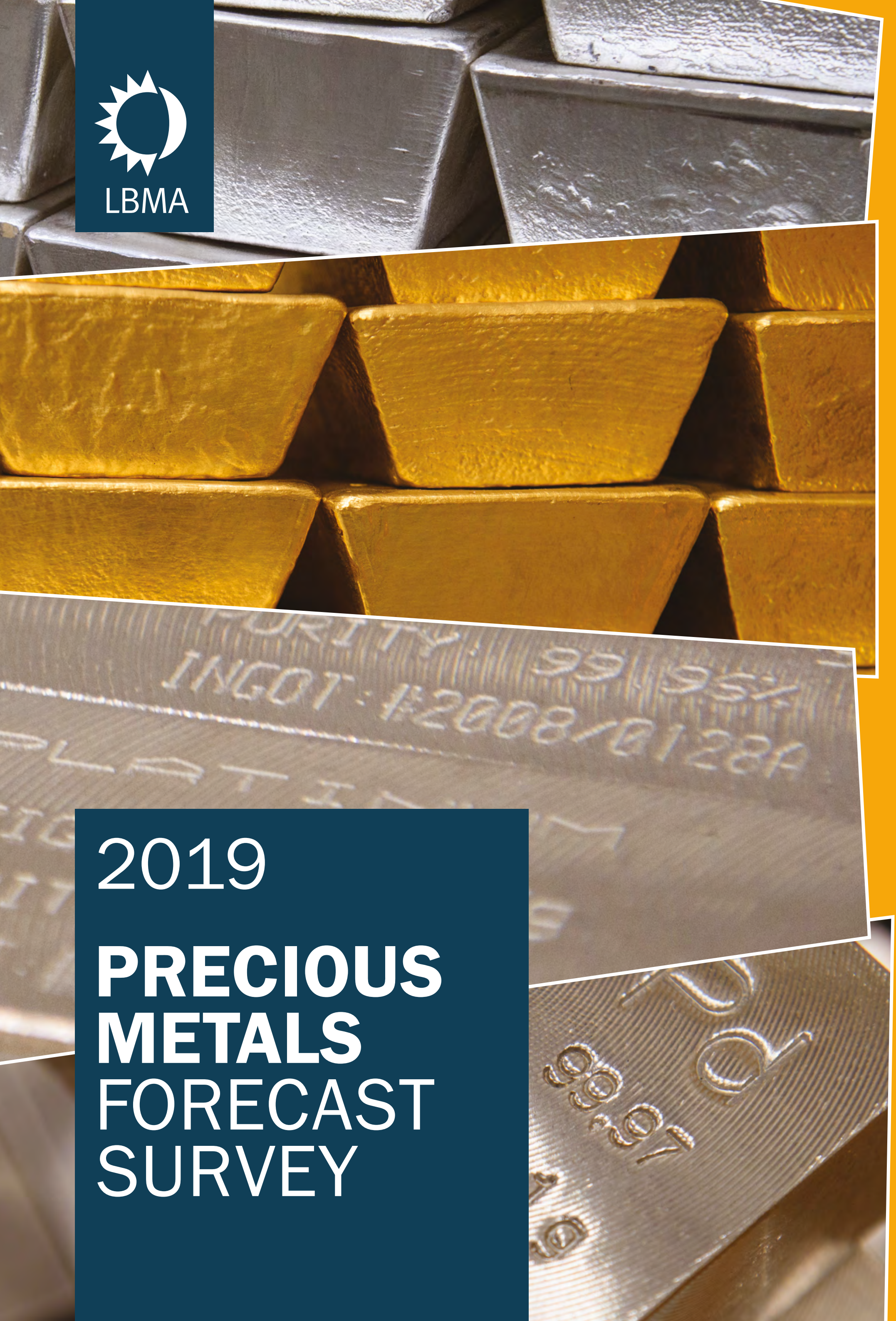


LBMA

2019

PRECIOUS METALS FORECAST SURVEY

MODEST INCREASE IN THE GOLD PRICE BUT WIDE SPREADS

"Bulls to the left of me, bears to the right, here I am, stuck in the middle with you…"

There's no real consensus among analysts about the direction and price of gold in this year's survey. While the average of all forecasts suggest a modest 1.8% gain for gold, this figure is somewhat overshadowed by a $325 trading range. While gold is apparently causing even the professionals to scratch their heads, the picture is even less clear for the prospects of the prices for the other precious metals.

At first glance the headline averages do not appear particularly inspiring. However, the journey ahead to year end makes much more interesting reading. Trading spreads across all four metals – gold $325, silver $7.25, platinum $430, and (particularly) palladium $815 – highlight the fact that analysts disagree on what may happen to prices in 2019. Whilst markets have factored in some of the downside risks of Brexit and US-China trade wars, other factors such the level of US real interest rates, strength/weakness of the dollar, the likely impact of geopolitical factors and the pace of global economic growth continues to provide some uncertainty. Which analyst will be right? Make up your own mind by reading the commentaries behind the forecasts to see who you think makes the most convincing case.

Gold **Average:** $1,311.71 **Range:** $325
High: $1,475 **Low:** $1,150

Divided opinion for gold prices with the price forecast to trade in a range $1,150 to $1,475, but the overall average is forecast to deliver a modest increase of 1.8% over the year compared to the average price in the first half of January. However, a trading spread of $325 (25% of the forecast average price) suggests that the gold price could be in for an interesting journey in 2019.

Silver **Average:** $16.28 **Range:** $7.25
High: $20 **Low:** $12.75

A more bullish outlook is predicted for silver. With a trading range of $12.75 to $20 (44% of the average price), the overall consensus is that the average price of silver will end up somewhere in the middle at $16.28, a 4.2% increase on the average price in the first half of January.

