
PRESS RELEASE

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Key Takeaways from Shanghai Platinum Week 2024

The Fourth annual Shanghai Platinum Week (SPW 2024), co-organised by the WPIC, China Gold Association, Anglo American, and the China Precious Metals Industrial Committee, concluded with a wealth of insights and discussions on the Platinum Group Metals (PGMs) market.

While numbers are still being finalised, provisionally, this year, SPW 2024 welcomed more than 500 attendees from over 300 organisations, with online viewership reaching 455K on the first day and 317K on the second day, far exceeding any previous year.

Over the course of the week, attendees were treated to more than 42 presentations and 37 organisations displaying their PGM containing products, which ranged from platinum investment products through jewellery to technical innovations relating to applications from hydrogen to semiconductors and medicine. WPIC also hosted site visits to the Shanghai Jiading Hydrogen Park, where attendees had the opportunity to meet with the corporate teams and view the production facilities of a number of hydrogen related companies, as well as have the opportunity to meet with policy advocates.

Here are 10 things we learnt from this year's event:

1. **China's first platinum and palladium futures contracts:** The Guangzhou Futures Exchange (GFEX) announced details of the first PGM derivatives in China. These physically settled platinum and palladium futures are set to transform domestic price risk management and boost demand for platinum products.
2. **Challenges in the recycling industry:** China's new reverse-invoicing tax policy with a 3% tax rate is unfriendly to scrap collection. The policy, aiming to boost tax revenue and regulate individual collectors, that the sector heavily depends on, is particularly challenging for an industry accustomed to operating at slim margins. It could negatively impact future recycled PGM supply in China.
3. **Response to tax policy:** Efforts to revise the new tax policy with tax officials remain underway. The application of tax disincentivises recycling and may ultimately reduce total tax returns to the exchequer if kept in place.
4. **Strong investment demand:** Representatives from various companies highlighted the successes in developing platinum as an investment product, driven by platinum's wide price discount to gold and high-quality products. Edward Sterck, Director of Research for WPIC, suggested that harmonising platinum VAT rules with gold and launching domestic PGM derivatives could further boost Chinese platinum demand.
5. **Platinum jewellery market insights:** The Platinum Guild International discussed the challenges faced by the platinum jewellery market in China, explaining how newly developed technological innovations are crucial to ongoing market development.
6. **Mine supply headwinds:** Discussions by Tharisa, SFA (Oxford), and SBG Securities revealed that many PGM mines are operating at a loss due to the weak PGM basket price. With miners reacting by cutting capex, the risk is that supply erosion exacerbates market deficits, especially in the context of the emerging trend of higher-for-longer demand from the automotive sector.

7. **Developments in hydrogen technology:** Platinum catalysts are being used in the latest alkaline electrolyser designs to increase current density and efficiency, helping to offset load variability challenges when paired with renewable energy.
8. **Green hydrogen market potential:** There is a significant addressable market for decarbonising fossil-based hydrogen production, estimated at over 20 million tonnes per annum in China alone, presenting a substantial opportunity for green hydrogen supply.
9. **Innovative hydrogen applications:** Hydrogen-enriched water is being tested for improving crop yields and fish farming in Shanghai rural areas.
10. **Highlights from keynote speeches:** The keynote speeches at the Fourth annual Shanghai Platinum Week emphasised the critical importance of PGMs in the China-South Africa trading relationship, as highlighted by a speech from South Africa's Consulate General. Anglo American discussed extensive market development efforts focused on the green transition, modern life, and wealth, while Northam Platinum highlighted the societal importance of mining. The London Platinum and Palladium Market (LPPM) noted opportunities for Chinese refineries to achieve LPPM accreditation and the benefits this would accrue to them.

Trevor Raymond, CEO of the World Platinum Investment Council, commented: "Shanghai Platinum Week 2024 has served as a core platform for industry innovation and collaboration, and once again has demonstrated the critical role that PGMs play in both the global economy and technological advancements. The insights shared during the event underscore the dynamic nature of the PGM market, from innovations in hydrogen technology to the expanding investment demand in Asia. We also see how platinum's appeal is being bolstered by its wide discount to gold, increasing industrial applications, and the strategic importance highlighted by its inclusion on many countries' critical mineral lists. As we look ahead, the ongoing collaboration within our industry will be vital to leveraging these insights and innovations for sustainable growth. On behalf of all the organisers, I extend our heartfelt thanks to all attendees, exhibitors, and speakers for their invaluable contributions. We eagerly anticipate continuing these important conversations at Shanghai Platinum Week 2025."

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For media requests, please contact Elephant Communications:
wpic@elephantcommunications.co.uk

Notes to Editors:

About Shanghai Platinum Week

Shanghai Platinum Week (SPW) is a premier annual event dedicated to the platinum group metals (PGMs) industry. Co-organized by the World Platinum Investment Council (WPIC), China Gold Association Platinum Committee, and the Precious Metals Industrial Committee of the China Material Recycling Association, SPW serves as a vital platform for industry leaders, experts, and stakeholders to discuss trends, innovations, and future directions. The event features a series of keynote speeches, seminars, exhibitions, and corporate events, with the China PGMs Market Summit being the central highlight. Since its inception, SPW has grown to become a significant gathering for fostering international collaboration and communication within the PGM market. For more information, visit [Shanghai Platinum Week](#).

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.

For further information, please visit www.platinuminvestment.com

WPIC's London offices are located at: World Platinum Investment Council, Foxglove House, 166 Piccadilly, London, W1J 9EF

WPIC's Shanghai offices are located at: World Platinum Investment Council, Unit 2301, ICBC Tower, No.8 Yincheng Road, Pudong New District, Shanghai, P.R.China

WPIC's Shenzhen Liaison Office is located at: World Platinum Investment Council, 01C, Floor 10, Jinzhan Gold Plaza, Shuibe #1 Road, Luohu District, Shenzhen, P.R.China

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. Excluding jewellery and investment demand, more than 80% of platinum's end uses are reducing energy requirements and harmful emissions, providing an invaluable aspect of global decarbonisation efforts.

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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