Weekly Precious Metals News Articles: October 23, 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

- **Commodities headed for bull market in 2021 on inflation fears, stimulus - Goldman Sachs**
  - A weaker U.S. dollar, rising inflation risks and demand driven by additional fiscal and monetary stimulus from major central banks will spur a bull market for commodities in 2021, Goldman Sachs said on Thursday.
  - The bank forecast a return of 28% over a 12-month period on the S&P/Goldman Sachs Commodity Index (GSCI), with a 17.9% return for precious metals, 42.6% for energy, 5.5% for industrial metals and a negative return of 0.8% for agriculture.
    https://uk.reuters.com/article/us-goldmansachs-research-commodities-idUKKBN2770NW
- **Indian gold dealers stock up, hope to usher in festive glitter**
  - Physical gold dealers in India continued to stock up this week ahead of an expected festival sales bump, while the Golden Week in top consumer China did little to revive bullion demand.
    https://www.reuters.com/article/asia-gold-demand/indian-gold-dealers-stock-up-hope-to-usher-in-festive-glitter-idUSKBN2711Q7
- **Low Dollar Risky For Gold**
  - Summary: Today's low US-dollar levels are a serious near-term risk for gold. After the dollar's past big selloffs, it has surged sharply higher in major mean-reversion rallies.
  - When those unfolded during this gold bull, the metal suffered major corrections. A rapidly-strengthening US dollar forces gold-futures speculators to aggressively dump their leveraged positions, which fuels snowballing gold selling.
  - With the dollar so oversold and bearishness on it universal, there are all kinds of potential catalysts to drive its overdue mean-reversion rally. Gold remains at risk of further selling.
    https://seekingalpha.com/article/4379534-low-dollar-risky-for-gold

Semiconductor Related Articles (impacting Precious Metals electronics):

- **TSMC raises revenue forecast, citing robust 5G demand**
  - MOMENTUM: While next-generation smartphones feature more semiconductors and vendors increase their inventory, the chipmaker remains focused on production in Taiwan
    https://www.taipeitimes.com/News/biz/archives/2020/10/16/2003745212
- **IC packaging material firms see clear order visibility**
  - Many IC backend service firms have stepped up purchases of related packaging materials as they are currently operating in high gear rolling out an array of ICs for consumer electronics products for year-end seasonal demand, said the sources.

- Niching's sales expanded 11% sequentially and 23% on year in third-quarter 2020, with significant orders from ASE Technology Holding, SPIL and Greatek, the sources said.
- Matt: This bodes well for backend packaging precious metals products demand.
  https://www.digitimes.com/news/a20201019PD209.html

Silver

- **Western Australian government approves 15 GW Asian Renewable Energy Hub, whole project now expanded to 26 GW**
  - The Western Australian government has given environmental approval to the first stage of the Asian Renewable Energy Hub, a 15 GW hybrid solar and wind plant. The approval is a massive step forward for the project, which will eventually reach 26 GW, and an even larger step forward for green hydrogen development in Australia for domestic use and export.
    https://www.pv-magazine.com/2020/10/20/wa-govt-approves-15-gw-asian-renewable-energy-hub-whole-project-now-expanded-to-26-gw/
- **Is Silver a buy or sell right now?**
  - Silver prices have skyrocketed this year, recording a 38.3% price surge since the start of 2020 thanks to an extraordinary rise in demand across various categories, especially physical. A move above $27 on a daily/weekly basis is likely to open the door for a trip above the $30 mark.
    https://www.digitalmarketnews.com/is-silver-a-buy-or-sell-right-now/
- **Silver Investment Demand Will Power Silver To A New All-Time High**
  - Summary: Silver in percentage terms will outperform gold in this precious metal bull market.
  - Investors are in an acquisitive mood as the demand for physical silver takes off.
  - Demand via the silver-backed exchange-traded products (ETPs) has just about tripled in the first nine months of this year.
    https://seekingalpha.com/article/4380059-silver-investment-demand-will-power-silver-to-new-all-time-high

Precious Metals Mining:

- **Anglo American's third-quarter production recovers from Covid-19 impact**
  - Diversified mining group Anglo American has posted a 24% increase in production in the third quarter, compared with the second quarter of the year, while operating at 95% of normal capacity across its subsidiaries' operations in regions including Canada, South Africa, Australia, Finland and South America.
    https://www.miningweekly.com/article/anglo-americans-third-quarter-production-recovers-from-covid-19-impact-2020-10-22/rep_id:3650
- **Fresnillo Cuts Production Outlook Again as Gold Trades Near Record Highs**
  - In March, Fresnillo said it expected to produce between 815 and 900 koz of gold.
  - In July reduced the outlook to to 785 to 815 koz as coronavirus restrictions impacted operations in Mexico. All mining operations were initially halted in the country before the government deemed it an essential industry in May.
  - On Wednesday now expected output between 745 and 775 koz.
  - Gold production in Q3'2020 fell 6% compared with Q2, and was -18% y/y.
    https://www.barrons.com/articles/fresnillo-cuts-production-outlook-again-as-gold-trades-near-records-the-stock-dropped-51603288372
- **Hydrogen fast-tracking will be much quicker than imagined – Sibanye-Stillwater**
  - Froneman was speaking after others had outlined that the amazingly broad potential applications of PGM-catalysed hydrogen fuel cells and electrolysers across not only transport, which gains most of the headlines, but also in hydrogen generation itself, energy storage, heating, cooling, clean steelmaking and a host of other industrial, mining, commercial and residential applications, at a time

when cost-lowering within the hydrogen economy is gaining impressive momentum and plans are being devised to showcase hydrogen's prowess at iconic global events, including next year's Olympic Games in Japan.
https://m.engineeringnews.co.za/article/hydrogen-fast-tracking-will-be-much-quicker-than-imagined-sibanye-stillwater-2020-10-18/rep_id:4433

- **Russian court sentences Arctic city mayor to community service over fuel spill**
  - Rinat Akhmetchin, who resigned as mayor in July, was charged with negligence after a fuel tank at a power station in the remote, industrial region lost pressure and collapsed in late May, leaking more than 20,000 tonnes of fuel into rivers and subsoil. Greenpeace has compared the incident to the 1989 Exxon Valdez oil spill off the coast of Alaska.
  - Russia's Investigative Committee, the body that probes serious crimes, charged Akhmetchin with criminal negligence in June, saying he had failed to coordinate and organise emergency measures to contain and control fallout from the spill.
    https://www.reuters.com/article/us-russia-pollution-mayor-idUSKBN2741HP
- **Nornickel Announces Consolidated Production Results for 9 Months of 2020**

	Q1-3'2020	Q1-3'2019	y/y % Change
Palladium	2,053 koz	2,253 koz	-9%
Platinum	513 koz	553 koz	-7%

https://uk.finance.yahoo.com/news/nornickel-announces-consolidated-production-results-100015033.html

E-Waste & Precious Metals Recycle Related:

- **Plasma Arc Recycling of Precious Metals**
  - Ben Messenger looks at how plasma arc technology is helping recyclers to bridge the gap between supply and demand for a number of platinum group and other precious metals.
    https://waste-management-world.com/a/plasma-arc-recycling-of-precious-metals
- **Designing batteries for easier recycling could avert a looming e-waste crisis**
  - Recycling technologies that can break down batteries, such as pyrometallurgy, or burning, and hydrometallurgy, or acid leaching, are becoming more efficient and economical. But the lack of proper battery recycling infrastructure creates roadblocks along the entire supply chain.
    https://www.chron.com/news/article/Designing-batteries-for-easier-recycling-could-15666870.php
- **India Is The World's Third Highest E-Waste Generator, But Still Missing Out On Recycling Them**
  - India Is The World's Third Highest E-Waste Generator, But Still Missing Out On Recycling Them
    https://www.msn.com/en-in/money/topstories/india-is-the-worlds-third-highest-e-waste-generator-but-still-missing-out-on-recycling-them/ar-BB1a4Swv

Platinum

- **Platinum well positioned in hydrogen economy's sweet spots – WPIC**
  - Hyundai has stated categorically, in a double-page advertisement in The Economist of London, that it will be making 700 000 fuel cell stacks a year by 2030.
  - While Hyundai has not given exact platinum loadings for the fuel cell stacks, it is estimated that each fuel cell stack will require about 1 oz of platinum, which would total 700 000 oz of platinum per year, just for Hyundai alone.
  - Matt: 1 oz loadings is understated. Hyundai has been documented in interviews specifying their Pt loadings. Their now discontinued 2017 Hyundai Tucson (small SUV) used 76 grams on a 120 kW system. Their newer replacement 2018/19 Hyundai Nexo (small SUV) used 56 grams on a slightly smaller 100 kW system. 2020 model Nexo unclear on loadings. But these are some of the light duty FCEV industries highest loadings.

