



## Weekly Precious Metals News Articles: March 19, 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 sheds gains on hopes of swift recovery after China data | Nasdaq**
  - Gold in a downtrend on higher yields -analyst; U.S. 10-year Treasury yields near to over one-year peak; China's factory output surges as recovery
  - March 15 (Reuters) - Gold prices erased early gains on Monday as hopes of a faster economic recovery got a boost from better-than-expected Chinese industrial output data, while a surge in U.S. Treasury yields kept bullion under pressure.  
<https://www.nasdaq.com/articles/precious-gold-sheds-gains-on-hopes-of-swift-recovery-after-china-data-2021-03-15>
- **Fed Lending a Hand to Gold, Miners ETFs**
  - Gold bullion and miners exchange traded funds drifted lower for much of this year, but assets like the Sprott Gold Miners ETF (NYSEArca: SGDM) got some relief Wednesday after the Federal Open Market Committee (FOMC) signaled interest rates will remain low for the foreseeable future.  
<https://www.etftrends.com/gold-silver-investing-channel/fed-lending-hand-to-gold-miners/>

### Semiconductor Related Articles (impacting Precious Metals electronics):

- **Automaker chip shortages tipped to persist**
  - Renesas Electronics Corp's top executive warned that a global shortage of auto semiconductors might persist into the second half of this year, joining other industry leaders in bracing for a chip crunch to snarl production of vehicles and gadgets well past the summer.
  - "Supply will remain tight through the first half of the year," Shibata said this week. "And the way things look now, the situation will continue into the second half, but it's anyone's guess."
  - Chipmakers such as Renesas and its partner TSMC are at the forefront of a global effort to plug a shortfall in supply of chips, the building blocks of a plethora of consumer products.
  - Automakers got hit first in part because of poor inventory planning and are expected to miss out on US\$61 billion of sales this year alone (~2M vehicles).  
<https://www.taipeitimes.com/News/biz/archives/2021/03/13/2003753729>
- **Laptop shipments continue gains**
  - A total of 2.44 million personal computers, of which 48.8 percent were laptops, were shipped from Taiwan last year, up 4 percent from a year earlier, IDC data showed.
  - "The demand for PCs, especially laptops, remained high as a result of COVID-19," IDC analyst Liu Yi-han said in the report. "We predict laptops will overtake desktops by 2021."

<https://www.taipeitimes.com/News/biz/archives/2021/03/13/2003753722>

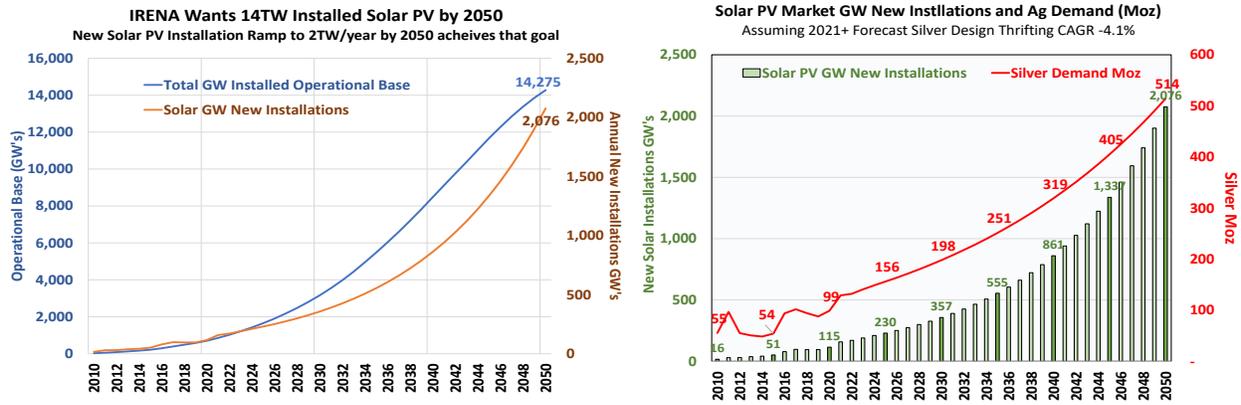
- **Global Fab Equipment Spending Poised to Log Three Straight Years of Record Highs**
  - Fueled by surging pandemic-inspired demand for electronics devices, the global semiconductor industry is on track to register a rare three consecutive years of record highs in fab equipment spending with a 16% increase in 2020 followed by gains of 15.5% this year and 12% in 2022  
<https://finance.yahoo.com/news/global-fab-equipment-spending-poised-140000397.html>
- **Samsung warns of severe chip crunch**
  - Samsung yesterday said that it is grappling with the fallout from a “serious imbalance” in semiconductors globally, becoming the largest tech giant to voice concerns about chip shortages spreading beyond the automaking industry.
  - The company, one of the world’s largest makers of chips and consumer electronics, expects the crunch to pose a problem to its business next quarter, Samsung cochief executive officer Koh Dong-jin told an annual shareholders’ meeting in Seoul.
  - Samsung is also considering skipping the introduction of a new Galaxy Note, one of its best-selling models this year, although Koh said that was geared toward streamlining its lineup.  
<https://www.taipeitimes.com/News/biz/archives/2021/03/18/2003754018>

