



Vale outlines plans to boost copper and nickel production

Vale Base Metals [presented](#) an Asset Review at which it indicated that it planned to spend up to \$3.3 billion in the period to 2028 to boost copper and nickel production, principally at its mines in Brazil and Canada. In 2023, Vale [produced](#) 326,600 tonnes of copper and 167,900 tonnes of nickel, now its [target](#) is to boost production against previous 2026 baseline guidance by 5% in the case of copper to 394-431 kt and 10% for nickel to 209-231 kt. The increase, on the back of a spend of \$800 million, would come as a result of improvements in the capacity run rate and reliability and Sudbury (nickel and copper) and Salobo (copper) and a 30% productivity uplift at Sudbury. Vale sees potential annual production in the period post 2030 to reach 900,000 tonnes for copper and to exceed 300,000 tonnes for nickel.

Savannah Resources, the developer of the Barroso Lithium Project in Portugal, [announced](#) a partnership with the AMG Critical Materials. Its subsidiary, AMG Lithium B.V., an established spodumene concentrate producer, has invested £16m in Savannah through a share subscription. The investment will allow Savannah to reach a Final Investment Decision point on the project. The partnership includes an offtake heads of terms agreement through which AMG can purchase 45ktpa of spodumene concentrate from the Project (approximately 25% of total) for five years. Under the offtake head of terms, AMG can increase its offtake to 90ktpa for 10 years if it provides Savannah with a full funding solution for the Barroso's construction.

Recurrent Energy, the global developer, owner, and operator of solar and energy storage assets, [announced](#) it has secured \$513 million in project financing for its Papago Storage project located in Maricopa County, Arizona. Construction of the 1200 MWh project is expected to begin in Q3 2024, with commercial operations expected to start in Q2 2025. The project holds a 20-year tolling agreement with Arizona Public Service Company. Following construction, Recurrent Energy will own and operate Papago Storage. The project will be the largest standalone energy storage facility in Arizona and will be able to provide power for approximately 244,000 homes for four hours daily.

Spot Platinum (XPT)/Palladium (XPD) ratio (five years to 21 June 2024)



Source: Bloomberg

Metal prices

Metal	Price USD (21 June)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Copper	9563	-0.9%	12.8%	109.7%	88.1%
Cobalt	25414	0.0%	-12.9%	87.5%	70.3%
Nickel	16935	-2.0%	3.9%	96.3%	75.8%
Palladium	991	11.3%	-12.8%	95.8%	73.8%
Platinum	998	5.2%	-0.2%	107.3%	93.7%

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

Source: LME

Notes. All performance data to 21 June 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

24 June	JP: BoJ Summary of Opinions; DE: Ifo Business Climate; UK: CBI Industrial Trends Orders US: Dallas Fed Manufacturing Index
25 June	AU, US: Consumer Confidence; ES: GDP Growth Rate; CA: Inflation Rate US: Chicago Fed National Activity Index; S&P/Case-Shiller S&P Home Price
26 June	AU: Monthly CPI Indicator; DE, FR: Consumer Confidence; UK: CBI Distributive Trades US: New Home Sales, Bank Stress Tests
27 June	EU: Economic Sentiment; IT: Business & Consumer Confidence; US: Durable Goods Orders, GDP Growth Rate, Goods Trade Balance, Retail Inventories ex Autos, Wholesale Inventories
28 June	JP: Industrial Production; UK: Current Account, GDP Growth Rate; ES, FR, IT: Inflation Rate; US: Core PCE Price Index, Chicago PMI, Michigan Consumer Sentiment

Further reading

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Bloomberg	Philippines Emerges as Southeast Asia Renewable Power Pacesetter
Bloomberg	Nickel From Deadly Plants Is Pouring Into the EV Supply Chain
Bloomberg	Ferrari Unveils Factory to Make Its First Electric Supercars
Reuters	Spain risks missing 2030 wind energy target, think-tank says
Reuters	Electrolyzer projects rise but hydrogen demand remains a concern
Reuters	Solar can provide 20% of world electricity on northern summer solstice, thinktank says

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 21 June 2024

Source: Bloomberg

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