
PRESS RELEASE

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Third consecutive platinum market deficit - forecast at 539 koz for 2025

- Supply remains severely constrained despite improvements in recycling, edging up 2% in 2024 to 7,269 koz and 1% in 2025 to 7,324 koz
- Automotive demand is projected to hit an eight-year high of 3,245 koz in 2025
- Steady growth in the jewellery sector, with a 5% year-on-year increase forecast for 2024 and a 2% increase in 2025, driven by a surge in Indian fabrication
- Industrial demand to decline by 9% in 2025 to 2,216 koz as substantive capacity expansions taper; will still remain above the ten-year average
- Net positive investment demand is expected for the third consecutive year, bolstered by Chinese bar demand

The World Platinum Investment Council - WPIC® - today publishes its Platinum Quarterly for the third quarter of 2024, with a revised estimate for 2024 and a first forecast for 2025.

The market is expected to reach a deficit of 682 koz in 2024, as the exceptionally strong demand from the previous year is sustained, reaching 7,951 koz (flat year-on-year) and again exceeding supply, which remains constrained at 7,269 koz—a 2% increase year-on-year.

In 2025, a third consecutive market deficit is forecast at 539 koz, with total demand remaining strong at 7,863 koz (-1% year-on-year) and total supply remaining constrained, increasing by 1% to 7,324 koz.

Constrained supply despite strong Q3'24 and improvements in recycling

Despite Q3'24 supply growing by 7% year-on-year to 1,479 koz—primarily driven by increased stock releases in South Africa, which flattered the quarter's output—global mined supply for the full year 2024 is essentially flat compared to last year's constrained levels at 5,683 koz (+1%, +68 koz), reflecting ongoing challenges the industry has been facing. Downside risks, such as the persistently low platinum group metal (PGM) basket price and ongoing restructuring, remain and could continue next year. Consequently, for 2025, global platinum mine supply is forecast to contract by 2% (-133 koz) year-on-year to 5,550 koz.

The headwinds that have recently blighted global platinum recycling supply could be near resolution. Therefore, the 2024 forecast is for a 3% year-on-year improvement to 1,587 koz, followed by a 12% increase in 2025 to 1,774 koz—which is nevertheless still 8% below the pre-COVID 5-year average. The net result brings total global platinum supply to 7,269 koz in 2024 (a 2% year-on-year increase) and 7,324 koz in 2025 (a 1% year-on-year increase).

Meanwhile, above ground stocks are expected to decline by 16% to 3,553 koz, just over five months' worth of demand cover in 2024, and by a further 15% in 2025 to 3,014 koz.

Automotive platinum demand to reach 8-year high in 2025

Amid economic challenges and high interest rates, vehicle production forecasts for this year have been revised downward, particularly in Europe. Consequently, global automotive platinum demand declined by 3% year-on-year (-21 koz) in Q3 2024 and is expected to decrease by 2% year-on-year (-49 koz) in 2024, reaching 3,173 koz, which includes 751 koz of platinum for palladium substitution.

As automakers adjust strategies to boost lower-CO₂, internal combustion engine-based, hybrid vehicle sales, to mitigate regulatory challenges, automotive platinum demand is projected to strengthen by 2% year-on-year to reach 3,245 koz in 2025—the highest level since 2017.

Steady growth in the jewellery sector

Global jewellery demand increased by 7% year-on-year to 478 koz in Q3 2024 (+32 koz), driven largely by a 68% surge in Indian jewellery fabrication to 66 koz—the second-highest quarterly figure in our time series since 2013. This rise, along with gains in key markets such as Japan and North America, will help overall jewellery demand for 2024 increase by 5% (+102 koz) year-on-year to 1,951 koz.

This positive trend is expected to continue into 2025, with a projected 2% (+32 koz) increase in demand to 1,983 koz. Growth is anticipated to continue in India, and also expected in North America, driven by post-election sentiment, and, in China, supported by product innovations.

Industrial demand to contract by 9% in 2025 as capacity expansion projects taper

The industrial sector saw robust demand in Q3 2024, increasing by 15% year-on-year (+76 koz). This growth was driven by a 10% rise in the electrical and medical sectors and a 96% jump in glass sector demand, albeit from a low base. For full year 2024, industrial demand will ease back by just 1% compared to the previous year to 2,434 koz. Gains in the electrical (+1% to 90 koz), medical (+4% to 303 koz), hydrogen (+123% to 64 koz), and glass (+29% to 671 koz) sectors will be offset by a 28% decline in the chemical sector, as cyclical capacity expansions in China conclude.

