PRECIOUS FORECAST 2026

OUTLOOK 2026

Prices to reset

Precious metal prices are likely to trend lower for at least the first part of 2026. The rally that has seen gold and silver at record highs and PGM prices at their highest level in years, took prices too high too quickly. While prices could push higher in the near-term, once the momentum wanes a period of consolidation likely. The gold price traded sideways from April to August this year before the most recent leg higher, so it could take several months before the rally resumes.

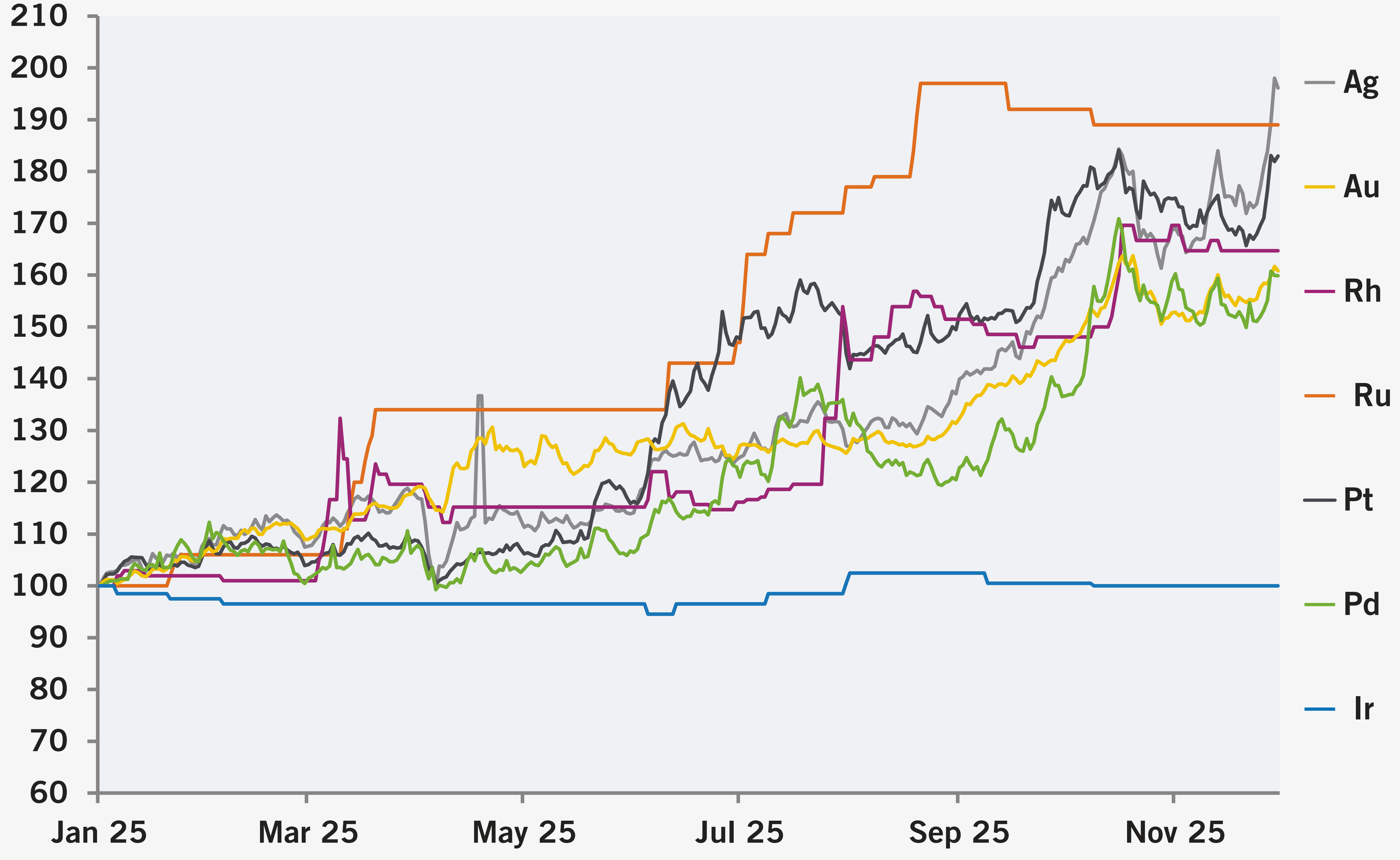
Investment demand helped to drive prices higher but so did movements of stock to the US which impacted liquidity. There remains some uncertainty over whether PGMs could be tariffed in some way because the US is still pursuing a Section 232 investigation as well as an anti-dumping case against Russian imports. Any change could cause further stock movements and price volatility.

Gold may have the firmest base as central banks continue to diversify their reserves by adding more gold. Lower interest rates could also be supportive of gold if inflation remains sticky and real interest rates decline. The high price is denting silver demand in a number of sectors, but if gold moves higher, silver is likely to follow.

