



Publication of *Platinum & Palladium Survey 2007*

In the critical area of autocatalysts, demand for platinum reached a new record high, while palladium registered its first gains in six years.

The London based precious metals consultancy, GFMS Limited, today launched its fourth annual *Platinum & Palladium Survey* at press and industry briefings in London and Johannesburg. For 2006, GFMS estimates that the market for platinum moved into surplus after an extended period of deficits. Although demand for platinum continued to rise, the overall increase was restrained by a further decline in jewellery fabrication. Once again, this was adversely impacted by high prices – which rose to fresh multi-year highs during the year – and considerable volatility. Before releases from above-ground stocks, palladium also moved into surplus despite an overall rise in demand. However, this was again overshadowed by substantial stock sales, which again left palladium in significant surplus at the residual level.

Despite platinum's return to surplus in 2006, demand in the key area of autocatalysts continued to rise, driven by rising use in diesel applications. In Europe, the world's largest market for light duty diesels, demand was lifted by the increased fitment of diesel particulate filters and higher production volumes of Euro 4 compliant vehicles. This was supplemented by additional demand for heavy duty diesel applications in North America, where new emissions standards came into force from January 2007. Meanwhile, demand for platinum in gasoline autocatalysts was pressured lower by the ongoing effects of thrifting and its substitution by palladium. However, platinum's gains in diesel systems were more than sufficient to counter this, with overall demand in autocatalysts rising by 6.5% to a new high of 4.2m ounces.

Having stabilised in 2005, demand for palladium in autocatalysts registered an increase in 2006, its first in six years. With demand rising 8% to 4.5m ounces, palladium was the beneficiary of increased use in gasoline autocatalysts (often at the expense of platinum) and higher production of light duty gasoline vehicles worldwide, especially in emerging nations such as China. Palladium's use in autocatalysts was also further aided by tightening emissions legislation in a number of key vehicle markets, which served to enhance loadings and limited the opportunity for thrifting.

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Platinum & Palladium Survey 2007 contains 84 pages of statistics, commentary and analysis on all aspects of world platinum & palladium supply/demand and on PGM prices in various currencies. The publication can be ordered from GFMS for £275 / US\$495 / €395 per copy. For orders and to receive further product information please contact Ms L. Perrard on: Tel: +44 (0)20 7478 1777, Fax: +44 (0)20 7478 1779, Email: sales@gfms.co.uk, Web Site: www.gfms.co.uk, Online Shop: <http://shop.gfms.co.uk>

Note to Editors about GFMS Limited:

GFMS Limited is the world's foremost precious metals consultancy, specialising in research into the global gold, silver, platinum and palladium markets. GFMS is based in London, UK, but has representation in Australia, China, India, Spain, Germany, France and Russia, and a vast range of contacts and associates across the world.

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