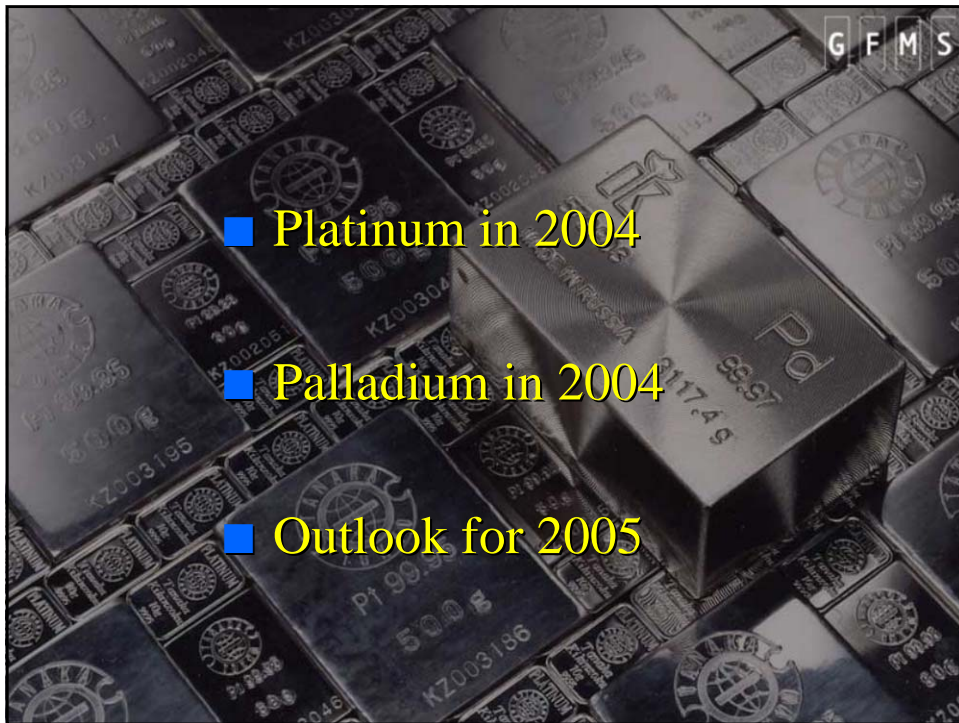




GFMS gratefully acknowledges the generous GFMS support from the following companies for this year's Platinum and Palladium Survey

