Mineral Industry Surveys

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PLATINUM-GROUP METALS IN DECEMBER 2010

Engelhard's average December price of palladium increased by 11%, and prices of platinum, rhodium, and iridium increased slightly compared with the average November prices. The average monthly price of ruthenium increased by 3% during the same period, following 5 months of steady decreases. Daily prices of platinum and palladium increased from the beginning to the end of the month, partly in response to fears over European sovereign debt. The palladium price continued the increase that began in mid-May 2010 and reached its highest level since early 2001. From January until December 2010, the average monthly price of palladium increased by 74% and that of iridium increased by 82%, with the iridium increase largely a result of strong demand from Asia. During 2010, the average monthly prices of platinum and ruthenium increased by 9% and 4%, respectively, and that of rhodium decreased by 12%.

Anglo Platinum Ltd. (Johannesburg, South Africa) commissioned its Unki Mine in Zimbabwe and expected to produce 2,020 kilograms per year of platinum by the fourth quarter of 2013. The Unki Mine, located on the Great Dyke, had been in development since 2003 (Johnson Matthey plc, 2010a).

Stillwater Mining Co. (Billings, MT) announced the exit of its majority stockholder, Norimet Ltd. (London, United Kingdom), a wholly owned subsidiary of OJSC MMC Norilsk Nickel (Moscow, Russia). Norimet sold its entire stake in Stillwater in two separate secondary offerings. Stillwater also announced that it entered into a definitive agreement to acquire Benton Resources Corp.'s (Thunder Bay, Ontario, Canada) Bermuda Property. The 7,300-hectare Bermuda Property is located along the eastern and northern margins of the Coldwell Complex near Marathon, Ontario, and is adjacent to Stillwater's recently purchased Marathon platinum-group metals (PGM)-copper project. Through the agreement, Stillwater would also acquire Benton's royalty position on the Marathon PGM-copper deposit (Stillwater Mining Co., 2010a, b).

Duluth Metals Ltd. (Toronto, Ontario, Canada) entered into an agreement with Franconia Minerals Corp. (Spokane Valley, WA) by which Duluth would acquire 100% of the outstanding common shares of Franconia. Franconia's main asset was a 70% interest in the Birch Lake, Maturi, and Spruce Road nickel-copper-PGM deposits in the Duluth Complex in northeastern Minnesota, through the Birch Lake Joint Venture. The Franconia assets, which are near Duluth Metals' Nokomis PGM-copper-nickel deposit, were planned to be rolled into Twin Metals Minnesota LLC, a Duluth Metals (60%) and Antofagasta plc (Santiago, Chile) (40%) joint venture. The transaction was subject to approval by Franconia shareholders at a special meeting expected to take place in February 2011 (Duluth Metals Ltd., 2010).

The American Eagle Palladium Bullion Coin Act of 2010 was signed into law, authorizing the U.S. Treasury to produce palladium bullion coins to be sold to investors. Production of the coins was dependent upon the outcome of an independent study to determine if adequate demand exists for the coins to be minted and issued at no cost to the taxpayer. The coins were planned to be 1 troy ounce with a face value of $25 (Johnson Matthey, 2010c).

A new precious metals exchange-traded fund (ETF) was launched by ETF Securities Ltd. (London, United Kingdom). The ETF, named the White Metals Basket Trust, was designed to reflect the price performance of physical silver, platinum, and palladium in the proportions held by the Trust. The bullion that represented a share in the initial Basket was comprised of 1.0 troy ounce of silver, 0.01 ounce of platinum and 0.008 ounce of palladium (Johnson Matthey, 2010b).

References Cited

Duluth Metals Ltd., 2010, Duluth Metals and Franconia Minerals enter into arrangement agreement; consolidates position in the Duluth Complex, Minnesota: Toronto, Ontario, Canada, Duluth Metals Ltd. news release, December 20, 5 p.

Johnson Matthey plc, 2010a, Anglo American commissions Unki platinum mine in Zimbabwe: London, United Kingdom, Johnson Matthey plc news release, December 15, 1 p.

Johnson Matthey plc, 2010b, New precious metals-based ETF to be launched by ETF Securities: London, United Kingdom, Johnson Matthey plc news release, December 2, 1 p.

Johnson Matthey plc, 2010c, US palladium coin act signed into law: London, United Kingdom, Johnson Matthey plc news release, December 15, 1 p.

Stillwater Mining Co., 2010a, Stillwater announces that its majority stockholder has exited: Billings, MT, Stillwater Mining Co. news release, December 13, 1 p.