Platinum looks set to have the tightest market of the major PGMs, but the trend is towards a smaller deficit as a result of lower demand. This is also the case for palladium and rhodium owing to the ongoing decline in sales of combustion engine light vehicles as BEVs continue to gain market share. Of the small PGMs, ruthenium has a tighter market than iridium as the data center buildout supports hard disk drive demand, although here too the price may have got ahead of itself.

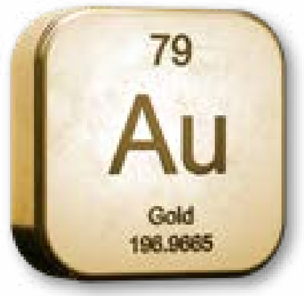
Downside price risks remain. The US Treasury yield curve uninverted more than a year ago and so a recession in the US could be expected to start soon, and the weakening job market fits with a deteriorating economic outlook. If a recession arrives in 2026, then the PGM prices are likely to trend lower.

Prices indexed to 100 1 Jan 2025



Source: Heraeus Precious Metals

2025*	2026
Avg. $3,361/oz	Forecast
High $4,382/oz	High $5,000/oz
Low $2,625/oz	Low $3,750/oz
Change +62%	



GOLD

Further price upside possible after a period of consolidation

Gold has had a remarkable 2025 with the spot price reaching a record intraday high of $4,382/oz in October. With the price going up almost vertically for a gain of $1,070/oz in just nine weeks and doubling in a little over two years, the atmosphere could be described as excessively enthusiastic. Certainly, retail investors in some countries managed to cause local shortages in their rush to buy gold bars. Many of the drivers for gold's rally are likely to remain in place in 2026 but after such a dramatic price increase, a period of consolidation is likely.

Central bank gold buying will continue. This year, central bank gold purchases are robust but lagging behind the rate of the last three years when more than 1,000 tonnes of gold was added to reserves annually. The trend to de-dollarization in some parts of the world will continue to be a driver. The World Gold Council's annual survey of central banks indicated that 43% thought their gold holdings would increase and most said they would decrease dollar holdings for gold or other currencies.

Source: Heraeus Precious Metals

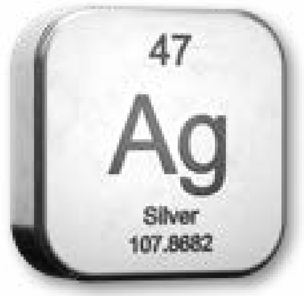
Jewellery demand has been constrained by the high gold price. In almost every country, gold jewellery purchases have been weaker in 2025 owing to the high gold price. If the price retreats far enough then purchases could pick up, but overall jewellery demand is likely to remain subdued compared to previous years.

Inflation could be sticky at a higher level for longer. Spending is not under control in the US or Europe, with budget deficits ballooning and government debt as a share of GDP reaching ever-higher levels. The internal politics in the US remain fraught with the government shut down for the longest period on record. Now that a budget deal has been reached, spending can continue. The concern is that fiscal dominance will be the result, with monetary policy used to keep interest rates low to help finance the spending and potentially even monetize the debt. President Trump has been critical of Fed policy and will be able to nominate a new chairman when Jay Powell's term ends in May 2026, making it likely that someone whose thinking is more in line with the President's will be chosen. That might leave inflation to run above the 2% target which would reduce the debt burden in real terms, meaning that real interest rates will be negative which is typically a good time to own gold.

Investment demand is likely to remain robust, even if there is some profit-taking in the near term. Bar and coin demand has continued to grow and ETF investors sharply increased their holdings this year purchasing an additional 14.7 moz, after very modest additions in 2024. That has lifted global ETF holdings by 18% to 97.5 moz, but, while the gold price has been reaching record highs, ETF holdings are still below their highest level, which was 111 moz in 2020. That shows that there is some room for ETF investors to increase their gold holdings.

The gold price is forecast to trade between $3,750/oz and $5,000/oz in 2026. The US has so far avoided the recession indicated by the Treasury yield curve uninverting last year; however, the labor market is weakening. The Fed usually favors supporting the economy, so if the labor market stays weak more rate cuts will be forthcoming even if inflation remains above target. This reduces the real interest rate which is typically positive for gold. However, after such strong price appreciation in 2025, a period of consolidation is anticipated before the rally resumes.

