



Weekly Precious Metals News Articles: July 9, 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

- **Bitcoin Saves Gold from Basel III**

- "Under Basel III, bullion banks will be required to set aside additional capital against unallocated gold held on their balance sheets. The so-called Net Stable Funding Ratio will require 85% funding with high quality liquid assets to offset those positions. The effect will be to increase the cost of clearing and settling gold trades and for those in the forward markets - essentially most professional players, including miners, refiners, bullion stockists and jewellers.

<https://bytetree.com/insights/2021/07/bitcoin-saves-gold-from-basel-iii/>

- **Investors may use price dips in gold to build their allocations: Quantum MF**

- Improved economic outlook and prospects of the US Federal Reserve tightening will prove to be headwinds for gold, limiting gold's price upside in the short term, according to Quantum Mutual Fund. At the same time, uncertainty on the US growth and inflation fronts and other tail risks to the economic cycle will generally support gold investment and hence prices over the medium term.

<https://www.livemint.com/economy/investors-may-use-price-dips-in-gold-to-build-their-allocations-quantum-mf-11625286780529.html>

- **Gold price to recover most of its recent losses, says TD Securities**

- "Despite the recent selloff, we judge that the Fed's continued emphasis on its full employment mandate should see gold recover most of its recent losses," Melek noted. "The relatively new flexible average inflation targeting policy framework and the implied willingness to overshoot inflation targets for a period, should the output gap remain wide, are just a few reasons why very easy monetary conditions are likely to persist well into 2023." In an environment where full employment is still far away, the Fed will remain very accommodative. "The U.S. central bank should keep real interest rate environment highly accommodative across the yield curve for a prolonged period, which is gold and precious metal complex supportive," Melek added.

<https://www.kitco.com/news/2021-07-01/Gold-price-to-recover-most-of-its-recent-losses-says-TD-Securities.html>

- **New American Eagle bullion coins entering market**

- Gold American Eagle sales have reached 475,000 ounces (430,500 1-ounce, 31,000 half-ounce, 56,000 quarter-ounce, and 150,000 tenth-ounce coins).
- American Buffalo gold bullion coin sales totaled 193,500 1-ounce coins.
- Bullion coin sales for calendar year 2021 have topped 13.1 million silver American Eagles.

- The 2021 Tuskegee Airmen National Historic Site 5-ounce silver quarter dollar sales 53,900 coins.
- Platinum American Eagle bullion coin sales total 75,000 1-ounce coins.

<https://www.coinworld.com/news/us-coins/new-american-eagle-bullion-coins-entering-market>

Semiconductor Related Articles (impacting Precious Metals electronics):

- **Chip shortage to last until 2023, UMC president says**
 - Chip supply would fall short of demand and only worsen in the short term, with a shortage of 8-inch (200mm) and 12-inch (300mm) wafers set to be the most severe. As demand continues to soar, the global chip shortage is likely to last beyond next year until 2023, he said. To solve the problem, the key is to increase capacity, but added it would take until 2023 for more chips to be produced.

<https://www.taipeitimes.com/News/biz/archives/2021/07/08/2003760465>

Silver

- **The prospects for solar in a 1.5C world**
 - We will need 10.7 TW of clean energy generation capacity this decade to stay on track with the most ambitious of the climate change paths agreed in Paris, which would include plenty of solar investment and jobs, according to the International Renewable Energy Agency.
 - Matt: This 10.7 TW by 2030 ramp would require more silver than is available, and force migration into Solar PV Copper. The IRENA report in question calls for 14 TW installed by 2050, which still require a great deal of conductive metals Silver and Copper both.
- <https://www.pv-magazine.com/2021/07/05/the-prospects-for-solar-in-a-1-5c-world/>
- **Sunday read: N-type cell development**
 - This year, PV cell manufacturers will face the challenge of transformation. Apart from adjusting the ratio of production for different-sized cells, some manufacturers are turning to next-generation opportunities, shifting investment from p-PERC to n-type technology. PV InfoLink Analyst Amy Fang discusses the issues facing n-type cell development this year.
 - Silver prices remain high, hindering the development of HJT cells with higher silver paste consumption. This means slower demand for n-type products.
 - Matt: Currently as much as +50% Ag loadings on n-PERC on what will become 50GW of a 360-400GW market by 2030. Design thinning certain to come, impact TBD.
- <https://www.pv-magazine-australia.com/2021/06/27/sunday-read-n-type-cell-development/>
- **The silver bull is not transitory**
 - In fact core inflation, which excludes volatile energy and food prices, recently touched 3.8%, its highest in 30 years. The Fed is looking increasingly wrong in its assessment that the inflation numbers we've been seeing are transitory. That means investors would do well to seek shelter from inflation-protection assets. And as I'll show, for multiple reasons, chief among them is silver.
- <https://www.kitco.com/commentaries/2021-07-07/The-silver-bull-is-not-transitory.html>
- **Digging deeper: How US sanctions on Chinese PV may impact the market - Renewable Energy World**
 - U.S. Customs & Border Patrol issued a Withhold Release Order instructing ports of entry to detain shipments containing "silica-based materials" that are "derived from or produced using" product manufactured by Hoshine Silicon Industry Co. Ltd., a company located in China's Xinjiang region, or its subsidiaries. The Commerce Department added Hoshine and 4 other Chinese companies to the "Entity List," essentially a ban on exports and re-exports of US goods and technology around the world to the listed entities. The Dept. of Labor issued a special update to its "List of Goods Produced by Child Labor or Forced Labor," to include polysilicon produced with forced labor in China.

