



## Weekly Precious Metals News Articles: August 7, 2020

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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. Enjoy-

### Gold

- **Gold prices eke out record high, but pull back from intraday peak near \$2,010 as U.S. dollar firms**
  - This feels like a very natural place for gold to be experiencing some profit-taking after hitting a new record high last week but there's nothing to suggest we're going to see a larger pullback at this stage. <https://www.marketwatch.com/story/gold-prices-remain-higher-but-pull-back-from-move-above-2000-an-ounce-as-us-dollar-firms-2020-08-03>
- **US Mint may expand bullion strikings for American Eagles**
  - As investment demand rises for American Eagle silver bullion coins, U.S. Mint officials are considering adding production of the 2020 silver bullion coins at the San Francisco and Philadelphia Mints, to augment West Point Mint output. <https://www.coinworld.com/news/us-coins/mint-may-expand-bullion-strikings-for-american-eagles>
- **Conflict gold back in spotlight as investors flock to safe haven**
  - A report from Global Witness alleging one of the world's biggest gold refiners worked with an at risk supplier that bought conflict metal originating in Sudan is the latest in a series of calls from advocacy groups urging the LBMA to scrutinize suppliers more closely. <https://www.miningweekly.com/article/conflict-gold-back-in-spotlight-as-investors-flock-to-safe-haven-2020-07-17>
- **Gold ETFs added 21% in 2020 dominating gold demand**
  - WGC: Gold-backed ETFs and similar products recorded their 8<sup>th</sup> consecutive month of positive flows, adding 166 tonnes in July – equivalent to US\$9.7bn or 4.1% of assets under management. <https://www.gold.org/goldhub/data/global-gold-backed-etf-holdings-and-flows>

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

- **Global Semiconductor Sales Increase 5.1 Percent Year-to-Year in June; Q2 Sales Down Slightly Compared to Q1**
  - SIA today announced worldwide sales of semiconductors were \$34.5 billion in June 2020, +5.1% from June 2019. June sales -0.3% from May 2020. 2Q'20 sales \$103.6 billion, +5.1% vs Q2'19. <https://www.semiconductors.org/global-semiconductor-sales-increase-5-1-percent-year-to-year-in-june-q2-sales-down-slightly-compared-to-q1/>
- **Worldwide Tablet Shipments Recorded Solid Growth in Q2 2020, According to IDC**
  - After two sequential quarters of decline, the worldwide tablet market recorded 18.6% y/y growth 2Q 2020 with shipments totaling 38.6 million units <https://www.idc.com/getdoc.jsp?containerId=prUS46749920>
- **US called upon to safeguard Taiwan to protect TSMC**

- Expert suggests Taiwan's 'silicon shield' necessitates US assistance against China  
<https://www.taiwannews.com.tw/en/news/3980268>
- **Samsung Electronics to halt production at its last computer factory in China**
  - Samsung will halt operations of its last computer factory in China. Companies are rethinking their production and supply chains amid rising Chinese labour costs, a U.S.-China trade war and the blow from the COVID-19 pandemic.  
<https://www.reuters.com/article/us-samsung-elec-china-pc/samsung-electronics-to-halt-production-at-its-last-computer-factory-in-china-idUSKBN24X3K4>

