# Gold and silver soar to record highs, leaving market strategists stunned

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Gold and silver prices are soaring amid international uncertainty.

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Gold and silver are rising at a pace that has caught even the most bullish strategists off guard, amid global uncertainty.

The precious metals have smashed through psychological barriers at $US5,000 and $US100 per ounce, hitting record highs of $US5,111.07 and $US117.71 respectively.

The pace of the rally is raising questions about how much higher prices can climb and whether the rally can be sustained. After massive gains of 65 per cent and 148 per cent in 2025, the precious metals have risen as much as 18 per cent and 64 per cent so far this year.

“The frenetic nature of uncertainty coupled with a weaker dollar have been the primary contributors to this latest leg higher, which has pushed gold to levels we hadn’t factored into our high scenario until later this year,” says RBC Capital Markets commodity strategist Christopher Louney.



“Reaching above $US5,000 per ounce was possible, even likely, in our view later this year, but the pace of this rally has surpassed our expectations.”

RBC Capital Markets commodity strategist Christopher Louney.

Gold is notoriously hard to value. Unlike stocks, which can be valued based on earnings, or bonds, which pay interest, gold is a non-yielding asset, making its “fair value” highly subjective and often driven by sentiment, fear, and macroeconomic speculation.

But using historical patterns as a guide, Louney says there is still room to run.

Three major rallies between 1976 and 2020 lasted between 1,062 and 1,168 days on average.

By comparison, the current upswing is only about 844 days old, suggesting it could continue into early September or mid-December based on duration alone.

Even more striking is what could happen if 2026 mirrors 2025’s performance. Last year, gold set 4.9 all-time highs per month on average. This year, it has already set eight new records in January alone.

“Using 2025’s gains as a proxy, scaling similar ground in percentage terms would put gold as high as $US7,100 per ounce at year end,” Louney says.

The strategist points to a familiar list of drivers: trade tensions, political upheaval, geopolitical instability and concerns about central bank independence.

Even if gold just stays at $US5,000, Macquarie Equities estimates that the net asset values of ASX 200 gold miners would double. The investment bank’s long-term forecast is $US3,000.

World Gold Council strategist Joe Cavatoni says gold hitting $US5,000 reflects “investor repositioning, persistent geopolitical uncertainty, and continued demand for portfolio resilience”.

“Investors who were under-allocated to gold are rapidly revisiting their assumptions, and that reallocation has driven prices higher at a faster pace than many traditional valuation models anticipated,” Cavatoni says.

Risks to the rally in precious metals include a meaningful improvement in global risk sentiment, particularly if economic growth were to strengthen and geopolitical risks were to calm. Rising interest rates or a stronger US dollar could also slow momentum.

“That said, none of those conditions currently appear firmly in place, which helps explain why gold remains well supported,” Cavatoni says.

Gold and silver prices are soaring amid international uncertainty.

Betashares investment strategist Cameron Gleeson notes a “structural shift in how investors and central banks are using the yellow metal in portfolios”.

“Increasingly, gold is the poster child of the US dollar debasement trade, offering protection against rising fiscal deficits, President Trump’s desire for the US Fed to run expansive monetary policy and heightened geopolitical risk,” Gleeson says.

Over the weekend, speculation swirled that the US Federal Reserve and Bank of Japan could have agreed to embark on co-ordinated intervention to support the yen and weaken the US dollar.

Precious metals have had a sensational run but the macroeconomic backdrop remains supportive, with easing inflation, expected US rate cuts and a softer US dollar reinforcing gold's appeal.

Silver has also surged, but Gleeson is "more sceptical" about the white metal's prospects. "While silver can benefit from industrial demand and often tracks gold during risk-on phases, it lacks the same reserve-asset status and central bank demand that underpin gold's strength," he says.

However, Balfour Capital Group chief investment officer Steve Alain Lawrence argues silver is crucial for data centres.

"You're not going to be able to build data centres without silver," he says.

Balfour Capital Group believes the global commodities complex has entered a multi-year structural bull market, underpinned by chronic underinvestment, geopolitical fragmentation, fiscal dominance, and the physical requirements of global re-industrialisation and energy transition.

"Gold is no longer trading as a simple hedge against CPI inflation," Lawrence says. "It has evolved into a neutral reserve asset in a world where monetary credibility is eroding, sovereign debt loads are unserviceable without financial repression, geopolitics increasingly dictate capital flows and central banks are actively diversifying away from fiat concentration risk."

The precious metals boom is driving strong demand for related investment products.

On Thursday, Global X ETFs Australia will launch the Global X Silver Miners ETF, making it the first dedicated silver miners fund Down Under.

Global X chief executive Alex Zaika says a lack of silver exposures on the Australian stock market has been a "pain point" for local investors. He says silver miners are well positioned to capitalise on the price surge, with margins more than quadrupling from 3 per cent to above 15 per cent last year.

"Silver was the top performing asset of 2025 and that rally has continued into this year," he says.