- Matt: 700k Nexo's = 1.26 Moz of platinum/year platinum demand at 2019 last known loadings. This is just for Hyundai light duty. Add all of the global heavy-duty transportation and new Pt Electrolyzer demand and the numbers get just plain silly quick. https://www.polity.org.za/article/platinum-sits-in-hydrogen-economys-sweet-spot-wpic-2020-10-20

- **Platinum - The Most Frustrating Metal, But I Remain Patiently Bullish**
    - I remain bullish on platinum and continue to hold the physical metal in my portfolio. While platinum does not tarnish, my faith and patience in the metal is certainty tarnished as I wait for the value proposition to work its magic. https://seekingalpha.com/article/4380519-platinum-frustrating-metal-i-remain-patiently-bullish

Fuel Cells/Hydrogen Economy Related Articles:

- **Pt Catalyst Design: New insight brings sustainable hydrogen one step closer**
    - How to speed up the electrochemical production of hydrogen on platinum electrodes in an alkaline environment?
    - To understand what is so special about this (platinum) crystal, we need to zoom in on the surface of the platinum. This is not flat and smooth, but irregular with tiny steps and kinks, designed the special crystal in such a way that the surface has the same number of these irregularities throughout the crystal. He then decorated the edges with different metals, such as ruthenium and molybdenum so that all the electrodes had exactly the same atomic structure, but each time with a different metal in the edges. This enabled him to vary the interaction of the electrode with the oxygen atom of water in a systematic way. https://phys.org/news/2020-10-insight-sustainable-hydrogen-closer.html
- **GM 'going forward' with Nikola partnership talks on trucks**
    - Partnership talks between General Motors Co. and Nikola Corp. to build electric and fuel-cell trucks together are pushing ahead, GM President Mark Reuss told Bloomberg TV. https://www.detroitnews.com/story/business/autos/general-motors/2020/10/21/gm-going-forward-nikola-partnership-talks-trucks/6004567002/
- **Nikola shares plunge after CEO says startup can go it alone**
    - Talks between the two companies (Nikola and GM) are ongoing, but if a tentative technology-sharing and manufacturing deal announced last month falls apart, Nikola will revert to a "base plan" without GM's help, CEO Mark Russell said in an interview late Thursday. https://www.livemint.com/companies/news/nikola-shares-plunge-after-ceo-says-startup-can-go-it-alone-11602927315034.html
- **New alliance targets deployment of heavy-duty hydrogen vehicles**
    - Western States Hydrogen Alliance to focus on speeding rollout of hydrogen fuel cell electric technologies. Founding members of the alliance include Ballard Power Systems, Capacity Trucks, El Dorado National, Golden Gate Zero Emission Marine, Hyundai, Plug Power and The Protium Company. https://www.freightwaves.com/news/new-alliance-targets-deployment-of-heavy-duty-hydrogen-vehicles
- **Jim Ross: A new fuel enters the power generation mix**
    - The plant is under construction, with commercial operations planned for November 2021. Long Ridge would be the first purpose-built hydrogen-burning power plant in the United States and the first worldwide to blend hydrogen in a GE H-class gas turbine, the company says. The plant's turbine can burn between 15% to 20% hydrogen by volume in the gas stream initially, with the capability to transition to 100% hydrogen over time. https://www.herald-dispatch.com/opinion/jim-ross-a-new-fuel-enters-the-power-generation-mix/article_d4f41095-1c57-5290-8805-18101525efa4.html

Palladium

- **Recovering auto production revs up platinum, palladium prices, Reuters poll shows**
    - "Rebounding auto sales, tight mine supply and little indication of new sources of supply have helped palladium rise," said ETFS Capital analyst Nitesh Shah. "Continued tightness could see record prices regained."
      https://www.reuters.com/article/us-precious-prices-platinum-palladium-idUSKBN2761GP
- **China's 2020 auto production and sales could return to 2019 levels: government official**
    - China's 2020 auto production and sales may possibly be close to last year's levels should they keep growing in the fourth quarter, an official from the country's state planner said on Wednesday.
      https://www.reuters.com/article/us-china-autos/chinas-2020-auto-production-and-sales-could-return-to-2019-levels-government-official-idUSKBN27604Y