## Silver

- **Solar and EV Sectors to Prop Up Silver Demand as Prices Roll Off Eight-Year High Hit in February**
  - Silver is expected to see a demand rise in 2021 as the solar photovoltaics, and electric vehicle sectors take off globally.
  - The solar photovoltaic and electric vehicle sectors have been a steady source of silver demand over the past decade. The demand is expected to continue in the coming years as these sectors grow across the globe and in developing nations, in particular.  
<https://mercomindia.com/solar-ev-sectors-to-prop-silver-demand/>
- **Silver Price Forecast – Silver Markets Pull Back Awaiting FOMC**
  - Silver markets have pulled back a bit during the trading session on Tuesday to break down below the \$26 level. By doing so, it looks as if we are heading back into the consolidation area underneath, as we await the FOMC announcement on Wednesday. Quite frankly, silver is going to move based upon what the US dollar does, and that of course can be affected by what the FOMC does. If they do something or at least hint at the idea of controlling yields, that could drive down the value of the dollar and helped lift silver.  
<https://finance.yahoo.com/news/silver-price-forecast-silver-markets-155445277.html>
- **‘Falling solar module costs are behind us’**
  - Canadian Solar is pivoting towards energy storage and is preparing to IPO its manufacturing and Chinese solar project activity in China, under the CSI Solar operation, by July.
  - The contribution made by falling panel costs to the future price of solar power will be minimal, according to one executive at Sino-Canadian manufacturer Canadian Solar.
  - Matt: I agree with the premise. Rising Silver, Polysilicon, Glass, Back sheet, and Aluminum Framing costs have driven China’s Solar Module prices from \$0.21 to \$0.29/watt (+38%). Further cost take downs in the face of rising commodity and energy prices will be tough. 20 year Solar PV cost take down curve is at its end.  
<https://www.pv-magazine.com/2021/03/18/falling-solar-module-costs-are-behind-us/>
- **Global temperature goal of 1.5°C needs 14 TW of solar by mid century**
  - IRENA, the International Renewable Energy Agency, just stated it wants 14 TW’s of installed operational Solar PV by 2050.

- Matt: This is achieved with a 9.2% CAGR in new installations, with a 25-year expected lifetime before decommissioning. It is effectively a continuation of the CAGR ramp we are already on growing from 2020's 115GW of new installations up to a little over 2 TW, or 2,000 GW a year by 2050.
- Matt: A reasonable silver y/y design thrifting trajectory would still lead us to a Silver demand of over 500 Moz a year by 2050. This exceeds 50% of today's mined + recycle supply.
- Matt: Solar PV Recycle of low-grade silver is needed to help enable this demand ramp. Higher silver prices will help enable the economic viability of this occurring.

<https://www.pv-magazine.com/2021/03/18/global-temperature-goal-of-1-5c-needs-14-tw-of-solar-by-mid-century/>



## Precious Metals Mining:

- **Nornickel downgrades output forecast by 15-20% after mine restarts delayed**
  - Nornickel expects its 2021 nickel, copper, platinum and palladium output to fall 15-20% short of original guidance due to waterlogging at two Siberian mines, the Russian company said on Tuesday.
  - The mines are unlikely to restart fully for another 3-4 months, the company said.
  - The announcement pushed nickel, platinum and palladium prices higher. Nickel quickly gave back some of its gains, but platinum was up around 1% and palladium shot up 5% to its highest in more than a year. Nornickel shares were down 5.5% in Moscow.

