



The RIO Platinum Account USD was first launched in March 2017, and since launch it has continued to reward those who have remained invested, as demonstrated by the 79.82% net gain to date.

It may also be of interest to note that the account is currently in profit for the month, this is partly due to the fact that the metal had hit my target buy price of \$865 on Monday the 13th. I took the opportunity to acquire additional platinum for the account using 5% of the cash held to do so. Over the past few days the metal has rallied back above \$900, and yesterday I took the decision to sell at \$920, banking gains.

### **Platinum**

Looking forward, I noted that some analysts and traders have lowered their price forecasts for platinum, and palladium in 2024, this due to weak auto production which will likely run into 2024. My comment would be, that these two metals are used primarily by automakers, so a slowdown in car production will most likely have a knock on effect. But I would point out that unlike palladium, platinum is used by other industries, including jewellery, and of course there's a growing demand from the investment industry.

Today platinum is \$938 an ounce, the median forecast from an institutional survey of analysts and precious metal traders predict platinum to average \$1,023 a troy ounce in 2024, this predicted return is down from the survey a few months ago which had most forecasting \$1,100.

Looking back at the year to date platinum had witnessed a rally in April-May, the main reason for this rally was the power outages, and operational challenges in top producer South Africa and the situation had inflated the risk of restricting supply. The rally would have almost certainly ran longer and higher if it were not for the fact that this year auto production has reduced. The reduced production of vehicles has put negative pressure on platinum prices, and this had offset the positive impacts seen of the falling supply from South Africa.

I disagree with the consensus and expect the auto sector to pick up during mid 2024, this because interest rates will almost certainly start to fall globally, this in turn will boost sales demand and drive production.

As for palladium it is down -43% in the period 22nd November 2022 to 22nd November 2023, platinum by comparison is down -1.29%. Palladium's collapse is due to the rise of palladium-free electric vehicles.

William Gray  
The RIO Club