ABC BULLION

MONTHLY MARKET UPDATE

October 2026

JORDAN ELISEO

General Manager



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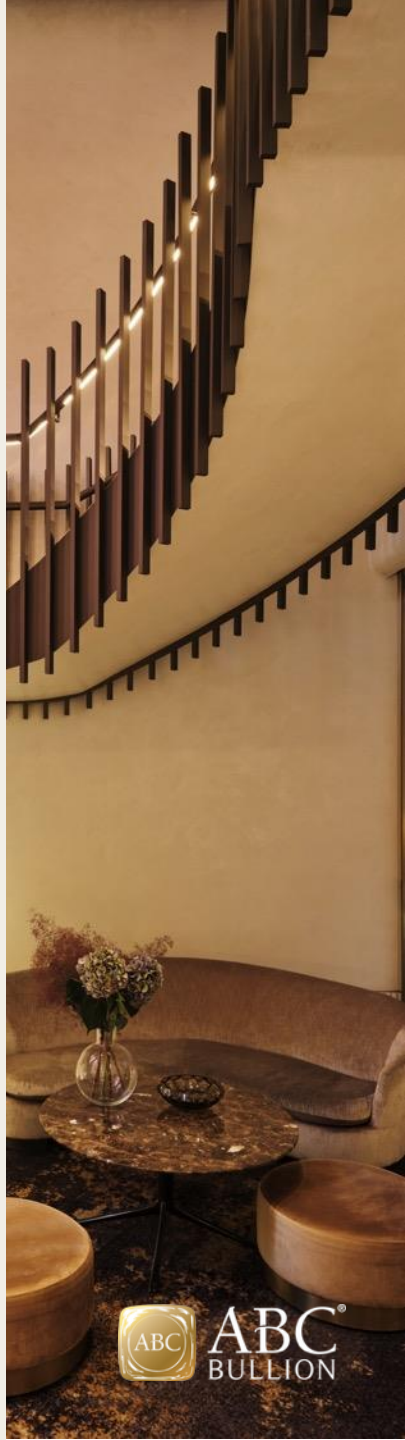
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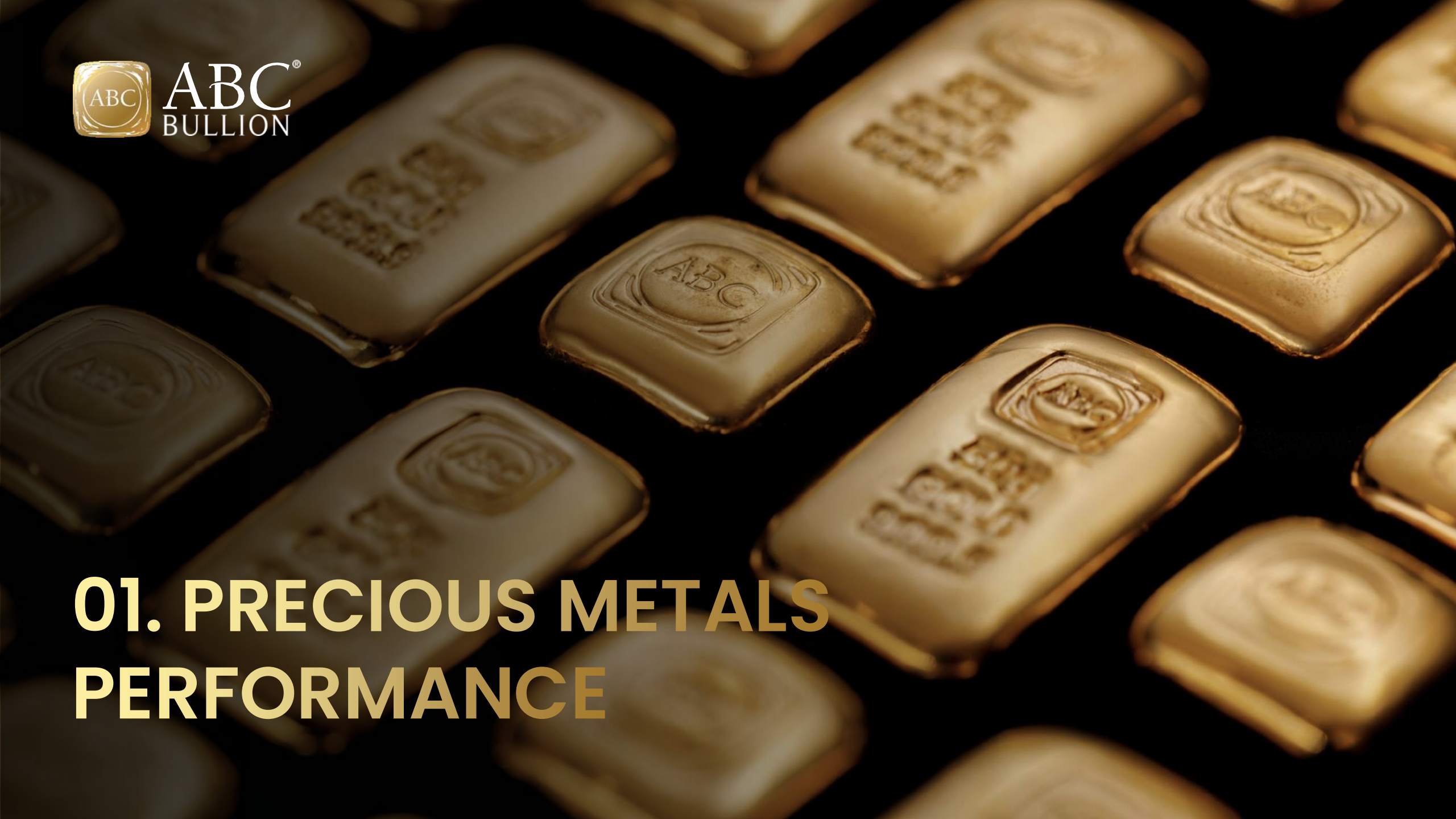
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01. PRECIOUS METALS PERFORMANCE



Precious Metals Performance

- Gold prices fell notably throughout October. In USD terms, the precious metal reached an intra-month high of USD $4194oz before closing the month at USD $3875oz. The 7.5% pullback over the month was the worst October seen since the GFC in 2008

- Silver also pulled back, reaching an intra-month high of USD $61.7oz before closing October at USD $49oz.

- Platinum also fell sharply, dropping 17% by end of month finishing at USD $1434oz. Meanwhile, the gold-to-platinum ratio gained (0.3) to 2.72, remaining significantly above its long-term median of 0.92 dating back to 1990.

- The gold to silver ratio (GSR) also rose, finishing at a high of 79:1 by end of month (up from 69:1). It finished 25% above its historic median of 63.

- In Australian dollar terms, investors were marginally worse off with their precious metal investments. Gold and silver pulled back 8% and 20% respectively. The appreciation of the value of the Australian dollar (which has proved short lived) drove the bigger pullback for local investors.

- The sharp pullback in precious metals has been driven by multiple factors, including a stronger US dollar, rising yields, and market consensus surrounding further interest rate hikes from the US Federal Reserve.

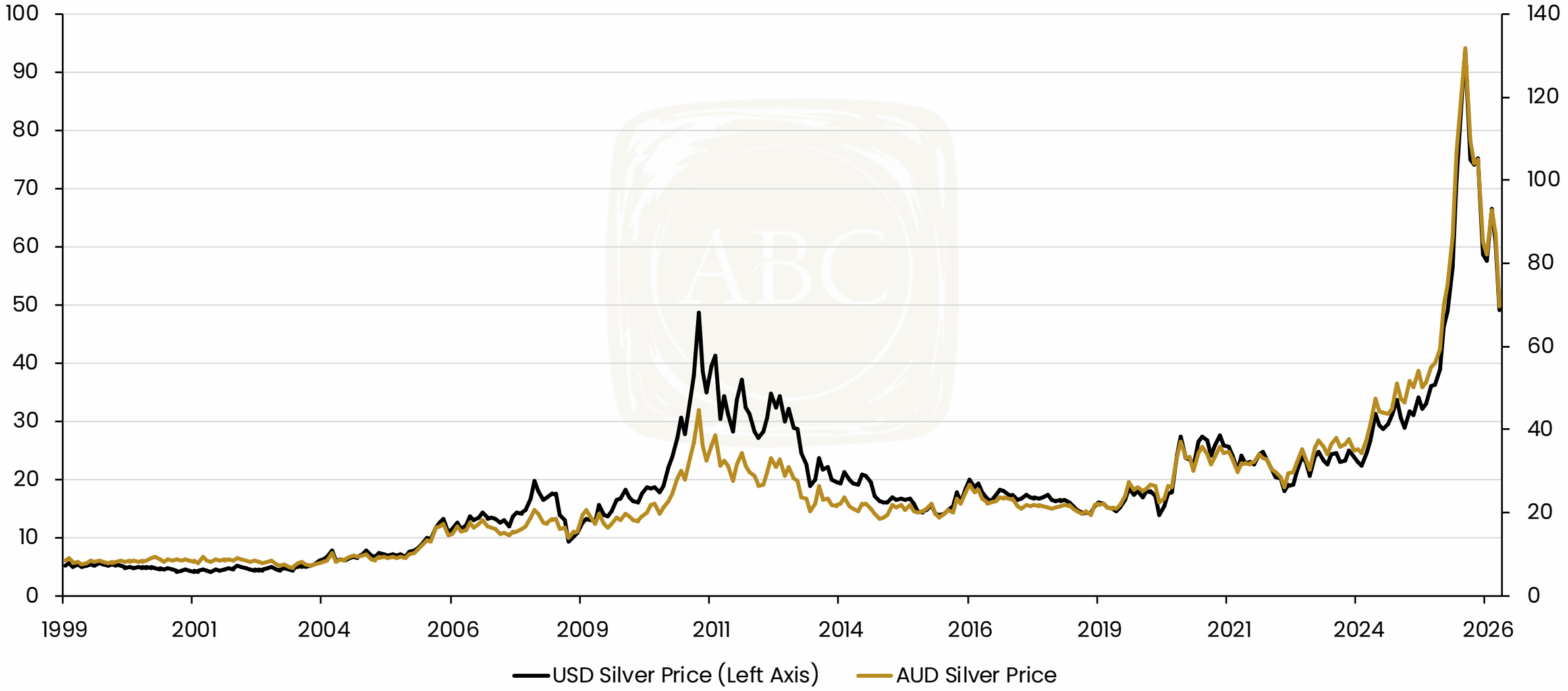
Gold in AUD and USD (Jan 1999–Oct 2026)

