



# MONTHLY MARKET UPDATE

May 2026

Jordan Eliseo

*ABC Bullion General Manager*

Luke Tyler

*Senior Analyst*



# Table of Contents



## 1. Precious Metals Performance

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

## 2. Precious Metals vs the Markets

- a) Precious Metals Returns in AUD vs Key Equity Indices
- b) Gold vs S&P500
- c) Dow to Gold Ratio
- d) Gold to Oil Ratio
- e) Gold to Bloomberg Commodities Index Ratio
- f) Gold vs US 10Y Real Government Bond Yield Inverted
- g) Gold vs Federal Funds Effective Rate
- h) Gold vs Aus 10Y Government Bond Yield
- i) Gold vs Inflation
- j) Australian Cash Rate
- k) Investment Returns – Major Asset Classes

## 3. Precious Metal Flows & Positioning

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

## 4. Precious Metals Technical Analysis

- a) Gold and Silver vs 200 DMA
- b) Gold and Silver vs 14 Day RSI

# PRECIOUS METALS PERFORMANCE

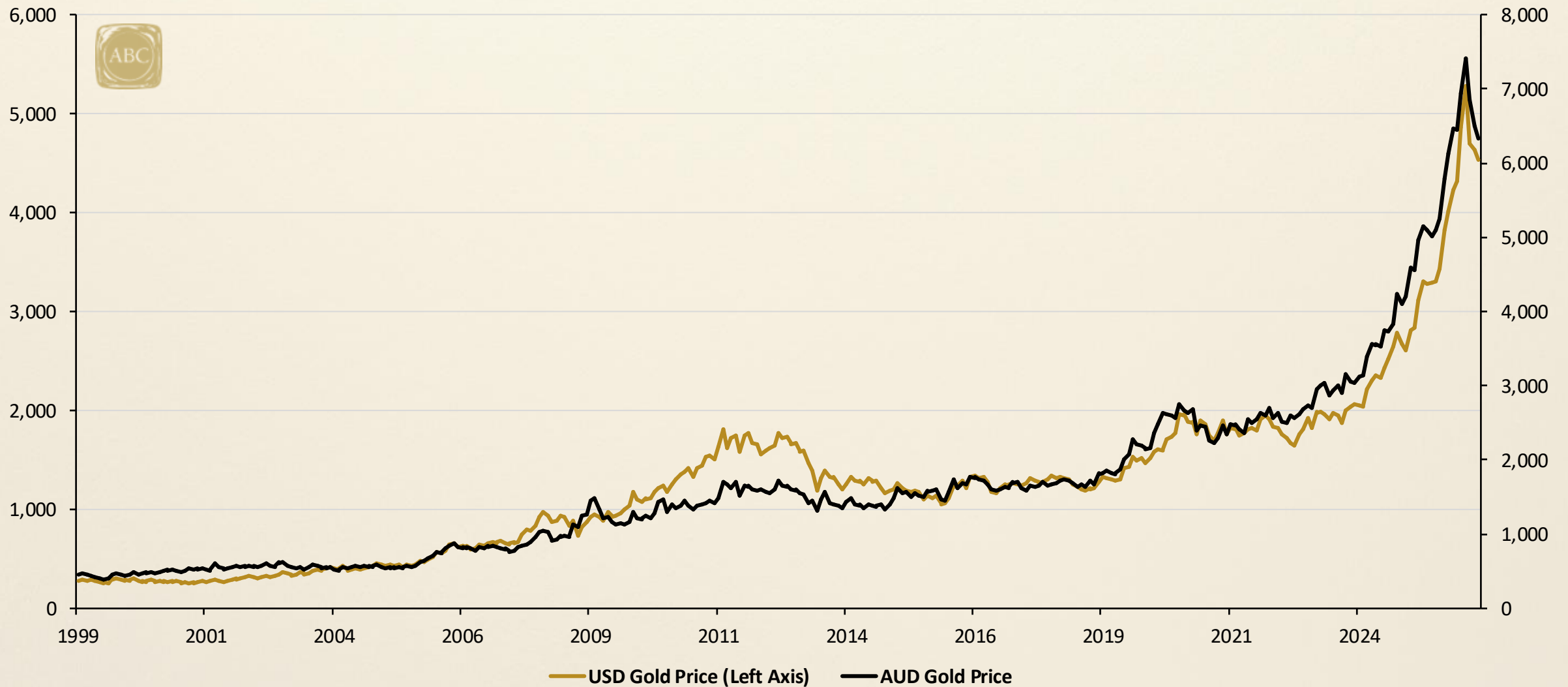


# Precious Metals Performance

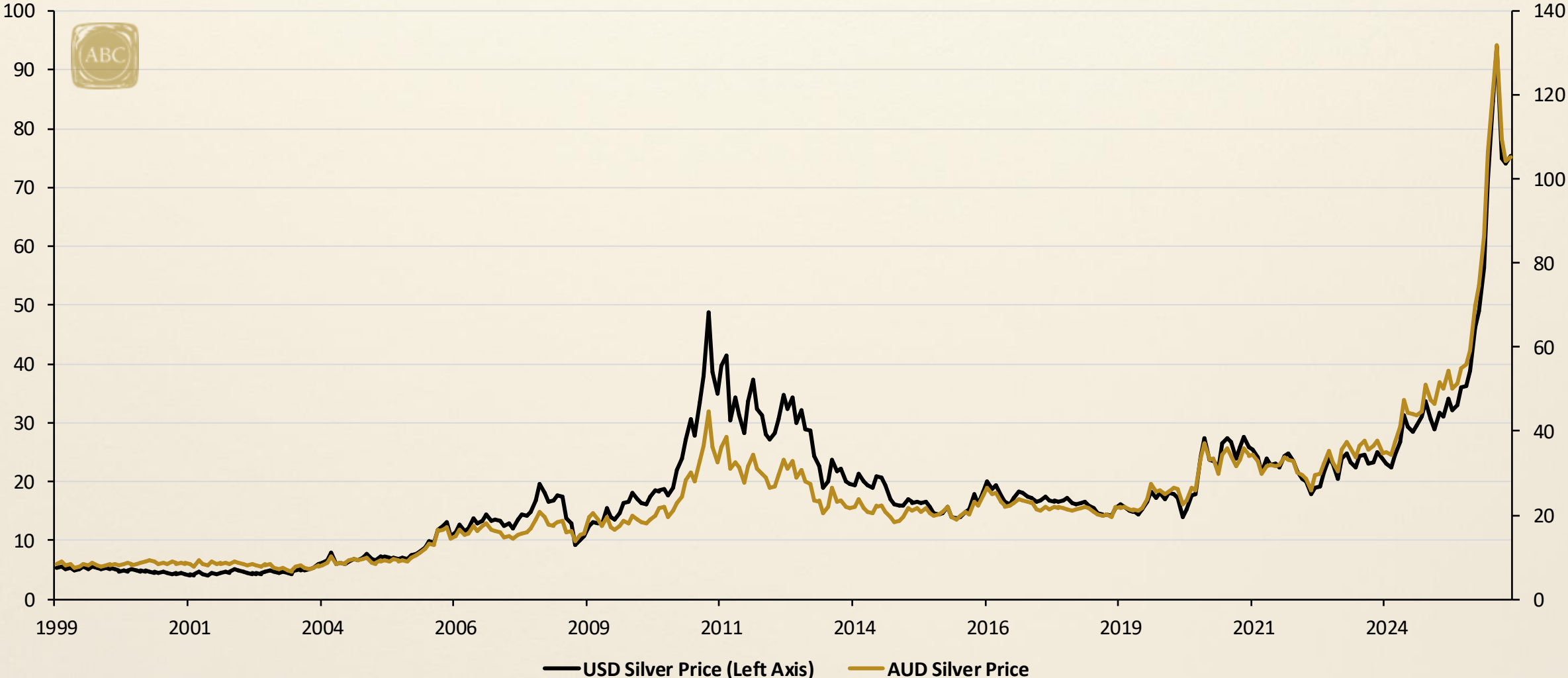
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- Gold prices fell during May. In USD terms, the precious metal climbed to an intramonth high of USD \$4,773 per troy ounce (oz), before falling to USD \$4,539oz by month-end. The precious metal delivered a monthly return of -2%.
- Silver gained 1.5% over the month to close at USD \$75.28oz. Like gold, silver oscillated throughout the month, with the white metal hitting an intramonth high of USD \$89oz in mid May, before falling to USD \$75 by month-end. Prices have since fallen by a further 7%, with spot silver trading close to USD \$70 at the time of writing.
- Platinum followed a similar pattern, falling marginally month-on-month by 1.5% to USD \$1,912oz. Meanwhile, the gold-to-platinum ratio fell (-0.01) to 2.37, remaining significantly above its long-term median of 0.92 dating back to 1990.
- The gold to silver ratio (GSR) remained largely range bound throughout May (59-64), down from its April 2025 highs above 100. The ratio ended the month at 60:1, broadly in line with its historical median of 63.
- In Australian dollar terms, precious metal returns lagged. Gold fell 2.6% while silver gained 0.8%. The appreciation in the value of the Australian dollar—which strengthened 0.7% vs. the greenback to end May at 0.7164—drove the underperformance in AUD denominated precious metal prices.
- 2025 was a standout year for precious metals, with gold, silver and platinum recording exceptional price gains. On a full-year basis, returns reached 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—one of the strongest annual performances for the sector in recent history.
- Gold and silver lead other major asset class (Australian shares, bonds and cash) across 5-year, 10-year, 20-year and 25-year horizons on a compound annual growth rate (CAGR) basis.
- The exceptional returns for gold and silver that we have seen in the post COVID era continue to be driven by a range of factors: including robust central bank accumulation; ongoing geopolitical tensions and safe-haven demand; growing inflationary pressures; and resilient physical investment demand from key markets.

