

Mineral Industry Surveys

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PLATINUM-GROUP METALS IN JUNE 2010

Engelhard Industries' average June prices of platinum, palladium, and rhodium decreased by 5%, 6%, and 10%, respectively, compared with the average prices in May. The average price of iridium increased by 11% and that of ruthenium was nearly unchanged during the same time period. Prices of platinum and palladium dropped in early June in response to poor employment data from the United States as well as continued fears over European sovereign debt. Prices of platinum and palladium increased toward the middle of the month, and then decreased again toward the month's end. Rhodium prices decreased as a result of a drop in speculative investment. Ruthenium prices decreased slightly near the end of the month as a result of lower industrial demand and an absence of new investors. The iridium price remained high owing to Japanese buying and falling supplies.

Marathon PGM Corp. (Toronto, Ontario, Canada) moved forward with the permitting and financing steps for its Marathon Project at a platinum-group-metals (PGM)-copper deposit in Ontario. Permitting of the project was proceeding through the formal regulatory review process. To pursue financing, the CEO of Marathon traveled to China to meet with firms about possible investment in the Marathon Project. The Marathon deposit was thought to contain approximately 75,900 kg of palladium and 21,700 kg of platinum and mining was planned as an open pit. Marathon sent some of its test PGM-copper concentrate to four smelters worldwide, and three of the four expressed interest and have requested negotiations regarding a smelting contract for the concentrate produced. Marathon also continued exploration of the nearby Geordie Lake deposit, which was being evaluated as a potential source for supplemental ore for the Marathon open pit. No projected startup date was given (Marathon PGM Corp., 2010).

Jinchuan Group Ltd. (Jinchang, Gansu Province, China), a Chinese state-owned mining company, planned to acquire a 51% stake in Wesizwe Platinum Ltd. (Johannesburg), a junior platinum developer in South Africa. The plan was to develop Wesizwe's flagship Frischgewaagd-Ledig project on the western limb of the Bushveld Complex. After the mine was built, Jinchuan would take 100% of the PGM concentrate

produced under a long-term supply agreement (Wesizwe Platinum Ltd., 2010).

Anglo Platinum Ltd. (Johannesburg) planned to open its first mine in Zimbabwe, the Unki Mine, in October 2010. The mine was expected to produce 2,010 kilograms per year of platinum (Johnson Matthey plc, 2010a). Aquarius Platinum Ltd. (Bedford, South Africa) expected production of 6,220 kilograms of platinum from its Mimosa Mine in Zimbabwe for the financial year that ended in June. This quantity represented an 11% increase relative to production in the previous financial year. The Mimosa Mine is a joint venture with Impala Platinum Holdings Ltd. (Johannesburg) (Johnson Matthey, 2010b).

The U.S. Securities and Exchange Commission granted ETF Securities (New York, NY) permission to increase the number of shares offered through its platinum and palladium exchange-traded funds (ETFs). The number of shares in the platinum fund increased to 11.22 million from 4.78 million, and the number of shares in the palladium fund increased to 18.8 million from 12.88 million. Each share is the equivalent of 0.1 troy ounce of metal. Holdings in the ETFs at the end of May totaled 22,900 kg of platinum and 40,800 kg of palladium (Johnson Matthey, 2010c).

References Cited

- Johnson Matthey plc, 2010a, Anglo Platinum's greenfields projects gathering pace: London, United Kingdom, Johnson Matthey plc news release, June 25, 1 p.
- Johnson Matthey plc, 2010b, Aquarius expecting 200,000 oz output in Zimbabwe: London, United Kingdom, Johnson Matthey plc news release, June 29, 1 p.
- Johnson Matthey plc, 2010c, ETF Securities to double platinum and palladium ETC shares: London, United Kingdom, Johnson Matthey plc news release, June 2, 1 p.
- Marathon PGM Corp., 2010, Marathon PGM Corporation—Corporate and project update: Toronto, Ontario, Canada, Marathon PGM Corporation news release, June 10, 2 p.
- Wesizwe Platinum Ltd., 2010, Chinese consortium signs term sheet to invest US\$877 million (R6,6 billion) into Wesizwe Platinum: Johannesburg, South Africa, Wesizwe Platinum Ltd. news release, May 24, 3 p.

