

Fastmarkets Battery Cost Index

Providing visibility into Li-ion cell costs, current and future

Manage supply chain risk by understanding the effect of key battery material price on downstream cell cost

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Electric cars are set to surge to 60% of total car sales across China, the EU and the US by 2030.
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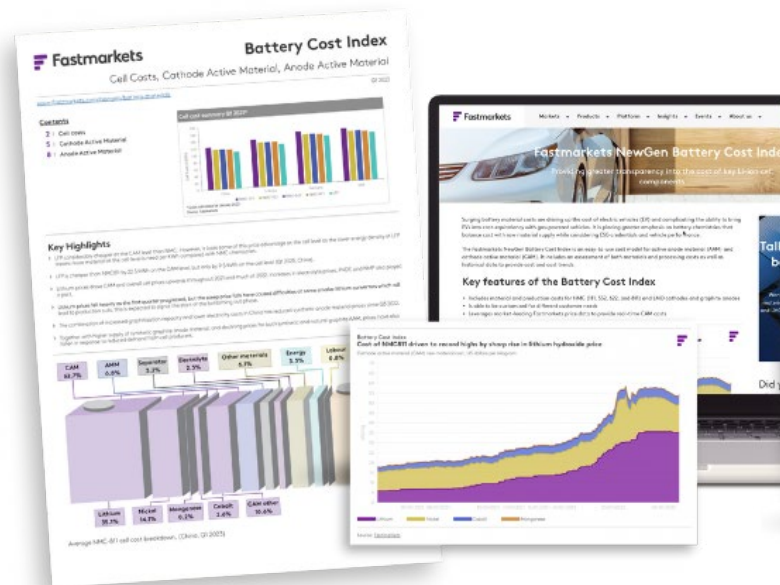
The demand for battery materials has reached unprecedented levels – and industry players and investors are eager to capitalize on the new opportunities this boom presents. Yet, amidst the surge, there have been concerns raised about the long-term sustainability of battery materials with respect to cell design and chemistry selection.

Battery material prices are difficult to predict, the component materials that make up a battery are complex and manufacturing costs differ across regions. There is little transparency across the value chain. Without reliable insights and data on battery prices and costs, market participants risk making poor decisions that could be costly for the organization. For example, overpaying for a type of cell without knowing the main drivers behind its cost, or how its cost may change in future.

Fastmarkets Battery Cost Index

Gain visibility into a historically opaque market with Fastmarkets’ Battery Cost Index. Based on our raw material pricing data and cell cost model, the index breaks down the cost, historical and forecast, for different cells. The index can also be tailored for your specific cell design and manufacturing requirements.

With our insights, you’ll be able to track the impact of battery material prices on different cathode chemistries – enabling you to budget accurately, anticipate price changes and effectively track cost changes over time.



Key features of Fastmarkets Battery Cost Index

Anticipate market fluctuations, manage risks and strategize effectively. Empower your organization with:

CAM cost model

Provides a breakdown of various cathode active material costs (materials + manufacturing) by combining Fastmarkets' price indices for lithium, nickel, cobalt and graphite. Understand the relationship between \$/kg to \$/kWh

Cell cost model

Incorporates the CAM cost model output with pricing data for other key cell components along with a Gigafactory model to calculate overall cell cost. Understand the effect on material prices, plant location, yield losses, and production rates on cell cost

Cost data

Historical and forecast (up to 2033) cost data for LFP and NCM (111, 523, 622, 811)

Raw material prices

Understand the effect of Fastmarkets' world-leading price indices and long-term forecasts for lithium carbonate/hydroxide, and nickel/cobalt/manganese sulfate on cell cost

Bespoke

Tailor the cost model according to your specific needs, from bespoke cell designs or incorporating other cost variables such as location of CAM/cell plant (China, S. Korea, Europe, N. America) and annual production rates

Monthly updates

Get monthly updates on historic cell costs and cell cost forecasts every quarter

How Fastmarkets Battery Cost Index can help

Transparency

- ✓ Understand the impact of the raw material cost relative to the overall cost of the cells

Negotiations

- ✓ Enter contract negotiations for the purchase or sale of cell components with confidence by keeping abreast of market dynamics and recent price movements

Bottom-line

- ✓ Calculate the cost implications of choosing different cell chemistries and the margin risks it creates for your business

Pricing strategy

- ✓ Set your pricing strategy for cells or battery packs based on the full understanding of the impact of raw material prices

Supply chain sourcing

- ✓ Identify and leverage regional price differentials to optimize procurement

Risk management

- ✓ Evaluate price risks in raw material costs to decide how to reflect this in purchasing contracts

Robust modelling

- ✓ Cell cost modelling is backed by rigorous research and built by a team with senior battery engineering experience in EV OEM and academic environments

Why choose Fastmarkets?

“ We buy cathode material; this is a valuable tool to help us to understand how suppliers cost the cathodes, this can help us to have more informed negotiations. ”

EV Battery Procurement, OEM



Trusted data

Our price data is market reflective and backed by IOSCO-compliant methodologies



Expert analysis

Team of over 30 experts working exclusively with battery materials



Global coverage

Robust presence in the Asian spot markets as well as other key global markets



Exchange backing

Backed by the major metal exchanges across the world like the LME, CME and SGX



- The LME, CME and SGX have all launched or announced futures contracts that are cash settled against the Fastmarkets lithium indices
- 80% of the world's cobalt trade is referenced to the Fastmarkets benchmark, with lithium currently transitioning towards indexation
- Fastmarkets launched the first seaborne black mass price and the first price in Asia outside of China

Gain the clarity and foresight to make critical decisions with ease.

Talk to us