

Mineral Industry Surveys

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PLATINUM-GROUP METALS IN SEPTEMBER 2010

Engelhard Industries' average September prices of platinum, palladium, and rhodium increased by 4%, 10%, and 3%, respectively. The average price of ruthenium decreased by 5%, and that of iridium remained unchanged during the same period. Prices of platinum and palladium increased from the beginning to the end of the month as a result of investor interest, and palladium reached its highest daily price since March 2008. The rhodium price increased in the middle of the month in response to strong demand from Asia. Ruthenium prices continued the downward trend that started in June 2010 as a result of weak demand.

Stillwater Mining Co. (Billings, MT) entered into a definitive agreement by which Stillwater planned to purchase Marathon PGM Corp.'s (Toronto, Ontario, Canada) platinum-group metals (PGM) assets in Canada. The assets include the Marathon PGM-copper project in Ontario, which was expected to come into production in the next 3 years and produce 6,220 kilograms per year of platinum and palladium for as many as 12 years. Stillwater expected to finalize a bankable feasibility study on the Marathon project within the next few months. The properties acquired by Stillwater also include the nearby Geordie Lake PGM-copper property in Ontario, and Marathon's 53% interest in the Bird River nickel-copper-PGM property in Manitoba. Stillwater expected the purchase of Marathon PGM's assets to be finalized by the end of November 2010 (Stillwater Mining Co., 2010).

Wesizwe Platinum Ltd. (Johannesburg, South Africa), a PGM exploration and development group, entered into talks with Jinchuan Group Ltd. (Gansu, China) and the China-Africa Development Fund (Beijing, China) to secure financing for its Frischgewaagd-Ledig project on the western limb of the Bushveld Complex in South Africa. The funding agreement was

expected to be finalized in the next few months. Wesizwe intended to build a PGM mine and thus transition into becoming a PGM producer. Terracing and road construction was begun, and the sinking of shafts was expected to begin in 2011. No date was provided for the expected start of production (Wesizwe Platinum Ltd., 2010).

A representative from OJSC MMC Norilsk Nickel (Moscow, Russia) indicated that the Russian palladium stockpile may be at or near depletion, and that no sales from the stockpile were expected in 2011. The quantity of palladium in the Russian stockpile has been a state secret, and analysts have disputed whether its depletion will affect the supply and price of palladium in the market (O'Connell, 2010).

At the end of the September, holdings in exchange traded funds totaled 31,100 kilograms (kg) of platinum and 53,900 kg of palladium. Compared with holdings at the end of August, these were decreases of 400 kg of platinum and 480 kg of palladium (CPM Group, 2010, p. 24, 29).

References Cited

- CPM Group, 2010, Precious Metals Advisory: New York, NY, CPM Group, v. 23, no.10, October 7, 35 p.
- O'Connell, Rhonda, 2010, Russian palladium inventory depleted by 2011?—Norilsk: Mineweb news release, September 14, 2 p. (Accessed October 26, 2010, at <http://www.mineweb.co.za/mineweb/view/mineweb/en/page35?oid=111229&sn=Detail&pid=35>.)
- Stillwater Mining Co., 2010, Stillwater Mining Company and Marathon PGM Corp. announce acquisition agreement: Billings, MT, Stillwater Mining Co. news release, September 7, 4 p.
- Wesizwe Platinum Ltd., 2010, Wesizwe Platinum Ltd. results and commentary for the six months ended 30 June 2010: Johannesburg, South Africa, Wesizwe Platinum Ltd. news release, September 28, 4 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:					
August:					
Low/date	1,500.00/24	474.00/12	2,120.00 ²	725.00 ²	195.00 ²
High/date	1,595.00/2	514.00/3	2,220.00 ²	725.00 ²	200.00 ²
Average	1,543.82	493.45	2,144.55	725.00	197.50
September:					
Low/date	1,538.00/1	521.00/10	2,125.00 ²	725.00 ²	180.00 ²
High/date	1,662.00/30	575.00/30	2,350.00/21 and 22	725.00 ²	195.00 ²
Average	1,598.57	543.24	2,206.67	725.00	188.57
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	1,750.00 Apr. 26	575.00 Sep. 30	2,975.00 Apr. 15 and 16	725.00 Jun.-Sep. ²	245.00 Apr.-Jun. ²
Average	1,586.32	480.32	2,502.34	605.91	205.45

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:												
June	19	830	3,320	171,000	261	8,680	264	7,680	11,600	53,400	4	161
July	3	131	4,110	201,000	254	9,910	218	7,620	1,610	45,500	(2)	3
August:												
Argentina	--	--	--	--	--	--	--	--	14	388	--	--
Belgium	--	--	337	17,300	--	--	--	--	--	--	--	--
Bolivia	--	--	--	--	--	--	--	--	1,590	228	--	--
Brazil	--	--	3	158	--	--	--	--	34	991	--	--
Canada	(2)	10	--	--	--	--	15	759	2,200	2,930	--	--
Chile	--	--	--	--	--	--	--	--	3	131	--	--
China	--	--	--	--	--	--	--	--	130	2,260	--	--
Colombia	--	--	--	--	140	5,590	--	--	19	430	--	--
Czech Republic	--	--	--	--	--	--	--	--	11	129	--	--
France	--	--	16	1,300	--	--	--	--	9	402	--	--
Germany	--	--	108	4,370	120	4,430	327	11,000	166	7,410	--	--
Israel	--	--	--	--	9	228	--	--	6	175	--	--
Italy	--	--	49	2,560	--	--	--	--	81	4,690	--	--
Japan	--	--	--	--	2	20	(2)	25	202	7,030	--	--
Mexico	--	--	22	1,120	4	57	--	--	13	757	--	--
Norway	--	--	33	1,580	--	--	--	--	--	--	--	--
Panama	--	--	--	--	--	--	--	--	4	175	--	--
Russia	--	--	25	1,240	--	--	50	2,480	--	--	--	--
Saudi Arabia	--	--	--	--	--	--	--	--	102	5,000	--	--
South Africa	--	--	1,330	66,600	--	--	--	--	--	--	--	--
Taiwan	--	--	--	--	--	--	--	--	794	470	--	--
United Kingdom	--	--	314	15,400	1	44	4	220	39	1,330	--	--
Other	--	--	--	--	(2)	2	4	177	22	466	1	38
Total	(2)	10	2,240	112,000	275	10,400	402	14,700	5,440	35,400	1	38
Year to date	531	11,300	20,100	996,000	2,810	113,000	3,610	143,000	69,900	338,000	26	1,300