# Gold in AUD and USD (Jan 1999–May 2026)

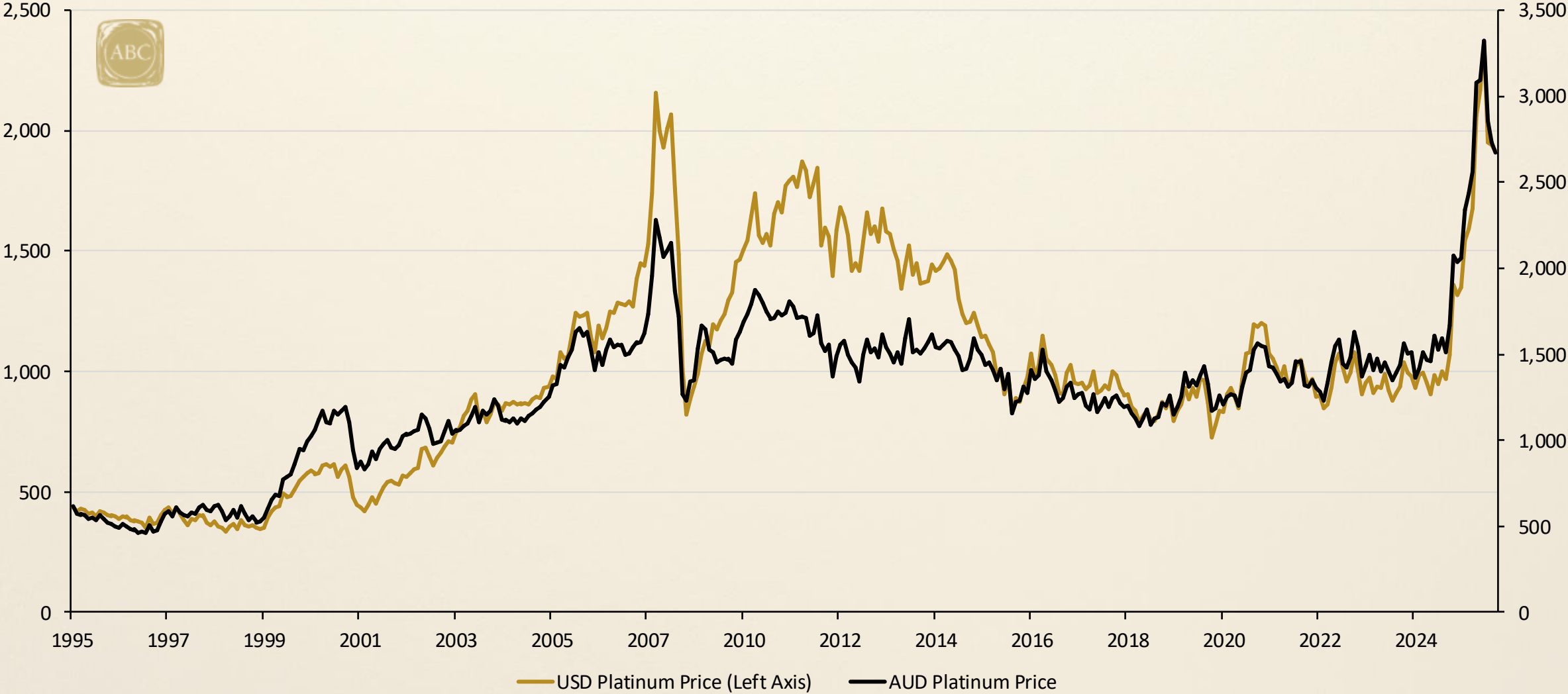


# Silver in AUD and USD (Jan 1999–May 2026)



Source: LBMA, RBA

# Platinum in AUD and USD (Jan 1995–May 2026)



Source: LBMA, RBA



# Gold/Silver Ratio (Jan 1970–May 2026)



Source: LBMA



# Gold/Platinum Ratio (Jan 1995–May 2026)



# Gold Performance in Multiple Currencies (Jan 1999–May 2026)

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	5.2%	-1.7%	5.1%	4.7%	6.9%	11.4%	1.5%	5.9%	6.6%
Average	8.8%	11.5%	10.1%	11.0%	11.9%	12.0%	10.5%	20.2%	20.6%
5 Year	19.0%	20.8%	20.0%	20.2%	28.3%	25.6%	20.8%	26.2%	25.4%
10 Year	14.1%	14.2%	13.5%	15.0%	18.3%	18.1%	14.0%	18.0%	17.3%
20 Year	10.2%	10.5%	10.7%	12.0%	12.1%	14.2%	9.0%	12.8%	13.6%
Since 1999	12.2%	11.5%	12.2%	13.2%	13.8%	16.0%	11.1%	14.4%	15.7%

# Silver Performance in Multiple Currencies (Jan 1999–May 2026)

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	5.6%	-1.3%	5.5%	5.1%	7.3%	11.9%	1.9%	8.0%	7.0%
Average	7.5%	10.0%	8.7%	9.9%	10.3%	10.7%	9.2%	30.4%	27.2%
5 Year	22.2%	24.1%	23.2%	23.4%	31.7%	29.0%	24.0%	35.0%	28.7%
10 Year	16.7%	16.8%	16.1%	17.6%	21.0%	20.8%	16.6%	24.7%	19.9%
20 Year	9.1%	9.5%	9.6%	10.9%	11.1%	13.1%	8.0%	14.5%	12.5%
Since 1999	12.0%	11.2%	12.0%	12.9%	13.6%	15.8%	10.9%	17.3%	15.5%



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# PRECIOUS METALS vs. THE MARKET



