

US trade action on Russian palladium aims to protect domestic producers but may tighten supply and lift prices

Sibanye-Stillwater and the United Steelworkers union have filed antidumping (AD) and countervailing duty (CVD) petitions against Russian unwrought palladium imports. Russia accounted for 40% of US palladium imports in 2024, but only 20% of implied domestic demand. The palladium price showed little initial response to the filings but have since increased by 25%. Prices accelerated toward the end of August following the release of the US Geological Survey's (GS) report assessing commodity supply chain disruptions in combination with a broader rally in precious metals within a "debasement" trade.

In July 2025, AD and CVD petitions were filed to the US Department of Commerce (DOC) and the US International Trade Commission (ITC). Filings claim that Russian unwrought palladium is being sold below market related prices (aided by state subsidies) which is said to be harming domestic PGM producers. Over the three years from 2021 to 2024, US palladium supply from mining has declined by 27% and recycling supply has declined by 30% (Fig. 1). Over the same period, US palladium imports from Russia have increased by 34% (Fig. 2), with imports in 2025 up a further 30% YTD.

Preliminary findings by ITC have already established a reasonable indication of material injury. Assuming the US government shutdown is resolved, an initial CVD determination is due in December 2025 and AD determinations are expected in January 2026. We note that backing out the implied value (per ounce) of Russian palladium imports from US trade data does not appear to show that import prices are materially or consistently below market prices (Fig. 5). However, material injury classifications are based on Russia's Factor of Production, which reflects estimated input costs relative to the US.

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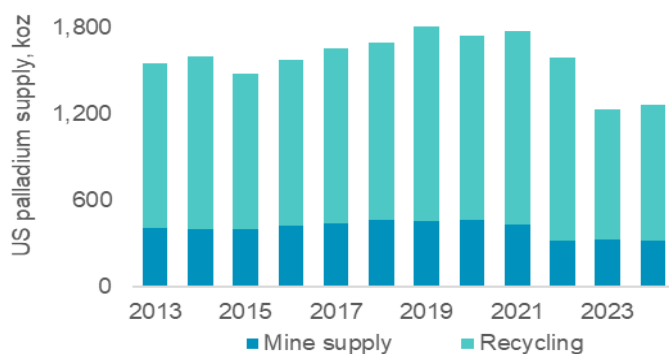
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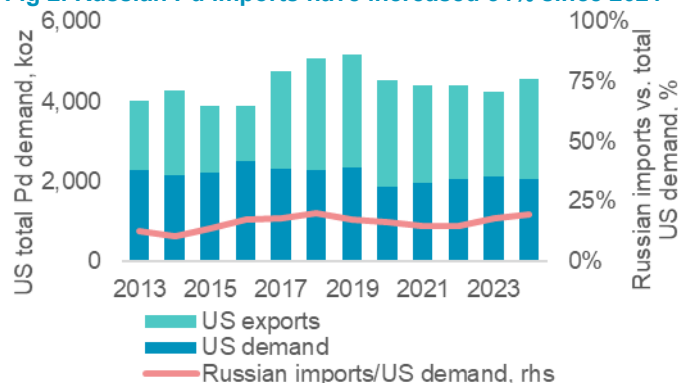
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Fig 1. US Pd supply has declined 30% since 2021



Source: Metals Focus, WPIC research

Fig 2. Russian Pd imports have increased 34% since 2021



Source: UN Comtrade, Metals Focus, WPIC research

The DOC has determined an estimated dumping margin of 828% on Russia's unwrought palladium imports. If duties are applied, these would fall on the importer to pay, likely cutting Russian exports to the US. From a supply perspective, a recovery in domestic PGM recycling and re-routing of trade should allow the US to displace most of the c.900 koz of Russian Pd imports recorded in 2024. So, while NYMEX stocks have increased by 169% (Fig. 7) since the filing of AD and CVD petitions, market indicators such as lease rates and EFPs (Fig. 6) have shown a muted response.

