PRECIOUS APPRAISAL

No. 30

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MARKET SPOTLIGHT

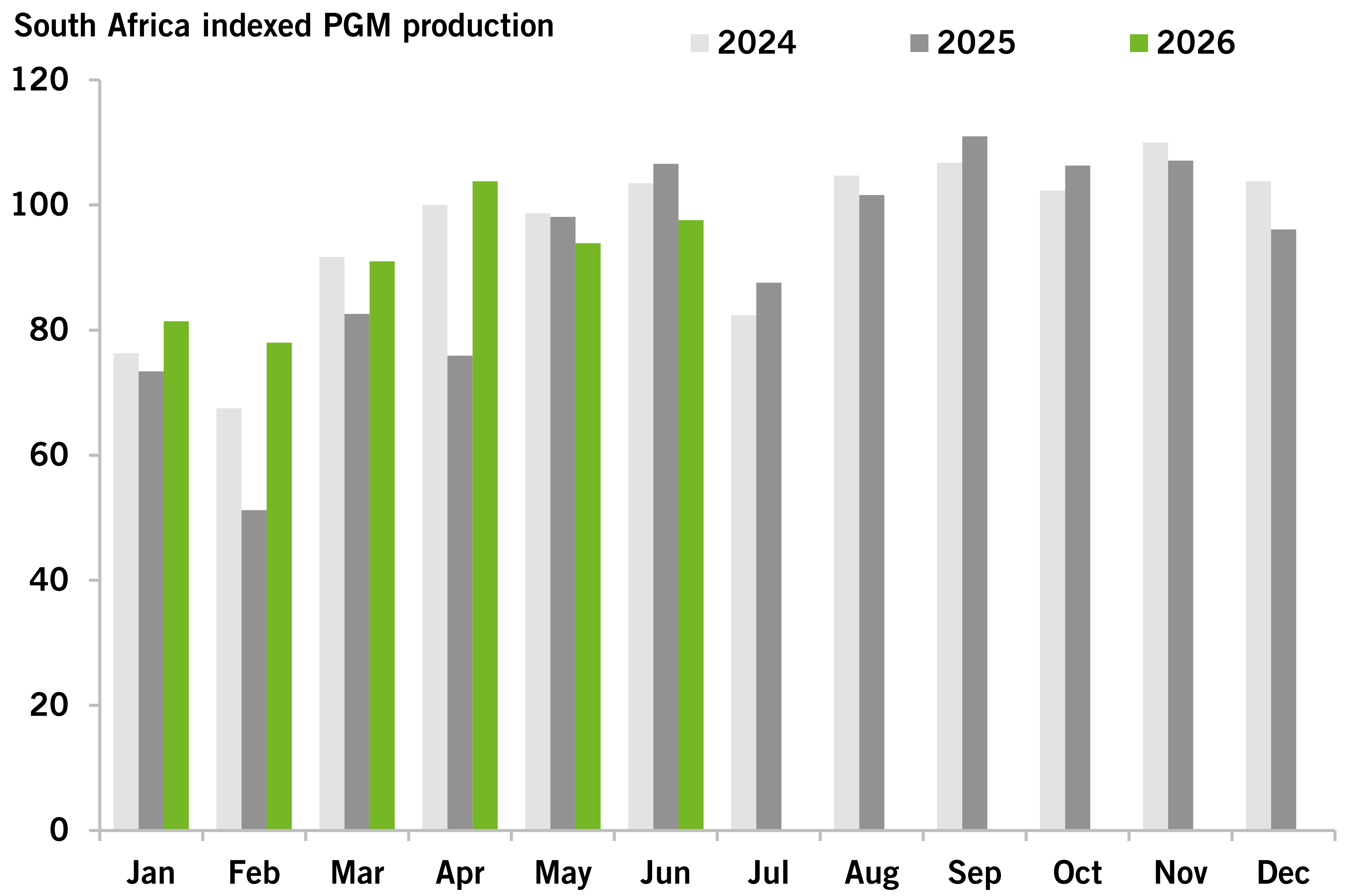
South African PGM supply is recovering in 2026, but global mine output remains broadly flat