# Precious Metals vs The Market

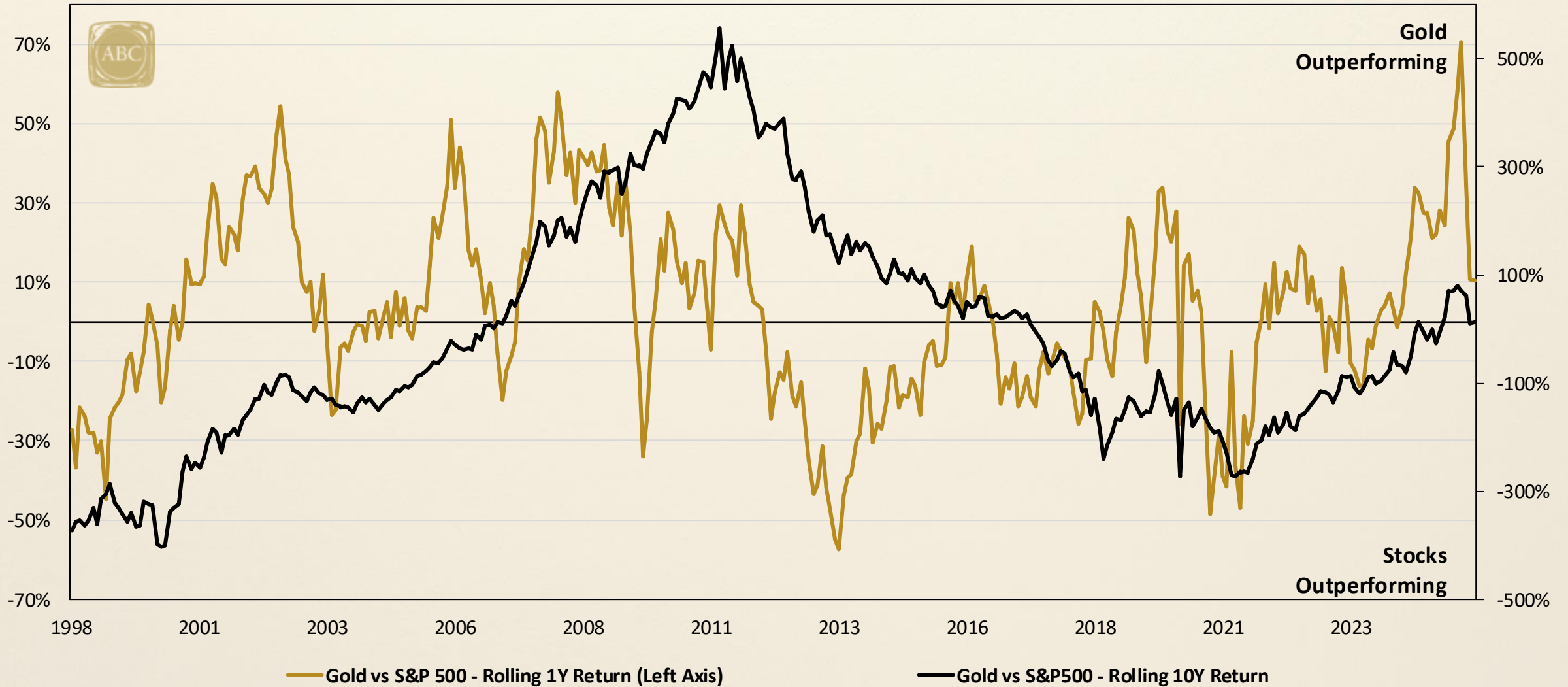
- The S&P 500 climbed to new highs over the course of May—up 9.5% year-to-date at the time of writing—outperforming gold substantially. This gain comes off the back of strong corporate earnings, particularly from U.S. tech shares and a surprisingly resilient labour market with the U.S. unemployment rate remaining steady at 4.3%.
- While the strong performance of equity markets has enriched bulls, risks remain elevated, with valuations stretched, as reflected in a current CAPE ratio of 41 versus a long-term average of 17.7. 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%). Concerns over a potential resurgence in inflation, trade barriers, AI euphoria and geopolitical risks are also factors that may encourage risk averse investors to adopt a cautious approach to equity allocations, especially once current bullish momentum dissipates.
- 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 (11.2) remains above the historical median of 7.5, suggesting gold appears relatively undervalued and has further upside potential.
- The Gold/Oil ratio spiked over the course of May again, ending the month at 52. However, remaining 34% below its February highs. This dramatic drop has been driven by the pullback in precious metal prices, and to a greater extent the spike in crude oil prices, with futures prices at the time of writing trading at USD \$75/BLL. Oil prices have come off from their peak of around USD \$120/BLL in recent days, following an interim agreement to end hostilities in the Middle East and reopen the Strait of Hormuz.
- The Gold/BCOM ratio ended its 3-month falling streak in May, rising 2% month-on-month, after reaching all time highs of 43.3 in February (-24%). With the recent fall driven by the pullback in precious metals alongside energy/livestock movements which have contributed to an increase in commodity indices. Geopolitical risk and supply disruptions drove the Bloomberg Commodity Index (BCOM) 24% higher in Q1 2026, with energy leading gains amid a pronounced oil supply shock ([Bloomberg](#)).
- Rate cut expectations have shifted rapidly since the onset of the Iran conflict. Prior to the war, traders were pricing in a over a 60% probability of a rate cut mid-2026. However, expectations have shifted, with the Fed now not anticipated to cut rates at all, with a rate rise probable by December 2026. The prospect of stable or higher rates in the US creates a less supportive environment for precious metals in the short-term, as investors are incentivised to allocate toward higher-yielding assets like cash and bonds, reducing the relative appeal of non-yielding assets like gold.
- Higher real yields in the U.S. since the beginning of the Iran conflict have also supported a stronger USD, with the DXY rising toward the 100 level. This has reasserted the typically inverse relationship between the USD and gold, amplifying the recent pullback in gold prices despite ongoing geopolitical uncertainty.
- While CPI is well and truly below the 2022 peak of 9.1%, it remains above the Fed's 2% target. Median, mean and core inflation in the U.S. ended May at 2.8%, 2.8% and 2.8% respectively (all up on March numbers)—while headline CPI hit 4.2%, up from just 2.4% 3 months prior. Given the surge in oil prices, there is a chance inflation will rise throughout the remainder of 2026, which in due course this is likely to 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	-1.9%	22.8%	157.7%	279.3%	1326.2%
Silver	-3.0%	102.2%	193.9%	379.0%	1188.0%
ASX 200	0.0%	3.8%	21.6%	64.0%	180.1%
S&P 500	10.5%	28.2%	80.3%	261.1%	417.6%
Compounded Annual Growth Rate - CAGR (%)					
Asset	YTD	1 Yr	5 Yr	10 Yr	25 Yr
Gold	N/A	22.8%	20.8%	14.3%	11.2%
Silver	N/A	102.2%	24.1%	17.0%	10.8%
ASX 200	N/A	3.8%	4.0%	5.1%	4.2%
S&P 500	N/A	28.2%	12.5%	13.7%	6.8%

\*Daily price data and extends to end May 2026

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



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



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



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



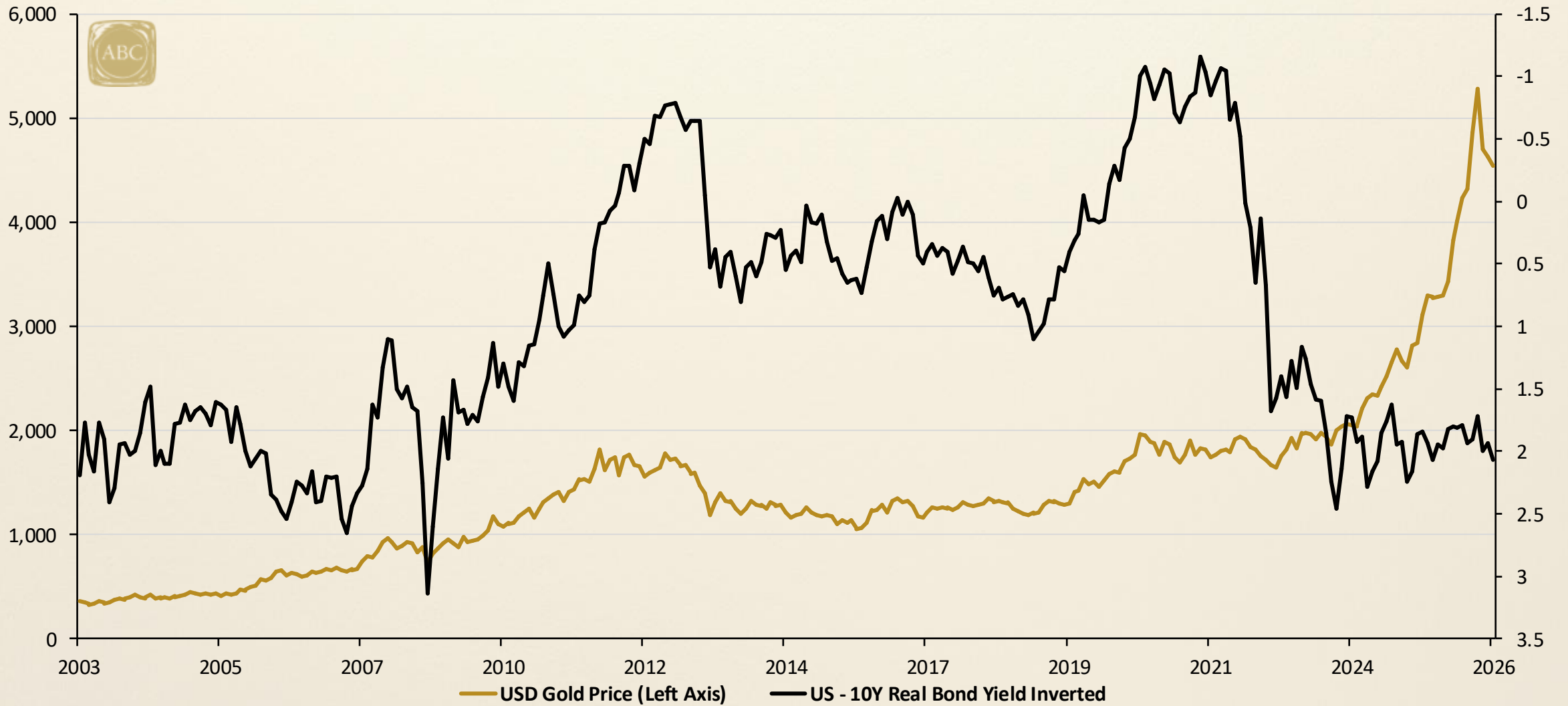
# Gold/Bloomberg Commodities Index (BCOM) in USD (Dec 1969–May 2026)



