ABC BULLION

MONTHLY MARKET UPDATE

December 2025

Jordan Eliseo

ABC Bullion General Manager

Luke Tyler

Market Analyst

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PRECIOUS METALS PERFORMANCE

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Precious Metals Performance

- Gold prices rose in USD terms during December, continuing their upward momentum and posting fresh all-time highs. The precious metal ended the month trading at USD $4315 per troy ounce (oz), delivering a return of 2%.

- Silver delivered an exceptional performance, surging 26.4% over the month to close at USD $71.30oz. Prices remain well above the previous all-time highs recorded during the April 2011 super spike, with elevated volatility signalling strong momentum and heightened price sensitivity heading into the new year.

- Platinum also gained considerably, advancing 23% to USD $2060oz. Meanwhile, the gold-to-platinum ratio notably fell (-0.43) to 2.0. Despite the drop, it remains significantly above its long-term median of 0.91 dating back to 1990.

- The continued outperformance of silver across the month of December saw the gold to silver ratio (GSR) fall from its April highs of 102 to a multi-year low of 61. It ended the month below its historical median (63).

- In Australian dollar terms, returns were lower, with gold falling 0.4% while silver gained 23.4%. The increase in the value of the Australian dollar, which gained 2.4% vs. the greenback to end December at 0.6693, was responsible for the lower AUD based precious metal returns.

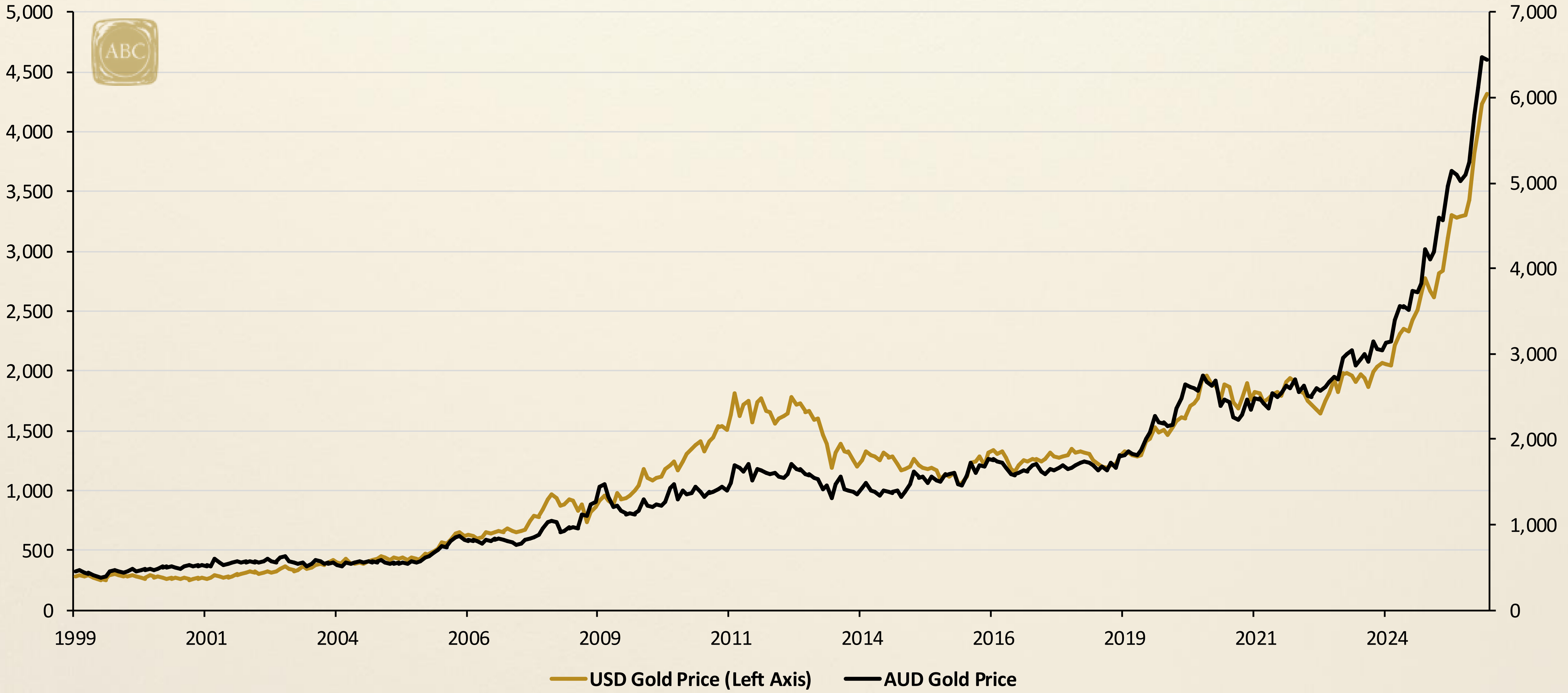
- 2025 has been outstanding for precious metals, with gold, silver and platinum recording exceptional price gains. By end December the market has generated a gain of 65% for gold, 147% for silver and 127% for platinum (USD terms).

- In AUD terms, gold rose 54% over 2025, while silver and platinum climbed 129% and 110% respectively, with a 7.7% increase in the value of the AUD/USD weighing down on local currency returns for Australian precious metal investors.

- Gold has outperformed major equity benchmarks this year, including the ASX 200 and S&P 500 (+6.3% and 16% respectively), while it also leads across 5-year, 10-year and 25-year horizons on a compound annual growth rate (CAGR) basis.

- The exceptional returns for gold and silver continue to be driven by a range of factors, including robust central bank and ETF accumulation, ongoing geopolitical tensions and safe-haven demand, stubborn inflationary pressures, resilient physical demand from key markets and a softer US dollar.

Gold in AUD and USD (Jan 1999–Dec 2025)



Source: LBMA, RBA

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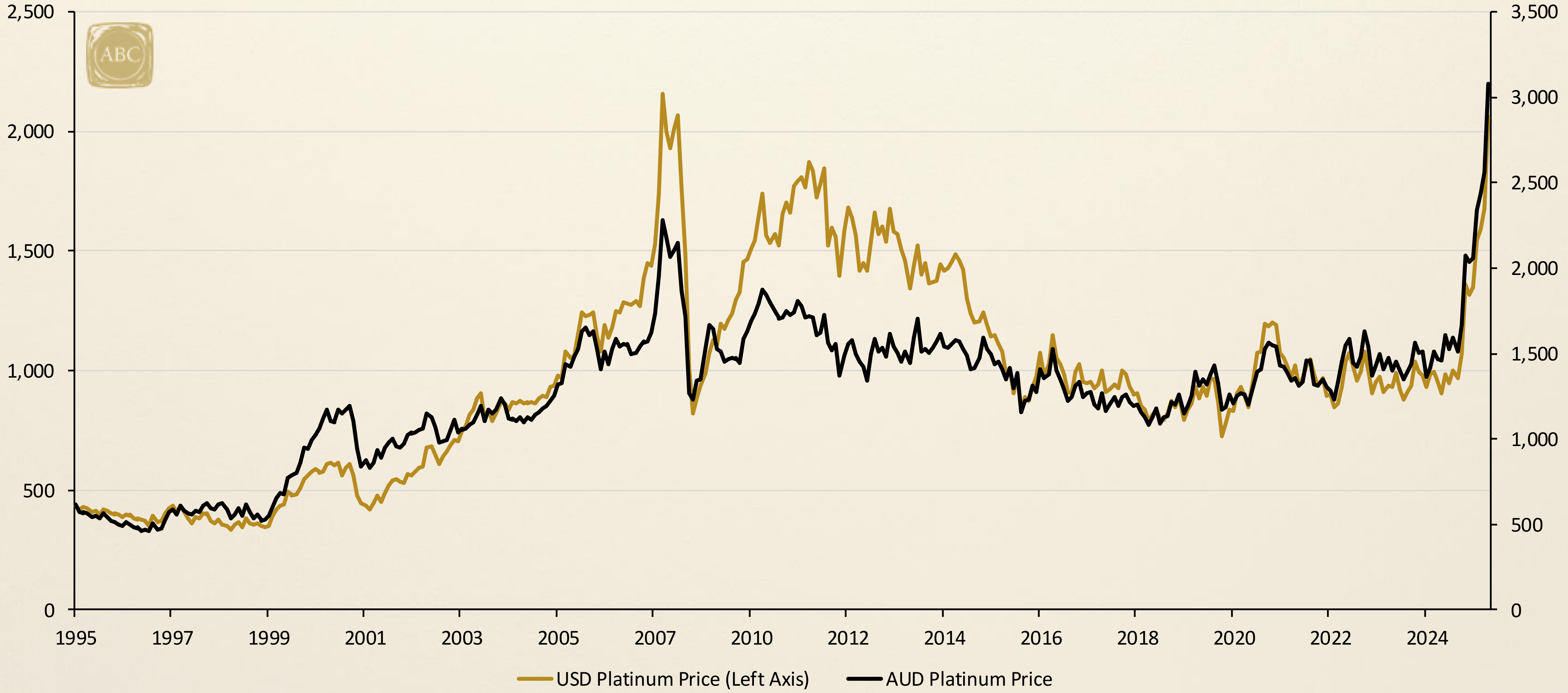
Silver in AUD and USD (Jan 1999–Dec 2025)