South African PGM mine production recovered strongly in H1'26, although much of the improvement reflects normalisation from the weather-disrupted first half of 2025. Stats SA's production index indicates that South African PGM mine supply was approximately 12% higher year-on-year in H1'26. However, yield was only around 1.5% above that in H1'24, suggesting that output has largely returned to pre-disruption levels rather than moved onto a substantially higher trajectory. The monthly pattern reinforces this: year-on-year production growth was particularly strong in February and April, at 52.3% and 36.8%, respectively, compared to the months heavily affected by rainfall in 2025. By contrast, output declined by 4.3% year-on-year in May and 8.4% in June.

Valterra provides the clearest example of the weather-related recovery. H1'26 metal-in-concentrate (M&C) 6E PGM production increased by 4% year-on-year to 1.52 moz. Own-mined output rose by 9% to 1.01 moz and own-mined platinum production grew by 12% to 462 koz. The improvement was concentrated at Amandelbult, where PGM production increased by 76% and platinum output by 74% to 138 koz following the flooding that severely disrupted mining in H1'25. By comparison, platinum production at Mogalakwena declined by 3%. Valterra maintained its 2026 M&C guidance of 3.0-3.4 moz, including 2.1-2.3 moz from its own mines, and expects mined production to be weighted towards H2.

Elsewhere, producer results point to more modest underlying growth. Impala Rustenburg produced 1.74 moz 6E in the 12 months ending in June, 4% higher year-on-year, while Implats' total Group production was broadly flat at 3.50 moz 6E. Gross refined and saleable platinum production increased by 5% to 1.68 moz. Northam's own-operated production rose by 4.4% to a record 939 koz 4E in the same period, exceeding guidance, with the ramp-up at Eland providing the strongest growth. Sibanye-Stillwater has yet to report its production for H1'26, but its South African PGM supply increased by 2% year-on-year in Q1 and its 2026 guidance remains unchanged at 1.65-1.75 moz 4E.

The H1 recovery therefore points to South African platinum mine supply being modestly higher in 2026 than in 2025, rather than signalling the start of a sustained production growth cycle. Year-on-year comparisons should become less favourable during H2 without the weather-related base effect, while scheduled processing maintenance could make refined supply weaker than the mine-production trend suggests in Q3. Beyond 2026, incremental growth from the major PGM miners is likely to come principally from existing projects and brownfield expansions, including Eland's ramp-up, while mine depletion elsewhere is likely to offset some of these additional ounces. Importantly, the South African recovery does not necessarily translate into higher global platinum mine supply. Nornickel expects lower PGM output this year as lower-grade ore is processed. Consequently, modest growth in South Africa is likely to offset declines elsewhere rather than lift global mine supply materially, leaving global platinum production broadly flat in 2026 at 5.2 moz.



Source: SFA (Oxford), Statistics SA. Note: PGM production indexed to 2019.

PRECIOUS METALS REVIEW

Gold

	CLOSE	WEEKLY CHANGE	HIGH	DATE	LOW	DATE
$/oz	4,392	1.17%	4,450	13/08/2026	4,311	14/08/2026
€/oz	3,792	0.98%	3,859	13/08/2026	3,735	14/08/2026

Gold prices remained relatively steady to slightly higher last week following the rally in the week before. The fog has continued to hang thick around the negotiations, or lack thereof, surrounding a deal to reopen the Strait of Hormuz. Oil flows through the strait have been almost zero since early July with stockpiles continuing to deplete, while oil prices have remained much lower than they were at the beginning of the conflict. The Brent-WTI spread, an indicator of geopolitical risk, sits close to $6/bbl as of 14 August; this is higher than when a potential deal was being talked up by the US on 5 August ($4/bbl), suggesting there has been a worsening of the chances of this deal passing imminently. However, earlier in the conflict the spread was frequently in excess of $10/bbl and so the markets are pricing in a more optimistic picture for geopolitics and, crucially, for precious metals, fuel and energy prices than they were between March and June.

