

Platinum 2009

“Platinum 2009”, Johnson Matthey’s latest market survey of the platinum group metals (pgms), was published in May 2009. It covers supply and demand for the calendar year 2008, together with a short-term outlook on the status of the pgm market and pgm prices into 2009.

Platinum

There was a market deficit of 375,000 oz platinum in 2008. Global platinum demand was down by 5 per cent to 6.35 million oz while platinum supplies were also down, by 9.5 per cent, to 5.97 million oz.

Supplies from South Africa fell to 4.53 million oz in 2008. Supplies from Russia also fell, to 820,000 oz, and North American supplies were flat at 325,000 oz. Supplies from other producing nations, including Zimbabwe, rose slightly to 295,000 oz.

Gross demand for platinum for autocatalysts was down by 8.2 per cent to 3.81 million oz. In Europe, production of light-duty vehicles fell due to the economic climate, while at the same time the market share of diesel vehicles fell slightly. Therefore, despite the increasing fitment of platinum-containing diesel particulate filters (DPFs), platinum autocatalyst demand fell in this region. In North America, production of light-duty vehicles was also down and there was continuing substitution of platinum by palladium which contributed to a fall in platinum demand in the region.

Industrial demand for platinum fell to 1.76 million oz in 2008. Weakening consumer demand, especially in the final quarter, led to a decline in platinum demand from the chemical sector to 395,000 oz. In the glass sector, demand fell to 390,000 oz. In electronics, demand for platinum fell to 225,000 oz. Petroleum refining demand for platinum rose to 245,000 oz. Other sources of increased demand for platinum included biomedical components and aircraft turbine blades, but demand for dental alloys declined slightly.

Jewellery demand for platinum rose towards the end of 2008 as the price of platinum fell. However, demand had been affected earlier in the

year by the high price of platinum, and net platinum demand for jewellery in 2008 was down at 1.37 million oz. Physical investment demand rose to 425,000 oz.

Palladium

The market surplus of palladium was 460,000 oz in 2008, with demand growing, despite the economic downturn, to 6.85 million oz. Supplies were down to 7.31 million oz.

Supplies of palladium from South Africa declined to 2.43 million oz in 2008. Supplies from North America fell to 910,000 oz, and Russian supplies fell to 3.66 million oz.

Demand for palladium from the autocatalyst sector fell to 4.38 million oz in 2008. North American light-duty vehicle production was down, causing demand for palladium to be reduced to 1.35 million oz. In Europe, palladium demand for autocatalysts rose to 950,000 oz, with the increasing use of platinum-palladium catalysts for the diesel sector outweighing the effects of lower vehicle output. In China, Japan and the Rest of the World regions, combined palladium demand for autocatalysts rose to 2.09 million oz.

Demand for palladium from the chemical industry fell to 350,000 oz. Jewellery demand for palladium was up to 855,000 oz, and physical palladium investment grew to 400,000 oz in 2008.

Special Feature

The three-page Special Feature in the book is entitled ‘Palladium Use in Diesel Oxidation Catalysts’.

Availability of “Platinum 2009”

The book can be downloaded, free of charge, as a PDF file in English, Chinese or Russian by visiting the Platinum Today website at: <http://www.platinum.matthey.com/publications/Pt2009.html>. Alternatively the English version can be ordered in hard copy, by filling in the form at: http://www.platinum.matthey.com/publications/Request_Hard_Copies_of_PGM_Review.html or by emailing a request to: ptbook@matthey.com.