## **Silver**

- **Silver Is The Comeback Kid**
  - Back in March, COMEX Silver Futures briefly settled below \$12 per troy ounce, a level last seen in 2009. Just four months later, the commodity is at a six-year high  
<https://www.benzinga.com/markets/futures/20/08/16922027/silver-is-the-comeback-kid>
- **Silver Price Forecast – Silver Markets Continue to Defy Gravity**
  - Silver markets have rallied significantly during the trading session again on Thursday, as the US dollar continues to suffer.  
<https://www.fxempire.com/forecasts/article/silver-price-forecast-silver-markets-continue-to-defy-gravity-665417>
- **SIVR ETF Weekly: Set To Move Much Higher In The Near Term**
  - Summary: SIVR has rallied substantially so far this summer. While speculators have liquidated remarkably their net long positions in the silver futures market over the past week, ETF investors have maintained their strong buying.
  - Like gold, silver has benefited from a massive increase in monetary demand, driven by a decline in the dollar and US real rates.
  - For Q3, our target for SIVR is at \$30 per share.  
<https://seekingalpha.com/article/4365108-sivr-weekly-set-to-move-much-higher-in-near-term>
- **Silver Likely To Pull Back In The Short Term**
  - Summary: Precious metals have done terrifically well in recent weeks, especially silver.
  - I expect a short-term pullback in silver prices from here, given its extremely sharp ascent.
  - Net-short positioning in the USD is now at five-year highs. The short-USD trade is extremely crowded and may be at risk of reversing.
  - A strong USD could be a catalyst for short-term weakness in silver prices.  
<https://seekingalpha.com/article/4363668-silver-likely-to-pull-back-in-short-term>
- **Solar PV: Terawatt scale by 2022**
  - Perhaps the most impressive figure to emerge from SolarPower Europe's new 'Global Market Outlook' is that the global solar sector will reach terawatt scale by 2022.
  - Matt: Using this analyst firms (SolarPower Europe) Low Case, Nominal Case, and High Case for new global Solar PV projections coupled with > -6.6% CAGR for y/y silver design thrifting I arrive at an estimated silver demand of Low Case: declining Toz , Nominal Case: 123Moz (2025) , High Scenario: 174Moz silver demand (2023), as compared to 103Moz peak Solar PV silver demand in 2019. Huge range of potential Solar PV installations trajectory.  
<https://www.pv-magazine.com/2020/07/23/terawatt-scale-by-2022/>

## **Precious Metals Mining:**

- **Silver: Shares in Fresnillo bounce back from market chaos**
  - In terms of relative price strength, the price is +67.8% against the market over the past 3 months.

<https://uk.finance.yahoo.com/news/shares-fresnillo-bounce-back-market-103705586.html>

- **Gold: Newmont tops profit estimates on gold price surge**  
<https://www.mining.com/newmont-tops-profit-estimates-on-gold-surge/>
- **Arctic wastewater dump near Russia's Norilsk was toxic, says Greenpeace**
  - Greenpeace said samples taken contained 50 times the permitted level of anionic surfactants that can make water uninhabitable for animals and plants. They also contained elevated iron content.  
<https://www.msn.com/en-us/news/world/arctic-wastewater-dump-near-russias-norilsk-was-toxic-says-greenpeace/ar-BB17BdjH>
- **Mineral Exploration: Why Africa?**
  - The African continent is home to crustal rocks that span the earth's geological history and host enormous mineral wealth, but it has remained for the most part relatively underexplored. However, new technologies for exploration and extraction, combined with modern data processing techniques, could change all that.  
<https://www.srk.co.za/en/za-mineral-exploration-why-africa>

## **E-Waste & Precious Metals Recycle Related:**

- **Global Electronic Waste Up 21% in Five Years, and Recycling Isn't Keeping Up**  
<https://ourworld.unu.edu/en/global-electronic-waste-up-21-in-five-years-and-recycling-isnt-keeping-up>
- **Americans are holding on to their cars longer**
  - IHS Markit study shows average light vehicle age in the U.S. is nearly 12 years.  
<https://www.recyclingtoday.com/article/united-states-vehicles-older-recycling-ihs-markit/>
- **Umicore cites recycling as bright spot in the first half of 2020**
  - Umicore says a strong performance in its recycling operations helped offset COVID-19-related impacts in its Catalysis and Energy & Surface Technologies business units.  
<https://www.recyclingtoday.com/article/umicore-precious-metals-electronics-recycling-1h-2020-results/>