2025*	2026
Avg. $37.75/oz	Forecast
High $58.63/oz	High $62/oz
Low $28.90/oz	Low $43/oz
Change +96%	

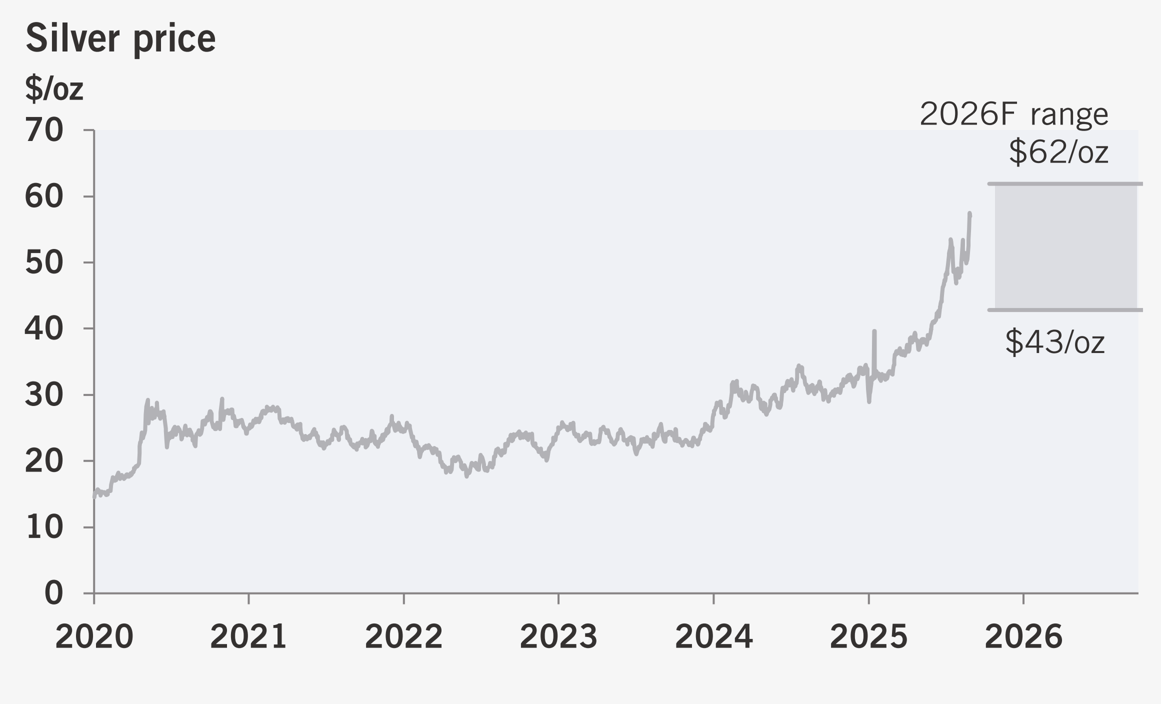


SILVER

Several demand areas could struggle in 2026

The silver price hit a new all-time high in December. There was a liquidity squeeze as stock had moved to the US on tariff concerns, leaving less available metal in London to meet a sharp increase in demand. Rising ETF inflows and a rush of retail investor demand in September and October tightened the market and caused lease rates to surge higher and the price to hit a new record. The tightness appears to have shifted to China after outflows of silver back to London. However, after such a rapid ascent, the price could spend some time digesting those gains.

Photovoltaic silver demand is projected to decline in 2026 as thrifting outweighs growth in installations. After several years of significant growth, photovoltaic (PV) installation growth is predicted to slow to about 1% in 2026 following policy changes in China, the largest market. At the same time, the high silver price has reinvigorated efforts to thrift silver in PV systems. This is occurring on a number of fronts including printing finer contacts, changes in the cell design and by attempting to use cheaper metals. Other industrial demand tends to grow broadly in line with the growth in the global economy which is muddling through with modest growth despite the US tariffs that have complicated the trade outlook.



Source: Heraeus Precious Metals

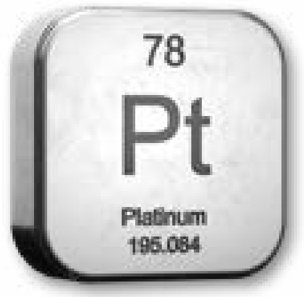
High silver prices have held back jewellery and silverware demand and that is likely to be the case again in 2026. India accounts for about 40% of global silver jewellery demand and around two-thirds of the silverware market, and consumers have been unable to afford as much silver as the price has climbed. The country imported 14% less silver in the year to October year-on-year.

Recycling is likely to rise with higher silver prices. Even if the silver price slides from its current level, the average price in 2026 is likely to be higher than in 2025 and higher prices tend to encourage greater recycling. Most silver is produced as a by-product at gold, copper and lead/zinc mines. Mine output for each of these metals is expected to expand modestly in 2026, suggesting that silver output is also likely to rise.

Demand growth in 2026 could be reliant on investment, with declines anticipated in silverware, jewellery, photographic and photovoltaic demand, and lackluster industrial demand. That said, strong investment interest in silver is not a given as it has been variable in 2025. The rising price has a dampening effect on coin sales which are priced at a premium to bars and are bought as much for collectability as investment. Bar demand has varied depending on the country, with retail investors in India, in particular, enthusiastically buying as the price rallied. ETF holdings rose by 17%, from 716 moz at the start of the year to 835 moz in October, before some profit-taking set in.

