
PRESS RELEASE

London, 06.00 19 May 2025

Platinum market deficit deepens: third consecutive deficit in 2025, now expected at 966 koz

- Forecast total supply in 2025 is the lowest in five years, declining by 4% to 6,999 koz
- Resurgence in China platinum jewellery demand drives a forecast 5% increase in global jewellery demand this year
- Automotive demand resilient despite market uncertainty; forecast 2% reduction to 3,052 koz for full year 2025
- Robust investment demand continues, forecast at 688 koz in 2025, bolstered by strong bar and coin demand in China
- Above ground stocks to fall to 2,160 koz in 2025, representing only three months of demand cover

Trevor Raymond, CEO of the World Platinum Investment Council, comments:

"The platinum market is in structural deficit, irrespective of the uncertainties posed by today's geopolitics. We are seeing that platinum's diversity of demand provides a significant degree of resilience even as the US government's new approach to tariff policy starts to take effect. At the same time, it is widely recognised that platinum mine supply continues to face downside risks."

The World Platinum Investment Council - WPIC® - today publishes its *Platinum Quarterly* for the first quarter of 2025 with a revised full year 2025 forecast.

Global demand in Q1'25 recorded a 10% year-on-year increase to 2,274 koz. This was due to strong investment demand, driven principally by a sharp rise in exchange held platinum stocks as tariff-related uncertainty and a widening location premium encouraged higher metal inflows into the US. Investment demand growth offset declines in automotive and industrial demand. Meanwhile, total platinum supply fell 10% to 1,458 koz, reflecting the seasonally weak mine production quarter that could not be offset by a modest year-on-year recovery in recycling. This resulted in a Q1'25 deficit of 816 koz, the largest single quarterly deficit in six years.

Supply decline remains a prominent theme for full year 2025 with a 4% year-on-year drop in total supply to 6,999 koz forecast, the lowest level in five years. Demand is set to fall by 4% to 7,965 koz in 2025 as growth in jewellery and investment does not fully offset a decline in automotive and industrial demand. Nevertheless, this is 115 koz higher than our previous demand forecast, deepening the third successive annual deficit forecast for 2025 to 966 koz.

Mine supply to contract significantly in 2025

Total mining supply fell 13% year-on-year to 1,086 koz in Q1'25, the lowest quarterly output since Q2'20. With weakness across all major producing regions, except Russia, South Africa accounted for the bulk of the decline, experiencing unusually intense rainfall during the quarter, leading to a 10% year-on-year drop in refined output to 715 koz. The fall in total mining supply was partially offset by an increase in global recycling

supply of 2% year-on-year to 372 koz. As a result, total supply fell 10% year-on-year to 1,458 koz in Q1'25.

The magnitude of the year-on-year decline in Q1'25 mining supply was largely the result of short-term disruptions. However, while some recovery is likely throughout the remainder of 2025, full year total mining supply is expected to reach just 5,426 koz (-6%), some 701 koz (11%) below the five-year pre-COVID average.

Global recycling is forecast to show a modest recovery in 2025, growing 3% year-on-year to 1,573 koz as the supply of spent autocatalysts improves slightly. Overall, total supply is expected to decline by 4% in 2025 to 6,999 koz.

Above ground stocks are forecast to decline by 31% to 2,160 koz in 2025, resulting in only three months of demand cover.

Jewellery demand recovery sustained with a 5% increase expected in 2025

In Q1'25 platinum jewellery demand increased across all regions, except for India, growing 9% to 533 koz.

For full year 2025, jewellery demand is expected to continue the recovery seen in 2024, increasing by 5% year-on-year to 2,114 koz, as platinum continues to benefit from its price discount relative to gold. Strong gains are anticipated in China, up 15% year-on-year to 474 koz, while European demand is forecast to grow 7% to reach a record high. North America will also see growth (8%), while demand in India is due to soften, falling 10% year-on-year to 240 koz due to reduced exports amid US tariff uncertainty.

Automotive demand remains resilient despite market uncertainty

Set against the context of uncertainty as US tariff policy continues to evolve, automotive demand for platinum proved relatively resilient in Q1'25, declining by 4% year-on-year to 753 koz.