Stillwater Mining Co., 2010b, Stillwater Mining to acquire exploration property and royalty interest from Benton Resources Corp.: Billings, MT, Stillwater Mining Co. news release, December 16, 1 p.

TABLE 1

PLATINUM-GROUP METALS PRICES[1]

(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:					
November:					
Low/date	1,640.00/29	645.00/3	2,275.00[2]	745.00/1 and 2	175.00[2]
High/date	1,790.00/9	734.00/9	2,425.00[2]	765.00/30	175.00[2]
Average	1,702.35	687.75	2,338.75	755.50	175.00
December:					
Low/date	1,678.00/10	723.00/1	2,315.00/1	765.00[2]	175.00/1
High/date	1,760.00/28 and 30	800.00/30 and 31	2,450.00[2]	780.00[2]	180.00[2]
Average	1,715.19	760.29	2,364.52	769.52	179.76
Year-to-date:					
Low/date	1,482.00 Feb. 8	397.00 Feb. 5	2,120.00 Aug.[2]	420.00 Jan.[2]	170.00 Jan.[2]
High/date	1,790.00 Nov. 9	800.00 Dec. 30 and 31	2,975.00 Apr. 15 and 16	780.00 Dec.[2]	245.00 Apr.–Jun.[2]
Average	1,615.56	530.61	2,459.07	642.15	198.45

[1]Quotes from Engelhard.

[2]Occurred multiple days in month(s) listed.

Source: Platts Metals Week.

TABLE 2

U.S. IMPORTS FOR CONSUMPTION OF PLATINUM METAL, BY COUNTRY[1]

(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)
2009	16	$474	37,100	$1,420,000	3,770	$129,000	5,910	$174,000	136,000	$334,000	512	$20,500
2010:												
September	17	779	3,940	193,000	136	5,900	333	11,800	3,580	69,300	10	657
October	16	821	2,190	114,000	322	11,200	238	9,520	8,570	59,100	(2)	12
November:												
Argentina	--	--	--	--	2	100	--	--	--	--	--	--
Belgium	--	--	59	3,190	--	--	--	--	--	--	--	--
Bolivia	--	--	--	--	--	--	--	--	979	100	--	--
Canada	(2)	5	--	--	--	--	17	955	3,390	3,010	(2)	4
China	--	--	--	--	--	--	--	--	123	2,610	--	--
Colombia	--	--	--	--	141	6,260	--	--	32	1,380	--	--
Czech Republic	--	--	--	--	--	--	9	107	--	--	--	--
France	--	--	--	--	15	851	4	59	82	919	--	--
Germany	--	--	219	9,480	161	4,600	158	5,550	9,740	15,000	(2)	3
Hong Kong	--	--	--	--	--	--	--	--	300	496	--	--
Ireland	--	--	--	--	--	--	1	26	(2)	79	--	--
Italy	--	--	245	13,500	--	--	--	--	--	--	--	--
Japan	--	--	--	--	17	519	(2)	12	225	8,300	--	--
Jordan	--	--	--	--	--	--	--	--	64	114	--	--
Korea, Republic of	--	--	--	--	--	--	--	--	23	1,060	--	--
Mexico	--	--	--	--	5	192	2	16	(2)	145	--	--
Norway	--	--	218	12,100	--	--	--	--	--	--	--	--
Philippines	--	--	--	--	--	--	--	--	6	161	--	--
Russia	16	797	--	--	--	--	--	--	--	--	--	--
Singapore	--	--	--	--	--	--	8	436	12	617	--	--
South Africa	--	--	2,440	128,000	--	--	--	--	--	--	--	--
Switzerland	--	--	2	69	12	577	1	46	--	--	--	--
Taiwan	--	--	--	--	--	--	--	--	46	1,700	--	--
United Kingdom	--	--	480	26,400	(2)	2	11	676	43	1,960	--	--
Other	--	--	--	--	3	77	(2)	2	985	271	--	--
Total	16	802	3,660	192,000	356	13,200	212	7,890	16,100	37,900	(2)	7
Year to date	579	13,700	29,900	1,500,000	3,620	144,000	4,400	173,000	98,100	505,000	36	1,980

-- Zero.

