

Platinum Prices Surge as Violent Protests Hit Mine

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The price of platinum surged Thursday as violent protests raged for a sixth day outside a South African mine owned by the world's third-largest platinum producer.

Platinum rose 2.8 percent to finish at \$1,435.20 per ounce. It is used in products including automobile catalytic converters and jewelry.

Thousands of workers walked off the job in a wage dispute Friday at the Lonmin PLC mine near Marikana, about 40 miles northwest of Johannesburg. At least 10 people have died in the protests.

Lonmin maintains it is an illegal strike. The company said Thursday that it is unlikely to meet its full-year production target of 750,000 ounces because of the lost work time.

The global platinum supply is ample, and demand has been weak, primarily in financially troubled Europe, where auto sales are sluggish. Despite that, traders are buying contracts because of speculation the supply may tighten because of the mine conflict, said Phillip Streible, a senior commodities broker at RJ O'Brien.

Platinum for October delivery rose \$39 to finish at \$1,435.20 per ounce.

In other trading, metals and energy prices were mostly higher after positive news about the U.S. housing market. Volume was light, which can exaggerate movement in prices.

The Commerce Department said construction of single-family homes and apartments dipped 1.1 percent in July compared with June, but applications for building permits rose 6.8 percent. That could indicate builders will increase construction over the next few months, strengthening demand for raw materials such as oil and copper.

Gold for December delivery rose \$12.60 to finish at \$1,619.20 an ounce.

In September contracts, silver increased 40 cents to end at \$28.212 per ounce, copper gained 3.3 cents to \$3.3825 per pound and palladium rose \$5.40 to \$583.45 per ounce.

Benchmark oil increased \$1.27 to finish at \$95.60 per barrel, heating oil rose 3.77 cents to \$3.1229 per gallon, and gasoline was essentially unchanged, ending down 0.08 cent at \$3.0832 per gallon.

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Natural gas fell 2.4 cents to end at \$2.724 per 1,000 cubic feet.

Agriculture contracts were mixed. Wheat for December delivery gained 15.5 cents to end at \$8.8175 per bushel, December corn rose 3.5 cents to \$8.075 per bushel and November soybeans fell 9.25 cents to \$16.2525 per bushel.

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AP writer Jon Gambrell in Johannesburg contributed to this report.

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