

# How secure is your battery materials supply chain?

A checklist to sourcing strategically

As the demand for battery materials skyrockets, procurement professionals are facing a pressing challenge: ensuring a stable and reliable supply. In this rapidly evolving landscape, having the right insights is key. It enables businesses to make informed decisions, secure their supply chains and stay ahead in the fiercely competitive battery materials market.

The following checklist will help you identify what you need to ensure procurement success.

## 01

### **Do you have visibility over supply and demand forecasts for strategic planning?**



Securing supply for your organization is your number one priority, but how much transparency do you have over the battery supply chain? Do you have an outlook on the supply and demand of key materials such as lithium, nickel and cobalt?

Gaining an insight into the price movements as well as the supply and demand dynamics will be a significant advantage for your organization. With this information, you open yourself up to different options in securing your supply, from the ability to choose strategic partners to taking advantage of regional price differentials and being better informed when you enter negotiations.

## 02

### **Are you informed on the dynamics of battery material prices to leverage short-term opportunities?**



How does today's market determine how you purchase your supply? Do you commit to spot purchasing or use contract pricing? How would that affect your bottom line?

Understand the pricing mechanisms and benchmarks governing battery materials. This knowledge is instrumental when making short-term purchases. With the increasing prominence of indexing in trade, understanding these pricing methods allows you to optimize your purchasing strategy.

# 03

## Are you able to set accurate cost expectations by keeping up with price changes?



Do you have access to historical price movements? Are you keeping up with the prevailing cell components and how much they cost? How does this inform how you purchase cells or battery packs? Do you have access to market-reflective price data to inform your tactics?

Receiving daily updates on price data helps you understand the current value of raw materials, which in turn forms the basis for buying, selling and trading strategies. Without reliable data, you might not fully understand how the cost of raw materials affects your profits. This can affect your battery cell strategy and make it harder to make well-informed choices when negotiating contracts to secure supply of cell components.

# 04

## Do you look for potential investment opportunities that can bolster your supply of raw materials?



Are you following the latest tech developments in the industry? Do you know who the new producers are and what their production capacity could look like?

Make sure you're updated on the latest investment opportunities that come up. This not only aids in discovering cutting-edge technologies to secure a stable supply of battery materials and identifies key strategic partners, but also unveils new opportunities for potential expansion into manufacturing. These elements collectively strengthen your supply chain, ultimately easing the execution of your responsibilities.

# 05

## Are you looking at other alternatives to diversify supply?



How do you ensure your supply chain is strong enough to overcome disruption? Are you looking into battery recycling as an alternative to ensure future supply?

Battery recycling and black mass can diversify your supply of battery materials by providing alternative sources of raw materials. This reduces your dependence on a single supply chain and enhances your resilience to potential disruptions in the availability of newly mined materials.

# 06

## Is your supply protected from price risks?



Are you aware of the risks your commodities are exposed to? How are you ensuring that your supplies aren't affected by price movements?

In a difficult to predict market like this, you must take active steps to protect your organization from price volatility. Strategies such as hedging can help you lock in future prices and reduce your exposure to uncertainty. This allows for more effective cash flow, budgeting and supply planning.

# 07

## How do you cope with the increasing pressure to localize supply chains and reduce carbon emissions from metals production?



Are you keeping up with the regulatory developments surrounding the battery materials market? Are you aware of the latest trends in the industry that push sustainable practices?

Learn how battery recycling can help efforts to meet ESG goals. Sourcing black mass from batteries reduces the need for new mining activities to extract raw materials for battery production, minimizing the harmful environmental impact associated with mining operations.

### Looking to fill the gaps?

With over 130 years of price reporting experience, and several decades of reporting on commodities that now comprise battery materials, our range of outlooks and forecasts will provide you with the data and expert analysis you need to assess the market effectively.

Our battery material insights and forecasts are designed to address the needs of procurement professionals within this space. Explore:



#### Short-term forecasts

- ✓ Two-year forecasts for lithium, nickel, cobalt, manganese and graphite

#### Long-term forecasts

- ✓ 10-year forecasts for lithium, nickel, cobalt, graphite, copper and manganese sulfate

|                                  |  |
|----------------------------------|--|
| <b>Price data</b>                | ✓ Market-reflective prices for lithium, cobalt, nickel, graphite and other critical battery materials, as well as black mass |
| <b>Risk management</b>           | ✓ Leverage Fastmarkets' lithium futures and cobalt futures contracts   |
| <b>Battery Cost Index</b>        | ✓ Cell cost forecasts to 2033 for LFP and NCM chemistries  |
| <b>Battery Recycling Outlook</b> | ✓ Forecasts up to 2030 for black mass and recycled battery materials   |

## Why choose Fastmarkets?



### Trusted data

Benchmark prices for lithium and cobalt. Our prices are 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

**Secure your battery materials supply today.**

**Get in touch**