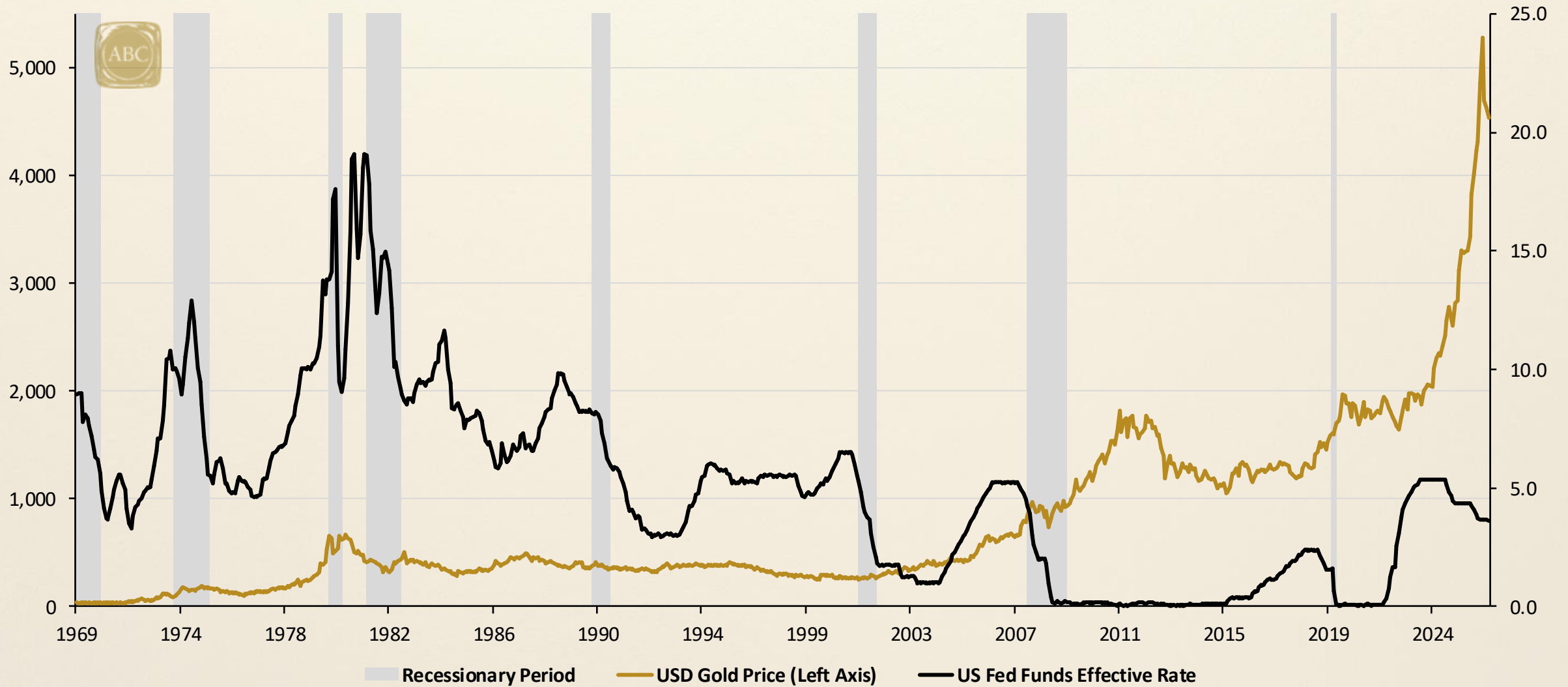
Source: LBMA, Bloomberg



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



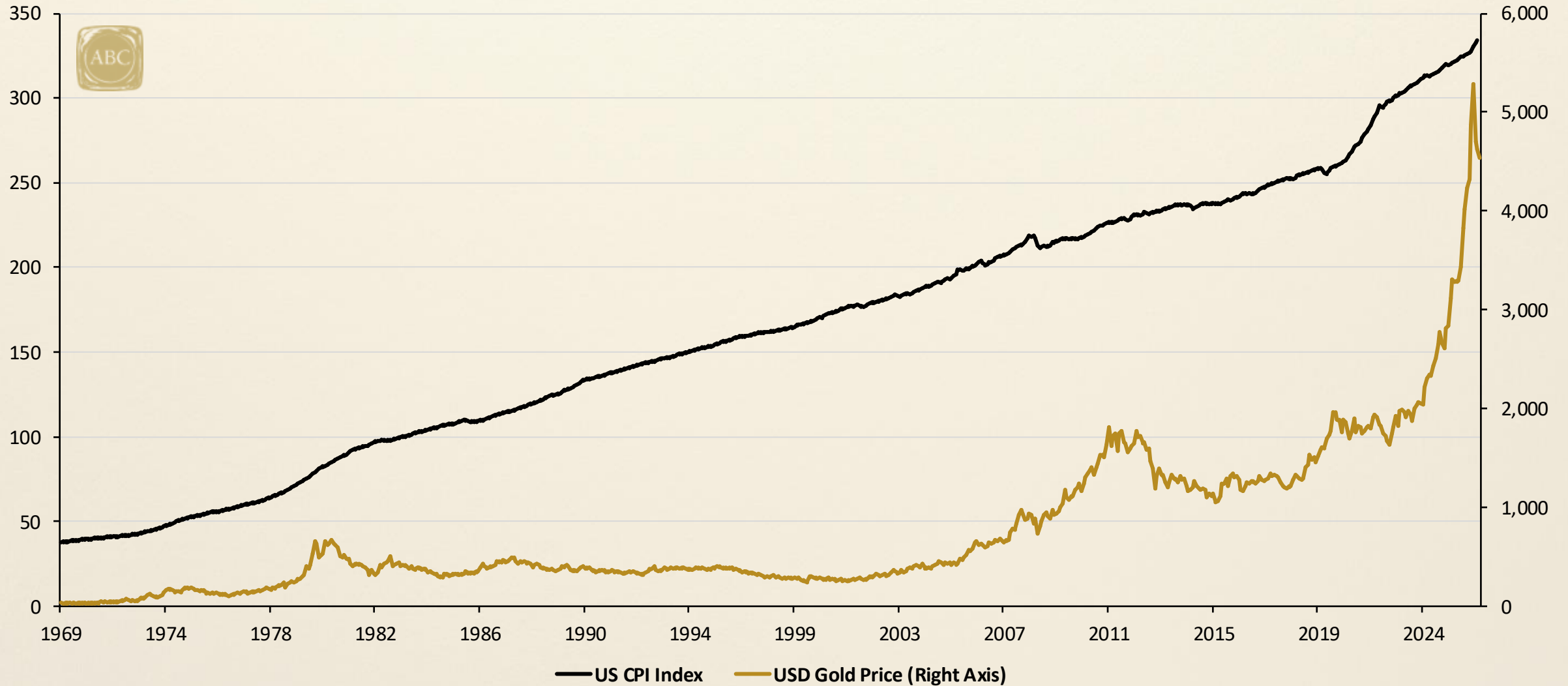
# Gold in USD & U.S. Fed Fund's Effective Rate (Dec 1969–May 2026)