Although a Hormuz deal may be further away, economic data is broadly supportive of precious metals prices. US non-farm payrolls for July came in at -23,000, far beneath the estimate of +80,000. The print also included significant downward revisions for both May and June, with over 100,000 jobs removed from those months combined. This helped precious metals sustain their recent rallies as it allows the Federal Reserve to be more dovish, reducing the outlook for real yields. Along with weak jobs data, the US CPI (3.4%) and PPI (4.7%) came in at or lower than estimated. The net result of this has led to a ~20 bp reduction in the US 2-year Treasury yield and a reduction in the implied probability of a September rate hike by the Fed from ~80% to ~35% since their respective late-July peaks.

Barrick's gold production recovered in Q2'26 and remains on track for full-year guidance. Attributable gold production reached 796 koz, up 11% quarter-on-quarter from 719 koz and above the 730-770 koz quarterly guidance range. Output was broadly flat year-on-year, although yield from continuing operations increased by 8% as the comparative period included ounces from divested assets. The quarterly improvement was driven by the ahead-of-schedule ramp-up at Loulo-Gounkoto, a faster than expected recovery at Pueblo Viejo following planned Q1 maintenance and the continued ramp-up of Cortez and Goldrush. Barrick maintained its 2026 guidance of 2.90-3.25 moz and expects production to increase sequentially, with Q4 the strongest quarter.

Barrick also reached an agreement with Newmont over Nevada Gold Mines, clearing a hurdle for the planned IPO of a minority stake in its North American gold assets by the end of 2026. At the guidance mid-point, annual production would be around 6% below the 3.26 moz produced in 2025, though broadly in line with the 3.03 moz base excluding the divested Hemlo and Tongon operations.

PRECIOUS METALS REVIEW

Silver

	CLOSE	WEEKLY CHANGE	HIGH	DATE	LOW	DATE
$/oz	65.03	2.67%	66.80	12/08/2026	63.51	14/08/2026
€/oz	56.15	2.47%	57.84	12/08/2026	55.03	14/08/2026

Pan American Silver remains on track to meet its 2026 silver production guidance after output reached the high end of expectations in Q2'26. Attributable silver production was 6.47 moz, broadly unchanged quarter-on-quarter but 27% higher year-on-year from 5.09 moz the year before. Most of the annual increase came from the contribution from Pan American's 44% interest in Juanicipio, which was acquired in September 2025, and strong performance from La Colorada. H1'26 output reached 12.90 moz, 28% higher year-on-year and in the upper half of guidance of 12.15-13.15 moz. Pan American maintained its full-year guidance of 25-27 moz. At the mid-point, Pan American's mined production of 26 moz would account for roughly 3% of global mined silver supply from 2025 which came in at 847 moz (source: The Silver Institute).

Perth Mint's silver bar and coin sales rebounded in July but remained well below the levels seen earlier in 2026. Silver minted product sales reached 486 koz, up 65% from 294 koz in June and 8% from 452 koz year-on-year. The recovery coincided with the silver price touching its lowest level of 2026 during July, before ending the month at around $57.5/oz, suggesting that some price-sensitive investment demand had returned. However, sales were still around half of the 976 koz sold in March and approximately one-quarter of the almost 2 moz sold in February. Gold investment demand was steadier, with minted product sales of 30.9 koz, up 4% from 29.7 koz in June and 41% higher year-on-year from 21.9 koz.

PRECIOUS METALS REVIEW

Platinum

	CLOSE	WEEKLY CHANGE	HIGH	DATE	LOW	DATE
$/oz	1,747	-0.10%	1,798	12/08/2026	1,700	14/08/2026
€/oz	1,509	-0.28%	1,556	12/08/2026	1,474	14/08/2026

Northam Platinum's Vision 2031 targets ~1.5 moz 4E of production, extending the Group's long-standing strategy of investing through the PGM cycle. Northam's own production was 939 koz 4E (Pt, Pd, Rh, Au) in FY2026, while third parties' material totalled 158 koz 4E. The growth towards 1.5 moz 4E is related to growing own production at Eland (still in ramp-up), Zondereinde (as 3 Shaft and the Western extension mature), and later additional Booysendal capacity, while third parties' supply will also grow owing largely to higher output from Ivanplats (Phase 1 concentrate processed by Northam). Importantly, the capital programme is sequential rather than fully committed upfront: enabling processing infrastructure is being developed first, with larger mining and processing expansions sanctioned progressively as returns, cash flow and market conditions justify them. While this limits risk, it also means that if PGM prices retreat and compress margins, capital deployment could slow and the path to 1.5 moz could extend beyond 2031. Near term, production growth should continue to be incremental.

