



Weekly Precious Metals News Articles: February 19, 2021

Distribution: If you no longer wish to be on this mailing list, send me a note. If others want to be added to distribution, again let me know.

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

- **Gold turns higher, but stays on track for sharpest weekly skid in over a month**
 - Gold futures turned higher in Friday dealings, looking to stretch their gain from a day earlier, but the precious metal is still on track to suffer its sharpest weekly drop since early January.
 - Gold fell to its lowest level since July during Friday's session, but it has since recovered, "thanks to the weakness in the U.S. dollar," said David Madden, market analyst at CMC Markets UK.
<https://www.msn.com/en-us/money/markets/gold-turns-higher-but-stays-on-track-for-sharpest-weekly-skid-in-over-a-month/ar-BB1dPwgq>
- **Barrick beats profit estimates on higher gold prices**
 - Canadian miner Barrick Gold Corp reported a quarterly profit on Thursday that beat analysts' estimates, helped by a jump in gold prices due to coronavirus-induced economic uncertainty.
<https://www.reuters.com/article/us-barrick-gold-results/barrick-adjusted-profit-more-than-doubles-on-higher-gold-prices-idUSKBN2AI1DC>
- **Gold-decorated titanium dioxide nanoparticles can speed up water desalination**
 - An international research team discovered that it is possible to use titanium dioxide nanoparticles with gold to accelerate the evaporation in desalination plants up to 2.5 times and track hazardous molecules and compounds.
 - In a paper published in the journal ACS Applied Materials and Interfaces, the researchers said that the nanoparticles are able to absorb about 96% of the solar spectrum and turn it into heat.
<https://www.mining.com/gold-decorated-titanium-dioxide-nanoparticles-can-speed-up-water-desalination/>

Semiconductor Related Articles (impacting Precious Metals electronics):

- **'Perfect storm': phones, consoles could get pricier as chip crisis bites**
 - Prices of popular gadgets such as PlayStations and iPhones could rise because of microchip shortages caused by a "perfect storm" of coronavirus-driven demand, supply chain disruptions and trade war stockpiling, experts warn.
 - In the months after the pandemic hit, people stuck at home went on a spending spree to buy items including extra monitors, new computers and tablets -- each of which runs on all-important chips.
<https://www.livemint.com/news/world/perfect-storm-phones-consoles-could-get-pricier-as-chip-crisis-bites-11613619793624.html>
- **Shortages, Challenges Engulf Packaging Supply Chain**

- A surge in demand for chips is impacting the IC packaging supply chain, causing shortages of select manufacturing capacity, various package types, key components, and equipment.
- Spot shortages in packaging surfaced in late 2020 and have since spread to other sectors. There are now a variety of choke points in the supply chain. Wirebond and flip-chip capacity will remain tight throughout 2021, along with a number of different package types. In addition, critical components used in IC packages, namely leadframes and substrates, are in short supply. Recent fires at a packaging substrate factory in Taiwan has made the problems worse. On top of that, wirebonders and other equipment are seeing extended delivery lead times.
<https://semiengineering.com/shortages-challenges-engulf-packaging-supply-chain/>

Silver

- **Gold's Ratio to Silver Falls Near 6-Year Low as 'Reflation Trade' Fails to Spook the Fed**
 - Silver prices outperformed gold once again on Thursday, holding firm for the week so far and edging the Gold/Silver Ratio downwards even as gold rallied to show a 2.5% drop from last Friday.
<https://www.bullionvault.com/gold-news/gold-silver-021820211>
- **Silver's Clean Energy Future**
 - Silver plays a critical role in all "green revolution" discussions. Although renewable power generation and battery storage technologies may conjure visions of cobalt, lithium and nickel, we would argue that silver plays an even more fundamental role across many green energy technologies.
 - We have often discussed silver's role as a real asset, a currency that generally keeps its value through fiat currency devaluation cycles. Through the COVID-19 pandemic, silver has certainly proven its value as a safe haven asset in portfolios, rising 47.89% in 2020.
<https://sprott.com/insights/silvers-clean-energy-future/#>
- **Don't go ruling out silver's prospects - it could be the next shining metal**
 - We see plenty of upside for both gold and silver – but we believe that silver will continue to outshine gold. As such we expect the gold/silver ratio (the gold price divided by the silver price) to contract further. In 2011, the ratio was 32; so its recent low of 69 (in August 2020) is, by historic levels, high.
 - Silver would have to double+ to regain its high of April'11 and we believe the current environment sets silver up for an uncontrolled move to the upside at some point in the next few years.
<https://gulfnnews.com/business/markets/dont-go-ruling-out-silvers-prospects---it-could-be-the-next-shining-metal-1.1613473930166>
- **Bullion coin orders spike at U.S. Mint with silver market activity**
 - The United States Mint has benefitted from the frenzy of retail traders buying heavily shorted stocks like GameStop and AMC Entertainment in recent weeks. The spill over into buying silver, especially American Eagle silver bullion coins, pushed the Mint's total January sales of the coins to 4,775,000 pieces, which is 929,000 coins more, or 24.1% higher, than January 2020 sales.
<https://www.coinworld.com/news/us-coins/bullion-coin-orders-rise-at-us-mint-with-silver-market-activity>
- **The Truth about the Silver Market by G. Miguel Perez-Santalla**
 - Finally, I am not taking a position on whether the price of silver will go up or down. The purpose of this post is to neutralize the false narrative being presented elsewhere. There are plenty of reasons to own silver but the false conspiracy theories being spread about are not one of them
<https://metamorphosisinwords.blog/2021/02/18/the-truth-about-the-silver-market/>

