DAILY SPOT MARKET BRIEF

Lithium Rebound: SMM Spot Brief, 24 Aug 2026

SMM Spot Market Brief

Single-day move in China's spot lithium market

Source: SMM (Shanghai Metals Market). All prices in RMB/tonne, ex-works China.

+ 8,250

Battery-grade lithium carbonate (Li_2CO_3 >= 99.5%)

Single-day rise vs. previous session (SMM benchmark index: + 7,702)

- SMM battery-grade carbonate spot: 160,500 RMB/t (range 158,000-163,000), up 8,250 RMB/t in one session.
- Industrial-grade carbonate (Li_2CO_3 >= 99.2%): 155,500 RMB/t (153,000-158,000), up 8,250 RMB/t.
- SMM battery-grade hydroxide index: 148,103 RMB/t, up 7,121 RMB/t.
- Battery-grade hydroxide (coarse): 148,500 RMB/t (144,000-153,000), up 7,750 RMB/t.
- Battery-grade hydroxide (micro-powder): 154,500 RMB/t (152,000-157,000), up 7,750 RMB/t.
- All five benchmarks rose together -- a coordinated upward push across both carbonate and hydroxide chains.

SECTION 02 / REFERENCE DATA

SMM Spot Reference Table - 24 Aug 2026

Product	Specification	Low (RMB/t)	Avg (RMB/t)	High (RMB/t)	
SMM Battery-grade Carbonate Index	Li2CO3 >= 99.5%	160,007	160,007	160,007	+ 7,702
Battery-grade Carbonate	Li2CO3 >= 99.5%	158,000	160,500	163,000	+ 8,250
Industrial-grade Carbonate	Li2CO3 >= 99.2%	153,000	155,500	158,000	+ 8,250
SMM Battery-grade Hydroxide Index	LiOH.H2O >= 56.5%	148,103	148,103	148,103	+ 7,121
Battery-grade Hydroxide (coarse)	Low magnetic	144,000	148,500	153,000	+ 7,750
Battery-grade Hydroxide (micro)	High surface	152,000	154,500	157,000	+ 7,750

Why the spike matters

1. From a July 2026 low near 70,000 RMB/t, battery-grade carbonate has more than doubled in 8 weeks.
2. A single-session move of +8,250 RMB/t is roughly the typical 2-week drift seen during the 2024 sideways market.
3. The carbonate-hydroxide spread (~12,000 RMB/t) is back in line with Q4-2025 levels; the two chains usually track each other.
4. Battery cell makers (LFP, NMC) face a tight spot window to either pass cost through to pack prices or absorb in margin.
5. Long-term contract pricing for Q4 is now expected to be negotiated upward of 150,000 RMB/t baseline.

Cell-Maker Implications

Cost pass-through window

LFP cathode makers.

A 5% rise in lithium carbonate translates into roughly 2.5-3.0% rise in LFP cathode cost, because Li accounts for about 8-9% of LFP material cost by weight. Cathode spot offers have already moved up 4-6% over the past week, according to downstream inquiries.

NCM cathode makers.

NCM523 and NCM811 cathodes carry lithium cost weight closer to 12-14%. Even at the current spot level, cell makers are tracking a 1.5-2.0% rise in NCM cell cost-of-goods if no supply contracts are renegotiated.

Pack-level lock-in.

Battery-grade coarse hydroxide up 7,750 RMB/t hits high-nickel NCM811 producers hardest. With long-term contracts renegotiated quarterly, the realized cost impact will hit Q4-2026 P&Ls in November reporting cycles.

Strategic stockpiling.

Several second-tier cell makers are reportedly sitting on 4-8 weeks of carbonate inventory. The question is whether the latest spot move is a dead-cat bounce or the start of a sustained re-rating.

What to watch next session:

- Whether spot offers follow-through above 165,000 RMB/t carbonate (resistance line from the May high).
- Whether Q4 long-term contract guidance from Ganfeng, Yahua and SQM lifts the cost basis for cell bids.
- Whether upstream lepidolite and spodumene concentrate auctions accelerate into the next round.