PRECIOUS METALS REVIEW

Palladium

	CLOSE	WEEKLY CHANGE	HIGH	DATE	LOW	DATE
$/oz	1,322	-3.88%	1,408	12/08/2026	1,302	14/08/2026
€/oz	1,142	-4.07%	1,219	12/08/2026	1,128	14/08/2026

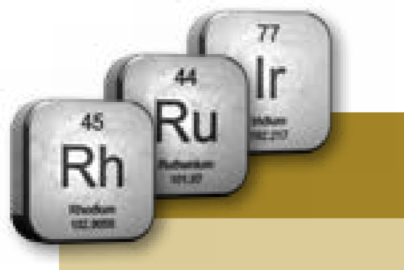
EU emissions' pooling provides automakers with greater flexibility to retain combustion engine vehicles, offering some support to palladium demand. Porsche will leave Volkswagen Group's EU CO2 emissions pool and combine its 2026-2027 fleet with BEV-only XPeng. Volkswagen's EU27+2 passenger car fleet averaged 100 g CO2/km in 2025, above its company-specific target of 95 g/km, while Porsche has slowed its electrification plans and extended the role of combustion engine and hybrid models. Removing Porsche's relatively high-emitting fleet should reduce the emissions burden on the remaining Volkswagen pool, while XPeng's zero-emission sales can offset Porsche's fleet emissions within the new pool.

EU emissions' compliance for 2025-2027 is also assessed across the three-year period, providing manufacturers with additional flexibility. Pooling therefore allows emissions targets to be met without relying solely on faster BEV adoption, potentially preserving some demand for catalysed ICE and hybrid vehicles.

Palladium prices retreated last week, while platinum remained relatively steady. Both platinum and palladium traded in ~$100/oz ranges last week after rising by 6% and 7%, respectively, the week before. Palladium spent most of last week trading between $1,300/oz and $1,400/oz, dropping below its 100-day moving average which was sitting near $1,350/oz towards the end of the week. Similarly, platinum traded between $1,700/oz and $1,800/oz and seems to be establishing a support band towards the bottom of that range. With the US CPI coming in as expected and not moving either of these two metals, the near-term upside and downside catalysts remain geopolitical.

PRECIOUS METALS REVIEW

Rhodium, Ruthenium, Iridium



	RHODIUM	RUTHENIUM	IRIDIUM
Reporting Week	$9,200/oz	$1,745/oz	$8,300/oz
Previous Edition	$9,100/oz	$1,745/oz	$8,300/oz

Furuya Metal's full-year results point to continued strong industrial demand for both iridium and ruthenium. In the 12 months ending in June 2026, thin film sales increased by 60% year-on-year to ¥18.0 billion, with Furuya identifying strong demand for ruthenium target materials for HDDs, supported by datacentre investment, as a key driver. Sales in the segment more than doubled year-on-year in Q2'26 to ¥6.18 billion and the company expects HDD target demand to remain strong in the 12 months ending in June 2027.