Ultimately, silver is a higher beta, i.e. more volatile, investment than gold. The drivers of the gold price, namely, economic and geopolitical concerns, US fiscal and monetary policy, central banks cutting interest rates, and their impact on the US dollar, will also influence the silver price. If gold's rally resumes, then silver is likely to follow. **The silver price is forecast to trade between $43/oz and $62/oz next year.**

2025*	2026
Avg. $1,227/oz	Forecast
High $1,720/oz	High $1,800/oz
Low $908/oz	Low $1,300/oz
Change +84%	



PLATINUM

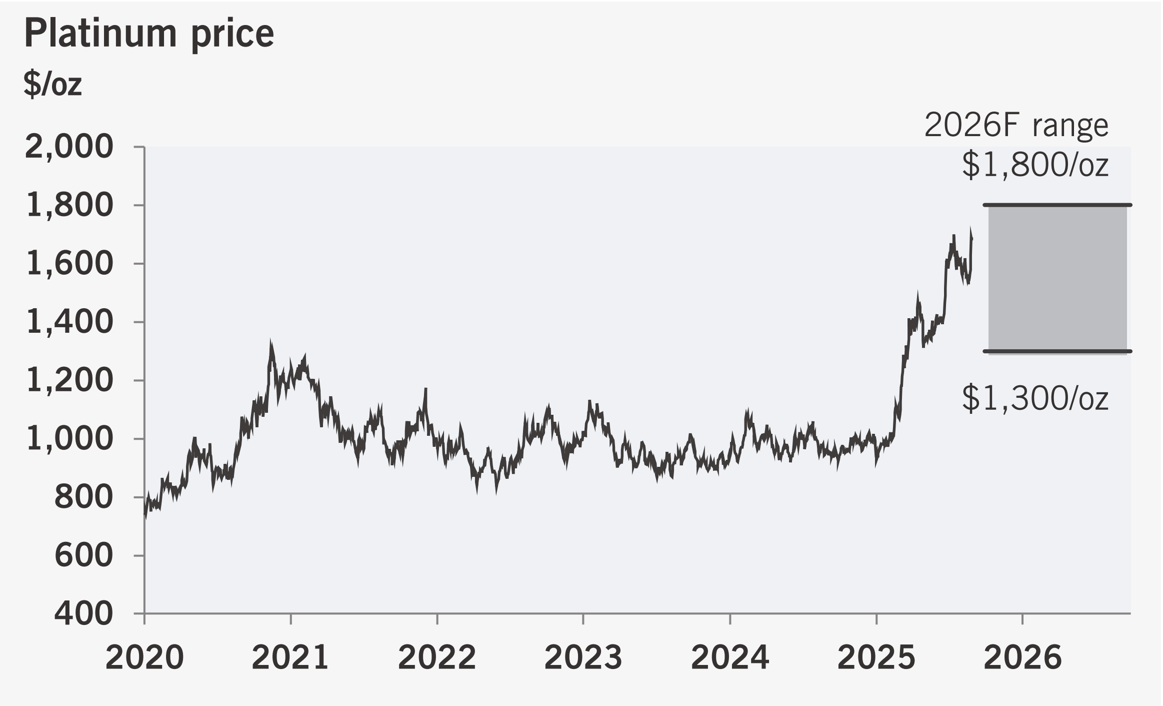
Near-term price consolidation expected, but fundamentals remain supportive

The platinum market is expected to remain in deficit in 2026 (ex. investment), although the deficit is expected to shrink. Primary output is predicted to be slightly higher in 2026, but not back to 2024's level, and secondary supply is anticipated to rise modestly. At the same time global demand is estimated to contract by 2% on weaker automotive, industrial and jewellery demand.

Global primary supply is forecast to rise by 2.4% to 5.2 moz next year, but that is still lower than the 5.5 moz produced in 2024. South African output is predicted to be somewhat higher in 2026, partly owing to the processing of work-in-progress stock that was built up during processing plant maintenance, and partly owing to the ramp-up of some new operations. The recovery in PGM prices during 2025 improved the mining companies' margins which makes further cuts to production unlikely. Output in Russia and Zimbabwe is expected to move higher, while North American supply is little changed year-on-year.

Secondary supply is anticipated to rise modestly next year. In Europe, scrap autocatalyst volumes are predicted to rise building on the modest recovery that occurred in 2025. Light-vehicle sales held up better than expected in the US after tariffs of 25% were imposed on imports and the higher PGM prices in the second half of the year helped to incentivize autocatalyst flows to the recyclers and that is expected to continue in 2026. Heavy-duty vehicle sales are forecast to see robust growth globally, leading to greater numbers of scrapped commercial vehicles.