Source: LBMA, RBA

Platinum in AUD and USD (Jan 1995–Dec 2025)



Source: LBMA, RBA

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Gold/Silver Ratio (Jan 1970–Dec 2025)

Source: LBMA

Gold/Platinum Ratio (Jan 1995–Dec 2025)

Source: LBMA, RBA

Gold Performance in Multiple Currencies (Jan 1999–Dec 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	65.3%	53.5%	46.5%	53.9%	63.7%	73.5%	58.0%	61.0%	56.8%
Average	8.8%	11.5%	10.1%	11.0%	11.9%	12.0%	10.5%	15.6%	16.5%
5 Year	19.6%	21.9%	20.1%	19.4%	29.7%	24.3%	19.6%	25.3%	23.4%
10 Year	15.1%	15.9%	13.8%	16.3%	17.8%	18.5%	15.9%	18.9%	18.6%
20 Year	11.4%	12.0%	11.5%	12.8%	12.9%	15.2%	10.8%	14.0%	15.0%
Since 1999	11.9%	11.5%	11.9%	12.9%	13.5%	15.5%	11.1%	14.1%	15.4%

Source: LBMA, RBA, World Gold Council

Silver Performance in Multiple Currencies (Jan 1999–Dec 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%	21.7%	32.1%
2017	3.8%	-3.7%	-8.1%	-4.5%	1.0%	-1.6%	-3.0%	1.5%	-1.5%
2018	-8.3%	1.3%	-3.5%	-2.4%	-10.5%	0.5%	-4.2%	3.0%	-3.5%
2019	16.7%	17.5%	18.4%	11.8%	15.2%	18.9%	18.4%	18.5%	13.3%
2020	46.8%	33.5%	35.1%	42.8%	39.9%	50.8%	38.6%	49.4%	50.8%
2021	-12.8%	-7.5%	-6.8%	-12.6%	-3.4%	-11.9%	-15.1%	5.7%	-11.1%
2022	3.7%	11.1%	11.4%	17.4%	20.9%	16.6%	14.8%	18.0%	15.5%
2023	-0.3%	-1.2%	-3.1%	-4.9%	6.6%	0.8%	1.3%	12.3%	7.5%
2024	21.0%	33.2%	27.9%	22.1%	34.5%	23.6%	25.9%	34.4%	35.3%
2025	146.6%	129.1%	118.6%	129.7%	144.3%	159.0%	135.7%	139.5%	134.0%
Average	7.5%	10.0%	8.7%	9.9%	10.3%	10.7%	9.2%	18.3%	15.4%
5 Year	26.3%	28.9%	26.8%	26.1%	37.0%	31.3%	26.4%	37.2%	30.4%
10 Year	17.6%	18.5%	16.4%	18.9%	20.5%	21.2%	18.4%	25.3%	21.2%
20 Year	11.4%	12.0%	11.4%	12.8%	12.9%	15.2%	10.8%	16.6%	15.0%
Since 1999	11.7%	11.3%	11.7%	12.7%	13.2%	15.2%	10.8%	16.9%	15.1%

Source: LBMA, RBA, World Gold Council

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PRECIOUS METALS vs. THE MARKET

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Precious Metals vs The Market

- Rolling 12-month returns for gold continue to dwarf the S&P 500, with gold +51.5% vs +16% for equities, with gold leading the S&P 500 by +35.5%. Similar outperformance is evident in comparison to the ASX 200, up 6.3% in 2025, with gold also leading by +45.2% on a rolling 12-month basis in Australian dollar terms.

- Despite recent strength in risk assets, equity markets are susceptible to selling pressure as we look toward 2026. Valuations remain stretched, investor positioning is elevated, and there are signs of exhaustion in the tech-driven outperformance of US markets vs global counterparts. Concerns over a potential resurgence in inflation, trade barriers, geopolitical risks and a weaker US labour market are also factors encouraging risk averse investors to adopt a cautious approach to equity allocations.

- Historically, the three major declines in the Dow/Gold ratio (1930s, 1970s, and 2000s), were driven by a combination of a significant rally in the gold price and/or stagnation if not outright declines in US equity market (the 30's was largely driven by the latter, given gold prices were fixed at the time). With the ratio currently at 11.14, well above the historical median of 7.5, gold appears relatively undervalued, suggesting continued upside potential.

- The Gold/Oil ratio increased materially in December, closing at 75.2. This is an increase of 38.75 since end 2024, and the highest level since the beginning of the COVID pandemic (March 2020). The current gold/oil ratio remains almost four times the long-term average of 19.4 (since 1983), reflecting a pronounced divergence between safe-haven demand for gold and continued weakness in crude oil markets. The move through 2025 has been driven by a combination of the surge in gold, while crude oil markets remain under selling pressure amidst rising supply, elevated inventories and softer global demand expectations.

- The Gold/BCOM ratio continued to break all time highs in December reaching 39.3. That is more than five times the long-term average of just 7.2. Looking into 2026, the macro backdrop remains supportive of this divergence. Expectations of a global growth slowdown, persistent inflation, softer industrial demand and ongoing geopolitical uncertainty represent bearish headwinds for cyclical commodities. At the same time, a weaker USD and persistent safe-haven demand should continue to support gold and other hard assets. Given this backdrop, it would not be surprising to see the Gold/BCOM ratio remain at historically elevated levels throughout 2026.

- The Fed's 75 basis points of cuts in 2025, paired with traders pricing in 44.2% and 55.9% probabilities of rate cuts in March and April respectively, continues to underpin gold prices. The prospect of falling rates in the US provides a highly supportive environment for precious metals, as investors shift away from lower yielding assets like cash and bonds toward assets with higher capital growth potential. Gold has rallied substantially during rate cutting cycles this century.

- A weaker USD has also been significant for gold prices with nation state dedollarisation continuing, creating favourable conditions for precious metals. The inverse relationship between the dollar and gold prices has amplified gold's upward trajectory, particularly since Trumps inauguration and implementation of global tariff policies.

- While CPI is well and truly below the 2022 peak of 9.1%, it remains above the Feds 2% target. Median, mean and core inflation in the US ended November at 3%, 2.8% and 2.6% respectively. With the Fed looking to ease and the USD down, there is a chance inflation rises heading into 2026, which would likely support gold demand.

Precious Metals Returns in AUD vs Key Equity Indices

Total Return (%)

Asset	YTD	1 Yr	5 Yr	10 Yr	25 Yr
Gold	51.5%	53.5%	162.6%	330.3%	1351.1%
Silver	125.2%	129.1%	209.8%	449.6%	1205.6%
ASX 200	6.3%	6.8%	32.3%	65.3%	179.5%
S&P 500	16.0%	15.6%	82.3%	240.1%	367.4%

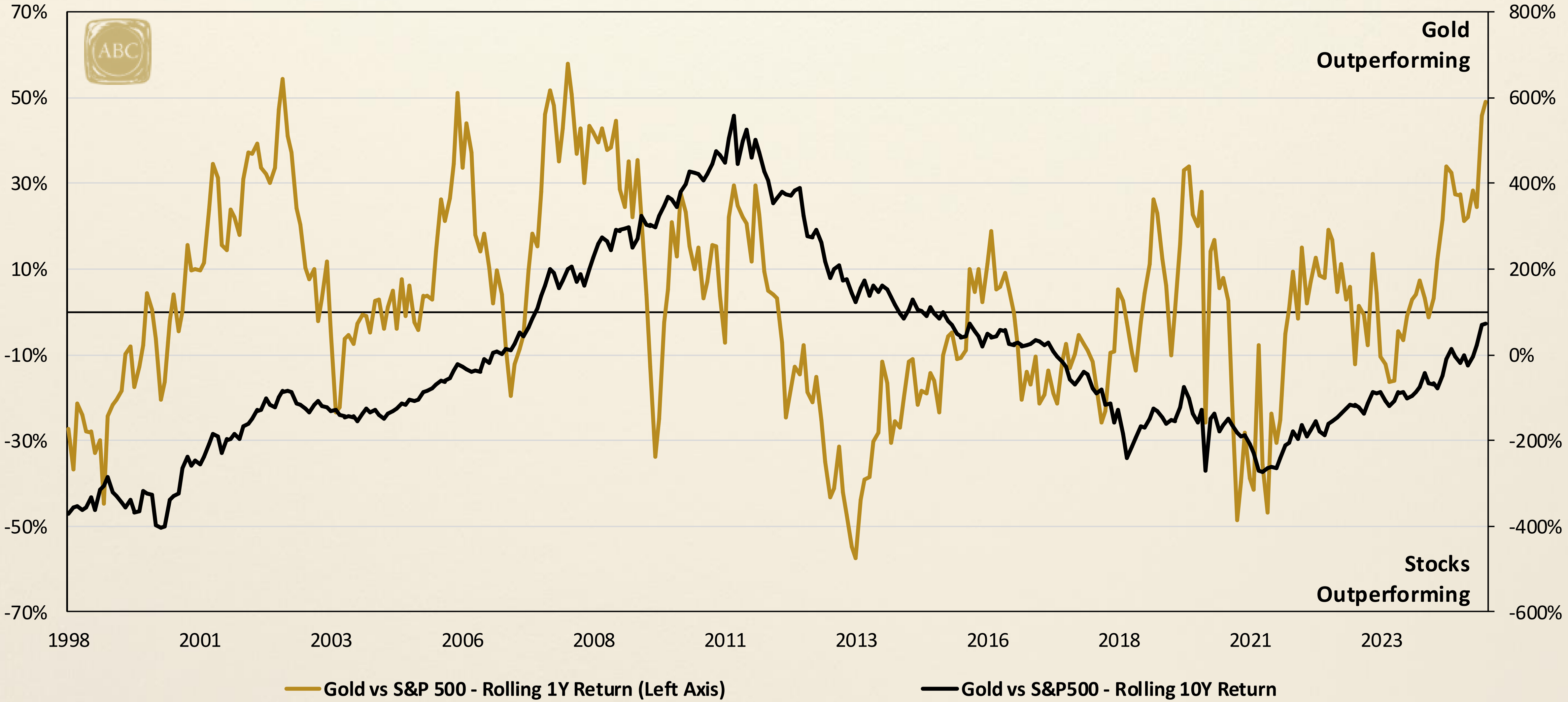
Compounded Annual Growth Rate - CAGR (%)

