



## Trafigura to invest in Korea Zinc’s new nickel refinery

Trafigura has [signed](#) a \$140 million agreement with Korea Zinc to invest in an all-in-one nickel refinery that Korea Zinc will establish through its nickel sulphate subsidiary, Korea Energy Materials (KEMCO). The refinery will be capable of processing a range of feedstocks including nickel matte and mixed hydroxide precipitate (MHP) using an integrated pyro-hydro process. The refinery will produce a variety of products, including liquid and crystallized nickel sulphate, cobalt sulphate and precursors. Korea Zinc has also entered a long-term contract to procure nickel from Trafigura, with the annual supply volume ranging from 20,000 to 40,000 tonnes. Trafigura will have the offtake right in relation to the feedstock contract.

Glencore has [entered](#) into a lithium chloride concentrate and/or lithium carbonate offtake agreement with Galan Lithium. Glencore will purchase 100% of the [Hombre Muerto West \(HMW\) project’s](#) Phase 1 commercial production for a five year period from the start of commercial operations, which are expected in H1 2024. The offtake commitment does not require Galan to have secured an export licence. Phase 1 production is estimated to be 5.4kt lithium carbonate equivalent (LCE) per annum. Galan indicated that discussions on Phase 2 development, which will see production increase to [21kt LCE](#) per annum, are well advanced.

ExxonMobil [announced](#) plans to become a supplier of lithium for over a million EVs per year by 2030. Work has begun on the company’s first phase of lithium production at the Smackover formation in southwest Arkansas, where, earlier this year, it acquired the rights to 120,000 gross acres. Direct lithium extraction (DLE) technology will be used to separate the lithium from the saltwater accessed via conventional oil and gas drilling methods. ExxonMobil has yet to indicate its choice of DLE technology, which, as highlighted in a [Reuters](#) article, is still under development for commercial use by several different companies.

Worth a listen: BMO’s latest [Metal Matters podcast](#) with Colin Hamilton discussing Chinese copper demand, palladium, and PV demand for silver.

## LME Cash Official Price Nickel (USD, year to date to 17 November 2023)



Source: Bloomberg

## Metal prices

Metal	Price USD (17 November)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Gold	1981.05	2.0%	9.2%	102.4%	96.7%
Silver	23.995	6.7%	0.2%	103.4%	92.2%
Palladium	1040	7.2%	-41.4%	78.3%	52.4%
Platinum	901	5.6%	-12.6%	93.9%	79.9%
Cobalt	33585.4	-3.5%	-22.3%	101.2%	68.4%
Copper	8141	1.7%	-2.9%	96.5%	86.3%
Nickel	16780	-2.3%	-44.8%	78.4%	53.8%

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

Notes. All performance data to 17 November 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

20 Nov	CN: 1 & 5 Year Loan Prime Rates; DE: PPI; UK: BoE Governor Bailey Speech
21 Nov	AU: RBA Meeting Minutes; EU: New Car Registrations US: Chicago Fed National Activity Index, New Home Sales, FOMC Minutes
22 Nov	UK: CBI Industrial Trends Orders; US: Durable Goods Orders, Michigan Consumer Sentiment
23 Nov	JP: Inflation Rate; EU, UK: Manufacturing, Services, Composite PMIs; ZA: Interest Rate Decision
24 Nov	JP, US: Manufacturing, Services, Composite PMIs; UK: Gfk Consumer Confidence EU: ECB President Lagarde Speech; DE: Ifo Business Climate

## Further reading

Bloomberg	<a href="#">Norway Pitches For Closer Ties With Korea EV Battery Companies</a>
Bloomberg	<a href="#">Mitsubishi Heavy Backs Battery-Management Startup Element Energy</a>
Bloomberg	<a href="#">Germany's Hydrogen Ramp-Up Is Slowing Soon After It Kicked Off</a>
Reuters	<a href="#">As Aussie magnates gatecrash lithium deals, bankers get creative</a>
Reuters	<a href="#">Redwood inks long-term EV battery materials supply deal with Toyota</a>

## Metal Research Major Exchanges Total Copper Inventories (MT)



Source: Bloomberg

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