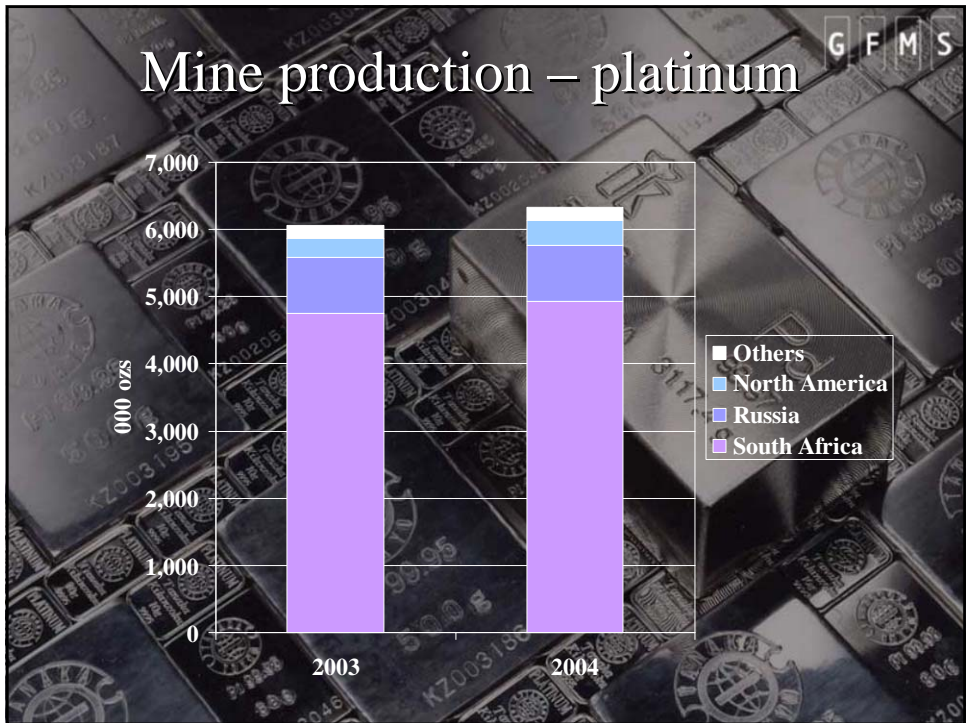


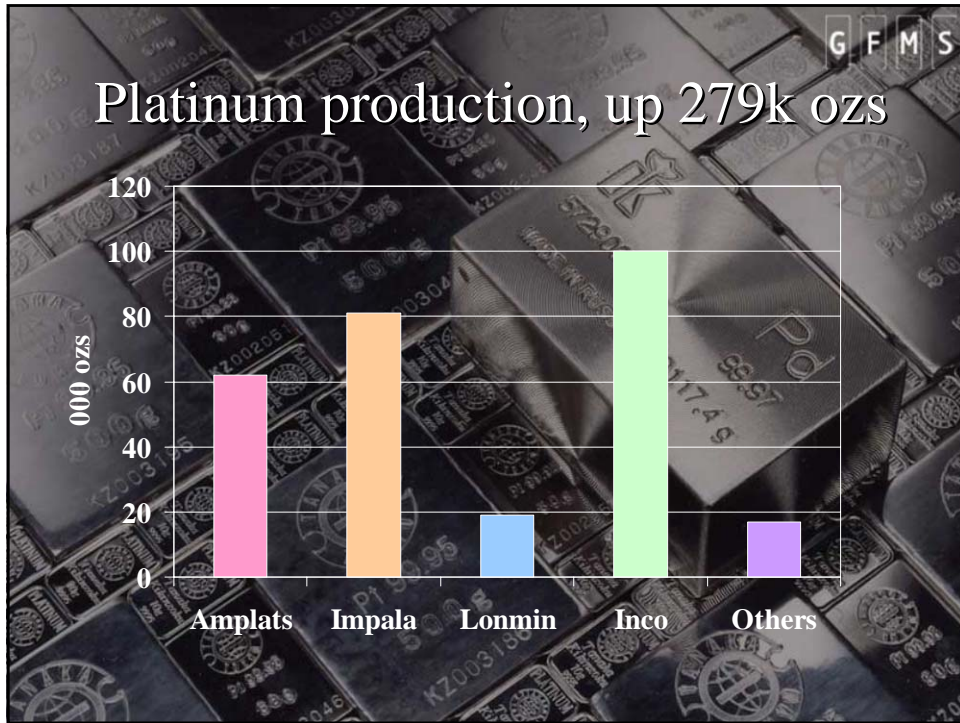
www.standardbank.com



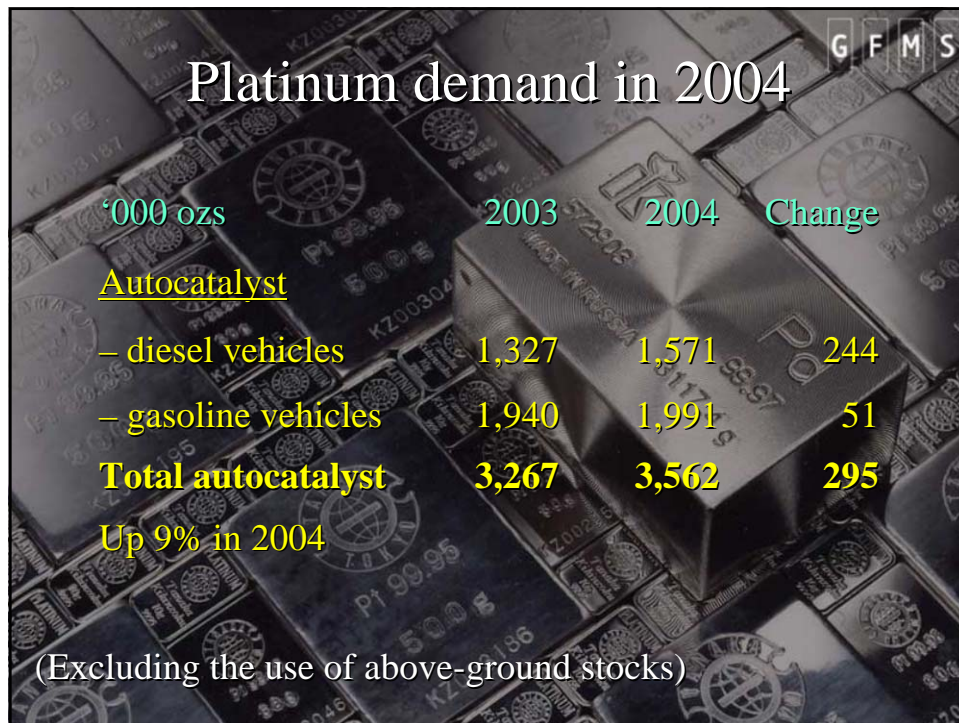
Platinum: 2004 highlights

- Supply increased to 7.1m ozs, up 4.8%
 - Mine output & autocat recycling both continue to grow
- Fabrication declined slightly to 7.5m ozs
 - First decline in demand for many years
 - Autocatalyst and glass demand both higher, but...
 - Jewellery sharply lower as demand in China slumped
- Gross deficit persisted but narrowed significantly
- Supplies from identified stocks somewhat lower
- Residual deficit remained but contracted sharply



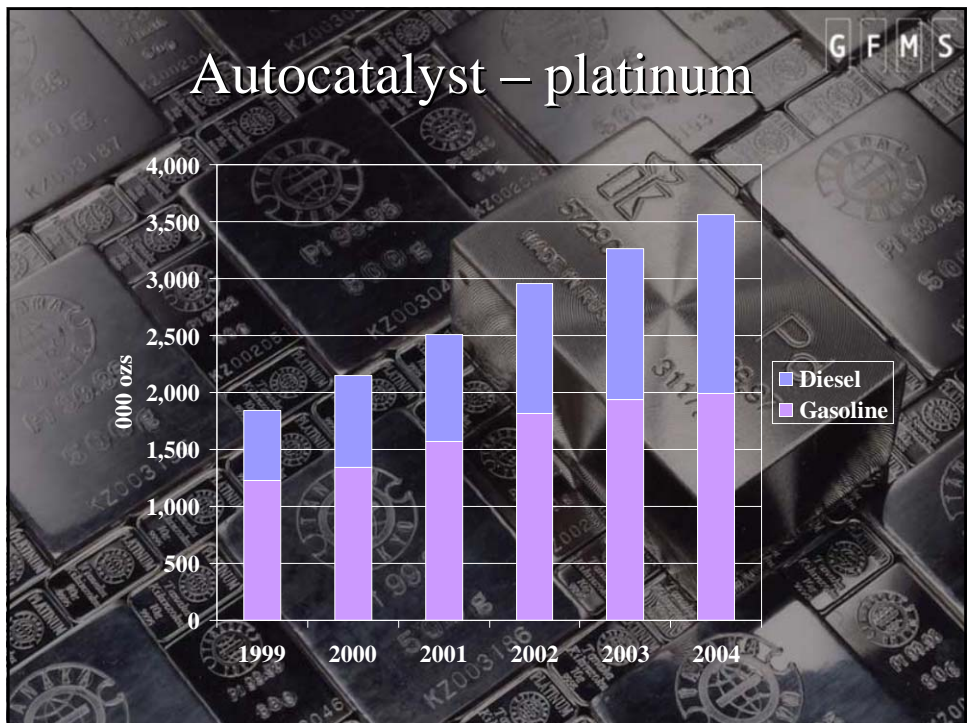


- ### Autocatalyst scrap, platinum
- Recovery rose by 6% in 2004 to 780,000 ozs
 - Platinum recovery up 50% since 1999
 - Exceeded mine production from world # 4 Norilsk
 - North America remains dominant, 495,000 ozs
 - Rate of growth has been slowing, 2% in 2004
 - Europe rising fast, 2004 was 150,000 ozs, up 21%
 - Recovery has quadrupled since 1999
 - Market remains far from maturity, lots more to come
 - Recovery in other territories 135,000 ozs, up 8%

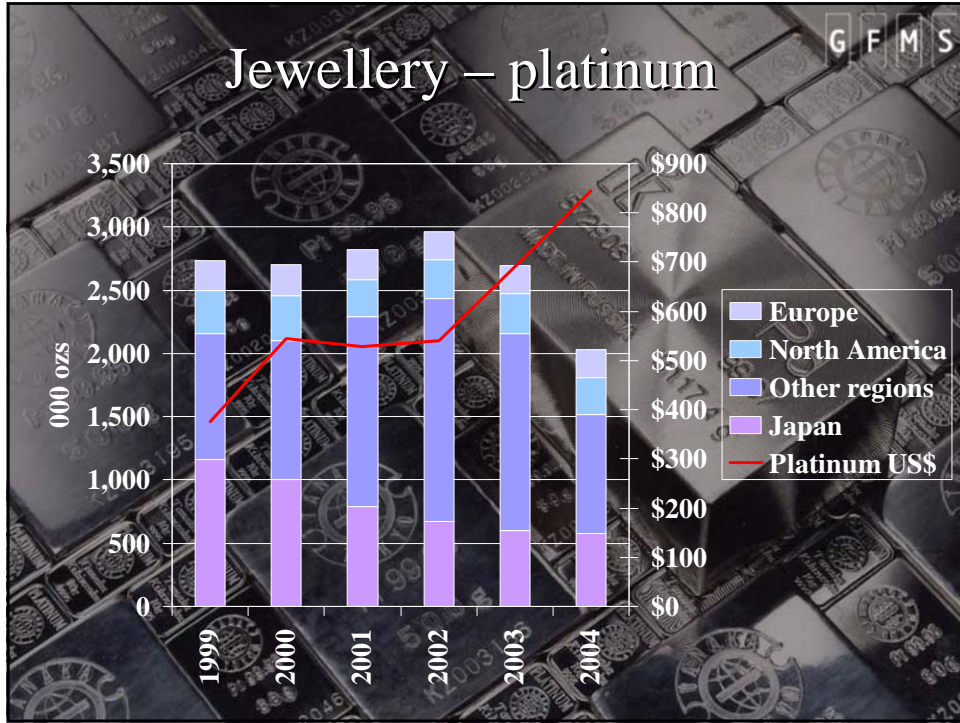


Autocatalyst demand, platinum

- Demand rose by 9% in 2004 to 3.56m ozs
- North America 8% lower at 737,000 ozs
 - Tier II gains outweighed by thrifting & Pd substitution
 - Light vehicle production down slightly
- Europe up 17% at 1.58m ozs
 - Proportion of Euro IV compliant vehicles increased
 - Production of diesels up 12% in 2004
 - Diesel share of production up from 42% to 45%
 - Light, vehicle production 5% higher
- Demand elsewhere 12% higher at 1.24m ozs
 - Higher production e.g. Japan, Brazil, China, India
 - Tighter regulations e.g. China and India