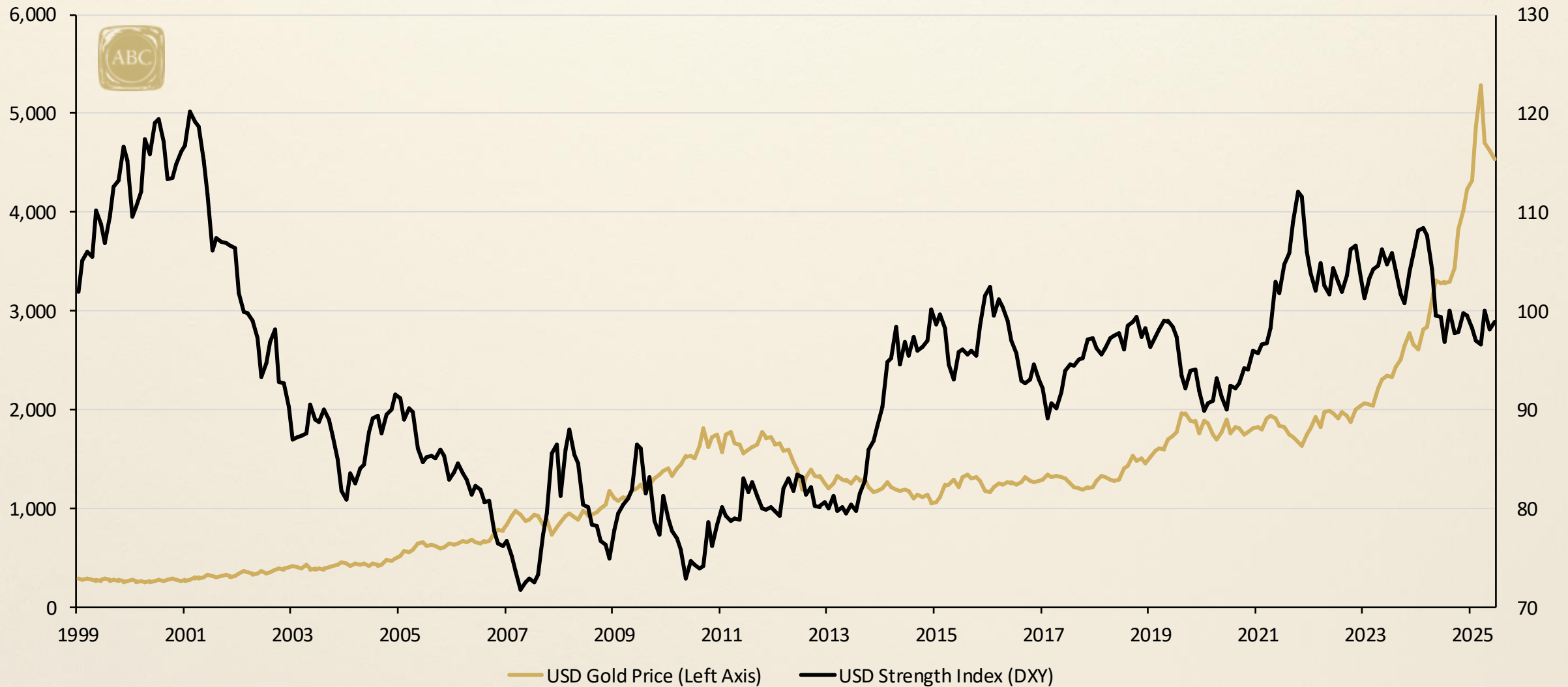
# Gold in AUD & Aus 10Y Gov Bond Yield (Jan 2000–May 2026)



