



Publication of *Platinum & Palladium Survey 2009*

Slump in 2008 Vehicle Output Means Autocatalyst Demand for Platinum Declines for the First Time This Decade, while Palladium Falls by a Lesser Degree

GFMS' latest publication on the global platinum and palladium markets, *Platinum and Palladium Survey 2009*, was launched today at events in London and Johannesburg. In the report, the precious metals consultancy estimated that demand for platinum in autocatalyst applications fell sharply by 8% to around 3.8M ounces (120 tonnes), while demand for palladium contracted by 6% to just over 4.4M ounces (137 tonnes).

For platinum, the bulk of the loss was attributed to the slump in global vehicle production last year, combined with the continuing effects of thrifting and its substitution by palladium in both diesel and gasoline applications. The most pronounced drop that GFMS recorded was in North America, where demand for platinum plunged by a quarter. A substantial decline was also recorded in Europe, the world's largest market for light duty diesel, with demand falling by 6% despite the increased fitment of diesel particulate filters in advance of Euro 5 emission standards. Elsewhere, these falls were partly offset by relative stability in Japan and modest gains in China and some other markets.

Turning to palladium, GFMS figures show that the decline was almost exclusively driven by North America, where the fall in its demand for palladium was broadly in line with the 19% drop in the region's light vehicle production. Although palladium continued its relative gains in gasoline and further penetrated the diesel sector in 2008, these were offset by the reduction in overall PGM loadings and the substantial decline in vehicle output.

Looking ahead to this year, global vehicle production is expected to fall heavily, particularly in the first half of the year, as the industry battles to clear unsold stock and reposition itself in the new environment. Consequently, demand for platinum and palladium in autocatalysts applications could see greater drops in 2009 than those of last year. Peter Ryan, GFMS' Senior Consultant, commented that "while the scale of this remains uncertain, a 15% drop in vehicle production would not be surprising and a similar further contraction in overall PGM demand seems probable".

© Copyright GFMS Limited - April 2009.

Whilst every effort has been made to ensure the accuracy of the information in this document, GFMS Ltd cannot guarantee such accuracy. Furthermore, the material contained herewith has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient or organisation. It is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any commodities, securities or related financial instruments. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein. GFMS Ltd does not accept responsibility for any losses or damages arising directly, or indirectly, from the use of this document.

Platinum & Palladium Survey 2009 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 £325 / US\$595 / €440 per copy. For orders and to receive further product information please contact Elena Patimova:

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.

Press Contacts: Peter Ryan, GFMS Limited, Hedges House, 153-155 Regent Street, London, W1B 4JE, UK,
tel: +44 (0)20 7478 1777, fax: +44 (0)20 7478 1779, email: info@gfms.co.uk, web site: www.gfms.co.uk