Asset	YTD	1 Yr	5 Yr	10 Yr	25 Yr
Gold	N/A	53.5%	21.3%	15.7%	11.3%
Silver	N/A	129.1%	25.4%	18.6%	10.8%
ASX 200	N/A	6.8%	5.8%	5.2%	4.2%
S&P 500	N/A	15.6%	12.8%	13.0%	6.4%

*Daily price data and extends to end December 2025

Source: LBMA, RBA, Yahoo Finance, Investing.com

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



Source: LBMA, Investing.com

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Dow/Gold Ratio in USD (Jan 1900–Dec 2025)

Source: LBMA,.S&P Global

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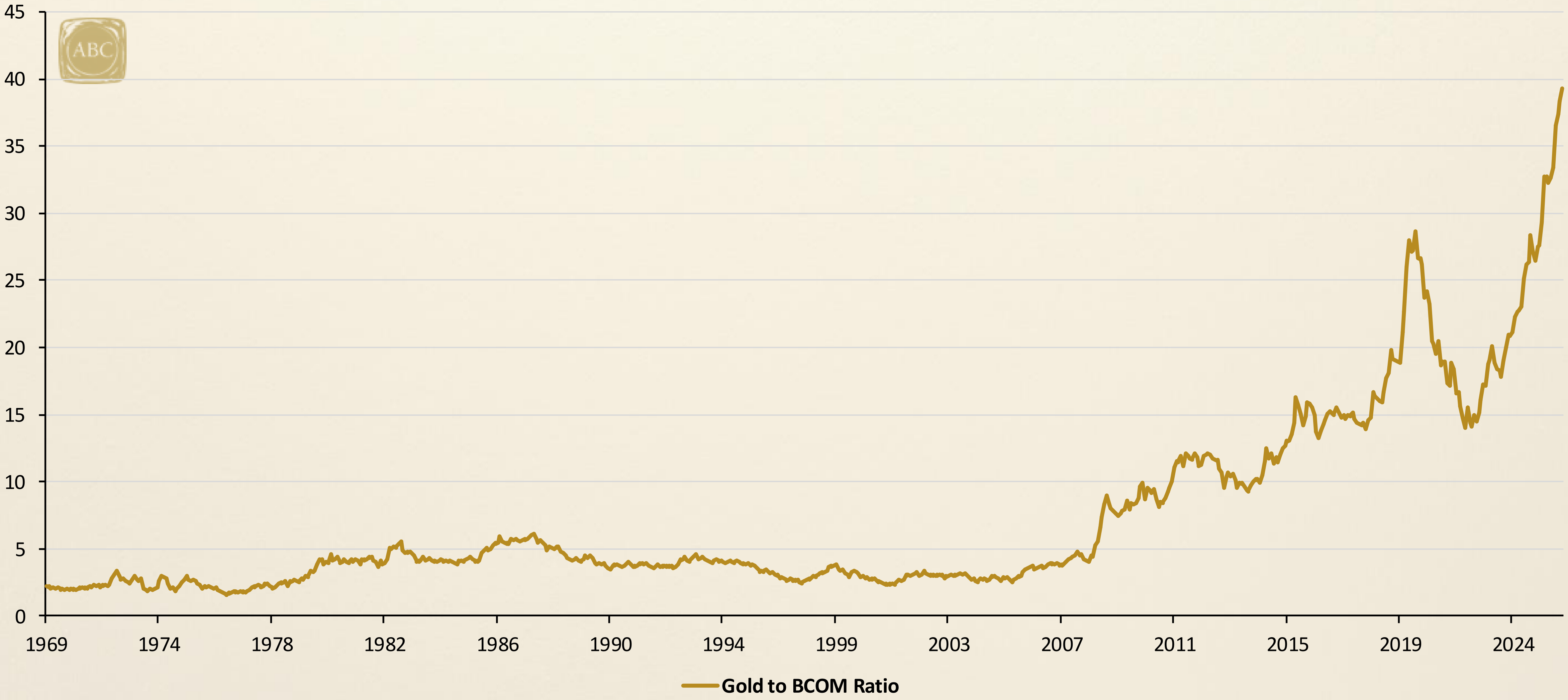
Gold/Oil Ratio in USD (Jan 1999–Dec 2025)

