

Precious Metals Tracker

Tentative Relief

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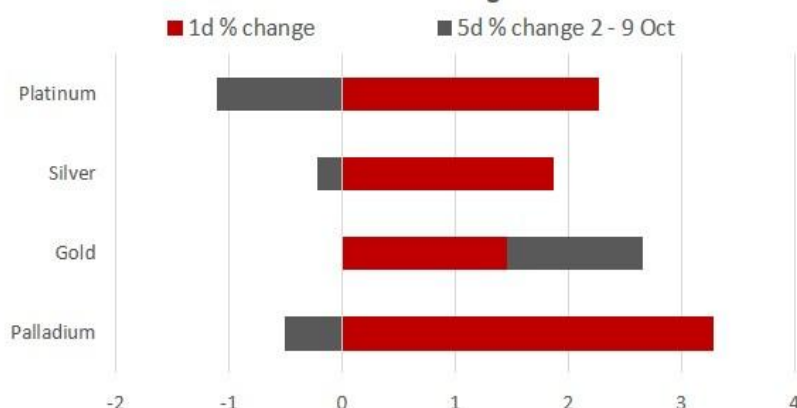
- *Gold: Easing long-end UST yields and a softer USD have supported a rebound, while ETF demand remains resilient. Next week's US CPI will be key; softer inflation could reinforce the rates relief and extend gold's recovery, while a firmer print risks renewed downward pressure.*
- *Silver: Sharply reduced speculative positioning leaves room for longs to rebuild, particularly if US yields and the USD ease further. We remain tactically constructive, although sustained gains would require firmer investment flows.*
- *Platinum & palladium: PGM metals are showing signs of forming interim bottoms. While the resolution of the Stillwater strike may ease supply concerns, potential South African processing constraints and Chinese restocking warrant monitoring.*

Precious metals — Relief bounce as long-end yields eased

Precious metals rebounded on Friday as the USD softened and long-end UST yields retreated following solid demand at the US 30-year Treasury auction. Silver and PGMs joined gold in recovering from recent lows, with easing oil prices also providing some relief to inflation concerns.

While the rebound is encouraging, the sustainability of the recovery will likely hinge on whether US yields and the USD continue to ease, with next week's US CPI an important test.

Precious metals % change vs USD



Source: Bloomberg, OCBC Group Research

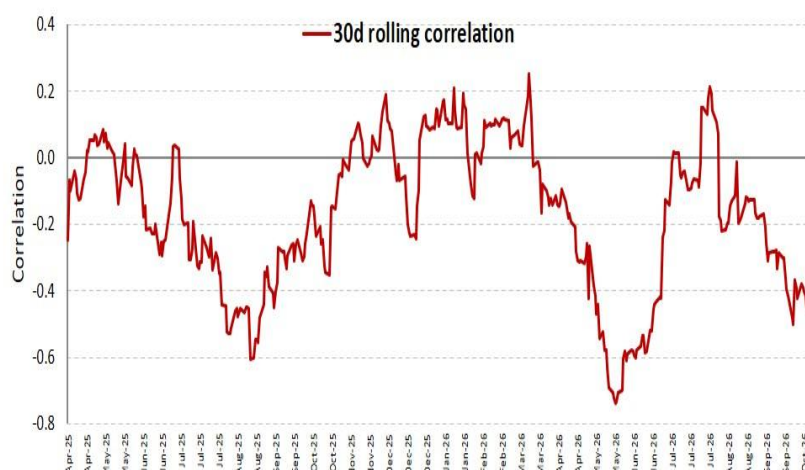
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Gold – Yields/ oil channel matters; US CPI next

Gold has regained some ground on Friday, rising more than 1% towards as the USD softened and UST yields extended their pullback. The move followed solid demand at Thursday's US 30-year auction, which helped ease pressure at the long end after yields had reached multi-decade highs earlier in the week. Oil prices easing away from highs have also provided some relief to the inflation/rates backdrop.

The rebound reinforces the importance of long-end yields for precious metals including gold. Weaker payrolls last Fri (2 Oct) alone failed to sustain gains earlier in the week, but the subsequent easing in yields has provided a more supportive combination.