This resilience is reflected in the current full year outlook, with automotive demand expected to fall only 2% to 3,052 koz (some 11% above the prior five-year average). Against a backdrop of slower-than-expected battery electric vehicle growth and with demand from light-duty vehicle production flat, a 2% increase in demand from non-road vehicles is expected to partially offset a 7% decline in heavy-duty automotive demand.

Investment demand robust in 2025 boosted by a 48% increase in China bar and coin demand

In Q1'25 investment demand for platinum rose 28% quarter-on-quarter to 461 koz. This was driven principally by a sharp rise in exchange held platinum stocks as tariff-related uncertainty and a widening location premium encouraged higher metal inflows into the US, with some 361 koz of inflows during the quarter. Bar and coin demand also increased, rising 17% year-on-year to 70 koz as Chinese buying of platinum investment bars smaller than 500g reached a record high, growing 140% year-on-year to 31 koz and offsetting declines in other regions.

Total investment is set to reduce by 2% year-on-year to 688 koz in 2025 as the exceptional exchange inflows seen in the first quarter moderate. Notably, bar and coin investment is forecast to strengthen by 30% to 252 koz, driven by 48% growth in China and a return to growth in the North American market (+18%). Growth in bars of or above 500g in China will continue its upward trajectory to reach a forecast 186 koz (+15%).

Industrial demand to contract as cyclical glass capacity expansions taper

In Q1'25 industrial platinum demand fell by 22% year-on-year to 527 koz. Quarterly gains in hydrogen (+159% to 21 koz), petroleum (+25% to 49 koz) medical (+3% to 77 koz) and electrical (+3% to 23 koz) could not outweigh an 81% reduction in glass demand on a cyclical decline in capacity additions.

Industrial demand is forecast to decline by 15% in full year 2025 to 2,111 koz, largely due to anticipated reductions in glass demand which is expected to decline by 58% to 289 koz. Chemical demand is expected to fall by 6% to 580 koz, offsetting gains in petroleum (+25% to 198 koz), hydrogen (+35% to 59 koz), medical (+4% to 320 koz) and electrical (+2% to 95 koz).

Trevor Raymond, CEO of the World Platinum Investment Council, comments:

“The platinum market is in structural deficit, irrespective of the uncertainties posed by today’s geopolitics. We are seeing that platinum’s diversity of demand provides a significant degree of resilience even as the US government’s new approach to tariff policy starts to take effect. At the same time, it is widely recognised that platinum mine supply continues to face downside risks.

“The strategic importance of platinum group metals to the US automotive industry may have spared the metals from US tariffs so far in 2025. With over 300 koz of excess platinum stocks yet to be removed from NYMEX-approved warehouses suggesting that market fears of further tariff risks remain, the broader impact of trade restrictions softening global economic activity is highly unlikely to materially reduce the 966 koz deficit forecast for 2025.

“Market tightness in this third consecutive year of deficit does not appear to be reflected in the platinum price, but it is reflected in elevated platinum lease rates, which have the effect of encouraging the lending of platinum to end users. This acts as a temporary source of platinum supply until such time as the borrowers must buy metal in the market to return to lenders to close out the loans. It remains to be seen whether sufficient platinum will be available at that time at current prices.”

