

Fastmarkets battery materials risk management

Shield your organization from market volatility

Strengthen your profit margins by hedging against price exposure

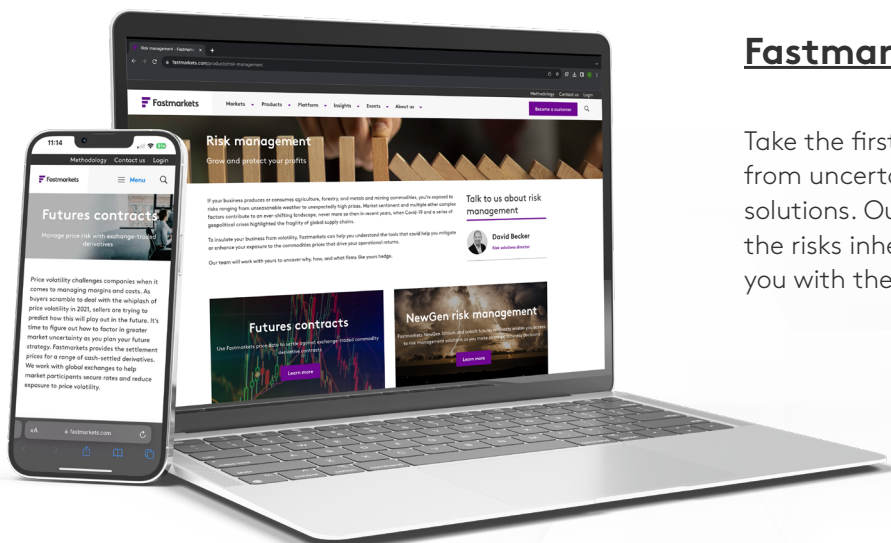
In the dynamic landscape of battery materials commodities, market participants today are confronted with a spectrum of critical risks that can impact their operational viability and financial stability. The chief concern being price volatility, an ever-present force capable of impacting your production costs and overall profitability.

As the battery raw materials market continues to grow at an extraordinary pace, businesses need to take active steps to safeguard themselves from the whims of the market.

Forward-thinking organizations are leading the way by deploying commodity risk management strategies. By fortifying your organization from price volatility, you establish certainty and stability within the business – allowing for more effective cash flow, budget and supply planning.

Fastmarkets risk management

Take the first step in protecting your organization from uncertainty with Fastmarkets risk management solutions. Our team of experts will help you identify the risks inherent in your business model and provide you with the tools to mitigate them.



How does it work?



Roadmap

Our team of experts will work with you to evaluate your firm's price risk to develop a risk roadmap. The process includes assessing the volatility of commodities your firm is exposed to and running a Value-at-Risk (VaR) analysis. From there, you will understand how much that risk could impact your underlying business and identify the optimal commodity price risk for your firm.

Then, we show you how you can reduce your VaR with hedges and describe the available products. We'll analyze how using derivative products can help lower your risk. We'll align these with your purchasing and physical contracts to help you find the appropriate commodity hedges for your needs.

Fastmarkets can also provide scenario analysis and option pricing tools to help create an optimal hedging program.



VaR is an analysis that can be calculated in several ways to provide information that can help you determine an unlikely price change or a worst-case scenario.



How a risk management program can help

 Risk assessment	✓ Clarity over the risks impacting your business
 Supply management	✓ Improves procurement, planning and inventory requirements
 Bottom-line	✓ Lock in profits by preventing margin risks via exposure to volatility
 Finance	✓ Enhance liquidity, forecasting, and financial planning

Why choose Fastmarkets?



Trusted data

Price data is market reflective and backed by IOSCO-compliant methodologies



Expert analysis

Access a 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



Experience

Over 100 years of price reporting experience, and several decades reporting on commodities that now comprise battery materials



- 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

Learn how you can mitigate price risk.

Talk to us