Platinum **Average:** $850.71 **Range:** $430
High: $1,050 **Low:** $620

Platinum is forecast to be the best performing of the four metals, with analysts' predicting an average price in 2019 of $850.71, 5.1% higher than the price in the opening half of January. However, prices are forecast to trade in a range of $430 (50% of the average price).

Palladium **Average:** $1,267.68 **Range:** $815
High: $1,715 **Low:** $900

Analysts are forecasting for the second year running that palladium will be the worst-performing metal, with prices expected to fall 1.5% to an average price of $1,267.68 in 2019. However, with a wide trading range of $815 (nearly ⅔ of the average price) it could be a dramatic year in store for palladium.

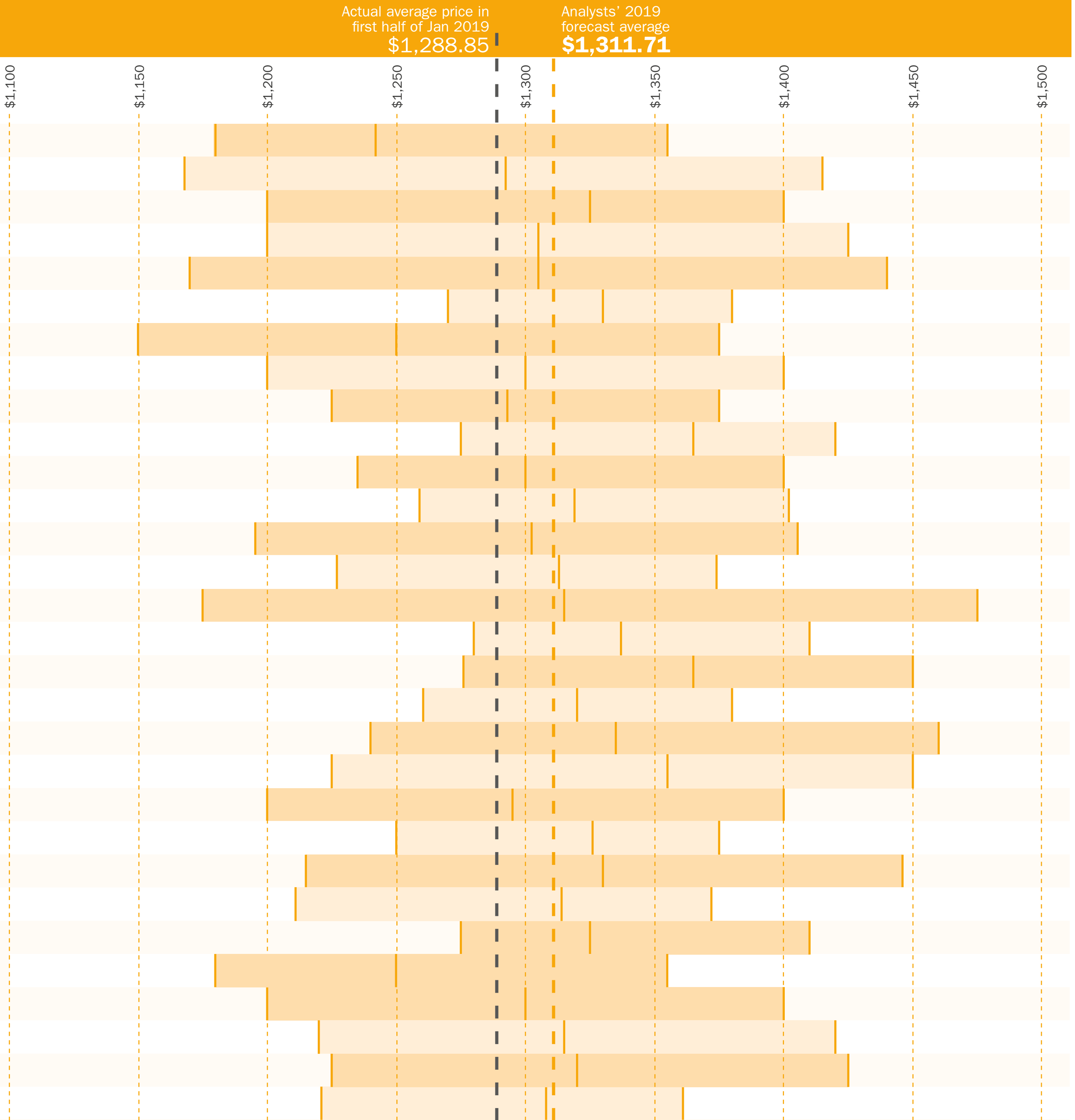
Metal	Actual price first half of January 2019[a]	Analysts' 2019 forecast average	% change	2018 actual year average
Gold	$1,288.85	$1,311.71	+1.78%	$1,268.41
Silver	$15.63	$16.28	+4.16%	$15.71
Platinum	$809.50	$850.71	+5.09%	$879.70
Palladium	$1,308.40	$1,267.68	-3.11%	$1,029.19

(a) 2-15 January 2019 inclusive (based on the pm $ prices)

We would like to thank all contributors for taking part in the 2019 Survey. We welcome back some familiar faces with QCR Quantitative Research, Credit Agricole, LBBW and Murenbeeld & Co contributing this year as well as new contributors in the form of Foretell Business Solutions, MTSS UK Ltd and Capital Economics.