After three years of exceptional growth, industrial demand is projected to contract by 218 koz to 2,216 koz in 2025, representing a 9% decrease. This downturn is primarily due to a 57% (-385 koz) drop in platinum demand from the glass sector to 286 koz, due to fewer capacity expansions. However, 2025 is expected to see strong growth in the chemical (+17% to 656 koz), petroleum (+31% to 211 koz), medical (+4% to 314 koz), and hydrogen (+32% to 84 koz) sectors.

Third consecutive year of net positive investment demand expected in 2025

Outflows in ETFs and exchange stock movements in Q3 2024 led to net disinvestment of 226 koz for the quarter, the first-time net disinvestment has occurred this year. In 2024, a 17% increase in demand for larger bars in China (500g and over) to 157 koz and net positive ETF holdings of 150 koz for the full year are expected. However, this will be offset by a 47% (151 koz) drop in global bar and coin demand, excluding China larger bars, driven by price-driven selling in Japan and weaker demand in North America. The result will be net positive investment demand of 393 koz for the full year.

For 2025, total investment demand is expected to rise 7% to 420 koz, driven mainly by growth in stocks held by exchanges and an 8% increase in demand for bars of 500g and larger in China. While global bar and coin investment demand is forecast to ease by 12% to 151 koz, bar and coin demand in North America is projected to return to growth. Platinum ETF holdings are also expected to rise by 50 koz, as some US investors look to gain exposure to higher-for-longer internal combustion engine vehicle production.

Trevor Raymond, CEO of the World Platinum Investment Council, commented: “2025 will mark the third consecutive year in which the platinum market experiences a significant and meaningful deficit, driven by robust demand and ongoing supply vulnerabilities. At a time when the global economy is uncertain, one might expect an industrial metal like platinum to perform poorly. However, as we see in today’s findings, platinum demonstrates its resilience due to its diverse end-uses even in the current environment.

“At the centre of the issue, supply remains constrained for both mined and recycled platinum. In quarter three, underlying mine supply has been flattered by stock releases, masking the decline in mining activity. Ongoing headwinds present downside risks to supply into next year,

especially as miners reassess production plans and restructure operations to manage the negative impact of the platinum group metals' basket price on mining sustainability. It's worth noting that supply rationalisation plans will have a short-term negative effect while also severely constraining any near-term supply response to demand growth or higher platinum prices. Meanwhile, although we anticipate that recycled volumes are on the path to recovering to pre-COVID levels, hurdles still remain, meaning the recovery curve keeps being pushed back.

“The continued growth in automotive demand features as a demand growth driver for 2025. The slowdown in Battery Electric Vehicle sales - contrary to expectations - is leading to sustained automotive demand for platinum over a longer period. All the while, platinum demand is bolstered in this sector by stricter emissions legislation, an increase in hybrid vehicles that contain internal combustion engines, and the growth in annual platinum for palladium substitution.

“In terms of platinum investment, we are delighted that Costco, the third largest retailer in the world, is making platinum even more accessible for investors in the US – it is now selling platinum bars and coins. This has significantly increased awareness of platinum as an investment asset, and, for many Americans, highlighted the suitability of precious metals, including platinum, as an asset class that can be included in retirement portfolio planning.

“Green hydrogen development and deployment remains firmly on the agenda, as various initiatives at the recent COP29 highlighted. The relevance of platinum's role in the hydrogen economy remains as strong as ever and our forecast for 2025 predicts a significant increase in demand—albeit from a small base—demonstrating the steady growth of this segment. This trend is steadily capturing the attention of global investors, offering a compelling opportunity to engage with assets connected to global decarbonisation efforts.”

