



Weekly Precious Metals News Articles: April 23, 2021

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Below is a cross section of relevant news article to the world of Precious Metals:

Markets, Supply & Demand, Investment, and Industrial Applications.

Printable PDF version attached. Enjoy-

Gold

- **PRECIOUS-Gold heads for weekly rise as U.S. Treasury yields edge lower**
 - Gold poised to post 3rd weekly gain, up 0.6% so far this week
 - Swiss gold exports at 10-month high on huge shipments to India
 - Analysts expect a further run towards \$3,000/oz for palladium (Adds comments, updates prices)
<https://www.nasdaq.com/articles/precious-gold-heads-for-weekly-rise-as-u.s.-treasury-yields-edge-lower-2021-04-22>
- **Gold Prices Extend Higher as Yields Fall, ECB Meeting in Focus**
 - Gold prices extended higher during APAC trading hours as yields and the US Dollar fell
 - Demand for safety remains elevated as traders are jittery about the unwinding of the “reflation trade”
 - Gold prices are challenging the 100-Day SMA line. Breaking it may hint at further upside potential
https://www.dailyfx.com/forex/market_alert/2021/04/22/Gold-Prices-Extend-Higher-as-Yields-Fall-ECB-Meeting-in-Focus.html
- **China renews appetite for gold with US\$8.5 billion set to arrive as central bank relaxes quotas**
 - China’s appetite for gold jewelry, bars and coins has recovered as the economy rebounded in recent months. Around 150 tonnes of gold, worth US\$8.5 billion at current prices, are likely to be shipped by next month, multiple sources claim.
<https://www.scmp.com/economy/china-economy/article/3129894/china-renews-appetite-gold-us85-billion-set-arrive-central>

Semiconductor Related Articles (impacting Precious Metals electronics):

- **Global PC shipments rise 32%, despite chip shortage**
 - Despite a semiconductor shortage, global PC shipments in the first quarter of this year increased 32% from a year earlier, preliminary data from research firm Gartner Inc showed.
 - Shipments in the January-to-March period totaled 69.87 million units from 52.93 million units a year earlier, Gartner said in a report on Monday last week.
<https://www.taipeitimes.com/News/biz/archives/2021/04/19/2003755928>
- **TSMC says car chip supply will improve in Q3**
 - Wei said TSMC has been doing its utmost to meet demand from its clients amid the acute car chip shortage since the fourth quarter of last year.

- In response, TSMC announced in January that it would give top priority to car chips to help desperate automakers navigate the difficulties that have disrupted production. The situation has since been compounded by the frigid weather in the U.S. state of Texas and a recent fire at a Japanese chip plant.
<https://focustaiwan.tw/business/202104150028>
- **Chip constraints create domino effect in Korea's auto industry**
 - The Hyundai Ulsan plant suspension expected shortfall of 6,000 Konas and 6,500 IONIQ5s.
 - GM Korea was forced to limit its TRAX production to 50% of capacity since February
 - The No. 1 and No. 2 plants in Incheon, lost sales of 4800 Trailblazers and 1,200 Trax SUVs.
 - The vehicle OEM market has been suffering from a supply shortage of micro control units.
https://www.koreatimes.co.kr/www/tech/2021/04/419_307353.html?gonw
- **Latest IC Forecast: Big Demand, Shortages**
 - Semi market forecast for this year was +12% and it is currently +19%. We also believe that there is much more upside than downside potential to this forecast. DRAM is in short supply and prices are rising steadily in this segment. We started the year at +18% for DRAM and are currently at +28%. Overall, the market forecasts were raised for just about every segment— analog, logic, MCUs, etc. There is increasing strength across the board.
<https://semiengineering.com/latest-ic-forecast-big-demand-shortages/>