Automotive demand is predicted to decline to 2.9 moz. Heavy-duty vehicle production is forecast to increase by 6% next year but incremental growth in demand for this segment is outweighed by changes in the light-vehicle market. Some reverse substitution, taking some platinum back out of gasoline autocatalysts in favor of more palladium, is expected in 2026 which, along with a further decline in the share of ICE vehicles as BEVs continue to make market share gains, is the main cause of the lower level of demand.



Source: Heraeus Precious Metals

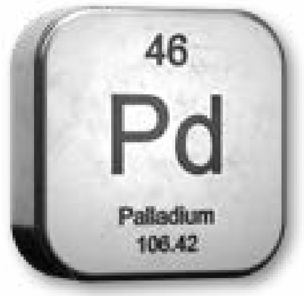
There is potential for jewellery demand upside next year if consumers move back into platinum. The discount to gold is still extremely large and that makes platinum jewellery competitive with white gold. It remains to be seen if Chinese fabricators' return to platinum jewellery in H1'25 has been matched by consumer purchases. China is still the largest market for platinum jewellery and so growth in sales there would be meaningful.

Platinum requirements for industrial uses are forecast to dip slightly next year to 2.2 moz. Growth in the electrical, medical and petroleum sectors is mostly offset by declines in chemical and glass requirements. After several years of significant capacity additions for glass production in China, there was a slowdown this year which is expected to continue in 2026.

Investment demand has been positive during 2025. In the first half of the year ETF holdings saw relatively modest changes, with total holdings rising by 30 koz. However, with the price rallying sharply, profit-taking in July and August saw net outflows of 279 koz. This was followed by a return to net gains in September and October, and further profit taking in November leaving overall holdings down by 110 koz at the end of November. Bar and coin demand has been somewhat mixed as there was some profit-taking by Japanese investors. The World Platinum Investment Council (WPIC) reports ongoing demand in China for large investment bars.

Platinum is estimated to trade between $1,300/oz and $1,800/oz in 2026. Solid demand, stock movements into the US on tariff concerns, higher Chinese imports, and underperforming primary supply tightened the market in the first half of 2025 and the price responded by rallying to its highest level since 2013, with lease rates also becoming much higher than normal. The price peaked in October and after such a large and rapid rally a period of consolidation is likely. In 2026, supply is moving higher while demand is shrinking which is reducing the market deficit. That said, lease rates remain elevated and the market is expected to remain in deficit next year, so once the consolidation period ends further price appreciation is anticipated.

2025*	2026
Avg. $1,111/oz	Forecast
High $1,604/oz	High $1,500/oz
Low $903/oz	Low $950/oz
Change +59%	



PALLADIUM

Fundamentals are less supportive as the market surplus widens

The palladium market is projected to have a larger surplus in 2026. Secondary supply is expected to build on its rebound in 2025 and primary supply is predicted to edge higher as an expansion in Russian output is partly offset by a decline in North America. Global demand is forecast to dip modestly as a decrease in automotive requirements is partly offset by slightly higher industrial use.

Primary palladium production is forecast to increase by 1% to 6.2 moz next year. Supply in Russia is anticipated to expand as Nornickel is due to begin processing the concentrate from Chernogorskoye which is scheduled to start ramping up in 2026. However, North American palladium production is set to fall as output at Impala Canada is on a declining trend with the mine planned to close in 2027. Zimbabwean palladium output is projected to climb modestly, while South African production is little changed.

Secondary supply is predicted to climb further in 2026. The rally in the PGM prices has helped to boost secondary supply in Europe and the US this year and some additional growth is anticipated for 2026. However, there is a risk that there may be flat or lower recycling in China next year, after the number of scrapped vehicles was boosted by a purchase tax exemption and trade-in subsidies when buying a new car during 2025. New car sales are forecast to be similar to those in 2025, but the government has reduced the purchase tax exemption for NEVs to a 50% reduction next year and some provinces and cities have begun to phase out the trade-in subsidies.

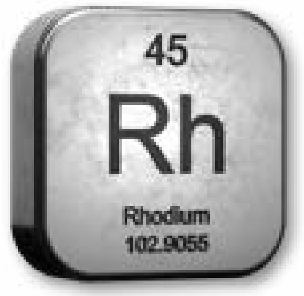
Source: Heraeus Precious Metals

Global palladium demand is estimated to slip by 0.7% to 8.7 moz next year owing to a decline in automotive demand which outweighs a slight increase in industrial use, as electrical and chemical demand is expected to expand modestly.

Palladium automotive demand is forecast to fall to 7.2 moz. Many countries continue to promote the sale of BEVs with a variety of subsidies and tax breaks. BEVs are projected to continue to gain market share from ICE and hybrid light vehicles which weighs on palladium automotive demand. Offsetting this to some extent is the removal of tax credits in the US in September which could mean BEV sales in the US are lower than previously anticipated next year. Additionally, some reverse substitution taking some platinum out of gasoline autocatalysts and replacing it with palladium is expected in 2026, which will also help to offset the impact of declining ICE and hybrid vehicle production.