Precious Metals Mining:

- **Ivanplats to fund up to \$420m for palladium, platinum mine**
 - Canada-based Ivanhoe Mines said on Tuesday its South African unit has agreed to finance up to \$240 million to start mining work on the company's Platreef palladium and platinum project.

- <https://www.mining.com/web/ivanhoes-s-african-unit-to-fund-up-to-240m-for-palladium-platinum-mine/>

 - **Exploration presents huge upside potential if only South Africa can find the golden key**
 - “If you don’t release data for free, you’ll have no exploration,” says Exploration Geological Consultancy MD Regina Molloy.
 - Both Bristow and Molloy spoke to Engineering News & Mining Weekly in a Zoom interview, against the background of Mineral Resources and Energy Minister Gwede Mantashe setting a target for South Africa to move, within the next five years, from attracting only 1% of the global exploration dollars spent, to attracting an ambitious 5% of the exploration dollars spent.
<https://www.miningweekly.com/article/exploration-presents-huge-upside-potential-if-only-south-africa-can-find-the-golden-key-2021-02-12-1>
- **Sibanye May Boost Platinum Metals Output in South Africa – Bloomberg**
 - If the company’s board gives approval this month, work on the K4 and Klipfontein projects will start in 2021 and take eight years, the Johannesburg-based miner said in a statement Monday. That would boost annual output by about 250,000 ounces of PGMs. Sibanye shares rose 6.4% in Johannesburg, bringing this year’s gain to about 15%.
 - K4 would extend the life of Marikana by more than 50 years, said James Wellsted, a spokesman for Sibanye. The project would require the completion of shaft infrastructure to extract metal from both the Merensky and UG2 reefs.
<https://www.bloomberg.com/news/articles/2021-02-15/sibanye-mulls-boosting-platinum-metals-output-in-south-africa>
- **Sibanye report strong growth in PGM, gold reserve**
 - Sibanye-Stillwater has reported a 40% increase in platinum, palladium, rhodium and gold (4E) platinum group metal (PGM) reserves at its South African operations to 39.5-million ounces.
https://www.miningweekly.com/article/sibanye-report-strong-growth-in-pgm-gold-reserves-2021-02-15/rep_id:3650
- **Northam Platinum to post 88% higher interim earnings despite growing sales backlog**
 - Northam performed well despite its Zondereinde mine operating at 90% at capacity owing to Covid-19 effects. Half year output totaled 352,741 oz 4E which is 15% higher y/y.
 - The combination of lower refined sales volumes and increased production resulted in a 25.5% increase in inventory on hand to 276,235 oz 4E compared to an inventory of 220,172 oz 4E on hand at the corresponding period of the previous financial year.
<https://www.miningmx.com/top-story/45273-northam-platinum-to-post-88-higher-interim-earnings-despite-growing-sales-backlog/>
- **Newmont ranked as top gold miner in the DJSI World Index for the sixth consecutive year**
 - Newmont named top global gold mining company on the Dow Jones Sustainability™ World Index for its leading environmental, social and governance performance.
<https://www.kitco.com/news/2020-11-19/Newmont-ranked-as-top-gold-miner-in-the-DJSI-World-Index-for-the-sixth-consecutive-year.html>

E-Waste & Precious Metals Recycle Related:

- **Thieves capitalizing on precious metals cause 1,600% jump in catalytic converter thefts**
<https://www.thedenverchannel.com/news/local-news/thieves-capitalizing-on-precious-metals-cause-1-600-percent-jump-in-catalytic-converter-thefts>
- **Smelters describe 2020 price and supply impacts**
 - Boliden, a European metals refining company, buys printed circuit boards from e-scrap companies and processes the materials at its Rönnskär, Sweden smelter, recovering copper and precious metals. The smelter also produces metals from other virgin and recycled sources.