Jewellery margins - China

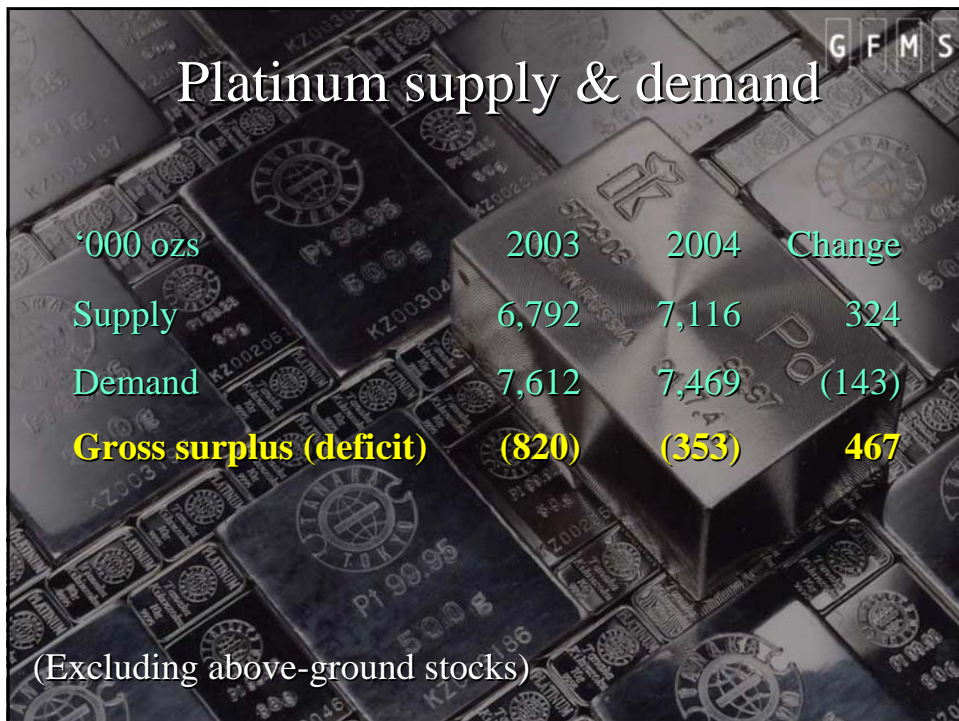
	Gold	Gold	Platinum	Palladium
Product	24 carat	18 carat*	Pt950	Pd950
Fabricator	1.7%	24.8%	2.1%	11.1%
Retailer	11.2%	33.4%	11.6%	62.8%

*Average of yellow and white gold



Platinum demand in 2004

'000 ozs	2003	2004	Change
Autocatalyst	3,267	3,562	295
Jewellery	2,694	2,027	(667)
Industrial			
– glass industry	315	490	175
– other sectors	1,336	1,390	54
Total demand	7,612	7,469	(143)
Down 2% in 2004			
(Excluding the use of above-ground stocks)			



Platinum supply & demand

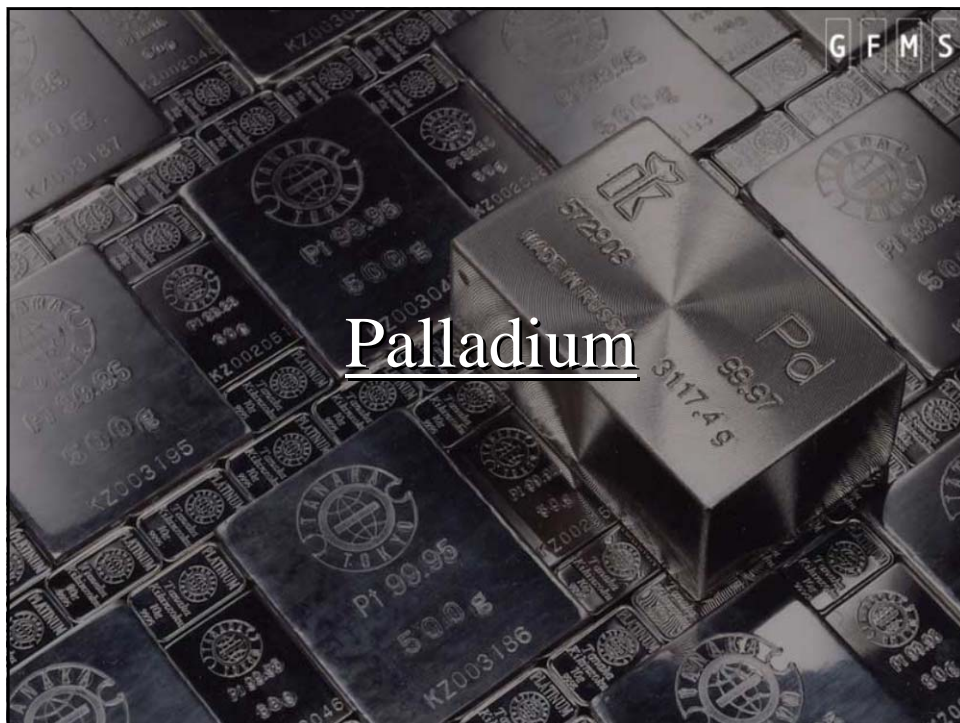
'000 ozs	2003	2004	Change
Supply	6,792	7,116	324
Demand	7,612	7,469	(143)
Gross surplus (deficit)	(820)	(353)	467
(Excluding above-ground stocks)			



