PRECIOUS APPRAISAL



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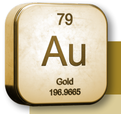
31st March 2025

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Gold



	CLOSE	WEEKLY CHANGE	HIGH	DATE	LOW	DATE
$/oz	3,084	2.28%	3,087	28/03/2025	3,003	24/03/2025
€/oz	2,849	2.23%	2,861	28/03/2025	2,781	24/03/2025

China's central bank has slowed its gold purchases. The People's Bank of China reported it had added 16 koz of gold to its reserves in February. It was the fourth straight month of additions to gold reserves since purchasing was resumed in November last year. Prior to this, the PBoC added more than 1 moz of gold to its reserves between November 2022 and March 2024. During that period, the average volume of monthly gold purchases was 59 koz, though the size of monthly purchases fell as the gold price rose. Now, with the gold price above $3,000/oz, the scale of purchasing is significantly reduced, averaging 20 koz/month since November 2024.The reduction is not necessarily related to the current price level. However, central bank demand has been supporting demand for gold over the last 24 months, and a reduction could see some of that support removed.

Meanwhile, institutional investors have continued to buy into the gold rally. Gold ETF inflows have been very strong over the last month. ETFs added ~23 tonnes of gold on 21 March, the biggest one-day increase since 2022. Over the first quarter of 2025, gold-backed ETFs have seen net inflows of around 152 tonnes so far, lifting the total to the highest since September 2023. However, global gold ETF holdings are some way off the previous high in November 2020 when the gold price was sub-$1,900/oz. While lower in terms of physical allocation, the estimated assets under management (AUM) of global gold-backed funds are currently at all-time highs. As of last Friday, the value of total global holdings was equal to $268 billion.

Continued inflows into gold-backed ETFs could continue to support the gold price and, though it is above $3,000/oz, investors may be on the look-out for profit-taking opportunities to cash out gains made over the last 18 months.

Trump's tariff tirade continued last week as 25% tariffs on automotive imports were officially announced. The uncertainty stoked by this move helped to push spot gold to another all-time high of $3,087/oz late last week. By the close of trading, the gold price had risen more than 2% week-on-week to $3,084/oz.

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Silver



	CLOSE	WEEKLY CHANGE	HIGH	DATE	LOW	DATE
$/oz	34.04	3.08%	34.59	28/03/2025	32.89	24/03/2025
€/oz	31.44	3.01%	32.08	28/03/2025	30.46	24/03/2025

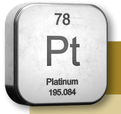
Silver beats gold in Q1'25 – just! The spot silver price has been the outperformer among the precious metals in Q1'25. The silver price has risen by 17.9% year-to-date (as of Friday's close) – an even higher return than gold despite its record-breaking rally, which is 17.5% higher than on New Years Day. The first quarter tends to be seasonally strong for the silver price, and often precedes a weaker Q2 – based on the last decade of data. Despite outperforming gold in terms of price, investors have been less interested. Silver ETF holdings have increased by just 0.32% (2.2 moz) since the start of the year, compared to a 5.9% increase in total ETF gold holdings over the same period. Despite seasonal headwinds, scope for investors to buy into silver's strong performance remains high, and could support the price further in the next few months.

Last week alone, silver rose by 3%, getting within touching-distance of the 13-year high of $34.87 set in October 2024 but the $34-35/oz area of resistance appears to be holding firm in the short-term.

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Platinum



	CLOSE	WEEKLY CHANGE	HIGH	DATE	LOW	DATE
$/oz	985	0.38%	993	28/03/2025	971	24/03/2025
€/oz	910	0.39%	922	28/03/2025	900	24/03/2025

Anglo Platinum is targeting efficiency in its upcoming spin-out. Anglo American Platinum plans to rebrand as Valterra Platinum following the planned de-merger from the Anglo American Group on 28 May. Part of the post-de-merger plan for the company is targeting higher grades at its flagship Mogalakwena mine in South Africa. Grades at the mine have been in decline over the last 20 quarters and averaged 3 g/t 3E PGMs in Q4'24. Near-term expectations are for 2.7-2.9 g/t, rising to average 3 g/t in the medium term. However, with the option to extend the mine's underground operations, grades could be improved further still. Adding higher-grade underground ore into the mix could see the mine's platinum production rise by 10-50% versus the 410 koz produced in 2024. However, the timeline for bringing online the underground feed is not yet confirmed. South African platinum supply is forecast to slip to under 3.8 moz this year.