<https://www.renewableenergyworld.com/policy-regulation/digging-deeper-how-us-sanctions-on-chinese-pv-may-impact-the-market/>

Precious Metals Mining:

- **Over four thousand contract workers dismissed by companies working for Impala Platinum**
 - Over four thousand contract workers employed by four companies contracted to Impala Platinum Mine in Rustenburg in the North West have been dismissed by their employers. They have been on a strike, under the banner of Numsa, calling for among others, salary increases, living out allowances and medical aids. The companies have sought court interdicts to stop the strike, while Impala says it is not in a position to engage Numsa on this matter, as they are flouting COVID-19 regulations.
<https://www.sabcnews.com/sabcnews/over-four-thousand-contract-workers-dismissed-by-companies-working-for-impala-platinum/>
- **From the (S. African) president's desk: Mining to play a significant role in SA's economic recovery**
 - Rising global metals prices will play a significant role in accelerating our recovery from the pandemic downturn. In addition, they open up a host of new opportunities in the mining value chain, boosting the fortunes of the mines themselves and with them the suppliers of capital goods and the options for beneficiation.
<https://www.iol.co.za/news/opinion/from-the-presidents-desk-mining-to-play-a-significant-role-in-sas-economic-recovery-5203d0b5-fd4d-4899-aae9-fdc41c876f88>
- **Zimbabwe: Mining Fees Hike to Spawn Opaque Deals**
 - A significant part of this is expected to come from small-scale miners, who recently had a huge say in gold production following the collapse of big mines under the weight of foreign currency and power shortages. High fees, royalties and taxes have also been blamed for the big mine crises, which forced the Chamber of Mines of Zimbabwe to plead with government to hold its guns on the fees hike.
<https://allafrica.com/stories/202107050660.html>
- **Canada's Top Ten precious metals juniors**
<https://www.mining.com/canadas-top-ten-precious-metal-juniors/>

E-Waste & Precious Metals Recycle Related:

- **Auto Catalyst Recycling - High Metal Prices And Supply/demand Issues**
 - One large area of supply for PGMs is secondary refining from spent catalytic converters. In this market, we can also see some shortfalls in early 2020 due to the pandemic and local lockdowns. In summer 2020, the supply of spent catalyst went back to normal above 2019 levels due to the high metal prices. The high value of catalytic converters now has a substantial impact on the cash flow of recycling companies. They must spend almost twice as much for a catalyst compared to 2019.
 - Backlogs at many major PGM smelters and refiners and strong recycling numbers will slow down the throughput in the whole supply chain.
<https://autorecyclingworld.com/auto-catalyst-recycling-high-metal-prices-and-supply-demand-issues/>
- **A Robotic Sorting Solution For The Vehicle Recycling Industry**
 - The COMET group, based in Belgium, recently announced an investment of almost 10 million Euros in MULTIPICK, a robotic sorting solution for scrap metal from dismantled used cars and household electrical appliances. The future robotic line, the only industrial demonstrator of its kind, promises to offer one of the highest sorting capacities in the world.
<https://autorecyclingworld.com/multipick-a-robotic-sorting-solution-for-the-vehicle-recycling-industry/>
- **BASF acquires Zodiac Enterprises LLC - Recycling Today**