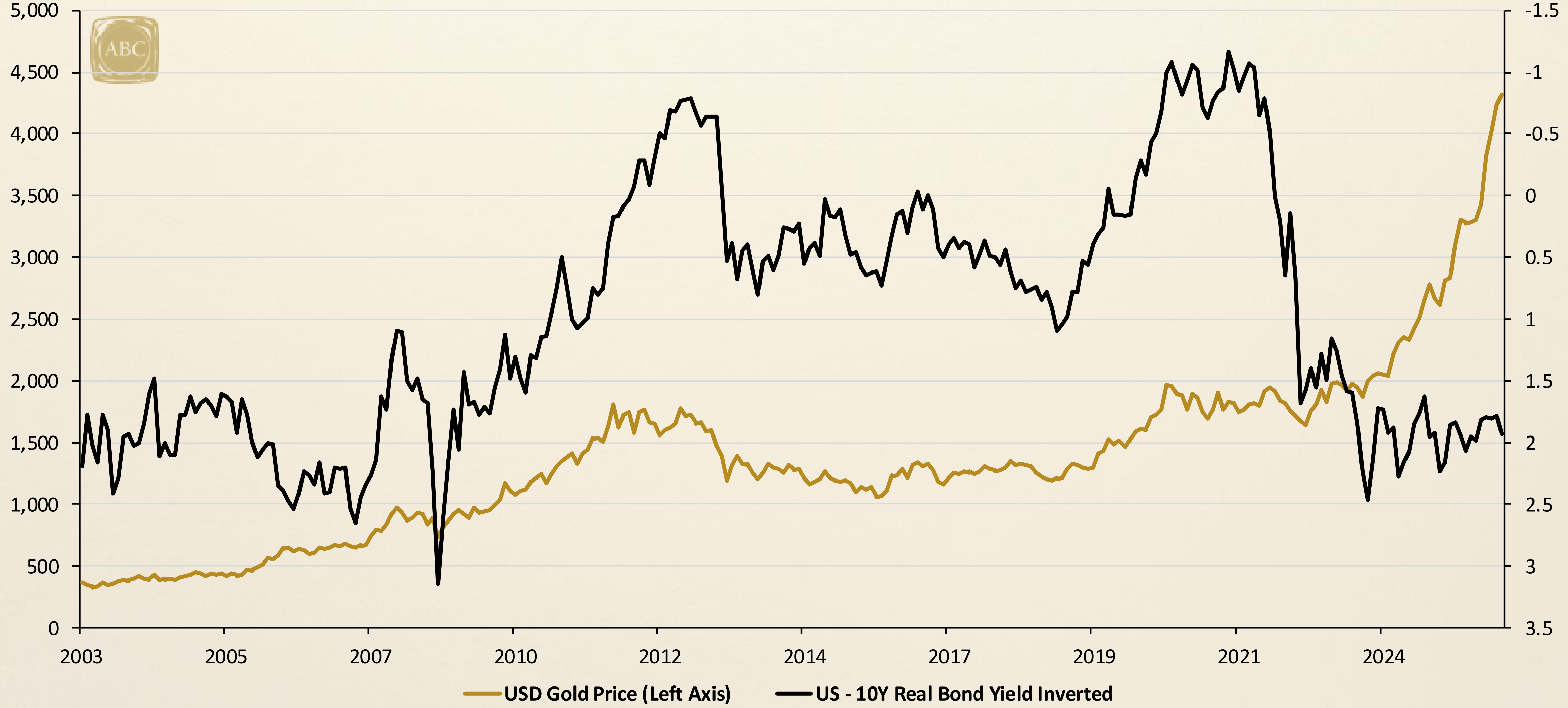
Source: LBMA, Investing.com

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



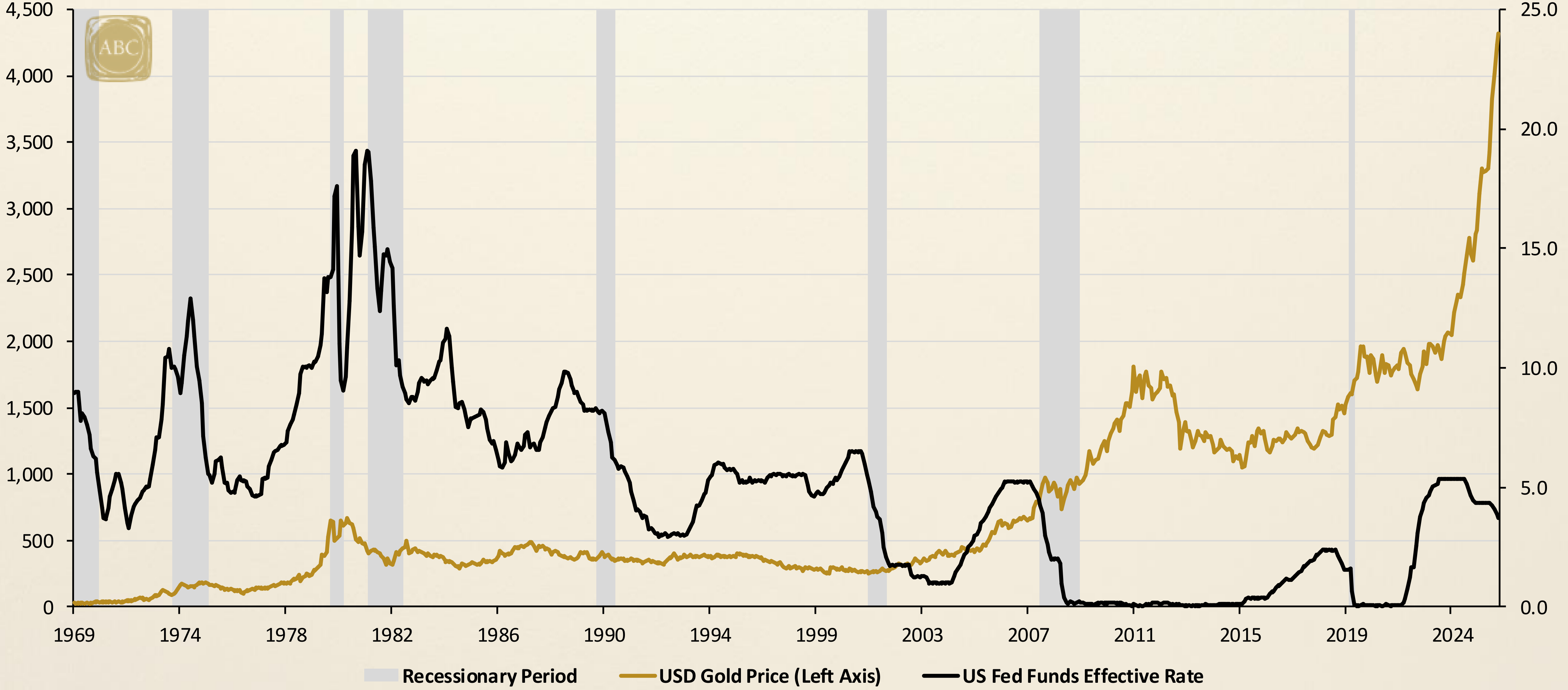
Source: LBMA, Bloomberg

Gold in USD & US 10Y Real Bond Yield Inverted (Jan 2003–Dec 2025)



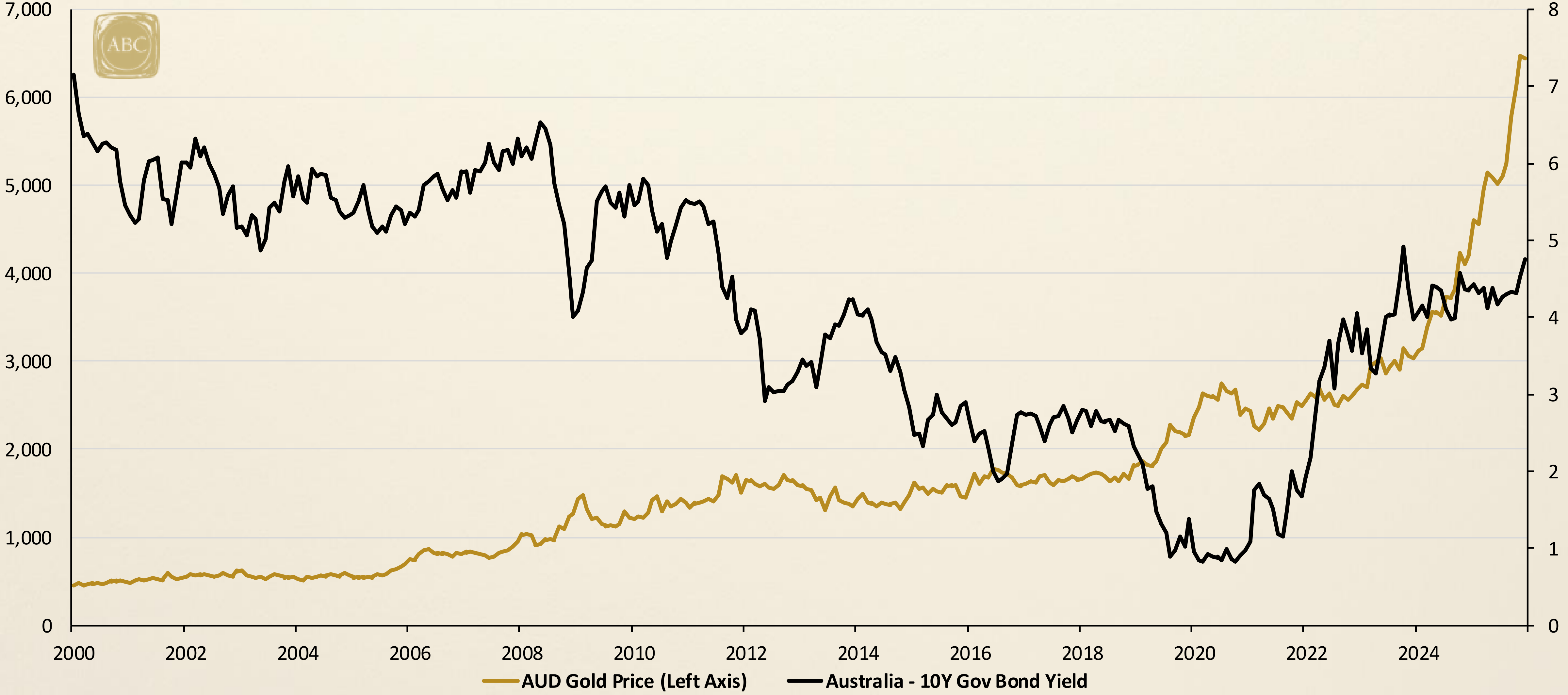
Source: LBMA, U.S. Department of the Treasury

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



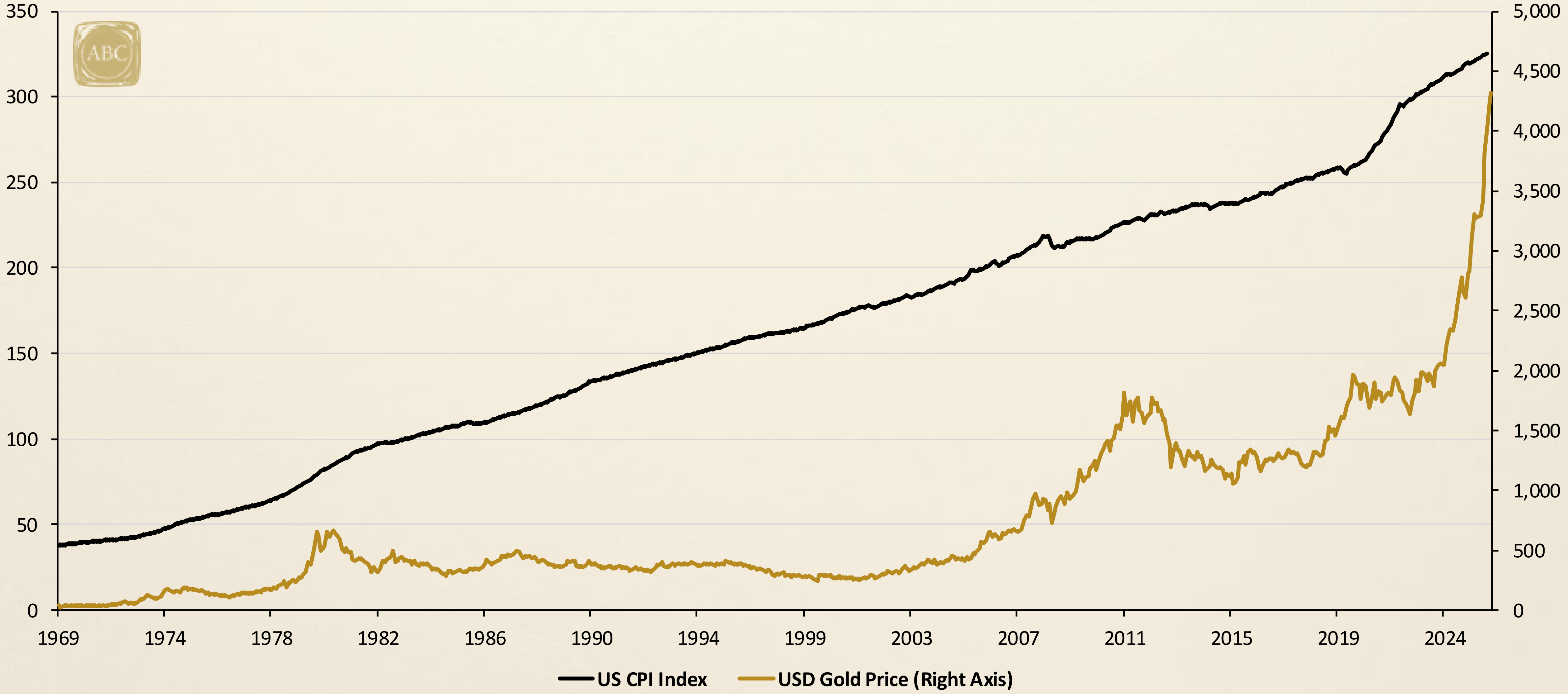
Source: LBMA, U.S. Department of the Treasury

