



MONTHLY MARKET UPDATE

March 2025

Jordan Eliseo

ABC Bullion General Manager

Luke Tyler

Analyst



Table of Contents



1. Precious Metals Performance

- a) Gold – AUD and USD
- b) Silver – AUD and USD
- c) Gold to Silver Ratio
- d) Gold in Multiple Currencies
- e) Silver in Multiple Currencies

2. Precious Metals vs the Markets

- a) Gold vs S&P500
- b) Gold to Oil Ratio
- c) Gold to Bloomberg Commodities Index Ratio
- d) Gold vs Federal Funds Effective Rate
- e) Gold vs Inflation

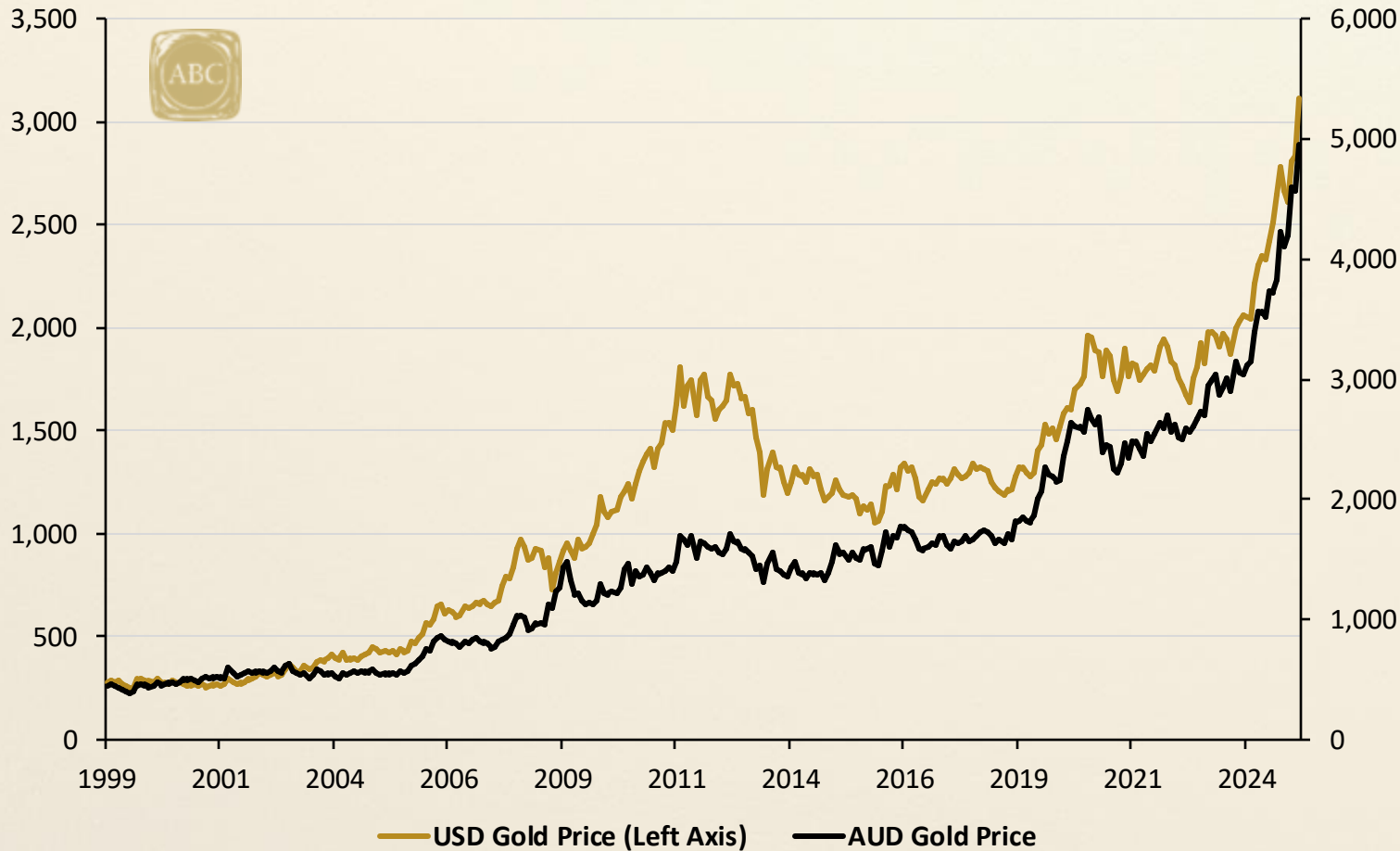
3. Precious Metals Positioning

- a) Gold ETF Holdings
- b) Gold Managed Money – Gross Long
- c) Gold Managed Money – Gross Short
- d) Gold Managed Money – Net Positioning

PRECIOUS METALS PERFORMANCE

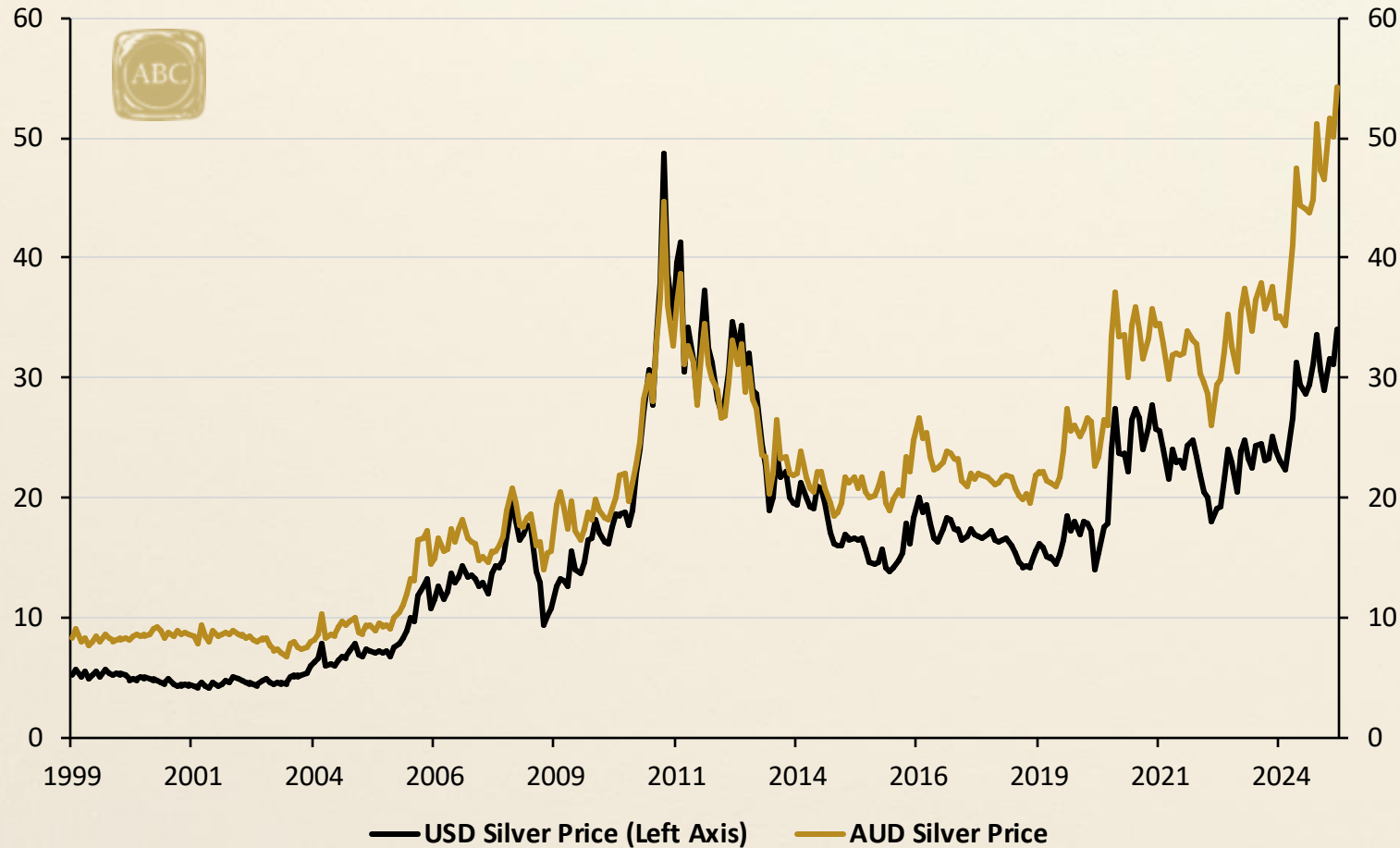


Gold in USD & Gold in AUD (Jan 1999–Mar 2025)



