



Weekly Precious Metals News Articles: January 8, 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

- **Gold to hit new highs this year, says Philip Newman of Metals Focus**
 - Philip Newman, MD of Metals Focus, believes there is further upside for both gold and silver in the coming months. [CNBC Video Interview](#)
 - We expect gold to set new highs in US dollar terms. We do think that it will break through \$2,000 again and as we go through this year it is likely to get to \$2,100 and perhaps even higher as well.
 - Silver is a far smaller market and it is already doing very well. The gold-silver ratio is down to around the 70 levels. We think the ratio will fall further. As silver being a smaller market, it does tend to outperform gold to the upside. We think we could comfortably get to \$30 as we go through 2021. <https://www.cnbc.com/videos/market/commodities/gold-to-hit-new-highs-this-year-says-philip-newman-of-metals-focus-7895061.htm>
- **Gold retreats as dollar stems slide; investors await U.S. Senate verdict**
 - Democrats win one Georgia runoff and lead in second
 - Dollar index recovers slightly from multi-year low
 - Minutes of U.S. Fed's latest policy meeting due at 1900 GMT <https://www.reuters.com/article/global-precious/precious-gold-hits-2-month-peak-on-prospect-of-democratic-win-in-georgia-idUSL4N2JH2BD>
- **Gold Rises to Eight-Week High as Dollar Falls; Platinum Surges**
 - Greenback gauge hovers close to lowest since February 2018
 - Platinum soars as much as 4.1% amid South Africa concerns
 - Gold could scale the \$3000 mark in 2021 and Silver could look to get back to \$50. In rupee terms, Silver could finally breach the INR100,000 mark and gold could go to INR75,000. <https://www.bloomberg.com/news/articles/2021-01-05/gold-near-two-month-high-as-covid-angst-fires-up-haven-demand?sref=aR5a99oV>
- **LME announces departure of Scotiabank, China Merchants Securities**
 - The London Metal Exchange (LME) said on Tuesday it lost two members - Scotiabank Europe Plc and China Merchants Securities (UK) Limited - groups that last year had shut metals operations.
 - Several banks in recent years have closed commodities businesses, hit by higher capital requirements, heightened government regulation and weaker revenues in the sector. <https://uk.reuters.com/article/uk-lme-cms-scotiabank/lme-announces-departure-of-scotiabank-china-merchants-securities-idUKKBN29A1HH>

Semiconductor Related Articles (impacting Precious Metals electronics):

- **5G to fuel semiconductor demand**
 - The arrival of 5G is enabling more IoT device designs and automobile innovations, as well as PC and handset replacements, creating huge demand for semiconductors. Demand arising from 5G will be a lot more sustainable and promising than that for notebooks and other devices enabling stay-at-home activities amid the pandemic.
 - For example, a 5G smartphone will consume 250% more ICs than a 4G model, the sources said. Chip demand arising from 5G will be incredibly huge, the sources noted.
<https://www.digitimes.com/news/a20210106PD210.html>
- **2020: A Turning Point In The Chip Industry**
 - “I believe that after this period of adjusting to the ‘new normal,’ we will not be going back to the same ‘old normal’ once the pandemic is abated and hopefully eradicated,” says Joseph Sawicki, executive vice president for Mentor, a Siemens Business. “For example, the realities of the pandemic, have shown us that companies can work efficiently — perhaps even more efficiently, collaboratively, and even economically worldwide in remote worker/presence environments. And companies can reach more people more economically if they have a robust digital presence backed by a robust digital supply chain.”
<https://semiengineering.com/2020-a-turning-point-in-the-chip-industry/>
- **Global Semiconductor Sales Increase 7 Percent Year-to-Year in November**
 - Month-to-month sales tick up 1.1 percent in November; annual sales for 2020 on track to substantially outpace total from 2019
<https://www.semiconductors.org/global-semiconductor-sales-increase-7-percent-year-to-year-in-november/>
- **TSMC to build advanced IC packaging, testing plant in Japan: report**
 - The report said on Tuesday that the joint venture with METI, which is expected to be built in Tokyo, will make TSMC a critical player in Japanese efforts to work with the United States in countering China, which has shown ambitions to cultivate its own semiconductor industry.
<https://focustaiwan.tw/business/202101050014>