Source: LBMA, RBA



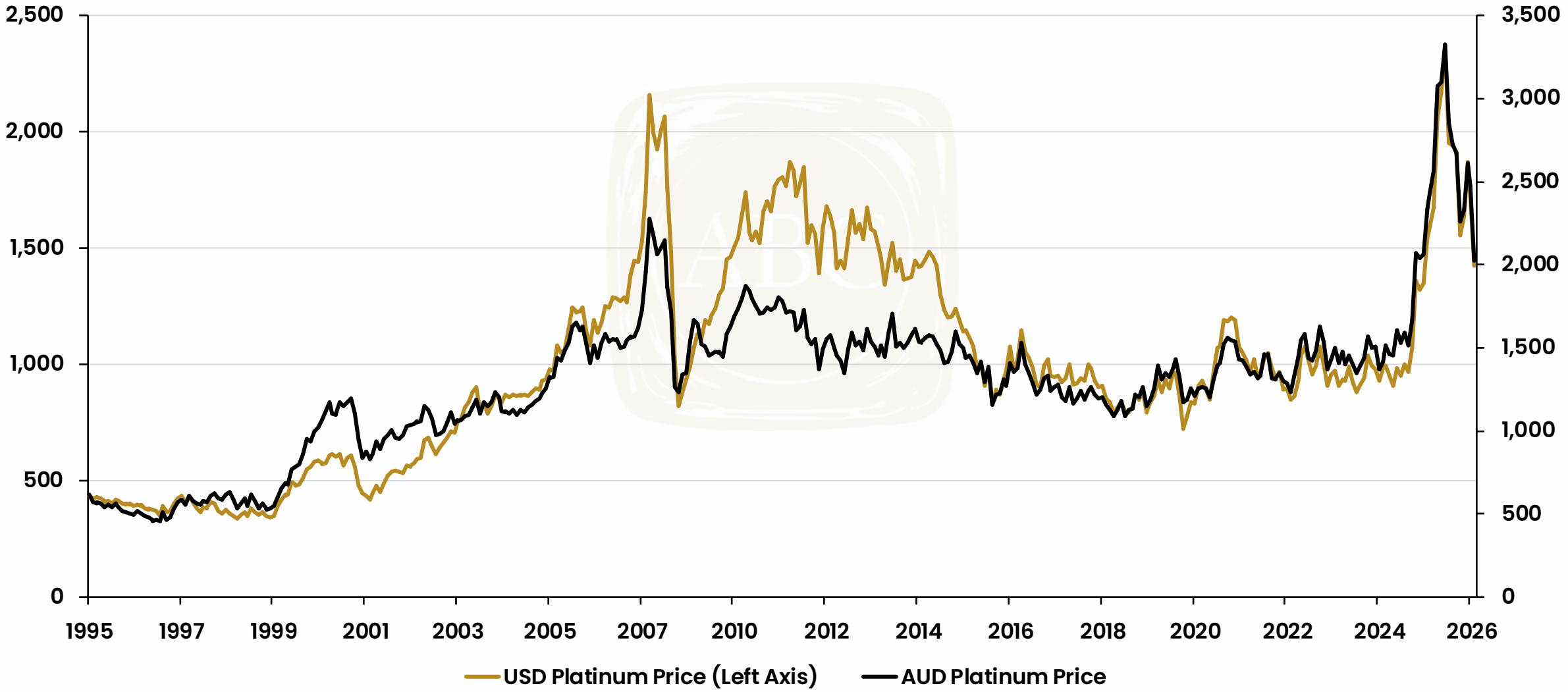
Silver in AUD and USD (Jan 1999–Oct 2026)

Source: LBMA, RBA



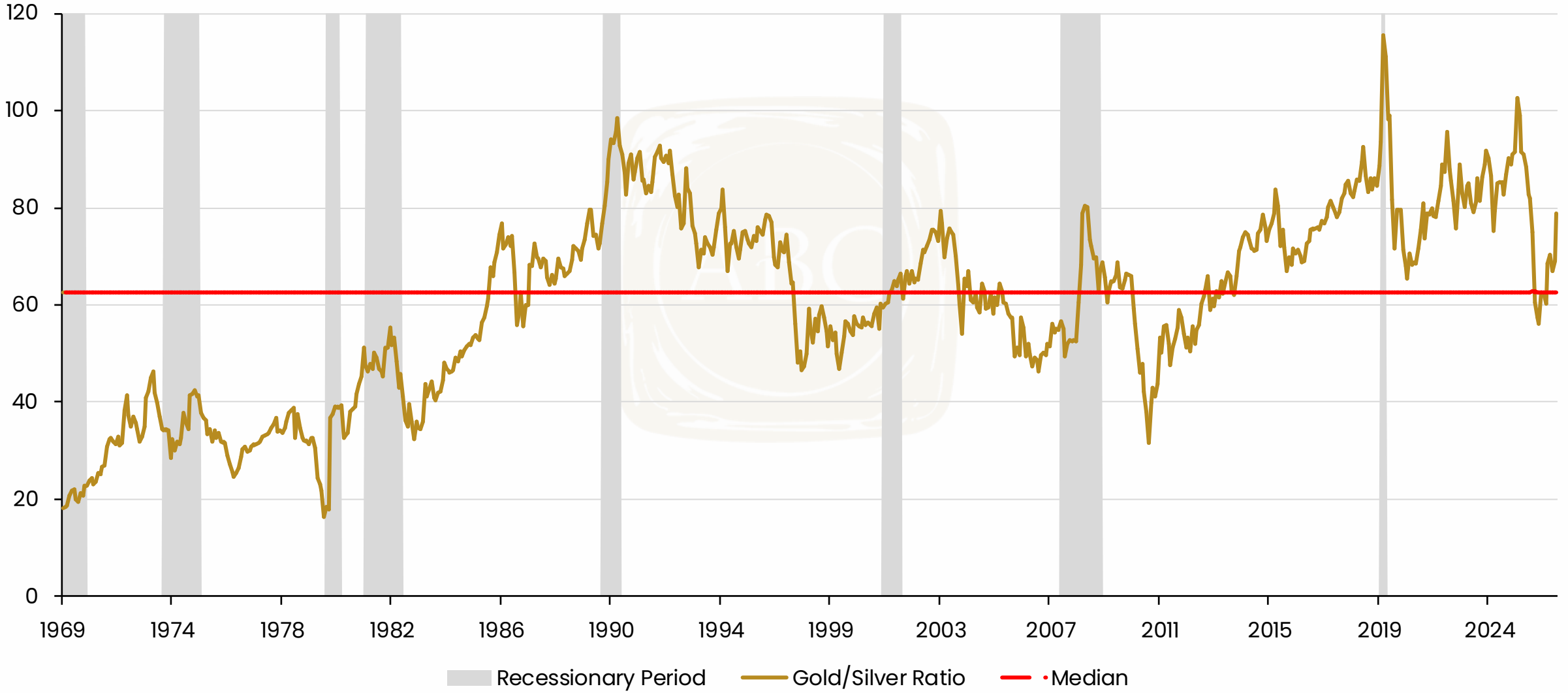
Platinum in AUD and USD (Jan 1995–Oct 2026)

Source: LBMA, RBA



Gold/Silver Ratio (Jan 1970–Oct 2026)

Source: LBMA



Gold/Platinum Ratio (Jan 1995–Oct 2026)

Source: LBMA, RBA



Gold Performance in Multiple Currencies (Jan 1999–Oct 2026)

Source: LBMA, RBA, World Gold Council

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%
2026 YTD	-2.9%	-6.9%	0.1%	-2.0%	-2.9%	3.2%	-7.3%	-1.3%	0.0%
Average	8.8%	11.5%	10.1%	11.0%	11.9%	12.0%	10.5%	20.2%	20.6%
5 Year	19.2%	20.0%	19.6%	19.5%	27.6%	25.3%	19.5%	25.2%	24.7%
10 Year	12.2%	13.3%	12.1%	11.9%	17.2%	16.3%	12.2%	16.5%	16.1%
20 Year	10.2%	10.6%	10.8%	12.1%	11.8%	14.3%	9.3%	12.9%	13.8%
Since 1999	11.8%	11.2%	12.0%	12.8%	13.3%	15.6%	10.7%	14.1%	15.4%

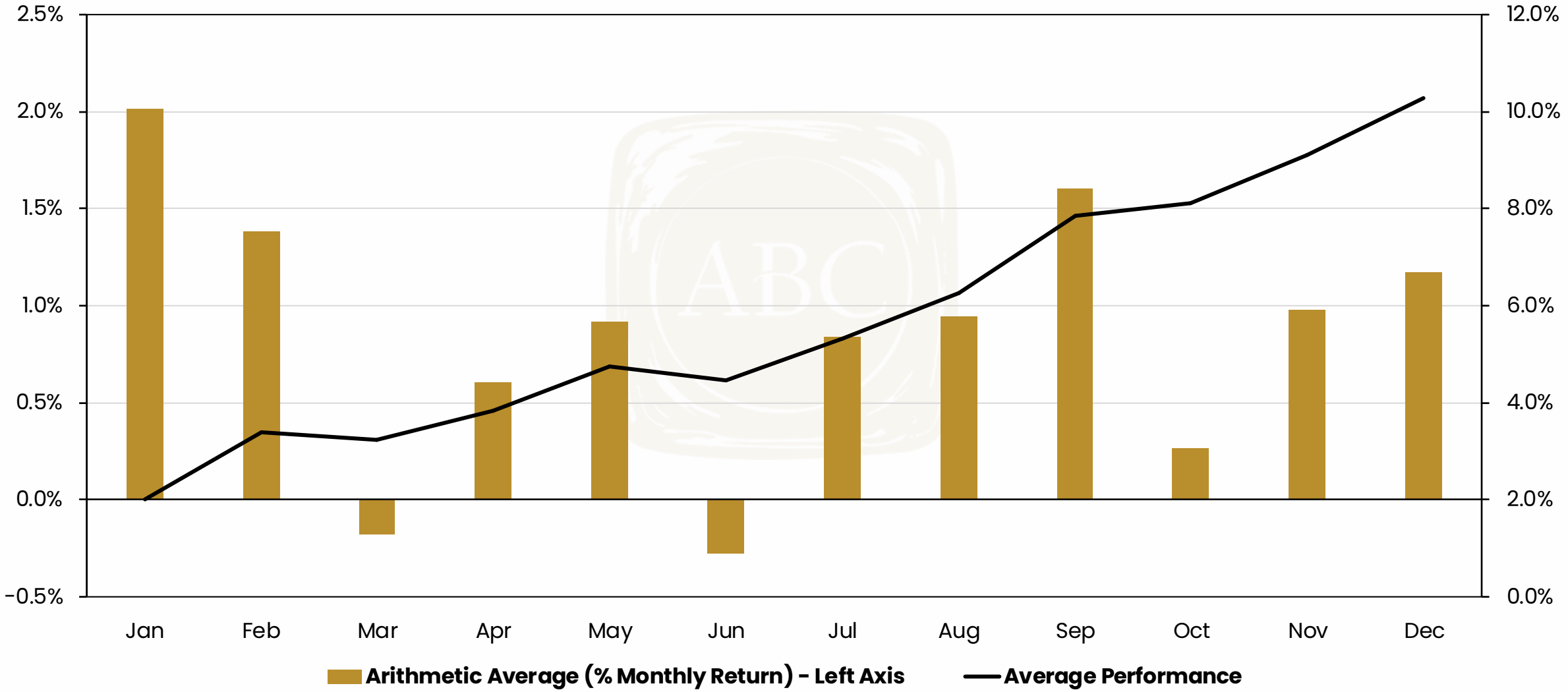
Silver Performance in Multiple Currencies (Jan 1999–Oct 2026)

Source: LBMA, RBA, World Gold Council

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%
2026 YTD	-14.8%	-18.3%	-12.2%	-14.0%	-14.8%	-9.4%	-18.6%	-10.7%	-12.2%
Average	7.5%	10.0%	8.7%	9.9%	10.3%	10.7%	9.2%	30.4%	27.2%
5 Year	23.1%	23.9%	23.5%	23.3%	31.7%	29.4%	23.4%	34.7%	28.7%
10 Year	12.1%	13.1%	12.0%	11.8%	17.1%	16.2%	12.1%	20.6%	16.0%
20 Year	8.7%	9.0%	9.2%	10.5%	10.2%	12.7%	7.7%	14.1%	12.2%
Since 1999	11.0%	10.4%	11.1%	12.0%	12.5%	14.8%	9.9%	16.4%	14.5%

Gold Seasonality in USD (1969–2026)

Source: LBMA



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02. PRECIOUS METALS VS THE MARKET

Precious Metals vs The Market

Source: Bloomberg, CME Group

- The S&P continues to sit near record highs (up 11% year-to-date at the time of writing) with strong corporate earnings and AI optimism driving results. it is important to note though that the index remains heavily concentrated around the MAG-7 (almost 35% of the S&P 500 index by market capitalisation).
- Other risks remain elevated too, with valuations stretched, as reflected in a CAPE ratio that ended October close to 40 versus a long-term average of 18.
- Valuations have not reached these levels since the dot-com bubble in 2000 when the S&P 500 went on to deliver three consecutive years of negative returns (-10%, -13% and -23%).
- 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 decline—in the U.S. equity market. (The '30s being largely driven by the latter, given gold prices were fixed at the time.) The ratio (13) remains above the historical median of 7.5 suggesting gold appears relatively undervalued and has further upside potential.
- The Gold/Oil ratio declined over the course of October, ending the month at 37 (-9). Crude oil surged throughout October and ended the month at USD $103/bbl driven largely by unresolved geopolitical conflict. This alongside gold's downward pressure from higher interest rate, portfolio risk adjustments and real yield dynamics have all contributed to the ratio falling.
- The Gold/BCOM declined in October, falling 7% month-on-month, finishing at 27. This fall was driven by significant gold sell-off.
- US interest rate expectations have significantly shifted in October. The US Consumer Price Index rose 0.4% month-on-month, which was marginally higher that economists estimate of 0.3%. Core CPI also rose 0.3%.
- Despite continued inflationary challenges, the Federal Reserve held the funds rate steady at 3.75-4.00% during the October meeting. The market however is expecting a rate rise in the December meeting, another factor weighing on gold.
- While CPI is firmly below the 2022 peak of 9.1%, it remains above the Fed's 2% target. The potential for a sustained surge in oil prices raises the risk that inflation will rise throughout the remainder of 2026 and into 2027, which in due course is likely to support gold demand.
- Higher US real yields, with the 10-year real yield finishing October close to 2.5%, has supported a stronger USD, with the DXY rising to 101.9 month-on-month (+0.4).
- This has reasserted the typically inverse relationship between the USD and gold, adding further pressure to gold prices despite ongoing geopolitical uncertainty.