Gold in AUD & Aus 10Y Gov Bond Yield (Jan 2000–Dec 2025)

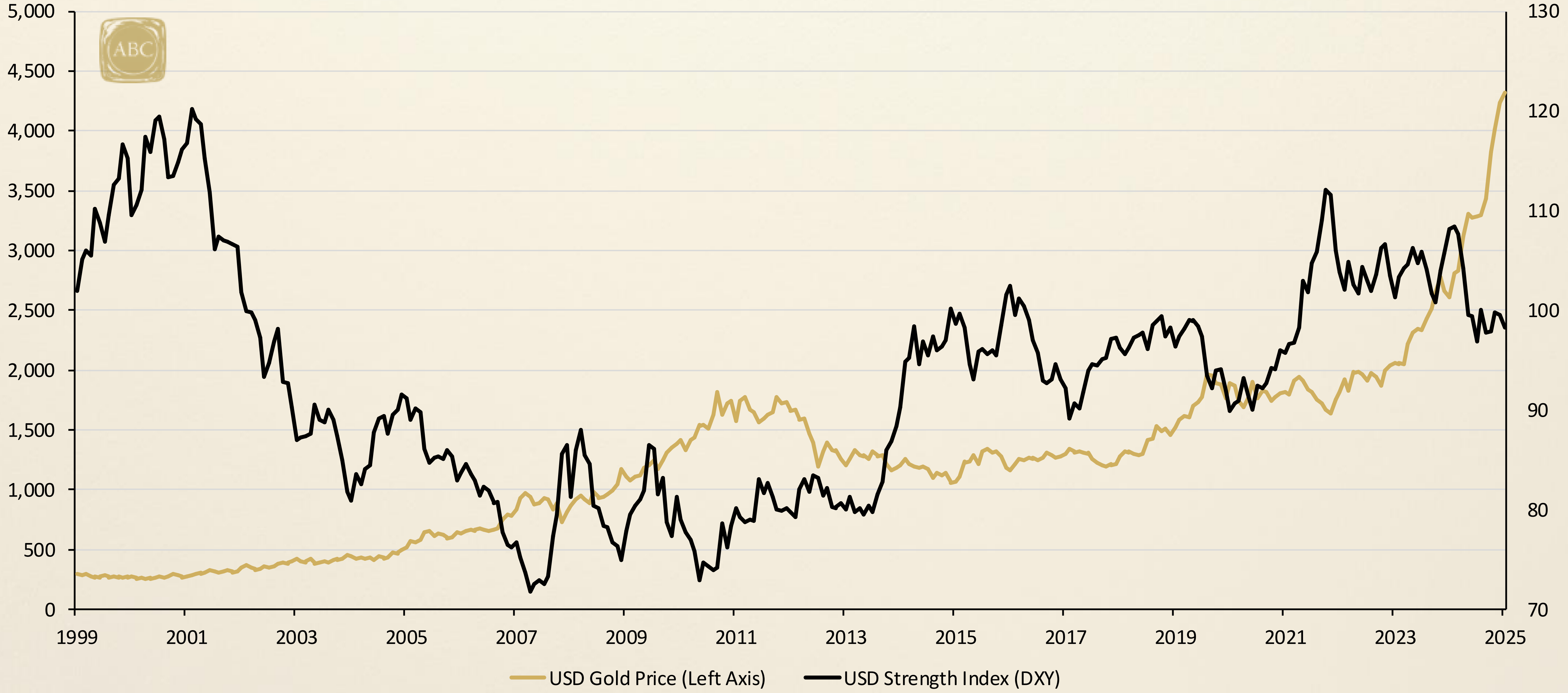


Source: LBMA, RBA, Investing.com

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



Gold in USD & USD Strength Index (Jan 2000–Dec 2025)



Source: LBMA, Yahoo Finance

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PRECIOUS METAL FLOWS & POSITIONING

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Precious Metals Positioning

- Preliminary data for December suggests approximately 36 tonnes of gold was bought by ETF investors across the course of the month. The value of all gold holdings in ETFs ended the month at USD $550bn, the highest level on record (+3.8% and +104% monthly and yearly increases respectively).

- Preliminary December ETF holdings data points to sustained inflows into gold-backed ETFs, with total holdings continuing to exceed the previous peak reached in late 2020 (3912 tonnes) during the height of the COVID-19 pandemic. This suggests renewed investor demand for gold-backed ETFs, reflecting growing interest in defensive assets and strengthening confidence in the metal's role not only as a portfolio hedge, but as a strategic holding that will enhance risk adjusted portfolio returns across the market cycle.

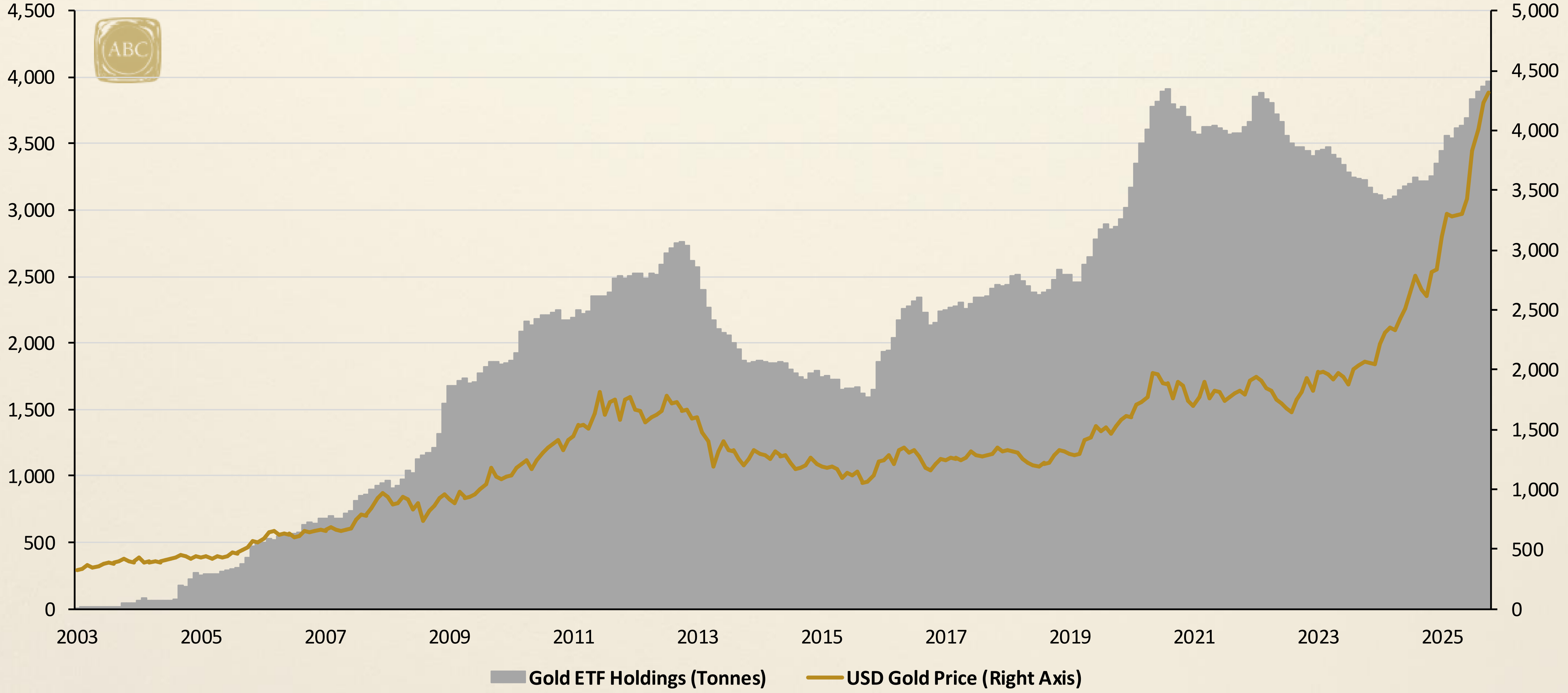
- Over 2025, approximately 750 tonnes of gold was purchased by ETF investors, valued at approximately USD $104B, representing the strongest period of inflows since the height of the COVID pandemic.