TABLE 1
PLATINUM-GROUP METALS PRICES¹

(Dollars per troy ounce)

	Platinum	Palladium	Rhodium	Iridium	Ruthenium
2009:					
Low/date	920.00 Jan. 15	182.00 Jan. ²	1,050.00 Jan. ²	420.00 Jan.–Dec. ²	75.00 Feb. ²
High/date	1,510.00 Dec. 2	407.00 Dec. 31	2,790.00 Nov. 25	430.00 Jan. ²	160.00 Dec. ²
Average	1,207.55	265.65	1,591.32	420.40	97.28
2010:					
May:					
Low/date	1,495.00/25	420.00/20	2,675.00 ²	590.00/3	245.00 ²
High/date	1,745.00/3	549.00/3	2,850.00/3 and 4	715.00 ²	245.00 ²
Average	1,633.45	495.05	2,772.50	647.50	245.00
June:					
Low/date	1,505.00/7	426.00/7	2,425.00 ²	715.00 ²	240.00 ²
High/date	1,610.00/21	507.00/21	2,650.00/1	725.00 ²	245.00 ²
Average	1,556.77	465.18	2,487.27	720.45	244.32
Year-to-date:					
Low/date	1,482.00 Feb. 8	397.00 Feb. 5	2,375.00 Feb. 5 and 8	420.00 Jan. ²	170.00 Jan. ²
High/date	1,750.00 Apr. 26	573.00 Apr. 26	2,975.00 Apr. 15 and 16	725.00 Jun. ²	245.00 Apr.-Jun. ²
Average	1,600.65	471.06	2,636.96	546.36	208.27

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	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
		(thousands)		(thousands)		(thousands)		(thousands)		(thousands)		(thousands)
2009	16	\$474	37,100	\$1,420,000	3,770	\$129,000	5,910	\$174,000	136,000	\$334,000	512	\$20,500
2010:												
March	3	129	2,810	136,000	821	35,600	842	37,900	21,700	45,600	19	1,040
April	328	6,550	1,220	62,000	197	6,780	434	18,100	1,920	55,200	1	20
May:												
Belgium	--	--	79	3,720	--	--	--	--	--	--	--	--
Brazil	--	--	113	6,210	--	--	--	--	2,680	1,050	--	--
Canada	1	42	--	--	1	13	19	990	2,040	2,200	--	--
China	--	--	--	--	--	--	1	69	105	2,030	--	--
Colombia	--	--	--	--	93	3,910	--	--	9	128	--	--
France	--	--	--	--	--	--	6	142	--	--	--	--
Germany	--	--	206	10,100	143	4,520	209	7,450	517	9,180	--	--
Israel	--	--	--	--	3	91	--	--	8	300	--	--
Italy	--	--	87	4,370	--	--	43	2,380	46	2,760	--	--
Japan	--	--	--	--	8	180	2	20	2,630	10,200	--	--
Korea, Republic of	--	--	--	--	43	2,630	10	965	28	1,140	--	--
Mexico	--	--	--	--	3	140	--	--	91	5,300	--	--
Norway	--	--	16	863	--	--	--	--	--	--	--	--
Russia	157	2,770	--	--	--	--	--	--	--	--	--	--
South Africa	--	--	2,040	109,000	--	--	11	202	--	--	--	--
Taiwan	--	--	6	230	--	--	--	--	12	702	--	--
United Kingdom	--	--	202	9,910	--	--	6	316	52	2,610	--	--
Other	--	--	--	--	4	127	3	144	28	296	--	--
Total	158	2,810	2,750	145,000	298	11,600	311	12,700	8,240	37,900	--	--
Year to date	508	10,300	10,500	512,000	2,020	84,400	2,730	113,000	51,200	204,000	20	1,100

-- Zero.