Au

Name	Low	Average	High
Adams, William Fastmarkets MB	$1,180.00	**$1,242.00**	$1,355.00
Alexander, Cameron GFMS Refinitiv	$1,168.00	**$1,292.35**	$1,415.00
Bhar, Robin Societe Generale CIB	$1,200.00	**$1,325.00**	$1,400.00
Butler, Jonathan Mitsubishi Corporation	$1,200.00	**$1,305.00**	$1,425.00
Cooper, Suki Standard Chartered	$1,170.00	**$1,305.00**	$1,440.00
Dahdah, Bernard Natixis	$1,270.00	**$1,330.00**	$1,380.00
Fertig, Peter QCR Quantitative Commodity Research Ltd	$1,150.00	**$1,250.00**	$1,375.00
Fritsch, Carsten Commerzbank AG	$1,200.00	**$1,300.00**	$1,400.00
Garvey, Marcus ICBC Standard Bank	$1,225.00	**$1,293.00**	$1,375.00
Hochreiter, Rene Noah Capital Markets/Sieberana Research (Pty) Ltd	$1,275.00	**$1,365.00**	$1,420.00
Kavalis, Nikos Metals Focus	$1,235.00	**$1,300.00**	$1,400.00
Klapwijk, Philip Precious Metals Insights	$1,259.00	**$1,319.00**	$1,402.00
Meir, Edward INTL FCStone	$1,195.00	**$1,302.00**	$1,405.00
Melek, Bart TD Securities	$1,227.00	**$1,313.00**	$1,374.00
Nagao, Eddie Sumitomo Corporation	$1,175.00	**$1,315.00**	$1,475.00
Norman, Ross Sharps Pixley	$1,280.00	**$1,337.00**	$1,410.00
O'Connell, Rhona Independent	$1,276.00	**$1,365.00**	$1,450.00
Oliveri, Manuel Credit Agricole	$1,260.00	**$1,320.00**	$1,380.00
Panizzutti, Frederic MKS PAMP Group	$1,240.00	**$1,335.00**	$1,460.00
Ritter, Hans-Günter Heraeus	$1,225.00	**$1,355.00**	$1,450.00
Savant, Rohit CPM Group LLC	$1,200.00	**$1,295.00**	$1,400.00
Schallenberger, Frank LBBW	$1,250.00	**$1,326.00**	$1,375.00
Schieven, Chantelle Murenbeeld & Co	$1,215.00	**$1,330.00**	$1,446.00
Steel, James HSBC	$1,211.00	**$1,314.00**	$1,372.00
Strachan, Ross Capital Economics	$1,275.00	**$1,325.00**	$1,410.00
Subramanian, Venkatraman Foretell Business Solutions Pvt Ltd	$1,180.00	**$1,250.00**	$1,355.00
Teves, Joni UBS Limited	$1,200.00	**$1,300.00**	$1,400.00
Tong, Tong Bank of China	$1,220.00	**$1,315.00**	$1,420.00
Turner, Matthew Macquarie Bank	$1,225.00	**$1,320.00**	$1,425.00
Vaidya, Bhargava B.N. Vaidya & Associates	$1,221.00	**$1,308.00**	$1,361.00
Averages	**$1,220.23**	**$1,311.71**	**$1,405.17**



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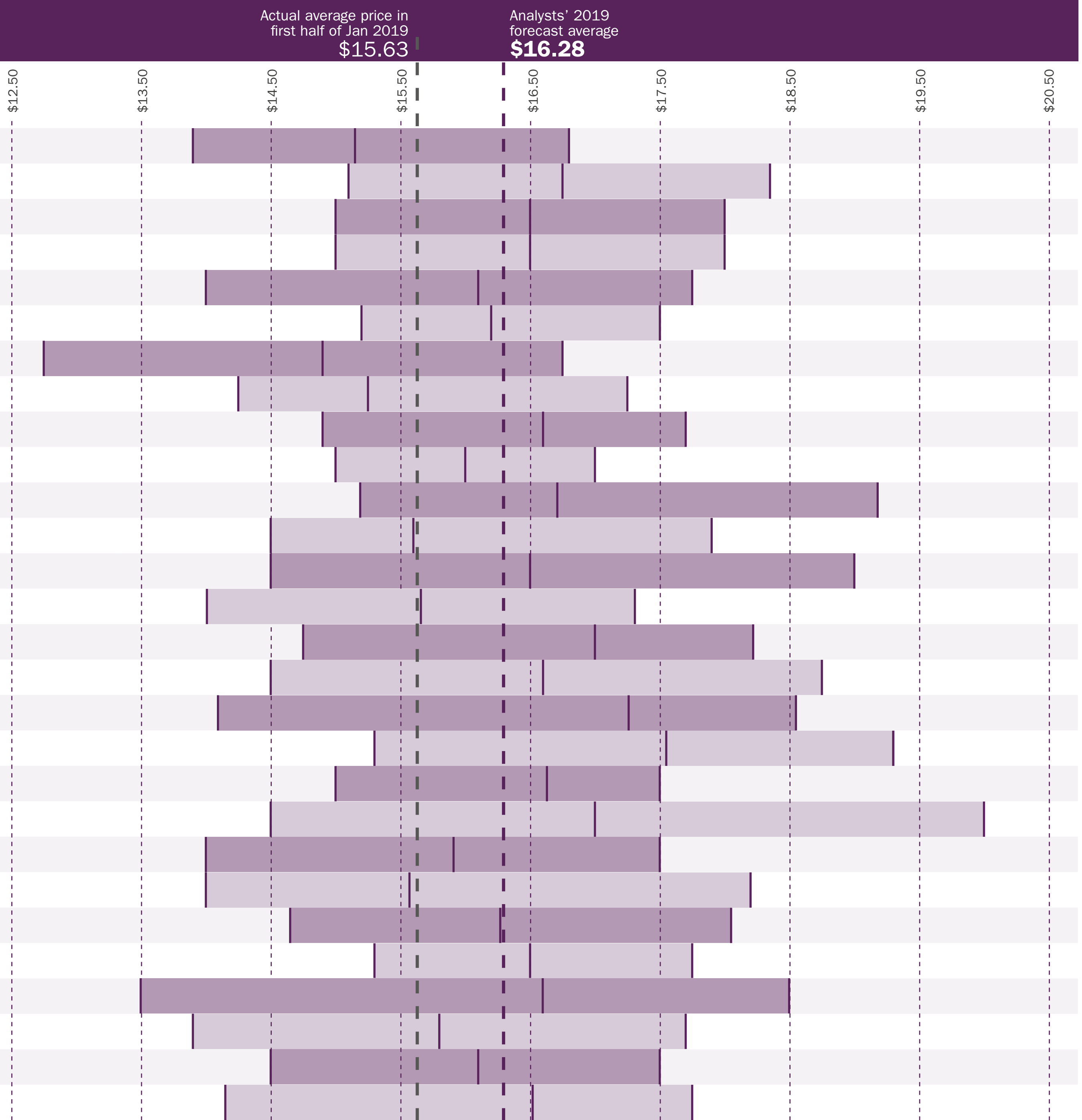
Ag