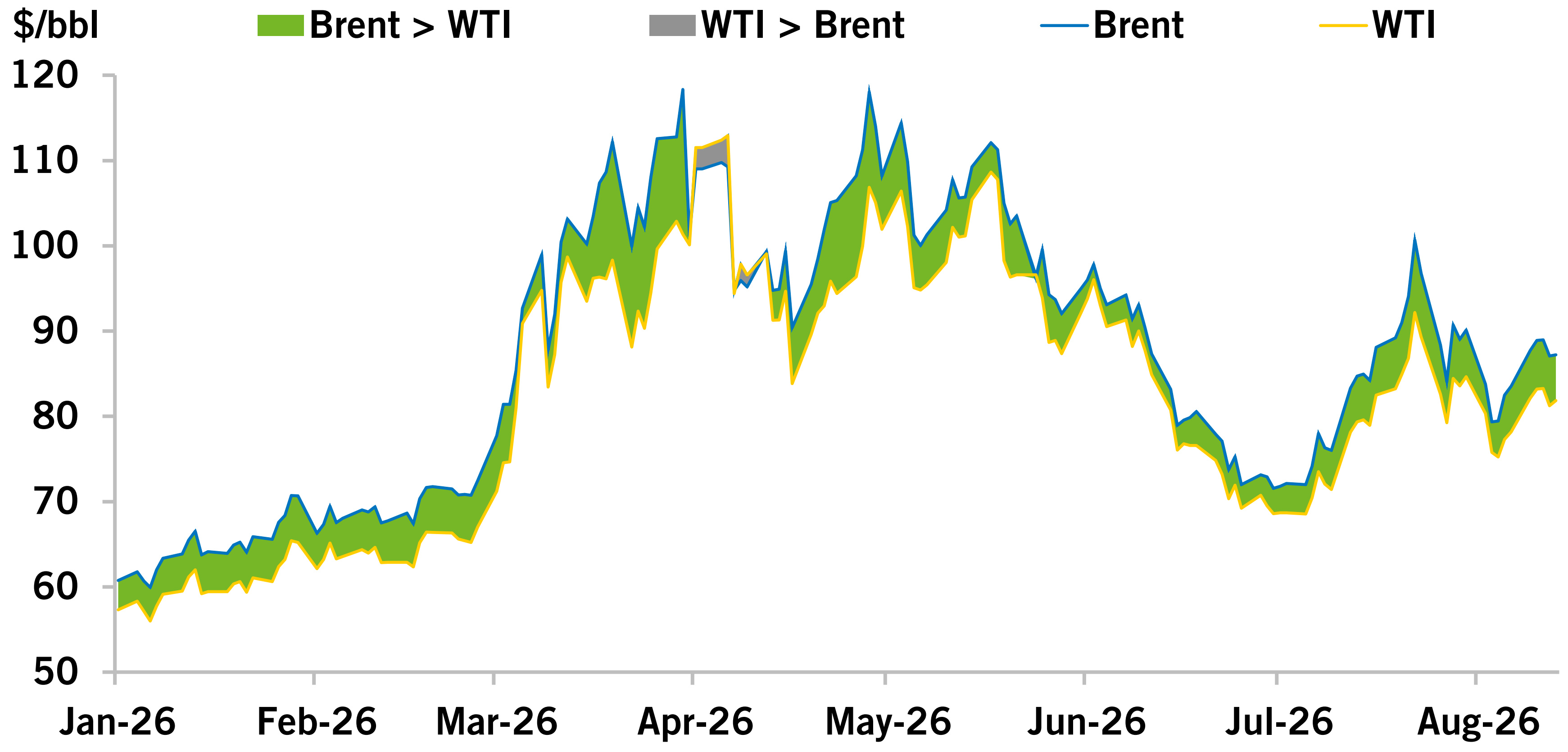
Iridium demand was more diversified: orders for crucibles used in medical scintillator crystals remained steady, iridium and platinum crucibles for optical communications were strong, and iridium compounds for OLED applications continued to perform steadily. Demand for raw iridium and ruthenium also exceeded product inventories held for supply-chain support, prompting ¥16.6 billion of metal sales from raw material inventories. Furuya expects further growth from its electronics, thin film and fine chemicals/recycling businesses this year, suggesting that demand remains firm across several established ruthenium and iridium applications.

Western Digital's HDD shipments continued to grow in Q2'26, supporting near-term ruthenium demand from conventional disk media. The company shipped 231 EB in the quarter ended 3 July, up 22% year-on-year from 190 EB, and 4% quarter-on-quarter from 222 EB. Nearline shipments that predominantly serve datacentres reached 209 EB, roughly 90% of the total, up 23% year-on-year. Western Digital has started shipping its next-generation ePMR drives with capacities of up to 40 TB, while its HAMR drives remain in qualification with hyperscale customers and production is currently focused on PMR-based media. Unlike Seagate, Western Digital is not yet producing HAMR drives commercially, so essentially all of its exabytes come from PMR-derived media that use ruthenium-based spacer layers. Higher drive capacities mean that fewer disks are required to reach a given storage capacity, potentially limiting ruthenium demand. However, the rapid increase in demand from datacentres is currently more than offsetting this.