Silver

- **Brightest Silver Lining To A Gloomy 2020 – Bullish Breakout In Silver Prices**
 - But The Silver Institute estimates that with the ramp-up in the rollout of 5G in the coming years, the amount of silver required will climb to around 16 million oz by 2025 and 23 million oz by 2030. That’s more than 3x the current demand.
 - In its September Global Commodities Quarterly, Citi said it could see \$US40 (\$52.77) an oz within six to 12 months with upside cases of US\$50/oz and even US\$100/oz based on technical analysis.
<https://in.investing.com/analysis/brightest-silver-lining-to-a-gloomy-2020--bullish-breakout-in-silver-prices-200449793>
- **The Silver Institute**
 - With Silvers meteoric rise in 2020 we decided to kick off 2021 with a blog Q&A all about Silver with Michael DiRienzo, Executive Director at The Silver Institute.
<https://seasia-consulting.com/the-silver-institute/>
- **U.S. Mint sees 455% increase in gold coin sales in 2020, silver demand up 100%**
 - The U.S. Mint sold 884,000 oz of gold in various denominations of its American Eagle gold coins. Physical gold demand saw a 5x+ increase, +455% compared to 152,000 oz sold in 2019.
 - Sales of gold coins reached their highest level since 2016 when the mint sold nearly 2 Moz.
 - The U.S. Mint sold 30.01 million ounces of silver, up 101% compared to 2019.

<https://www.kitco.com/news/2021-01-04/U-S-Mint-sees-455-increase-in-gold-coin-sales-in-2020-silver-demand-up-100.html>

Precious Metals Mining:

• **Barrick Gold (GOLD) in Focus: Stock Moves 8.2% Higher**

- Barrick Gold Corporation GOLD was a big mover last session, as the company saw its shares rise more than 8% on the day. The move came on solid volume too with far more shares changing hands than in a normal session. This breaks the recent trend of the company, as the stock is now trading above the volatile price range of \$22.44 to \$23.95 in the past one-month time frame.

<https://www.nasdaq.com/articles/barrick-gold-gold-in-focus%3A-stock-moves-8.2-higher-2021-01-05>

• **Hedge funds raise mining shorts as COVID vaccines seen tamping gold gains**

- Hedge funds increased bets against major gold miners, filings reviewed by Reuters showed, as COVID-19 vaccines weakened expectations for the yellow metal after a year of record gains.

<https://www.reuters.com/article/us-canada-coronavirus-hedgefunds-idUSKBN29A13X>

• **Franco-Nevada: This Gold Streamer Poised To Profit From Stimulus Spending**

- Summary: Franco-Nevada is the largest gold and precious metals streaming company in the world.
- The company will likely see the production that it receives from its streaming contracts grow along with gold prices, providing two sources of growth.
- The price of gold is likely to increase going forward due to incredibly high Federal spending and growth of the money supply.
- Franco-Nevada generates an enormous amount of cash flow that allows it to support its current dividend and forward dividend growth.

<https://seekingalpha.com/article/4396169-franco-nevada-this-gold-streamer-poised-to-profit-from-stimulus-spending>

• **McEwen Mining: 2020 Full Year and Q4 Production Results**

- McEwen Mining Inc. (NYSE: MUX) (TSX: MUX) reports consolidated production for the full year of 2020 was 92,100 gold ounces and 2,020,000 silver ounces, or 115,600 gold equivalent ounces(1)(“GEOs”) at a gold:silver ratio of 86:1. Consolidated production for Q4 2020 was 24,100 gold ounces and 532,400 silver ounces, or 31,100 GEOs at the average gold:silver ratio for the quarter of 77:1.