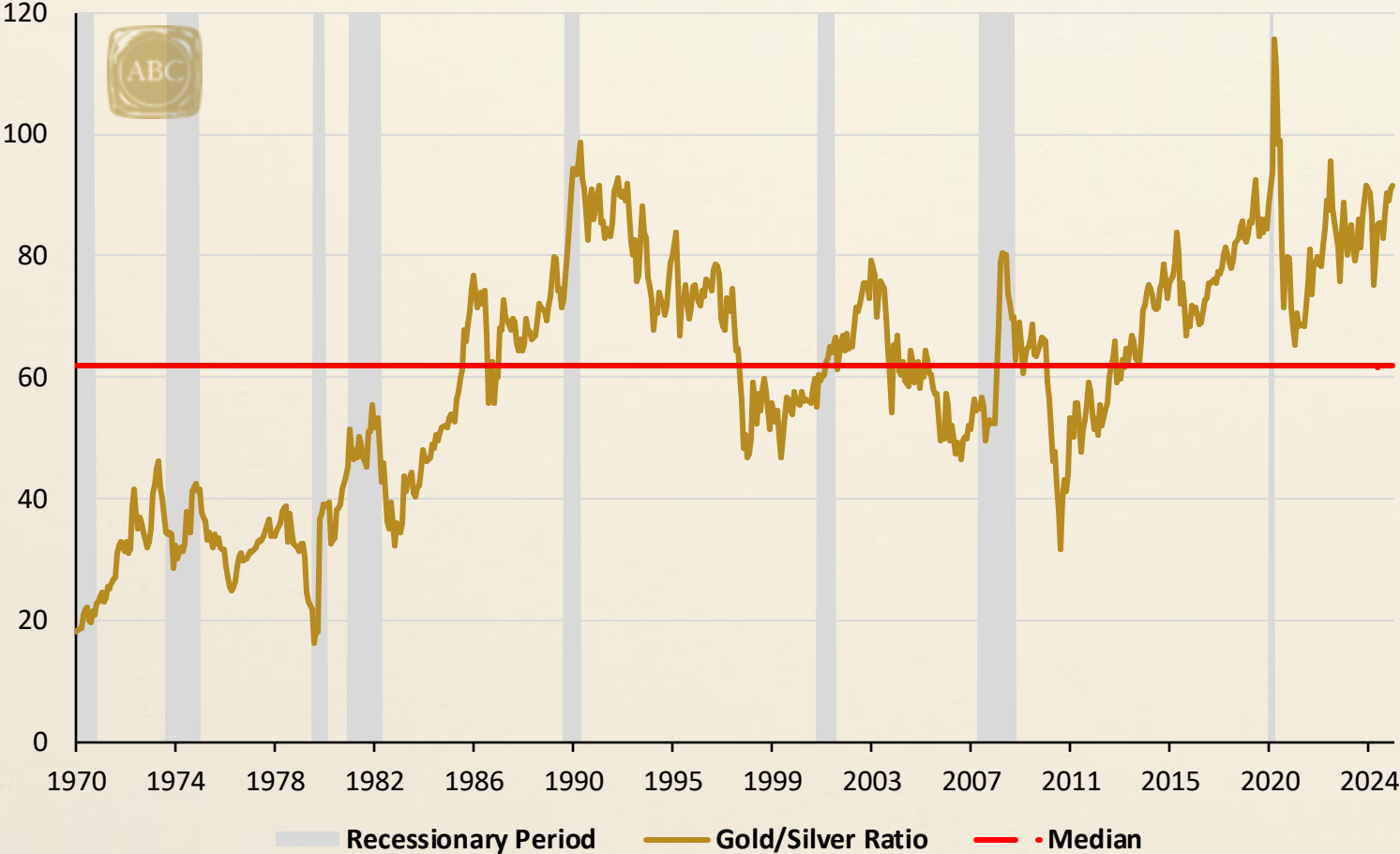
- Gold prices soared throughout March, extending one of the precious metal's strongest starts to the year on record.
- Across the course of the month, gold posted a 9.9% gain in USD terms, reaching a monthly high of USD \$3128 per troy ounce (oz) by month end.
- Australian dollar investors also experienced substantial gains, with gold rising by 8.7% over March. The price similarly increased to a monthly high of AUD \$5018oz per troy ounce (oz) by month end.
- The strengthening Australian dollar was responsible for the marginally smaller gain in local currency terms, with the AUD appreciating by 1.1% to USD \$0.628 by end March.
- The fundamental backdrop for gold remains strong, with persistent central bank demand and mounting fiscal debt concerns providing continued support for prices.
- Additionally, uncertainty surrounding global tariffs and the continued escalation of trade tensions under the Trump administration further reinforces the metals appeal as a safe-haven asset.

Silver in USD & Silver in AUD (Jan 1999–Mar 2025)



- Silver saw comparable gains over March, rising by 9.4% in USD terms.
- The precious metal hit a monthly high of USD \$34.6 per troy ounce (oz) before stabilizing above key support at USD \$34.1oz by month-end.
- Australian dollar investors experienced marginally smaller gains on their silver positions, with prices in local terms rising 8.2%.
- Despite the recent pullback in early April, silver remains above the key support level of AUD \$50oz.
- Intra-month, silver hit highs of AUD \$55oz, before finishing March at AUD \$54.6oz.
- Silver continues to be driven by a combination of robust industrial demand, a current supply deficit as well as ongoing economic and geopolitical tensions.
- Escalating global trade tensions and the Trump administration's tariff policies could disrupt global supply chains, drive up production costs, and dampen industrial demand for silver, placing downward pressure on prices. Nevertheless, silver's safe-haven appeal may help cushion the impact of weaker industrial demand.

Gold/Silver Ratio in USD (Jan 1970–Mar 2025)



- The gold to silver ratio (GSR) continued to trade in a narrow range throughout March, ending the month at 91:1, unchanged from where it finished in February.
- Historically, the ratio has ranged from as low as 20:1 to as high as 115:1 (for a very short-time period when COVID first hit), with a median of 62:1 since 1969.
- In early April, the ratio surged above 103:1, marking its highest level since the COVID pandemic and driving silver to a five-year low relative to gold.
- This was primarily driven by market uncertainty and fears that Trump’s proposed tariffs could trigger a global recession, with silver not seeing the same safe haven demand gold did.
- The ratio continues to remain at an extreme level relative to its long-term historical median. Indicating silver remains underpriced compared to gold.