- Germany-based BASF, with U.S. headquarters in Iselin, New Jersey, has acquired Zodiac Enterprises LLC in Caldwell, Texas, which recycles precious metals from industrial scrap, primarily chemical catalysts. The purchase complements BASF's existing precious metal recycling operations in Seneca, South Carolina, and expands its chemical catalyst recycling capacity and capability.
<https://www.recyclingtoday.com/article/basf-acquires-texas-precious-metals-recycler/>

Platinum

- **Diverse end-uses ensure that industrial platinum demand benefits**
 - Platinum industrial demand has exhibited strong growth in recent years, at a CAGR of 6% between 2013 and pre-pandemic 2019. This is significantly above the CAGR of two key industrial benchmarks, being more than double that of global GDP and triple that of industrial production as measured by the OECD over the same period.
 - In 2021, platinum industrial demand is expected to account for almost 40% of total platinum demand, net of recycling supply; unlike automotive and jewellery demand, consumption of platinum in industrial applications is usually expressed on a net basis, that is the gross demand less the supply of 'closed-loop' recycled metal. As economic activity driving platinum's industrial uses recovers, forecasts indicate that it will rebound by 25% year on year, to 2.4 moz. Significantly, this is also 13% higher than demand in pre-pandemic 2019.
https://platinuminvestment.com/files/sixtysecs/WPIC_60seconds_Industrial_diversity_07072021.pdf

Fuel Cells/Hydrogen Economy Related Articles:

- **Hyzon's 154-Ton Monster Is Now the Heaviest Fuel Cell-Powered Truck in the World**
 - Hyzon announced that its giant 154-ton hydrogen fuel cell-powered truck will be delivered to a European transport group, for construction operations. Weighing 154 (short) tons will officially become the heaviest zero-emissions truck on record. And no compromises in terms of performance, either – this truck boasts up to 480 kW or 644 HP, with a driving range between 250 and 380 miles (400-600 km) per refill.
 - Matt: ~6.1 Toz of Pt/Ru/Ir catalyst loadings
<https://www.autoevolution.com/news/hyzons-154-ton-monster-is-now-the-heaviest-fuel-cell-powered-truck-in-the-world-164500.html>
- **Danish partnership receives support from the Danish Energy Technology Development and Demonstration Program for world's 1st green ammonia demonstration plant**
 - The Danish Energy Technology Development and Demonstration Program awards 81 million DKK (app. 11 million EUR) to the green ammonia project - managed by Skovgaard Invest, Vestas, and Haldor Topsoe. The project aims at building a 10 MW green ammonia plant directly coupled to local wind and solar power generation, operational by 2023.
 - Matt: Of course, they took the grant money. 5,000 mt Green Ammonia out of 144,000,000 mt global ammonia market = 0.003%. 11 mil Euros/\$13.7M USD subsidy vs \$48.1B USD ammonia market. = 0.03% market subsidy. Subsidy 10x larger than green ammonia produced.
<https://blog.topsoe.com/danish-partnership-receives-support-from-the-danish-energy-technology-development-and-demonstration-program-eudp-for-worlds-first-industrial-dynamic-green-ammonia-1624599909696>
 - Reminder: Haldor-Topsoe electrolyzers based high-temperature electrolysis SOEC technology offering 30% larger H₂ output compared to PEM and alkaline electrolysis.
- **Advent Technologies Enters Into Definitive Agreement to Acquire the Fuel Cell Systems Businesses of Fischer Group**
 - Transaction includes leading fuel cell manufacturer SerEnergy in Denmark and Fischer eco solutions GmbH in Germany

<https://www.businesswire.com/news/home/20210625005188/en/Advent-Technologies-Enters-Into-Definitive-Agreement-to-Acquire-the-Fuel-Cell-Systems-Businesses-of-fischer-Group>