- Consolidated Production Summary

	<u>Q42020</u>		<u>Full Year</u>	
	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>
Gold (oz)	36,100	24,100	134,300	92,100
Silver (oz)	865,000	532,400	3,365,800	2,020,000

<https://apnews.com/press-release/globenewswire-mobile/business-toronto-north-america-materials-industry-precious-metals-industry-533a3efc879d931496732bc68619178d>

E-Waste & Precious Metals Recycle Related:

• **PGMs retain their sheen**

- Recycling continues to supply more than one-quarter of platinum group metals’ demand.
- As we head into a new decade, platinum group metals (PGMs) will continue to be a vital part of managing carbon emissions globally. This was demonstrated most clearly to me during a recent layover in Beijing. To me, seeing the emissions-related smog in that emerging economy means short- and long-term demand for PGMs will far outweigh the readily available supply, especially considering that both China and India (two of the world’s most populated countries) have only begun to regulate carbon dioxide (CO2) emissions in recent years. Despite reports and forecasts of slowing western

economies, the fact that China and India have set particularly aggressive emissions management targets will drive ongoing increased demand for PGMs.

<https://www.recyclingtoday.com/article/platinum-group-metals-commodity-focus/>

- **Converter Recycling: Cat Burglary and Other Forms of Theft**
 - Becky Berube, United Catalyst Corporation President, based in the US, looks at what vehicle recyclers can do to avoid getting stung by those pesky CAT burglars!
<https://autorecyclingworld.com/converter-recycling-cat-burglary-and-other-forms-of-theft/>

Platinum

- **Platinum and palladium to run higher as industrial demand picks up in 2021**
 - Platinum and palladium saw some renewed interest in November after Democratic candidate Joe Biden solidified his presidential win. Economists and market analysts expect that a Biden administration will lead to tighter environmental regulations and a renewed focus on developing green energy technology.
<https://www.kitco.com/news/2020-12-31/Platinum-and-palladium-to-run-higher-as-industrial-demand-picks-up-in-2021.html>
- **Platinum's time to shine?**
 - According to the World Platinum Investment Council Platinum's demand is set to outstrip supply for the next two years. So, the strong seasonal trend for Platinum is noteworthy.
<https://www.forexlive.com/news/!platinums-time-to-shine-20210104>

Fuel Cells/Hydrogen Economy Related Articles:

- **Hyundai to build hydrogen fuel cell plant in China: sources**
 - Hyundai Motor aims to build the hydrogen fuel cell systems plant in Guangzhou within this year as it has recently obtained government approval for the investment plan, a person familiar with the matter said over the phone.
 - Hyundai Motor is in talks with a Chinese company to form a joint company for the construction of the plant. Hyundai is expected to announce the plant as early as this month.
<https://en.yna.co.kr/view/AEN20210105002200320>
- **Challenges to heavy-duty truck hydrogen fuel cell adoption aren't gone**
 - Hydrogen fuel cell adoption is likely to take off in heavy-duty trucks within the next half decade, but challenges haven't disappeared in the US before motor carriers will accept them beyond small numbers of test vehicles, said a new North American Council for Freight Efficiency (NACFE) report.
<https://www.hydrogenfuelnews.com/hydrogen-fuel-cell-adoption/8541883/>
- **WPIC: In another boost to platinum, China has pledged carbon neutrality by 2060, further strengthening its commitment to hydrogen**
 - China's next 5-year plan for economic development, for 2021-2025, is due to be unveiled in March. The plan, China's fourteenth, is expected to flesh out how its government intends to achieve carbon neutrality by 2060, a goal that was announced in the latter part of last year.
 - In parallel with setting its climate change target during 2020, China launched fresh policies to support its growing market for hydrogen FCEVs, which use platinum as a catalyst. These latest initiatives are aimed at supporting projects that develop the entire FCEV supply chain, including refueling infrastructure, rather than offering subsidies on sales. The government wants to see cumulative sales of FCEVs reach one million vehicles by 2035.
https://platinuminvestment.com/files/sixtysecs/WPIC_60seconds_HydrogeninChina_06012021.pdf
- **The geopolitical impact of hydrogen**