Silver

- **Silver Institute: World Silver Survey 2021**
 - 87-page detailed market overview.
<https://www.silverinstitute.org/wp-content/uploads/2021/04/World-Silver-Survey-2021.pdf>
- **Ed Steer: Silver Market on a Knife's Edge**
 - The entities behind silver short position in the COMEX futures market have changed over time, but Steer said that currently he and silver analyst Ted Butler believe that the “big two” are Citigroup and HSBC. Along with other large traders that are short silver, they stamped out the price rise that came when the silver squeeze was first gaining traction.
<https://investingnews.com/daily/resource-investing/precious-metals-investing/silver-investing/ed-steer-silver-market-knifes-edge/>
- **Silver: The 'Real Gold' In Biden's Green World**
 - “A key here is electrification. Silver has the highest electrical (and thermal) conductivity of all metals and solar cells plus electric cars are driving demand, while supply remains largely price-inelastic.”
<https://www.investing.com/analysis/silver-the-real-gold-in-bidens-green-world-200573411>
- **China Solar PV Industry: Secrecy and Abuse Claims Haunt China's Solar Factories in Xinjiang**
 - In the wilderness of the Gobi Desert sit two factories that churn out vast quantities of polysilicon, the raw material in billions of solar panels all over the world. It's a four-hour drive from Urumqi, the capital of the Xinjiang region at the center of China's crackdown on Uyghurs and other Muslim minorities. The only structures that rise up among miles of rolling snow-covered fields are the chimneys of coal-fired power plants, belching white smoke.
 - No one outside China knows what goes on inside these factories, or two others elsewhere in Xinjiang that together produce nearly half the world's polysilicon supply. State secrecy cloaks the raw material for a green boom that researchers at BloombergNEF project will include a nearly tenfold increase in solar capacity over the next three decades. Solar is set to grow by about a quarter this year after record installations in 2020 backed by almost \$150 billion in investment. That means millions of homeowners buying solar panels everywhere face moral uncertainty: Embrace the green future, and you have no way of knowing if you're purchasing products made by forced labor and dirty coal.

https://www.bloomberg.com/graphics/2021-xinjiang-solar/?cmpid=BBD041321_GREENDAILY&utm_medium=email&utm_source=newsletter&utm_term=210413&utm_campaign=greendaily

Precious Metals Mining:

- **Mining companies' struggle to reduce Scope 3 emissions may jeopardize ability to survive**
 - Their plight is made worse by the extreme difficulty of reducing, and eventually eliminating, Scope 3 emissions. These are the indirect emissions in a mining company's value chain, notably from the use of the commodities processed by their customers, such as the steelmakers who buy iron ore from BHP, Vale, Rio Tinto and Anglo American.
 - A few years ago, Scope 3 emissions barely registered among ESG investors; they focused on a company's direct emissions. Today, Scope 3 reductions are considered the key to sustainability. There is a recognition among Big Mining companies (and Big Oil and Gas) that they have to take a "stewardship" role in reducing these emissions, even if they have no direct control over them.
 - Scope 3 emissions account for about 95 per cent of the mining industry's overall output, and companies that fail to lay out a clear and determined strategy to bring them down will get punished by investors and treated as pariahs at climate summits and among environmental scientists and politicians, as Big Oil is.
<https://www.theglobeandmail.com/business/article-mining-companies-struggle-to-reduce-scope-3-emissions-a-process-that/>
- **Anglo American lifts first-quarter output on strong copper, PGMs performance**
 - Anglo's production increased by 3% overall, driven by strong performances at the copper operations in Chile and platinum group metal (PGM) and iron-ore operations in South Africa, which combined, served to more than offset plant maintenance downtime at the Minas-Rio iron-ore mine, in Brazil, and the temporary suspension at the Moranbah metallurgical (met) coal operation in Australia.
<https://m.miningweekly.com/article/anglo-american-lifts-first-quarter-output-on-strong-copper-pgms-performance-2021-04-22>
- **Miner Anglo American's first-quarter production up 3%**
<https://www.nasdaq.com/articles/miner-anglo-americans-first-quarter-production-up-3-2021-04-22>
- **NORNICKEL ANNOUNCES PRODUCTION RESULTS FOR 1Q 2021**
 - In 1Q21, palladium and platinum output increased 40% q/q to 776 Koz and 23% to 184 Koz, respectively, all of which were produced from the companies own Russian feed. The increase of PGMs output was attributed to the full ramp-up of a new line for production of precious metals from chlorine leaching residues at Kola MMC and, as a result, as a decrease in the WIP inventory.
<https://www.marketwatch.com/press-release/nornickel-announces-production-results-for-1q-2021-2021-04-19>

E-Waste & Precious Metals Recycle Related:

- **LBMA PGM Recycle Market Update**
 - Replay of Sibanye-Stillwater and Anglo-American interview on PGM Recycle market.
<https://vimeo.com/537349353/3c8636ee4b>
- **Hot Commodity by Steve Fletcher (Managing Director, Automotive Recyclers of Canada)**
 - With end-of-life vehicles in very high demand, recyclers are getting creative when purchasing and recycling them.
<https://autosphere.ca/collision/2021/04/09/hot-commodity-by-steve-fletcher/>
- **How to Recycle a Catalytic Converter - Waste Advantage Magazine**
 - It's important to recycle and it's more important to use and have correct process, suitable machinery, high quality systems and trustable team. Also there will be waste gas and waste acid during the process, but they won't be a problem because at Proses Makina Company, we already

have a solution. All you need to think is how profitable and easy to amortize a catalytic converter recycling system. See, be aware, invest and earn economically.

<https://wasteadvantagemag.com/how-to-recycle-a-catalytic-converter/>

- **Belgium's Umicore sees 2021 core profit beating expectations**
 - Belgian materials technology and recycling group Umicore beat full-year guidance expectations on Thursday, spurred by high precious metal prices and strong demand, sending its shares 7% higher.
 - Umicore's recycling business has benefited the most from higher prices, particularly for rhodium, with the new outlook incorporating on a like-for-like basis an exceptional additional contribution of roughly 250 million euros compared to 2020.
<https://www.marketscreener.com/news/latest/Belgium-s-Umicore-sees-2021-core-profit-beating-expectations--33032093/>
- **Growing battery processor plans next US facility**
 - Lithium-ion battery recycling company Li-Cycle will build its third North American plant in the Phoenix area. The operation will be able to process up to 22 million pounds of batteries per year.
https://resource-recycling.com/e-scrap/2021/04/22/growing-battery-processor-plans-next-us-facility/?utm_medium=email&utm_source=internal&utm_campaign=April+22+ESN

Platinum

- **Platinum use in vehicle emissions control systems increasing as new regulations kick in – WPIC**
 - Automotive demand for platinum is expected to grow by 25% year-on-year to reach almost three-million ounces this year, the World Platinum Investment Council (WPIC) reports. The three-million-ounce demand forecast will be 5% higher than pre-pandemic levels.
https://www.miningweekly.com/article/platinum-use-in-vehicle-emissions-control-systems-increasing-as-new-regulations-kick-in-wpic-2021-04-21/rep_id:3650

Fuel Cells/Hydrogen Economy Related Articles:

- **New European consortium to develop advanced fuel cell technology for heavy-duty trucks**
 - Johnson Matthey, a global leader in sustainable technologies, has joined a major new European consortium developing higher performance fuel cell components for heavy-duty trucks with a predicted lifetime of at least 30,000 hours lifespan.
 - Jo Godden, managing director of Johnson Matthey's Fuel Cells business, said: "Developing a robust fuel cell powertrain solution to decarbonise freight transportation will be critical to achieving net-zero goals around the world. Matthey is proud to be a part of project immortal to leverage our decades of fuel cell experience to benefit all parties."
<https://menafn.com/1101934353/New-European-consortium-to-develop-advanced-fuel-cell-technology-for-heavy-duty-trucks>
- **Hyundai-Kia to launch one new energy vehicle a year in China**
 - Hyundai and Kia announced a new strategy for e-mobility called 'Rising Again, For China'. By 2030, the line-up in the People's Republic will include 21 electrified models, including fuel cell and hybrid cars by both the Hyundai and Kia brands.
<https://www.electrive.com/2021/04/16/hyundai-kia-to-launch-one-new-energy-vehicle-a-year-in-china/>
- **Specialist vehicles to benefit from platinum-based fuel cell electric propulsion, says council**
 - Sales of hydrogen fuel cell electric vehicles could reach 4.6-million a year by 2030, especially as the cost of hydrogen starts to fall, the World Platinum Investment Council estimates.
 - Matt: WPIC is mistaken. The global Hydrogen Council and several other advocates are hoping for 4.5M FCEV's on the road by 2030, not 4M/year by 2030. See the Hydrogen Council's 2021 Insights page 8 for reference to same. [Hydrogen-Insights-2021.pdf](#) (hydrogencouncil.com)