Inverse correlation between Gold and 30y UST yield

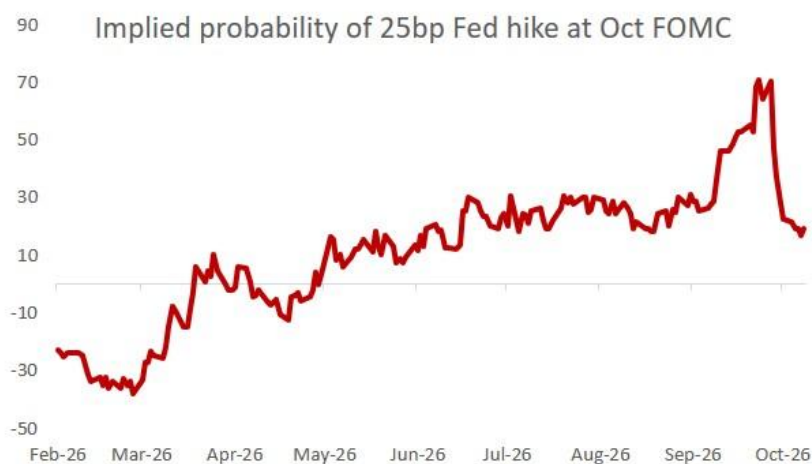


Note: Rolling correlation calculated using daily changes in gold and 30y UST yield.

Source: Bloomberg, OCBC Group Research

The 30d correlation between daily gold returns and changes in the US 30Y yield has moved to around -0.45. Gold's rebound as long-end yields eased following the 30-year auction is consistent with that relationship, although one session should not be overstated. More broadly, softer US data are likely to provide more durable support for gold if they are accompanied by a sustained decline in longer-dated yields.

Implied probability of Fed hike in Oct fell sharply



Source: Bloomberg, OCBC Group Research

Beyond the price action, our tracker (page 5) shows Bloomberg-tracked gold ETF holdings continue to rise, while managed-money positioning has become less stretched. The options signal remains more defensive, however, with the 1m 25-delta risk reversal still negative.

Taken together, longer-horizon investment demand remains relatively resilient, but the options market continues to price some downside caution.

Week ahead – US CPI becomes the next test

Near term, today's easing in long-end yields is encouraging, but we would want to see this extend before calling a more durable turn in gold. The strong 30-year auction suggests there is still demand for duration at these yield levels, but oil remains elevated and Fed officials continue to signal that further tightening may be required.

Next week's US CPI release (14 Oct) therefore becomes particularly important. An outcome of softer inflation could reinforce the pullback in long-end yields and the USD, potentially giving gold a cleaner catalyst to recover. Conversely, a firmer CPI print could quickly reverse today's rates relief.

Silver — Cleaner positioning, but lacks conviction for now

Silver rebounded strongly on Friday as Treasury yields and the USD eased, outperforming gold on the day in line with its higher-beta characteristics. That said, the broader weekly performance remains more subdued, with silver still slightly lower over the past five sessions.

The latest move therefore looks more like a catch-up response to the improvement in the rates backdrop than a clear change in trend.

Our tracker (page 6) nevertheless shows a meaningful reset in positioning. Managed-money net longs have fallen sharply to around 7.6k contracts, while the 52-week positioning z-score has dropped to roughly -1.1, leaving speculative exposure relatively light. ETF holdings have been steadier by comparison, but the options signal remains less convincing: the 1m risk reversal is still positive but has narrowed materially from recent highs, suggesting that demand for upside exposure has cooled.

This leaves silver with more room to respond if macro conditions turn supportive, but positioning alone is unlikely to be enough. A further decline in long-end yields and the USD, particularly if next week's US inflation data come in softer, could encourage longs to rebuild and allow silver to outperform gold. Conversely, a renewed rise in yields would likely weigh more heavily on silver given its higher beta. We therefore remain constructive but tactical, with a more durable move higher likely requiring both a friendlier rates backdrop and firmer investment-flow confirmation.

