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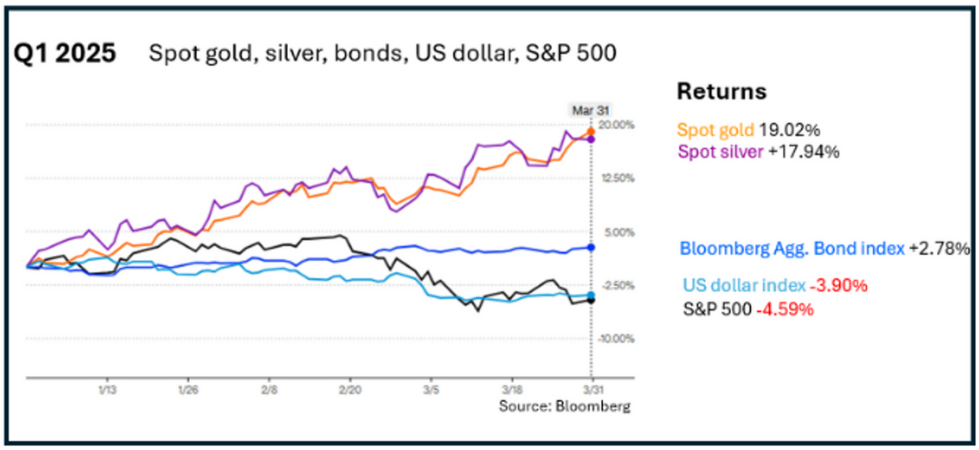
Monthly MARKET REPORT *March 2025*

Customer selling continues as DC upends global trade, geopolitical paradigms

March 2025 highlights:

- Gold prices traded a record $3,162.00[1] and settled at $3,150.30 for a gain of 9.53%.
- Silver prices jumped 9.89% to $34.61 but are far from their record level of $50.
- Some customers are worried about inflation, as more tariffs will come in April.
- Net selling by customers continues, but buying volumes grow.
- An estimated 10.07% of COMEX March silver futures went to physical delivery.
- Gold imports are impacting GDP statistics.

Gold and silver returns in Q1 2025 outstripped those of bonds, the dollar, and stocks.



In the month of March, gold prices leapt from one new high to another. Investors have had multiple reasons to consider the safe-haven metal and its grey sibling, silver. The backdrop includes stalled US efforts related to Ukraine and deteriorating US-European relations, a US military strike in Middle East, the prospect of lower interest rates, and the trade war.

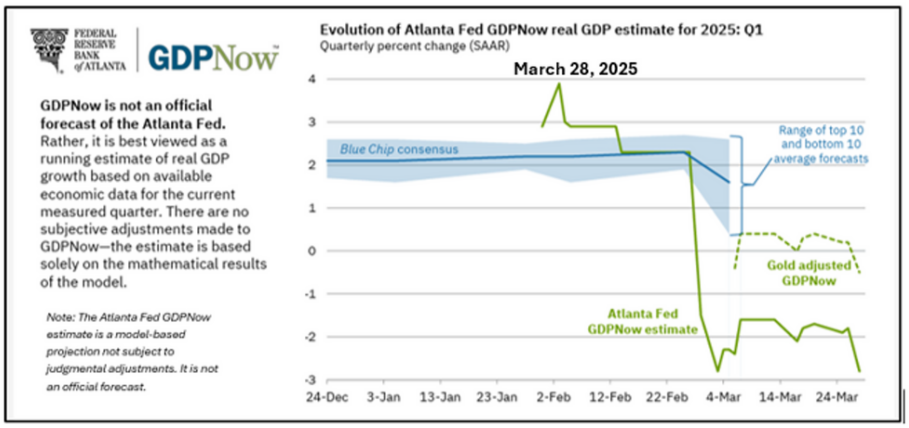
Investor uncertainty springs from President Trump's protectionist strategy. The broad concern: tariffs lead to inflation. The Conference Board's Expectations Index showed that consumers are

[1] All prices are from CME most active contracts, unless otherwise specified

gloomy. It fell to 65.2, the lowest level in 12 years. Numbers below the long-term average of 80 usually signal a recession ahead. Dimmer economic forecasts might hold back investor enthusiasm for silver, as half of its demand comes from industry.