Catalysed buses are forecast to become the minority in China this year. The electrification of buses in China has already pulled ahead of other automotive sectors. In 2024, more than 40% of buses built in China were electrified, helped by subsidies aimed at cutting emissions from city bus fleets in major cities. From this year, the subsidies available when replacing buses over eight years old will increase by a third, from 60,000 yuan in 2024 to 80,000 yuan (~$11,000). This increase is expected to contribute to ICE-powered buses becoming the minority of those produced in 2025. Buses replaced through this scheme can be fully electric, hybrid or fuel cell-powered, but the vast majority are expected to be fully electric.

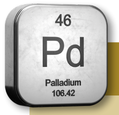
Although automotive platinum demand from diesel catalytic converters fitted to buses is relatively small compared to passenger vehicles, it is another avenue of PGM demand that is seeing pressure from the push to electrify the mobility fleet – particularly in China. Total Chinese heavy-duty platinum autocatalyst demand is forecast to rise by 8% year-on-year to ~170 koz in 2025 owing to a recovery in heavy-duty truck production after a year of depressed demand in 2024. However, competition from electrification also extends to trucks as well as buses. More than 1,000 new battery swap stations are expected to be rolled out this year, which offer better ease of use for trucking than traditional charging.

The platinum price saw volatility last week, swinging more than $20/oz intraday on Thursday. However, on a weekly timeframe, it remained relatively unchanged versus the previous Friday's close at $985/oz. Implied platinum lease rates also continued to rise, with the implied one-month rate rising above 12%.

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Palladium



	CLOSE	WEEKLY CHANGE	HIGH	DATE	LOW	DATE
$/oz	976	1.59%	993	28/03/2025	951	24/03/2025
€/oz	902	1.47%	922	28/03/2025	880	24/03/2025

Trump amps-up the trade war with tariffs on cars incoming. As covered in a previous spotlight article, the tariffs that were confirmed last week on US automotive imports are likely to crimp new vehicle production and sales, and negatively impact US automotive palladium demand this year. In 2024, the US imported more than 8 million new light vehicles (passenger cars + light trucks). It looks like there may be some exclusions made for Mexican and Canadian imports (50% of 2024 import total), though based on previous form, the scope of final implementation may be subject to change prior to implementation. The average cost of all cars imported last year was ~$42,000. A 25% tariff would add approximately $10,500 in costs to this level. This could force price-sensitive buyers into the second-hand market, particularly when affordability is already a bottleneck for new car sales. Pre-tariff North American automotive palladium demand was forecast to total 1.6 moz this year. However, if cars become more expensive, or simply aren't available demand is at risk of undershooting this level which is a negative for the price in a market that is already forecast to be oversupplied this year.