- Investment into North American listed ETFs was a highlight across December, attracting US $4B or 29,2 tonnes, taking YTD inflows to a total of US$44.4B, on track to set its strongest annual performance. European and Asian ETFs both saw marginal monthly inflows of US $541M and $360M respectively.

- Central banks continued their robust buying trend in November, adding 45 tonnes of gold, although pulling back slightly in comparison with October. With the National Bank of Poland leading November purchases (12 tonnes), followed by the Central Bank of Brazil (11 tonnes) and Uzbekistan (10 tonnes). Year-to-date net buying reached 297 tonnes as of November, a slower pace compared with the previous three years, likely reflecting the impact of elevated gold prices (World Gold Council).

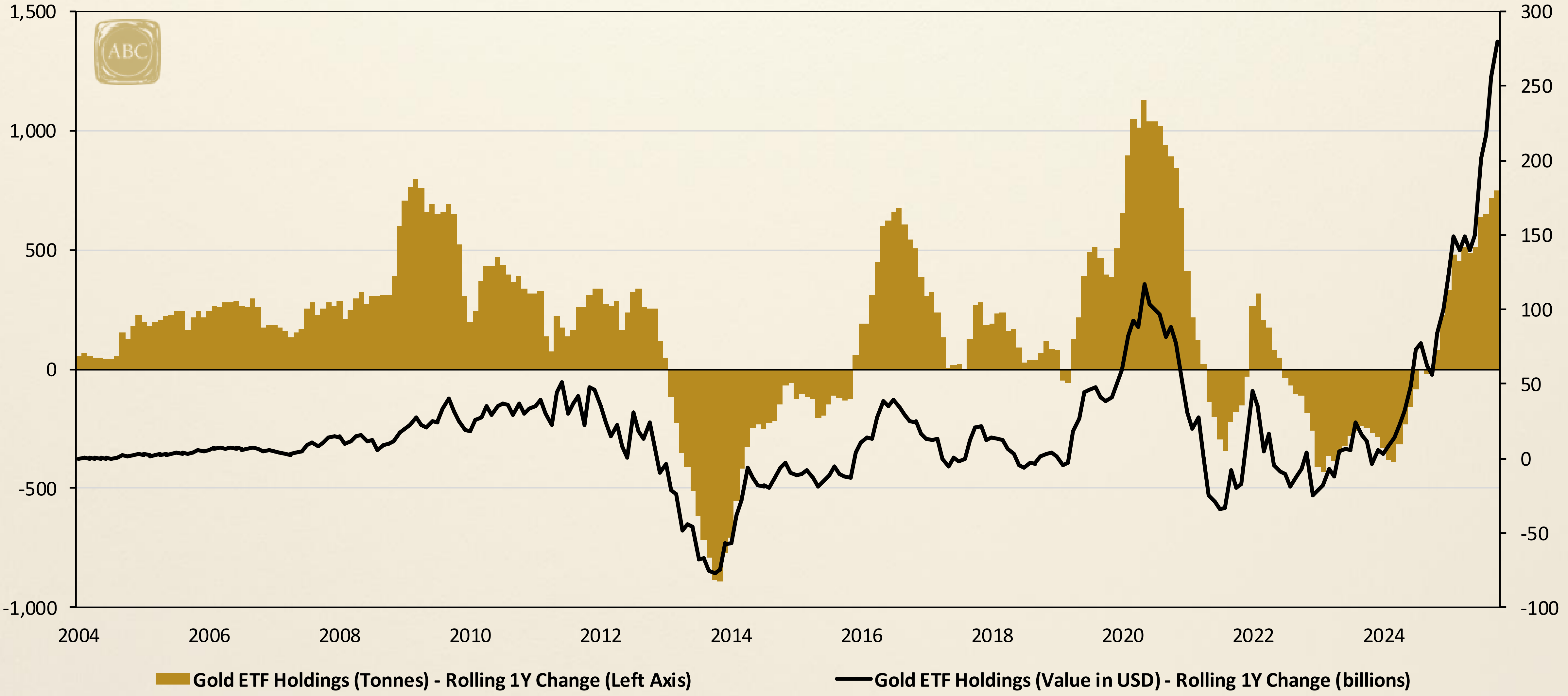
- A survey conducted by the World Gold Council in June suggested elevated central bank gold acquisitions will continue, with 43% of respondents to the WGC Central Bank Survey stating that they plan to increase their gold holdings in the coming year, while an overwhelming 95% of survey participants believe overall holdings held by central banks in totality will rise.