The price of rhodium rose slightly last week, while the ruthenium and iridium prices remained flat.

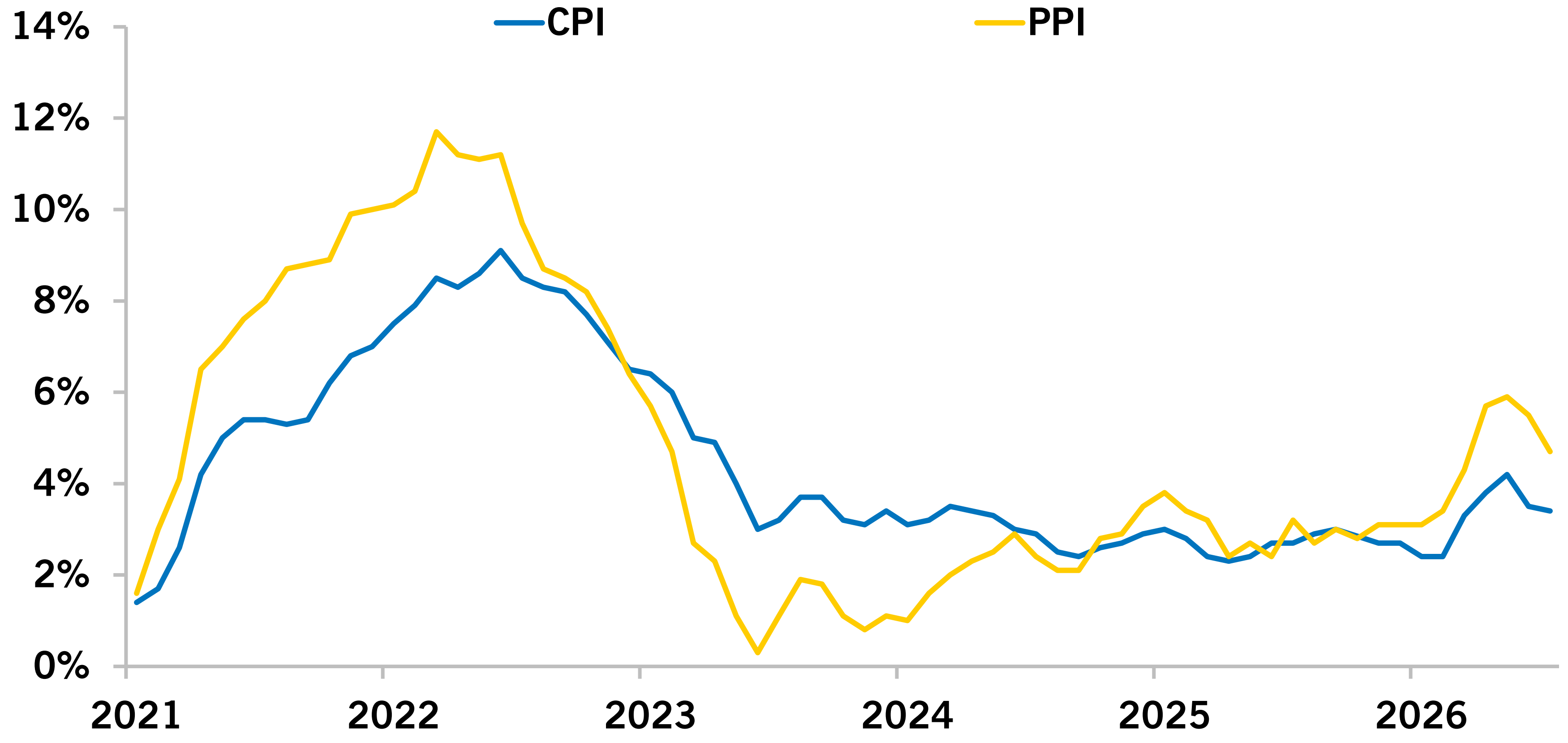