## **Platinum**

- **Platinum and palladium will creep higher as auto sector returns to life: Reuters poll**
  - Analysts and traders have cut their forecasts for autocatalyst metals platinum and palladium as the coronavirus outbreak curtails vehicle sales, but they still expect prices for both to rise gradually through 2021, a Reuters poll showed.  
<https://www.reuters.com/article/us-precious-prices-platinum-palladium-po-idUSKCN24M17W>
- **Platinum continuing to attract strong investor interest – WPIC**
  - The price of platinum is highly correlated to the price of gold, so people that are using gold as an alternative asset are also able to use platinum because of the high correlation.  
<https://www.engineeringnews.co.za/article/platinum-continuing-to-attract-strong-investor-interest-wpic-2020-08-05>
- **Heat smarter, not harder: How microwaves make catalytic reactions more efficient**
  - Scientists tested platinum on alumina and platinum on silica catalysts to find out to what extent microwaves can selectively heat the Pt nanoparticles instead of their supporting material. A series of comparative experiments demonstrated that a higher local temperature of the metal nanoparticles in catalysts is crucial to obtaining higher reaction rates at the same temperature.  
<https://phys.org/news/2020-07-smarter-harder-microwaves-catalytic-reactions.html>
- **Distress signals: where are the chemicals industry pain-points?**
  - PGM Catalysts: Across polymers, the total demand lost in 2020 is equivalent to about 7% of our pre-virus forecasts.

- Platinum Catalyst: Paraxylene (PX) was heading towards the bottom of the cycle before the pandemic. Now, many producers' margins are under significant pressure due to rising feedstock costs, lower fibres demand, and massive overcapacity.
- Ruthenium: PA66 (Nylon) is most exposed to the impact of coronavirus due to heavy exposure to the transportation sector.  
[https://www.woodmac.com/news/opinion/distress-signals-where-are-the-chemicals-industry-pain-points/?utm\\_campaign=chemicals&utm\\_medium=email&utm\\_source=newsletter-pardot-list&utm\\_content=july-newsletter](https://www.woodmac.com/news/opinion/distress-signals-where-are-the-chemicals-industry-pain-points/?utm_campaign=chemicals&utm_medium=email&utm_source=newsletter-pardot-list&utm_content=july-newsletter)

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

- **Cummins Adds to Fuel Cell Leadership, Receives Two US DOE Awards for H2 Fuel Cell Powertrains**
  - 1) \$3.5 million is for the development of an integrated fuel cell electric powertrain for heavy-duty trucks and transit buses with operational performance and total cost of ownership that supports near-term, rapid, and substantial penetration of the truck and bus market. This a proven range of 300+ miles over current heavy-duty trucks and transit buses. Also needs to reduce capital costs by 35% to make the adoption of zero-emission fuel cell technologies viable for commercial fleets.
  - 2) \$3 million is to develop 100 kW PEM fuel cell stack and system to power heavy-duty applications that can achieve a minimum operating time of 25,000 hours @ 80/kW.  
<https://www.businesswire.com/news/home/20200805005143/en/Cummins-Adds-Fuel-Cell-Leadership-Receives-Department>
- **Fuel Cell Electric Vehicles Powered by Ballard Have Now Driven Over 50 Million Kilometers**
  - This includes approximately 1,000 Fuel Cell Electric Buses (FCEBs) and 2,200 commercial trucks. Approximately 70% of the more than 50 million kilometers has been achieved in FCEVs deployed in China, with the remaining vehicles deployed in Europe and N. America.  
<https://www.prnewswire.com/news-releases/fuel-cell-electric-vehicles-powered-by-ballard-have-now-driven-over-50-million-kilometers-enough-to-circle-the-globe-1-250-times-301106099.html>
- **World's 1st by-product hydrogen fuel cell power plant built in Korea**
  - Hanwha's 50MW power plant utilizes waste hydrogen that would otherwise be burnt away or discharged into the atmosphere. Hydrogen arrives at the power plant via underground pipelines where the hydrogen will meet with oxygen, triggering an electrochemical reaction that generates electricity and leaving behind only pure water without emitting any pollutants such as sulfur oxide, NOx and greenhouse gases.  
<http://www.koreaherald.com/view.php?ud=20200728000849>
- **What Is Next For Energy Storage Technology?**
  - Energy storage is referred to as the "holy grail" of renewable energy, as it gives solar and wind energy the ability to generate electricity 24/7. The need to shift energy from daytime to nighttime is critical for solar energy to compete with fossil fuels.  
<https://www.forbes.com/sites/forbestechcouncil/2020/08/04/what-is-next-for-energy-storage-technology/>