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

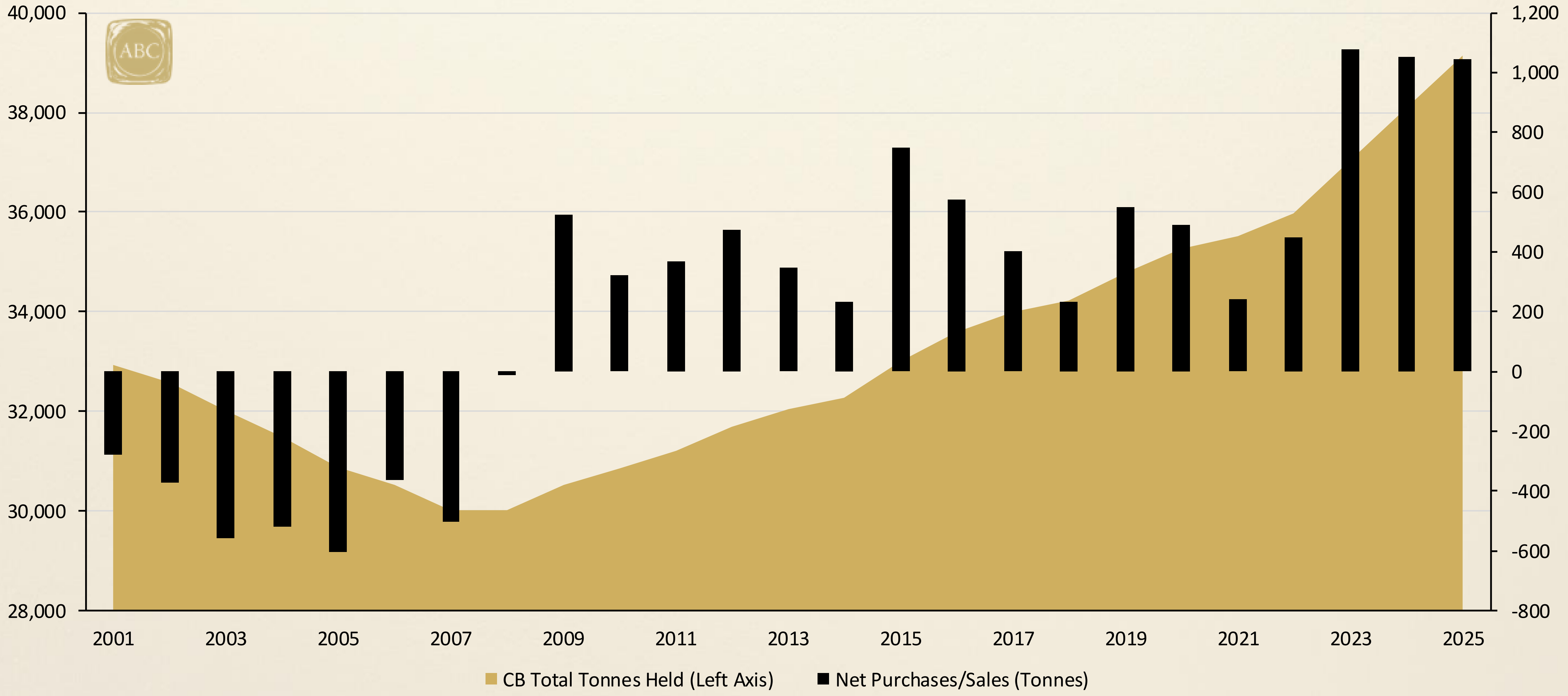


Source: LBMA, World Gold Council – ETF data as at 19/12/2025

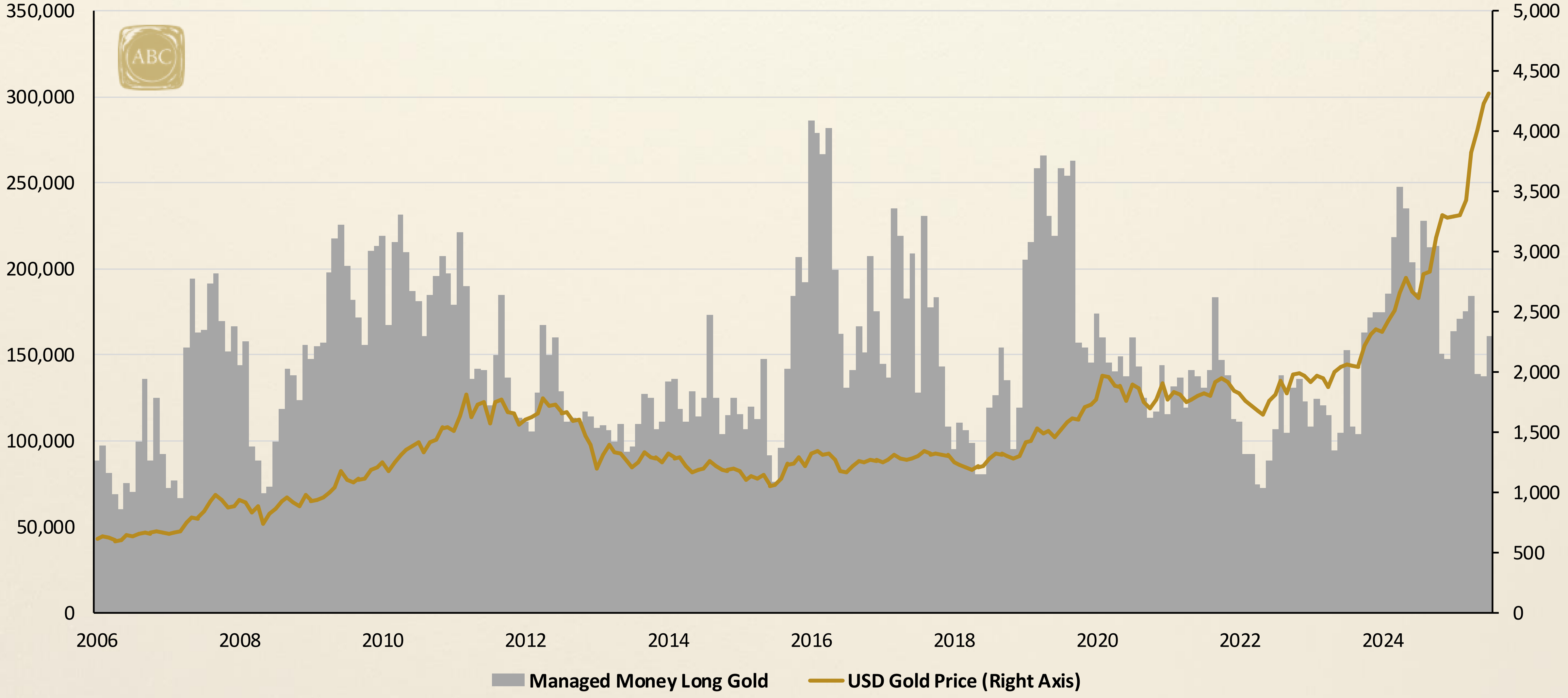
Gold ETF Holdings (Mar 2003–Dec 2025)



Central Bank Gold Holdings & Net Purchases/Sales (2001–2025)



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



Source: LBMA, YCharts - Positioning data as at 23/12/2025

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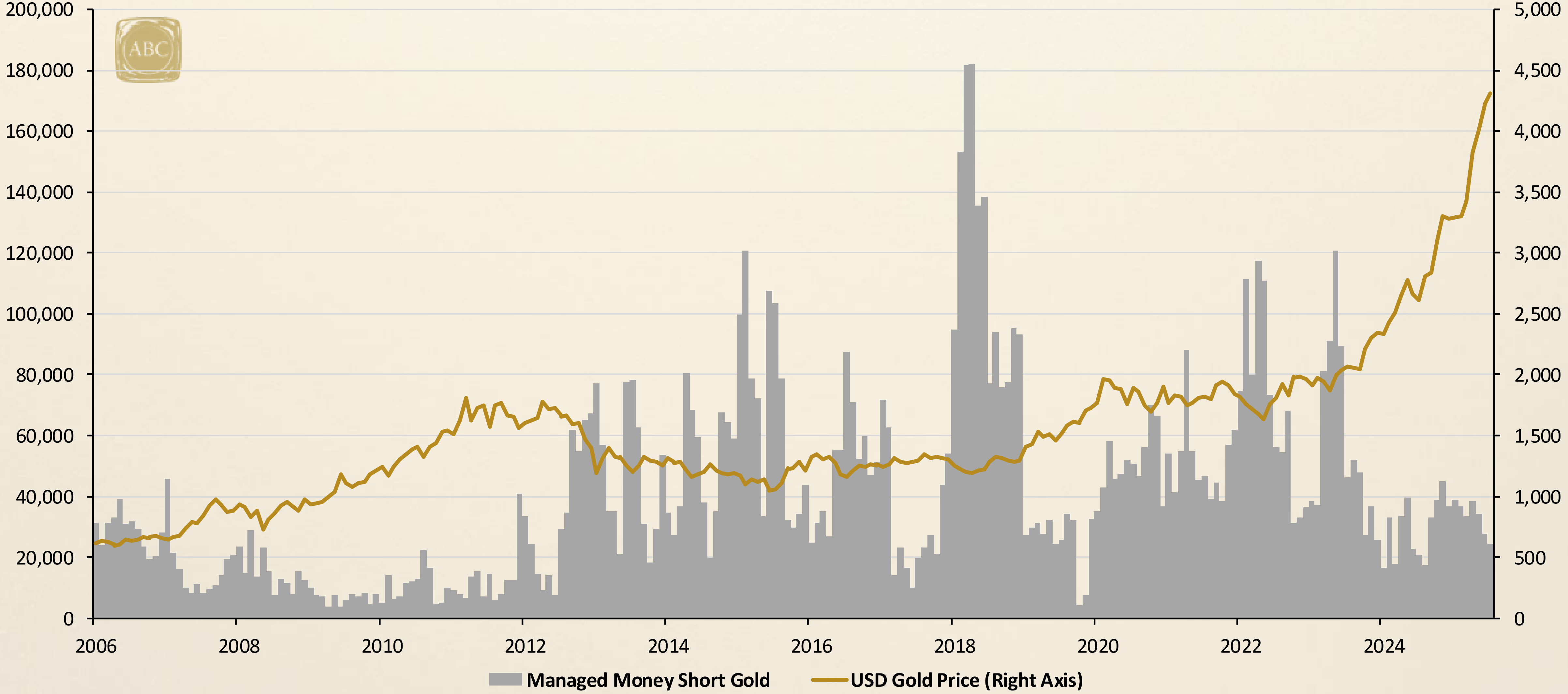
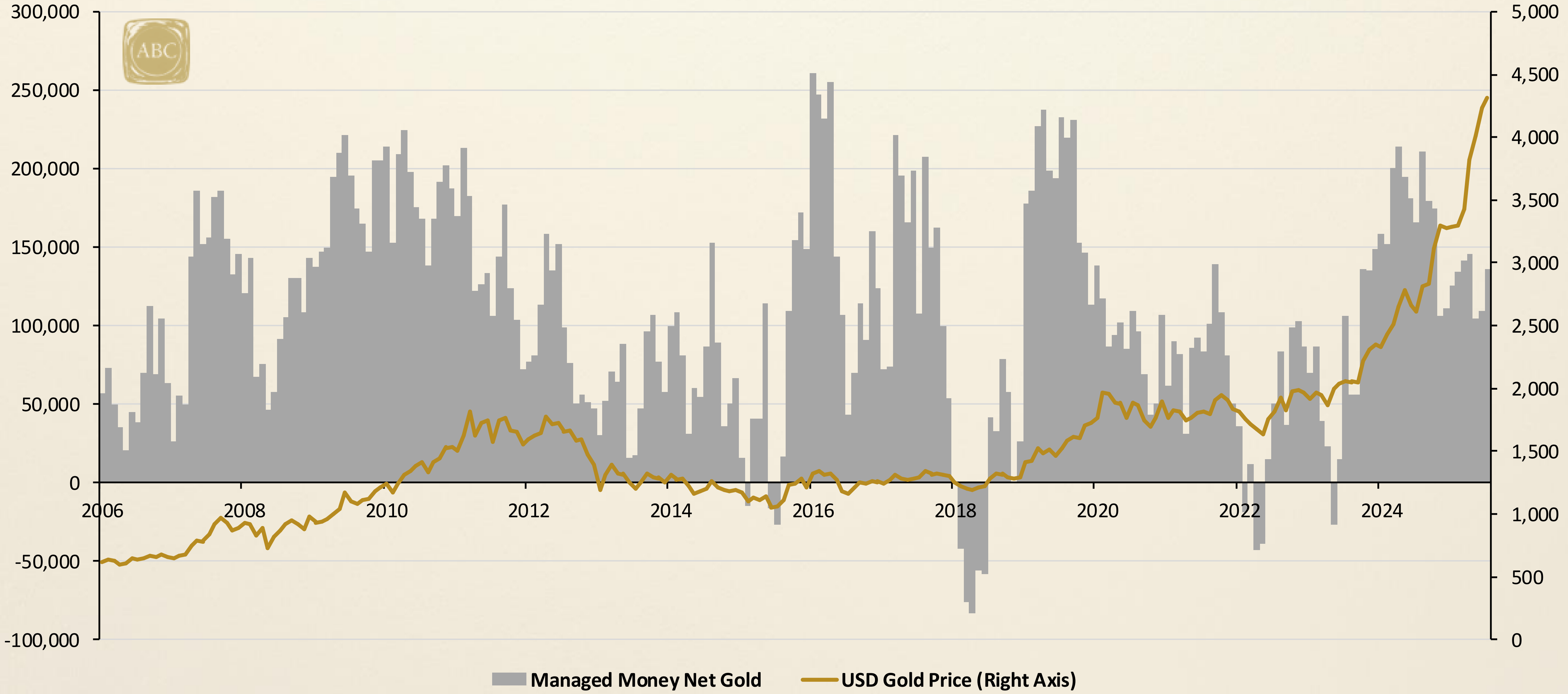
Gold in USD & Managed Money Short Gold (Jun 2006–Dec 2025)