Precious Metals Returns in AUD vs Key Equity Indices

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

Asset	YTD	1 Yr	5 Yr	10 Yr	25 Yr
Gold	-7.1%	3.6%	148.2%	248.8%	940.9%
Silver	-19.6%	24.5%	191.4%	246.3%	848.2%
ASX 200	0.7%	-0.7%	19.9%	60.4%	179.9%
S&P 500	11.6%	14.4%	77.6%	254.0%	620.2%

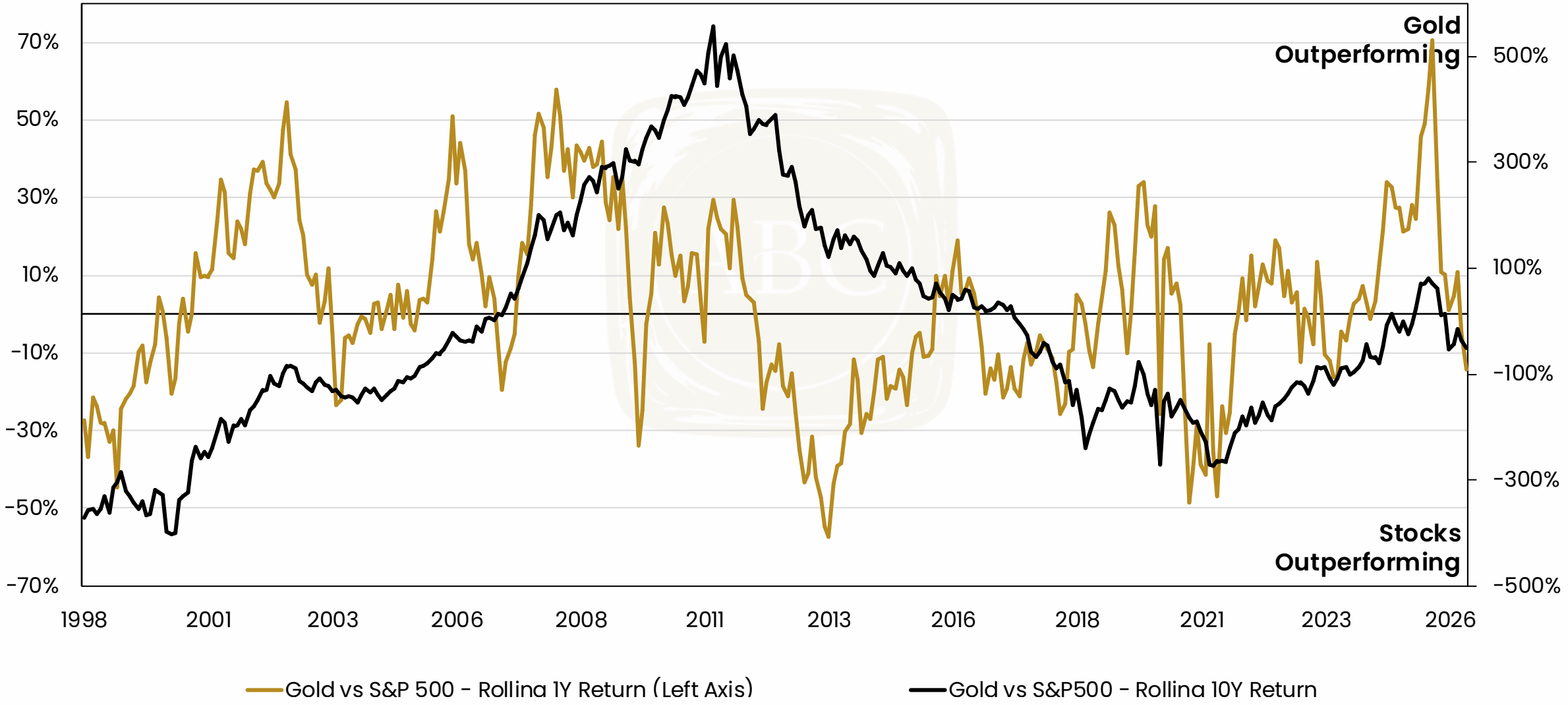
Compounded Annual Growth Rate - CAGR (%)

Asset	YTD	1 Yr	5 Yr	10 Yr	25 Yr
Gold	N/A	3.6%	19.9%	13.3%	9.8%
Silver	N/A	24.5%	23.9%	13.2%	9.4%
ASX 200	N/A	-0.7%	3.7%	4.8%	4.2%
S&P 500	N/A	14.4%	12.2%	13.5%	8.2%

Notes: Daily price data to 31 August 2026

Gold & S&P 500 in USD: Rolling 1Y/10Y (Jan 1999–Oct 2026)

Source: LBMA, Investing.com



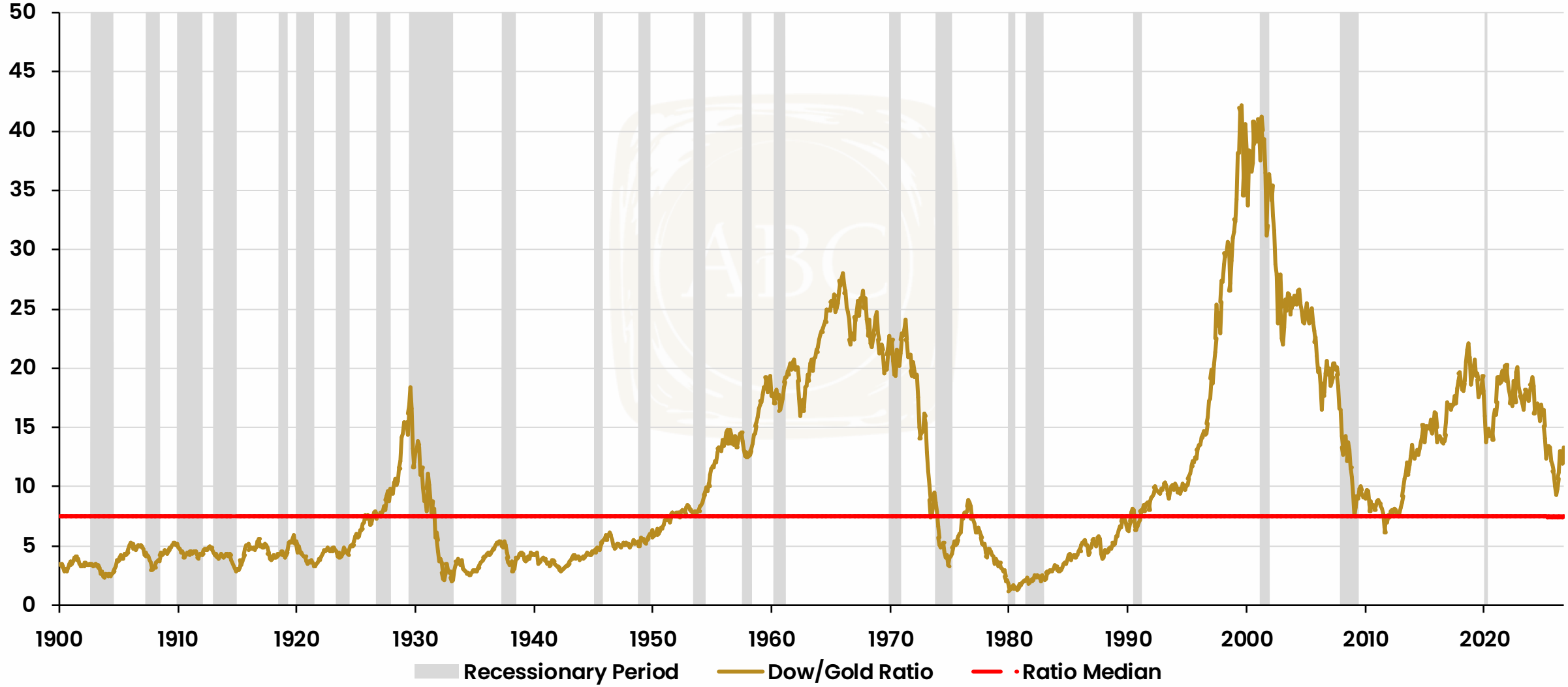
Cyclically Adjusted Price Earnings Ratio or CAPE (Jan 1881–Oct 2026)

Source: Shiller



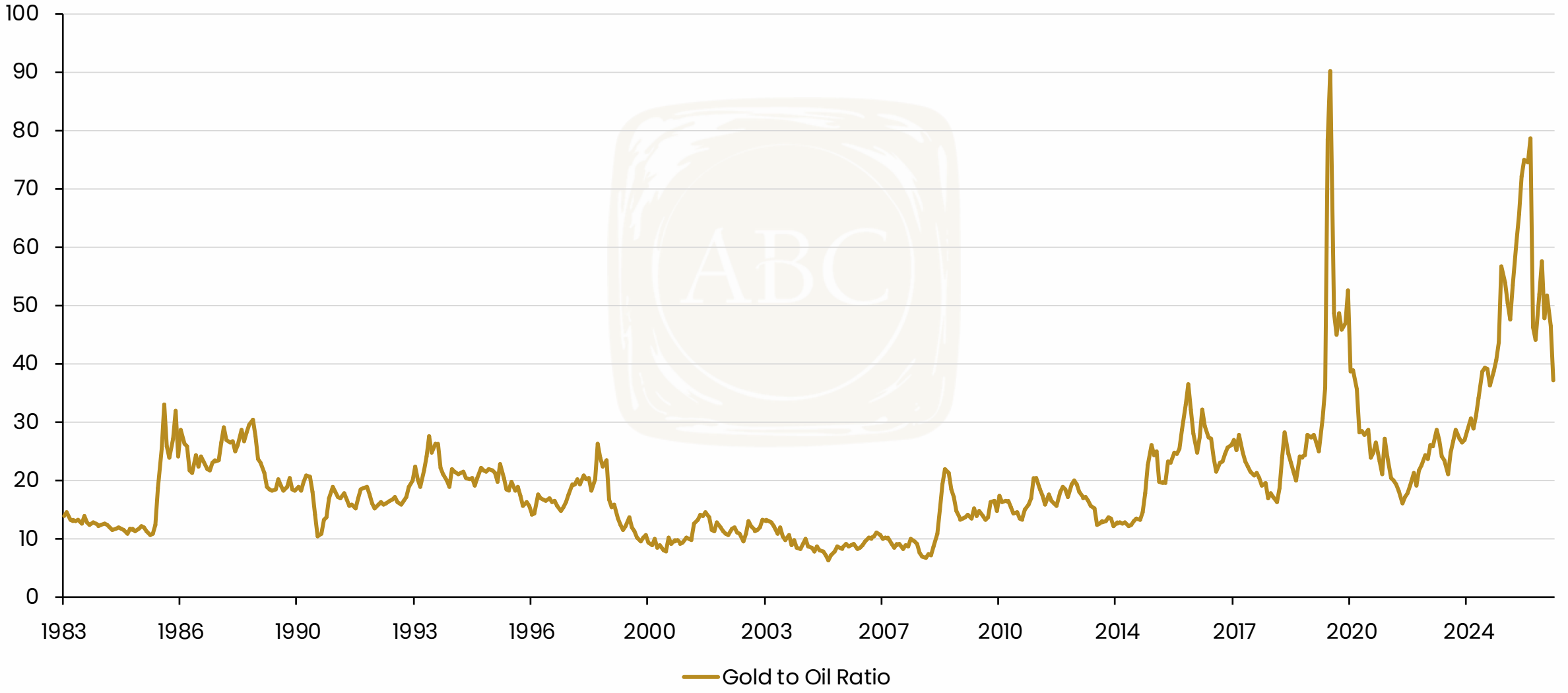
Dow/Gold Ratio in USD (Jan 1900–Oct 2026)