The palladium price could be dragged higher if platinum resumes its rally, but the fundamentals are less supportive as the market moves into a wider surplus and so **the price is predicted to trade between $950/oz and $1,500/oz next year.**

2025*	2026
Avg. $6,559/oz	Forecast
High $8,650/oz	High $9,000/oz
Low $5,100/oz	Low $6,000/oz
Change +65%	



RHODIUM

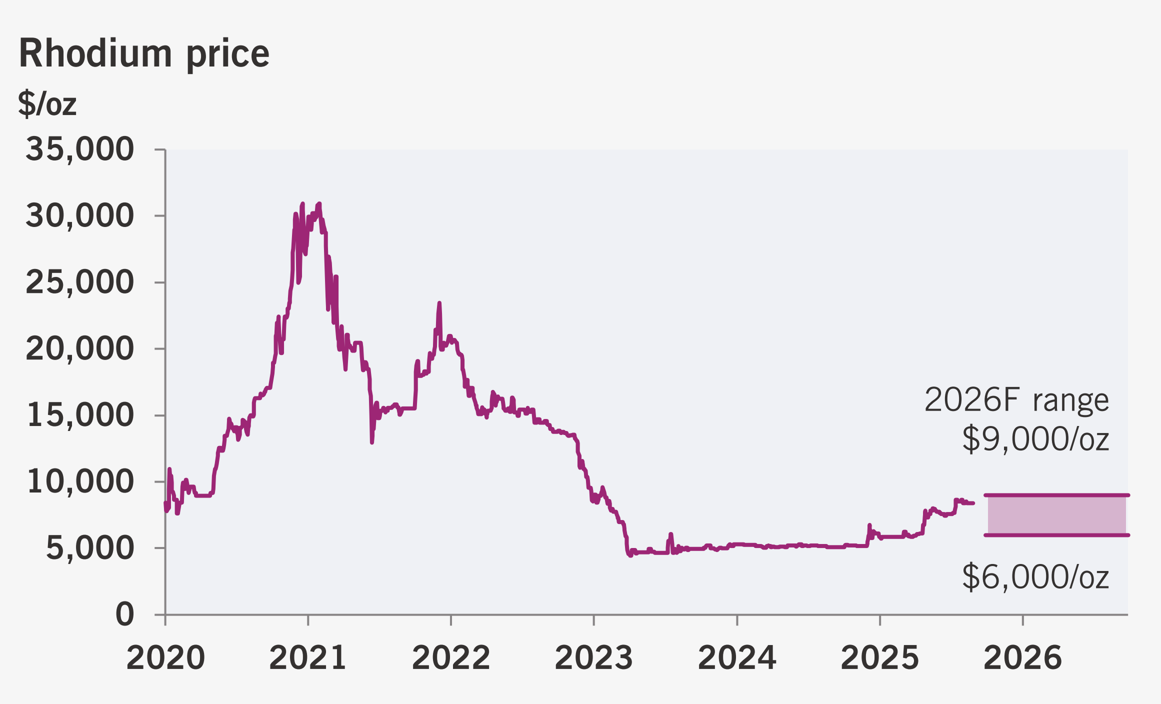
Market moves into surplus

The rhodium market is forecast to shift from a small deficit into a small surplus in 2026. A slight improvement in industrial demand is outweighed by a decline in automotive demand.

Rhodium automotive demand is estimated to fall by 5% to 820 koz. Although global light-vehicle production is expected to rise by 1% next year, the ongoing market share loss of ICE and hybrid vehicles to BEVs is expected to result in lower metal requirements for autocatalysts. There could be some upside for demand if BEV sales fail to meet expectations. In Europe, sales forecasts are linked to the targets for the reduction of CO_2 emissions but while BEV sales are advancing, they are not growing at the pace necessary to hit the EU's targets. If that continues to be the case in 2026 then that could mean more ICE and hybrid vehicles being sold than anticipated and some upside for rhodium demand. That could also be the case in the US where the removal of the tax credits for BEVs could see a rebound in gasoline light-vehicle sales.

Industrial use of rhodium is projected to rise modestly next year. Moderate growth in the chemical and other sectors is expected, with glass and electrical requirements being little changed.

Primary supply is forecast to be marginally higher next year. Refined output in South Africa is estimated to dip slightly, but, with PGM prices having rallied in the second half of the year, the mining companies' margins have improved and so further production cuts are not anticipated. Supply from Zimbabwe and Russia is expected to be slightly higher year-on-year, with production stable in other regions.



Source: Heraeus Precious Metals

Secondary rhodium supply is predicted to rise in 2026. New light-vehicle sales are forecast to increase which should result in greater numbers of old vehicles being scrapped. Even if PGM prices ease they are still likely to be higher than in the first half of 2025, which is supportive for recycling.