Platinum supply & demand

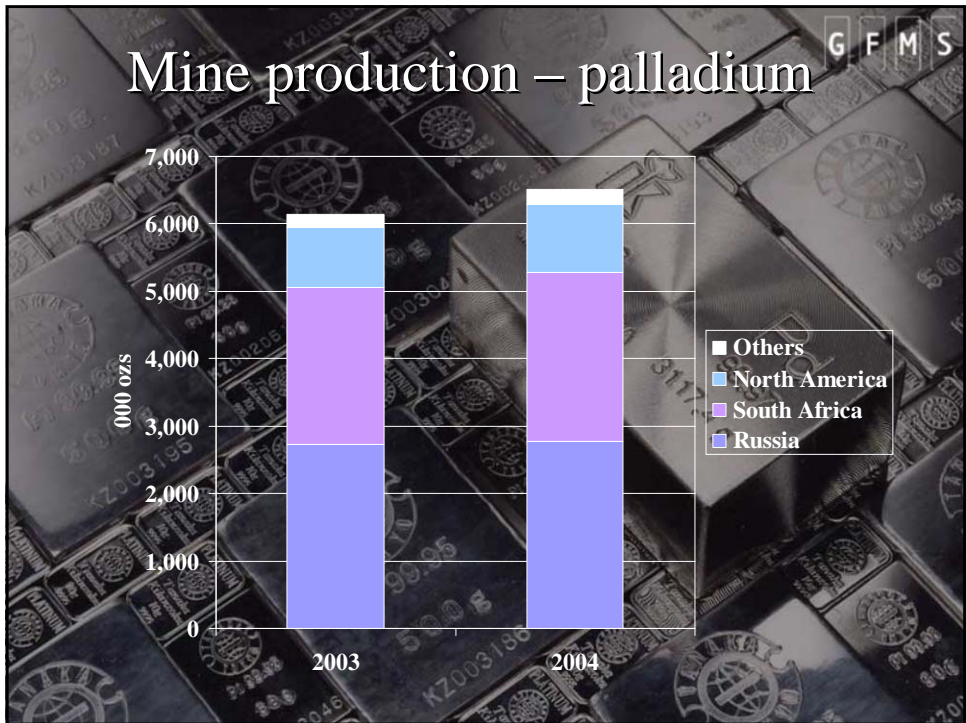
'000 ozs	2003	2004	Change
Gross surplus (deficit)	(820)	(353)	467
<u>Above-ground stocks</u>			
Russia	166	165	(1)
Auto industry	100	0	(100)
Residual surplus (deficit)	(554)	(188)	366

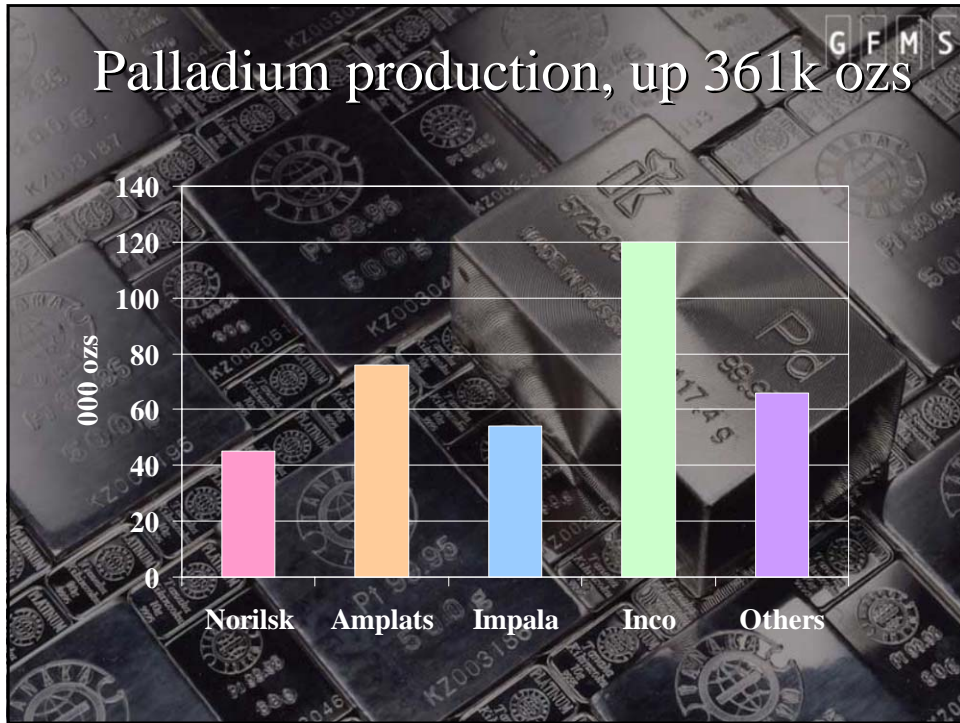
(Excluding above-ground stocks)



Palladium: 2004 highlights

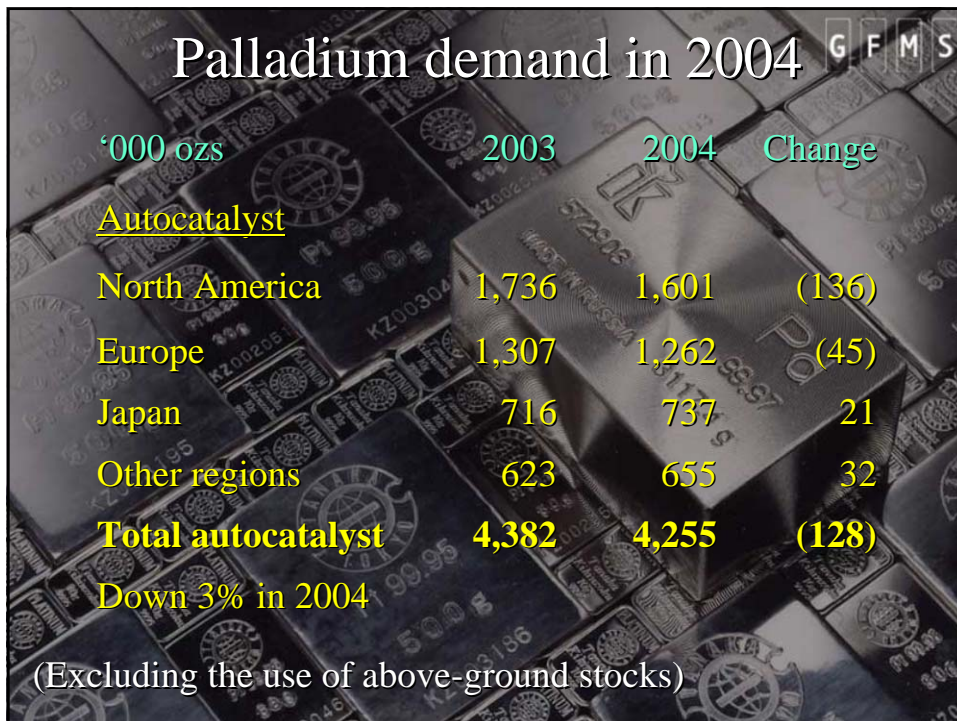
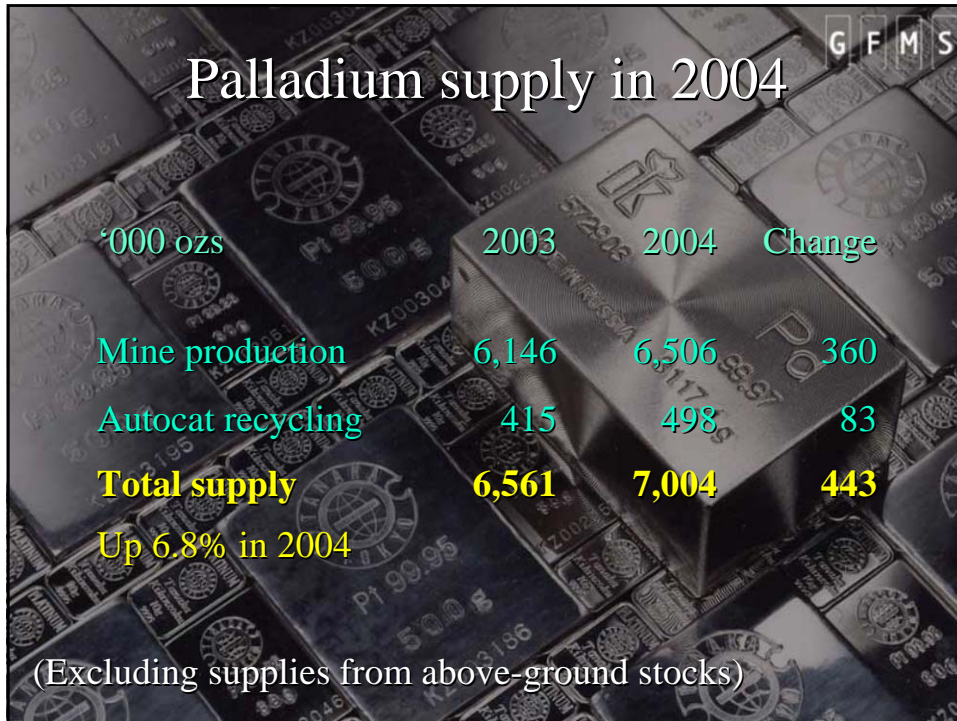
- Supply rose from 6.6m ozs to 7m ozs, up 6.75%
 - Mine output up almost 6%, autocat recycling up 20%
- Fabrication demand up almost 5% at 7.3m ozs
 - First improvement in several years
 - Major jewellery gains partly offset by lower autocatalyst
 - Electronics, dental and other sectors slightly better
- Gross deficit remained but continued to contract
- Supplies from identified stocks substantial but lower
- Residual surplus persisted but reduced modestly





