



The IFC makes first investment in lithium with loan to Allkem

The International Finance Corporation (IFC) [announced](#) a loan of up to US\$180 million to ASX-listed Allkem to support the development of Sal de Vida, a greenfield lithium operation in Argentina. The financing is IFC's first investment in lithium mining and has been structured as a green and sustainability-linked loan. The project is expected to produce 15ktpa of Lithium Carbonate Equivalent (LCE) in its first stage and has nameplate capacity of 45ktpa of predominantly battery grade lithium. Allkem [released](#) its June 2023 Quarterly Activities Report, which included record quarterly (5.1kt) and annual production (16.7kt) of lithium carbonate at the Olaroz Lithium Facility in Argentina.

Bloomberg [reported](#) that Pilbara Minerals is on the hunt for acquisitions after producing a record quantity of the battery metal in the June quarter. In an interview, Pilbara's Managing Director and CEO Dale Henderson indicated that there is an opportunity for consolidation in the sector, which is dominated by small and mid-sized producers, and its preference was for hard-rock rather than brine projects. Pilbara [reported](#) a 10% increase in spodumene concentrate production to 162.8kt in Q4 FY23, resulting in production of 620.1kt for FY23. The company is focused on finding potential partners for at least on new downstream lithium processing facility and has seen 'strong demand' from different sectors including lithium converters, cathode manufacturers, battery companies.

TSX-listed First Quantum [released](#) its Q2 results, which included copper production of 187.2kt, a 35% increase over Q1 2023 as a result of improvements in grades at Cobre Panamá, and the Kansanshi and Sentinel mines in Zambia, plus higher throughput at Cobre Panamá and Sentinel. The quarter also saw the first production of nickel concentrate at the Enterprise mine in Zambia, which is projected to become Africa's largest nickel mine. 2023 production is expected to be at the lower end of guidance of 5,000 – 10,000 contained tonnes of nickel.

Spot Platinum (XPT)/Palladium (XPD) ratio (five years to 28 July 2023)



Source: Bloomberg

Metal prices

Metal	Price USD (28 July)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Gold	1954.25	-0.3%	7.7%	104.2%	95.4%
Silver	24.225	-2.0%	1.2%	106.2%	93.1%
Palladium	1241	-4.4%	-30.1%	77.7%	53.6%
Platinum	933	-2.9%	-9.5%	93.9%	82.7%
Cobalt	35127	0.2%	-18.7%	91.6%	57.1%
Copper	8592	2.0%	2.4%	101.2%	91.1%
Nickel	21650	4.0%	-28.8%	89.1%	69.4%

Bloomberg codes: GOLDLNPM, SLVRLND, PLDMLNPM, PLTMLNPM, BYW1, LOCADY, LONIDY

Notes. All performance data to 28 July 2023. Past performance is not an indicator of future performance and the value of an investment may fall as well as rise. Investors take on currency risk when taking unhedged exposure to commodities.

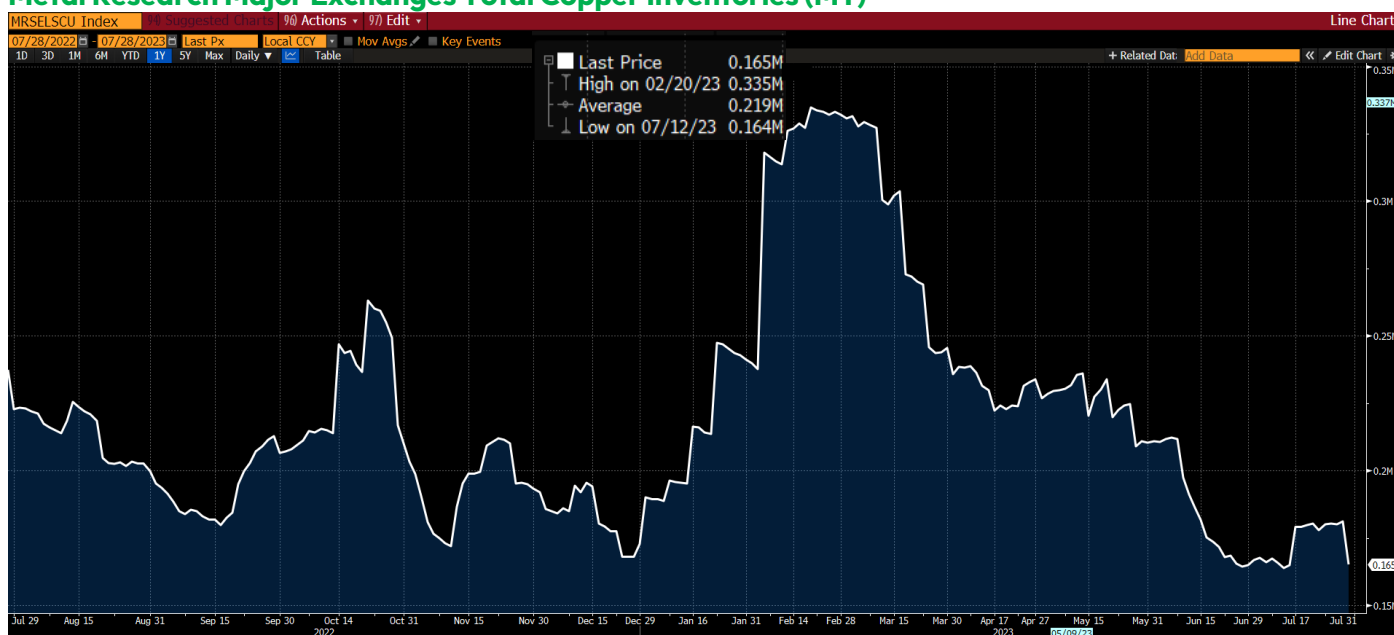
The week ahead

31 July	JP: Industrial Production; EU: GDP Growth Rate, Inflation Rate; US: Chicago PMI
1 Aug	AU, EU, JP, UK, US: Manufacturing PMIs; US: JOLTS Job Openings
2 Aug	JP: BoJ Monetary Policy Meeting Minutes; US: MBA 30-Year Mortgage Rate
3 Aug	AU, CN, EU, JP, UK, US: Services PMIs; DE: Balance of Trade; UK: BoE Interest Rate Decision
4 Aug	AU: RBA Statement on Monetary Policy; DE: Factory Orders; US: Non Farm Payrolls

Further reading

- Bloomberg [Ford Blames EV Price War for Delay in Plans to Boost Output](#)
- Bloomberg [Why Chile’s New Approach to Lithium Matters Globally](#)
- First Solar [First Solar to Invest up to \\$1.1 Billion in Fifth US Manufacturing Facility](#)
- IEA [Digital tools will help keep distributed solar PV growing strongly](#)
- Reuters [Focus: Smaller miners' hunger for cash grows as copper prices fall, sparking M&A bets](#)
- Reuters [Zimbabwe eyes world No.5 lithium spot as Chinese investors boost capacity](#)

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 28 July 2023

Source: Bloomberg

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