



Eramet starts commissioning its DLE plant in Argentina

Eramet has [started](#) commissioning the Centenario direct lithium extraction (DLE) plant in Salta Province, Argentina. First production of lithium carbonate (LCE) is planned for November 2024. Centenario Phase 1 is designed to extract and produce 24,000t/year of battery-grade lithium carbonate at full capacity. Expected cash costs ex works are in the range \$4,500 to \$5,000/t-LCE, which would put them in the first quartile of the lithium industry cost-curve. The DLE method was tested for five years in a pilot plant built on the site during which a lithium recovery rate of approximately 90% was achieved compared to a recovery rate of 40-50% for a standard natural evaporation process. Eramet's board has approved the investment decision for a second plant at Centenario that would produce an additional 30,000t-LCE per year.

Freeport McMoRan (FCX) [confirmed](#) that its Indonesian subsidiary, PT Freeport Indonesia (PT-FI), has started commissioning operations at the new Manyar smelter at Gresik, Indonesia. It expects the smelter to begin producing copper cathodes in the coming months and, in line with previous expectations, is targeting full ramp up by the end of 2024. At the same time, it announced that PT-FI has received approval from the Indonesian government to export copper concentrates and anode slimes through December 2024. FCX expects its consolidated sales for 2Q 2024 to be approximately 5% below April 2024 guidance of 975Mlbs of copper. Its consolidated average copper realisation for the quarter is expected to be around \$4.45/lb.

Bloomberg [reported](#) that Gecamines, the DRC's state miner, has started selling its share of copper from JV projects. Gecamines holds minority stakes in mines, including those run by China's CMOC Group (Tenke Fungurume, 20% stake) and Glencore (Kamoto, 25% stake). Sources indicated that Gecamines is selling 90,000 tonnes from Tenke Fungurume and has received bids from Glencore, Trafigura and Mercuria. It is planning to run similar processes for its share of copper from Kamoto operation and the Sicominex project, which together produced more than 400,000 tonnes of copper in 2023.

Copper relative to Aluminium (LME Cash Official Prices in USD, 5 years to 5 July 2024)



Source: Bloomberg

Metal prices

Metal	Price USD (5 July)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Copper	9809	3.5%	15.7%	111.8%	90.3%
Cobalt	25296	-0.4%	-13.3%	87.8%	70.0%
Nickel	17175	1.3%	5.4%	98.4%	76.8%
Palladium	1026	5.6%	-9.7%	100.3%	77.5%
Platinum	1023	1.1%	2.3%	109.4%	96.1%

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

Source: LME

Notes. All performance data to 5 July 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

8 July	JP: Current Account; DE: Balance of Trade
9 July	AU: NAB Business Confidence; US: Fed Chair Powell Testimony
10 July	CN: Inflation Rate; IT: Industrial Production; US: Fed Chair Powell Speech, 10-Yr Note Auction
11 July	JP: Machinery Orders; DE: Inflation Rate; UK: GDP, Goods Trade Balance, Industrial Production; US: Inflation Rate, 30-Yr Bond Auction, Monthly Budget Statement
12 July	CN: Balance of Trade; DE: Wholesale Prices; FR: Inflation Rate US: PPI, Michigan Consumer Sentiment

Further reading

Bloomberg	Amman Mineral Seeks Up to \$1.5 Billion Loan for Mine Expansion
Bloomberg	LG Sees Battery Breakthrough By 2028 That Has Eluded Tesla
Bloomberg	China's BYD Is Poised to Build \$1 Billion EV Plant in Turkey
Bloomberg	Europe's Nuclear Revival Lacks a Key Ingredient: Skilled Workers
Reuters	Germany launches electric truck charging network
Reuters	US starts to build solar on ex-nuclear sites across the country
Reuters	How China's EV battery makers stack up in energy storage
Reuters	Germany set to overhaul subsidy regime for renewable energy - document

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 5 July 2024

Source: Bloomberg

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