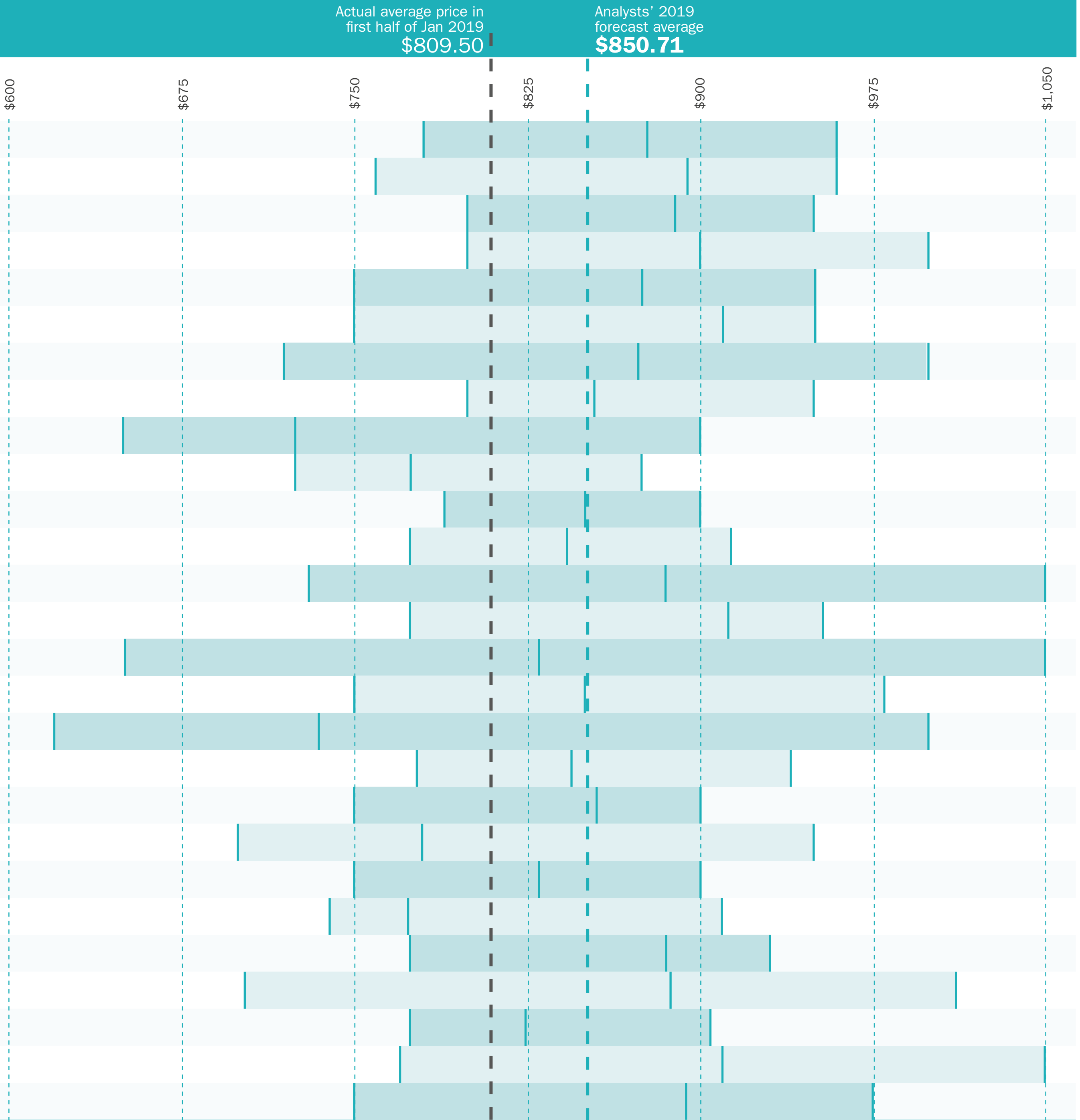
Name	Low	Average	High
Adams, William Fastmarkets MB	$13.90	**$15.15**	$16.80
Alexander, Cameron GFMS Refinitiv	$15.10	**$16.75**	$18.35
Bhar, Robin Societe Generale CIB	$15.00	**$16.50**	$18.00
Butler, Jonathan Mitsubishi Corporation	$15.00	**$16.50**	$18.00
Cooper, Suki Standard Chartered	$14.00	**$16.10**	$17.75
Dahdah, Bernard Natixis	$15.20	**$16.20**	$17.50
Fertig, Peter QCR Quantitative Commodity Research Ltd	$12.75	**$14.90**	$16.75
Fritsch, Carsten Commerzbank AG	$14.25	**$15.25**	$17.25
Garvey, Marcus ICBC Standard Bank	$14.90	**$16.60**	$17.70
Hochreiter, Rene Noah Capital Markets/Sieberana Research (Pty) Ltd	$15.00	**$16.00**	$17.00
Klapwijk, Philip Precious Metals Insights	$15.19	**$16.71**	$19.18
Liu, Yufei Bank of China	$14.50	**$15.60**	$17.90
Meader, Neil Metals Focus	$14.50	**$16.50**	$19.00
Meir, Edward INTL FCStone	$14.00	**$15.65**	$17.30
Melek, Bart TD Securities	$14.75	**$17.00**	$18.22
Nagao, Eddie Sumitomo Corporation	$14.50	**$16.60**	$18.75
Norman, Ross Sharps Pixley	$14.10	**$17.26**	$18.55
O'Connell, Rhona Independent	$15.30	**$17.55**	$19.30
Panizzutti, Frederic MKS PAMP Group	$15.00	**$16.63**	$17.50
Ritter, Hans-Günter Heraeus	$14.50	**$17.00**	$20.00
Savant, Rohit CPM Group LLC	$14.00	**$15.91**	$17.50
Schallenberger, Frank LBBW	$14.00	**$15.57**	$18.20
Steel, James HSBC	$14.65	**$16.27**	$18.05
Strachan, Ross Capital Economics	$15.30	**$16.50**	$17.75
Subramanian, Venkatraman Foretell Business Solutions Pvt Ltd	$13.50	**$16.60**	$18.50
Teves, Joni UBS Limited	$13.90	**$15.80**	$17.70
Turner, Matthew Macquarie Bank	$14.50	**$16.10**	$17.50
Vaidya, Bhargava B.N. Vaidya & Associates	$14.15	**$16.52**	$17.75
Averages	**$14.48**	**$16.28**	**$17.99**