<https://www.reuters.com/article/russia-norilsknickel/update-2-nornickel-downgrades-output-forecast-by-15-20-after-mine-restarts-delayed-idUSL1N2LEOU7>
- **Nornickel Press Release – The Norilsk Division Adopts Plan to Resume Operations at Oktiabrsky and Taymir Mines and Norilsk Concentrator**
  - According to the Company's current base case estimates, metal production volumes are expected to fall short of the 2021 production guidance as follows: nickel — by approximately 35kt, copper — by 65kt and platinum groups metals — by 22t (approximately 710koz).

<https://www.nornickel.com/news-and-media/press-releases-and-news/the-norilsk-division-adopts-plan-to-resume-operations-at-oktiabrsky-and-taymir-mines-and-norilsk-concentrator/?msdyntrid=mp2ya0nn21GDCvTB369AfS3TTPiceke6-sri9yH51zk>

## E-Waste & Precious Metals Recycle Related:

- **Trade-in exec: 5G will bolster used phone markets this year**
  - Nair said trade-ins driven by consumers looking to get 5G-compatible phones began last year and will accelerate this year. That will increase the supply of used devices for secondary markets. Assurant sells hundreds of millions of dollars' worth of used phones around the world each year.

- “Extending the lifecycle of pre-owned devices and re-selling these devices help operators, OEMs and retailers maintain their commitment to sustainable, responsible practice and continues to drive a lucrative circular economy,” he wrote.  
<https://resource-recycling.com/e-scrap/2021/03/18/trade-in-exec-5g-will-bolster-used-phone-markets-this-year/>
- **Repair, regulations and research in Europe**
  - Right-to-repair legislation now covers TVs across the European Union, and the U.K. is looking into a significant expansion in residential e-scrap collection. Those are two of a handful of recent news items from European countries.  
<https://resource-recycling.com/e-scrap/2021/03/18/repair-regulations-and-research-in-europe/>

## **Platinum**

- **Platinum’s high-flying stocks set to extend Johannesburg gains**
  - Johannesburg’s index of platinum stocks has soared 30% this year, leaving the other sectors in the local equities benchmark trailing in their wake. Over 12 months, the FTSE/JSE Africa Platinum Mining Index is up an eye-watering 230% as of Tuesday’s close, thanks to surging prices for palladium and rhodium, dug up with platinum and used in vehicle pollution-control devices.  
<https://m.miningweekly.com/article/platinums-high-flying-stocks-set-to-extend-johannesburg-gains-2021-03-17>

## **Fuel Cells/Hydrogen Economy Related Articles:**

- **BP is working on a huge 'blue hydrogen' facility in the UK**
  - A final investment decision on the development will be in 2024. If all goes to plan, 500 megawatts of capacity could be in production by 2027 or earlier, BP said. “Blue hydrogen, integrated with carbon capture and storage, can provide the scale and reliability needed by industrial processes.”  
<https://www.cnbc.com/2021/03/18/bp-is-working-on-a-huge-blue-hydrogen-facility-in-the-uk.html>
- **Cummins executive testifies about accelerating development of green hydrogen**
  - (The US) Congress could help accelerate the development and adoption of green hydrogen and other cleaner energy as companies, including Columbus-based Cummins Inc., confront the challenges of curbing greenhouse gas emissions in a world shifting away from fossil fuels.
  - That was among the main points in Cummins Vice Chairman Tony Satterthwaite’s testimony before the Senate Committee on Energy and Natural Resources Tuesday, where he discussed areas where the federal government could make a difference.  
<http://www.therepublic.com/2021/03/17/cummins-executive-testifies-about-accelerating-development-of-green-hydrogen/>
- **Stacks of Experience**
  - Automakers are using their know-how to accelerate the uptake of platinum-based fuel cell systems.
  - The Volvo Group and Daimler Truck AG are collaborating to develop, produce and commercialise fuel-cell systems for use in heavy-duty trucks, as well as other applications, through the formation of a joint venture to be named ‘cellcentric’.  
[https://platinuminvestment.com/files/sixtysecs/WPIC\\_60seconds\\_Stacksofexperience\\_03172021.pdf](https://platinuminvestment.com/files/sixtysecs/WPIC_60seconds_Stacksofexperience_03172021.pdf)
- **Sumitomo commits to Qld hydrogen**
  - Sumitomo has formalised a partnership with Gladstone Ports Corporation, Gladstone Regional Council, CQUniversity Australia and Australian Gas Industry Group to develop Australia’s first hydrogen ecosystem in Central Queensland.
  - The proposed Hydrogen Park Gladstone supports Queensland’s target of net zero emissions by 2050, and the state’s hydrogen strategy, aiming to be a key hub for domestic & exported H<sub>2</sub>.
  - The A\$4.2-million Gladstone facility will produce renewable hydrogen using water and renewable electricity from the local electricity grid, using a 175 kW electrolyser. The renewable