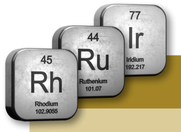
Europe's largest markets are accelerating BEV penetration, leaving the others behind. EU new car registrations fell by 3.4% year-on-year in February from 884,000 to 854,000 units. Alongside the drop in overall new registrations, electric vehicle market share saw a jump to 15.4% in February, up from 12% a year ago, and 0.4% higher than in January 2025. Germany, Europe's largest market for automotive sales, recorded a BEV market share of 17.1% year-to-date, equal to 70,447 vehicles, and is the highest of the major markets. In most major markets, it is the BEV segment that has seen the most growth year-to-date, with the exception of France, which has seen a 1% decline in new BEV registrations in the first two months of the year, and the most growth in HEVs (+51% year-on-year in January + February). Strong growth in BEV sales at the start of the year is driving a growing gap in BEV market share between Western European countries and their Eastern European peers, highlighting that cost and income are still the primary factors shaping BEV sales in Europe. It is the rate at which BEVs can increase their market share in Europe that will determine the impact on palladium automotive demand. In the EU, the BEV market share of new car sales actually fell in 2024, to 13.6% from 14.6% in 2023, but is forecast to reach ~20% in 2025. Approximately 75 new BEV models will be available in Europe this year, though it is lower-cost (often Chinese) models that are required to push BEV penetration higher, particularly in lower-income regions. As catalysed vehicles lose market share, palladium autocatalyst demand is forecast to fall. However, it may outperform expectations if BEVs cannot reach the ambitious targets that have been set. Even after having been softened, EU-wide fleet CO2 emissions targets for automotive OEMs will still require 20-25% BEV market penetration this year to be met, equivalent to approximately a million more BEV sales versus 2024.

The palladium price rose modestly last week to $976/oz.

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Rhodium, Ruthenium, Iridium



	RHODIUM	RUTHENIUM	IRIDIUM
Reporting Week	$6,100/oz	$670/oz	$4,850/oz
Previous Edition	$6,200/oz	$670/oz	$4,850/oz

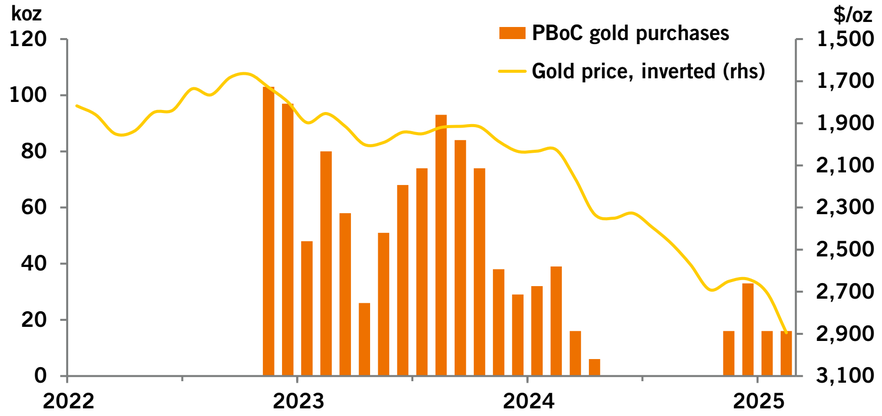
Hydrogen's ups and downs. Trafigura has scrapped its A$750 million green hydrogen and ammonia project in Port Pirie, Australia, owing to economic and logistical challenges. It is the latest Australian green hydrogen project to be shelved under challenging market conditions. Meanwhile, the Australian Renewable Energy Agency (ARENA) has awarded A$814 million to Copenhagen Infrastructure Partners' (CIP) 1,500 MW Murchison Green Hydrogen Project in Western Australia. This project will feature 1.5 GW of electrolysis and produce 3,600 tonnes of ammonia daily. It will operate off-grid using solar, wind and battery energy storage, with water sourced from a desalination facility. The renewable ammonia will be exported to support global decarbonisation. The outlook for green hydrogen and associated PGM demand is mixed this year. Electrolysis equipment companies in the West have been under significant pressure in the last 12 months. Meanwhile, there have been a number of significant PEM-based electrolyser project announcements in China and India, where non-PGM based alkaline technology has historically been much more widespread. Iridium hydrogen demand is still small compared to other demand areas and may struggle to see growth in 2025, given the market challenges. However, there remains potential for significant demand growth in the future.

The rhodium price stabilised last week following a fortnight of volatility. This was complemented by some small additions to rhodium-backed ETF holdings, which rose by 250 oz to a four-year high of 13,902 oz. Both the iridium and ruthenium prices were stable week-on-week.