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



Source: LBMA, YCharts - Positioning data as at 23/12/2025

PRECIOUS METALS TECHNICAL ANALYSIS

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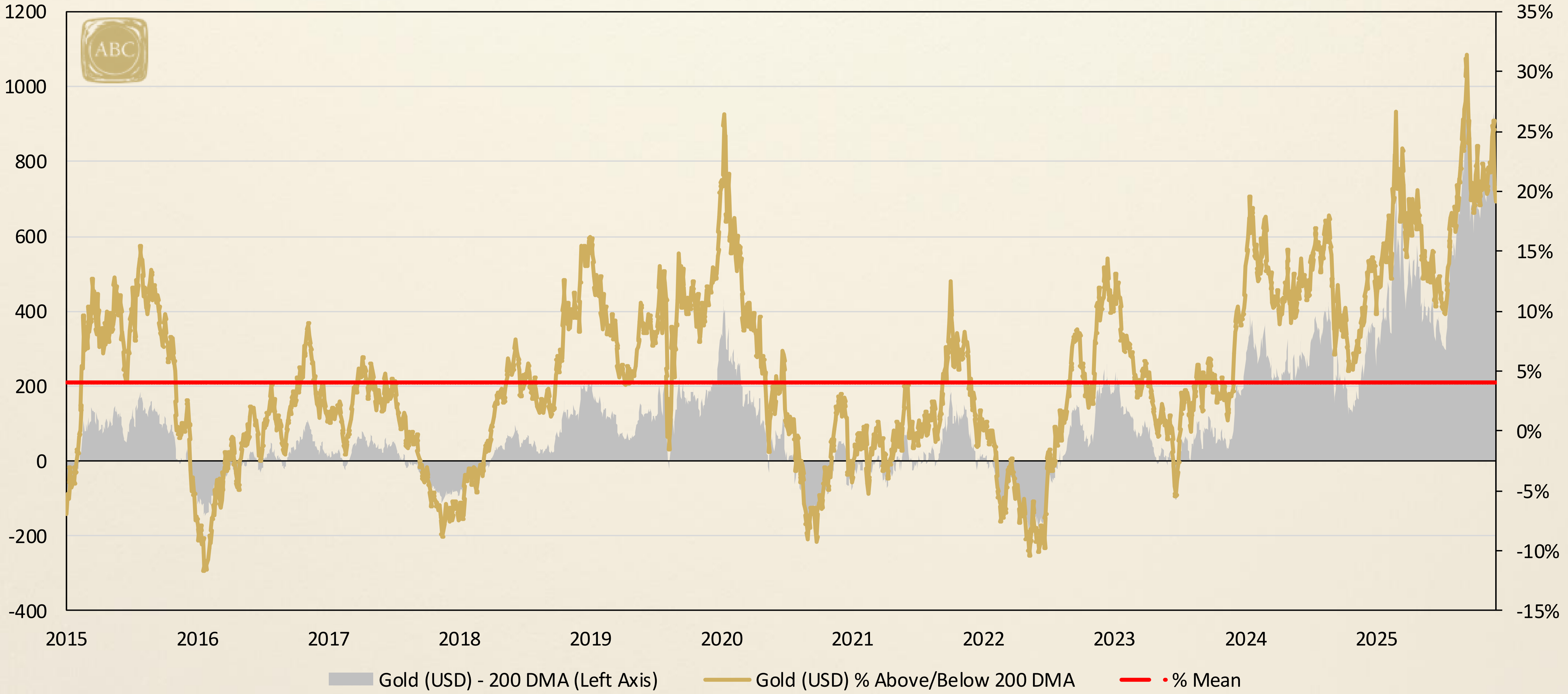
Precious Metals Technical Analysis

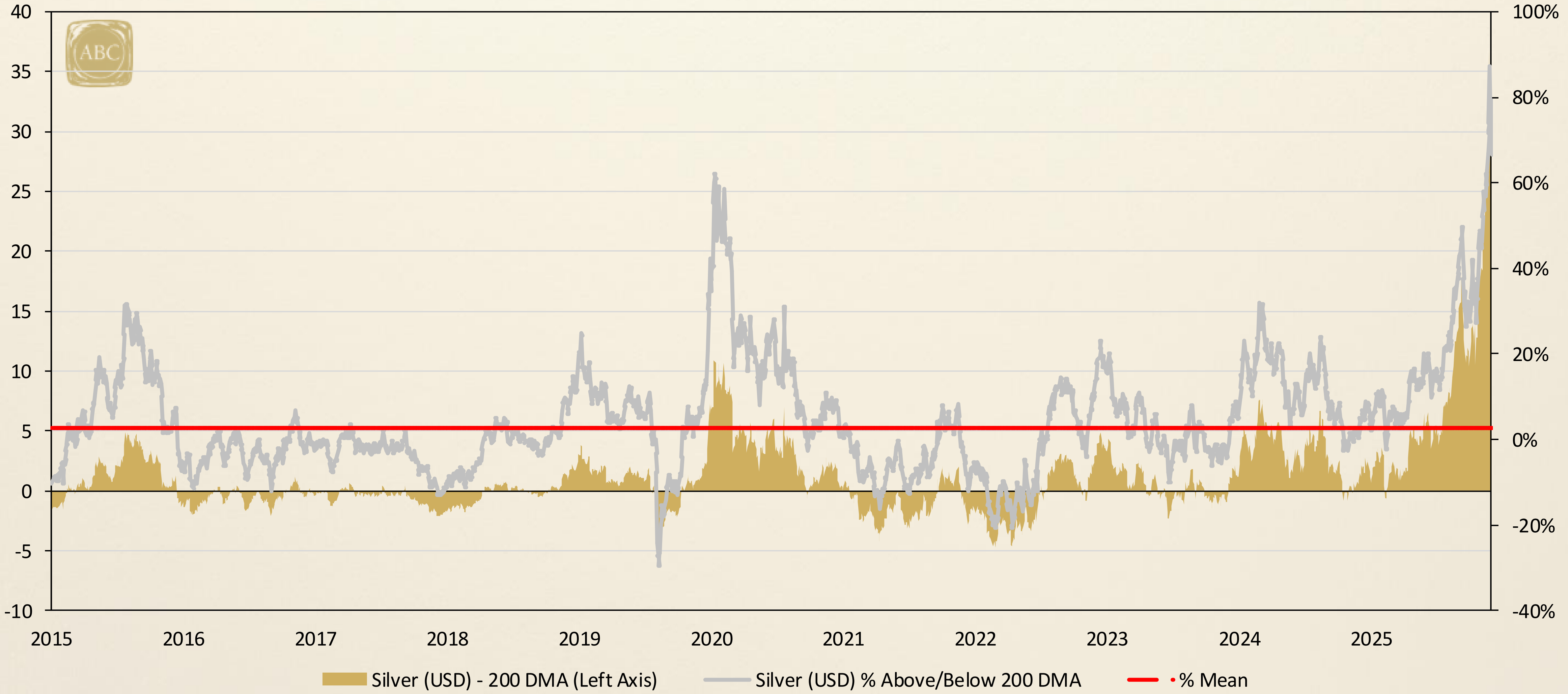
- Gold remains significantly above its 200-day moving average (200DMA), which ended December just above USD $3633oz.
- The “price gap” between the end December USD spot price for gold and the 200DMA was close to USD $695, or 19%.
- Silver is displaying even sharper signs of technical overvaluation. The metals 200DMA finished December just below USD $43oz, while the end-month spot price closed nearly USD $28.50 higher.
- This translates to a 66% premium over the 200DMA. This divergence widened further during the final week of December, at one point stretching to an 87% premium over the 200DMA.
- Across the duration of the gold bull market, dating back to the year 2000, the average price gap between spot and the 200DMA has been closer to 4.2%. For silver across the same time horizon the gap has been closer to 2.7%.
- Historically, when gold and silver trade significantly above or below the 200DMA, the price tends to mean-revert, washing out excess froth or fear from the market.
- The current elevated divergence suggests strong bullish momentum and a potentially stretched precious metal prices relative to historical norms.
- Given this relationship and gold/silvers current price levels above the 200DMA, a pullback in price over the short to medium term back towards the historical mean would not surprise from a technical viewpoint.
- Such a correction would likely be a healthy development for the market and create a buying opportunity for medium to long-term investors.
- It should also be noted that while gold remains well above its 200DMA, some excess froth has already come out of the market, with the market trading closer to 31% above the 200DMA in mid October, vs just 19% by end December.

Gold in USD & 200 Daily Moving Average (DMA) (Jan 2016–Dec 2025)



Source: LBMA

Silver in USD & 200 Daily Moving Average (DMA) (Jan 2016–Dec 2025)



Source: LBMA

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