hydrogen will be blended with natural gas, at volumes of up to 10% for supply to more than 770 existing customers on Gladstone's entire gas network.

<https://www.miningweekly.com/article/sumitomo-commits-to-qld-hydrogen-2021-03-17>

- **Developing Unique Methanol-to-Hydrogen Technology for Marine Sector**

- Element 1's technology for advanced hydrogen generation systems used to power fuel cells is well suited to broad use in mobile applications and remote locations such as marine, trucking, automotive, off-road vehicles, rail, warehousing, and backup power supply sectors. In the marine sector they believe it can provide a safe and efficient delivery of hydrogen onboard. They believe it is well suited for mid-size power applications, able to create a significant and cost-effective reduction in CO2 emissions when using standard methanol vs. gasoil, fully carbon-neutral when using renewable methanol, and can be modified to run on ammonia.

<https://www.maritime-executive.com/article/developing-unique-methanol-to-hydrogen-technology-for-marine-sector>

## **Palladium**

- **Palladium sky rocketed at \$2,700**

- Palladium is back in the spotlight as the key Resistance at \$2,500 failed to proven itself as the substantial 7-month barrier for palladium prices, but instead the asset continued to attracts more buyers above the \$2,500. In the meantime, today we have also the breakout northwards of the 15-month triangle seen on the plummet of the price from \$2,879 amid global lockdown.

<https://www.fxstreet.com/analysis/palladium-skyrocketed-at-2-700-202103181537>

- **Pd/Pt/Rh: On-road emissions of Euro 6d-TEMP passenger cars on Alpine routes during the winter period**

- The Royal Society of Chemistry just published our research on tailpipe emissions from Euro 6d-TEMP vehicles in Alpine routes. We tested three passenger cars (one gasoline, one diesel, and one PHEV) at altitudes up to 2000 meters in winter when temperatures reached up to -8°C. Even in those hard conditions, emissions were below applicable limits. However, as compared to tests performed under milder conditions close to the JRC site in Ispra, gaseous and particle emissions increased, particularly at cold start. Particle number emissions, currently not regulated for certain gasoline vehicles as the ones tested (port-fuel injection) were very high in such demanding driving conditions. Definitely, something to solve in the future European emissions standard (Euro 7 2025 intercept).

<https://pubs.rsc.org/en/content/articlepdf/2021/ea/d0ea00010h>

- **(Connector/Contact Materials Supplier) Deringer-Ney Acquires Hoyt Corporation**

- Deringer-Ney Inc., a global leader in precious metal alloys, micro manufactured parts, electrical contacts, and precision components for medical devices, announced today the acquisition of Hoyt Corporation, a leading provider of electrical contacts, copper extrusions, and contact assemblies.
- The acquisition supports Deringer-Ney's strategy of diversification within the electrical contact industry by addressing customers' need for higher voltage systems and alloys to support future electrification and infrastructure expansions. Additionally, Hoyt Corporation's expertise in silver infused products and powder metallurgy is an exciting expansion to Deringer-Ney's globally recognized brands of high-performance materials, such as Paliney® and Neyoro™.