PGM Minor Metals (Rhodium, Iridium, Ruthenium)

- **Iridium and Platinum: Frame Delivers 25kW Hydrogen (PEM) Electrolyzer for Plug Power**
    - The combination of Frames 25kW Balance-of-Plant and Plug Power's electrolyser stack is an important milestone in the collaboration between Frames and Plug Power. The 25kW GenFuel electrolyser is a crucial development in the renewable portfolio of Frames and serves as the foundation for their MW-scale electrolyser and endeavors in renewable energy.
      https://fuelcellsworks.com/news/frames-delivers-25kw-hydrogen-electrolyzer-for-plug-power/
- **Iridium: LG begins official sales of rollable OLED TV**
    - LG Electronics has begun sales of its highly-touted rollable OLED TV in South Korea.
      https://www.zdnet.com/article/lg-begins-official-sales-of-rollable-oled-tv/
- **Ruthenium: China's carbon neutral efforts to get boost from new ways to produce methanol, hydrogen**
    - The Dalian Institute of Chemical Physics is leading projects to turn solar power into methanol and produce hydrogen from methanol. China, the world's largest investor in renewable energy, has pledged to become carbon neutral by 2060
      https://www.scmp.com/tech/science-research/article/3105859/chinas-carbon-neutral-efforts-get-boost-new-ways-produce

BEV / LiB Battery Market News

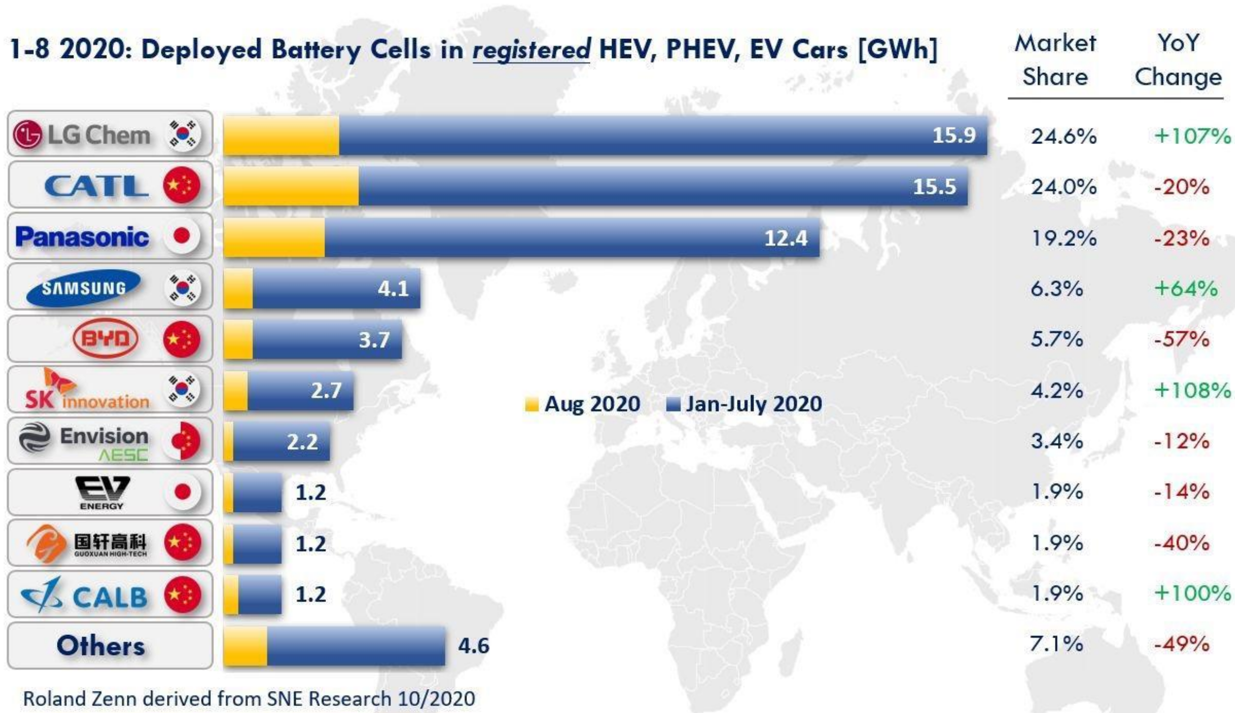
- **Kenworth to produce its first Class 8 battery-electric truck in 2021**
    - Kenworth launched its first battery-electric Class 8 model, the Kenworth T680E, according to a company announcement on Wednesday. The model is available to order in the United States and Canada. It will enter into production in 2021, officials from parent company Paccar said.
    - The zero-emission Kenworth T680E has an estimated operating range of 150 miles and an estimated 3.3-hour charging time, the OEM said.
      https://www.transportdive.com/news/Kenworth-T680E-first-electric-Class-8-truck-model/587118/
- **Trash to Treasure: Sustainable recycling of electric vehicle batteries**
    - Today, only an estimated 5% of lithium-ion batteries are recycled. That is, to a degree, because the process is partly manual, involves high temperature and caustic chemicals, and is inefficient.
    - Researchers reported proof-of-principle for a different approach to battery recycling, one that works at room temperature and significantly reduces the use of chemicals.
    - The new process is electrochemical, Lister said. So, instead of heat, the energy comes from electricity, which powers the reactions that leach the cobalt, lithium, manganese and other materials