TRENDS AND INVESTMENTS

Brent and WTI crude comparison



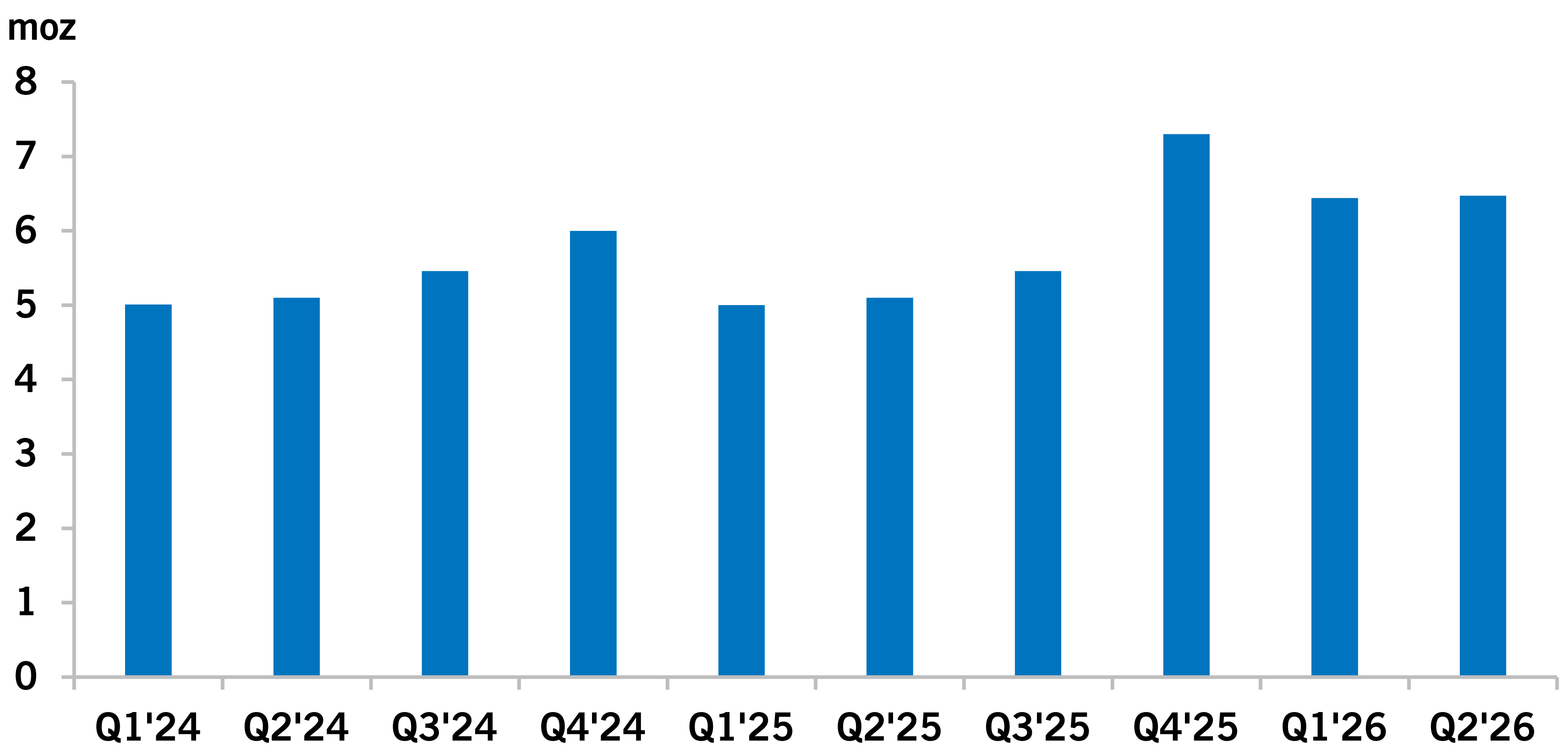
Source: SFA (Oxford), Bloomberg Finance LP