<https://www.deringerney.com/press-release-deringer-ney-acquires-hoyt/>

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

- Ruthenium Catalyst: Haldor Topsoe and Aquamarine enter into a MoU for building a green ammonia facility based on SOEC electrolysis - Chemical Engineering

- AQM Capital LLC is developing a large-scale green ammonia facility to be constructed in multiple stages. In the first stage of the project, the proposed facility will use Haldor Topsoe A/S's proprietary solid oxide electrolyzer cells (SOEC) to produce green hydrogen from 100 MW of renewable electricity. The H<sub>2</sub> will be further processed into 300 ton/d of "green" ammonia, also using Topsoe technology. The produced ammonia can be used as a green marine fuel or as fertilizer.
- Haldor Topsoe has greatly improved the near-term prospects for green ammonia by announcing a demonstration of its next-generation ammonia synthesis plant. This new technology uses a solid oxide electrolysis cell to make synthesis gas (hydrogen and nitrogen), which feeds Haldor Topsoe's existing technology: the Haber-Bosch plant (which still uses Ruthenium catalyst materials).  
<https://www.chemengonline.com/haldor-topsoe-and-aquamarine-enter-into-a-mou-for-building-a-green-ammonia-facility-based-on-soec-electrolysis/?printmode=1>

## **BEV / LiB Battery Market News**

- **Apple to pay \$113 million in battery-throttling case**
  - The states said this practice "led to Apple profiting from selling additional iPhones to consumers whose phone performance Apple had slowed," according to a news release from Arizona Attorney General Mark Brnovich, one of the lead investigators in the case.
  - The controversy became fuel for right-to-repair advocates, who said the practice demonstrated a need to promote greater device repairability.
  - The Nov. 18 settlement indicates Apple will pay \$113 million, and the company will be required to provide additional info to consumers about iPhone battery health, performance and more.
  - "Apple must provide this important information in various forms on its website, in update installation notes, and in the iPhone user interface itself," the news release stated.  
[https://resource-recycling.com/e-scrap/2020/12/24/apple-to-pay-113-million-in-battery-throttling-case/?utm\\_medium=email&utm\\_source=internal&utm\\_campaign=March+TIF+ESN](https://resource-recycling.com/e-scrap/2020/12/24/apple-to-pay-113-million-in-battery-throttling-case/?utm_medium=email&utm_source=internal&utm_campaign=March+TIF+ESN)
- **EVs will cost more using ethically sourced batteries**
  - Cobalt is the battery metal at the highest risk of being exploited in ways that damage the health of people and the environment. Most of the world's supply comes from the Democratic Republic of Congo, with as much as a third of that supplied by small-scale miners who often work in dangerous conditions. Regulators have begun developing rules designed to help industry avoid damaging its reputation.  
[https://www.miningweekly.com/article/evs-will-cost-more-using-ethically-sourced-batteries-2021-03-15/rep\\_id:3650](https://www.miningweekly.com/article/evs-will-cost-more-using-ethically-sourced-batteries-2021-03-15/rep_id:3650)
- **Booming electric vehicle sales drive surge in cobalt prices**
  - Demand and prices for battery material cobalt are soaring as electric vehicles stream out of showrooms in China and Europe, with little prospect of a significant reversal as drivers and governments move to cut carbon emissions.
  - The price of the metal stands at \$53,000 per tonne, up 65% this year and around its highest since December 2018, having been as low as \$25 000 in 2019 due to a global market surplus.  
<https://www.miningweekly.com/article/booming-electric-vehicle-sales-drive-surge-in-cobalt-prices-2021-03-15>
- **Cobalt, nickel free electric car batteries are a runaway success**
  - A year ago, Tesla surprised the electric car industry when it announced some Model 3s made in its Shanghai factory will be equipped with lithium iron phosphate (LFP) batteries made by China's CATL. While cheaper to manufacture, LFP seemed at odds with Tesla's sporty, luxury image. Apart from buses and special purpose vehicles, LFP is associated with tiny (and probably tinny) city runabouts like Wuling's Hong Guang Mini EV which this year overtook the Model 3 as China's bestselling EV. NCM and NCA dominate the market for electric cars and LFP fares badly against ternary cathode batteries in terms of energy density, and therefore range and charging.