Source: LBMA,.S&P Global



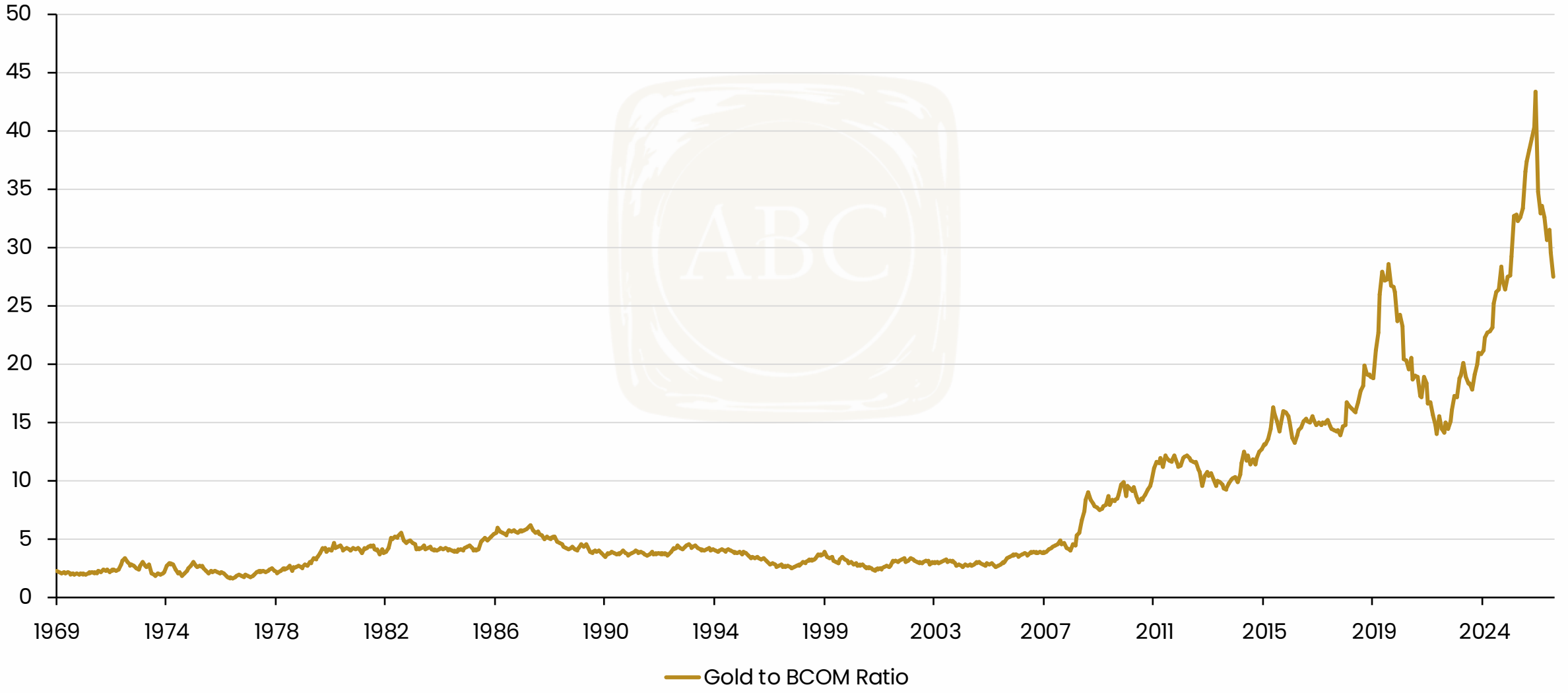
Gold/Oil Ratio in USD (Jan 1999–Oct 2026)

Source: LBMA, Investing.com



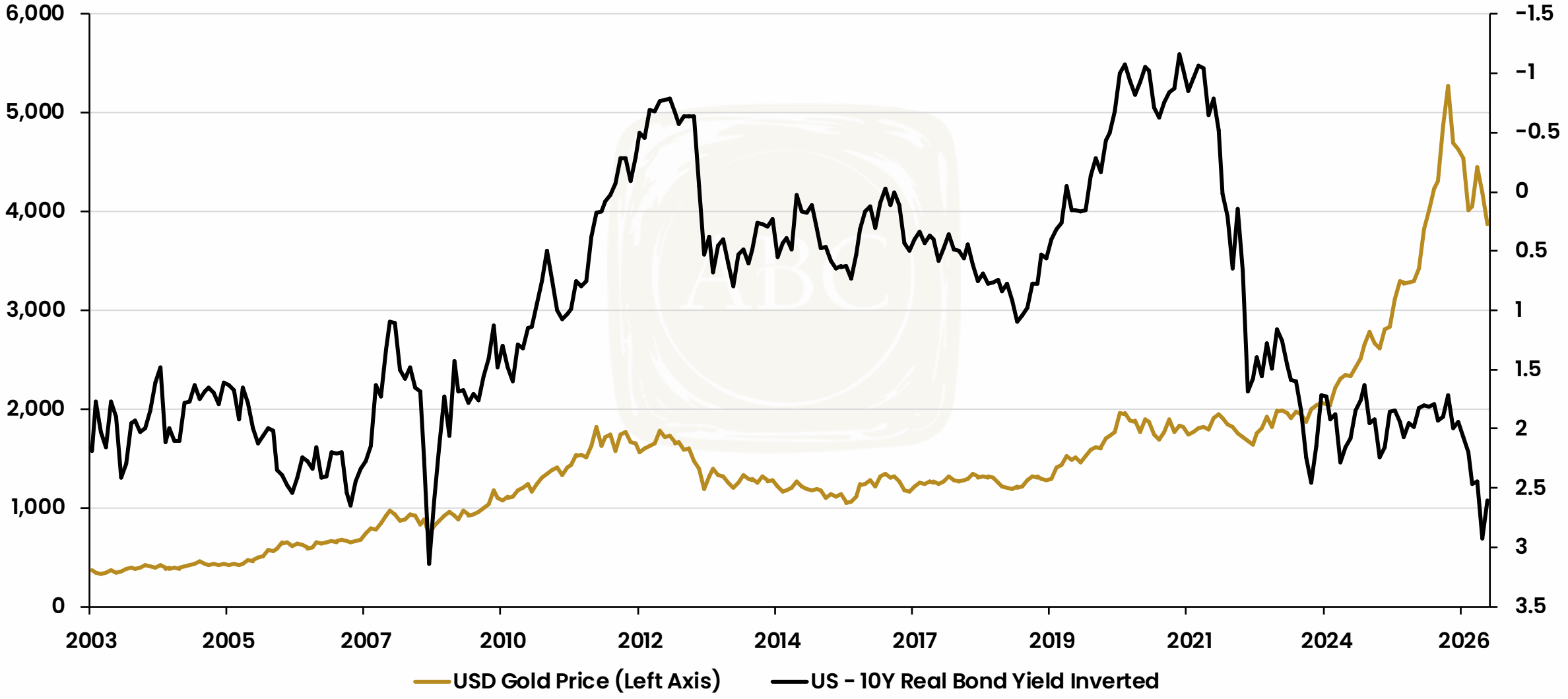
Gold/Bloomberg Commodities Index (BCOM) in USD (Dec 1969– Oct 2026)

Source: LBMA, Bloomberg



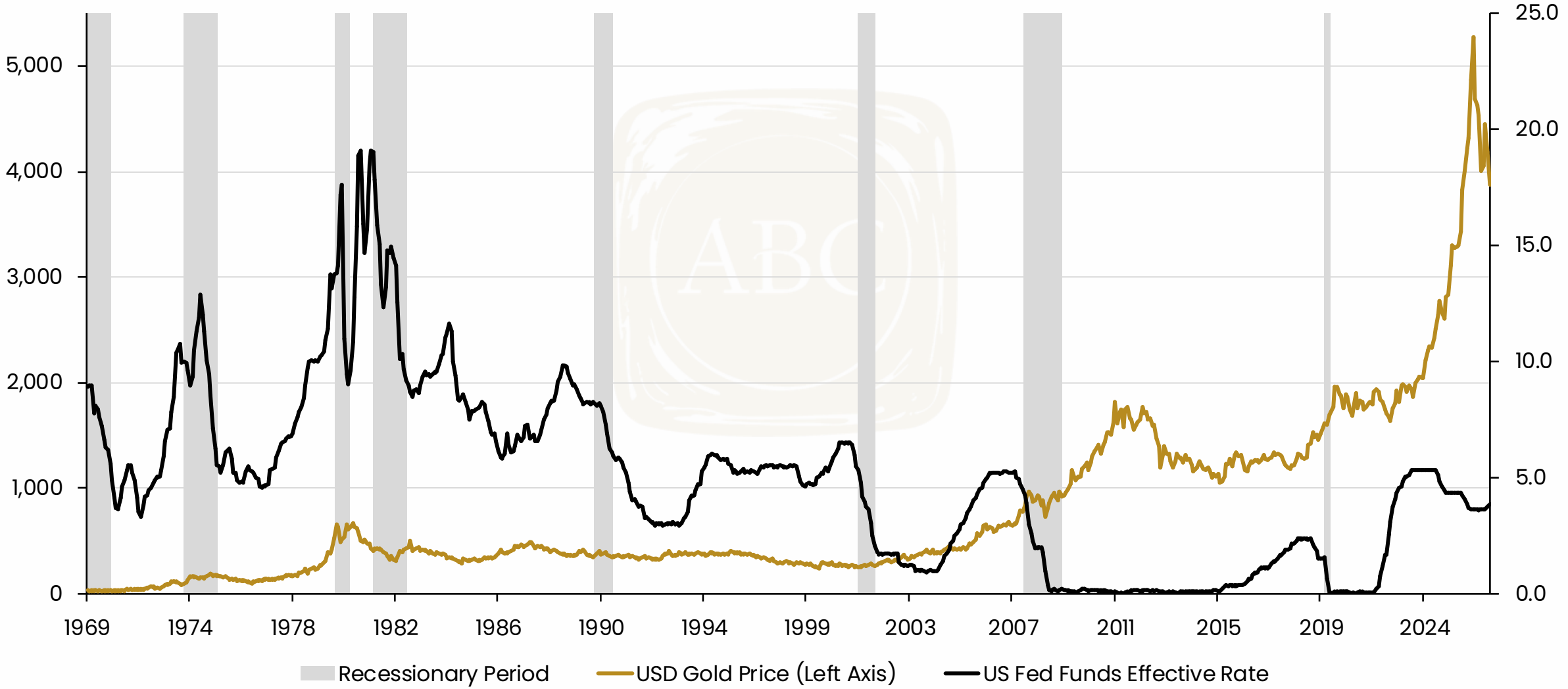
Gold in USD & U.S. 10Y Real Bond Yield Inverted (Jan 2003–Oct 2026)