- **Province enables increased investments in renewable gas, hydrogen**
 - British Columbia just took a huge step forward for climate action by becoming the first jurisdiction in North America allowing regulated utilities to invest in producing renewable gases. This amendment opens the door for utilities like FortisBC to produce and acquire renewable gases like hydrogen, renewable natural gas, and synthesis gases to reduce the carbon intensity of the gas delivered to their customers.
 - Utilities will be able to supply up to 15% of their total gas consumption with renewable gases – this would introduce 60% more clean energy to the province’s economy than will be generated by the Site C dam.
<https://news.gov.bc.ca/releases/2021EMLI0046-001286>
- **European Commission faces calls to reduce barriers to hydrogen fuel use**
 - The Renewable Hydrogen Coalition and Hydrogen Europe recently signed a joint call to boost EU hydrogen fuel use by addressing structural problems creating barriers to deployment. They are calling for the European Commission to take action on critical hurdles to production.
https://www.hydrogenfuelnews.com/hydrogen-fuel-use-eu/8547445/?mc_cid=4e987cbd13&mc_eid=70c1246d58
- **U.S. DOE Announces \$52.5 Million to Accelerate Progress in Clean Hydrogen**
 - The U.S. Department of Energy (DOE) today announced \$52.5 million to fund 31 projects to advance next-generation clean hydrogen technologies and support DOE’s recently announced Hydrogen Energy Earthshot initiative to reduce the cost and accelerate breakthroughs in the clean hydrogen sector. Clean hydrogen is a form of renewable energy that—if made cheaper and easier to produce—can have a major role in supporting President Biden’s commitment to tackling the climate crisis.
<https://www.energy.gov/articles/doe-announces-525-million-accelerate-progress-clean-hydrogen>

Palladium

- **Sibanye-Stillwater forecasts palladium supply deficit to vanish in three years**
 - Sibanye-Stillwater said an 800 koz deficit in the palladium market could disappear by ~2024, bringing prices down. “We are quite bullish on platinum. The opposite is true for palladium,” the publication quoted Charl Keyter, Sibanye-Stillwater CFO, of having said. Keyter said substitution and an increase in production by Russia’s Norilsk Nickel would hit demand and supply.
 - Keyter was speaking at an S&P Global Ratings SA in Focus virtual conference on Wednesday. Sibanye-Stillwater is bullish on rhodium and platinum.
<https://www.miningmx.com/trending/46724-sibanye-stillwater-forecasts-palladium-supply-deficit-to-vanish-in-three-years/>
- **Palladium to surge higher to \$3000, platinum to hit new highs above \$1375 – TDS**
 - “As the global economic recovery continues and global pollution standards tighten, the recent mine site disruptions suggest hefty deficits and another attempt at \$3,000/oz for palladium and new highs above \$1,375/oz for platinum next year.”
 - “Should our industrial and investor demand projections materialize into 2022, the recent mine site problems and the resulting lowering of production guidance by Norilsk should see supply-demand fundamentals stay tight, particularly for palladium.”
<https://www.fxstreet.com/news/palladium-to-surge-higher-to-3000-platinum-to-hit-new-highs-above-1375-tds-202107020930>

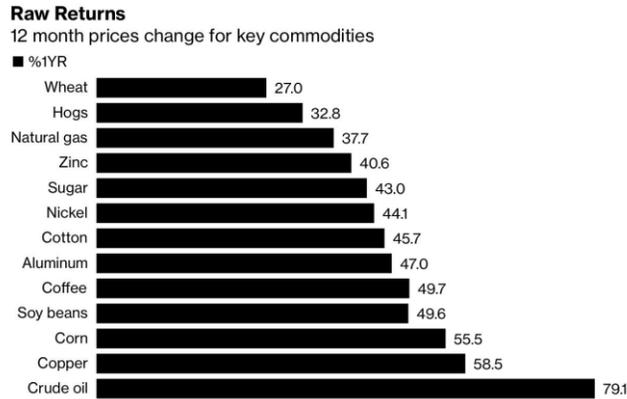
PGM Minor Metals (Rhodium, Iridium, Ruthenium, Osmium)

- **Iridium and Platinum: Shell opens largest green hydrogen electrolyzer in Europe**
 - Shell Energy and Chemicals Park Rheinland have now started operations of the largest PEM green hydrogen electrolyzer in Europe. This is only one phase of a much larger project. The intention is to expand the electrolyzer's capacity, with plans already underway for bringing it from its current 10 megawatts to 100 megawatts.
https://www.hydrogenfuelnews.com/green-hydrogen-electrolyzer-shell/8547451/?mc_cid=4e987cbd13&mc_eid=70c1246d58
- **Iridium Compounds: Supply chain analysts expect Apple OLED iPad in 2023**
 - Rumors continue to surface around the prospect of an iPad with an OLED display. Apple already updated the 12.9-inch iPad Pro with a mini-LED display in May 2021. An OLED addition would mean another display technology shift in less than three years. According to Display Supply Chain Consultants, Apple will release an OLED iPad in 2023. The report says Apple's use of OLED will boost the tablet market to more than \$1 billion by 2024. OLED tablets will achieve 57% year-over-year revenue growth in 2023, its highest growth during the forecast period.
<https://appleinsider.com/articles/21/07/07/supply-chain-analysts-expect-apples-oled-ipad-in-2023-touch-bar-to-be-killed>