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

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)
2009	62,300	\$568,000	7,350	\$62,300	1,520	\$20,800	68	\$551	21,200	\$55,700	11,200	\$530,000
2010:												
March	7,240	108,000	76	1,420	282	4,360	--	--	1,360	7,800	962	68,800
April	3,280	50,700	291	5,550	166	2,550	--	--	1,090	6,400	806	64,100
May:												
Belgium	16	231	--	--	1	36	--	--	--	--	1	34
Canada	165	3,850	5	94	--	--	--	--	--	--	(3)	2
China	137	2,340	--	--	--	--	--	--	--	--	--	--
Germany	309	3,560	21	316	15	256	--	--	--	--	134	10,600
Italy	169	3,060	3	47	--	--	--	--	--	--	13	1,210
Japan	300	1,780	6	46	--	--	--	--	20	283	(3)	21
Norway	93	1,650	--	--	--	--	--	--	--	--	9	853
Russia	1,610	27,500	310	4,750	--	--	--	--	--	--	85	7,520
South Africa	2,950	15,600	16	237	97	1,480	--	--	1,550	11,000	711	59,700
Switzerland	--	--	26	517	--	--	--	--	--	--	--	--
United Kingdom	1,020	17,100	100	1,710	11	237	--	--	353	2,930	47	4,170
Other	3	36	12	79	--	--	--	--	--	--	--	--
Total	6,770	76,800	498	7,800	124	2,010	--	--	1,920	14,200	1,000	84,200
Year to date	25,700	342,000	1,470	24,200	936	13,800	8	56	6,200	37,100	5,470	365,000

-- 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.

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	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
		(thousands)		(thousands)		(thousands)		(thousands)		(thousands)
2009	15,600	\$522,000	31,600	\$523,000	30,300	\$229,000	4,020	\$34,400	1,220	\$48,400
2010:										
March	1,310	56,400	2,320	50,300	7,510	91,800	370	2,840	384	22,600
April	2,600	130,000	2,870	83,000	4,810	60,400	504	5,750	254	16,600
May:										
Australia	4	105	--	--	55	694	--	--	--	--
Belgium	1	16	--	--	1	5	--	--	--	--
Canada	133	7,460	18	924	533	5,090	1	5	(4)	12
China	21	983	--	--	31	555	84	1,230	26	1,740
Colombia	(4)	4	--	--	6	110	--	--	--	--
Czech Republic	--	--	--	--	110	183	--	--	--	--
France	3	48	--	--	40	305	(4)	14	--	--
Germany	346	16,200	76	2,920	391	4,310	73	725	--	--
Hong Kong	5	250	--	--	95	1,040	--	--	--	--
India	45	2,350	--	--	4	31	--	--	--	--
Ireland	4	201	--	--	8	17	2	13	--	--
Israel	8	188	--	--	121	448	--	--	--	--
Italy	103	5,500	--	--	113	1,640	--	--	6	535
Japan	332	13,800	156	6,650	670	10,300	72	992	(4)	18
Korea, Republic of	3	94	--	--	34	443	--	--	--	--
Malaysia	1	8	--	--	1	7	--	--	--	--
Mexico	12	420	--	--	102	168	(4)	8	--	--
Netherlands	(4)	21	--	--	1	4	--	--	--	--
New Zealand	(4)	9	--	--	22	171	--	--	--	--
Philippines	(4)	37	--	--	(4)	3	--	--	--	--
Romania	(4)	3	--	--	1	4	--	--	--	--
Saudi Arabia	--	--	--	--	3	48	--	--	182	5,210
Singapore	2	81	--	--	46	196	--	--	--	--
South Africa	(4)	10	493	1,950	2	29	--	--	7	865
Sweden	1	63	--	--	2	12	--	--	--	--
Switzerland	21	732	--	--	117	1,890	--	--	--	--
Taiwan	6	279	--	--	187	1,210	114	1,150	--	--
Thailand	3	209	--	--	14	261	--	--	--	--
United Kingdom	431	20,600	1,790	66,700	299	4,170	1	28	--	--
Other	4	119	--	--	67	326	(4)	7	(4)	3
Total	1,490	69,800	2,530	79,200	3,070	33,700	348	4,170	221	8,380
Year to date	7,470	347,000	13,100	323,000	20,000	224,000	2,300	22,000	1,170	61,600

-- 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.

Source: U.S. Census Bureau.