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



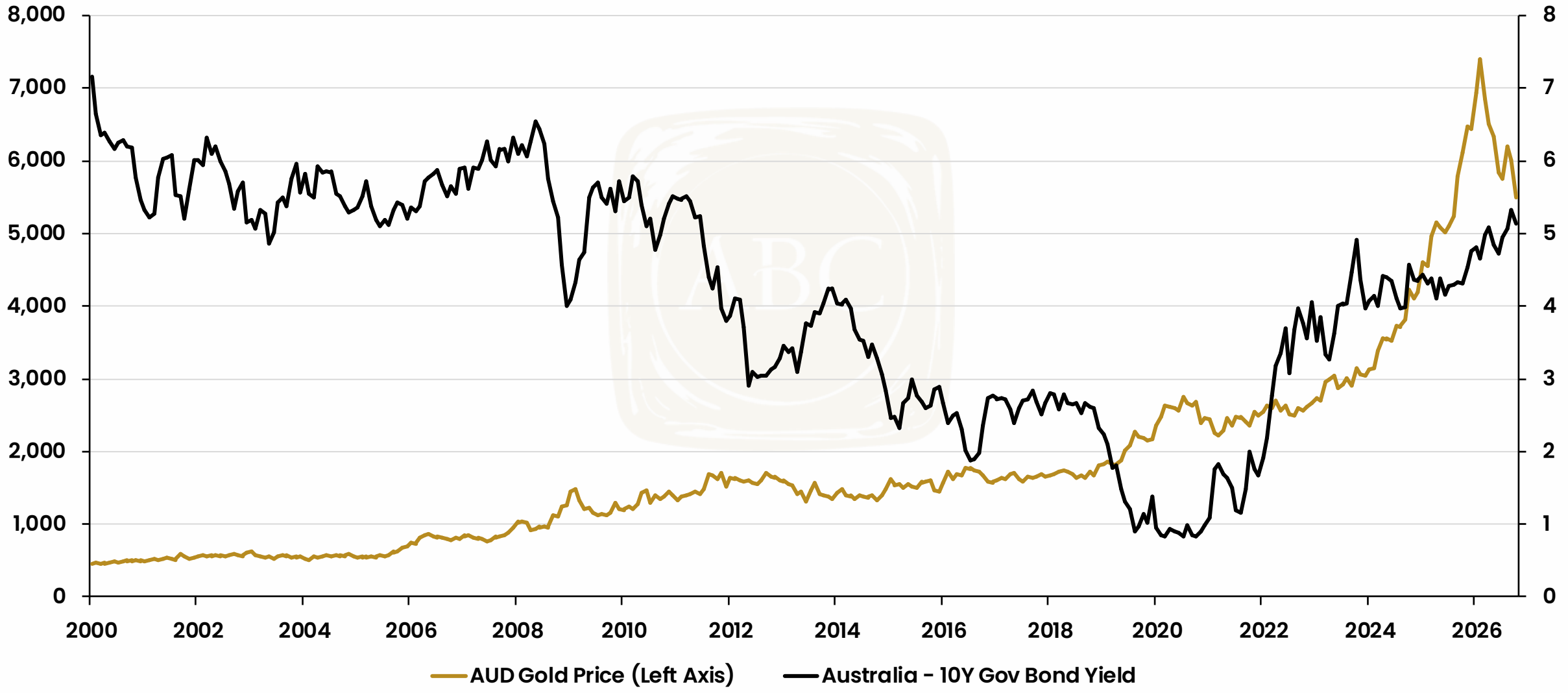
Gold in USD & U.S. Fed Fund's Effective Rate (Dec 1969–Oct 2026)

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



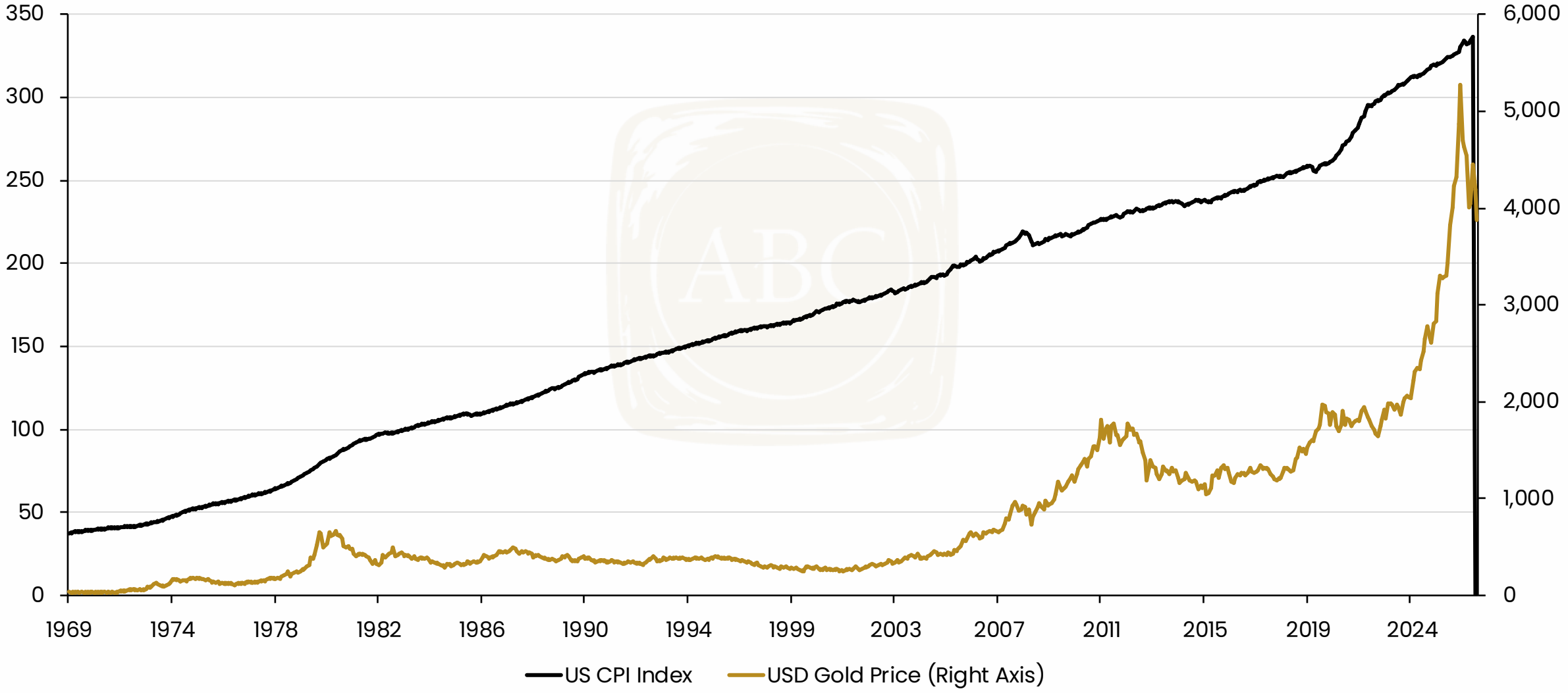
Gold in AUD & Aus 10Y Gov Bond Yield (Jan 2000–Oct 2026)

Source: LBMA, RBA, Investing.com



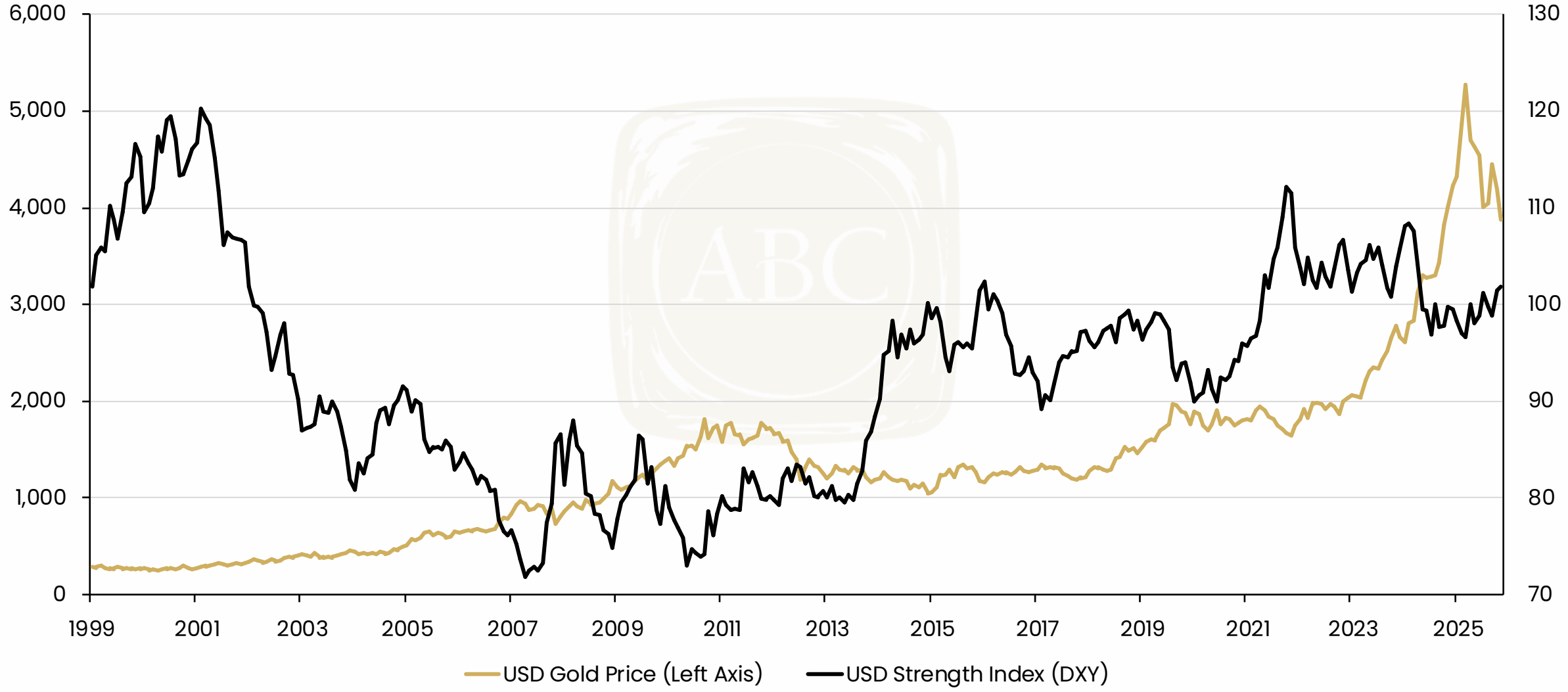
Gold in USD & U.S. CPI Index (Dec 1969–Oct 2026)

Source: LBMA, Federal Reserve Bank of Cleveland



Gold in USD & USD Strength Index (Jan 2000–Oct 2026)

Source: LBMA, Yahoo Finance



Investment Returns: Major Asset Classes (Jan 1971–Dec 2025)

Source: LBMA, RBA, Chant West, Australian Bureau of Statistics, Bloomberg Finance L.P., Melbourne Institute of Applied Economic & Social Research, MSCI Inc., S&P Dow Jones Indices LLC., WM Reuters.

