

Lithium for disappointed investors



Some large lithium stocks have currently lost ground, smaller companies have held up better in some cases.

Those disappointed by the performance of certain lithium stocks in February might want to remember that lithium was once used to treat depression. All kidding aside, the share prices of some major lithium companies suffered. The reason was probably the announcement by the largest electric vehicle battery manufacturer (CATL) that it was cutting the price of lithium-ion batteries. Lithium is the crucial raw material when it comes to sustainable energy storage. Although the values of some major lithium companies have fallen seven to 14 percent, **Century Lithium** - <https://www.commodity-tv.com/play/century-lithium-name-change-feasibility-study-coming-in-q2-2023/> -, for example, which is not as big, has held up much better. The company owns 100 percent of the Clayton Valley lithium project in Nevada.

The question now is how CATL's (Contemporary Amperex Technology's) price war will affect market players. For automakers, this could cost some of their profitability. Companies involved in lithium mining, however, could benefit. That's because even if CATL discounts batteries, production costs will not decrease. Growing demand for electric vehicles and other battery-related products has led to a rapid increase in the price of lithium. CATL's new pricing could now result in greater demand for lithium carbonate. And if production can't keep pace, lithium mining companies will benefit. So, the current low prices at some lithium companies are entry prices to be taken advantage of.

For example, with an investment in Century Lithium mentioned above or in ION Energy. **ION Energy** - <https://www.commodity-tv.com/play/ionenergy-recent-drill-results-indicate-a-shallow-lithium-brine-with-good-grades/> - holds two exploration licenses in Mongolia. Mining friendliness is a given. ION Energy has its eye on neighboring China as a major lithium consumer. After all, China is currently home to around 75 percent of the world's gigafactories.

Current corporate information and press releases from Century Lithium (- <https://www.resource-capital.ch/en/companies/century-lithium-corp/> -).

In accordance with §34 WpHG I would like to point out that partners, authors and employees may hold shares in the respective companies addressed and thus a possible conflict of interest exists. No guarantee for the translation into English. Only the German version of this news is valid.

Disclaimer: The information provided does not represent any form of recommendation or advice. Express reference is made to the risks in securities trading. No liability can be accepted for any damage arising from the use of this blog. I would like to point out that shares and especially warrant investments are always associated with risk. The total loss of the invested capital cannot be excluded. All information and sources are carefully researched. However, no guarantee is given for the correctness of all contents. Despite the greatest care, I expressly reserve the right to make errors, especially with regard to figures and prices. The information contained herein is taken from sources believed to be reliable, but in no way claims to be accurate or complete. Due to court decisions, the contents of linked external sites are also co-responsible (e.g. Landgericht Hamburg, in the decision of 12.05.1998 - 312 O 85/98), as long as there is no explicit dissociation from them. Despite careful control of the content, I do not assume liability for the content of linked external pages. The respective operators are exclusively responsible for their content. The disclaimer of Swiss Resource Capital AG also applies: <https://www.resource-capital.ch/en/disclaimer/>