out of the batteries. The researchers demonstrated the approach in a cell that measures a few inches on the side, small enough to be picked up.
https://www.eurekalert.org/features/doe/2020-10/dnl-ttt101920.php

- **Volvo starts production of its highly-anticipated XC40 electric SUV**
    - Today, Volvo started production of its highly-anticipated XC40 Recharge electric SUV, the first fully electric vehicle from the Swedish brand.
    - Volvo also confirmed the following specs for the XC40 Recharge: 78 kWh battery pack range of over 250 miles (400 km) based on WLTP, Dual Motor 300 kW powertrain (a 150 kW electric motor on each axle), and 11 kW onboard charger and 150 kW DC fast-charging capability
    https://electrek.co/2020/10/01/volvo-starts-production-xc40-electric-suv/
- **Sibanye-Stillwater says "downstream exposure" will be part of battery metals deal**
    - "Battery metals is going to be very different. It is going to be far more strategic, and it is going to require partnerships" even though the firm had spent 18 months sizing up potential acquisitions, said Froneman.
    - "It will not be same type of strategy where we aim to be number one, two or three in battery metals. It will be far more selective. It is probably will involve quite a lot more downstream exposure for supply chain reasons."
    https://www.miningmx.com/news/markets/44036-sibanye-stillwater-weighing-strategic-battery-metals-dead-with-downstream-exposure/
- **CEO of top battery maker LG Chem discloses JV talks, defends split-off**
    - "Our joint ventures with Geely and GM have been already announced, and we have ongoing discussions with a couple of other automakers," he said.
    - The South Korean company currently supplies batteries from its Nanjing, China, factory for Model 3 vehicles built at Tesla's Shanghai plant.
    https://www.reuters.com/article/lg-chem-ceo-idUSKBN27114R
- **LinkedIn Posting That Was Excellent**

Roland Zenn • 2nd
Sr. Manager Purchasing Battery Cell Materials at Farasis Energy Europe
5h • Edited •

- China, Europe, Tesla and the pandemic define the xEV #battery market in 2020.
- 64.7 GWh of battery cells were deployed in sold HEVs, PHEVs and EVs between Jan.-Aug 2020, which corresponds to a market decline of -9% YoY.
- The lower demand for #batteries was caused by low sales numbers of xEVs in H1 2020 in CN and the US as a consequence of the Covid-19 pandemic.
- Chinese players with focus on the domestic market were hit hardest, apart from CALB all of them sold less batteries in a YoY comparison. However, xEV sales are increasing quickly again in CN thanks to extended subsidies and other favorable policies. Therefore, CATL will likely reclaim 1st place from LG in 2020.
- Despite the pandemic Europe has become the fastest growing xEV market with sales numbers up +90% YoY between 1-8 2020. The European market is mainly relying on local batteries from LG Poland, SDI Hungary, SKI Hungary and AESC UK. Especially the Korean's benefitted and were able to increase sales numbers significantly in 2020.
- LG, CATL and Panasonic are suppliers to #Tesla, which contributes a significant amount to their sales numbers.



January through August Battery Cell Shipments in GWh

Regards –