- Matt: Achieving 4M FCEV's /year with today's loadings would require > 6 Moz of Pt, which simply is not available with today's mined supply and competing Pt demand sources. I've tried contacting and correcting WPIC multiple time to no avail.
https://www.miningweekly.com/article/specialist-vehicles-to-benefit-from-platinum-based-fuel-cell-electric-propulsion-says-council-2021-04-16/rep_id:3650
- **Growing ambition: the world's 20 largest green-hydrogen projects**
 - The rapidly rising number of gigawatt-scale renewable H2 developments promise economies of scale that could drive down the cost of the zero-carbon fuel
 - When this article was first published in December 2020, the 13 gigawatt-scale green hydrogen projects on this list added up to 50GW, out of a global pipeline of 80GW.
 - But this is a fast-moving sector, with new projects being announced on an almost daily basis. Now, less than four months later, the gigawatt-scale pipeline alone adds up to 137.8GW across 20 projects.
<https://www.rechargenews.com/energy-transition/growing-ambition-the-worlds-20-largest-green-hydrogen-projects/2-1-933755>

Palladium

- **Europe Car Sales Surge 63% in March, Erasing Earlier Decline**
 - New car-registrations rose 63% in March, the European Automobile Manufacturers' Association said Friday. The gains erased an early-year decline to leave sales up 0.9% for the quarter.
 - The 1.39 million vehicles registered was the highest since June 2019.
<https://www.msn.com/en-us/money/markets/europe-car-sales-surge-63-in-march-erasing-early-year-decline/ar-BB1f16UB?ocid=BingNewsSearch>
- **Supply deficit sends palladium price to all-time high - MINING.COM**
 - Palladium surged to a record high on Wednesday amid growing expectations that rebounding demand from automakers will exacerbate a supply shortfall. Spot palladium jumped as much as 4.7% during the session to \$2,899.50 per ounce, surpassing the previous record set in February 2020. Prices have climbed more than 17% in 2021, building on five straight annual gains.
<https://www.mining.com/supply-deficit-sends-palladium-price-to-all-time-high/>
- **PRECIOUS-Palladium soars to within sight of \$3,000 in record run**
 - Platinum en route to best week in six
 - U.S. new home sales jump, factory activity accelerates
<https://www.reuters.com/article/global-precious-idUSL4N2MG34A>
- **Palladium Hits Record as Supply Shortage Deepens on Auto Demand**
 - Spot palladium surged to a record high on bets that rebounding economies will fuel automaker demand, deepening supply shortfalls of the precious metal.
 - Palladium, used in catalytic converters to curb emissions in gasoline-powered vehicles, rose as much as 4.8% to \$2,895.96 an ounce on Wednesday, surpassing the previous record set in February 2020. Prices have climbed more than 17% this year, building on five straight annual gains.
<https://www.msn.com/en-us/money/markets/palladium-hits-record-as-supply-shortage-deepens-on-auto-demand/ar-BB1fUmE3?ocid=BingNewsSearch>

BEV / LiB Battery Market News

- **Bosch blasts EU over electric car 'fixation'**
 - Car parts supplier highlights alternative low-emission options
<https://www.irishtimes.com/business/manufacturing/bosch-blasts-eu-over-electric-car-fixation-1.4544622>