Platinum Supply-demand Balance (koz)	2021	2022	2023	2024f	2025f	2024f/2023 Growth %	2025f/2024f Growth %	Q3 2023	Q2 2024	Q3 2024
SUPPLY										
Refined Production	6,295	5,520	5,604	5,626	5,550	0%	-1%	1,393	1,541	1,479
South Africa	4,678	3,915	3,957	4,000	3,929	1%	-2%	984	1,128	1,073
Zimbabwe	485	480	507	504	522	-1%	3%	132	126	126
North America	273	263	275	252	232	-8%	-8%	60	59	60
Russia	652	663	674	678	676	1%	0%	168	181	172
Other	206	200	190	191	191	0%	0%	48	48	48
Increase (-)/Decrease (+) in Producer Inventory	-93	+43	+11	+57	+0	>±300%	-100%	-6	+35	+0
Total Mining Supply	6,202	5,563	5,615	5,683	5,550	1%	-2%	1,387	1,576	1,479
Recycling	2,106	1,762	1,544	1,587	1,774	3%	12%	347	388	348
Autocatalyst	1,618	1,322	1,143	1,176	1,346	3%	14%	254	297	260
Jewellery	422	372	331	335	347	1%	4%	75	72	68
Industrial	67	69	71	76	81	8%	6%	17	19	20
Total Supply	8,308	7,326	7,159	7,269	7,324	2%	1%	1,733	1,964	1,827
DEMAND										
Automotive	2,441	2,751	3,223	3,173	3,245	-2%	2%	771	805	750
Autocatalyst	2,441	2,751	3,223	3,173	3,245	-2%	2%	771	805	750
Non-road	†	†	†	†	†	N/A	N/A	†	†	†
Jewellery	1,953	1,880	1,849	1,951	1,983	5%	2%	446	497	478
Industrial	2,526	2,336	2,449	2,434	2,216	-1%	-9%	490	667	565
Chemical	658	694	786	563	656	-28%	17%	147	140	137
Petroleum	169	193	161	161	211	0%	31%	39	40	40
Electrical	135	106	89	90	92	1%	2%	22	23	24
Glass	753	505	521	671	286	29%	-57%	64	225	125
Medical	267	278	292	303	314	4%	4%	71	77	78
Hydrogen Stationary and Other	17	12	29	64	84	123%	32%	7	14	17
Other	528	548	571	582	574	2%	-1%	139	148	144
Investment	-3	-516	397	393	420	-1%	7%	50	462	-226
Change in Bars, Coins	349	259	322	171	151	-47%	-12%	86	17	69
China Bars ≥ 500g	27	90	134	157	170	17%	8%	35	41	30
Change in ETF Holdings	-241	-558	-74	150	50	N/A	-67%	-99	444	-300
Change in Stocks Held by Exchanges	-139	-307	14	-85	50	N/A	N/A	28	-40	-25
Total Demand	6917	6451	7918	7951	7863	0	0	1756	2431	1567
Balance	1392	874	-759	-682	-539	N/A	N/A	-23	-467	260
Above Ground Stocks	4,119**	4,993	4,235	3,553	3,014	-16%	-15%			

Source: Metals Focus 2021 – 2025

Notes:

1. **Above Ground Stocks 3,650 koz as of 31 December 2018 (Metals Focus).
2. † Non-road automotive demand is included in autocatalyst demand.

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Notes to Editors:

About Platinum Quarterly

Platinum Quarterly is the first independent, freely available, quarterly analysis of the global platinum market. Platinum Quarterly is a World Platinum Investment Council publication. It is largely based upon research and detailed analysis commissioned by WPIC and conducted by Metals Focus, an independent authority on the platinum group metals markets.

About the World Platinum Investment Council - WPIC®

The World Platinum Investment Council Ltd. is a global market authority on physical platinum investment, formed to meet the growing investor demand for objective and reliable platinum market intelligence. WPIC's mission is to stimulate global investor demand for physical platinum through both actionable insights and targeted product development. WPIC was created in 2014 by the leading platinum producers in South Africa. WPIC's members are: Anglo American Platinum, Implats, Northam Platinum, Sedibelo Platinum and Tharisa.

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About Metals Focus

Metals Focus is one of the world's leading precious metals consultancies. They specialise in research into the global gold, silver, platinum, palladium and rhodium markets producing regular reports, forecasts and bespoke consultancy. The Metals Focus team, spread across eight jurisdictions, has an exhaustive range of contacts across the world. As such, Metals Focus is dedicated to delivering world-class statistics, analysis and forecasts for the precious metals markets.

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About Platinum

Platinum is one of the rarest metals in the world with distinctive qualities making it highly valued across a number of diverse demand segments. Platinum's unique physical and catalytic properties have established its value in industrial applications. At the same time, its unique precious metal attributes have made it the premier jewellery metal.

Platinum's supply comes from two main sources: primary mining output and recycling, which typically comes from end-of-life auto catalysts and jewellery recycling. Over the last five years, between 72% and 78% of total annual platinum supply (in refined ounces) has come from primary mining output.

Global demand for platinum is robust and becoming more diverse. There are four core segments of platinum demand: automotive, industrial, jewellery and investment demand.

Platinum demand from autocatalysts has equated to between 30% and 44% of total demand in the last five years. Platinum's diverse non-automotive industrial uses account on average for 32% of total global demand (five-year average). Over the same period, global annual jewellery demand has averaged 26% of total platinum demand. Investment demand is the most variable category over the past five years, ranging between -10% and 20% of total demand (excluding movements in unpublished vaulted investor holdings).

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