-- Zero.

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

²Less 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)
2009	62,300	\$568,000	7,350	\$62,300	1,520	\$20,800	68	\$551	21,200	\$55,700	11,200	\$530,000
2010:												
June	4,340	66,200	409	6,270	1,010	19,800	--	--	921	6,860	1,170	101,000
July	8,380	120,000	569	10,300	85	1,910	--	--	1,010	7,250	1,130	89,700
August:												
Belgium	16	141	--	--	--	--	--	--	--	--	54	4,270
Canada	165	4,030	194	4,510	--	--	--	--	--	--	--	--
Germany	137	1,610	3	16	24	630	--	--	174	1,140	105	6,800
Italy	93	1,530	5	64	--	--	--	--	--	--	4	303
Japan	164	1,620	16	71	--	--	--	--	50	270	2	159
Norway	49	751	--	--	--	--	--	--	--	--	7	438
Russia	998	15,300	311	4,900	--	--	--	--	--	--	131	8,980
South Africa	3,570	53,000	16	231	38	871	60	495	552	3,960	665	48,500
Switzerland	468	6,710	7	187	--	--	--	--	--	--	--	--
United Kingdom	410	6,180	7	202	(3)	3	--	--	10	64	33	2,230
Other	8	84	1	27	(3)	4	--	--	--	--	--	--
Total	6,080	90,900	561	10,200	62	1,510	60	495	785	5,440	1,000	71,700
Year to date	44,500	619,000	3,010	50,900	2,090	37,000	68	551	8,920	56,700	8,770	628,000

-- 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	
	Value		Value		Value		Value		Value	
	Quantity	(thousands)	Quantity	(thousands)	Quantity	(thousands)	Quantity	(thousands)	Quantity	(thousands)
2009	15,600	\$522,000	31,600	\$523,000	30,300	\$229,000	4,020	\$34,400	1,220	\$48,400
2010:										
June	2,500	116,000	4,960	169,000	2,570	25,200	293	2,730	56	4,760
July	786	31,100	2,080	71,700	2,320	27,200	527	5,060	228	9,270
August:										
Argentina	29	1,470	--	--	--	--	--	--	--	--
Australia	2	118	--	--	65	813	--	--	--	--
Belgium	1	17	--	--	(4)	3	--	--	--	--
Brazil	3	19	--	--	1	22	--	--	--	--
Canada	47	1,680	(4)	18	267	2,950	2	31	(4)	4
China	30	1,610	--	--	114	1,830	--	--	15	1,340
Denmark	--	--	--	--	17	196	--	--	--	--
Dominican Republic	(4)	27	--	--	(4)	4	--	--	--	--
France	2	32	--	--	35	223	1	17	--	--
Germany	175	7,010	125	6,410	318	4,480	--	--	--	--
Hong Kong	10	280	(4)	4	75	816	--	--	--	--
India	2	100	--	--	19	214	--	--	--	--
Ireland	17	604	--	--	15	87	1	6	--	--
Israel	6	172	--	--	55	242	5	48	--	--
Italy	156	7,550	--	--	10	138	--	--	4	344
Japan	162	6,450	470	11,600	127	1,450	133	917	11	1,080
Korea, Republic of	(4)	3	--	--	53	457	--	--	--	--
Malaysia	(4)	6	--	--	2	14	--	--	--	--
Mexico	33	1,190	--	--	2	22	--	--	(4)	4
Netherlands	(4)	46	--	--	2	20	--	--	--	--
New Zealand	(4)	5	--	--	9	147	--	--	--	--
Philippines	1	42	--	--	7	46	--	--	--	--
Romania	(4)	7	--	--	1	3	--	--	--	--
Saudi Arabia	1	10	--	--	1	10	--	--	--	--
Singapore	154	7,090	--	--	41	186	--	--	--	--
South Africa	--	--	552	2,400	1	10	1	21	--	--
Switzerland	9	299	96	2,270	14	86	--	--	--	--
Taiwan	3	79	--	--	243	1,490	3	48	--	--
Thailand	(4)	67	--	--	1	3	--	--	--	--
United Kingdom	36	1,560	818	26,700	194	2,740	80	1,880	(4)	10
Other	8	186	--	--	51	306	--	--	--	--
Total	887	37,700	2,060	49,500	1,740	19,000	226	2,970	31	2,780
Year to date	11,600	532,000	22,200	613,000	26,600	295,000	3,340	32,800	1,480	78,400

-- 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.