

Mineral Industry Surveys

For information, contact:

Micheal W. George, PGM Commodity Specialist
U.S. Geological Survey
989 National Center
Reston, VA 20192
Telephone: (703) 648-4962, Fax: (703) 648-7757
E-mail: mgeorge@usgs.gov

Mahbood Mahdavi (Data)
Telephone: (703) 648-7778
Fax: (703) 648-7975
E-mail: mmahdavi@usgs.gov
Wanda G. Wooten (Mine Data)
Telephone: (703) 648-4980
Fax: (703) 648-7975
E-mail: wwooten@usgs.gov

Internet: <http://minerals.usgs.gov/minerals>

PLATINUM-GROUP METALS IN AUGUST 2005

The price of platinum, according to Platts Metals Week, reached \$917 per troy ounce on August 12, the highest price since April 2004. The price surge started in late July and was believed have been caused by the weakening of the U.S. dollar against major currencies. The price ended August at \$891 per troy ounce. The price of palladium continued to drop throughout August and ended the month at \$184 per troy ounce, \$10 per troy ounce lower than the price at the beginning of August. According to MMC Norilsk Nickel, there was still a surplus of palladium in the market, which was causing the price to slump (Interfax Mining & Metals Report, 2005b). The price of rhodium continued its rapid climb and reached \$2,175 per troy ounce on August 31. During August, few dealers were offering to sell rhodium, and conversely, industry and speculators were increasing their demand, which put more pressure on the price. The price for iridium and ruthenium remained at \$175 per troy ounce and \$85 per troy ounce, respectively.

For the second quarter 2005, platinum-group metals (PGMs) production at the Stillwater Mine in Montana was 3,100 kilograms (kg), 9% lower than that of the second quarter 2004. During the first 6 months of 2005, the Stillwater Mine produced 6,350 kg of palladium and platinum, 5% lower than that of the first 6 months in 2004. The declines at the Stillwater Mine were caused by mining for development rather than for ore production. The East Boulder Mine also expended some of its efforts on mine development; the production of PGMs, however, was relatively unchanged compared with second quarter 2004 production. For the first 6 months of 2005, the East Boulder Mine produced 2,500 kg of PGMs, a slight decline from that of the first 6 months of 2004. Stillwater Mining Company, operator of the two mines, sold 340 kg of palladium, 370 kg of platinum, and 90 kg of rhodium during the second quarter 2005, compared with 2004 second quarter sales of 250 kg of palladium, 300 kg of platinum, and 250 kg of rhodium. Company inventory as of June 30, 2005, included

approximately 8,800 kg of palladium, down from 15,600 kg of palladium at the end of 2004 (Stillwater Mining Company, 2005a, p. 9; 2005b, p. 1-5).

On September 6, the Defense National Stockpile Center (DNSC) (2005) announced the August PGM sales results under Basic Ordering Agreement DLA-PGM-002. In August, DNSC sold 48.19 kg of iridium, valued at approximately \$258,000, to PGM Trading Corporation (New York, NY).

Zimbabwe Platinum Mines Limited (Zimplats) announced plans to discontinue open pit operations at the Ngezi mine complex. The open pit was no longer economical because of high inflation and rising open-cast mining contracts. Zimplats, however, announced plans to expand the underground mine at the Ngezi complex (Platts Metals Week, 2005).

The Russian Federal Customs Services announced that PGMs export data would not be released until the end of 2005. Once the data become available, all data prior to February 17, 2005, would still be withheld (Interfax Mining & Metals Report, 2005a).

References Cited

- Defense National Stockpile Center, 2005, Stockpile announces PGM BOA sales for August 2005: Fort Belvoir, VA, Defense National Stockpile Center news release, September 6, 1 p.
- Interfax Mining & Metals Report, 2005a, Customs not to unveil PGM, diamond export data before end of 2005: Interfax Mining & Metals Report, v. 14, issue 32, August 5-11, p. 9.
- Interfax Mining & Metals Report, 2005b, Norilsk says surplus supply on palladium market: Interfax Mining & Metals Report, v. 14, issue 33, August 12-18, p. 11.
- Platts Metals Week, 2005, Zimplats to phase out Ngezi PGM mine: Platts Metals Week, v. 76, no. 36, September 5, p. 13.
- Stillwater Mining Company, 2005a, Annual report—2004: Billings, MT, Stillwater Mining Company, 100 p.
- Stillwater Mining Company, 2005b, Stillwater mining reports second quarter results: Billings, MT, Stillwater Mining Company news release, August 8, 20 p.

