



## US and UK issue restrictions on Russian aluminium, copper and nickel

On Friday, the [US](#) and [UK](#) imposed new restrictions on trading Russian aluminium, copper and nickel, which prohibit import of Russian-origin aluminium, copper, and nickel into the US, and limits the use of Russian-origin aluminium, copper, and nickel on global exchanges and in OTC derivatives trading. The restrictions on trading apply to metal produced on or after 13 April, which is reflected in notices issued by the [LME](#) (Member Notice 24/171) and [CME](#) (aluminium). With 2023 data showing Russia accounting for 5.6% of global [nickel](#) mine production, 5.4% of [aluminium](#) smelter production and 4.1% of [copper](#) mine production, see [Bloomberg](#) for a discussion of the potential implications of these bans.

The latest data from [Earth-i](#) on activity levels at smelters globally shows that average level of inactivity over the first quarter was 12.5% compared to 9.3% and 8.7% in the corresponding period in 2023 and 2022, which is a reflection of relative scarcity of supplies. The level of inactivity picked up in March, when it reached 17.7%, which included inactivity at the Glencore-managed PASAR smelter in the Philippines, Codelco's Chuquicamata smelter and Southern Copper's La Caridad smelter in Mexico. In the case of China, there is evidence that the [March agreement](#) by smelters to cut back on activity is taking effect. Over the quarter, inactivity averaged 8.5% versus 4.1% in Q1 2023, with the figure hitting 12.8% in the last days of March.

Denarius Metals Corp. [announced](#) the results of a Pre-Feasibility Study that supports the restart of the Aguablanca Nickel-Copper Project in Spain. The company expects to have restarted the processing plant, which has a 5,000 tonne per day capacity, by the end of this year. The mine has a projected six-year life with the expected recovery of 19,597 tonnes of payable nickel and 15,700 tonnes of payable copper.

ASX-listed Vulcan Energy Resources [announced](#) the start of production of Lithium Chloride at its Lithium Extraction Optimisation Plant in Landau, Germany. The next step will be conversion to a battery-grade lithium chemical, Lithium Hydroxide Monohydrate (LHM), in Vulcan's downstream optimisation plant in Frankfurt, which will have the capacity to produce 24,000 tpa of LHM when fully operational.

## China Lithium Carbonate 99.5% Delivered (CNY/metric tonne, one year to 12 April 2024)



Source: Bloomberg

**Metal prices**

Metal	Price USD (12 April)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Copper	9402	2.2%	10.9%	112.5%	100.0%
Cobalt	27536.8	-0.9%	-5.7%	88.8%	75.7%
Nickel	17780	1.7%	9.1%	98.5%	69.6%
Palladium	1070	7.2%	-5.8%	96.9%	65.7%
Platinum	999	8.2%	-0.1%	108.7%	88.6%

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

Source: LME

Notes. All performance data to 12 April 2024. 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**

15 Apr	JP: Machinery Orders; EU: Industrial Production; US: Retail Sales, NY Empire State Manufacturing Index, Business Inventories, NAHB Housing Market Index
16 Apr	CN: GDP Growth Rate, Industrial Production, Retail Sales, Fixed Asset Investment IT, CA: Inflation Rate; EU, IT: Balance of Trade; EU, DE: ZEW Economic Sentiment Index US: Building Permits, Industrial Production
17 Apr	JP: Balance of Trade; UK, EU: Inflation Rate; US: Net Long-Term TIC Flows
18 Apr	AU: RBA Bulletin; US: Philadelphia Fed Manufacturing Index, Existing Home Sales
19 Apr	JP: Inflation Rate; EU: New Car Sales; DE: PPI; ES: Balance of Trade; FR: Business Confidence

**Further reading**

Bloomberg	<a href="#">Tianqi Takes Another Shot at Probing SQM-Codelco Lithium Deal</a>
Bloomberg	<a href="#">Chinese Investors Snap Up Copper, Gold Stocks to Drive 10% Gains</a>
Bloomberg	<a href="#">Lithium Market Struggles to Recover After Epic Boom and Bust</a>
Bloomberg	<a href="#">BMW EV Sales Surge Even as Rivals Struggle With Weak Demand</a>
Reuters	<a href="#">Australia joins global subsidy race with 'Future Made in Australia' plan</a>
Reuters	<a href="#">Eramet reaches agreement to continue SLN's New Caledonia operations</a>
Reuters	<a href="#">US electric utilities brace for surge in power demand from data centers</a>

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



Data: as at 12 April 2024

Source: Bloomberg

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