Click on the name of a contributor and it will take you direct to the supporting commentary

Pt

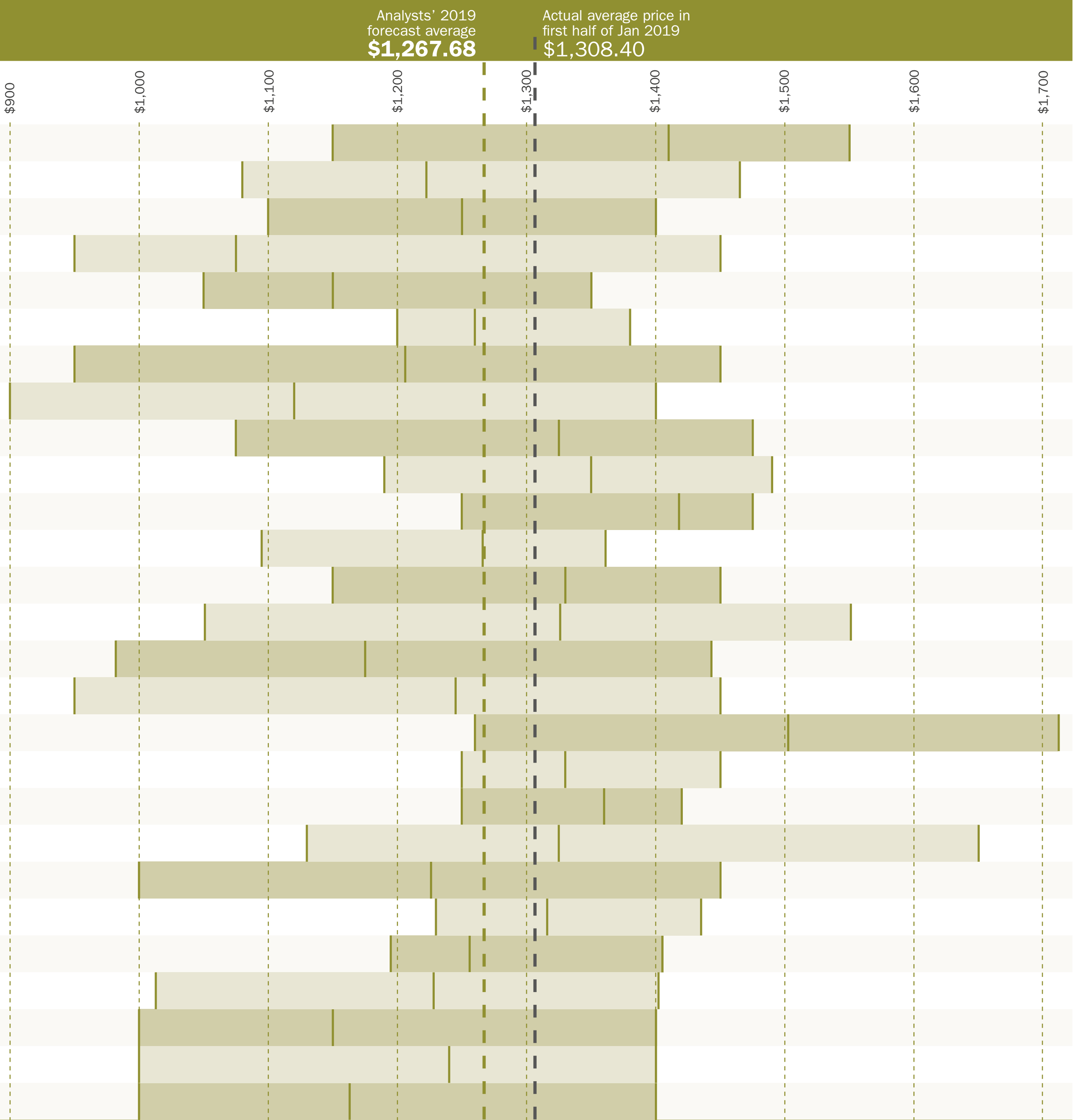
Name	Low	Average	High
Adams, William Fastmarkets MB	$780.00	**$877.00**	$960.00
Alexander, Cameron GFMS Refinitiv	$760.00	**$895.30**	$960.00
Bao, Dun Bank of China	$800.00	**$890.00**	$950.00
Bhar, Robin Societe Generale CIB	$800.00	**$900.00**	$1,000.00
Briesemann, Daniel Commerzbank AG	$750.00	**$875.00**	$950.00
Butler, Jonathan Mitsubishi Corporation	$750.00	**$910.00**	$950.00
Cooper, Suki Standard Chartered	$720.00	**$874.00**	$1,000.00
Dahdah, Bernard Natixis	$800.00	**$855.00**	$950.00
Fertig, Peter QCR Quantitative Commodity Research Ltd	$650.00	**$725.00**	$900.00
Garvey, Marcus ICBC Standard Bank	$725.00	**$775.00**	$875.00
Hochreiter, Rene Noah Capital Markets/Sieberana Research (Pty) Ltd	$790.00	**$850.00**	$900.00
Klapwijk, Philip Precious Metals Insights	$775.00	**$843.00**	$914.00
Meir, Edward INTL FCStone	$730.00	**$885.00**	$1,050.00
Melek, Bart TD Securities	$775.00	**$913.00**	$954.00
Nagao, Eddie Sumitomo Corporation	$650.00	**$830.00**	$1,050.00
Newman, Philip Metals Focus	$750.00	**$850.00**	$980.00
Norman, Ross Sharps Pixley	$620.00	**$735.00**	$1,000.00
O'Connell, Rhona Independent	$778.00	**$845.00**	$940.00
Panizzutti, Frederic MKS PAMP Group	$750.00	**$855.00**	$900.00
Ritter, Hans-Günter Heraeus	$700.00	**$780.00**	$950.00
Savant, Rohit CPM Group LLC	$750.00	**$830.00**	$900.00
Schallenberger, Frank LBBW	$740.00	**$774.00**	$910.00
Steel, James HSBC	$775.00	**$886.00**	$931.00
Stevens, Glyn MTSS UK Ltd	$703.00	**$888.00**	$1,012.00
Strachan, Ross Capital Economics	$775.00	**$825.00**	$905.00
Teves, Joni UBS Limited	$770.00	**$910.00**	$1,050.00
Turner, Matthew Macquarie Bank	$750.00	**$894.00**	$975.00
Averages	**$745.00**	**$850.71**	**$956.00**