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



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



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

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

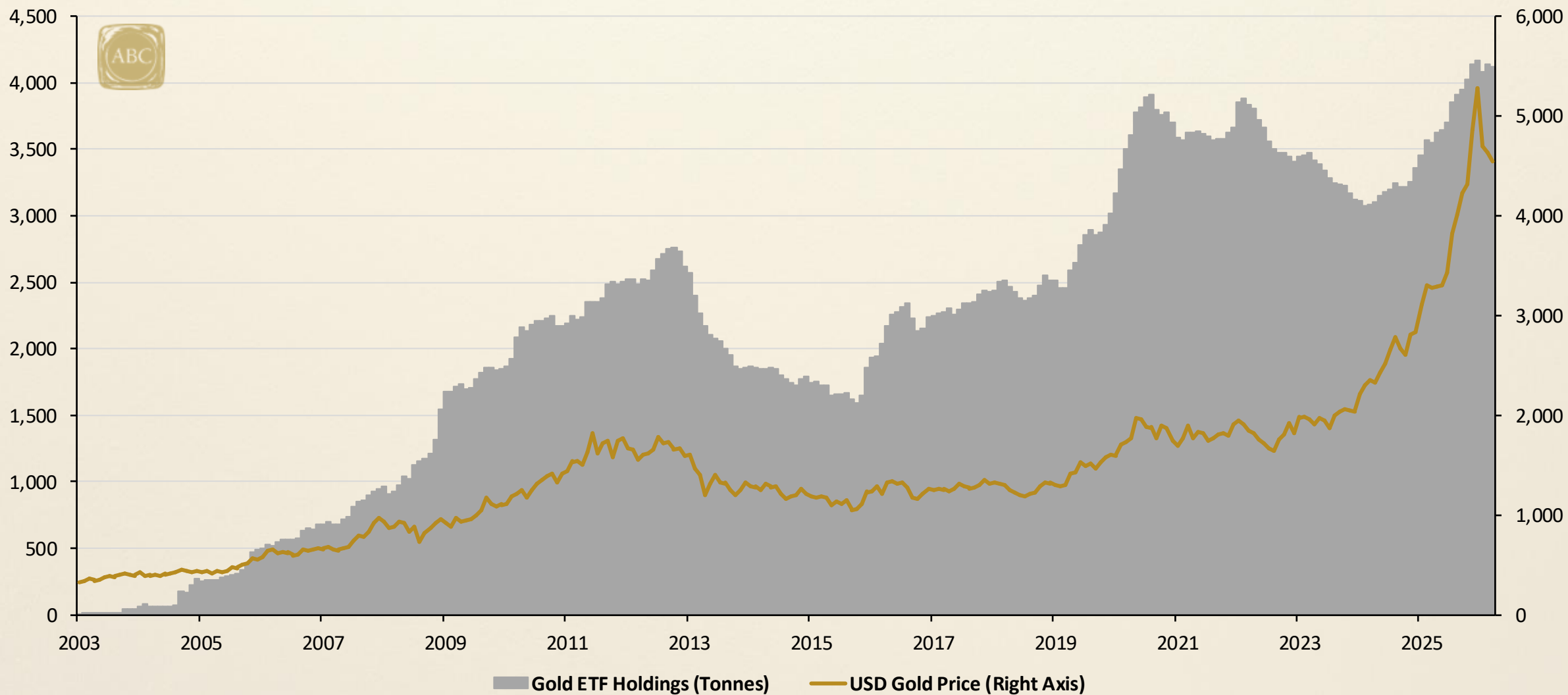
# PRECIOUS METALS FLOWS & POSITIONING



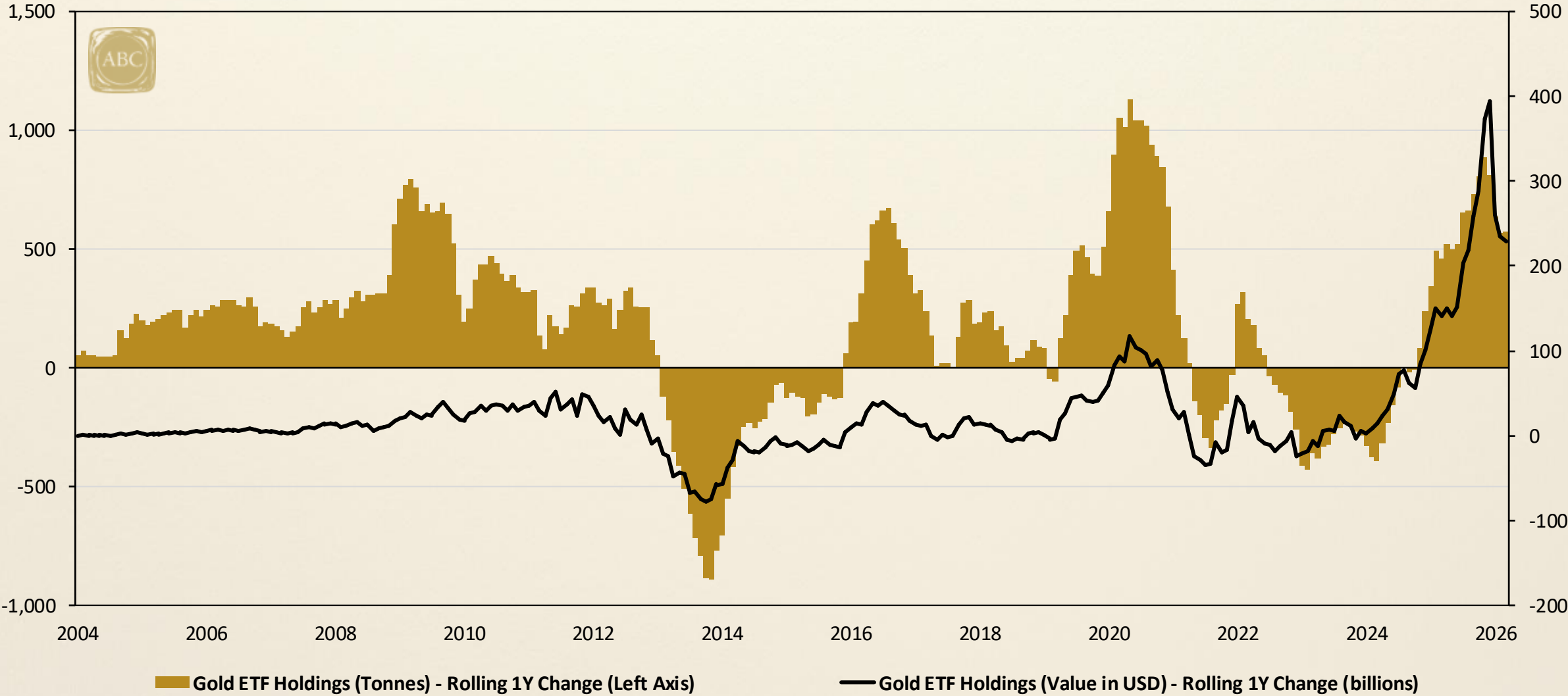
# Precious Metals Positioning

- ETF data for May suggests approximately 16 tonnes of gold was sold net by across the course of the month. The value of all gold holdings in ETFs ended the month at USD \$604bn. Although this value fell month-on-month (-1.7%), the value of all holdings in gold ETFs remain 8% and 61% higher than the start of the year and this time last year, respectively.
- 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 European listed ETFs was the highest across May, attracting USD \$334m or 1.2 tonnes. The highest selling came from North American ETFs, shedding USD \$1b or 8.5 tonnes.
- Central banks continued their robust buying in Q1 2026, adding 244 tonnes of gold. Purchases were led by Poland (31 tonnes) and Uzbekistan (25 tonnes) across the quarter. If these demand levels are sustained, it would not be surprising for net purchases to exceed 1000 tonnes again across 2026, in line with the yearly average since 2022.
- Central banks continued net purchases of gold throughout April (+19 tonnes), following a sharp month of net sales in March. Purchases were led by Poland (+14 tonnes), China (+8 tonnes) and the Czech Republic (+3 tonnes).
- A survey conducted by the World Gold Council in June 2026 suggested elevated central bank gold acquisitions will continue, with a record number of participants expecting to increase their own gold reserves.
- Speculative positioning in the gold futures market remained relatively unchanged month-on-month, with gross long positioning ending the May at just over 124,000 contracts. Pointing to a more measured, rather than aggressive, bullish stance in comparison to the 2025 highs.
- Gross short positioning fell significantly month-on-month, ending May at just below 27,000 contracts and dropping to a similar level seen during late 2025. Short positions remain structurally light, around 78% lower relative to the highs experienced in October 2023 and 33% below their historical average since 2006 indicating limited conviction on the bearish side.
- Net positioning in the market ended May at just over 97,000 contracts. That is 27% lower than it was 12 months ago. The decline reflects a moderation in bullish sentiment, driven largely by long liquidation rather than increased short positioning, suggesting a cooling rather than a reversal in market conviction.