Asset	5 Years	10 Years	20 Years	Since 1971
Gold (AUD)[2]	21.3	16.1	11.7	10.0
Silver (AUD)[2]	25.4	18.9	11.5	8.1
Superannuation (Growth)[3]	7.7	7.7	6.6	9.8[11]
Australian Shares[5]	9.7	9.5	7.6	10.3
Australian Bonds[8]	-0.4	2.0	4.1	7.4
Cash[9]	3.4	2.4	3.5	7.4
Inflation[10]	4.3	2.9	2.8	5.0

Notes: 1. Per annum total returns to 31st December 2025. 2. LBMA monthly price data, RBA AUDUSD price data, ABC Bullion Calculations. 3. Chant West Superannuation Growth Fund Returns. 4. S&P 500 Total Return Index (in AUD). 5. S&P/ASX All Ordinaries Total Return Index. 6. MSCI World ex-Australia Net Total Return Index AUD Index. 7. S&P/ASX 200 A-REIT Total Return Index. 8. Bloomberg AusBond Composite 0+ Yr Index. 9. Bloomberg AusBond Bank Bill Index. 10. ABS Consumer Price Index. 11. Proxied returns using Vanguard Historical Return Data (assuming 70% Australian Shares, 20% Australian Bonds and 10% Cash asset allocation).



03. PRECIOUS METALS FLOWS & POSITIONING

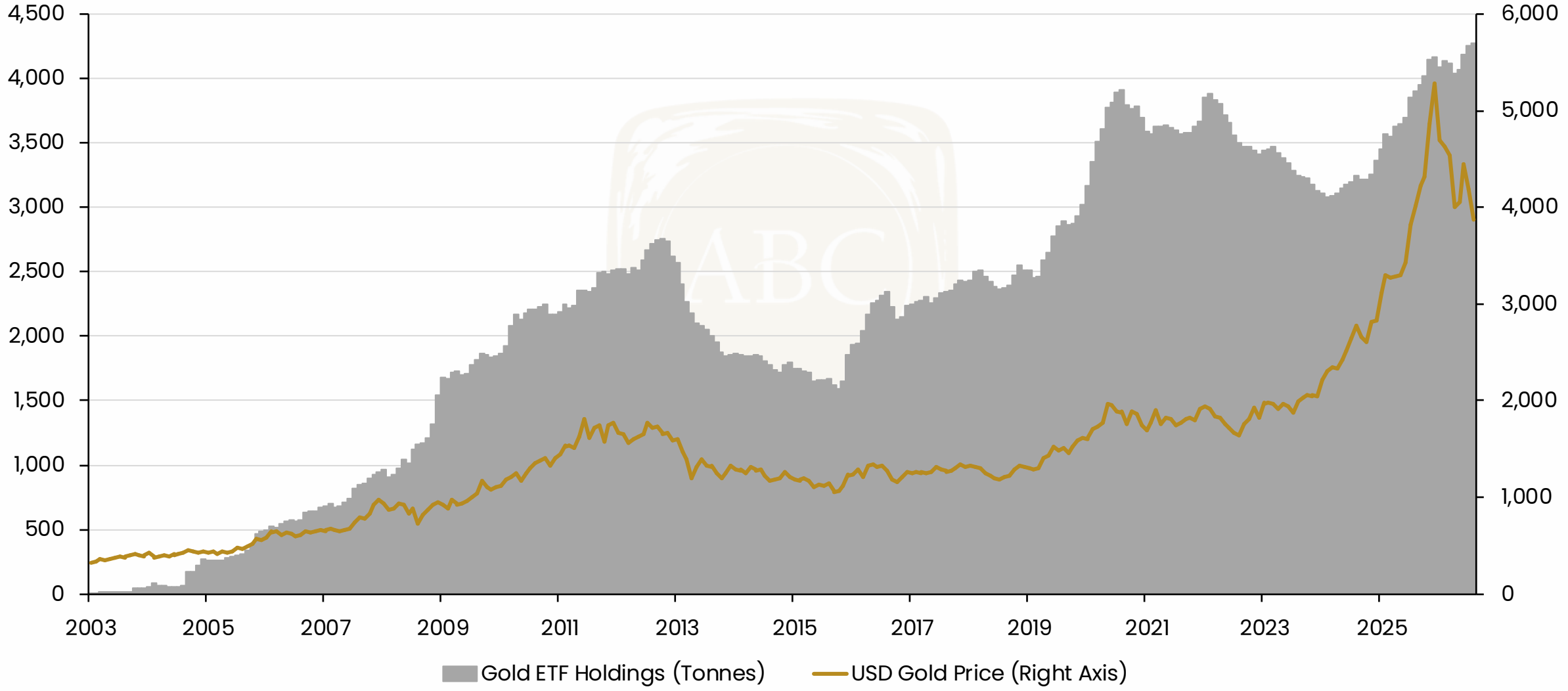
Precious Metals Positioning

Source: World Gold Council

- ETF data reveals 19 tonnes of gold were purchased net across the course of October. The value of all gold holdings in ETFs ended the month at USD $542bn,
- For 2026 as a whole, we have seen almost 250 tonnes flow into these products, a positive sign given it has occurred against a backdrop of falling prices, and higher yields.
- These positive inflows follow on from a surge in ETF demand in 2025, with 801 tonnes (second highest tonnage for a calendar year) and $89 billion (largest dollar value for a calendar year) flowing into products last year.
- Investment inflows from European listed ETFs were the highest across the month, purchasing 13.1 tonnes or USD $1.8bn respectively. This was followed by Asia which purchased 9.8 tonnes or USD $1.3bn respectively.
- Central bank purchases remain a key area in the demand of gold. In Q3 2026, Central banks purchased an extra 321 tonnes of gold bringing the year-to-date purchases to 675 tonnes.
- A survey conducted by the World Gold Council in June 2026 suggested elevated central bank gold acquisitions will continue, with 45% of participants expecting to increase their own gold reserves over the next 12 months, while 1% expect their institution's gold reserves to decrease.
- Speculative positioning continued to ease in October, with gross longs ending the month at approximately 123,000 contracts (-7%).
- Gross short positioning increased 49% month-on-month revealing, rising to just 17,000 contracts. While a sharp increase in percentage terms, the current level is not stretched when compared to historical observation.

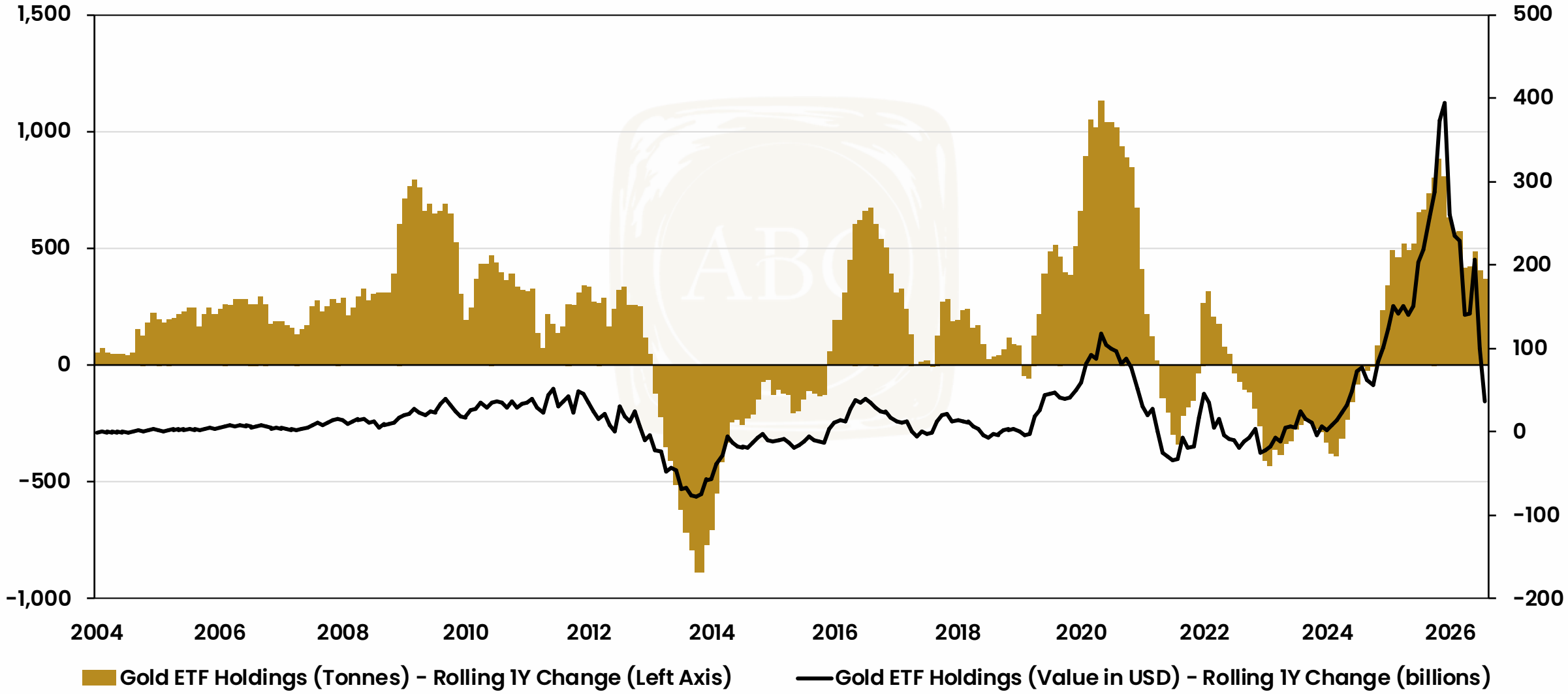
Gold in USD & Gold ETF Holdings (Mar 2003–Oct 2026)

Source: LBMA, World Gold Council – ETF data as at 27/03/2026



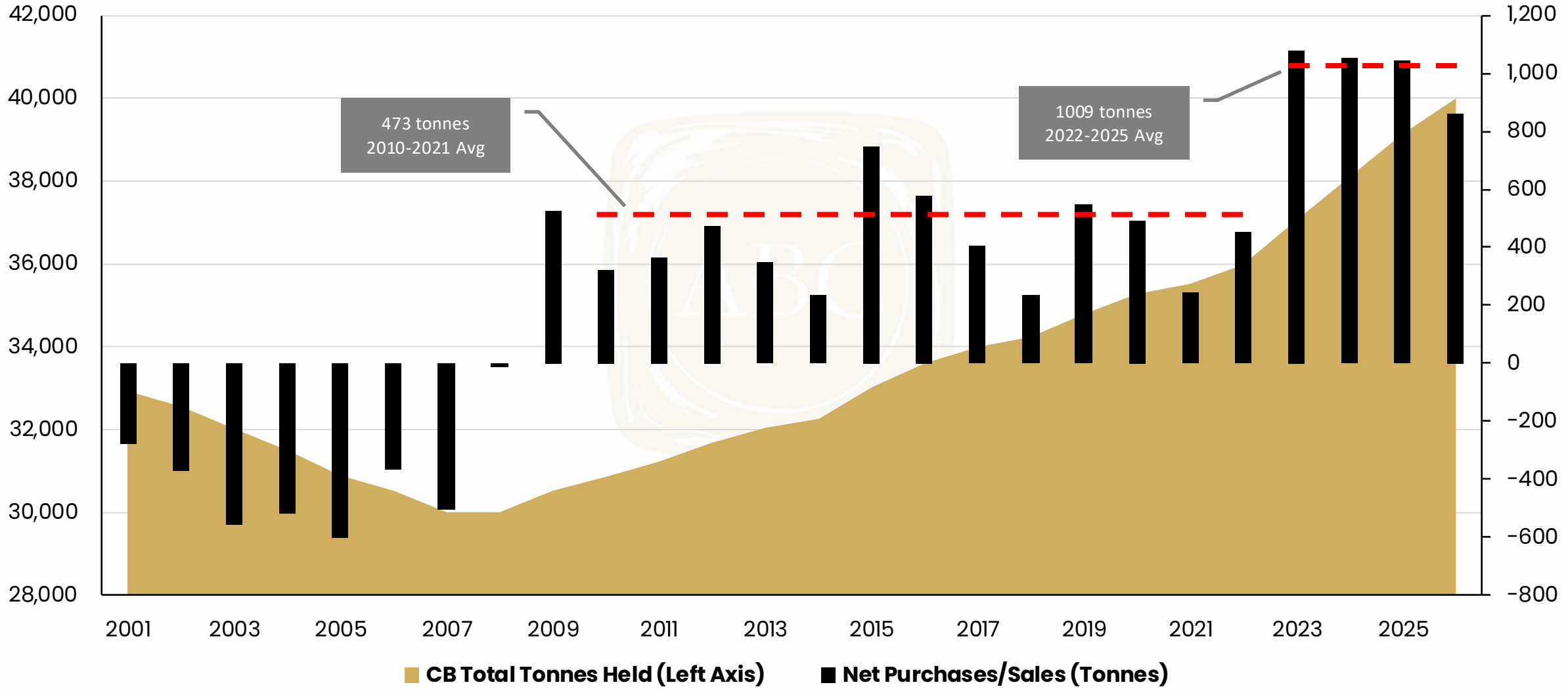
Gold ETF Holdings (Mar 2003–Oct 2026)