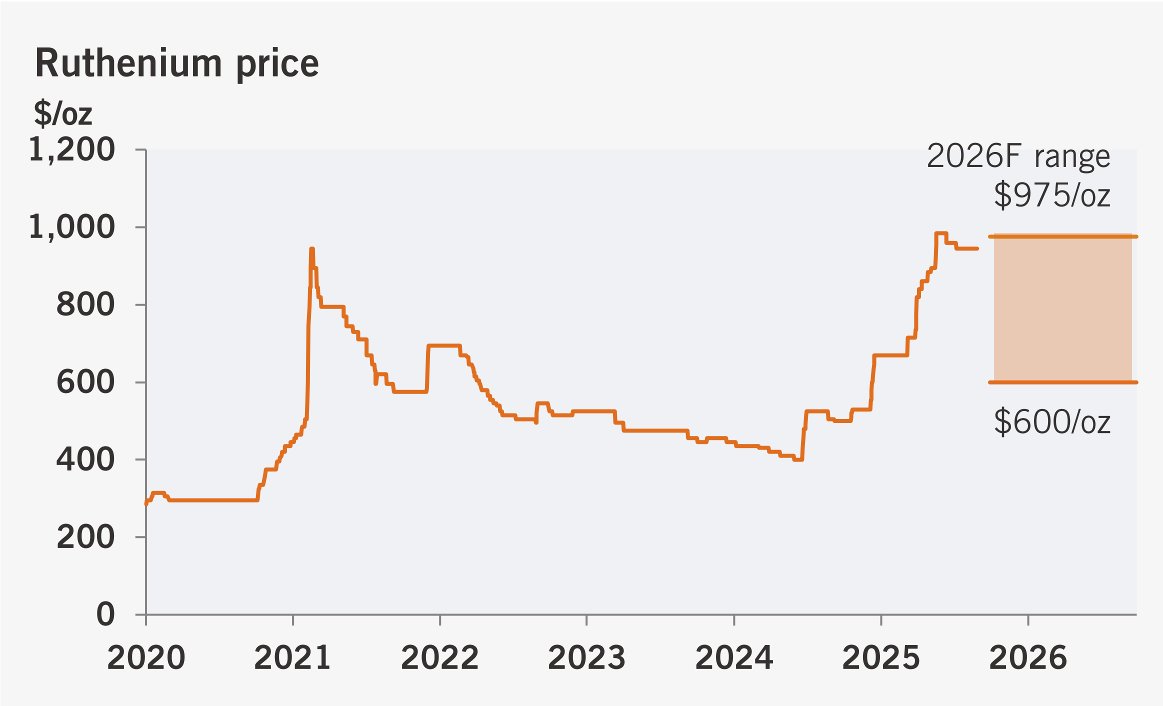
The rhodium price is estimated to range between $6,000/oz and $9,000/oz in 2026. The rhodium market is predicted to shift from a small deficit into a surplus which could see the price trend lower. Additionally, in the near term both the platinum and palladium prices were very overbought in October and if those prices continue to correct in early 2026, that could drag the rhodium price lower.

2025*	2026
Avg. $758/oz	Forecast
High $985/oz	High $975/oz
Low $500/oz	Low $600/oz
Change +89%	

RUTHENIUM
Tightening market

Primary supply of ruthenium is forecast to be little changed next year. South African output is expected to be flat in 2026. There is some partially processed stockpiled material that will be processed next year. At existing operations some mines are increasing production, but other operations are likely to see a gradual decline and ruthenium output is more impacted than iridium. There are some new operations starting production, though delays can occur, so there could be some upside to supply if the new operations can achieve their targets. Output from other regions is predicted to be stable.

Electrical demand is expanding, as hard disk drive manufacturers have seen a recovery and acceleration in demand as AI datacenter buildout increases. The HAMR technology for hard disks, which does not use ruthenium, is being sold commercially and sales volumes are rising. However, the MAMR technology still represents by far the majority of sales and, with data center growth being propelled by AI developments, it is experiencing robust demand. Growth in the use of electronics is increasing across many industries, including the automotive and aerospace sectors as well as data storage, and this is also influencing demand for ruthenium as it is used in devices such as magnetoresistive RAM.



Source: Heraeus Precious Metals

Ruthenium use in the hydrogen economy is predicted to climb in 2026 after a year of relatively subdued demand this year. Ruthenium is being used in electrolyzers along with iridium, as well as in a variety of other hydrogen-related processes. China's latest Five-Year Plan (2026-2030) appears to include fuel cell vehicles within the push to further develop green hydrogen, but full details have yet to be released.