Increasing recycling supply and re-routing trade are likely to be multi-year efforts and thus ADs or CVDs should tighten markets and may place upward pressure on Pd prices. Notably, Pd prices declined in August despite the AD and CVD risks. However, price momentum strengthened after the USGS estimated that a complete loss of Russian Pd supply could lift domestic prices by up to 24%. Furthermore, Pd has benefitted along with other precious metals from an ongoing debasement trade and so the metal is largely performing in-line with peers over the past three-months.

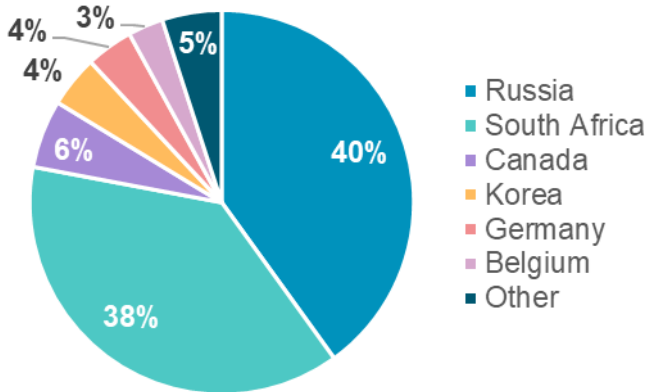
Sibanye Stillwater's petition may result in duties on Russian palladium, improving domestic competitiveness and potentially elevating US palladium prices.

If non-US end users capitalise by demanding a discount to buy Russian origin palladium this could further distort US versus international prices.

Platinum's attraction as an investment asset arises from:

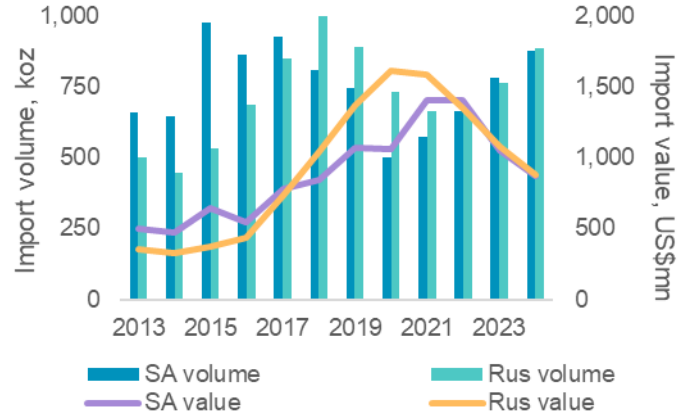
- WPIC research indicates that the platinum market entered a period of consecutive supply deficits from 2023 and these are expected to fully deplete above ground stocks by 2029f
- Platinum supply remains challenged, both in terms of primary mining and secondary recycling supply
- Although US tariffs present some downside risks to demand, these are likely offset by tailwinds to jewellery demand and Chinese investment demand
- Elevated lease rates and OTC London backwardation highlight tight market conditions
- The platinum price remains significantly below the price of gold

Figure 3: The US imports ~40% of its palladium imports from Russia, closely followed by South Africa at ~38%, broadly reflecting their share of global mine production



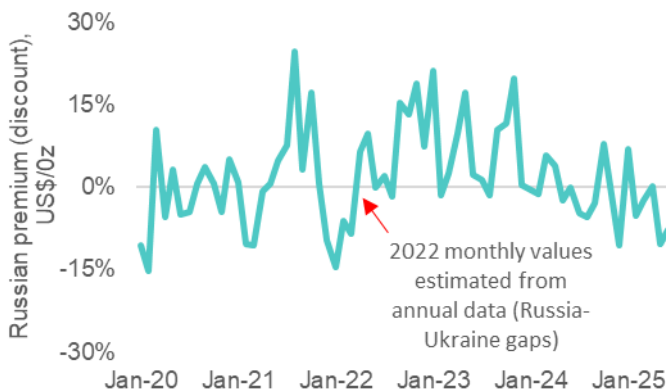
Source: UN Comtrade, WPIC research

Figure 4: Both Russian and South African imports into the US have increased, suggesting a broader market response to declining US domestic palladium supply



