



Pilbara Minerals' acquisition diversifies its lithium portfolio

In a move to diversify its operations, Pilbara Minerals, the Australian lithium miner, [announced](#) that it would acquire [Latin Resources](#) in an all-share deal. The acquisition includes the Salinas Lithium Project in Brazil that has the potential to become a significant, low cost spodumene concentrate producer. Salinas will immediately add around 20% to Pilbara Minerals' lithium resources and, when fully operational, contribute up to around 30% of its annual production. A Preliminary Economic Assessment, released in September 2023, indicated the potential for Salinas to deliver average annual spodumene concentrate production in the order of 499kt.

The strike as BHP's Escondida mine ended after three days on Friday. Reuters [reported](#) that sources at the company and the miners' union indicated that resolution came after BHP offered workers around \$32,000 as a bonus and an additional \$2,000 in soft loans. BHP had previously offered a \$28,900 bonus per worker, compared with the union's demand of 1% of shareholder dividends from the mine, or roughly \$35,000 to \$36,000 per member. The strike, given Escondida's importance, had sparked concerns about supply disruptions and contributed to a rise in the copper price, which saw its first weekly gain in six weeks.

The Board of Investments in the Philippines has [granted](#) a green lane endorsement certificate to Terra Solar Philippines for its Terra Solar project, which includes a 3,500 MW solar plant with a 4,500 MW battery energy storage system. The certificate expedites the project that will be located in the Bulacan and Nueva Ecija provinces. The company aims for the first phase of the project to be operational by February 2026, followed by the second phase in 2027.

Tuscon Electric Power (TEP) [announced](#) that it will build a second large battery system in southeast Tucson to store solar and other energy. The 200 MW Roadrunner Reserve II system will store 800 MWh of energy. The system is scheduled to begin operation in early 2026. As with the first [Roadrunner Reserve system](#) that is scheduled to go live in 2025, the Roadrunner Reserve II system will be designed and built by [DEPCOM Power](#).

Spot Platinum (XPT)/Palladium (XPD) ratio (five years to 16 August 2024)



Source: Bloomberg

Metal prices

Metal	Price USD (16 August)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Copper	8938	1.5%	5.5%	99.9%	82.3%
Cobalt	23729.8	-0.2%	-18.7%	86.0%	67.9%
Nickel	15905	-1.1%	-2.4%	92.9%	74.8%
Palladium	943	2.3%	-17.0%	95.6%	73.0%
Platinum	954	3.1%	-4.6%	101.0%	89.6%

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

Source: LME

Notes. All performance data to 16 August 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

19 Aug	JP: Machinery Orders; ES: Balance of Trade
20 Aug	CN: Loan Prime Rate 1Yr & 5Yr; AU: RBA Meeting Minutes; DE: PPI; EU, CA: Inflation Rate
21 Aug	JP: Balance of Trade, Exports; DE: 10 Year Bund Auction; US: FOMC Minutes
22 Aug	JP, AU, EU, DE, FR, UK, US: Manufacturing and Services PMIs; UK: CBI Industrial Trends Orders; US: Chicago Fed Manufacturing Index
23 Aug	JP: Inflation Rate; UK: Gfk Consumer Confidence, CBI Distributive Trades; US: New Home Sales

Further reading

Bloomberg	Hong Kong Tycoon Li to Buy £350 Million of Assets From Aviva
Bloomberg	Lithium Liquidity Jumps on CME as Traders Seek Arbitrage Plays
Bloomberg	Battery Makers Counteract EV Slowdown With Energy Storage Boom
Reuters	China to limit antimony exports in latest critical mineral curbs
Reuters	US solar group seeks retroactive duties on panel imports from Vietnam, Thailand
Reuters	Equinor, Dominion win US Central Atlantic offshore wind auction
Reuters	Maersk agrees to study nuclear-powered container shipping

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 16 August 2024

Source: Bloomberg

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