- In an interview with pv magazine, Indra Overland, head of the Center for Energy Research at the Norwegian Institute for International Affairs, explains how international hydrogen strategies may play out in the upcoming decades.
- But in the longer term it will boil down to a competition between concrete zero emission technologies and their cost-efficiencies. However, in this competition one should not write off blue and turquoise hydrogen yet. Blue and turquoise hydrogen are made by capturing carbon from natural gas and pumping the carbon back into the ground or using it for other purposes. This type of carbon capture will probably continue to be cheaper than carbon capture from exhaust fumes and may turn out to be more cost efficient than green hydrogen. If existing natural gas pipeline infrastructure can also be repurposed for hydrogen without costs becoming too high, it could become a very interesting option for quick decarbonization.
<https://www.pv-magazine.com/2021/01/05/the-geopolitical-impact-of-hydrogen/>
- **US company (PowerTap Hydrogen Fueling Corp.) planning at least 500 fueling stations in next 3 to 5 years**
 - The creation of a minimum of 500 fueling stations to provide H₂ to mainly trucks powered by Pt-catalyzed hydrogen fuel cells is planned by a US company in the next 3-5 years.
<https://www.miningweekly.com/article/us-company-planning-at-least-500-hydrogen-fuelling-stations-in-next-3-to-5-years-2021-01-07>
- **Nippon Steel pledges to be carbon neutral by 2050**
 - Together with its rival JFE Steel, Nippon Steel is now working on figuring out ways to replace coke with hydrogen as a reducing agent. It will start using an electric furnace in a steel mill in Hyogo Prefecture in the fiscal year ending March 2023, with the view of expanding such usage. It will also look into carbon capture and storage technologies to ensure it meets its environmental target.
<https://asia.nikkei.com/Spotlight/Environment/Climate-Change/Nippon-Steel-pledges-to-be-carbon-neutral-by-2050>

Palladium

- **Forget Uber, Zoom Might Be the Long-Term Threat to Car Sales**
 - Before the pandemic, almost 40% of the miles traveled by passenger vehicle in the U.S. were for commuting or shopping, according to data collated by KPMG. At least a chunk of that seems likely to disappear as people work at home more and order more products online. Demand for vehicles should follow. KPMG said more U.S. families might get by with one car in the future, potentially reducing the average number of vehicles per household to 1.87, from the pre-Covid level of 1.97.
<https://www.wsj.com/articles/forget-uber-zoom-might-be-the-long-term-threat-to-car-sales-11609926223>
- **Massachusetts to require 100 percent of car sales to be electric by 2035**
 - Massachusetts plans on ending the sale of new gas-powered vehicles by 2035, following California's lead in an effort to reduce greenhouse gas emissions.
<https://thehill.com/policy/energy-environment/532684-massachusetts-to-require-100-percent-of-car-sales-to-be>

PGM Minor Metals (Rhodium, Iridium, Ruthenium)

- **Iridium/Platinum Catalyst: The More Things Change, the More They Stay the Same: Renewable Energy Growth Continues**
 - Europe's 1.2-MW (PEM water electrolysis) HyBalance project in Denmark, led by Air Liquide, Cummins/Hydrogenics, Centrica Energy Trading, Ludwig-Bölkow-Systemtechnik GmbH, and Hydrogen Valley, said the project had delivered 120 tons of hydrogen since 2018, while demonstrating its ability

to balance the electricity grid. In a joint statement, the companies said, the “HyBalance electrolyser has demonstrated that producing hydrogen to store energy at a large scale—including electricity from renewable sources—is technically and economically viable.”