Gold Performance in Multiple Currencies (Jan 1999–Mar 2025)

Year	USD	AUD	EUR	GBP	JPY	INR	CNY	Developed Mk Avg	Developing Mk Avg
2016	9.1%	9.3%	11.3%	28.9%	4.8%	10.9%	15.6%	12.3%	22.6%
2017	11.9%	4.2%	-1.0%	2.9%	8.8%	6.0%	4.5%	6.9%	6.0%
2018	-1.1%	9.6%	4.1%	5.2%	-3.5%	8.4%	3.3%	5.6%	4.1%
2019	18.8%	19.1%	20.6%	13.9%	17.3%	21.1%	20.5%	19.5%	15.4%
2020	24.2%	13.6%	14.3%	20.8%	18.4%	27.6%	17.2%	23.6%	27.6%
2021	-3.8%	1.3%	2.9%	-3.4%	6.7%	-2.7%	-6.3%	7.3%	-1.9%
2022	-0.4%	7.4%	6.9%	12.7%	16.0%	11.9%	10.2%	9.7%	10.8%
2023	13.8%	13.6%	10.5%	8.6%	21.6%	15.1%	15.6%	18.7%	22.7%
2024	26.6%	38.2%	33.8%	27.7%	40.7%	29.3%	31.7%	37.0%	41.5%
2025 YTD	19.3%	18.1%	9.9%	10.9%	7.7%	15.5%	13.3%	13.8%	11.7%
Average	8.8%	11.5%	10.1%	11.0%	11.9%	12.0%	10.5%	10.8%	10.8%
5 Year	14.5%	16.0%	14.1%	14.0%	21.0%	18.0%	14.9%	20.4%	20.2%
10 Year	9.5%	11.8%	9.5%	10.7%	11.6%	12.7%	10.8%	13.8%	13.8%
20 Year	10.5%	11.7%	11.3%	12.4%	12.3%	14.1%	9.5%	13.0%	14.0%
Since 1999	10.4%	10.3%	10.6%	11.4%	11.5%	13.5%	9.5%	12.5%	13.8%

- Gold delivered exceptional gains in 2024, with returns ranging from as “low” as 26.6% in USD terms, to over 40% in YEN.
- The rally in gold saw prices hit new highs in multiple currencies, with the precious metal trading up toward USD \$2,800oz and above AUD \$4,500oz for the first time.
- Indeed, across developed and developing countries, the precious metal averaged a 37% (developed) and 41.5% (developing) gain, leading almost all asset classes higher.
- This exceptional performance has carried over into 2025 so far, with YTD returns that exceed full year calendar returns in some of the more modest periods for gold price performance.
- Gold returns in developed market currencies have outperformed those in developing markets in 2025 YTD, averaging 13.8% and 11.7% respectively.

Silver Performance in Multiple Currencies (Jan 1999–Mar 2025)

Year	USD	AUD	EUR	GBP	JPY	INR	CNY	Developed Mk Avg	Developing Mk Avg
2016	17.5%	18.6%	19.9%	38.9%	12.9%	19.4%	24.5%	20.7%	32.1%
2017	3.8%	-3.7%	-8.1%	-4.5%	1.0%	-1.6%	-3.0%	-0.7%	-1.5%
2018	-8.3%	1.3%	-3.5%	-2.4%	-10.5%	0.5%	-4.2%	-1.5%	-3.5%
2019	16.7%	17.5%	18.4%	11.8%	15.2%	18.9%	18.4%	17.0%	13.3%
2020	46.8%	33.5%	35.1%	42.8%	39.9%	50.8%	38.6%	46.2%	50.8%
2021	-12.8%	-7.5%	-6.8%	-12.6%	-3.4%	-11.9%	-15.1%	-2.6%	-11.1%
2022	3.7%	11.1%	11.4%	17.4%	20.9%	16.6%	14.8%	15.1%	15.5%
2023	-0.3%	-1.2%	-3.1%	-4.9%	6.6%	0.8%	1.3%	3.9%	7.5%
2024	21.0%	33.2%	27.9%	22.1%	34.5%	23.6%	25.9%	31.6%	35.3%
2025 YTD	17.8%	16.6%	8.5%	9.5%	6.3%	14.0%	11.9%	12.6%	10.3%
Average	7.5%	10.0%	8.7%	9.9%	10.3%	10.7%	9.2%	9.5%	9.5%
5 Year	13.7%	15.3%	13.3%	13.2%	20.2%	17.2%	14.2%	20.1%	19.4%
10 Year	7.2%	9.6%	7.2%	8.4%	9.4%	10.4%	8.5%	11.7%	11.4%
20 Year	8.5%	9.6%	9.2%	10.3%	10.2%	12.0%	7.5%	11.3%	11.9%
Since 1999	8.3%	8.2%	8.5%	9.3%	9.4%	11.4%	7.4%	10.7%	11.6%

- Silver delivered exceptional gains in 2024, with returns ranging from as “low” as 21% in USD terms, to almost 35% in YEN.
- The performance was the second-best calendar year of the last decade, with only 2020 seeing stronger returns, when markets surged in the aftermath of the unprecedented fiscal and monetary stimulus deployed in response to COVID.
- The silver market has continued to generate exceptional performance in 2025 YTD across multiple currencies, rallying by 12.6% across developed markets and 10.3% in developing markets on average.
- While prices will remain volatile in the short term, the long-term outlook remains positive, especially with silver looking cheap relative to gold on a historical basis.

ABC BULLION GOLD SAVER

A SAVINGS ACCOUNT FOR REAL GOLD

With a minimum investment of just \$50 per month, it has never been easier to build wealth in gold and silver.

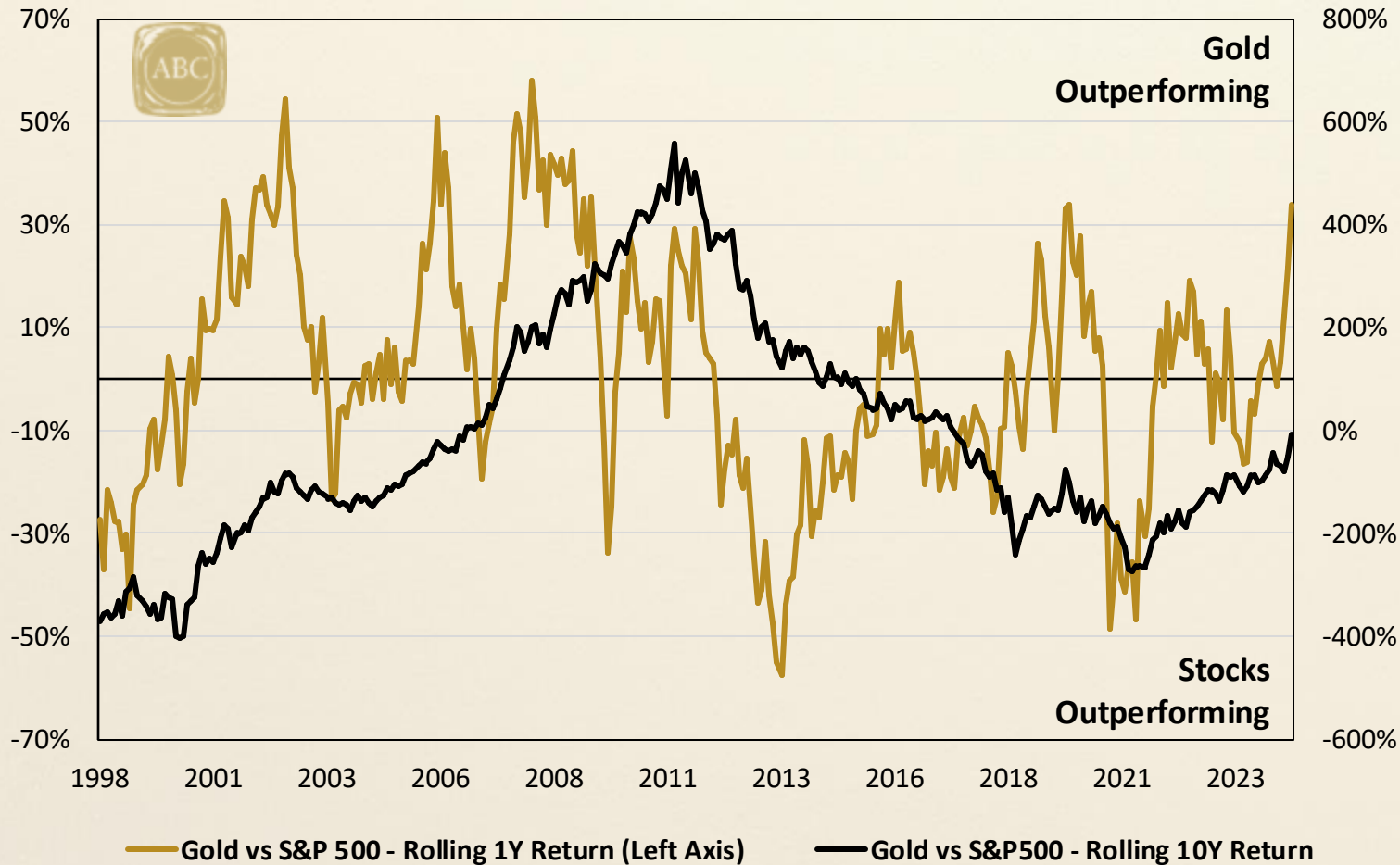
[LEARN MORE](#)