TABLE 1
PLATINUM-GROUP METALS PRICES¹

(Dollars per troy ounce)

	Platinum	Palladium	Rhodium	Iridium	Ruthenium
2004:					
Low/date	771.00 May 10	180.00 Dec. 17	500.00 Jan. 5 and 6	87.00 Feb. ²	41.00 Jan. 5 and 6
High/date	940.00 Apr. 19	340.00 Apr. 12	1,525.00 Aug. 9 and 10	230.00 Mar. and Apr. ²	80.00 Nov. ²
Average	848.76	232.93	983.24	185.33	64.22
2005:					
June:					
Low/date	871.00/10	184.00/29	1,620.00/1	160.00 ²	69.00 ²
High/date	900.00/20	192.00/16	2,040.00/24	170.00 ²	76.00 ²
Average	882.95	188.36	1,841.59	164.32	72.86
July:					
Low/date	863.00/5	174.00/5	1,850.00/7 and 8	170.00 ²	76.00/1 and 5
High/date	900.00/29	197.00/22	2,090.00/14 and 15	175.00 ²	85.00 ²
Average	876.60	186.95	1,976.25	174.25	80.80
August:					
Low/date	889.00/16 and 19	183.00/22 and 30	2,000.00/1	175.00 ²	85.00 ²
High/date	917.00/12	195.00/2 and 3	2,175.00/31	180.00/31	85.00 ²
Average	901.04	188.13	2,065.22	175.22	85.00
Year to date:					
Low/date	847.00 Jan. 4	174.00 Jul. 5	1,330.00 Jan. ²	145.00 Feb., Mar., Apr. ²	55.00 Feb. and Mar. ²
High/date	917.00 Aug. 12	211.00 Mar. 4	2,175.00 Aug. 31	180.00 Aug. 31	85.00 Jul. and Aug. ²
Average	874.58	190.99	1,690.55	160.78	68.95

¹Quotes from Engelhard Industries.

²Occured multiple days in month 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)
2004	376	\$9,520	68,800	\$1,830,000	6,710	\$178,000	4,550	\$105,000	590,000	\$135,000	12	\$345
2005:												
May	1	39	5,710	160,000	68	1,170	1,160	28,500	335	5,230	2	55
June	1	18	8,350	232,000	170	4,820	472	7,250	2,790	12,400	1	13
July:												
Austria	--	--	--	--	--	--	(2)	3	--	--	--	--
Belgium	--	--	922	25,800	--	--	--	--	--	--	--	--
Brazil	--	--	--	--	--	--	(2)	3	--	--	--	--
Canada	(2)	9	--	--	--	--	7	206	18	554	(2)	7
China	--	--	--	--	--	--	--	--	20 ³	199	(2) ³	10
Colombia	--	--	3	76	11	291	--	--	15	422	--	--
Dominican Republic	--	--	--	--	--	--	--	--	1 ³	18	--	--
Germany	--	--	64	1,780	12	272	210 ³	3,380	--	--	--	--
Italy	--	--	--	--	141	3,950	9 ³	91	--	--	--	--
Japan	--	--	--	--	(2)	3	1	23	852 ³	253	--	--
Korea, Republic of	--	--	--	--	--	--	--	--	197	6,310	--	--
Malaysia	--	--	--	--	--	--	--	--	734	6,960	--	--
Netherlands	--	--	--	--	--	--	3 ³	27	--	--	--	--
Norway	--	--	47	1,320	--	--	--	--	--	--	--	--
Philippines	--	--	--	--	--	--	--	--	6 ³	100	--	--
Russia	--	--	268	7,530	--	--	--	--	--	--	--	--
South Africa	12	346	2,260	63,400	--	--	--	--	--	--	--	--
Switzerland	--	--	--	--	--	--	11 ³	247	--	--	--	--
United Kingdom	--	--	1,430	40,400	--	--	93 ³	3,030	103	2,850	--	--
Total	13	354	4,990	140,000	164	4,510	334	7,010	1,950	17,700	1	17
Year to date	69	1,930	41,700	1,160,000	1,080	28,400	4,060	84,800	58,100	73,600	15	330

-- 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		Unwrought osmium		Unwrought ruthenium		Rhodium ³	
	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)
2004	106,000	\$786,000	20,700	\$145,000	3,230	\$18,000	75	\$421	18,800	\$35,900	13,200	\$397,000
2005:												
May	7,810	45,700	782	4,700	427	2,300	--	--	2,270	4,320	996	47,800
June	9,210	57,700	994	5,820	128	690	--	--	2,860	5,860	871	43,400
July:												
Belgium	560	3,360	--	--	--	--	--	--	--	--	61	3,510
Canada	125	1,100	--	--	--	--	--	--	--	--	--	--
France	--	--	7	23	--	--	--	--	--	--	--	--
Germany	35 ⁴	150	14	60	40 ⁴	204	--	--	438	1,170	132	7,980
Italy	--	--	246	1,490	--	--	--	--	--	--	15	856
Japan	104	405	135 ⁴	130	--	--	--	--	--	--	--	--
Norway	721	2,800	--	--	--	--	--	--	--	--	--	--
Russia	2,120	12,600	327	2,740	--	--	11 ⁴	103	5	12	141	8,510
South Africa	5,370	21,300	--	--	37	187	--	--	1,180	2,690	974	58,300
Switzerland	--	--	35	263	--	--	--	--	--	--	--	--
United Kingdom	841	5,090	7 ⁴	83	147 ⁴	1,010	--	--	37	85	375	21,700
Total	9,880	46,800	772	4,790	224	1,400	11	103	1,660	3,950	1,700	101,000
Year to date	52,900	315,000	6,860	43,500	2,130	11,500	28	262	14,100	27,400	8,030	402,000

-- Zero.