Central bank demand (from Uzbekistan, China, Kazakhstan, Poland, and India) and investor buying (GLD ETF assets are up almost 7%) have buoyed gold prices in 2025. Meanwhile, at FideliTrade, customers sell more than they buy - but for the second month in a row buying has increased. This uptick in buying has led to a move up in coin premiums.

Reflecting dealers' continued interest in getting ahead of import duties in the US, Swiss gold shipments in February (147.4 tonnes worth $14B) were close to January's record (193 tonnes). The high value of the gold imports has affected US economic statistics. GDPNow is an algorithm that the Atlanta Fed uses to calculate GDP growth unofficially. When the program produced a Q1 estimate sharply lower than consensus, the Bank reran it excluding gold import/export data. The alternative algorithm's output (-0.5%) was significantly higher than that of the standard model (-2.8%).



COMEX stocks and deliveries

COMEX-approved vaults hold a record amount of deliverable metal. March 28 data show 43.8 million oz. of gold (approx. $138B) and over 475 million oz. of silver (approx. $16.2B).

In silver, dealers used physical delivery in the March contract to book profits on tariff-related arbitrage trades. Traders physically settled approximately 10.07% of total open interest, or over 80 million oz. worth approximately $2.5B. For perspective, the percentage of contracts that go to delivery in a normal market would be 1% or less. The market tariff crisis reminds us that traders can convert futures into physical assets.

Silver 5,000 oz. Delivery Notices - December 2024 - March 2025

Month	Dec-24	Jan-25	Feb-25	Mar-25
Delivery notices	9166	2370	4788	16149
Est. delivery price	$30.00	$31.00	$32.75	$34.00
Est. value	$1,374,900,000	$367,350,000	$784,035,000	$2,745,330,000
Est. average total open interest	145,747	156,747	167,191	160,348
Percent of open interest that went to delivery	6.29%	1.51%	2.86%	10.07%

Source: CME Clearing - COMEX, CFTC, Trusted Partner Metals, LLC.

In gold, April is an active month. Before going to print, we captured the first day of April deliveries. Nearly 38K contracts, or approx. 3.8M oz., went to delivery April 1. That is 6.61% of

open interest. Again, in normal times, this number would be less than 1% for the month. Will April deliveries exceed February's, gold's most recent active month?

Gold 100 oz. Delivery Notices - December 2024 - April 1, 2025					
Month or day	Dec-24	Jan-25	Feb-25	Mar-25	4/1/2025
Delivery notices	25,856	22,538	76,567	19,398	37,989
Est. delivery price	$2,700	$2,750	$2,900	$3,050	$3,122
Est. value	$6,981,120,000	$ 6,197,950,000	$ 22,204,430,000	$ 5,916,390,000	$ 11,860,165,800
Month					
Est. average total open interest	465,037	538,101	526,308	511,398	574,824
Percent of open interest that went to delivery	5.56%	4.19%	14.55%	3.79%	6.61%
			Source: CME Clearing - COMEX, CFTC, Trusted Partner Metals, LLC.		

Looking Ahead

Gold and tariffs: Will Washington exempt gold from tariffs? If the administration does carve out an exemption gold, will there be frenetic exports to the UK?

The budget deficit: President Trump expects tariff revenue to contribute to paying down the deficit. For perspective, between October and February, the gap was a record $1.147T. February's deficit was $11B higher than it was in 2024.

The Fed: The central bank next meets May 6-7. Chair Powell speaks on April 4th. His talk or that of other governors might bring guidance on market-expected rate cuts.

Looking Back

March marked the anniversary of the Hunt Brothers' failure to meet a $100 million margin call on their COMEX long silver positions. Herbert and Bunker had been amassing silver for years (an estimated 100 million oz). They had used credit to buy silver futures. Their stash was worth billions as silver approached $50. On March 27, 1980, "Silver Thursday," the COMEX made it harder to buy futures on credit. Prices collapsed and the two brothers filed for personal bankruptcy. Both, however, rebuilt their fortunes. A third brother, Lamar, had founded the Kansas City Chiefs and suggested the name for football's championship game in the US, the Super Bowl.

Jennifer Ropiak is a precious metals market specialist with over 30 years' experience, including 20 in trading (15 at Morgan Stanley). She is the founding director of Trusted Partner Metals - an independent consultancy whose clients typically are keen to increase their footprint in precious metals. Currently, Jennifer is advising the World Gold Council on their initiative to increase retail gold demand globally. Jennifer is a Chartered Alternative Investment Analyst and a graduate of Cornell University.

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