### **Palladium**

- **China auto sales expected to rise 15% in July: industry body**
  - China's auto sales for July are expected to rise 14.9% year-on-year to 2.08 million vehicles, the country's top auto industry body CAAM said on Tuesday.  
[http://www.reuters.com/article/us-china-autos-idUSKCN2501HW?utm\\_source=34553&utm\\_medium=partner](http://www.reuters.com/article/us-china-autos-idUSKCN2501HW?utm_source=34553&utm_medium=partner)
- **Hyundai and Mazda Up, Toyota and Honda Down as U.S. Auto Sales Show Mixed Results**

- Hyundai rose 1 percent and Mazda sales were up 3 percent, while Honda was down 11 percent and Toyota fell by 22 percent compared with last year.  
<https://www.caranddriver.com/news/a33498505/auto-sales-july-pandemic/>
- **Palladium Weekly: We Buy The Dips**
  - Summary: PALL has come under selling pressure since late July, heavy resistance at \$220 per share.
  - We view the recent sell-off as an opportunity to buy the dips, expecting more upside in Q3.
  - A positive swing in sentiment toward PALL has emerged over the past month, as evident in the increase in spec and investment demand.
  - While supply growth should be restrained by tighter output in South Africa, demand should get a boost from the recovery in automobile production, led by China.
  - We expect PALL to hit a high of \$260/share for Q3.  
<https://seekingalpha.com/article/4363754-palladium-weekly-buy-dips>

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

- **Iridium: Lifestyle filled with OLED tech comes near**
  - A glimpse of the future showcased at LG Display's OLED exhibition located in LG Science Park in Seoul.  
[http://www.koreatimes.co.kr/www/tech/2020/08/693\\_293866.html](http://www.koreatimes.co.kr/www/tech/2020/08/693_293866.html)
- **PGM Minor Metals: A new chemical analysis upends conventional explanation for global cooling**
  - The analysis focused on Osmium and levels of highly siderophile elements, including Iridium, Ruthenium, Platinum, Palladium and rhenium, including determining the proportion of each element.  
[https://www.eurekalert.org/pub\\_releases/2020-07/uoh-anc073120.php](https://www.eurekalert.org/pub_releases/2020-07/uoh-anc073120.php)

## **BEV / Li-Ion Battery Market News**

- **Elon Musk says a third Tesla car factory in the US is 'likely' after it finishes Austin and Berlin construction**
  - A third Tesla car factory in the US is likely, Elon Musk said on a podcast released Monday.
  - Tesla announced in July that its second US car factory would be in Austin, Texas.
  - It's also building a Gigafactory in Europe, near Berlin, Germany, and operates one in Shanghai, China.  
<https://www.businessinsider.com/elon-musk-third-us-tesla-factory-likely-after-austin-berlin-2020-8>
- **Worth more than a nickel: Tesla sees revved up demand for the metal**
  - Tesla CEO Elon Musk says more nickel will be needed to fuel a predicted rise in electric vehicle battery production.  
<https://www.recyclingtoday.com/article/tesla-musk-nickel-demand-electric-vehicle-batteries/>
- **Exclusive: Panasonic aims to boost energy density in Tesla batteries by 20% - executive**
  - Panasonic Corp (6752.T) plans to boost the energy density of “2170” battery cells it supplies to Tesla Inc (TSLA.O) by 20% in five years and commercialize a cobalt-free version “in two to three years”, the head of its U.S. EV battery business said.  
<https://www.reuters.com/article/us-panasonic-tesla-exclusive-idUSKCN24V1GB>
- **Huge Lithium, Potash Deposit Found in Mexico**
  - > 62k mt of Lithium is a huge deposit.  
<http://laht.com/article.asp?ArticleId=345461&CategoryId=14091>
- **Resourcing the New Energy Economy**
  - Matt: A long but Highly Recommended read about LiB materials supply chain.  
<https://prices.fastmarkets.com/resourcing-the-new-energy-economy/>

Regards –