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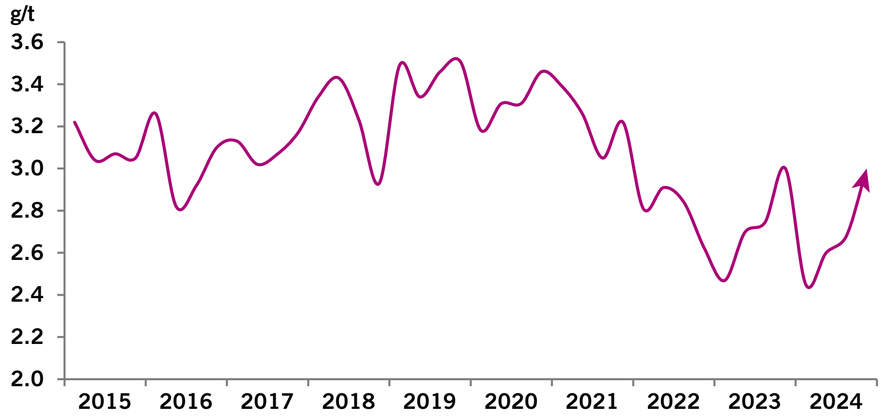
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PBoC gold purchases



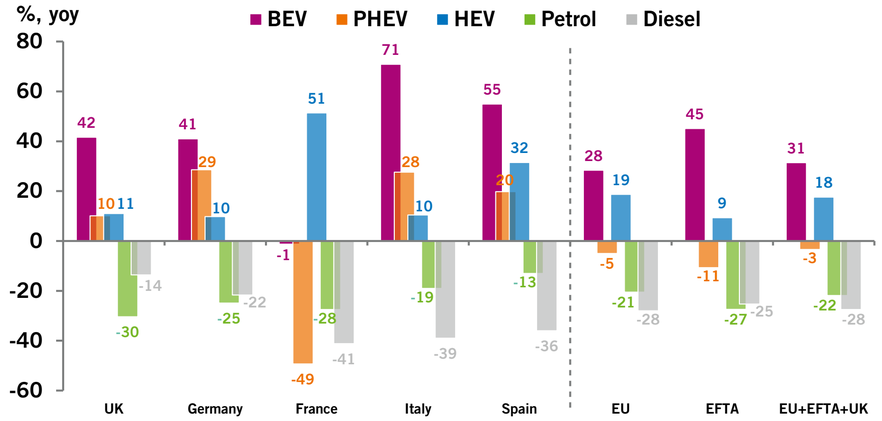
Source: SFA (Oxford), The People's Bank of China, Bloomberg

PGM grade at Mogalakwena mine



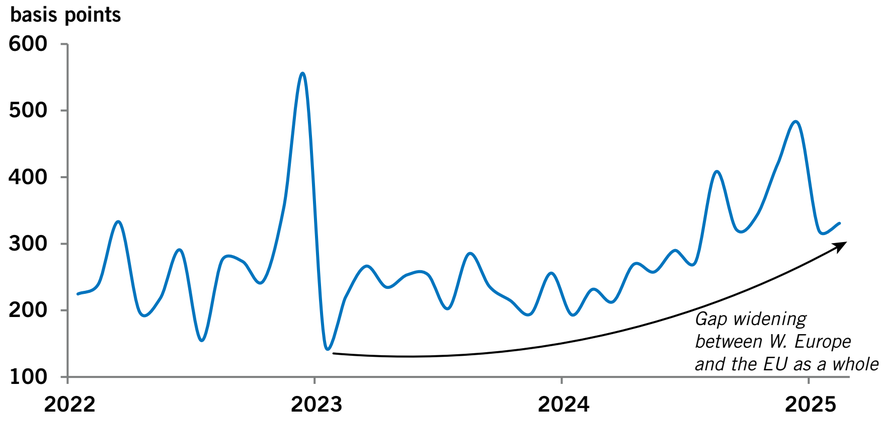
Source: SFA (Oxford), Anglo American Platinum

Change in powertrain registrations, YTD



Source: SFA (Oxford), ACEA

Gap in BEV market share, WE vs. EU



Source: SFA (Oxford), ACEA. Note: WE = Western Europe.

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