Clean Energy General News (New Section)

- **Critical Minerals Mapping Initiative**
 - Australia, U.S. and Canada launch interactive map for critical minerals
Article: <https://www.reuters.com/technology/australia-us-canada-launch-interactive-map-critical-minerals-2021-06-29/>
Interactive Map: <https://portal.ga.gov.au/persona/cmmi>
- **Copper price keeps soaring despite China's attempt to cool rally**
 - Copper price rose on Wednesday, one day after China's National Food & Strategic Reserves Administration announced that it intended to sell 20,000 tonnes of copper in an initial batch of sales of state metal reserves. The release of state metal reserves in China, the world's biggest metals consumer, is one of a number of attempts by Beijing to cool a stellar rally in commodity prices that has squeezed manufacturers' margins.
 - Copper for delivery in July rose 2.6% from Tuesday's settlement price, touching \$4.342 per pound (\$9,552 per tonne) midday Wednesday on the Comex market in New York.
<https://www.mining.com/copper-price-keeps-soaring-despite-chinas-attempt-to-cool-rally/>
- **Australia's miners throw money at 'mini-monsters' causing major headaches**
 - The recently published interim report shows huge (mining and processing) industry costs associated with the mini-monsters: delays on a major project might cost up to \$24 million a year, surveying and monitoring might cost \$648,000 a year, and a miner can potentially save \$22 million a year if exclusion zones around species can be reduced.
<https://www.smh.com.au/national/australia-s-miners-throw-money-at-mini-monsters-causing-major-headaches-20210701-p585yr.html>
- **Rare earths are now being mined in Canada - Metal Tech News**
 - Canada is now a rare earths-producing nation. This first REE ore mined at Nechalacho comes just two years after Australia-based Vital came up with a unique plan to take advantage of relatively small but high-grade mineralization coming to the surface at the project to rapidly produce the rare earths widely used in today's high-tech devices.
 - North T has 101,000 mt of resources averaging 9.01% total rare earth oxides, compared to other global deposits that tend to average around 1% TREO or less.
<https://www.metaltechnews.com/story/2021/07/07/tech-metals/rare-earth-are-now-being-mined-in-canada/610.html>
- **Commodity Traders Make Billions as Oil, Copper, Battery Metals Prices Rise**

- “We’re seeing levels of commodity inflation that we have not seen in a very long time,” Graeme Pitkethly, the chief financial officer at Unilever, told investors after disclosing first quarter results. “The commodity inflation that we’re seeing is impacting all businesses.”



Source: Bloomberg Commodities Spot Index

<https://www.bloomberg.com/news/features/2021-06-29/commodity-traders-make-billions-as-oil-copper-battery-metals-prices-rise>

BEV / LiB Battery Market News

- **Sumitomo Metal to invest \$424m to boost battery materials output**
 - Japan’s Sumitomo Metal Mining Co Ltd said on Tuesday it would spend 47 billion yen (\$424 million) to boost production capacity of cathode materials for rechargeable batteries used in electric vehicles (EVs) to meet burgeoning demand.
 - Japan’s biggest nickel smelter will build a new plant of nickel-based cathode materials in Besshi, Ehime prefecture in western Japan, and expand production capacity of precursor material at its Harima refinery in Hyogo prefecture in western Japan, with an aim to complete the work in 2025. <https://www.mining.com/web/sumitomo-metal-to-invest-424m-to-boost-battery-materials-output/>
- **LFP Designs In Big Demand: The price of LiPF6 may continue to reach new highs**
 - The price of lithium hexafluorophosphate (LiPF6) in China has increased by 400% since the end of August in 2020 (from 70,000 RMB/ton to 350,000 RMB/ton). It is expected in July the price hovered around 400,000 RMB/ton, and once again returned to the peak of the previous cycle.
 - According to ICCSINO, the domestic production capacity of LiPF6 is about 61,500 tons so far.
 - From the end of last year to the new addition, the new production capacity of LiPF6 was only about 4,000 tons. Plans from major LiPF6 manufacturers expect that by 1H2022 about 30,000 tons of new production capacity will be built, which will largely meet the current shortage. <http://www.iccsino.com/news/show-htm-itemid-14941.html>
- **Vale strike drives up price for battery-grade nickel**
 - "Sudbury is one of the world’s few producers of nickel pellet, a form used to produce alloys for aerospace, electronics and nuclear industries," the story said. "Production at Vale’s northeast Ontario operation halted when unionized workers went on strike on June 1. The disruption is driving consumers to tap battery-grade nickel briquette as an alternative." <https://northernontario.ctvnews.ca/report-vale-strike-drives-up-price-for-battery-grade-nickel-1.5494122>
- **Shortages flagged for EV materials lithium and cobalt**
 - Lithium: Roskill's analysts estimate lithium carbonate equivalent demand will rise above two million tonnes by 2030, a more than 4.5 fold increase from 2020.