- “The facility is already a model for larger scale PEM electrolysers around the world.
- The HyBalance plant reportedly had a high availability and was able to cope with fast power ramps both up and down. It provided 24/7 delivery of 60 tons of hydrogen to an industrial customer connected through a pipeline, with the other 60 tons of production delivered to a variety of customers including a network of hydrogen fueling stations used by a fleet of fuel cell taxis in Copenhagen.

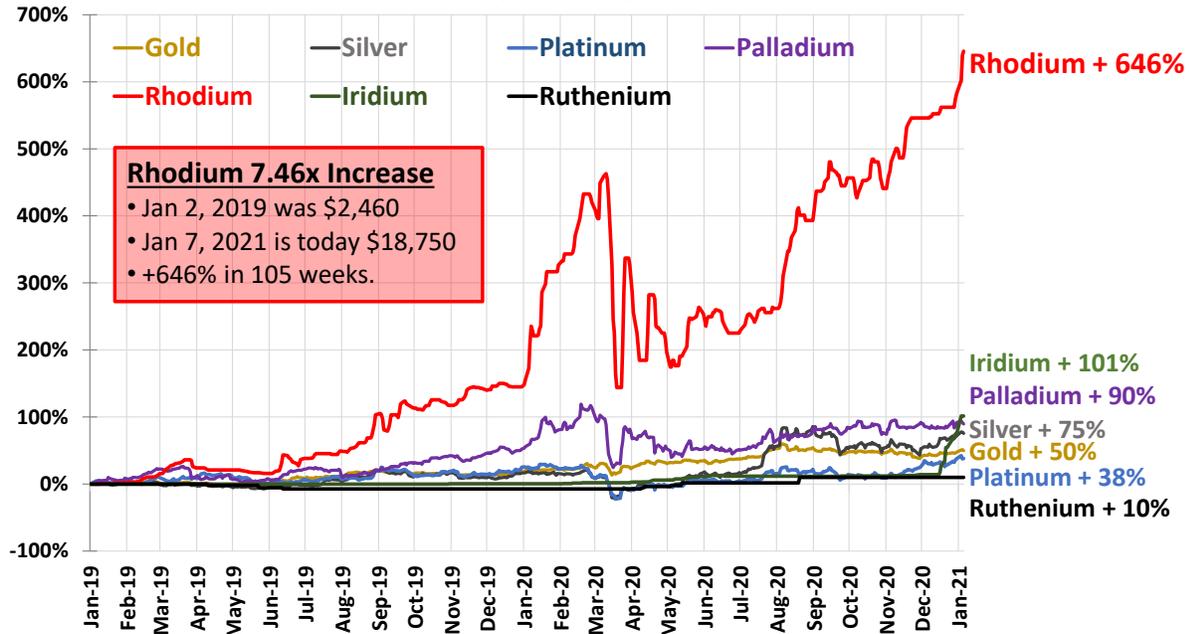
<https://www.powermag.com/the-more-things-change-the-more-they-stay-the-same-renewable-energy-growth-continues/>

- **Rhodium Continues Its Historic Climb**

- Matt: No article, just showing the BASF Fix USD \$/Toz for the past 105 weeks below.
- Matt: Everyone obsessed with Pt→Pd design swap in gas auto catalyst. The real question is when will Pd be used to swap/augment Rh for NOx reduction. This is an important topic.