PRECIOUS METALS vs. THE MARKET



Gold & S&P 500 in USD – Rolling 1Y/10Y (Jan 1999–Mar 2025)



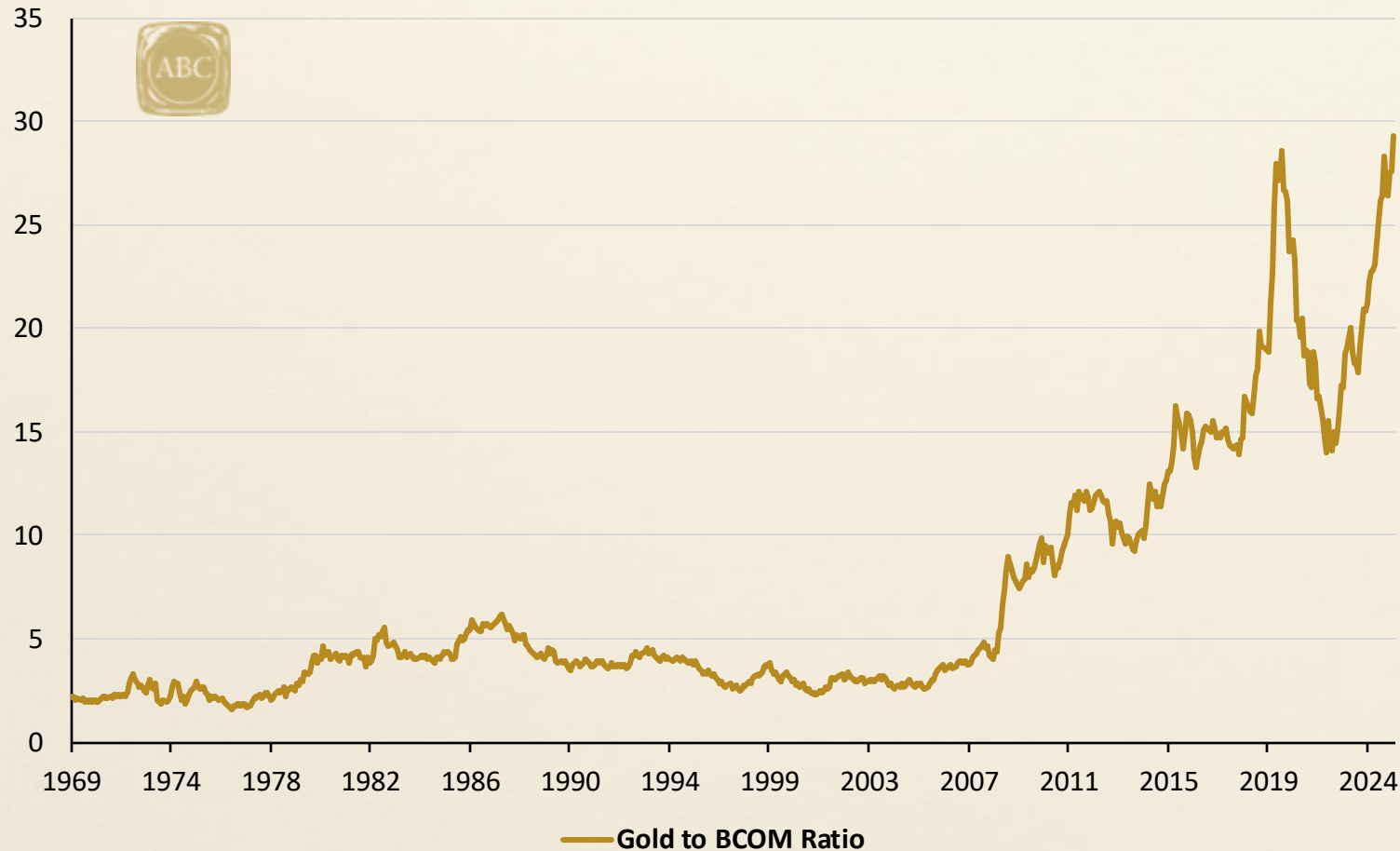
- Both gold and equities performed strongly across 2024. Gold (+26.6%) finished the year ahead relative to the S&P 500 (+23.3%), though the gap narrowed throughout November/December as equities surged and gold consolidated.
- Year to date, gold continues to outperform, with gold returns (19.3%) dwarfing the S&P 500 (-4.6%).
- Equity market returns are under significant pressure, driven by concerns over a potential resurgence in inflation and growing probabilities of a global recession. Widespread uncertainty caused by the Trump administrations tariff plan only adds to this dynamic.
- Despite recent outperformance, gold still lags the S&P 500 by a significant margin on a rolling 10-year performance basis.
- This backdrop helps explain why we remain of the view gold will outperform equities in the medium term, especially given the stretched valuations and excessive speculation in equity markets today, as well as the many tailwinds that are likely to support bullion going forward.

Gold/Oil Ratio in USD (Jan 1999–Mar 2025)