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

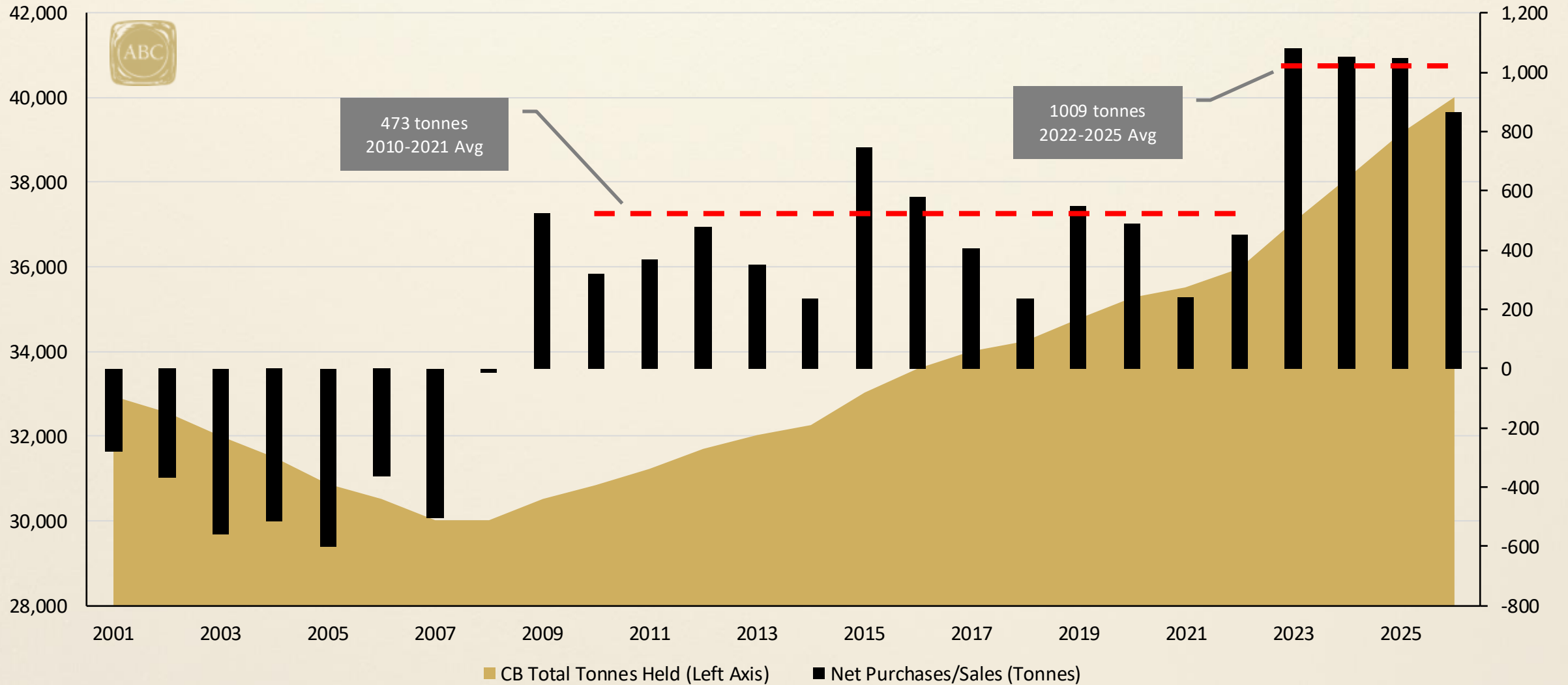


# Gold ETF Holdings (Mar 2003–May 2026)

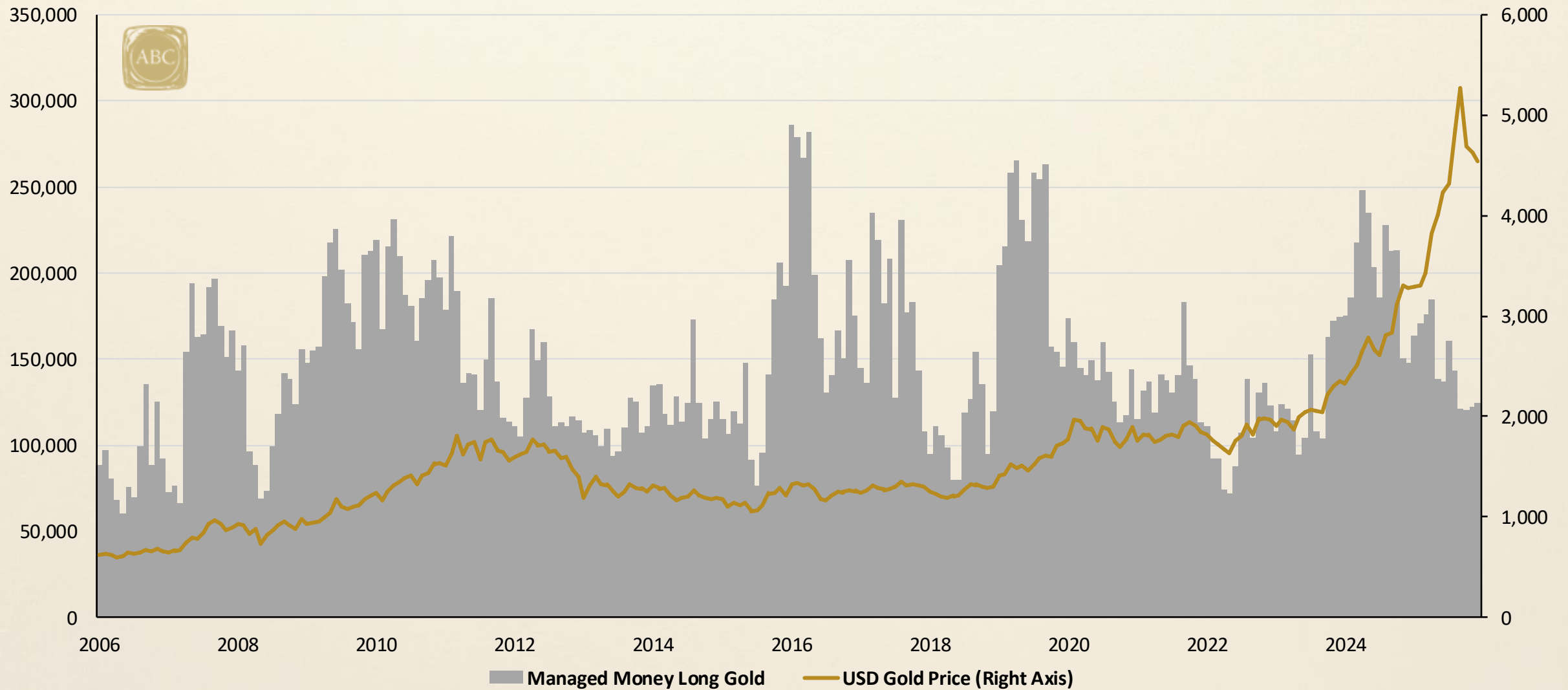


Source: LBMA, World Gold Council – ETF data as at 20/02/2026

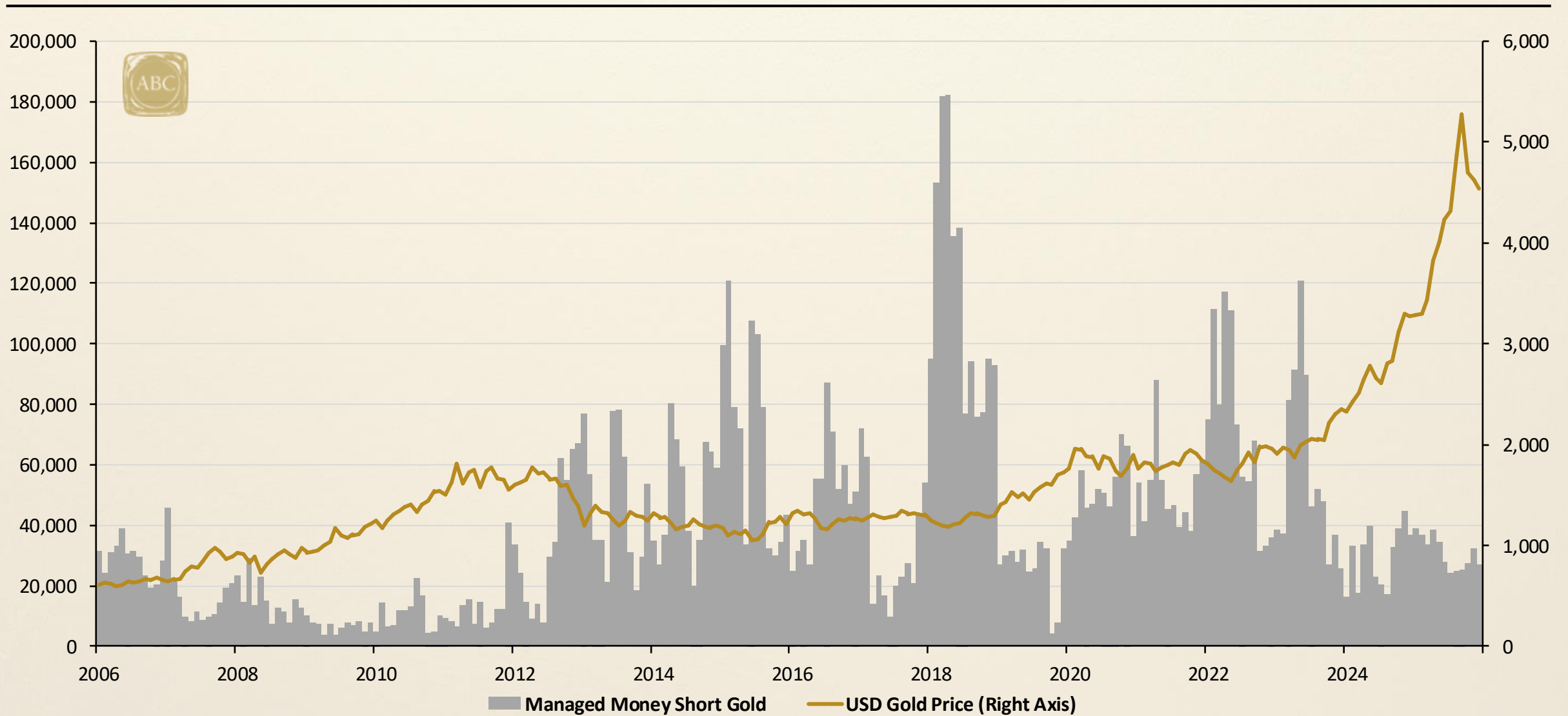
# Central Bank Gold Holdings & Net Purchases/Sales (2001–2025)



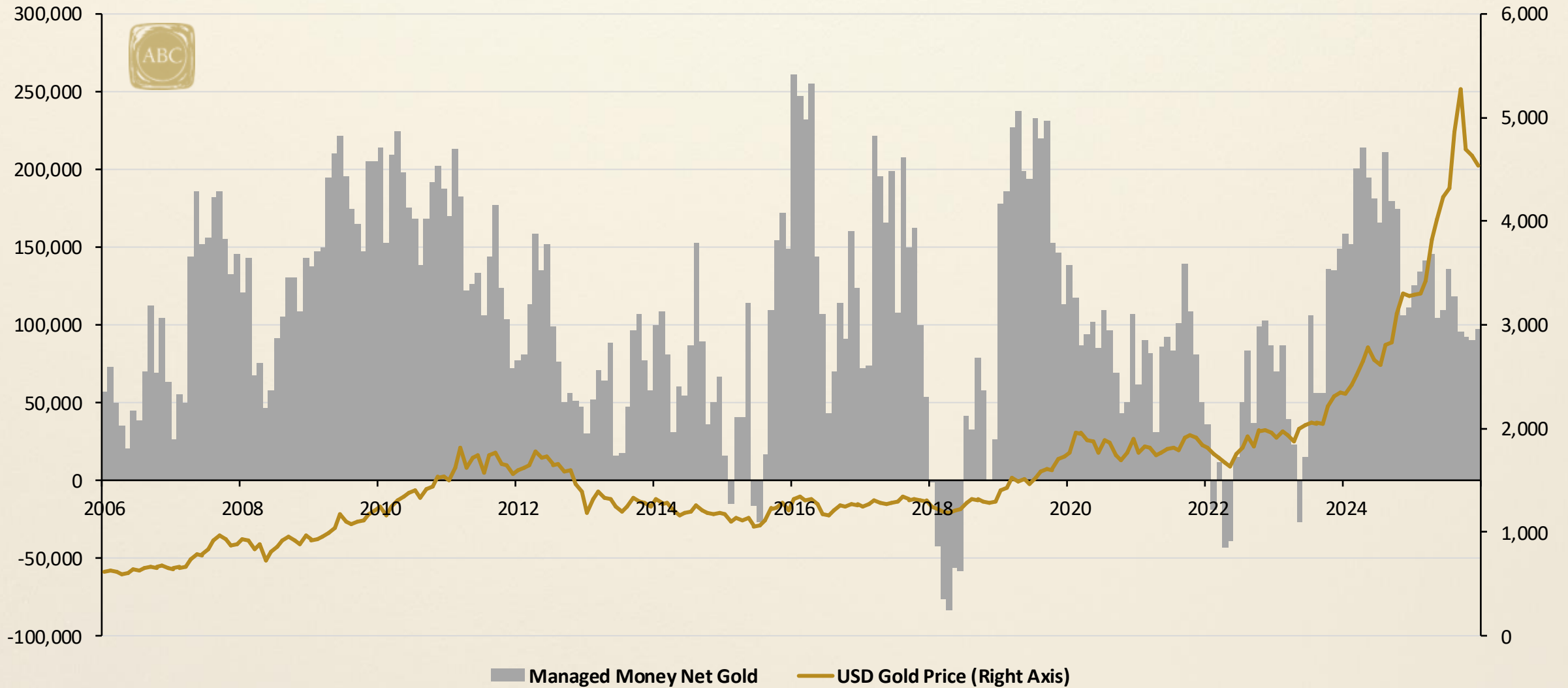
# Gold in USD & Managed Money Long Gold (Jun 2006–May 2026)