- Cobalt: Analysts at Roskill forecast cobalt demand will rise to 270,000 tonnes by 2030 from 141,000 last year. Indonesia's high pressure acid leach (HPAL) projects will help cover some of the shortfall. But the problem remains that cobalt is mostly a byproduct.
- Nickel: "That nickel is on the verge of a surpercycle is hype. It will be over-supplied until at least the mid-2020s." Lennon also expects Indonesia's high pressure acid leach (HPAL) projects to produce between 400,000-600,000 tonnes of nickel a year for much of this decade.
<https://auto.hindustantimes.com/auto/news/shortages-flagged-for-ev-materials-lithium-and-cobalt-41625151279394.html>
- **Lithium Price Tipped To Rise After Warning Of 'Perpetual Deficit'**
 - Macquarie said its upgraded outlook for battery demand in both EVs and energy storage systems was more than offsetting the small supply increase. "We now forecast a wider market deficit for lithium in calendar 2021 than previously," Macquarie said. "The deficit is expected to grow in calendar 2022 and widen further in 2023 before some supply response starts to close the gap."
 - "In the longer term, we believe the lithium market is likely to be in a perpetual deficit," Macquarie said. "As a result lithium prices are expected to continue to rise, moving to an incentive price by 2024. "Some new supply additions should temporarily lighten the market in 2026, however beyond 2027 the supply deficit should widen significantly."
<https://www.forbes.com/sites/timtreadgold/2021/07/02/lithium-price-tipped-to-rise-after-warning-of-perpetual-deficit/>
- **Britishvolt gigafactory: 'Game changer' car battery plant approved**
 - Plans for a huge electric car battery "gigafactory" which it is claimed will create 3,000 jobs have been approved. Northumberland County Council described the plant on the site of the former Blyth power station would be a "game changer." It has granted planning permission to Britishvolt to build on the 235-acre (95 hectare) site. The company said the plant would be operational by 2023 and bring "much needed" employment to the region
<https://www.bbc.com/news/uk-england-tyne-57742782>
- **Key energy transition metals up for grabs in new ETCs - Investors' Chronicle**
 - The Russian miner is the world's second-largest nickel producer, behind Vale, and is a key supplier for European battery manufacturers. In April, London-listed chemicals company Johnson Matthey signed a supply agreement with Nor Nickel for its existing lithium-ion cathode plant in Poland and planned factory in Finland. Johnson Matthey said the deal would provide "long-term security" in the face of looming supply deficits.
<https://www.investorchronicle.co.uk/news/2021/07/06/key-energy-transition-metals-up-for-grabs-in-new-etcs/>
- **Another battery recycling plant for Sweden**
 - Construction on the Halmstad facility is expected to start this year after the Stena Recycling branch of the Swedish conglomerate announced a €25 million commitment.
 - Gothenburg-based Stena Recycling today announced plans to invest SEK250 million (€24.6 million) in a battery recycling plant near its Nordic Recycling Center in Halmstad, Sweden. Describing the project as a "new battery recycling process" without revealing any further technical details, the Swedish recycling business said London-based chemicals and sustainable technology company Johnson Matthey would add a process step which would see the 95% of the lithium-ion battery materials Stena said it will recover from each device "fully refined" for use in new products.
<https://www.pv-magazine.com/2021/07/05/another-battery-recycling-plant-for-sweden/>

Regards –