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

[2]Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 3

U.S. IMPORTS FOR CONSUMPTION OF PLATINUM-GROUP METALS, BY COUNTRY[1]

(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:												
September	5,610	90,100	676	12,100	340	7,390	8	61	2,740	12,100	1,320	91,800
October	5,810	107,000	1,140	22,200	257	5,690	--	--	378	2,060	1,150	80,300
November:												
Austria	--	--	--	--	--	--	--	--	--	--	1	19
Belgium	12	216	--	--	(3)	33	--	--	--	--	46	2,770
Canada	--	--	274	7,570	--	--	--	--	--	--	--	--
Czech Republic	--	--	(3)	4	--	--	--	--	--	--	--	--
Germany	81	1,410	51	140	28	459	--	--	--	--	62	4,520
Italy	207	4,570	4	89	5	22	--	--	--	--	22	1,720
Japan	90	628	4	130	2	47	--	--	20	94	--	--
Norway	253	5,220	--	--	--	--	--	--	--	--	7	450
Russia	585	13,200	209	6,710	--	--	--	--	--	--	59	4,150
South Africa	1,120	16,800	24	397	348	8,000	--	--	557	3,190	632	45,200
Switzerland	308	6,860	10	324	--	--	--	--	--	--	--	--
United Kingdom	1,560	33,900	11	339	5	124	--	--	253	1,450	42	3,150
Total	4,220	82,800	588	15,700	389	8,690	--	--	830	4,730	869	61,900
Year to date	60,200	899,000	5,410	101,000	3,080	58,800	76	612	12,900	75,600	12,100	862,000

-- Zero.

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

[2]Unwrought and other forms.

[3]Less than ½ unit.

Source: U.S. Census Bureau.

TABLE 4

U.S. EXPORTS OF PLATINUM-GROUP METALS, BY COUNTRY[1]

(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)
2009	15,600	$522,000	31,600	$523,000	30,300	$229,000	4,020	$34,400	1,220	$48,400
2010:										
September	1,360	57,300	3,910	84,600	2,430	25,500	36	504	289	20,700
October	1,550	73,600	5,290	149,000	2,350	27,200	98	1,080	149	8,600
November:										
Australia	4	159	--	--	75	852	3	41	--	--
Austria	2	69	--	--	1	10	--	--	--	--
Belgium	113	6,080	205	2,680	1	3	--	--	13	921
Canada	219	11,600	11	321	564	2,450	--	--	(4)	14
China	1	16	22	1,420	81	1,420	49	638	12	1,080
Colombia	--	--	--	--	7	123	--	--	--	--
Czech Republic	--	--	--	--	65	180	--	--	--	--
Denmark	3	157	--	--	7	124	--	--	--	--
France	2	58	(4)	7	43	440	1	3	--	--
Germany	680	35,700	43	5,390	306	4,540	1	4	35	2,630
Hong Kong	7	278	--	--	65	1,250	6	223	84	4,570
India	59	3,220	--	--	2	35	--	--	--	--
Ireland	20	635	--	--	3	52	1	6	--	--
Israel	4	81	--	--	344	1,590	--	--	--	--
Italy	46	2,550	--	--	134	2,430	43	244	3	173
Japan	104	3,580	94	4,200	120	2,290	28	202	35	3,120
Korea, Republic of	1	14	--	--	304	5,650	--	--	--	--
Mexico	34	1,150	--	--	54	145	(4)	3	--	--
Netherlands	1	79	--	--	2	38	1	19	--	--
New Zealand	(4)	16	--	--	30	205	--	--	--	--
Norway	--	--	--	--	7	116	--	--	--	--
Philippines	2	93	--	--	3	51	--	--	--	--
Romania	(4)	3	--	--	1	10	--	--	--	--
Singapore	36	2,070	--	--	27	168	--	--	--	--
South Africa	--	--	20	1,580	--	--	--	--	--	--
Spain	--	--	--	--	6	121	--	--	--	--
Sweden	3	112	--	--	9	28	--	--	--	--
Switzerland	14	557	316	6,400	108	2,230	(4)	3	--	--
Taiwan	5	213	--	--	146	1,460	8	43	--	--
Thailand	(4)	172	--	--	9	183	--	--	--	--
United Kingdom	63	2,290	1,310	53,700	693	3,560	19	407	(4)	4
Other	4	123	--	--	6	134	--	--	(4)	12
Total	1,430	71,100	2,020	75,700	3,230	31,900	159	1,840	181	12,500
Year to date	16,000	734,000	33,400	923,000	34,600	380,000	3,640	36,200	2,100	120,000

-- Zero.

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

[2]Unwrought and other forms.

[3]Gross weight.

[4]Less than ½ unit.

Source: U.S. Census Bureau.