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



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





# PRECIOUS METALS TECHNICAL ANALYSIS

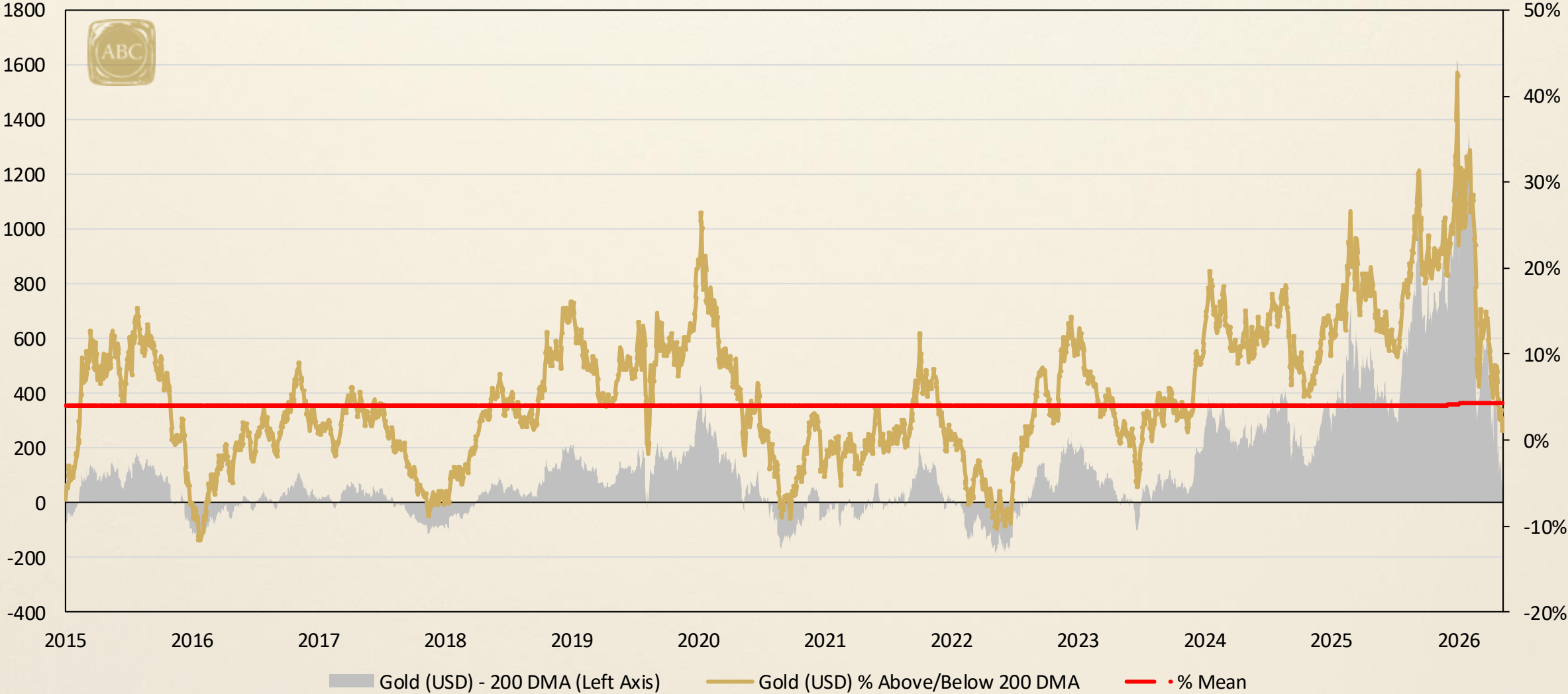


# Precious Metals Technical Analysis

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- Despite gold's recent pullback and consolidation, the metal remains broadly in line with its 200-day moving average (200DMA), which ended May just above USD \$4,426oz.
- The “price gap” between gold’s end-May USD spot price and its 200 DMA stood at approximately USD \$113, or 3%. 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 May was displaying greater signs of technical overvaluation. The metal's 200 DMA finished just above USD \$67.50oz, while the end-month spot price closed nearly USD \$8 higher. This translates to a 12% premium over the 200 DMA. However, like gold, this relationship has since flipped in June, where spot silver at one point traded 7% below its 200 DMA. This divergence has fallen significantly since its peak this January, when at one point spot silver had stretched to a 140% premium over the 200 DMA.
- Across the duration of the gold bull market, dating back to the year 2000, the average price gap between spot and the 200 DMA has been closer to 4.3%. 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 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, suggesting that a trough forming up to 10% below the 200 DMA remains a plausible scenario. Based on current levels and assuming an average price level of USD \$4,400oz between now and the end of June, this would imply a potential downside target for gold in the vicinity of USD \$4,000oz.
- This correction of this magnitude would be a healthy development for the market and would generate another attractive buying opportunity for medium to long-term investors.

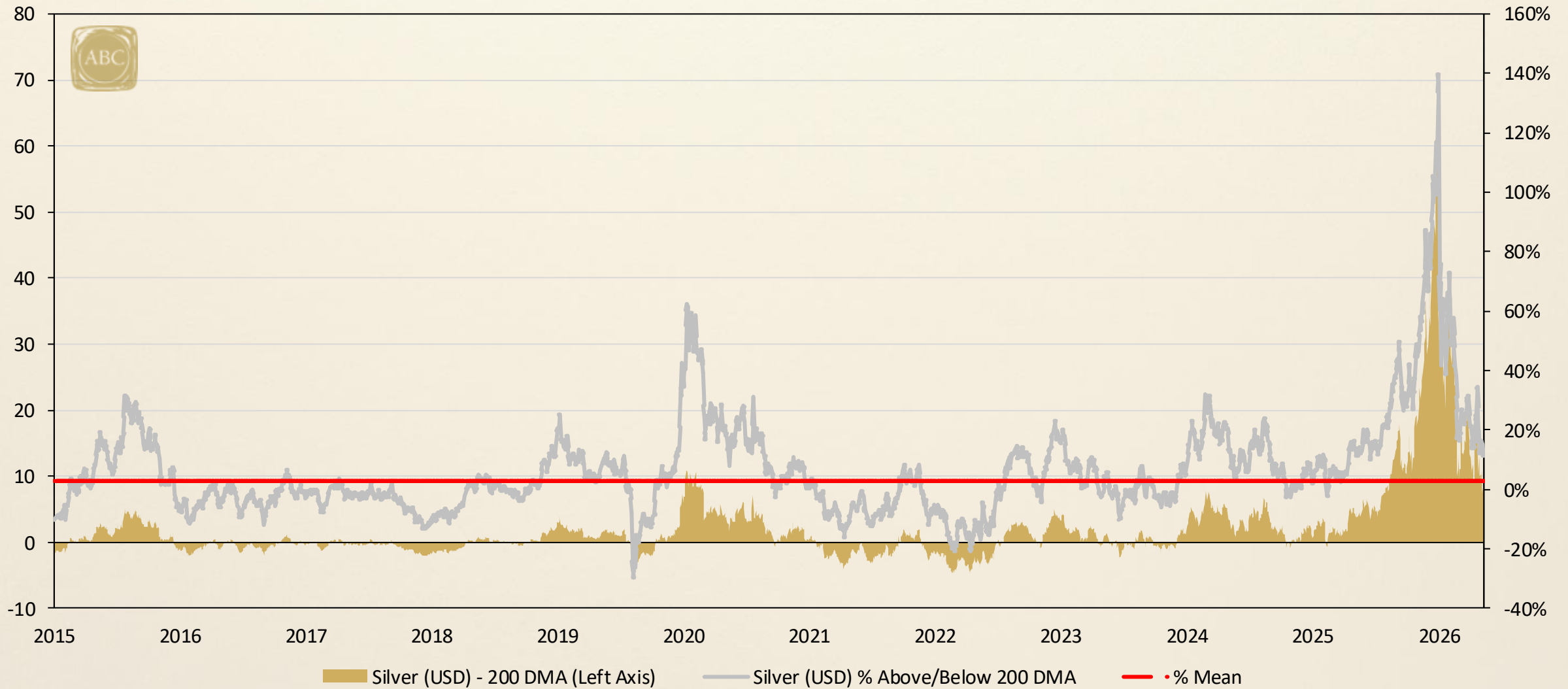
# Gold in USD & 200 Daily Moving Average (DMA) (Jan 2016–May 2026)



Source: LBMA



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





# CELEBRATING 10 YEARS OF GOLD SAVER

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