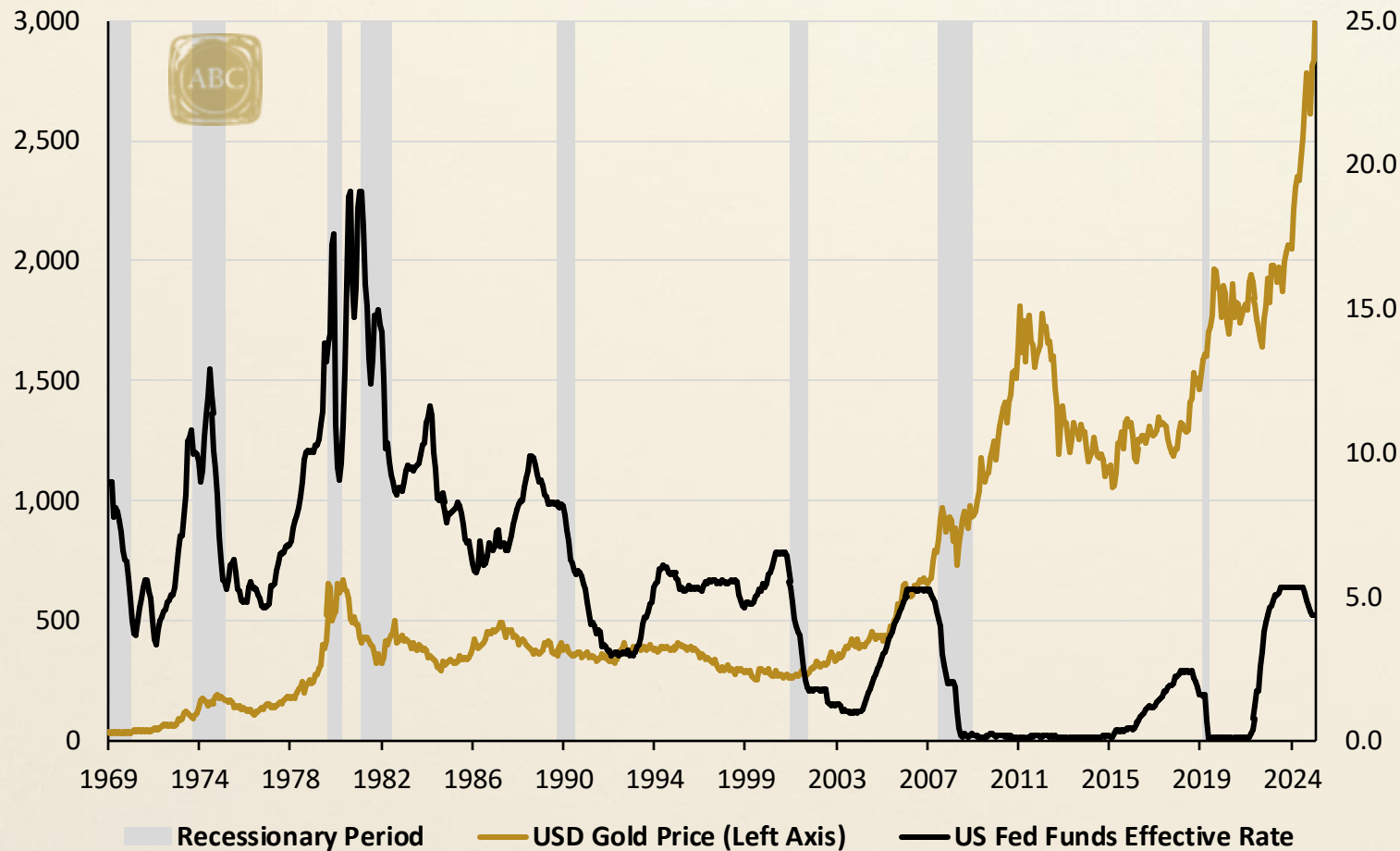
- The gold to oil ratio ended March at 43.6.
- The number is over double the long-term average (dating back to 1983) of 18.6.
- The ratio peaked at almost 90 during COVID, when gold first spiked toward USD \$2,000/oz and oil prices cratered, before falling back toward the long-term average in 2021.
- The ratio increased from the outset of 2024 and into 2025, driven by both the gold surge and a 1.6% fall in crude oil prices.
- Short-term, it wouldn't surprise to see the ratio increase further, as gold markets continue to rally, while escalating trade wars/tariff concerns can't help but subdue oil to some degree.
- Longer-term, we are more confident in the outlook for bullion (which suggests the ratio will remain relevant) with a recent Commodity Markets Outlook published by the World Bank suggesting oil prices are expected to fall over the medium term by 5.1% throughout 2025 due to surplus supply.

Gold/Bloomberg Commodities Index (BCOM) in USD (Dec 1969–Mar 2025)



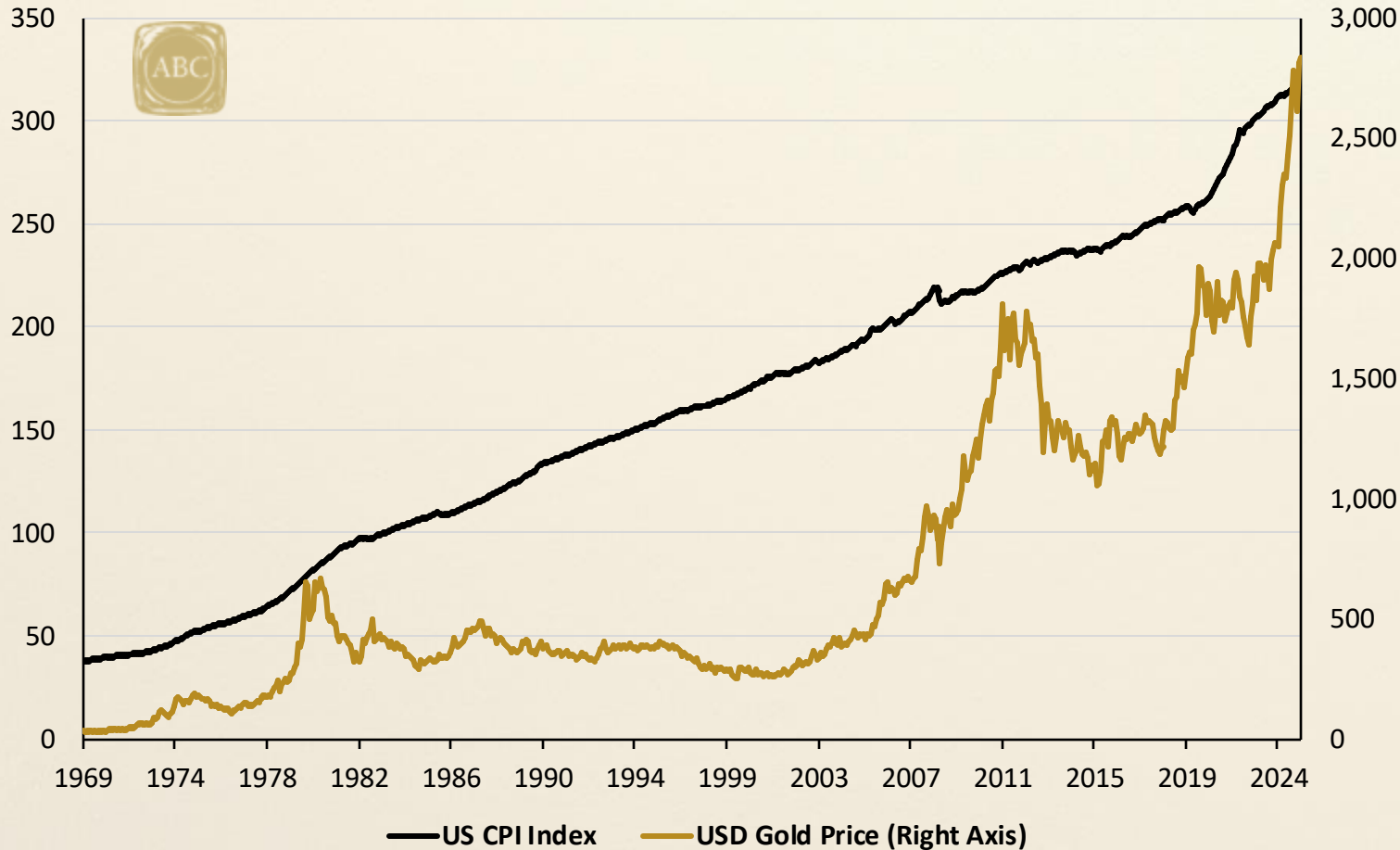
- The gold to Bloomberg commodity total return (BCOM) index ratio broke to all time highs, rising 6.1% on a month-to-month basis, finishing March at 29.3.
- As the chart makes clear, this ratio just cleared the previous all-time high (28.3) and remains well above the long-term average of just 6.7.
- Looking ahead, a projected global slowdown from US imposed tariffs, growing fiscal deficits and reduced immigration into the US could stifle growth.
- This has potentially bearish implications for broader commodity price trends, though recent weakness in the USD, which may continue, should act as support for hard assets.
- Looking ahead we remain more bullish on gold (as a monetary and a defensive portfolio asset) vs a basket of commodities.
- Given this backdrop, it would not surprise to see this ratio remain at elevated levels throughout 2025 and beyond.