- **Car companies face a chip problem. Soon China will hand them a cobalt problem that might trigger radical ownership moves**
 - What Mr. Biden and automakers may not fully realize is that the chip shortage may just be the start of their supply problems. That's because all the auto biggies are converting their fleets to electric power, which essentially means they are becoming battery companies. The economic and strategic risks of this move are enormous.
 - Since cobalt is an essential component of lithium-ion batteries, automakers will become beholden to the Democratic Republic of the Congo (DRC), where 75 per cent of the world's cobalt is mined, and to the Chinese mining companies that dominate the metal's production in that country. Switzerland's Glencore may be the single biggest cobalt miner in the DRC, but it is the Chinese companies that are coming on strong and seem intent on taking over the global cobalt industry.
<https://www.theglobeandmail.com/business/international-business/article-car-companies-face-a-chip-problem-soon-china-will-hand-them-a-cobalt/>
- **Billionaire Miner Sees Copper Supply as National Security Issue**
 - Copper is so crucial in electrifying the global economy that finding enough of it has become a national security issue, according to mining magnate Robert Friedland.
 - Matt: 40% of the known global copper reserves will be needed for EV's Wind and Solar that is planned through 2050. Copper needs for tripling the global power grid are undetermined. Copper fix approaching all-time highs. Global Cu reserves ~35 years at current rate of mining.
<https://www.bloomberg.com/news/articles/2021-04-13/friedland-says-miners-will-have-to-be-heroes-in-electrification>
- **Goldman Sachs calls copper "the new oil"**
 - In a new report on copper, global investment bank Goldman Sachs says meeting the Paris climate goals and supporting the green transition away from fossil fuels and towards electrification will see a surge in copper demand and forecasts a long-term supply gap of 8.2 million tonnes of the metal by 2030, the "highest on record" and "twice the size of the gap that triggered the bull market in copper in the early 2000s."
<https://www.northernminer.com/news/goldman-sachs-calls-copper-the-new-oil/1003830196/#.YH27181.Ylk.linkedin>
- **JM announces strategic partnership for sustainable battery materials production and secures critical raw materials supply**
 - Strategic partnership with Finnish Minerals Group to locate second commercial plant for eLNO[®] cathode materials, with nameplate capacity of 30kT, in Finland.
 - Finnish Minerals Group to develop integrated supply of effluent treatment solution.
 - Long-term sustainable supply of critical raw materials for Europe: Nornickel for supply of nickel and cobalt, and SQM for supply of lithium hydroxide
<https://matthey.com/en/news/2021/second-elno-plant-and-strategic-partnership-announced>
- **Posco Chemical bets future on battery materials**
 - Posco Chemical's 30,000-ton cathode plant in Gwangyang, South Jeolla Province.
 - The cathodes are a mix of heavy metals consisting of nickel, cobalt, manganese and aluminum. The greater the ratio of nickel inside cathodes, the more powerful lithium-ion batteries become, which translates into a greater driving range for electric vehicles. Posco Chemical will supply cathodes containing 89-90 percent nickel to Ultium Cells, a US joint venture between LGES and GM.
 - Posco Chemical aims to ramp up its annual production capacity to 100,000 metric tons by 2023 from the current 30,000. One ton of cathodes cost \$20,000 to \$30,000 and can power 11 electric vehicles.
<http://www.koreaherald.com/view.php?ud=20210418000191>
- **DOE Announces \$162 Million to Decarbonize Cars and Trucks | Department of Energy**

- SuperTruck 3 Will Fund Projects to Electrify Medium- and Heavy-Duty Freight Trucks; Additional Investment Will Boost Vehicle Efficiency, Expand EV Infrastructure.
<https://www.energy.gov/articles/doe-announces-162-million-decarbonize-cars-and-trucks>
- **European Electric Car Sales Spurting, But Might Sag When Subsidies End, Batteries Lag**
 - Europe’s electric car revolution looks unstoppable and experts are scrambling to raise medium and long-range sales forecasts, but once well-healed first adopters have been satisfied and current massive subsidies are withdrawn, demand might wither away, not least because even the “cheapest” new electric cars are much too expensive for the mass market.
 - VW’s prediction that 70% of its European own brand sales will be battery-electric by 2030 look dangerously high.
<https://www.forbes.com/sites/neilwinton/2021/04/16/european-electric-car-sales-spurting-but-might-sag-when-subsidies-end-batteries-lag/?sh=ff705f448a60>
- **Trafigura Bets on Green-Nickel Squeeze in Defiance of China Cure**
 - The Goro deal shows Trafigura and Tesla don’t see Tsingshan’s new processing method as a panacea for meeting surging demand for nickel used in the batteries needed to help wean the world off fossil fuels. Carmakers’ preference for cleaner sources of aluminum and cobalt suggest they’ll follow a similar line on nickel, said Socrates Economou, head of nickel and cobalt trading at Trafigura.
 - “You need higher prices of \$19,000 per ton imminently to incentivize the correct nickel output that the market needs,” Economou said in an interview. While there are various routes to produce battery-grade nickel, “you need higher prices in order to support these missions. And there’s no other solution around today.”
<https://www.bloomberg.com/news/articles/2021-04-20/trafigura-bets-on-green-nickel-squeeze-in-defiance-of-china-cure>

Regards –