The ruthenium market remains tight which could lead to a higher price, but demand growth partly relies on various elements of the hydrogen economy advancing more strongly than in 2025. While the economic outlook is for a similar rate of global GDP growth in 2026 as this year, a recession remains a risk for the US and Eurozone which would weigh on the price. **The ruthenium price is forecast to trade between $600/oz and $975/oz in 2026.**

2025*	2026
Avg. $4,945/oz	Forecast
High $5,150/oz	High $5,150/oz
Low $4,750/oz	Low $3,800/oz
Change 0.0%	

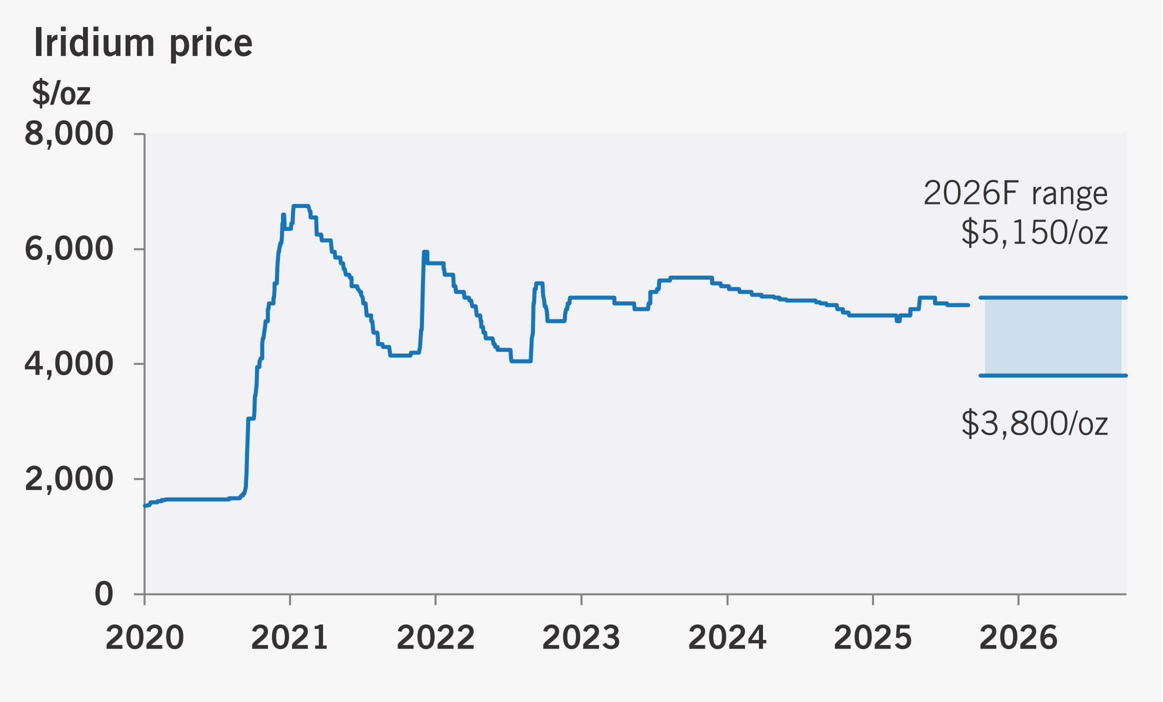
IRIDIUM

Slightly tighter market may not be enough to lift the price

Iridium supply is forecast to recover in 2026. A variety of incidents reduced PGM production from South Africa in 2025, which, combined with processing plant maintenance, resulted in some partly processed material being stockpiled, at least some of which will be processed next year. Production in both Zimbabwe and Russia is expected to be slightly higher next year. With PGM prices being much higher than at the start of 2025, South African mining companies now have much better margins and so cuts to supply appear unlikely. Some small projects are ramping up, adding small amounts of iridium to South African output, although avoiding delays will be key to that upside.

Demand is forecast to increase in 2026. A return to demand growth in the hydrogen sector is anticipated after a slowdown this year. The outlook is somewhat cautious after a difficult year. Numerous projects have been advanced but also there have been many that were delayed or cancelled. However, many countries are still pursuing the development of green hydrogen infrastructure, including China where it features in the latest Five-Year Plan (2026-2030), even though the US has been removing support for the industry. It is not yet clear how much this will impact iridium demand as, although some Chinese companies have developed PEM electrolyzers, the industry in China has focused mostly on alkaline electrolyzers which typically do not use iridium.

Electrochemical uses, such as for the chloralkali process and water purification, are expected to see some demand growth next year. Iridium is also seeing use in a new area. Even as ruthenium loses out in the shift from MAMR hard disks to HAMR, a little iridium is being used in the read heads.



Source: Heraeus Precious Metals

The iridium market is expected to tighten slightly in 2026. Supply looks set to rebound after a difficult 2025 and demand is advancing modestly, although that partly relies on the hydrogen economy progressing more projects. The economic outlook is for a similar rate of growth in 2026 as this year, but it is not clear if the full impact of the US's tariffs has been seen yet, so there is a risk of slower growth or a recession and a lower price. **The iridium price is forecast to trade between $3,800/oz and $5,150/oz in 2026.**

*All figures for 2025 refer to the beginning of December.

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