Gold in USD & US Fed Funds Effective Rate (Dec 1969–Mar 2025)



- An interest rate cutting cycle, which began in late 2024 across most developed markets, looks set to accelerate in the coming months..
- Despite the concern that the Trump administrations tariff policies could re-ignite inflationary pressures in the global economy by significantly disrupting global supply chains, markets expect central banks to ease policy both to stabilize financial markets, and support growth.
- Moderating levels of inflation in the past two years and slowing growth encouraged the policy shift from the US Fed 6 months ago, when they cut rates for the first time in 4.5 years by 50 basis.
- Since then, the US have cut interest rates an additional 50 basis points despite inflation remaining above the Feds 2% target, bringing the rate down to the 4.25-4.5% level by end 2024.
- The “lets wait and see” approach the Fed has taken in recent months now seems to be over, with markets certain policy easing is on the way
- Australia is not immune, with markets pricing in a 70% chance rates will be cut by 0.50% in May, and end the year at just 2.90%

Gold in USD & US CPI Index (Dec 1969–Mar 2025)



- While inflation continues to decline from its 2022 peak of 9.1% after the COVID period, it remains above the Federal Reserve's 2% target.
- Indeed, median, mean and core inflation in the US ended March at 3.5%, 3.0% and 2.8% respectively.
- Turning to output, the U.S economy achieved a 2.3% annualized GDP growth rate for Q4 2024. Despite this deceleration from the previous quarter, the US economy remained resilient, supported predominantly by strong consumer spending.
- Looking ahead, a slowdown in the US economy is predicted by Bloomberg in 2025, with GDP growth expected to ease to 1.9% and unemployment anticipated to increase to 4.5%.
- Continued challenges on the inflation front has the potential to complicate the Fed's desire to implement rate cuts throughout 2025/2026, or the speed in which they can deliver them.



Untamed Landscapes

Discover the new limited mintage series of 999.9 silver bullion collectable coins inspired by Oceania's unique fauna