US CPI and PPI



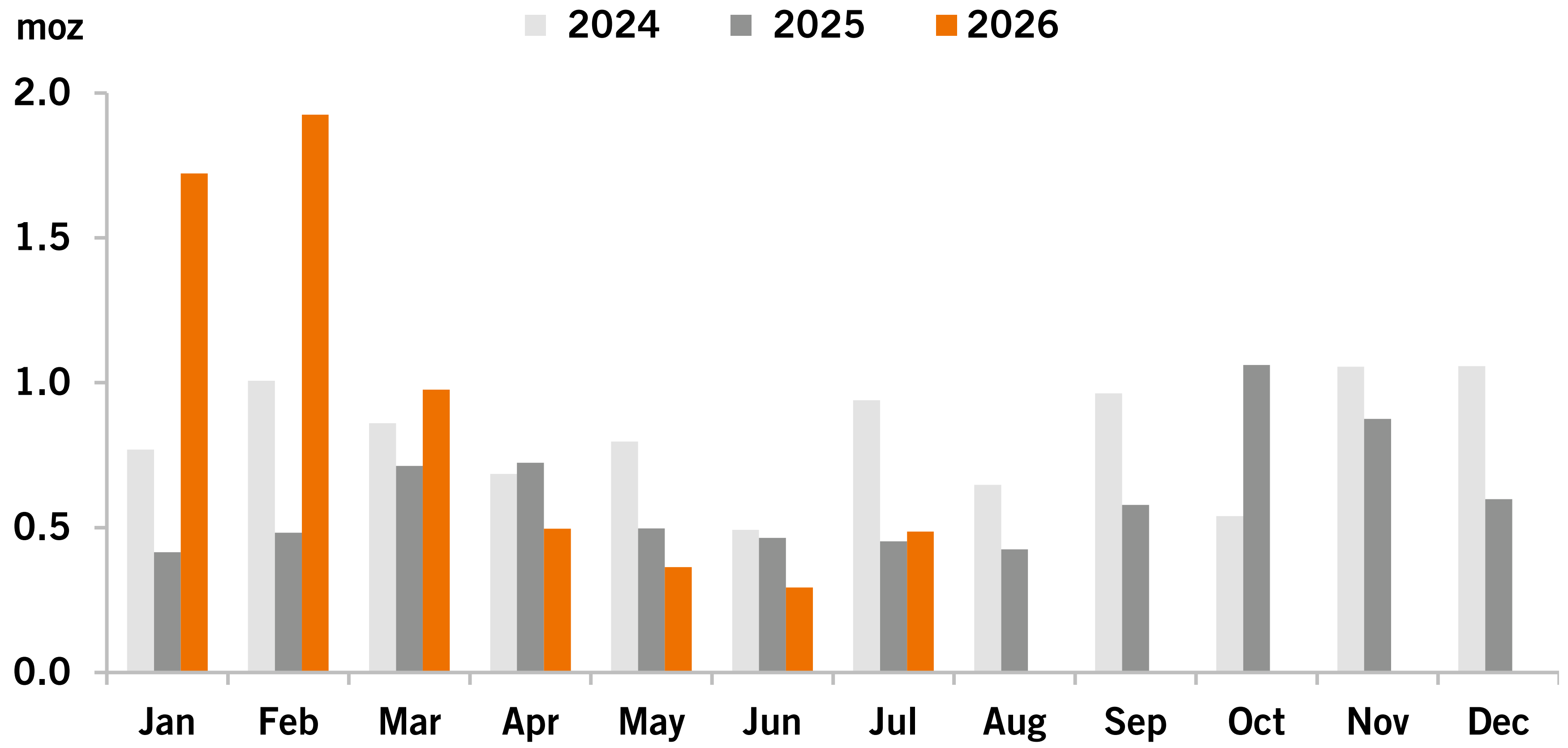
Source: SFA (Oxford), Bloomberg Finance LP

Pan American silver production



Source: SFA (Oxford), Pan American Silver quarterly reports

Perth Mint silver coin and bar sales



Source: SFA (Oxford), Perth Mint

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