

VIDEO — Joe Lowry: Now is the Time to Put Money in High-quality Lithium Stocks

Priscila Barrera - November 19th, 2019 - **Despite low prices and poor investor sentiment, analysts continue to forecast that lithium demand will increase significantly in the next decade.**

At this year's Cathodes conference, part of Benchmark Minerals Week, the Investing News Network sat down with Joe Lowry of Global Lithium to get his insight on what's happening in the lithium market.

"I didn't expect the low end of the market to go as low as it did — and I didn't expect it to be embraced as the story of the year," he said. "Because what the low end of the market sells for is not the story of the year — the story is (electric vehicle) growth, storage growth and the product that supports that is not the one that sells for US\$7,000 per tonne."

Lowry also said he expects the lithium industry to experience "growing pains" for the next decade.

"For 40 years lithium was a pretty sleepy business that had just a few players ... it was not an industry that was prepared for an industrial revolution and that kind of growth," he said.

"We are struggling to see how the demand is going to be there in battery quality by 2025, but the real question is if in the next three years there's another million tonnes needed, where is that going to come from? Because we are not seeing the investment."

The lithium expert also said prices at these levels are unsustainable.

"Whether we are at the absolute bottom or whether that comes in Q1, what I believe is that once we get to a bottom it will stay there on the low end of the pricing until the excess inventory of spodumene and low-quality material are worked through," he said, adding that he expects prices to start going up by the end of next year.

"I still believe, even more strongly today, that the oversupply of the precursor spodumene and how much has been written about it has exacerbated the actual long-term undersupply of battery-quality lithium chemicals," he said.

Watch the video below for more of Joe Lowry's thoughts on Lithium, investments and 2020.

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