Click on the name of a contributor and it will take you direct to the supporting commentary

Pd

Name	Low	Average	High
Adams, William Fastmarkets MB	$1,150.00	**$1,410.00**	$1,550.00
Alexander, Cameron GFMS Refinitiv	$1,080.00	**$1,222.45**	$1,465.00
Bhar, Robin Societe Generale CIB	$1,100.00	**$1,250.00**	$1,400.00
Briesemann, Daniel Commerzbank AG	$950.00	**$1,075.00**	$1,450.00
Butler, Jonathan Mitsubishi Corporation	$1,050.00	**$1,150.00**	$1,350.00
Cheng, Tianze Bank of China	$1,200.00	**$1,260.00**	$1,380.00
Cooper, Suki Standard Chartered	$950.00	**$1,206.00**	$1,450.00
Dahdah, Bernard Natixis	$900.00	**$1,120.00**	$1,400.00
Fertig, Peter QCR Quantitative Commodity Research Ltd	$1,075.00	**$1,325.00**	$1,475.00
Garvey, Marcus ICBC Standard Bank	$1,190.00	**$1,350.00**	$1,490.00
Hochreiter, Rene Noah Capital Markets/Sieberana Research (Pty) Ltd	$1,250.00	**$1,418.00**	$1,475.00
Klapwijk, Philip Precious Metals Insights	$1,095.00	**$1,267.00**	$1,361.00
Liang, Junlu Metals Focus	$1,150.00	**$1,330.00**	$1,450.00
Meir, Edward INTL FCStone	$1,050.00	**$1,325.00**	$1,550.00
Melek, Bart TD Securities	$982.00	**$1,175.00**	$1,443.00
Nagao, Eddie Sumitomo Corporation	$950.00	**$1,245.00**	$1,450.00
Norman, Ross Sharps Pixley	$1,261.00	**$1,505.00**	$1,715.00
O'Connell, Rhona Independent	$1,250.00	**$1,330.00**	$1,450.00
Panizzutti, Frederic MKS PAMP Group	$1,250.00	**$1,360.00**	$1,420.00
Ritter, Hans-Günter Heraeus	$1,130.00	**$1,325.00**	$1,650.00
Savant, Rohit CPM Group LLC	$1,000.00	**$1,226.00**	$1,450.00
Schallenberger, Frank LBBW	$1,230.00	**$1,316.00**	$1,435.00
Steel, James HSBC	$1,195.00	**$1,256.00**	$1,405.00
Stevens, Glyn MTSS UK Ltd	$1,013.00	**$1,228.00**	$1,402.00
Strachan, Ross Capital Economics	$1,000.00	**$1,150.00**	$1,400.00
Teves, Joni UBS Limited	$1,000.00	**$1,240.00**	$1,400.00
Turner, Matthew Macquarie Bank	$1,000.00	**$1,163.00**	$1,400.00
Averages	**$1,091.00**	**$1,267.68**	**$1,454.00**