Source: LBMA, World Gold Council



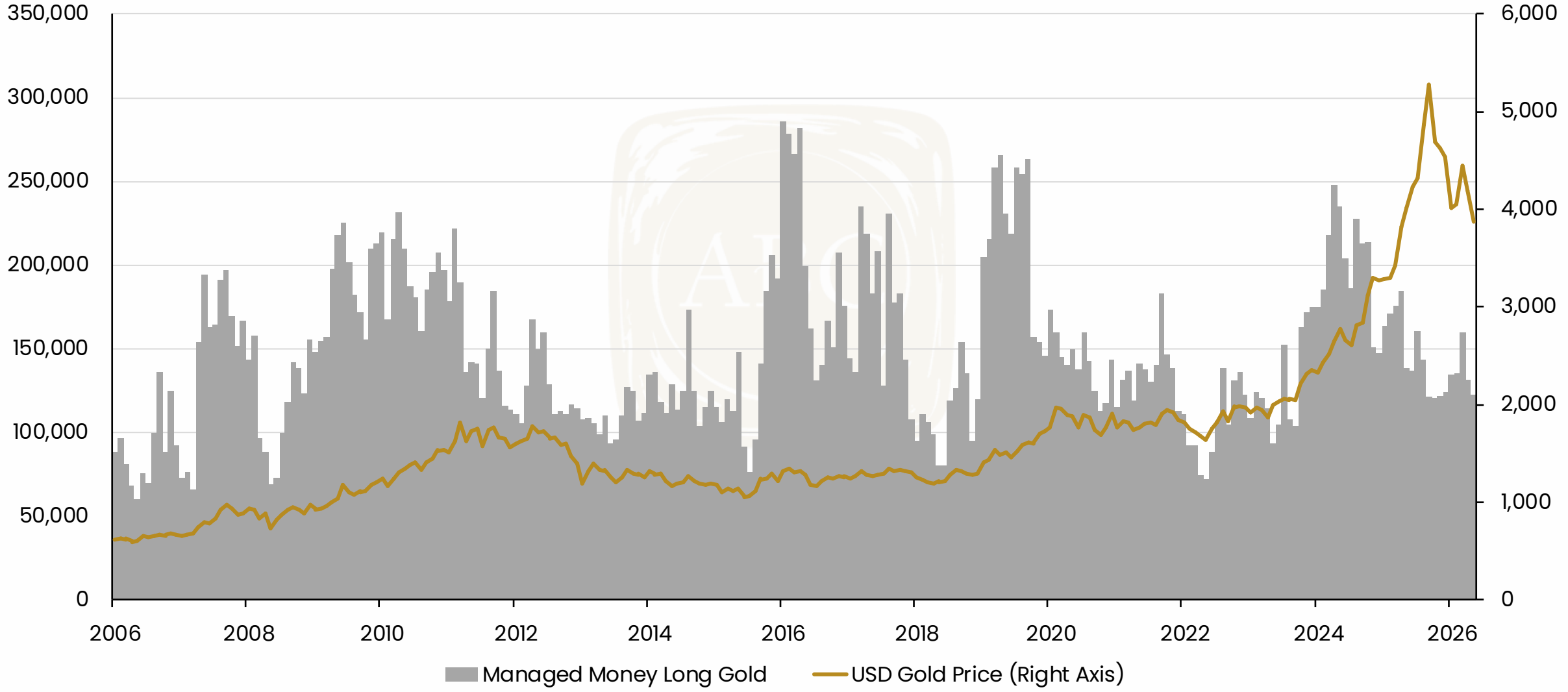
Central Bank Gold Holdings & Net Purchases/Sales (2001–2025)

Source: World Gold Council



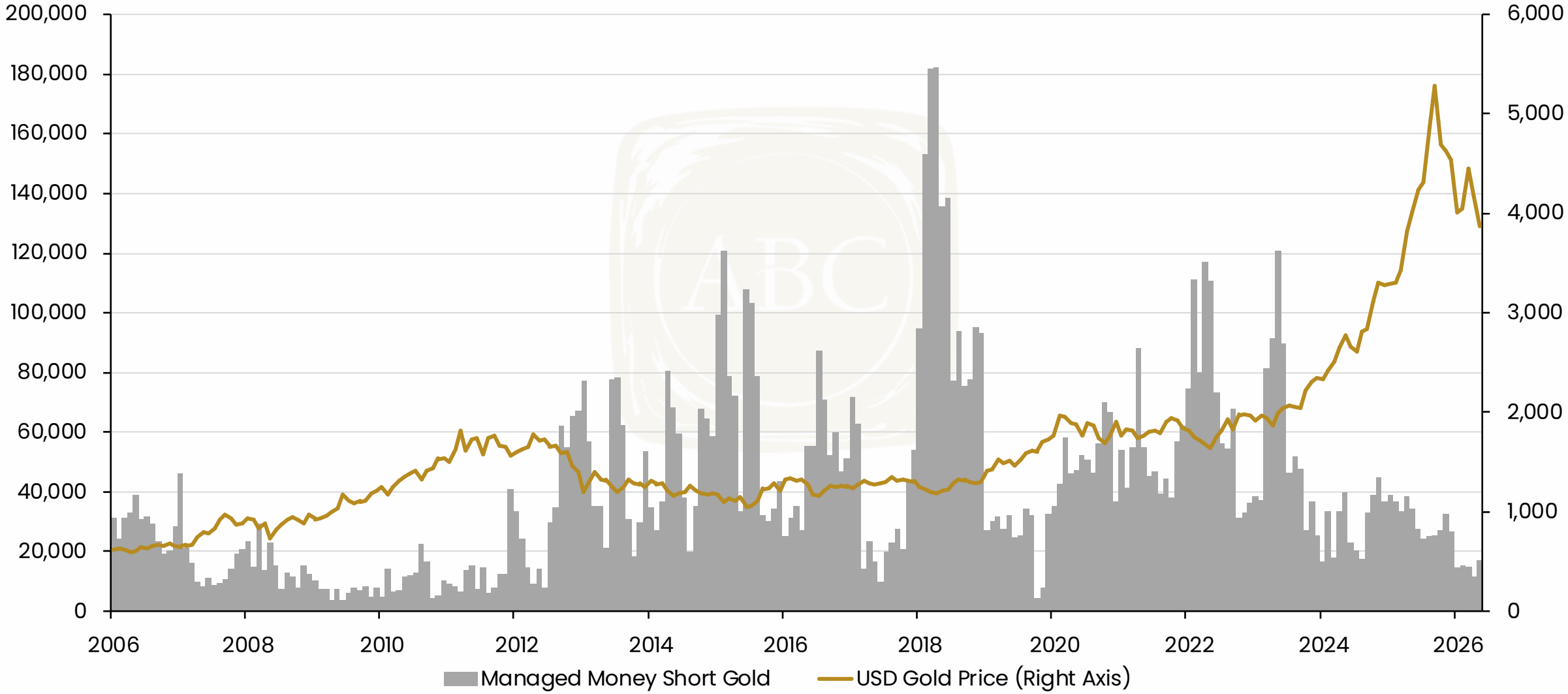
Gold in USD & Managed Money Long Gold (Jun 2006–Oct 2026)

Source: LBMA, YCharts - Positioning data as at 25/08/2026



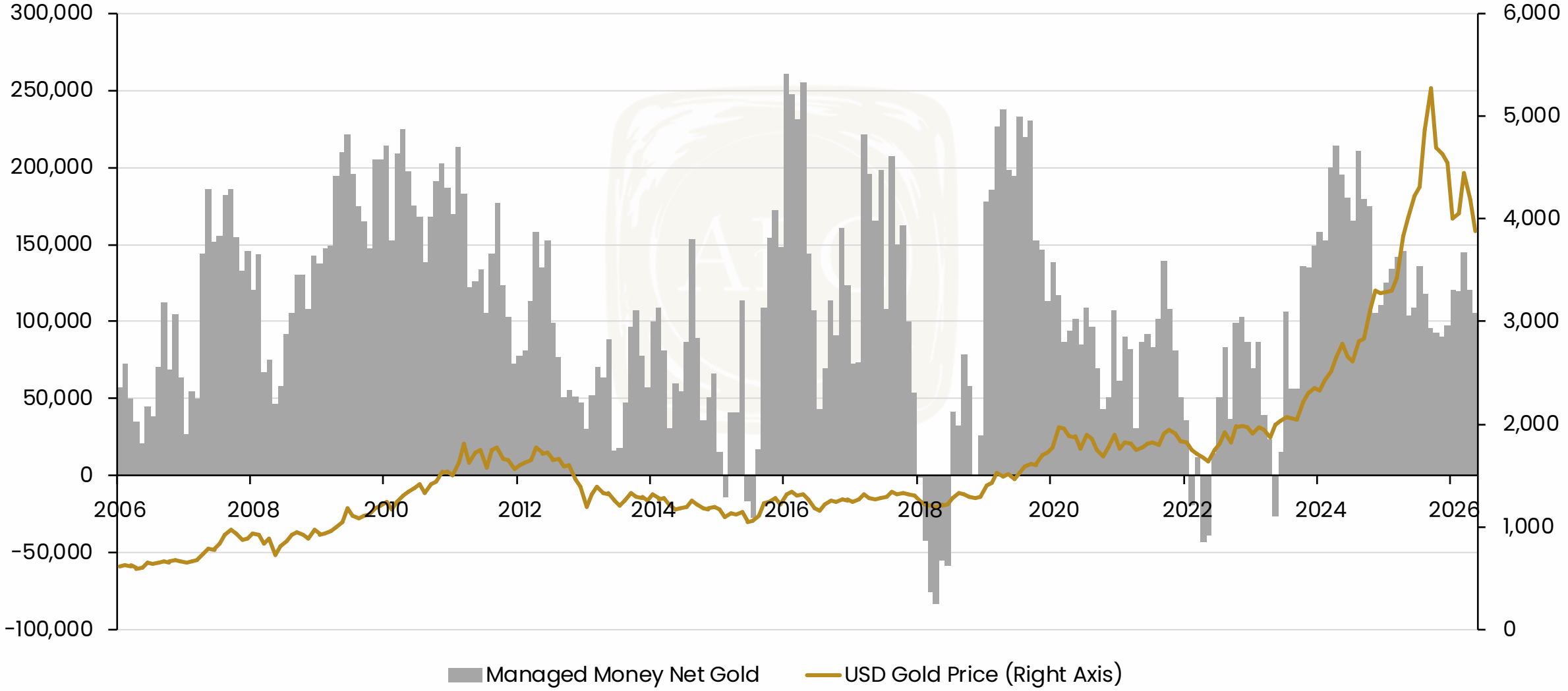
Gold in USD & Managed Money Short Gold (Jun 2006–Oct 2026)

Source: LBMA, YCharts - Positioning data as at 25/08/2026



Gold in USD & Managed Money Net Gold (Jun 2006–Oct 2026)