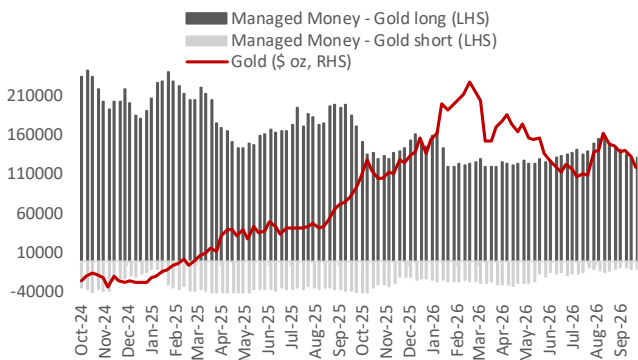
Platinum & Palladium – Rebound

Platinum and palladium rebounded from recent lows alongside the broader precious metals complex, supported by some easing in the USD and UST yield pressures. However, the recovery remains tentative following the sharp selloff earlier in the week. While macro developments continue to dominate near-term price action, physical market conditions also warrant attention. In China, buying interest reportedly improved following the National Day holiday, with some indications of tighter spot availability despite weakness in futures prices. We would watch whether this reflects genuine restocking demand or merely a temporary post-holiday adjustment.

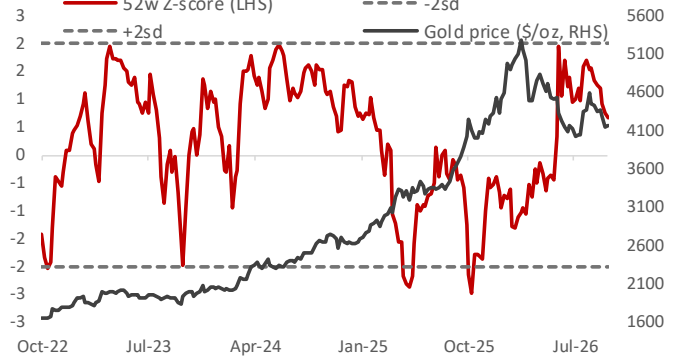
On the supply front, Sibanye-Stillwater reached a labour agreement covering its Stillwater East mine and Columbus processing facility, ending strike action that began in September. Workers were expected to resume duties on 9 October, although the pace of production normalisation remains uncertain. Elsewhere, potential constraints on South African metal availability due to processing maintenance schedules warrant monitoring. Near term, we would watch whether improving physical buying interest, particularly in China, can provide some support to prices as US supply disruptions ease.