Autocatalyst scrap, palladium

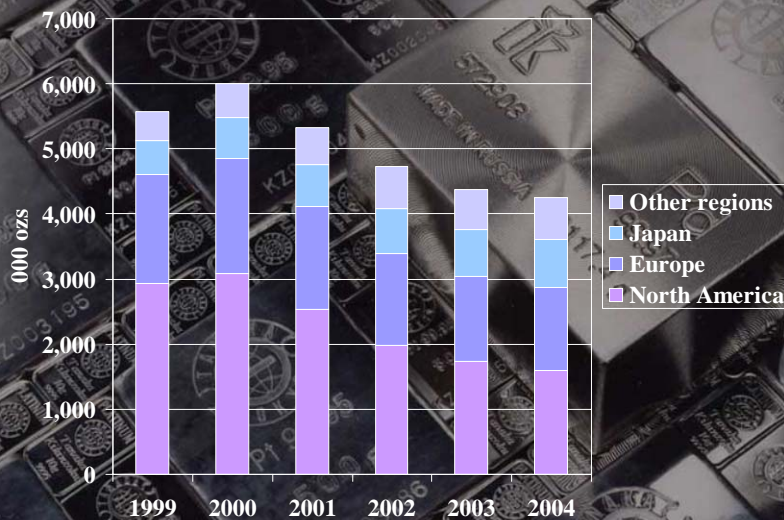
- **Rising strongly, up 20% in 2004 to 498,000 ozs**
 - Palladium recovery has more than doubled since 2000
 - Exceeds Stillwater, will surpass Impala (world #3) in 2005
- **North America accounted for two thirds, 325,000 ozs**
 - Palladium content of the available market rising strongly
- **Europe remains modest at 94,000 ounces**
 - But...ten fold increase since 1999
 - As we said with platinum recovery, lots more to come
- **Recovery in other regions 79,000 ozs**

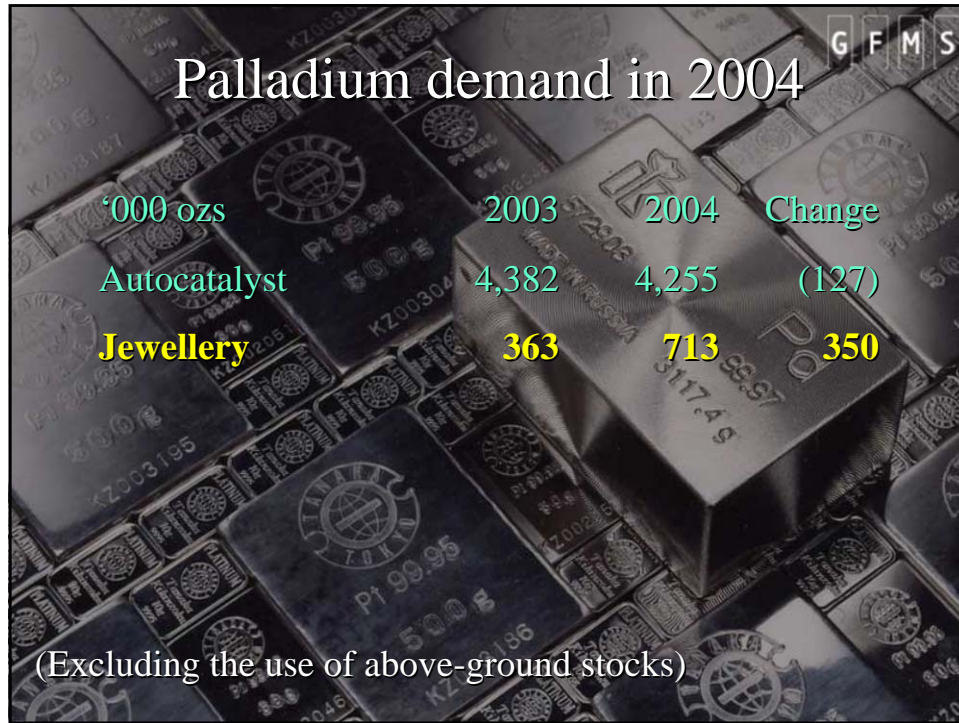


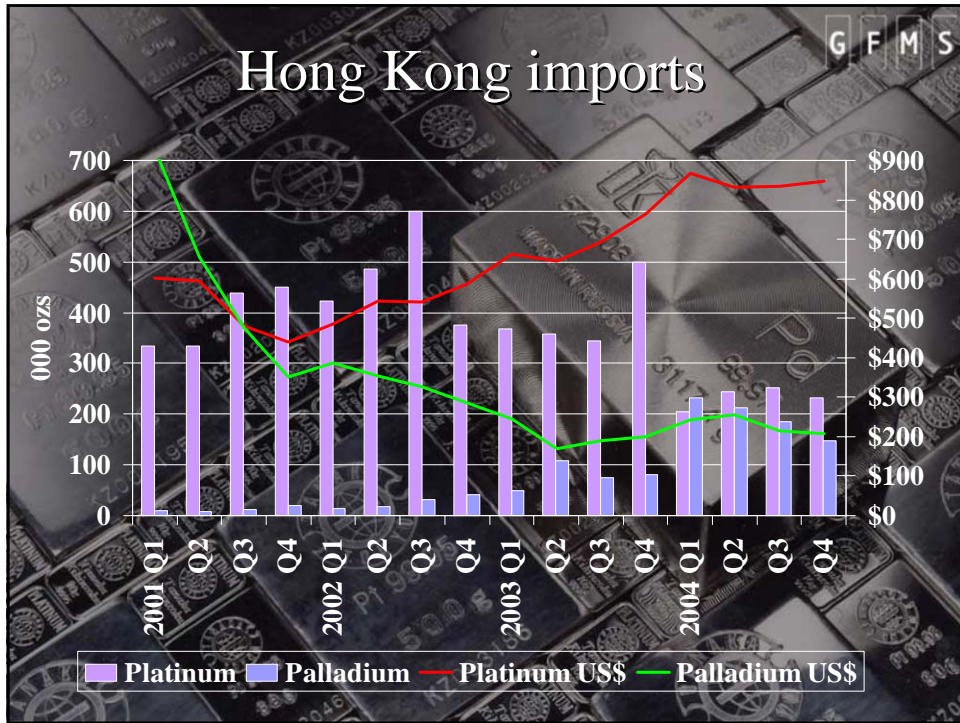
Autocatalyst demand, palladium

- Demand reduced by 3% in 2004 to 4.26m ozs
- North America down 8% at 1.6m ozs
 - Further thrifting outweighed Tier II and substitution gains
 - Demand has almost halved since 1999
- Europe 3% lower at 1.26m ozs
 - Production of gasoline vehicles static
 - Euro IV and substitution gains offset by thrifting
- Elsewhere, demand up 4% at 1.39m ozs
 - Increased vehicle production e.g. Japan, Brazil, China, India
 - Tighter regulations e.g. China and India

