



## Reduced copper production at Kennecott to last through 2026

Quarterly production updates from [BHP](#) and [Rio Tinto](#) saw marginal changes in copper production year on year. In the case of BHP, it was up 4% to 476 kt from 457 kt in Q1 FY24, while at Rio production of 168 kt in its third quarter represents a 1% fall year on year. For both firms, production at Escondida in Chile rose by more than 10% as a result of higher ore grades being fed to the concentrators. For Rio Tinto, production at the Kennecott mine in the US has been hit by highwall movement across two major faults, which will impact production at the mine by 50 kt in 2024. Rio indicated that it expects access to primary ore at Kennecott to remain restricted through 2026. Both firms maintained their overall copper guidance: BHP 1845 – 2045 kt for FY25 and Rio at the bottom end of 660 – 720 kt for 2024.

Lithium Americas [announced](#) that it has entered into a new investment agreement with General Motors to establish a JV to fund, develop, construct and operate Thacker Pass in Nevada. The JV transaction will deliver \$625 million of cash and letters of credit from GM to Thacker Pass alongside the conditional commitment for a \$2.3 billion U.S. Department of Energy loan that was announced earlier this year. Under the terms of the agreement, GM will acquire a 38% asset-level ownership stake in Thacker Pass for \$625 million in total cash and letters of credit. The deal extends Phase 1 offtake for up to 100% of production volumes, 40,000 tpa of battery-grade lithium carbonate, to 20 years.

South Africa's Ministry of Electricity and Energy [announced](#) the signing of the project agreements and commercial close of the first two projects under the first Battery Energy Storage Independent Power Producer Procurement Programme (BESIPPPP). One is the Mogobe BESS facility (103 MW / 412 MWh) in the Northern Cape for which [Scatec](#) is making final preparations to start construction. Mogobe BESS has been awarded a 15-year power purchase agreement (PPA). The other is the Oasis Mookodi (77 MW / 308 MWh) in North West Province to be developed by Mulilo and EDF International. The two projects will [involve](#) a total investment of ZAR 5.3 billion (USD 299m).

## Spot Platinum (XPT)/Palladium (XPD) ratio (five years to 18 October 2024)



Source: Bloomberg

**Metal prices**

Metal	Price USD (18 October)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Copper	9473	-1.3%	11.8%	103.2%	87.2%
Cobalt	21970	-0.4%	-24.7%	85.8%	62.9%
Nickel	16780	-4.7%	2.9%	98.1%	78.9%
Palladium	1064	-0.8%	-6.3%	109.1%	87.1%
Platinum	1010	3.4%	1.0%	105.9%	94.8%

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

Source: LME

Notes. All performance data to 18 October 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**

21 Oct	CN: Loan Prime Rate 1Y & 5Y; DE: PPI
22 Oct	EU: New Car Registrations, ECB President Lagarde Speech
23 Oct	DE: 10-Year Bund Auction; CA: BoC Interest Rate Decision, BoC Monetary Policy Report AU: Judo Bank Manufacturing PMI & Services PMI
24 Oct	JP, EU, DE, FR, UK, US: Manufacturing PMI & Services; US: Chicago Fed National Activity Index
25 Oct	UK, FR, IT: Consumer Confidence; DE: Ifo Business Climate; IT: Business Confidence CA: Retail Sales; US: Durable Goods Orders, Michigan Consumer Sentiment Final

**Further reading**

Bloomberg	<a href="#">Congo's State Miner Bids for Trafigura-Backed Cobalt Projects</a>
Bloomberg	<a href="#">China to Extend Record Aluminum Output Amid Ample Power</a>
Bloomberg	<a href="#">Taking Stock of the EV Slowdown One Year Into the Narrative Shift</a>
Reuters	<a href="#">US solar, storage growth clipped by labor shortages</a>
Reuters	<a href="#">Germany moves to strengthen domestic wind power industry</a>
Reuters	<a href="#">US awards contracts for making higher enriched uranium for new reactors</a>
Reuters	<a href="#">Indonesia aims to manage nickel ore supply to support prices</a>

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



Data: as at 18 October 2024

Source: Bloomberg

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