

NEWS

What about tin?

Leading tin expert group, the International Tin Association (ITA) is conducting early stage R&D into the metal's future amid the growing electric vehicle and battery storage markets.

Tin is widely used in lead-acid batteries and while demand will remain strong for traditional batteries for the foreseeable future, ITA manager, markets Tom Mulqueen told **Paydirt** there was good progress being made into the role tin could play in the EV market.

"I would definitely say that tin has a role to play in the EV market. I think they are saying demand for a lot of the [battery] metals is not a few years away but a decade away until the impact is really seen," Mulqueen said.

"For tin in lead-acid batteries, if we are talking in the energy space, we are still seeing some growth until 2025, making it quite a strong contributor to tin demand over the next five or so years. The question after that is, as lithium-ion batteries start to take up the market share, what is the impact on demand for lead-acid batteries?"

Mulqueen said more R&D and patents using tin in the anode materials of lithium-ion batteries was being assessed.

"I think at the moment we are not sure what the market potential of that could be in terms of tonnage for tin, that is something we are working on in the next few months to get some figures," Mulqueen said.

While still at an early stage, there have been breakthroughs in a silicon-tin anode which could potentially prolong and enhance reliability in the life span of lithium-ion batteries.

Currently, tin alloys, coatings, additions and solder use are important to the make-up of a



International Tin Association manager, markets Tom Mulqueen

conventional vehicle, while the two most significant uses of tin in an EV are expected to be for solders to fuse contacts in the electronics and tin alloy addition for the battery.

As the versatility of tin increases, positive news flow will be most welcomed by industry players who struggle for attention in the market.

Nevertheless, like most commodities, there is a bull run in the tin sector and after trading between \$US19,000-21,000/t

in 2017, the tin price broke through the \$US22,000/t mark in January.

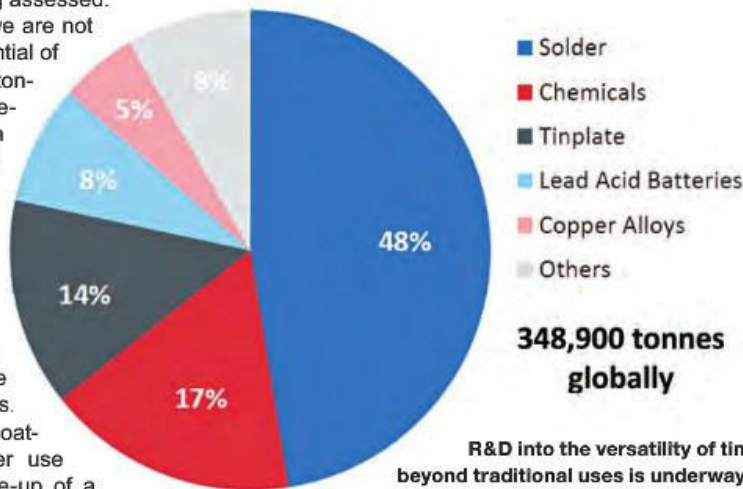
At the time of print, tin was trading at a two-year high of \$US21,450/t (cash) on the back of positive macroeconomic factors, Mulqueen said.

"A lot of the Indonesian exporters are renewing their export licences this year, so eventually when the export data is out you will see that export volumes have been a lot lower in January and I think that has also contributed to the price moving a bit higher," he said.

"I think the other factor is a lot of tin has come out of Myanmar in the last few years but I think the consensus is that there could be quite a significant decline in production from there this year."

LME tin stocks hit new lows in late January which has also impacted prices and while China's volumes remain a mystery, Mulqueen doesn't expect big movements in tin prices in 2018.

"In China, the stocks generally held by producers were quite high last year and I think the hidden stocks in China are still quite, we think, significant, so that could moderate any big increase in price," he said.



"I think the supply side of the market is still quite determined by what's happening in Myanmar and Indonesia. I think even if we see this decline in Myanmar production that we are anticipating, we have some new mines coming on in China and Inner Mongolia. I think the domestic supply in China will pick up a bit and partially offset some of any decline in supply coming out of Myanmar.

"While there is a lot of uncertainty around Indonesian production, exports and production tend to

change quite rapidly to reflect the change in price. If tin prices are a lot higher and stronger, it will be moderated by Indonesian production being a bit stronger and if the prices are lower then there is a lot of uncertainty around the supply side. Overall, I think things will be stable this year, or we will see a small decline based around Indonesia," he said.

- Mark Andrews

ITRI has changed its name to the International Tin Association Ltd. The change has been adopted to build on the association's heritage as the former International Tin Research Institute, but to also recognise its evolution towards tin industry leadership with a more diverse range of activities. ITRI was established in 1932 in London, and for the first 70 years tin-producing governments and producers were brought together to focus on the promotion of tin and the research and development of new tin-based technologies. Such advances have included the technical foundations for development of tin as solder for electronics, as tinplate for food cans, and as chemicals used in plastics. The association has now grown to recognise a broader range of tin industry issues and has expanded activities in areas such as market analysis, conferences, sustainability and regulatory affairs.