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

²Unwrought and other forms of iridium.

³Unwrought and other forms of rhodium.

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	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
		(thousands)		(thousands)		(thousands)		(thousands)		(thousands)
2004	20,000	\$374,000	28,400	\$520,000	31,400	\$142,000	1,090	\$8,800	311	\$7,800
2005:										
May	1,560	36,500	1,920	34,000	2,740	11,600	61	500	45	2,350
June	1,790	36,400	2,400	44,600	2,520	11,000	40	303	33	1,830
July:										
Australia	427 ⁴	13,100	--	--	28 ⁴	276	--	--	--	--
Brazil	3 ⁴	37	--	--	2	12	--	--	--	--
Cambodia	(5) ⁴	5	--	--	--	--	--	--	--	--
Canada	64 ⁴	1,490	171	1,630	120	807	--	--	23 ⁴	1,530
China	(5) ⁴	8	--	--	74 ⁴	418	3	83	--	--
Colombia	(5) ⁴	4	--	--	1	10	--	--	--	--
Costa Rica	--	--	--	--	1	7	--	--	--	--
Dominican Republic	(5) ⁴	5	--	--	--	--	--	--	--	--
Finland	1 ⁴	15	--	--	1 ⁴	8	--	--	--	--
France	3 ⁴	46	--	--	37 ⁴	203	--	--	--	--
Germany	185 ⁴	3,320	314	2,890	537 ⁴	1,660	--	--	2	219
Greece	1	15	--	--	--	--	--	--	--	--
Hong Kong	74 ⁴	1,780	--	--	64	221	27	195	(5) ⁴	25
Iceland	--	--	--	--	(5)	4	--	--	--	--
India	8 ⁴	143	--	--	--	--	--	--	(5) ⁴	13
Indonesia	(5) ⁴	9	--	--	--	--	--	--	--	--
Ireland	1 ⁴	19	--	--	--	--	--	--	--	--
Israel	1	11	--	--	3 ⁴	8	--	--	--	--
Italy	123 ⁴	3,410	--	--	8	71	--	--	--	--
Japan	339 ⁴	7,000	101	2,490	71 ⁴	453	8	66	6 ⁴	630
Korea, Republic of	3 ⁴	43	18	135	53 ⁴	140	--	--	--	--
Lebanon	--	--	--	--	8 ⁴	24	--	--	--	--
Malaysia	8 ⁴	118	--	--	--	--	25	168	--	--
Mexico	15 ⁴	290	--	--	1	11	8	51	(5) ⁴	18
Netherlands	5 ⁴	76	--	--	(5)	3	--	--	--	--
New Zealand	(5) ⁴	3	--	--	2	17	--	--	--	--
Norway	8 ⁴	120	--	--	--	--	--	--	--	--
Poland	(5) ⁴	3	--	--	--	--	--	--	--	--
Romania	1 ⁴	11	--	--	--	--	--	--	--	--
Saudi Arabia	(5)	5	--	--	--	--	--	--	--	--
Singapore	1 ⁴	27	--	--	4	28	--	--	--	--
Slovenia	--	--	--	--	3 ⁴	3	--	--	--	--
South Africa	71	2,080	--	--	1	7	--	--	--	--
Spain	(5) ⁴	5	--	--	14	96	--	--	--	--
Sweden	2 ⁴	27	--	--	--	--	--	--	--	--
Switzerland	2 ⁴	28	--	--	37 ⁴	304	--	--	--	--
Taiwan	34 ⁴	794	--	--	423 ⁴	823	1	6 ⁴	(5)	41
Thailand	4 ⁴	75	--	--	4 ⁴	27	--	--	(5) ⁴	29
Turkey	--	--	--	--	(5) ⁴	4	--	--	--	--
United Kingdom	145 ⁴	3,300	1,970	36,800	565 ⁴	2,750	1	25 ⁴	(5) ⁴	39
Other	--	--	--	--	2 ⁴	11	--	--	--	--
Total	1,530	37,400	2,580	43,900	2,060	8,400	72	594	33	2,540
Year to date	12,200	246,000	15,200	272,000	14,700	68,500	420	3,060	196	12,400

-- Zero.

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

²Unwrought and other forms.

³Gross weight.

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

⁵Less than ½ unit.

Source: U.S. Census Bureau.