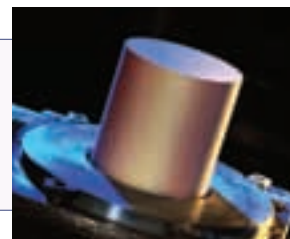


EXECUTIVE SUMMARY

The platinum market in 2010 was in a very small surplus of just 20,000 oz. As the world economy improved, gross demand increased by 16% to 7.88 million ounces, with growth in the automotive and industrial sectors. Supplies were up by 0.6% at 6.06 million ounces. Recycling of platinum rose by almost a third to 1.84 million ounces.



Global supplies of platinum rose by just 35,000 oz in 2010 to 6.06 million ounces. Although refined production in South Africa rose last year, not all of this metal was shipped by the year-end, leading to sales of platinum from South Africa remaining flat at 4.64 million ounces. Russian platinum shipments climbed by 5% to 825,000 oz, while supplies from Zimbabwe grew by almost a quarter to 280,000 oz.

Gross demand for platinum in autocatalysts rose by 43% to 3.13 million ounces. The global automotive sector recovered strongly in 2010, with vehicle production higher in all regions. The largest increase in platinum demand was in Europe, due to a sharp rise in demand for light duty diesel vehicles.



Gross demand for platinum from the jewellery sector declined by 14% to 2.42 million ounces in 2010. Although purchasing of platinum by the Chinese jewellery sector remained robust, at 1.65 million ounces, overall demand levels were lower than in the exceptional year of 2009.

Gross industrial demand for platinum jumped by 48% to 1.69 million ounces in 2010. Economic recovery in developed markets, and strong growth in emerging ones, drove purchasing of consumer products. Platinum demand in the manufacture of electrical items, glass and chemicals therefore increased.



Net physical investment demand for platinum remained almost flat at 650,000 oz. There was a good deal of investor interest in physically-backed platinum exchange traded funds (ETFs) in the US. Demand in the more mature European funds declined due to profit-taking.

The rhodium market tightened in 2010 but remained in oversupply by 114,000 oz. Gross demand for rhodium increased by 22% in 2010 to 873,000 oz as automotive and industrial markets recovered. Supplies of rhodium declined slightly to 751,000 oz. Recycling of rhodium from autocatalysts increased to 236,000 oz.





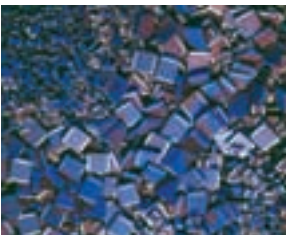
The palladium market was in a deficit of 490,000 oz in 2010. Gross demand increased by 23% to a record 9.63 million ounces due to strong purchasing by the automotive and physical investment sectors. Supplies of palladium climbed by 3% to 7.29 million ounces as South African mines raised output.

Supplies of palladium rose by 190,000 oz to 7.29 million ounces. Supplies of palladium from Russian mining increased by 2% to 2.72 million ounces. Sales of palladium from Russian state stocks were once again at around 1 million ounces. South African sales of palladium climbed by 9% to 2.58 million ounces.



Gross demand for palladium in autocatalysts increased by 35% to 5.45 million ounces last year. Higher global production in the light duty passenger vehicle sector, together with tightening emissions legislation in some markets, helped raise demand. Rapid growth in the light duty sector lifted automotive palladium demand in China by 42% to a new level of 975,000 oz.

Net physical investment demand for palladium grew by 74% to 1.09 million ounces. Heavy buying of palladium exchange traded funds helped lift demand to unprecedented levels. Investment interest was underpinned by positive supply–demand fundamentals.



Gross industrial demand for palladium was 70,000 oz higher in 2010 at 2.47 million ounces. Use of palladium in the chemical industry rose by 22% as consumer demand for plastics and other products raised rates of factory utilisation. Dental demand for palladium softened in line with long-term health trends, while electrical demand rose moderately compared with 2009.

Gross palladium demand in the jewellery sector fell by 20% to 620,000 oz. A decline in the manufacture of palladium jewellery in China was responsible for much of this fall. Demand in China went down by around a third to 380,000 oz, more than offsetting a small increase in manufacture of palladium jewellery in Europe and North America.

Recycling of palladium increased by 29% to 1.85 million ounces. Higher rates of end-of-life vehicles being processed through the recycling chain helped push up returns of metal from this source. Jewellery and electrical recycling levels were also up, stimulated by elevated metal prices in 2010.