- <https://markets.businessinsider.com/commodities/news/cobalt--nickel-free-electric-car-batteries-are-a-runaway-success-9906861>
- **Varta to launch EV battery production**
  - Varta moved into the limelight first & foremost with its participation in the first battery IPCEI (Important Projects of Common European Interest) of the EU and with subsidies amounting to 300 million euros, which were granted to the company by the federal government and also by the states of Bavaria and Baden-Württemberg in 2022. According to the report, two-thirds of this sum will flow into the research and development of the new 21700 cells. The subsidies, which the European Commission approved under state aid law, can be drawn down by Varta until the end of 2024. <https://www.electrive.com/2021/03/16/varta-to-launch-ev-battery-production/>
- **Nickel demand for EVs to outpace lithium and cobalt – report**
  - Fitch has updated its estimate of the impact of EV battery manufacturing on nickel consumption and now expects nickel demand for EV battery manufacturing to experience an annual average growth rate of 29% over 2021-2030, outpacing both lithium and cobalt demand, the analyst says. <https://www.mining.com/nickel-demand-for-evs-to-outpace-lithium-and-cobalt-report/>
- **Biden’s EV Agenda Has One Major Problem**
  - EVs will need a stable supply of certain metals and minerals that the U.S. now imports. Enter Biden’s mining dilemma.
  - The U.S. President has identified climate change as his #1 priority, yet weaning the country off import dependence on China is also high on his priority list. This means Chinese imports of rare earths will need to be replaced with local supply. Boosting all American industries is another priority theme for Biden. This means Chilean lithium imports will need to be replaced with local supply.
  - Local supply of rare earths and critical minerals is a great idea, but this means new mines. New mines are the opposite of what one of Biden’s main supporter demographic—conservationists—want. The administration’s drive to electrify as much of America’s economy as it can in the shortest time is putting it on a collision course with one of its biggest voter groups. <https://oilprice.com/Energy/Energy-General/Bidens-EV-Agenda-Has-One-Major-Problem.html>
- **VW sets itself up as EU’s EV champion, but where will all the lithium and nickel come from?**
  - Volkswagen plans to have a unified battery cell starting 2023, employing lithium iron phosphate, or LFP, in entry models, nickel-manganese in volume models, and nickel-rich NCM in high-end models.
  - The plan goes against popular belief that nickel-rich chemistries will dominate the EV market in the future, so perhaps there was less envy of Elon Musk than might be supposed after the New Caledonia deal, after all Diess and Musk are actually known to be quite friendly, and Musk has spoken favorably about a recent VW model.
  - Still, when all’s said and done, Volkswagen remains beholden to commodity markets and suppliers to deliver the relevant materials to get all these new cars built. How that will get done remains a key question. <https://www.proactiveinvestors.co.uk/companies/news/944270/volkswagen-sets-itself-up-as-european-electric-vehicle-champion-but-where-will-all-the-lithium-and-nickel-come-from-944270.html>
- **Power Day: Volkswagen presents technology roadmap for batteries and charging up to 2030**
  - Unified cell and synergies reduce battery costs by up to 50 percent
  - Six gigafactories with a total production cap of 240 GWh secure battery supply in partnership model
  - “Northvolt Ett” in Skellefteå (Sweden) to be expanded up to 40 GWh
  - Salzgitter planned as second gigafactory with a production capacity of up to 40 GWh
  - Collaboration with suppliers to be intensified to recycle up to 95 percent of raw materials
  - 18,000 fast-charging points: European network to be expanded five-fold with partners
  - “We aim to reduce the cost and complexity of the battery and at the same time increase its range and performance. This will finally make e-mobility affordable and the dominant drive technology.” <https://www.batterytechhub.com/?p=2709>
- **VW Plans to Be Battery Juggernaut in \$29 Billion Answer to Tesla**

- VW already has agreements for two battery plants and is exploring four additional sites for a total capacity of 240 gigawatt-hours by the end of the decade, it said Monday. The push will cost some \$29 billion and would make VW and its partners the world's second-largest cell producer after China's Contemporary Amperex Technology Co. Ltd., according to BloombergNEF.  
<https://www.bloomberg.com/news/articles/2021-03-15/vw-plans-europe-s-biggest-battery-push-in-electric-offensive>

**Regards –**