GOLD — WEEKLY DASHBOARD

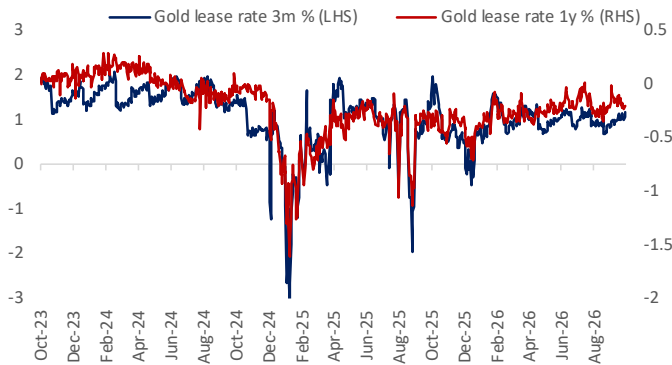
Gold: CFTC managed money positioning



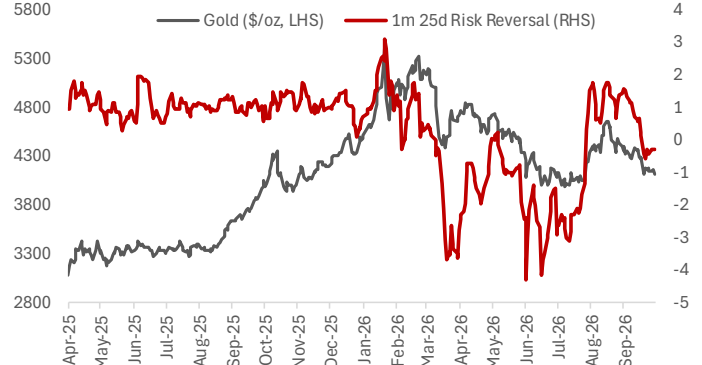
Gold: Managed money positioning z-score



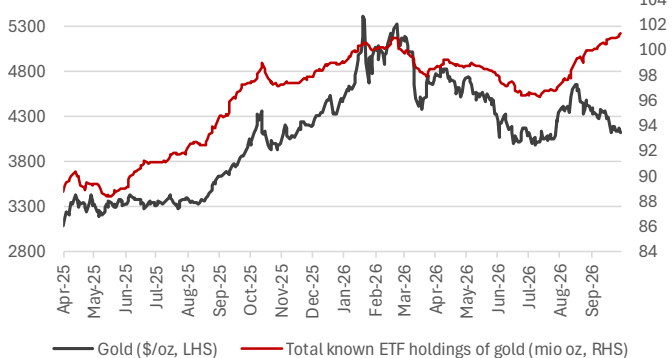
Gold: Implied Lease rates



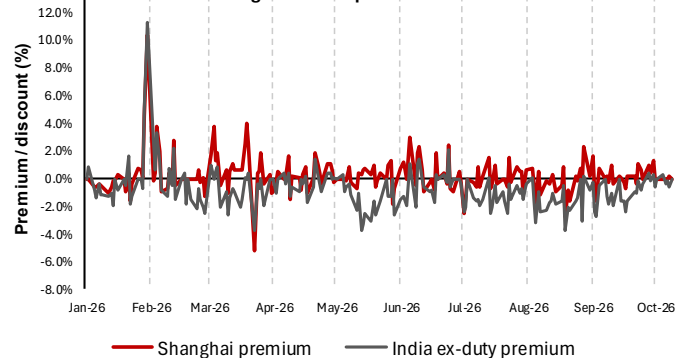
Gold: 1M 25Δ risk reversal



Gold: ETF holdings



Gold: Shanghai & India premium vs COMEX

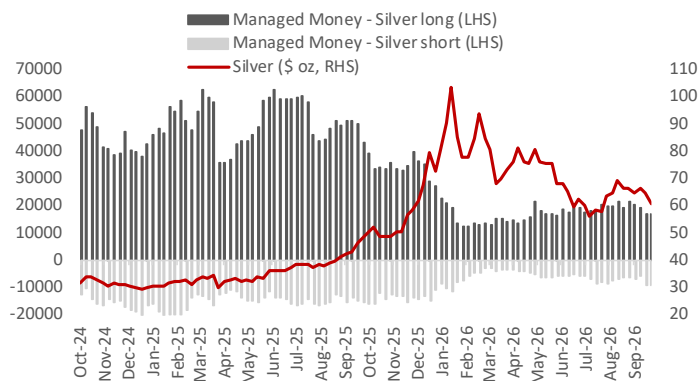


Note: z-score: Managed money net positioning expressed as % of Comex open interest and standardised against its rolling 52w mean and standard deviation (sd). Implied lease rate estimated as tenor-matched USD SOFR – gold forward swap rate. ETF holdings refer to gold ETFs tracked by Bloomberg. India premium over COMEX adjusted for prevailing import duty.