Source: LBMA, YCharts - Positioning data as at 25/08/2026





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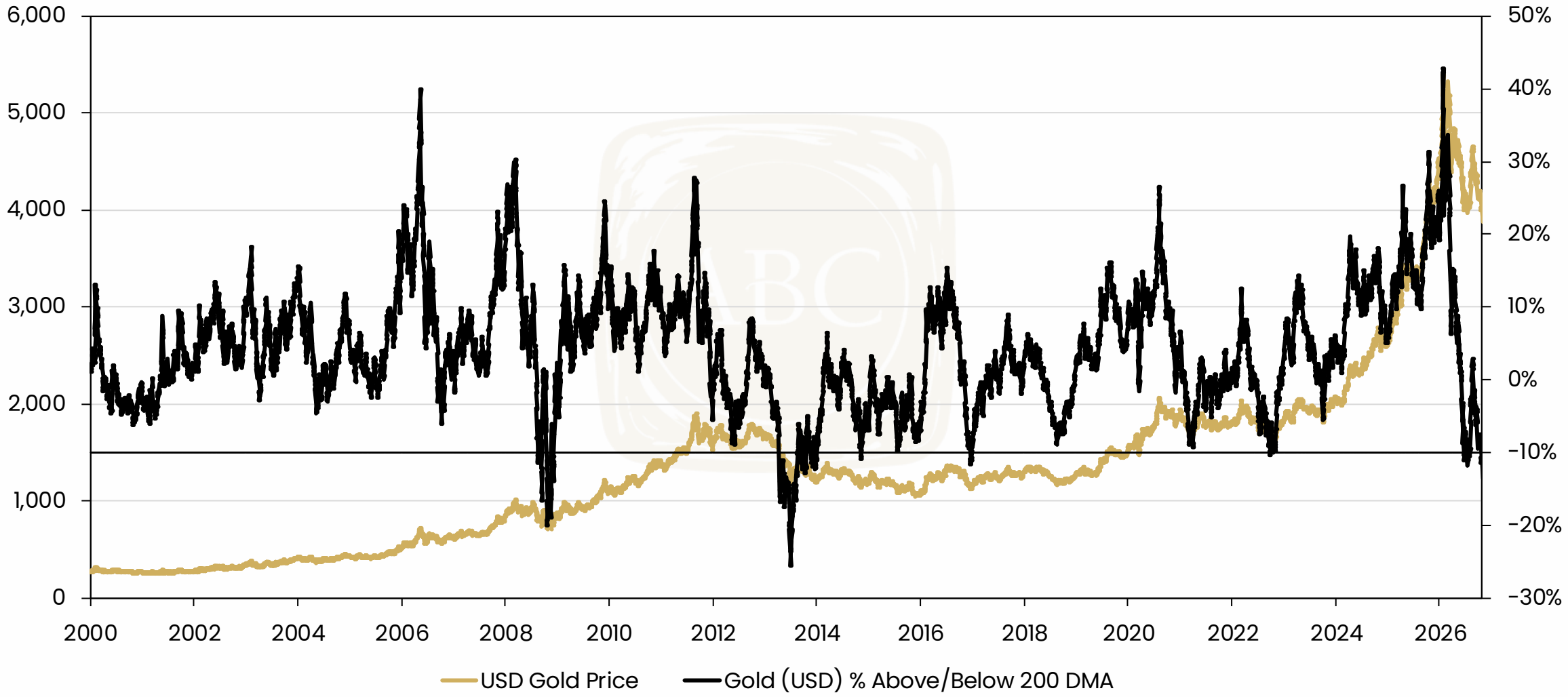
04. PRECIOUS METALS TECHNICAL ANALYSIS

Precious Metals Technical Analysis

- The “price gap” between gold’s end October USD spot price and its 200 DMA stood at approximately USD -$600oz or 13%. At its peak this year above USD $5,400oz, gold was trading close to 40% above its 200-DMA, marking the most extended level historically speaking since 1980.
- Silver by end October had a 200 DMA of approximately USD $69oz, while the spot price finished close to USD $20oz lower. This translates to a 30% discount below the 200-DMA. At its peak in January, spot silver had stretched to a 140% premium over the 200-DMA.
- Historically, when gold and silver trade significantly above or below the 200-DMA, the price tends to mean-revert, washing out excess froth or fear from the market.
- Downside overshoots below the 200-DMA are not uncommon during corrective phases, with a trough forming up to 10% below the 200-DMA (for gold), a common scenario with respect to historical analysis conducted by ABC Bullion.
- Such pullbacks have typically served as healthy market consolidations and have provided attractive accumulation opportunities for medium- to long-term investors.
- This is highly encouraging for prospective buyers in the current climate.

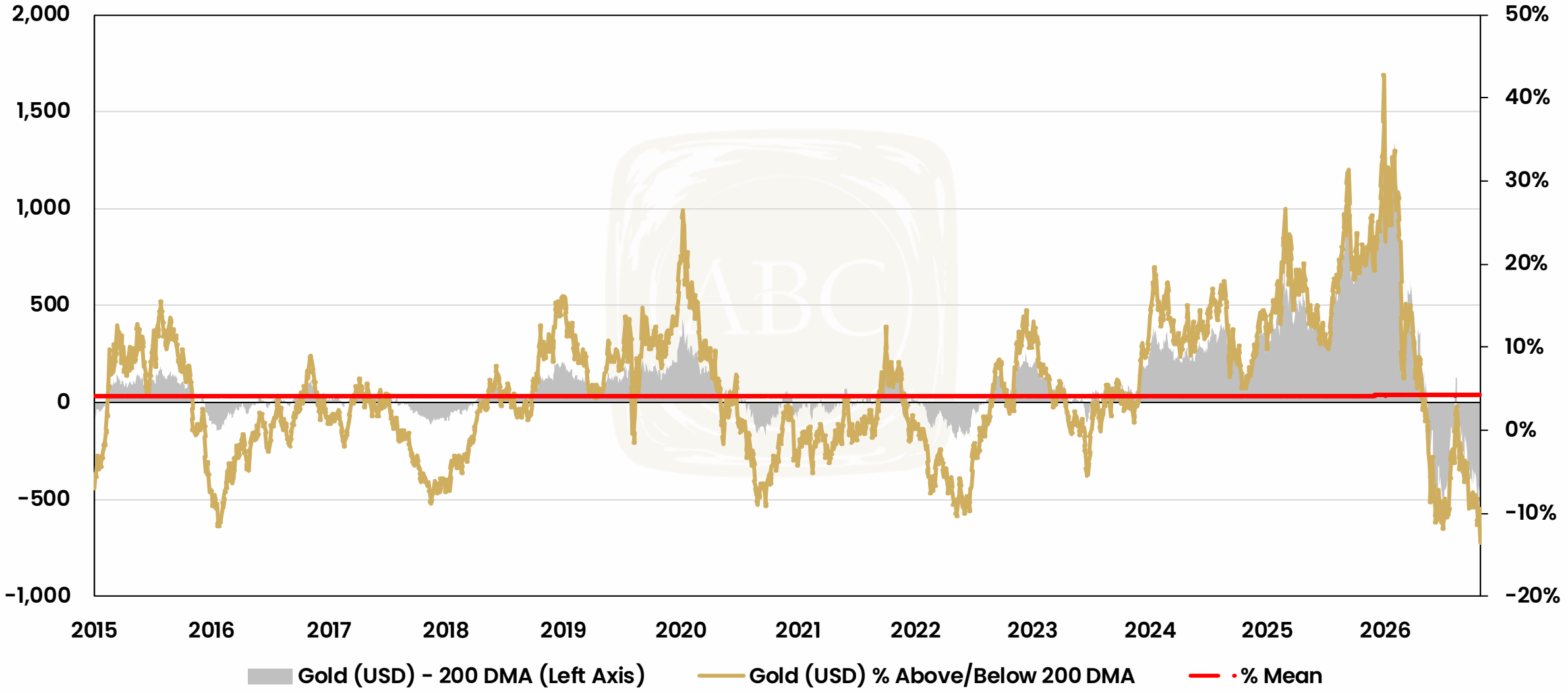
Gold in USD & 200 Daily Moving Average (DMA) (Jan 2000–Oct 2026)

Source: LBMA



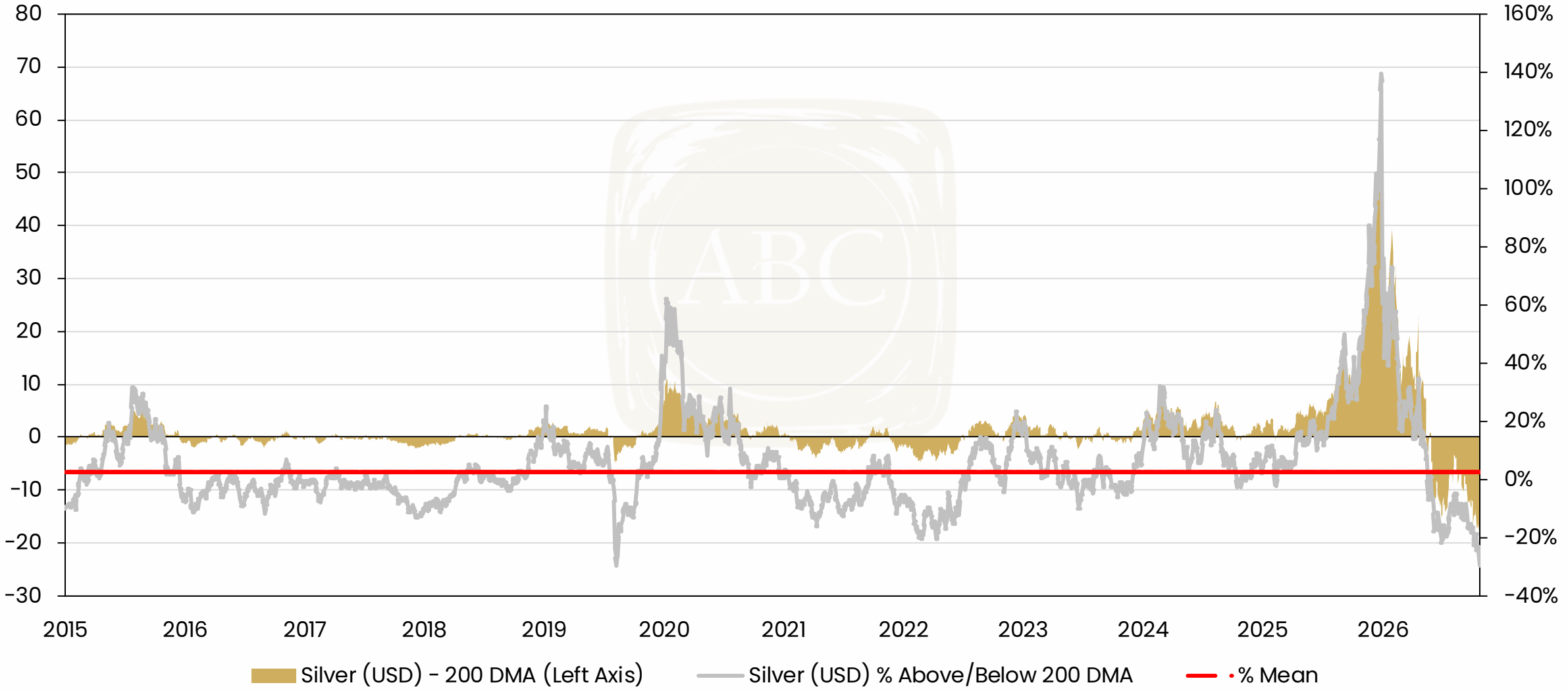
Gold in USD & 200 Daily Moving Average (DMA) (Jan 2016–Oct 2026)

Source: LBMA



Silver in USD & 200 Daily Moving Average (DMA) (Jan 2016–Oct 2026)

Source: LBMA



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