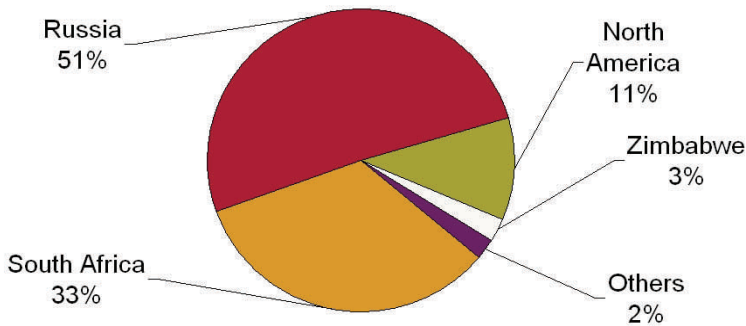


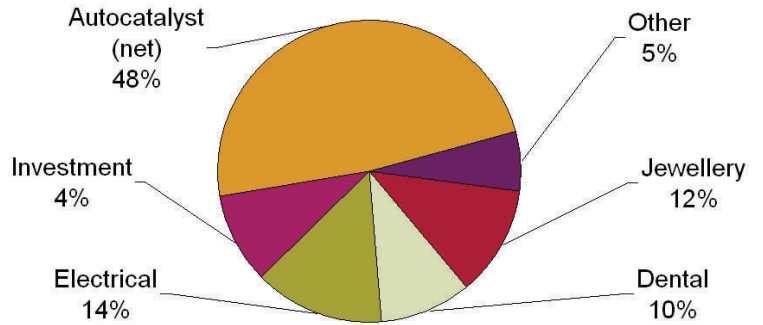
Palladium

- Palladium was in surplus by 760,000 oz during 2009. Gross demand fell by 6.3% to 7.77 million oz. Supplies of palladium dropped by 2.9% to 7.10 million oz. Palladium recovery from recycling fell by 11.5% to 1.43 million oz.
- Gross automotive sector demand for palladium fell by 9.3% to 4.05 million oz in 2009 with demand growing in China but falling elsewhere.
- Gross palladium jewellery demand fell by 17.3% to 815,000 oz in 2009 due to weaker Chinese output.
- Gross industrial demand for palladium (including dental demand) decreased by 5.8% to 2.28 million oz in 2009.
- Net annual identifiable physical investment demand for palladium increased by 48.8% to 625,000 oz last year.

Palladium supply by region 2009
Total: 7.100 million oz



Palladium demand by application 2009
Total: 6.340 million oz



OUTLOOK:

- Palladium forecast to be in smaller surplus during 2010.
- Gross demand for palladium set to rise due to stronger physical investment and some recovery in the automotive sector.
- Palladium production from current mining likely to rise. Further Russian state stock sales expected.
- Palladium expected to trade between \$475 and \$700 during the next six months.

PGM LINKS:



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