- The company noted that although its Rönnskär furnace saw mostly stable or increased metals production, its circuit board consumption was “adversely affected by reduced supply of electronic secondary raw materials due to COVID-19.”
<https://resource-recycling.com/e-scrap/2021/02/18/smelters-describe-2020-price-and-supply-impacts/>
- **Sims: Parts reuse helped offset 2020 cloud challenges**
 - During 2H 2020 SLS processed 28,537 mt of electronics, -31% y/y on a remaining-business basis. Of that weight, U.S. cloud equipment made up 6,200 mt (-30% y/y) and cloud electronics from the rest of the world made up 4,200 mt (-5% y/y). Total cloud weight processed was -22%.
<https://resource-recycling.com/e-scrap/2021/02/18/sims-parts-reuse-helped-offset-2020-cloud-challenges/>

Platinum

- **Platinum price at six year high on bright demand outlook**
 - Platinum rose above the \$1,300 an ounce level for the first time since September 2014, up 4.4% to \$1,312.54 an ounce by 12:50 p.m. EST. “Investors have started to realize there’s upside potential for platinum prices, so it’s catching up to other precious metals,” ABN Amro analyst Georgette Boele told Reuters. “Platinum will likely continue to outperform both palladium and gold
<https://www.mining.com/platinum-price-at-six-year-high-on-bright-demand-outlook/>
- **Why Platinum ETFs Are Starting to Draw More Attention**
 - Over the past three months, the Aberdeen Standard Platinum Shares ETF (NYSEArca: PPLT) has increased 43.1% and the GraniteShares Platinum Trust (PLTM) has added 44.5%.
 - Money managers have started pouring into platinum partly because the hard asset is seen as a good store of value in face of potentially rising inflation pressures, the Wall Street Journal reports.
 - After the run-in gold prices last year, some have turned to platinum as a cheaper alternative. Comex gold futures were hovering around \$1,818.9 per ounce on Friday, while the platinum spot price was at \$1,251.5 per ounce.
<https://www.etftrends.com/platinum-etfs-starting-to-draw-attention/>
- **Is platinum's explosive rally the start of a bull run? | Reuters**
 - Platinum has broken out of more than a decade of price weakness to reach its highest since 2014, as investors anticipate that rising demand, including from the budding hydrogen industry, will surpass supply and support a lasting rally.
<https://www.reuters.com/article/us-platinum-price-idUSKBN2AG1GF>
- **Just Before the Arrival of Electric Trucks Diesel Sales are Surging**
 - Sales of diesel pickups and SUVs increased 28% in 2020, even as overall new-car sales declined 14%, according to the Diesel Technology Forum, which represents manufacturers of diesel engines and related components, as well as fuel producers.
 - Automakers have been adding diesel-engine options to more SUVs and light-duty pickups recently as a way to boost fuel efficiency. Diesels have been the highest-mileage pickups in recent years, in fact.
https://www.greencarreports.com/news/1131088_just-before-arrival-of-electric-trucks-diesel-sales-are-surging

Fuel Cells/Hydrogen Economy Related Articles:

- **PGMs-linked hydrogen production on way with local electrolyzers, 12J funding**
 - South African company Hydrox Holdings of Randburg is developing an advanced alkaline electrolyser to supply what it describes as “huge hydrogen demand”.
 - Hydrox has established itself as the pioneer of membraneless electrolysis by completing the world’s first membraneless electrolyser prototype utilizing the company’s patented and award-winning DEFT technology. The timeline is to deploy a demonstration unit, followed by the the development of the 500 kW electrolyser, capable of producing 200 kg of hydrogen a day, two years away, followed by a larger 2.5 MW system, capable of producing 1 000 kg of hydrogen a day.

- Hydrox has also tied up with a European consortium that aims to generate renewable methanol through green hydrogen and captured carbon dioxide (CO₂).
<https://www.miningweekly.com/article/pgm-linked-hydrogen-production-kickstarted-with-local-electrolysers-12j-funding-2021-02-13>
- **Toyota claims the 2021 Mirai fuel-cell car cleans the air, calls it “minus emissions”**
 - In the 2021 Toyota Mirai, the air gets cleaned up through a two-stage PM2.5 particulate filter that removes dust, pollen and some “noxious chemicals,” according to Toyota. The first stage is a catalyst filter that can attract and neutralize sulfur dioxide, nitrogen dioxide, and ammonia, then the second stage is an electrostatically charged paper-and-fabric filter that captures microscopic pollutants.
https://www.greencarreports.com/news/1131268_toyota-claims-the-2021-mirai-fuel-cell-car-cleans-the-air-calls-it-minus-emissions
- **WPIC: Use of platinum-based fuel cells in stationary applications continues to expand**
 - According to Johnson Matthey, platinum-based stationary power applications will see some growth in demand in 2021 – longer term they have the potential to further support the build-out of an integrated hydrogen eco-system. As the number of applications for hydrogen grows, in heavy industry and in transportation, it supports the growth of green hydrogen electrolyser capacity and the wider adoption of fuel cell electric vehicles.
https://platinuminvestment.com/files/sixtysecs/WPIC_60seconds_Back-uppower_02182021.pdf