Click on the name of a contributor and it will take you direct to the supporting commentary

William ADAMS

Fastmarkets MB, London

Au **Range: $1,180 - $1,355**
Average: $1,242

The pick-up in trade tensions in the second half of 2018 channelled money into gold as a haven asset — as did the drag those tensions had on many parts of the global economy (especially China), which also looked set to feed through to broader markets. Equity markets have also been under pressure, with the stress even showing up in the previously record-setting US markets. More recently, the US Federal Reserve has adopted a more dovish tone, causing the dollar to weaken and US treasury yields to fall. Both have lowered the opportunity cost of holding gold. There is concern that the damage to trade, combined with tighter monetary policy, may put emerging market debt back in focus. But with a US/China trade deal expected before too long (as it is not in the interest of China or the US to scupper what global growth there still is), a return to more broad-based growth may well come to the rescue. If so, demand for haven assets may diminish. Gold was a bolthole for investors in the second half of 2018, but a return to more concerted growth should mean that prices will start to drift lower again in 2019, especially if the Fed's more dovish stance proves short-lived.

Ag **Range: $13.90 - $16.80**
Average: $15.15

The slowdown in the global economy and weakness in most industrial commodities has weighed on silver prices, which have also suffered from the continued thrifting of the volume of silver in photovoltaic cells. The degree to which silver has fallen out of favour was highlighted by the climb in the gold:silver ratio to a multi-year high of 1:86. Heavy fund shorting added to the negative sentiment. With the ratio most recently at 1:82, the oversold condition is correcting, but silver is still relatively cheap compared with gold, so there may still be room for silver prices to outperform any positive moves in gold price. The accelerating interest in renewable energy, which is likely to grow hand in hand with energy storage systems becoming more mainstream, should lead to strong demand for solar power, thereby supporting silver demand. So we remain bullish for industrial demand but less so for investment demand, unless stress returns to the financial markets.

Pt **Range: $780 - $960**
Average: $877

Platinum prices have suffered greatly from the auto industry increasingly turning its back on diesel engines for passenger cars. Diesel car sales in Europe fell to 34.7% of the market in the third quarter of 2018 from 43.1% in the same period in 2017, ACEA data shows. But jewellery demand has also been weak despite the large price discount to gold. The upside in industrial demand for platinum is expected from the increased use of platinum at the expense of palladium in auto manufacturers' petrol catalysts. At some stage, platinum's oversold condition, compared with its potential to gain market share from palladium, should feed investor interest again, but this may still be some way off.

Pd **Range: $1,150 - $1,550**
Average: $1,410

Palladium's structural deficit and the gains in petrol-vehicle sales over diesel-vehicle sales have boosted demand for palladium. Even with global vehicle sales slowing, led by a decline in China, we expect palladium demand from autocatalysts to rise further. With the supply deficit expected to extend in 2019 and with ETF stocks, as well as stocks from the Norilsk Palladium Fund, feeding the supply deficit, the market looks set to continue to tighten. We therefore remain bullish on palladium and see it echoing platinum, where prices rose to $2,200/oz in 2008 — when electricity shortages in South Africa threatened supply — from an already high level of $1,200/oz in 2006. We would not be surprised by further excessive moves in palladium prices while an already tight market tightens even further.

Cameron ALEXANDER

GFMS Refinitiv, Perth

Au **Range: $1,168 - $1,415**
Average: $1,292.35

We expect gold prices to continue to benefit from continued economic uncertainty and a slowdown in the US economy. As we approach the end of the economic growth cycle, demand for defensive assets is likely to pick up as concerns deepen about the widening US budget deficit and as the tariff-driven trade war starts to damage the country's economy. Gold rallies are more likely to be sustained if investor demand is resilient and broad-based. The scope for rising inflation, the interest rate-hiking trajectory nearing the end of its cycle and a stock market correction could reignite interest in gold and drive the dollar lower. While ETF and bar and coin demand is expected to see a return to growth as investors remerge, physical markets in emerging markets are likely to be subdued due to the higher price level.

Ag **Range: $15.10 - $18.35**
Average: $16.75

The GFMS team expects the silver price to strengthen this year after a disappointing 2018 to post an average price of $16.75/oz. While prices may be moderately stronger in 2019, silver will continue to be hamstrung by the significant level of above-ground-stocks and challenging market fundamentals. Physical demand is however expected to rebound, with another year of industrial and jewellery demand growth, while the economic drivers for gold's stronger performance will play a similar role for silver, as investment demand (bars and coins) and ETF flows gather pace as investors look to more defensive assets.

Pt **Range: $760 - $960**
Average: $895.30

We anticipate that platinum prices will trade broadly sideways in 2019 as the market remains in a physical surplus, due largely to weaker demand from the automotive and jewellery sectors and a rise in mine production. The use of platinum in the automotive industry is predominantly for diesel drivetrains, and the market share of these vehicles, especially in Europe, continues to decline, although aftermarket emissions control for gasoline vehicles and a rise in higher standards of emissions control for off-road vehicles in emerging economies is offsetting some of these falls. A partial shift from palladium into platinum in the autocatalyst sector remains likely over time as palladium prices trend higher and its supply deficits widen, but it is a cumbersome and expensive process for those that do not have dual certification, so any migration will be slow.