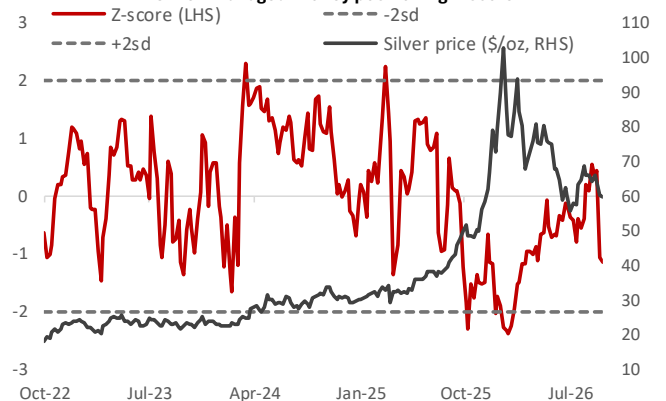
Source: Bloomberg, OCBC Group Research

SILVER — WEEKLY DASHBOARD

Silver: CFTC managed money positioning



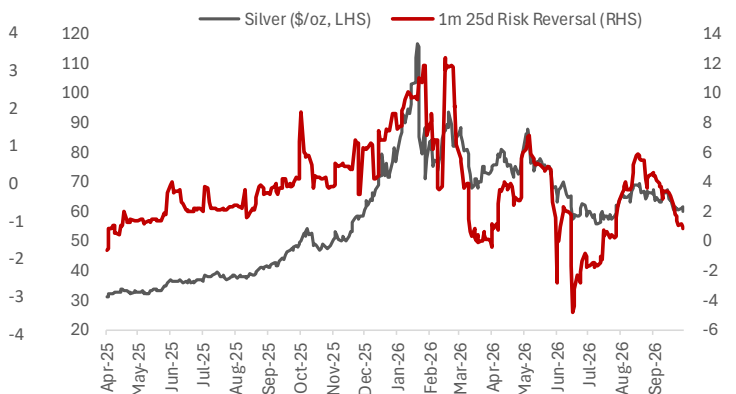
Silver: Managed money positioning z-score



Silver: Implied Lease rates



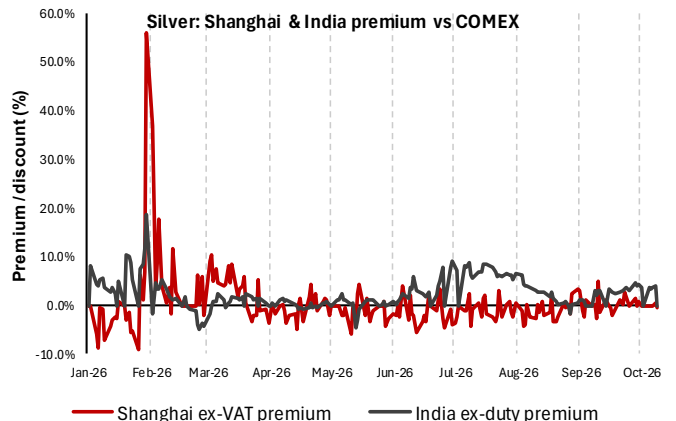
Silver: 1M 25Δ risk reversal



Silver: ETF holdings



Silver: Shanghai & India premium vs COMEX



Note: z-score: Managed money net positioning expressed as % of Comex open interest and standardised against its rolling 52w mean and standard deviation (sd). Implied lease rate estimated as tenor-matched USD SOFR – silver forward swap rate. ETF holdings refer to silver ETFs tracked by Bloomberg. India premium over COMEX adjusted for prevailing import duty.

Source: Bloomberg, OCBC Group Research

Gold Daily Chart: Looking out for any follow-through in price action



Gold's rebound shows tentative signs of improvement. Last at 4192 levels. Bearish momentum on daily chart shows signs of fading while RSI rose.

There is scope for confidence to rebuild if gold can decisively clear immediate resistance at 4240/60 levels (21, 100 DMAs) before 4333 (23.6% fibo retracement of 2026 high to low). Bigger area of resistance at 4520 (200 DMA) – 4574 (38.2% fibo). A recovery above this zone is needed to restore upside momentum.

Support at 4110, 4000 and 3940 levels (2026 low).

Silver Daily Chart: Still need to reclaim 64/65 levels for bearish pressure to negate



Silver rebounded on Fri, but technical picture remains mixed. Last at 60.50 levels. Mild bullish momentum on daily chart shows very tentative signs of fading while RSI rose.

A sustained rebound above 64/65 levels (50, 100 DMAs) would improve the technical outlook where key moving averages converge. Next resistance at 70.50 (23.6% fibo retracement of 2026 high to low), 72.65 (200 DMA).

Support at 58.50 (recent low) before 54.80 (2026 low).

Platinum Daily Chart: Consolidation



Palladium Daily Chart: An interim bottom?



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