Platinum Supply-demand Balance (koz)		2021	2022	2023	2024	2025f	2024/2023 Growth %	2025f/2024 Growth %	Q1 2024	Q4 2024	Q1 2025
SUPPLY											
Refined Production		6,295	5,520	5,604	5,766	5,426	3%	-6%	1,225	1,539	1,108
	South Africa	4,678	3,915	3,957	4,133	3,869	4%	-6%	796	1,161	715
	Zimbabwe	485	480	507	512	491	1%	-4%	132	121	115
	North America	273	263	275	254	189	-8%	-26%	71	63	50
	Russia	652	663	674	677	686	0%	1%	178	146	180
	Other	206	200	190	191	191	0%	0%	48	47	48
Increase (-)/Decrease (+) in Producer Inventory		-93	+43	+11	+16	+0	+0	-100%	+22	-19	-22
Total Mining Supply		6,202	5,563	5,615	5,782	5,426	3%	-6%	1,247	1,520	1,086
Recycling											
		2,107	1,824	1,515	1,530	1,573	1%	3%	366	428	372
	Autocatalyst	1,619	1,383	1,114	1,156	1,200	4%	4%	264	334	277
	Jewellery	422	372	331	298	292	-10%	-2%	84	74	75
	Industrial	67	69	71	76	81	7%	7%	17	20	19
Total Supply		8,309	7,387	7,130	7,311	6,999	3%	-4%	1,613	1,948	1,458
DEMAND											
Automotive		2,451	2,775	3,203	3,106	3,052	-3%	-2%	784	797	753
	Autocatalyst	2,451	2,775	3,203	3,106	3,052	-3%	-2%	784	797	753
	Non-road	†	†	†	†	†	NA	NA	†	†	†
Jewellery		1,953	1,880	1,849	2,008	2,114	9%	5%	488	521	533
Industrial		2,561	2,341	2,576	2,487	2,111	-3%	-15%	673	556	527
	Chemical	660	672	840	615	580	-27%	-6%	178	133	173
	Petroleum	169	193	159	158	198	0%	25%	40	40	49
	Electrical	135	106	89	94	95	5%	2%	22	24	23
	Glass	789	528	605	690	289	14%	-58%	209	121	41
	Medical	267	278	292	308	320	6%	4%	74	80	77
	Hydrogen Stationary and Other	17	12	23	44	59	92%	35%	8	15	21
	Other	525	552	569	577	569	2%	-1%	142	144	143
Investment		-3	-516	397	702	688	77%	-2%	113	360	461
	Change in Bars, Coins	349	259	322	194	252	-40%	30%	60	54	70
	China Bars ≥ 500g	27	90	134	162	186	20%	15%	53	38	35
	Change in ETF Holdings	-241	-558	-74	296	100	N/A	-66%	11	142	-6
	Change in Stocks Held by Exchanges	-139	-307	14	50	150	244%	200%	-11	126	361
Total Demand		6,962	6,479	8,026	8,303	7,965	3%	-4%	2,059	2,234	2,274
Balance		1,347	908	-896	-992	-966	N/A	N/A	-446	-286	-816
Above Ground Stocks		**4,106	5,014	4,118	3,126	2,160	-24%	-31%			

Source: Metals Focus 2021 – 2025f

Notes:

1. **Above Ground Stocks 3,650 koz as of 31 December 2018 (Metals Focus).
2. † Non-road automotive demand is included in autocatalyst demand

-ENDS-

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

Notes to Editors:

About Platinum Quarterly

Platinum Quarterly is the first independent, freely available, quarterly analysis of the global platinum market. Platinum Quarterly is a World Platinum Investment Council publication. It is largely based upon research and detailed analysis commissioned by WPIC and conducted by Metals Focus, an independent authority on the platinum group metals markets.

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, Tharisa, Bravo Mining and Podium Minerals.

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 1612, Shui On Plaza, No. 333 Middle Huaihai Road, Huangpu District, Shanghai, P.R.China

About Metals Focus

Metals Focus is one of the world's leading precious metals consultancies. They specialise in research into the global gold, silver, and platinum group metals (PGMs) markets producing regular reports, forecasts and bespoke consultancy. The Metals Focus team, spread across eight jurisdictions, has an exhaustive range of contacts across the world. As such, Metals Focus is dedicated to delivering world-class statistics, analysis and forecasts for the precious metals markets.

For more information, visit: www.metalsfocus.com

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.

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 79% 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 29% and 42% 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 -8% and 21% of total demand (excluding movements in unpublished vaulted investor holdings).

Disclaimer

Neither the World Platinum Investment Council nor Metals Focus is authorised by any regulatory authority to give investment advice. Nothing within this document is intended or should be construed as investment advice or offering to sell or advising to buy any securities or financial instruments and appropriate professional advice should always be sought before making any investment. For further information, please visit www.platinuminvestment.com