Autocatalyst – palladium



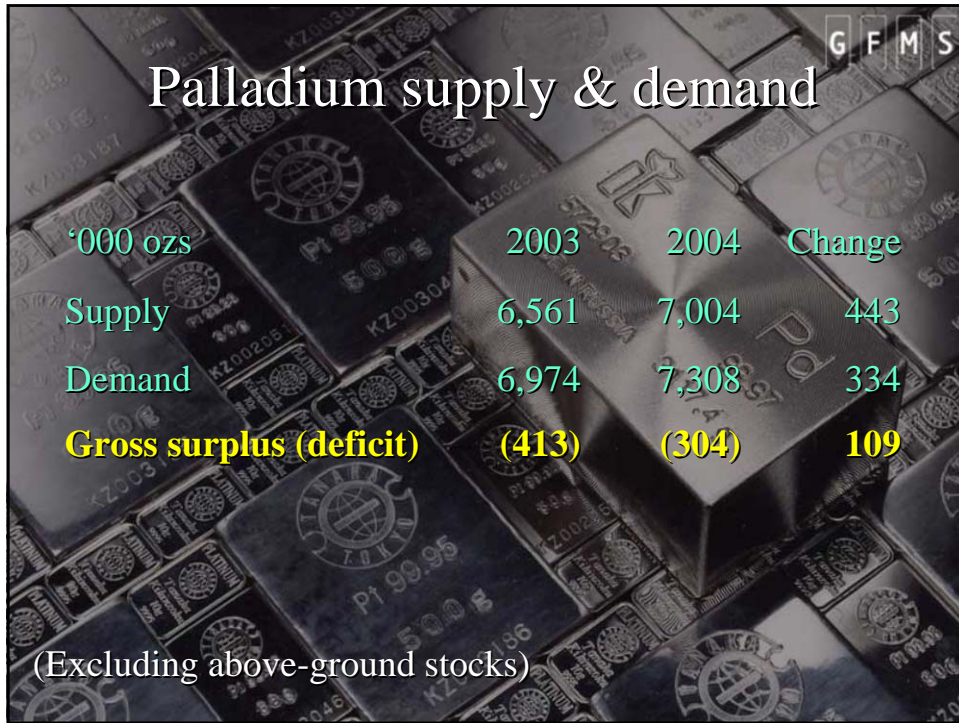




Palladium demand in 2004

'000 ozs	2003	2004	Change
Autocatalyst	4,382	4,255	(127)
Jewellery	363	713	350
Industrial			
– electronics	1,015	1,066	51
– other sectors	1,213	1,274	61
Total demand	6,974	7,308	334
Up 5% in 2004			

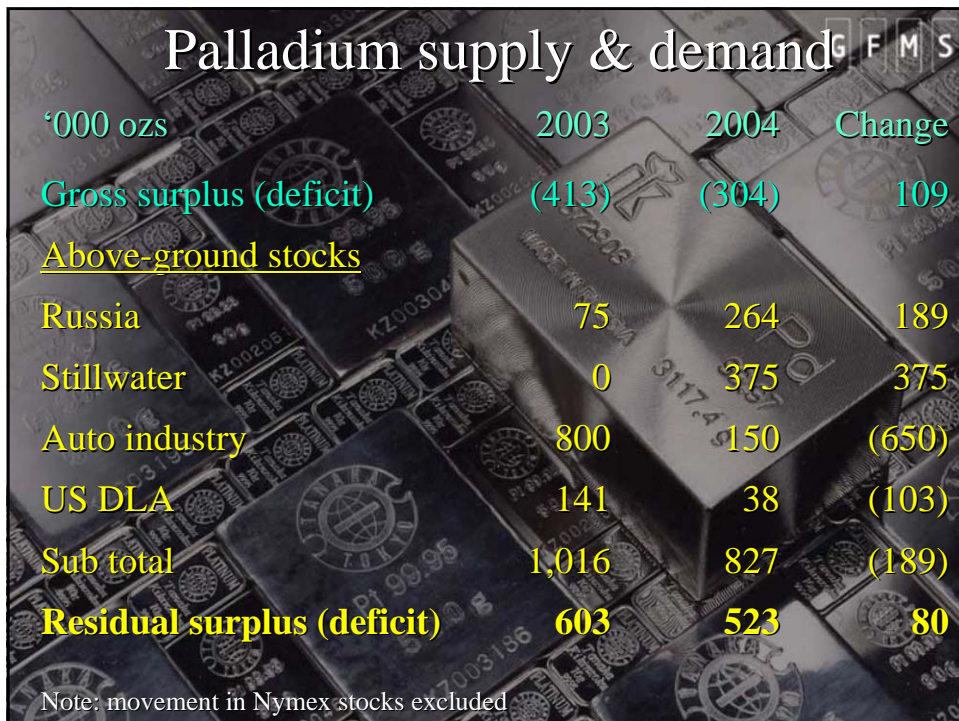
(Excluding the use of above-ground stocks)



Palladium supply & demand

'000 ozs	2003	2004	Change
Supply	6,561	7,004	443
Demand	6,974	7,308	334
Gross surplus (deficit)	(413)	(304)	109