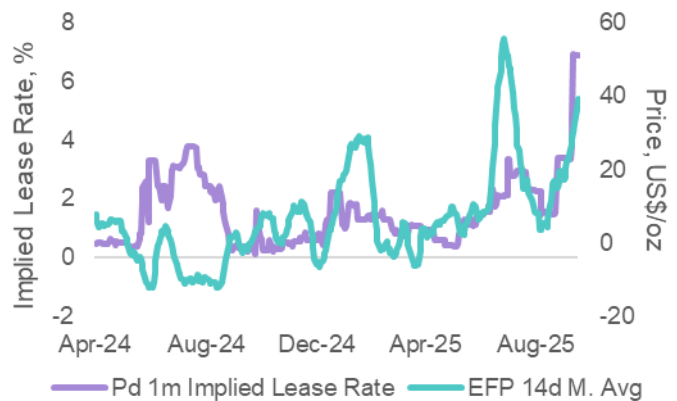
Source: UN Comtrade, WPIC research

Figure 5: Implied Russian import prices vary between premiums and discounts, with no clear evidence of below market pricing (we cannot account for timing differences)



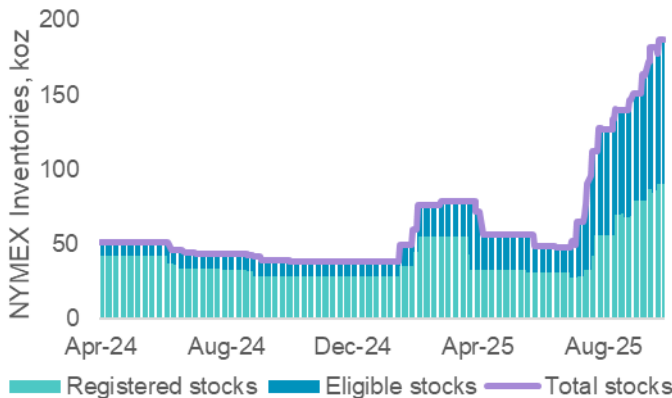
Source: UN Comtrade, Bloomberg Finance L.P., WPIC research

Figure 6: Forward-physical Pd spreads and lease rates spiked after the AD and CVD petitions announcement on 30 July, signalling tighter availability and market stress



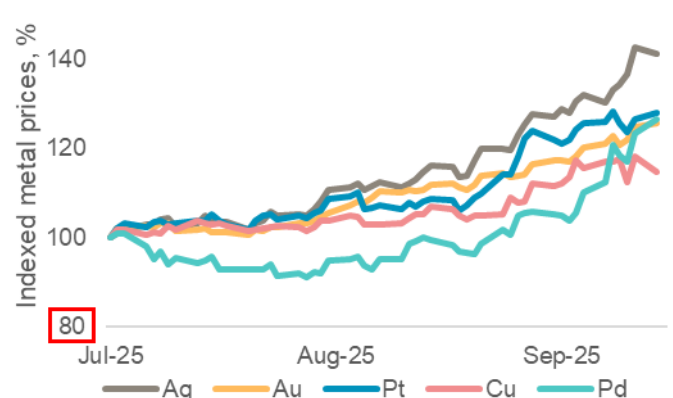
Source: Bloomberg Finance L.P., WPIC research

Figure 7: NYMEX palladium stocks have surged ~170% since late July, reflecting constrained physical supply and elevated demand pressures in the US market



Source: Bloomberg Finance L.P., WPIC research

Figure 8: After lagging other precious metals, palladium has started to catch up with the broader bull market, gaining 25% since the anti-dumping legislation filing



Source: Bloomberg Finance L.P., WPIC research

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