Palladium

- **PGM prices hitting new record highs**
 - The platinum group metal (PGM) price rally shows no sign of abating, with several products hitting new highs this week, buoyed by strong demand outlooks and persisting concerns about supply tightness.
<https://www.argusmedia.com/en/news/2187377-pgm-prices-hitting-new-record-highs>
- **Europe Car Sales Plunge 26% in Worst January Total on Record**
 - New-vehicle registrations plunged 26% to 842,835, the European Automobile Manufacturers’ Association said Wednesday, cutting short a reprieve of smaller declines toward the end of last year. Spain led the drops among major markets with a 52% fall, while sales in Germany fell by almost a third. Shuttered showrooms and hesitant consumers are plaguing automakers which also are fighting production outages due to a worldwide shortage of semiconductors.
<https://www.msn.com/en-us/money/markets/europe-car-sales-plunge-26-25-in-worst-january-total-on-record/ar-BB1dKEsV>

PGM Minor Metals (Rhodium, Iridium, Ruthenium)

- **Tight supply and hydrogen hopes drive iridium up 160%**
 - Iridium has become the latest precious metal to undergo a spectacular price rally, after supply shortages and expectations it will be used to produce hydrogen to power a greener economy lifted its value by 160% in two months.
<https://www.miningweekly.com/article/tight-supply-and-hydrogen-hopes-drive-iridium-up-160-2021-02-12>
- **Osmium: Researchers track how Osmium reacts in a single cancer cell**
 - Osmium is a rare precious metal that could be used to treat cancer with fewer side effects when compared to Platinum, currently used in nearly half of chemotherapies.
 - Using a 185-meter synchrotron beamline, the researchers found that Osmium reacts in the cytoplasm rather than the nucleus of a human lung cancer cell, which may reduce side effects.
<https://www.news-medical.net/news/20210217/Researchers-track-how-Osmium-reacts-in-a-single-cancer-cell.aspx>

BEV / LiB Battery Market News

- **Freyr looks to Glencore's cobalt cut cathode for its battery needs**
 - This was followed on 1 February 2021 with Glencore announcing that the company had entered into a letter of intent (LOI) with Freyr to supply cobalt for its planned battery operations in Mo i Rana, Nordland, Norway.
 - Freyr intends to build up to 43 GWh of lithium ion cell production capacity at the site – considerable plans from the new battery entrant, which could require up to 10,000 tonnes per year of cobalt battery chemicals.
<https://www.benchmarkminerals.com/membership/freyr-looks-to-glencore-cobalt-cut-cathode-for-its-battery-needs/>
- **Analysis: Calls for emissions regulations to consider lifetime impact**
 - Manufacturers in Europe must sell substantial numbers of electrified cars to avoid heavy EU fines, but several industry figures have questioned whether emissions regulations should take into account the environmental impact of a vehicle's entire lifespan.
 - For 2020, car makers had to hit a CO2 emissions fleet average of 95g/km for cars sold, and by 2025 that target is set to come down to around 81g/km. This will be achieved by the increasing use of electrified powertrains, but some in the industry are increasingly resisting the notion that electrified cars are true low-carbon transport.
 - Speaking to the Financial Times, Tavares argued that governments were pushing new technologies before fully understanding their overall environmental impact and said the emissions from battery making – including the pollution from extracting lithium – “handicaps” EVs before they even leave the showroom.
 - Matt: This has become a hot button issue for me. BEV's like the Tesla have 8 year warranties on their LiBs. Few are surviving beyond 10-years. Yet ICE vehicles average age at scrap is now ~19.5 years of age. LCA analysis are very misleading capturing the true environmental CO2 emissions from vehicles that last such a short lifetime.
<https://www.autocar.co.uk/car-news/industry-news-environment/analysis-calls-emissions-regulations-consider-lifetime-impact>
[x](#)
- **Chile was the largest copper producer in 2020; top copper countries felt impact of the pandemic - report**
 - According to the preliminary data released by the U.S. Geological Survey (USGS), estimated global mine production of copper was 20 million tonnes (Mt) in 2020, or -2% y/y (20.4 Mt).
 - With ~5,700 ktonnes mined in 2020, Chile was the top copper producer worldwide, followed by Peru (2,200 ktonnes) and China (1,700 ktonnes). The top ten copper producing countries mined 15,920 ktonnes of copper in 2020, a -2.3% decline over 2019 (16,289 ktonnes).
<https://www.kitco.com/news/2021-02-15/Chile-was-the-largest-copper-producer-in-2020-top-copper-countries-felt-impact-of-the-pandemic-report.html>

Regards –