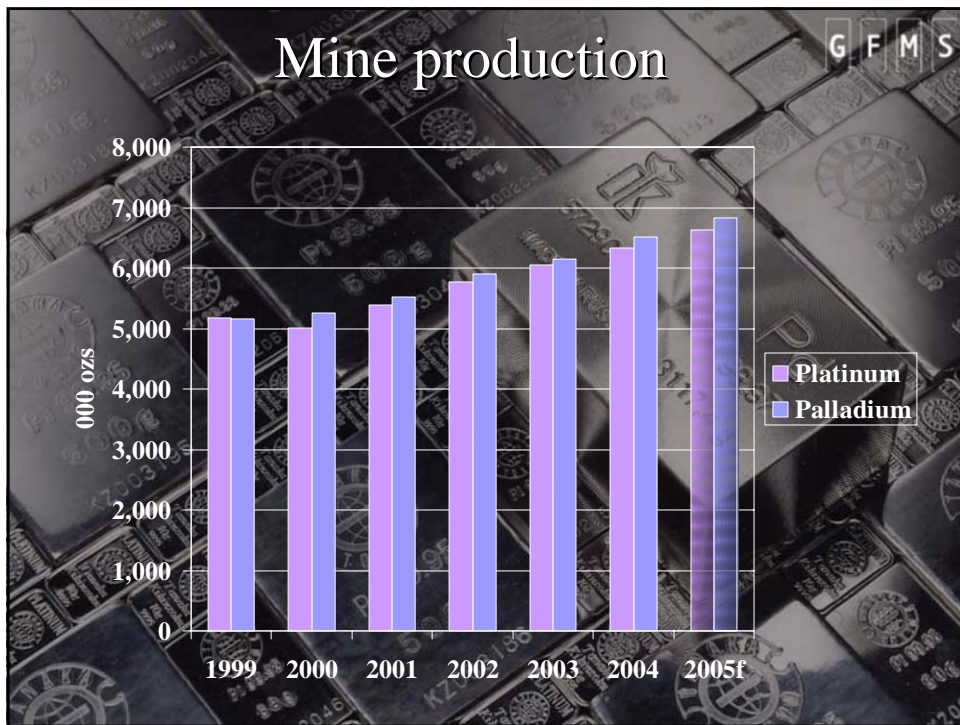
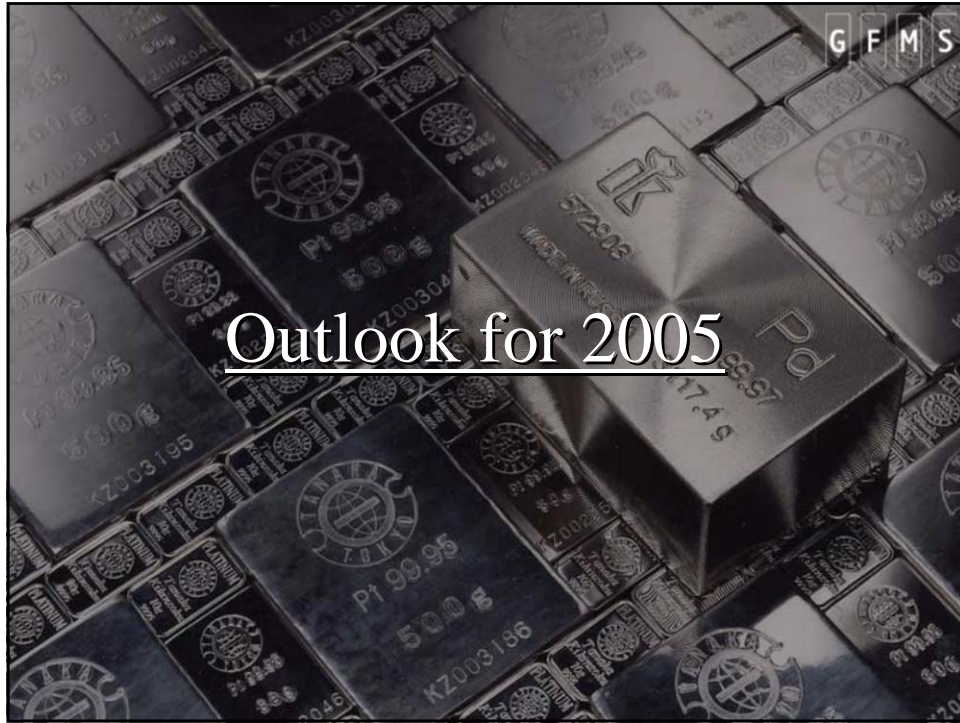
(Excluding above-ground stocks)

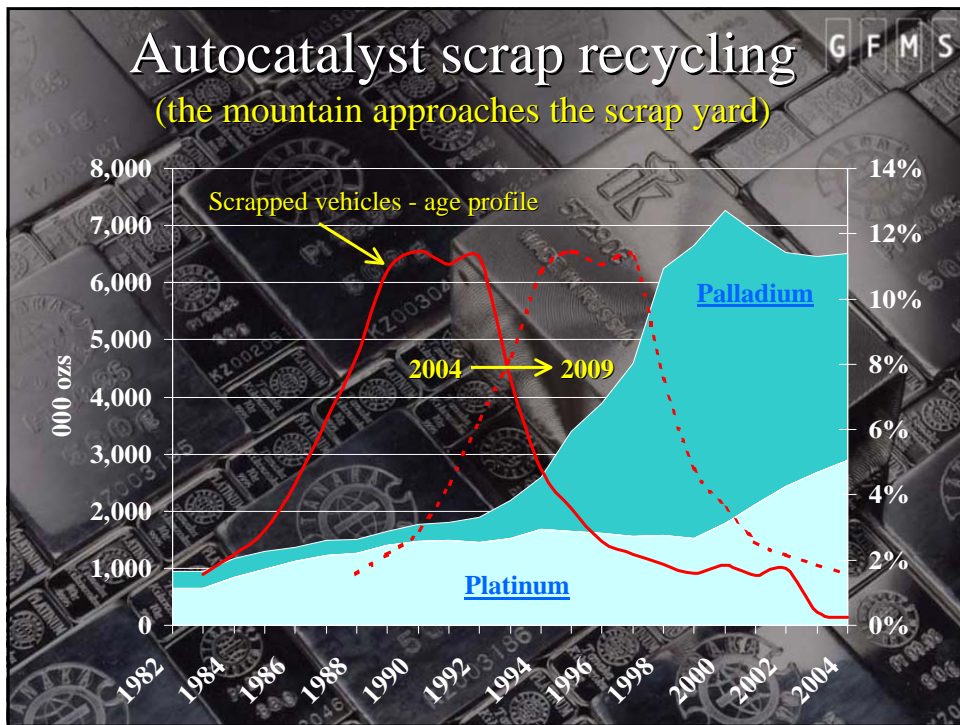
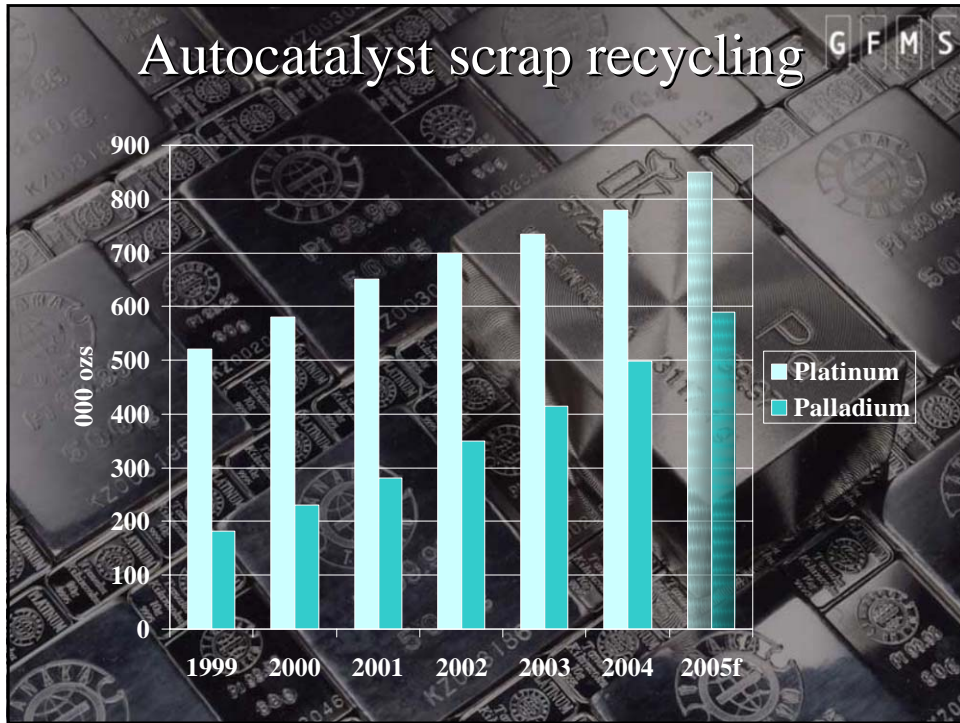


