtake agreements. The target for its first full operating year is steady monthly deliveries of roughly 10,000 tonnes of lithium concentrate.

- Phase I of Quanzhou Jintong Xuneng New Energy's lithium battery new materials project, with an annual capacity of 30,000 tonnes, boasts a total investment of RMB 1.5 billion.
- Zangge Mining's lithium carbonate technical revamp project has secured official filing approval, adding 2,000 tonnes of annual production capacity.
- India's Ministry of Mines plans to roll out an incentive scheme valued at around USD 317 million to boost domestic nickel and lithium processing capacity. Under the proposed policy, investors must meet minimum capacity thresholds to qualify for fiscal support: lithium refineries need an annual capacity of at least 30,000 tonnes, while nickel processing plants require a minimum 50,000 tonnes per annum output.

#### **Other**

- As of the week ending June 26th, the weekly trading volume of lithium carbonate on the Guangzhou Futures Exchange was 1,686,582 tonnes, up 70.36% week on week due to the Dragon Boat Festival. The open interest was 600,132 tonnes, down 0.90% week on week.
- The registered warehouse warrants of lithium carbonate on the Guangzhou Futures Exchange were 48,544 tonnes last week, compared with 51,975 tonnes the previous week.

## Weekly Futures Price and Open Interest Change

OI / lots	Cobalt Metal	Lithium Hydro	OI WoW %	Cobalt Metal	Lithium Hydro	Price	Cobalt Metal	Lithium Hydro	Price WoW %	Cobalt Metal \$/mt	Lithium Hydro \$/mt
Jul-26	1300	2045	Jul-26	3.4%	-4.4%	Jul-26	56,989	18,620	Jul-26	1.8%	-7.2%
Aug-26	1424	1854	Aug-26	1.2%	-2.2%	Aug-26	56,571	18,620	Aug-26	1.3%	-8.3%
Sep-26	1129	1843	Sep-26	5.0%	-2.2%	Sep-26	56,593	18,670	Sep-26	1.4%	-7.6%
Oct-26	866	1588	Oct-26	1.8%	6.2%	Oct-26	56,262	19,020	Oct-26	0.9%	-9.0%
Nov-26	873	1938	Nov-26	1.7%	4.2%	Nov-26	56,063	19,110	Nov-26	0.5%	-7.9%
Dec-26	968	1543	Dec-26	1.6%	6.4%	Dec-26	56,063	19,110	Dec-26	0.5%	-8.6%
Jan-27	510	646	Jan-27	1.0%	13.1%	Jan-27	56,284	19,500	Jan-27	1.9%	-7.4%
Feb-27	465	662	Feb-27	1.1%	12.8%	Feb-27	56,328	19,600	Feb-27	2.0%	-7.7%
Mar-27	456	669	Mar-27	1.1%	12.6%	Mar-27	56,372	19,630	Mar-27	2.1%	-8.1%
Apr-27	423	335	Apr-27	1.2%	8.1%	Apr-27	56,438	20,000	Apr-27	2.2%	-9.2%
May-27	423	335	May-27	1.2%	8.1%	May-27	56,438	20,100	May-27	2.2%	-8.8%
Jun-27	328	335	Jun-27	1.5%	8.1%	Jun-27	56,438	20,250	Jun-27	2.2%	-8.1%
Jul-27	270	115	Jul-27	0.0%	0.0%	Jul-27	56,593	20,480	Jul-27	1.5%	-7.2%
Aug-27	270	115	Aug-27	0.0%	0.0%	Aug-27	56,615	20,650	Aug-27	1.5%	-6.5%
Sep-27	316	115	Sep-27	0.0%	0.0%	Sep-27	56,659	20,830	Sep-27	1.5%	-6.0%
Oct-27	299	115	Oct-27	0.0%	0.0%	Oct-27	56,769	21,100	Oct-27	1.5%	-6.6%
Nov-27	301	115	Nov-27	0.0%	0.0%	Nov-27	56,813	21,200	Nov-27	1.5%	-6.8%
Dec-27	247	115	Dec-27	0.0%	0.0%	Dec-27	56,835	21,300	Dec-27	1.4%	-7.0%

Source: CME

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