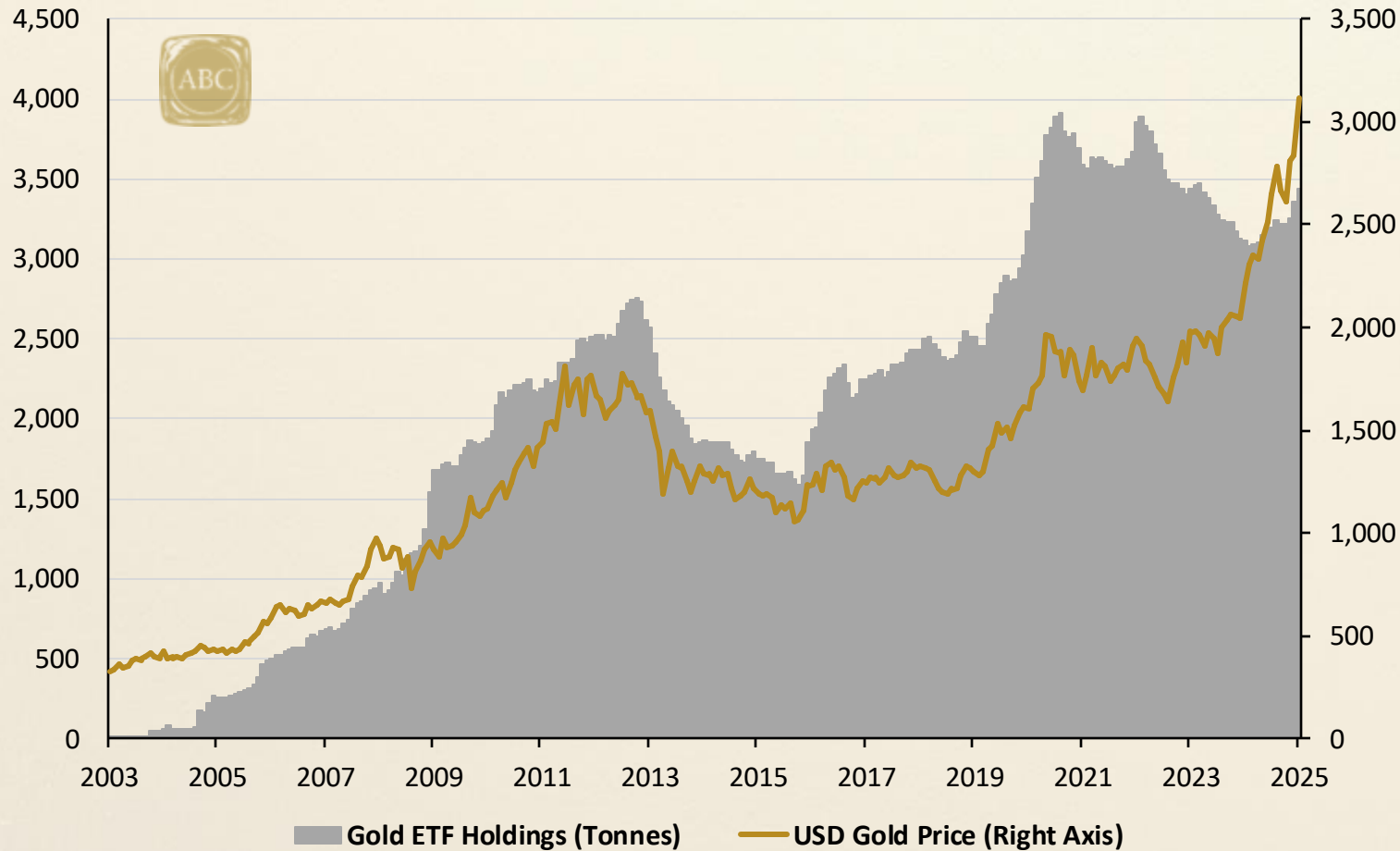


NOW AVAILABLE

PRECIOUS METALS POSITIONING

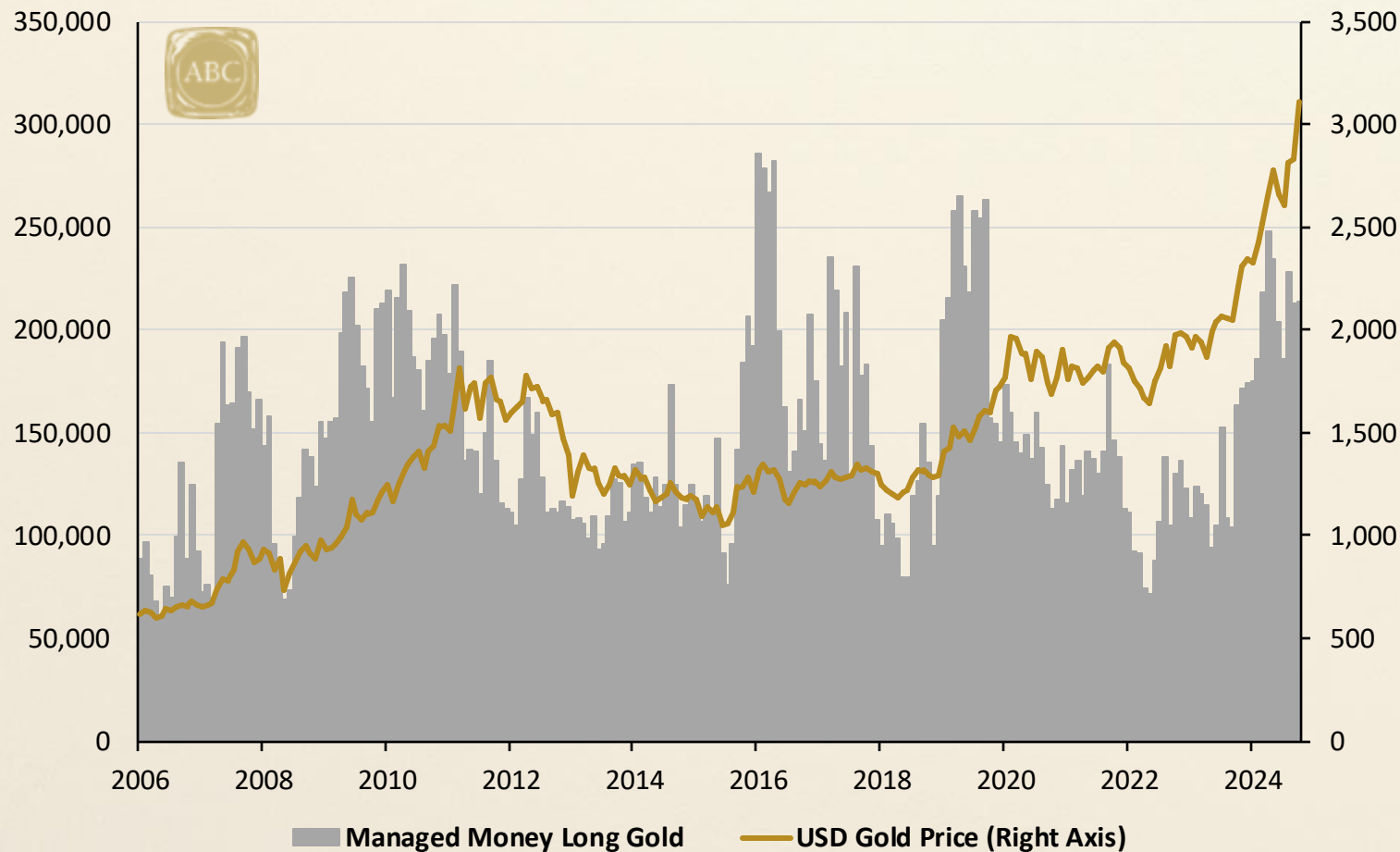


Gold in USD & Gold ETF Holdings (Mar 2003–Mar 2025)



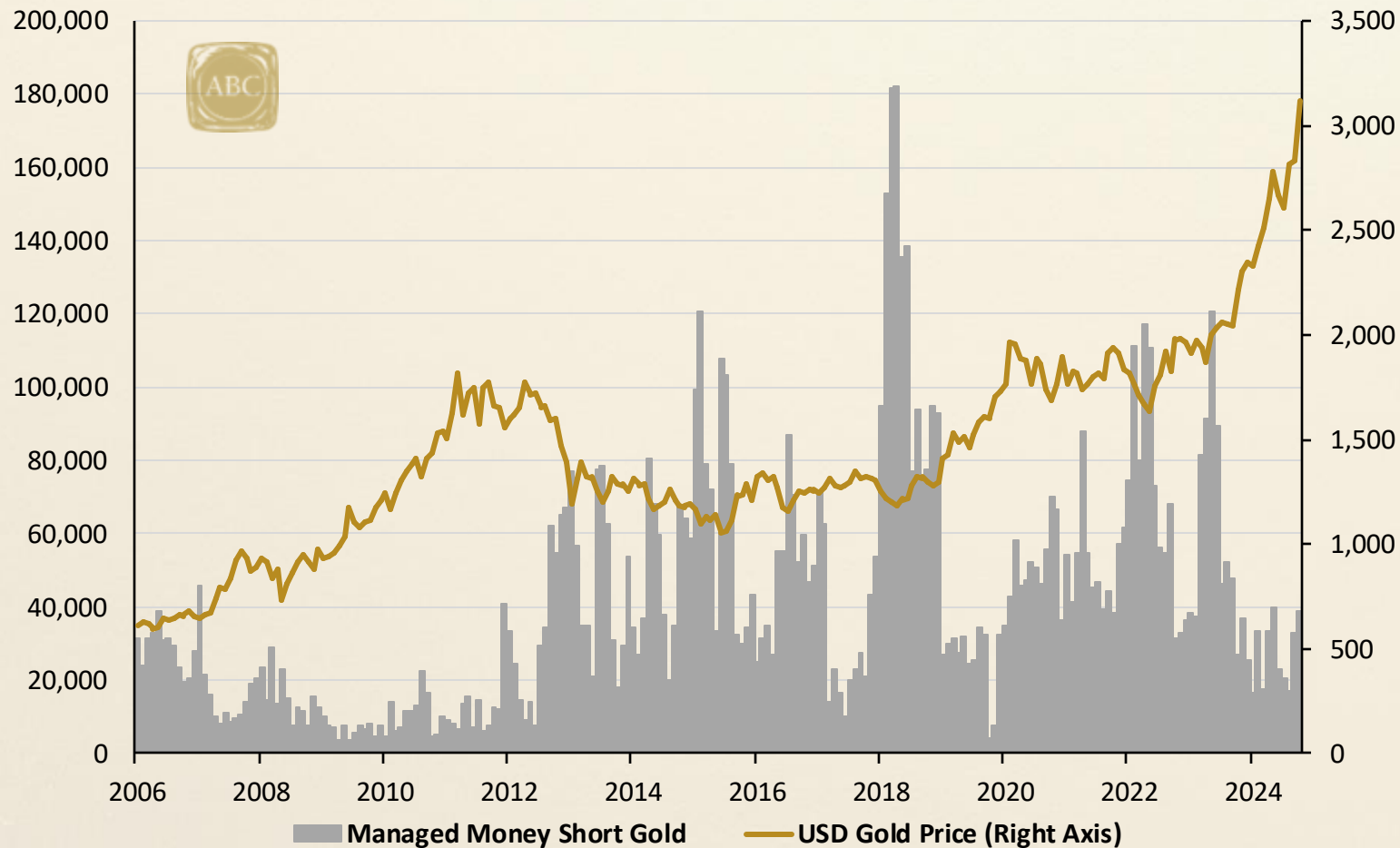
- Gold ETFs saw strong inflows in March, with total holdings and AUM increasing by 2.8% and 12.8% respectively.
- In dollar terms, gold ETFs reported total inflows of USD \$8.6bn throughout March, with total Q1 inflows equating to USD \$21bn.
- That level of inflows represents the second highest quarterly increase historically speaking.
- Inflows were seen across all regions, with North America seeing a surge, with USD \$6.5bn added to positions. Inflows of such magnitude in the US haven't been seen since the height of the COVID 'gold rush' back in mid 2020.
- Europe was the other standout, with more than USD \$1bn in inflows seen, driven largely by the UK, Switzerland and Germany as concerns over US tariffs weigh on the regions already subdued economic growth outlook.
- Inflows are expected to remain strong throughout 2025, as investors seek diversification and portfolio protection through gold allocations.

