

Johnson Matthey publishes latest PGM Market Report, 2023

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Platinum supply is forecast to fall short of demand in 2023, according to Johnson Matthey's latest [PGM Market Report](#), a leading report in the field. The report, published today at the start of the annual London Platinum & Palladium Market (LPPM) platinum week, highlights that demand for **platinum** is forecast to rise by nearly 20% in 2023, with investment returning to positive territory after two years of investor selling, and use of platinum in gasoline autocatalysts gaining momentum. Consumption in industrial applications is expected to remain firm, despite temporary weakness in the LCD glass sector, hit by a downturn in consumer electronics.

Analysis in the report shows that combined primary and secondary supply is expected to grow by 5%, as South African producers treat backlogs that accumulated during recent smelter maintenance, and vehicle recycling rates begin to improve.

The **palladium** market is expected to move closer to balance in 2023. Supply should rise modestly, while we anticipate demand to be hit by further platinum-for-palladium substitution in gasoline vehicles. Automotive consumption is forecast to fall for a fourth consecutive year and will be around 15% lower than the 2019 demand peak.

Johnson Matthey's report also forecasts a slight fall in automotive use of **rhodium** this year, as car companies seek to minimise their use of this metal on cost grounds. However, consumption of rhodium in glassmaking is expected to return to positive territory, after two years of negative demand due to fibreglass producers selling back to the market. Rhodium supply and demand is predicted to be closely balanced in 2023.

Rupen Raithatha, Market Research Director at Johnson Matthey, commented: "Over the last three years, we've seen exceptionally high prices and unusual volatility in the palladium and rhodium markets. Automotive and industrial users have responded by investing in substitution and technical innovation, to reduce their reliance on these metals. This has been highly positive for platinum. We're forecasting double-digit growth in automotive platinum demand this year as car companies continue to implement substitution programmes. As a result, we expect platinum supply to fall short of demand in 2023, following two years of significant surplus."

The report also looks at demand for ruthenium and iridium, which is set to rise in 2023. Use of **ruthenium** in chemical catalysts will be boosted by heavy investment in the

production of nylon precursor chemicals in China. **Iridium** will see strong demand growth in electrochemical processes, including the production of hydrogen using proton exchange membrane (PEM) water electrolyzers.

Margery Ryan, Johnson Matthey's Industrial Market Research Manager, commented: "Iridium demand in PEM water electrolyzers was insignificant before 2020, but is forecast to exceed 10,000 oz in 2022 and could double over the next 18 to 24 months. PEM technology is especially suitable for producing hydrogen from renewable power, so it is set to benefit from government incentives for electrolytic (green) hydrogen investment. Because iridium supply is limited, companies such as Johnson Matthey are working very hard to reduce the amount of iridium required per gigawatt of electrolyser capacity. Optimising recycling systems will also be critical to ensuring that there is enough iridium to meet future hydrogen needs."

ENDS

Note to editors

Johnson Matthey's Market Research Department has undertaken fundamental research into the Platinum Group Metals markets since the 1980s. Since 1985, Johnson Matthey has published supply and demand data, in the Platinum and Interim Platinum series of reviews (1985–2013) and in the PGM Market Report (2014–2023). Previous reviews and reports can be downloaded from <https://matthey.com/pgm-market-research>

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