Comparative Fix Change - Jan 2019 Baseline

BASF USD/Toz - Jan 1, 2019 - Jan 6, 2021



BEV / LiB Battery Market News

- **LG signs massive ~\$10 billion deal to make batteries in Indonesia**
 - “We have signed an MOU for the construction of an integrated electric battery factory from upstream to downstream. Mines, smelters, precursors, cathodes, cars to recycling facilities will be built in Indonesia,”
 - <https://electrek.co/2020/12/30/lg-signs-massive-10-billion-deal-batteries-indonesia/>
- **Tesla, Volkswagen, Renault See Strong Share In Europe: Over 1 Million EVs Sold In 11 Months**
 - Through the first 11 months of 2020, Europeans have registered 1,085,000 new electric vehicles, according to EV Sales Blog and InsideEVs.
 - The 11-month totals are +198% year-over-year and represent 10% of all new vehicle sales in Europe.
 - <https://www.benzinga.com/news/20/12/18973120/tesla-volkswagen-renault-see-strong-share-in-europe-over-1-million-evs-sold-in-11-months>

- **Ford: setting up Turkey's first "battery assembly plant"**
 - With our battery move, we are adding a plus one to our software engineering capabilities above and beyond production. With this significant investment, we are developing hardware and software tests with our own engineering, far off battery assembly.
<https://batteryindustry.tech/ford-setting-up-turkeys-first-battery-assembly-plant/>
- **Tesla 2020 deliveries beat estimates, but fall just short of Musk's target**
 - The company delivered 499,550 vehicles during 2020, above Wall Street estimates of 481,261 vehicles, according to Refinitiv data - but 450 units shy of CEO Elon Musk's target.
<https://www.businesstoday.in/sectors/auto/tesla-2020-deliveries-beat-estimates-but-fall-just-short-of-musk-target/story/426836.html>
- **Tesla (TSLA) announces a new battery cell deal with Panasonic – Electrek**
 - Tesla (TSLA) has announced a new battery cell deal with Panasonic through an SEC filing today. It's the latest of many recent moves from Tesla in an attempt to secure a large battery cell supply to support its ambitious expansion goals.
<https://electrek.co/2021/01/04/tesla-tsla-battery-cell-deal-panasonic/>
- **electric vehicles: Hybrid cars are quietly selling faster than fully electric vehicles**
 - Hybrid sales in the U.S. rose 17% last year from 2018; in the European Union they rose 22% over the same period as the region braces for tightening emissions regulations. In China, Japanese brands — which claim the biggest share of the hybrid market globally — sold about 30% more hybrids, making the segment one of the market's fastest growing. Electric-car sales by contrast increased 6% in 2019 from 2018, well down on previous years' double-digit growth.
<https://energy.economictimes.indiatimes.com/news/power/hybrid-cars-are-quietly-selling-faster-than-fully-electric-vehicles/79620232>
- **Copper: Is copper the real winner of 2021? Gianni Kovacevic gives price forecast**
 - Kitco Video interview link
 - Message: Copper is the future of Energy. How energy is generated and utilized.
<https://www.kitco.com/news/video/show/Outlook-2021/3149/2020-12-31/Is-copper-the-real-winner-of-2021-Gianni-Kovacevic-gives-price-forecast>
- **Bernstein Liebhart is investigating QuantumScape Corp. for violations of the Securities Laws**
 - On January 4, 2021, an article was published on Seeking Alpha. That article pointed to a number of risks associated with QuantumScape's solid state batteries. These risk make QuantumScape's batteries "completely unacceptable for real world field electric vehicles." The article specifically stated that QuantumScape's battery's power meant it would "only last for 260 cycles or about 75,000 miles of aggressive driving."
<https://batteryindustry.tech/bernstein-liebhart-is-investigating-quantumscape-corporation-for-violations-of-the-securities-laws/>
- **Rosen Law Firm announces filing of securities class action lawsuit against QuantumScape Corp.**
 - Rosen Law Firm, New York, a global investor rights law firm, announces the filing of a class action lawsuit on behalf of purchasers of the securities of QuantumScape Corporation between November 27, 2020 and December 31, 2020, inclusive. The lawsuit seeks to recover damages for QuantumScape investors under the federal securities laws.
<https://batteryindustry.tech/rosen-law-firm-announces-filing-of-securities-class-action-lawsuit-against-quantumscape-corporation/>

Regards –