Gold in USD & Managed Money Long Gold (Jun 2006–Mar 2025)



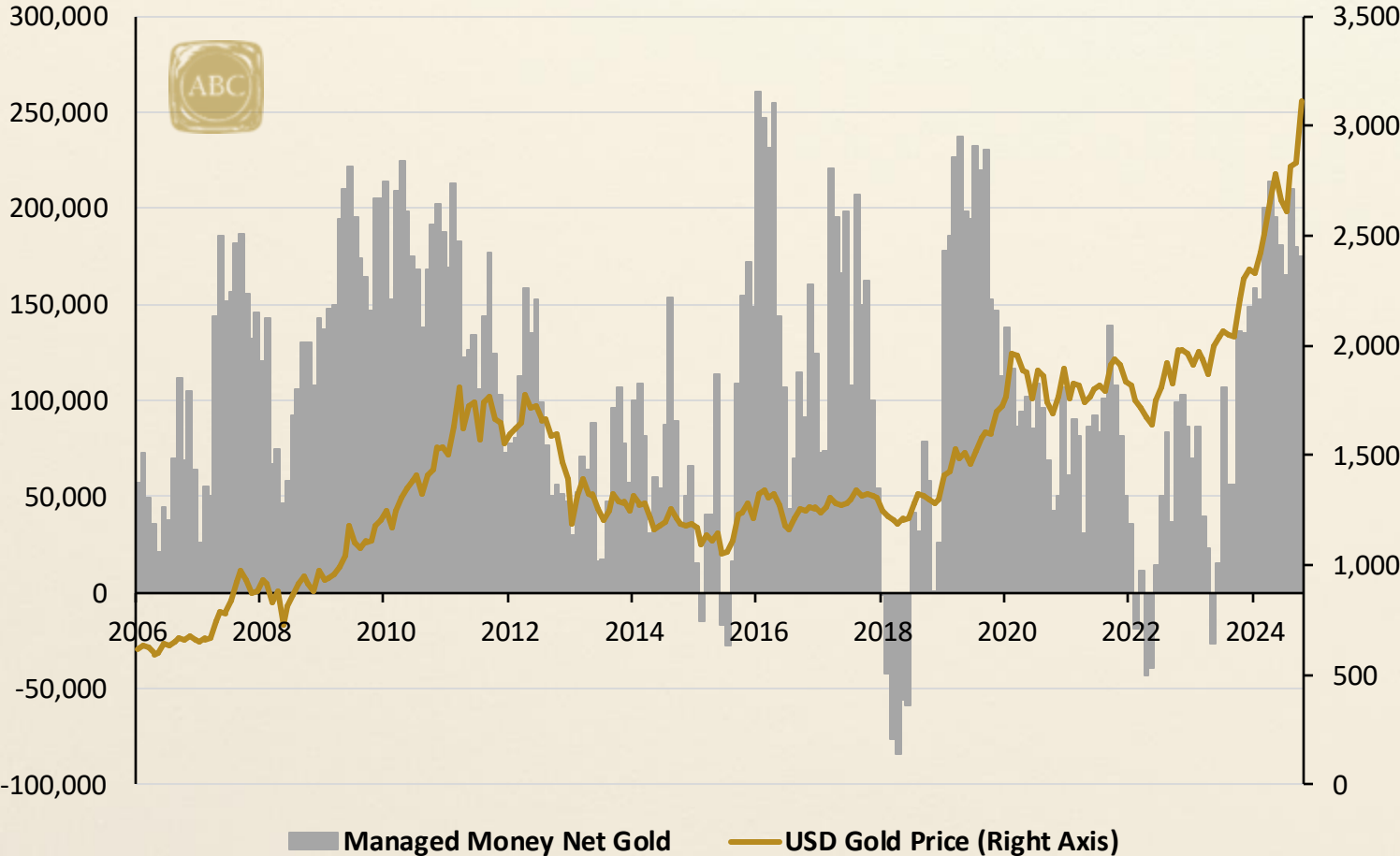
- Gross long positioning remained largely unchanged in March, stabilizing after the downward trend reversal that began in September, closing the month with a +213,505 contract position.
- The current position represents a 0.3% increase vs the prior month and a 14% decrease compared to September 2024 highs.
- The decline in gross long positioning reflects multiple factors, including profit-taking after extended price gains leading up to the recent Presidential election.
- The divergence between gold prices and managed money long positioning signals broader macroeconomic drivers at play, as well as ongoing central bank demand, which are taking precedence over speculative flows. Concern around tariffs and imports of gold into the US will also have been a factor.
- Despite the recent pullback in positioning, gross longs remain 104% and 15% higher than at the end of 2023 and 2024 respectively. This highlights the continued interest in gold and is reflective of the strong price growth in the past year.

Gold in USD & Managed Money Short Gold (Jun 2006–Mar 2025)



- Managed money short positioning increased by 18% across the month of March.
- Despite the sharp rise on a percentage basis, overall positioning itself remains modest with respect to historical highs, at just 38,773 contracts.
- Positioning has remained relatively stable since Q2 2024, contrasted with the major fluctuations observed from 2018 to 2023.
- This decline in positioning from its peak in 2023/2024 is understandable given substantial price gains seen across the past 18 months.
- Paired with a supportive monetary and geopolitical backdrop that has exacerbated market fears of being short gold in recent times, it is unlikely short-positioning will sustainably rise in 2025, absent a major retreat in prices.

Gold in USD & Managed Money Net Gold (Jun 2006–Mar 2025)



- The Managed Money Net Position ended March at +174,732 contracts.
- That position represents a 18.5% decline relative to where the market sat at end September, when positioning was as 'risk on' for gold as it had been in the past year.
- Although net positioning declined month on month, it remains 211% higher than it was a year ago.
- Recent moderation in net positioning despite record gold prices might suggest that institutional investors are adopting a more cautious stance, balancing geopolitical risks and interest rate uncertainty with long-term strategic allocations to gold.
- Recent movements underscore the view that market participants continue to see gold as a safe-haven asset amid broader macroeconomic uncertainties, even if the speculative froth seen in recent months has dissipated.
- Supported by strong investor demand and a continued shift toward risk-averse strategies in the face of potentially volatile market conditions, we see room for net positioning to expand in 2025, with the long side of the market likely to drive this. .

Source: LBMA, YCharts - Positioning data as at 25/03/2025

Disclaimer

This document has been prepared by Australian Bullion Company (NSW) Pty Limited (ABN 82 002 858 602) (**ABC**). The information contained in this document or internet related link (collectively, **Document**) is of a general nature and is provided for information purposes only. It is not intended to constitute advice, nor to influence any person in making a decision in relation to any precious metal or related product. To the extent that any advice is provided in this Document, it is general advice only and has been prepared without taking into account your objectives, financial situation or needs (your **Personal Circumstances**). Before acting on any such general advice, we recommend that you obtain professional advice and consider the appropriateness of the advice having regard to your Personal Circumstances. If the advice relates to the acquisition, or possible acquisition of any precious metal or related product, you should obtain independent professional advice before making any decision about whether to acquire it.

Although the information and opinions contained in this document are based on sources we believe to be reliable, to the extent permitted by law, ABC and its associated entities do not warrant, represent or guarantee, expressly or impliedly, that the information contained in this document is accurate, complete, reliable or current. The information is subject to change without notice and we are under no obligation to update it. Past performance is not a reliable indicator of future performance. If you intend to rely on the information, you should independently verify and assess the accuracy and completeness and obtain professional advice regarding its suitability for your Personal Circumstances.

To the extent possible, ABC, its associated entities, and any of its or their officers, employees and agents accepts no liability for any loss or damage relating to any use or reliance on the information in this document.

This document has been authorised for distribution in Australia only. It is intended for the use of ABC clients and may not be distributed or reproduced without consent.
© Australian Bullion Company (NSW) Pty Limited 2020.

