

Industrial demand for Platinum Group Metals is expected to be robust in 2026, but geopolitical risks remain

Johnson Matthey publishes 2026 PGM Market Report

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- The past year has seen dramatic price gains for the platinum group metals (PGMs), with platinum hitting an all-time high in January 2026.
- All the PGMs were in deficit last year. In 2026, platinum, ruthenium and iridium will see further shortfalls but palladium and rhodium could record small surpluses.
- Strong PGM prices continue to support a recovery in autocatalyst recycling.

Platinum demand will again exceed supply in 2026, driven by firm industrial use and constrained mine output. Ruthenium and iridium will also be in deficit, with rising demand from the data storage and energy transition sectors, according to Johnson Matthey's latest PGM Market Report, published ahead of the annual London Platinum & Palladium Market Week (from 18 May).

Rupen Raithatha, Market Research Director at Johnson Matthey, commented:

"PGM consumption in industrial applications is forecast to be robust this year, despite ongoing geopolitical uncertainty. Data centre construction will be positive for platinum and ruthenium, which are critical for the magnetic layers used to store data on hard disks. This year should also see the first commercial-scale use of iridium in proton exchange membrane (PEM) electrolysis for green hydrogen.

"Use of platinum-rhodium alloys in glass making should rise, with growing investment in specialist grades of e-glass fibre. And we expect firm demand from the chemicals industry for all the PGMs, except ruthenium."

The **platinum** market will see a supply shortfall for a fourth consecutive year, despite an expected 8% decline in demand.

- Combined primary and secondary supplies will contract, with lower mine shipments from South Africa and Russia outweighing a rebound in automotive recycling.
- Industrial platinum consumption should remain firm, but rising battery electric vehicle production will impact platinum use in autocatalysts.
- Jewellery and investment demand is forecast to retreat sharply, following a strong performance in 2025.

Palladium has been in persistent deficit between 2012 and 2025 but could move into a small surplus this year.

- Demand is forecast to decline by 9%, with ETF investment turning negative during the first quarter, and automotive demand set to contract in line with lower production of gasoline cars.
- Primary supply will also fall sharply, as Russian mine production drops to the lowest level for at least two decades.
- However, automotive recycling should see a robust recovery, boosted by high PGM prices which are helping to accelerate catalyst scrap through the collection and processing network.

The **rhodium** market could also see a small surplus.

- Lower mine shipments will be balanced by a rebound in secondary supply, with rhodium recoveries from automotive scrap heading for a four-year high.
- Demand is forecast to fall by 6%, as anticipated lower gasoline car output also reduces rhodium consumption in autocatalysts.

While Johnson Matthey expects **ruthenium** demand to fall by 6% in 2026, the market is forecast to remain in significant deficit. Data centre expansions will lift demand in hard disks to a five-year high, but this will be outweighed by lower consumption in the chemicals sector.

Iridium demand could edge higher in 2026, as two large green hydrogen projects are completed in Europe. With supply expected to be stable, the market will remain in a modest deficit.

While industrial PGM demand is broadly expected to remain resilient, the conflict in the Middle East could yet see further reductions in some sectors.

Rupen Raithatha also commented:

“There is some downside risk to demand, especially in the chemicals sector. The closure of the Strait of Hormuz has put petrochemical supply chains under pressure, and some Asian chemical producers have had to reduce operating rates or close their plants for maintenance. We’re also keeping a close eye on developments in the auto market; sales of new and used electric cars accelerated in March and if this trend continues, it could reduce PGM demand.”

The report also provides an update on recent changes to European Union and US regulations governing greenhouse gas emissions from vehicles, which have implications for future PGM use. These developments are expected to prolong the use of autocatalysts in internal combustion engine (ICE) vehicles, especially in very low-emission powertrains, such as plug-in hybrid electric vehicles (PHEVs) and range-extended electric vehicles (REEVs).

Stewart Brown, Automotive Research Manager, commented:

“European CO₂ legislation is being amended. Instead of banning ICE vehicles in 2035, the EU is proposing to require automakers to cut their CO₂ emissions by 90%, with the additional emissions offset by use of ‘green steel’ and renewable fuels. Future ICE vehicle production will depend on the powertrain strategies adopted by automakers, in particular the share of highly electrified hybrid powertrains, such as PHEVs and REEVs. These vehicles require autocatalysts containing PGMs to meet European emissions standards.”

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Note to editors:

Johnson Matthey Plc’s PGM Market Report can be viewed and downloaded from the website (<https://matthey.com/en/products-and-markets/pgms-and-circularity/pgm-markets/pgm-market-reports>) and provides an overview of demand for platinum group metals in 2025 and an outlook for 2026.

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 (2014–2026).

The full dataset from these reports can be downloaded from <https://matthey.com/en/products-and-markets/pgms-and-circularity/pgm-market-data>

About Johnson Matthey:

Johnson Matthey is a world leader in platinum group metals (PGMs). For over 200 years we’ve used advanced metals chemistry to tackle the world's biggest challenges.

Many of the world's leading energy, chemicals and automotive companies depend on our technology and expertise to decarbonise, reduce harmful emissions and improve their sustainability.

And now, as the world faces the challenges of climate change, energy supply and resource scarcity, we’re actively providing solutions for our customers – metals that matter, for a healthier world.

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