

Mineral Industry Surveys

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PLATINUM-GROUP METALS IN AUGUST 2009

According to Platts Metals Week (2009a-e), the average August prices of platinum, palladium, and rhodium increased by 7%, 11%, and 12%, respectively, compared with the average prices in July. Average monthly prices of ruthenium and iridium remained unchanged over the same time period. Both platinum and palladium reached their highest daily prices for the year to date in August, and their highest prices since September of 2008. Platinum prices were volatile throughout the month; increased buying took place in China and elsewhere in Asia whenever the price fell. The Chinese jewelry industry purchased substantial quantities of platinum. Prices of both platinum and palladium were helped by news of increased sales from the auto industry, in which both metals are used in catalytic converters to cut down on harmful auto-exhaust emission. Increased investor purchases of palladium nudged the price higher (Johnson Matthey Plc, 2009b).

Stillwater Mining Co. (SMC, Billings, MT) reported a 9% increase in production of platinum and palladium during the second quarter of 2009 compared with that of the same quarter of 2008. Total platinum production for the second quarter of 2009 was 995 kilograms (kg), including 249 kg from the East Boulder Mine and 746 kg from the Stillwater Mine. Total palladium production during the same time frame was 3,300 kg, including 840 kg from the East Boulder Mine and 2,460 kg from the Stillwater Mine. SMC restructured the company earlier in the year, which resulted in a downsizing of the workforce at the East Boulder Mine and a redeployment of some of the East Boulder miners to the Stillwater Mine. The restructuring resulted in an 8% decrease in production of platinum and palladium from the East Boulder Mine and a 17% increase in production at the Stillwater Mine. During the second quarter of 2009, SMC processed recycling material containing 1,890 kg of platinum, palladium and rhodium, a 47% decrease compared with that of the same period of 2008. The decrease in the quantity of recycling material was the result of the drop in platinum-group metal (PGM) prices year-on-year as well as fewer new autos being purchased, leading to existing vehicles

being driven longer, and thus reducing the number being recycled (Stillwater Mining Co., 2009).

The stockpile of Russian palladium was reported to be depleted. The quantity of palladium in the stockpile had been a state secret for years, and was thought to be a factor in keeping the price of palladium low. Depletion of the stockpile was expected to result in an increase in the palladium price because palladium is commonly used as the PGM of choice in gasoline engine catalysts, owing to the lower price of palladium relative to platinum, and the Chinese and Indian auto markets, which are growing, are gasoline-based (Creamer, 2009).

ETF Securities (London, United Kingdom) announced the launch of five new exchange-traded funds (ETFs) that were planned to be listed on the Tokyo Stock Exchange and also on the London Stock Exchange and Deutsche Boerse. The ETFs were planned to be backed by precious metals including platinum and palladium (Johnson Matthey Plc, 2009a).

References Cited

- Creamer, Martin, 2009, Russian palladium stocks depleted —ARM: Creamer Media's Mining Weekly news release, August 31, 1 p.
- Johnson Matthey Plc, 2009a, New platinum and palladium-backed ETFs launched by ETF Securities: London, United Kingdom, Johnson Matthey Plc news release, August 13, 1 p.
- Johnson Matthey Plc, 2009b, The platinum metals report, August, 2009: London, United Kingdom, Johnson Matthey Plc, 5 p.
- Platts Metals Week, 2009a, Daily prices: Platts Metals Week, v. 80, no. 31, August 3, p. 19.
- Platts Metals Week, 2009b, Daily prices: Platts Metals Week, v. 80, no. 32, August 10, p. 18.
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TABLE 1
PLATINUM-GROUP METALS PRICES¹

(Dollars per troy ounce)

