



CATL suspends activity at lithium mine in Jiangxi

Both [Bloomberg](#) and [Reuters](#) covered the news that Contemporary Amperex Technology Co. Ltd. (CATL) is suspending activity at a lithium mine in southeastern Jiangxi that accounts for about 5% to 6% of global supply. CATL told Reuters that, "Based on recent lithium carbonate market conditions, the company plans to make adjustments on lithium carbonate production in Yichun." The slump in lithium prices since late 2022 has led to mine closures and project delays in several countries. Alice Yu, analyst at S&P Global Commodity Insights, highlighted the significance of CATL's move to Bloomberg, "As the world's largest battery producer, its mine-side suspension reinforces the expectation of a prolonged weakness in downstream demand."

Reuters [reported](#) that First Quantum Minerals expects updated drilling results for its La Granja copper project in Peru in the second half of next year and completion of feasibility studies by 2028. First Quantum [purchased](#) a 55% stake in the project in March 2023 and committed to investing up to \$546 million in the project both to complete the feasibility study and to pay for the construction of the project subject to a positive investment decision. The project is one of the world's largest undeveloped copper resources with a published Inferred mineral resource of 4.32 billion tonnes at 0.51 percent copper and potential for substantial expansion. According to Reuters, data from Peru's mining ministry indicates that the site has the potential to produce 500,000 tonnes of copper a year, with a useful life of 40 years.

Greenergy, which [announced](#) in July that it had secured financing for the first two phases of the solar power and energy storage project at Oasis de Atacama in Chile, has [extended](#) its agreement with BYD for the supply of large-scale storage systems. It now includes phase 3, which will bring the total storage capacity up from 2.625 GWh to 3 GWh. BYD will supply its MC Cube model to the Victor Jara project. The overall project has 75% of its energy contracted through long-term purchase power agreements with first phase expected to be live by the end of 2024 and phases 2 and 3 mostly connected by the end of 2025.

Spot Platinum (XPT)/Palladium (XPD) ratio (five years to 13 September 2024)



Source: Bloomberg

Metal prices

Metal	Price USD (13 September)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Copper	9081	0.7%	7.1%	100.5%	83.6%
Cobalt	22613	0.0%	-22.5%	85.2%	64.7%
Nickel	15665	-1.0%	-3.9%	91.9%	73.6%
Palladium	1061	11.1%	-6.6%	108.5%	82.1%
Platinum	996	6.6%	-0.4%	105.0%	93.5%

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

Source: LME

Notes. All performance data to 13 September 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

16 Sept	EU, IT: Balance of Trade; IT: Inflation Rate; US: NY Empire State Manufacturing Index
17 Sept	EU, DE: ZEW Economic Sentiment Index; CA: Inflation Rate US: Retail Sales, Industrial Production, Business Inventories, NAHB Housing Market Index
18 Sept	JP: Balance of Trade, Exports, Machinery Orders; EU, UK: Inflation Rate US: Building Permits, Housing Starts, Fed Interest Rate Decision, FOMC Economic Projections, Net Long-term TIC Flows
19 Sept	AU: Unemployment Rate; EU: New Car Registrations; UK: BoE Interest Rate Decision US: Current Accounts, Philadelphia Fed Manufacturing Index, Existing Home Sales
20 Sept	JP: Inflation Rate, BoJ Interest Rate Decision; CN: Loan Prime Rate 1Yr & 5Yr UK, EU: Consumer Confidence; FR: Business Confidence; ES: Balance of Trade

Further reading

Bloomberg	Net Zero Needs More Metals, But Less Extraction From the Earth
Bloomberg	China Nickel Tycoon Seeks Growth in US Energy-Storage Market
Bloomberg	EU Car Lobby Aims for Two-Year Delay of 2025 Emissions Targets
Reuters	Texas, California top US power sector's battery pipeline
Reuters	Putin says Russia should consider restricting uranium, titanium and nickel exports
Reuters	Vitol-backed VPI to invest up to 450 mln euros in German battery projects

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 13 September 2024

Source: Bloomberg

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