Palladium supply & demand

'000 ozs	2003	2004	Change
Gross surplus (deficit)	(413)	(304)	109
<u>Above-ground stocks</u>			
Russia	75	264	189
Stillwater	0	375	375
Auto industry	800	150	(650)
US DLA	141	38	(103)
Sub total	1,016	827	(189)
Residual surplus (deficit)	603	523	80

Note: movement in Nymex stocks excluded





Demand outlook - 2005

Platinum – some decline expected

- Autocatalyst: modest growth anticipated
 - Diesel & legislation to outweigh substitution & thrifting
- Jewellery: declining further as high prices persist
 - Reductions in China & Japan, elsewhere stable
- Glass: significant decline expected after 2004 peak

Palladium – expected to rise modestly

- Autocatalyst: expected to stabilise at 2004 level
 - substitution & legislation to counter diesel & thrifting
- Jewellery: consolidation in China, modest growth
 - supported by demand for white gold

Above-Ground Stocks

■ Stillwater inventory

- Palladium sales of 440,000 ozs expected in 2005
- Programme scheduled for completion in Q1 of 2006

■ Automotive industry

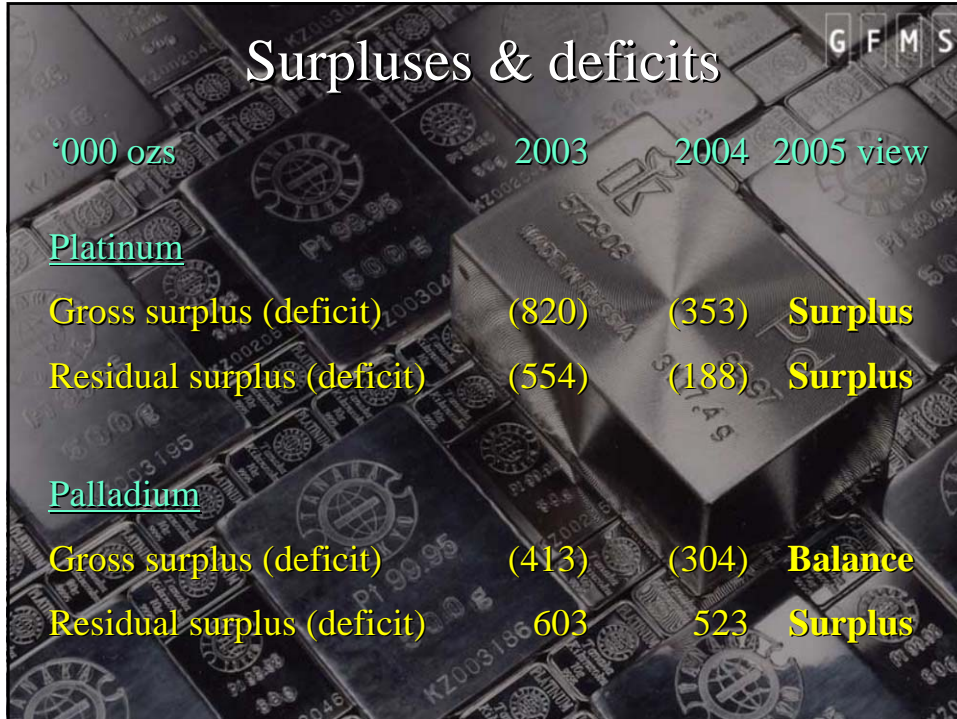
- Platinum & palladium now at normal working levels

■ Russia

- Platinum: popular view is stocks are largely depleted
- Palladium: popular view is..... they aren't!!

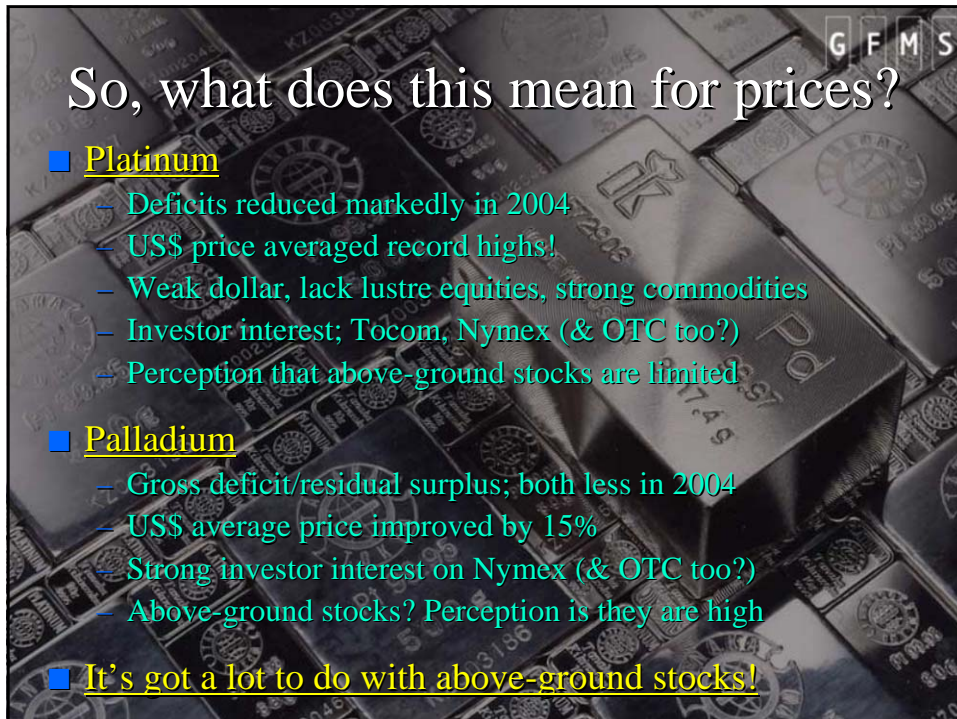
■ Nymex depositories

- Palladium: 700,000 ozs held there as ingot/plate
- Should we be worried about this? Probably not



Surpluses & deficits

'000 ozs	2003	2004	2005 view
<u>Platinum</u>			
Gross surplus (deficit)	(820)	(353)	Surplus
Residual surplus (deficit)	(554)	(188)	Surplus
<u>Palladium</u>			
Gross surplus (deficit)	(413)	(304)	Balance
Residual surplus (deficit)	603	523	Surplus



So, what does this mean for prices?

- Platinum
 - Deficits reduced markedly in 2004
 - US\$ price averaged record highs!
 - Weak dollar, lack lustre equities, strong commodities
 - Investor interest; Tocom, Nymex (& OTC too?)
 - Perception that above-ground stocks are limited
- Palladium
 - Gross deficit/residual surplus; both less in 2004
 - US\$ average price improved by 15%
 - Strong investor interest on Nymex (& OTC too?)
 - Above-ground stocks? Perception is they are high
- It's got a lot to do with above-ground stocks!