	Platinum	Palladium	Rhodium	Iridium	Ruthenium
2008:					
Low/date	760.00 Oct. 27	167.00 Dec. 5	1,000.00 Nov. ²	400.00 Dec. ²	120.00 Dec. ²
High/date	2,275.00 Mar. 4	585.00 Mar. 4	10,100.00 Jun. 18	460.00 Aug. ²	440.00 Feb. and Mar. ²
Average	1,578.26	355.12	6,533.57	448.34	324.60
2009:					
July:					
Low/date	1,097.00/10	235.00/13	1,440.00 ²	420.00 ²	95.00 ²
High/date	1,215.00/27 and 28	265.00/28	1,725.00/28	420.00 ²	95.00 ²
Average	1,163.82	250.64	1,496.82	420.00	95.00
August:					
Low/date	1,223.00/3	270.00 ²	1,650.00 ²	420.00 ²	95.00 ²
High/date	1,280.00/5 and 6	293.00/31	1,700.00 ²	420.00 ²	95.00 ²
Average	1,248.24	278.38	1,671.67	420.00	95.00
Year-to-date:					
Low/date	920.00 Jan. 15	182.00 Jan. ²	1,050.00 Jan. ²	420.00 Jan.–Aug. ²	75.00 Feb. ²
High/date	1,280.00 Aug. 5 and 6	293.00 Aug. 31	1,725.00 Jul. 28	430.00 Jan. ²	100.00 Jan. 2
Average	1,126.20	229.54	1,362.94	420.60	89.18

¹Quotes from Engelhard Industries.

²Occurred multiple days in month(s) listed.

Source: Platts Metals Week.

TABLE 2
U.S. IMPORTS FOR CONSUMPTION OF PLATINUM METAL, BY COUNTRY¹

(Kilograms metal content, unless otherwise specified)

Period and country	Platinum grain and nuggets		Platinum sponge		Other unwrought platinum		Platinum, other		Platinum waste and scrap		Platinum coins	
	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)
2008	212	\$7,210	45,700	\$2,330,000	4,040	\$177,000	7,180	\$282,000	92,200	\$593,000	734	\$22,400
2009:												
May	2	35	3,630	132,000	263	8,160	513	14,400	3,040	20,700	10	327
June	3	97	2,810	108,000	379	13,300	687	22,900	10,100	17,400	257	10,600
July:												
Australia	--	--	--	--	--	--	--	--	6	208	1	9
Belgium	--	--	124	4,670	24	960	--	--	22	831	--	--
Bolivia	--	--	--	--	--	--	--	--	1,230 ²	42	--	--
Brazil	--	--	111	4,160	--	--	--	--	30	561	79	3,080
Canada	(3)	3	--	--	--	--	17	463	141 ²	2,480	--	--
China	--	--	--	--	--	--	1	69	4	509	--	--
Colombia	--	--	5	154	124	3,320	--	--	19 ²	126	--	--
France	--	--	--	--	--	--	--	--	141	1,580	--	--
Germany	--	--	105	4,120	38	1,500	232	4,340	254	8,070	--	--
Israel	--	--	--	--	19	509	--	--	8	132	--	--
Italy	--	--	100	3,800	--	--	62	2,330	15	496	--	--
Japan	--	--	--	--	5	143	29	715	3,160 ²	27,500	--	--
Korea, Republic of	--	--	--	--	--	--	--	--	37	990	--	--
Malaysia	--	--	--	--	--	--	--	--	119 ²	113	--	--
Mexico	--	--	27	1,030	7	227	2	33	(3)	15	--	--
Norway	--	--	62	2,260	--	--	--	--	--	--	--	--
Panama	--	--	--	--	--	--	--	--	3	114	--	--
Russia	--	--	49	1,930	--	--	--	--	--	--	--	--
South Africa	--	--	716	28,200	--	--	39	1,490	--	--	--	--
Switzerland	--	--	(2)	13	(3)	10	17	637	--	--	--	--
United Kingdom	--	--	1,290	47,800	--	--	8	275	20	328	--	--
Uruguay	--	--	--	--	--	--	--	--	1,780 ²	42	--	--
Venezuela	--	--	--	--	--	--	4	87	1,500 ²	48	--	--
Other	--	--	--	--	(3)	10	1	25	16	212	(3)	7
Total	(3)	3	2,590	98,100	218	6,680	412	10,500	8,510	44,400	80	3,100
Year to date	9	223	17,700	627,000	1,890	58,400	3,700	102,000	44,100	183,000	370	14,700

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²All or part of these data have been referred to the U.S. Census Bureau for verification.

³Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 3
U.S. IMPORTS FOR CONSUMPTION OF PLATINUM-GROUP METALS, BY COUNTRY¹

(Kilograms metal content, unless otherwise specified)

Period and country	Unwrought palladium		Palladium, other		Iridium ²		Osmium ²		Ruthenium ²		Rhodium ²	
	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)
2008	114,000	\$1,270,000	6,810	\$85,500	2,550	\$36,600	11	\$101	49,800	\$426,000	12,600	\$2,470,000
2009:												
May	2,970	22,400	421	3,280	104	1,300	--	--	2,070	4,140	940	38,400
June	2,210	17,600	566	4,810	106	1,340	60	495	1,430	3,810	771	33,000
July:												
Belgium	--	--	31	253	--	--	--	--	--	--	3	160
Canada	146	2,130	2	19	--	--	--	--	--	--	--	--
Germany	4	21	10	81	3	22	--	--	1,480	3,930	20	913
Italy	245	2,010	(3)	5	--	--	--	--	--	--	3	150
Japan	85 ⁴	380	4	24	--	--	--	--	45	118	5	108
Norway	467	3,740	--	--	--	--	--	--	--	--	5	227
Russia	916	7,590	--	--	--	--	--	--	--	--	67	3,650
South Africa	1,040	8,250	16	120	56	720	--	--	610	1,610	590	27,000
Switzerland	--	--	166	1,490	--	--	--	--	--	--	--	--
United Kingdom	1	12	2	25	13	176	--	--	360	1,020	14	496
Total	2,910	24,100	230	2,010	72	918	--	--	2,490	6,680	708	32,700
Year to date	23,200	163,000	4,510	32,800	726	9,850	68	551	13,300	32,200	5,840	222,000

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Unwrought and other forms.

³Less than ½ unit.

⁴All or part of these data have been referred to the U.S. Census Bureau for verification.

Source: U.S. Census Bureau.

TABLE 4
U.S. EXPORTS OF PLATINUM-GROUP METALS, BY COUNTRY¹

(Kilograms of metal content, unless otherwise specified)

Period and country	Platinum ²		Platinum waste and scrap		Palladium ²		Iridium, osmium, and ruthenium ^{2,3}		Rhodium ²	
	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)
2008	15,600	\$570,000	54,700	\$1,190,000	26,400	\$197,000	6,450	\$80,600	1,980	\$302,000
2009:										
May	1,070	34,900	2,300	40,900	2,740	20,300	103	1,920	156	5,910
June	1,330	44,900	4,450	72,100	2,390	17,000	126	2,580	52	2,740
July:										
Australia	(4)	3	--	--	53	468	--	--	--	--
Belgium	3	113	3	123	3	26	--	--	2	189
Brazil	7	251	--	--	1	9	--	--	--	--
Canada	42	1,610	3	88	352	2,850	--	--	(4)	7
China	8	303	--	--	152	1,710	50	637	61	3,780
France	8	186	--	--	26 ⁵	152	--	--	--	--
Germany	142 ⁵	4,550	336 ⁵	3,490	145	1,770	--	--	62	2,860
Hong Kong	5	350	--	--	87	1,080	(4)	3	3	133
India	72	1,530	--	--	8	46	--	--	--	--
Ireland	14	447	--	--	--	--	1	6	--	--
Israel	6	81	--	--	144 ⁵	431	--	--	--	--
Italy	12	501	2 ⁵	150	73	755	4	55	6	292
Japan	352	11,300	47	1,180	139	980	4	110	10	631
Korea, Republic of	5	127	--	--	110	458	--	--	--	--
Kuwait	--	--	--	--	8	150	--	--	--	--
Mexico	6	223	--	--	6	41	1	22	--	--
Singapore	--	--	--	--	10	54	102	1,440	--	--
South Africa	--	--	945 ⁵	3,380	--	--	--	--	--	--
Switzerland	18 ⁵	474	--	--	17	145	56	465	--	--
Taiwan	7	244	--	--	210 ⁵	1,010	109	475	5	453
Thailand	(4)	85	--	--	6	116	--	--	--	--
United Kingdom	64	1,540	1,120	23,700	140	1,210	4	54	73 ⁵	1,200
Other	4 ⁵	173	--	--	87 ⁵	482	8	78	--	--
Total	777	24,100	2,460	32,100	1,780	13,900	337	3,350	223	9,540
Year to date	10,500	331,000	19,500	299,000	17,200	122,000	1,160	17,000	656	27,500

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Unwrought and other forms.

³Gross weight.

⁴Less than ½ unit.

⁵All or part of these data have been referred to the U.S. Census Bureau for verification.

Source: U.S. Census Bureau.