Pd **Range: $1,080 - $1,465**
Average: $1,222.45

The GFMS team at Refinitiv expects that palladium will continue to shine in 2019 after being the top performer in 2018. We think palladium could top the class again this year as the market remains in a substantial deficit due to the twin pillars of limited mine supply and ongoing auto demand. Projected growth in gasoline vehicles, largely underwrites palladium consumption, but growth is expected to be somewhat tempered by some worrying signs emerging from the Chinese automotive sector recently, with the sales of vehicles in China declining for the first time in almost 30 years. We expect palladium to continue to attract decent speculative interest and to trade in very volatile sessions with significant moves as the physical markets remain tight. A great deal of positive news is already built into the current palladium price, so it may only need some slightly negative news to induce profit-taking and a pull-back. We see a high at $1,464/oz and the average at $1,222.45/oz in 2019.

Dun BAO

Bank of China, Beijing

Pt **Range:** **$800 - $950**
Average: **$890**

Platinum slided lower by $140/oz in 2018. In 2019, platinum supply continue to grow due to increasing scrap recycling and steady mine production. Autocatalyst consumption contribute less of demand as diesel vehicle sales replaced by EVs. However, dovish Fed monetary policy stance may support the perspective of precious metals. Meanwhile platinum underperformed its peers last year, especially in Q4, which may encourage investment fund managers to add platinum into their portfolios. In sum, we expect platinum to perform better than last year.

Robin BHAR

Société Générale CIB, London

Au **Range:** **$1,200 - $1,400**
Average: **$1,325**

The divergence in monetary policy between the US and the rest of the world, and the resulting strength in the USD, is keeping a lid on gold prices for now, but we suspect prices could start moving higher as the economic cycle matures and investors seek to diversify their portfolios out of equities and into safe-haven assets, such as bonds and gold. Our economists continue to expect monetary tightening to pause after June 2019 as the risk of a recession in the US, if only mild, causes the Fed to stop raising rates. While the physical market is likely to record yet another year of supply surplus, central bank buying and producer de-hedging could help prices weather the market imbalance. Finally, given the significant speculative short position in the futures market, we continue to see a favourable risk-reward balance.

Ag **Range:** **$15.00 - $18.00**
Average: **$16.50**

We are cautiously bullish on silver prices, given a fundamentally sound demand-and-supply physical market. We project total supply to contract further in 2019 to 30.1kt (-500t compared with 2018) as mine production falls following the closure of the world's largest mine in Guatemala (loss of 600t). Despite relatively slower demand growth compared with recent levels, silver demand should still exceed supply by a relatively wide margin in 2019. In the speculative market, current positioning suggests the risk is tilted to the upside. And in spite of this year's price decline, ETF holdings have remained resilient, suggesting that investors are unlikely to liquidate their positions now.

Pt **Range:** **$800 - $1,000**
Average: **$900**

A relatively weak demand profile for platinum should keep prices under pressure, even if the recent sell-off is likely to mean prices could benefit from a technical rebound. On the physical market, concerns about the health of the European diesel car market, as well as a shift to electric powertrains, is keeping demand expectations low. On a brighter note, jewellery demand is set to rebound. Industry reports suggest lower prices have translated into cost-reduction programmes, rather than supply curtailments, while higher palladium and rhodium prices are increasingly offsetting platinum's revenue shortfalls.

Pd **Range:** **$1,100 - $1,400**
Average: **$1,250**

Given the negative macroeconomic context, palladium's price rebound above $1,100/oz, as well as the ongoing speculative short squeeze, suggests the supply/demand balance for the most industrial of the precious metals remains extraordinarily tight. We forecast supply to increase marginally (+35koz) amid increased recycling activity, but to continue falling well short of demand (and demand growth). Demand growth in the autocatalyst sector – which accounts for 80% of total demand – should itself outstrip total supply growth several times over. As a result, we expect the market to suffer a seventh consecutive annual deficit. However, the outlook is nuanced by the metal's use in the auto sector, which remains exposed to a macroeconomic slowdown and rising trade tensions in the automobile sector.

Daniel BRIESEMANN

Commerzbank AG, Frankfurt

Pt **Range:** **$750 - $950**
Average: **$875**

Market observers envisage another sizeable supply surplus in 2019. Demand from the automotive industry is set to decline further. The continuing weakness of diesel car sales in Europe remains a burden. Despite the low price level, mining production in South Africa and North America is set to be expanded this year as producers benefit from the weak South African rand and record-high palladium prices. Platinum is historically cheap both in absolute terms and relative to gold and palladium, suggesting a price rise. That said, the sizeable oversupply will limit its recovery potential. We therefore expect platinum price rise to be less pronounced than that of gold this year. Platinum is likely to cost $900 per troy ounce by the end of 2019.

Pd **Range:** **$950 - $1,450**
Average: **$1,075**

The palladium price has already run much too high, driven by robust demand and tight supplies. We expect a price correction to begin in the course of the first quarter of 2019 as palladium demand from the automotive industry may have reached its plateau for now. Palladium is likely to drop to $1,000 per troy ounce by mid-2019. The introduction of tougher emissions standards in China should drive demand for palladium up again later this year. The expected substitution in favour of platinum should slow palladium demand, though. After correcting, the palladium price should resume its upswing – we forecast a price of $1,100 per troy ounce by the end of 2019.

Jonathan BUTLER

Mitsubishi Corporation, London

Au **Range: $1,200 - $1,425**
Average: $1,305

Gold will benefit from a more neutral US monetary policy stance in 2019 which, together with higher levels of inflation, will keep real interest rates favourable to non-yielding assets. Fuelled by protectionist policies and their impact on equity markets, gold will have a greater role as an inflation hedge and diversifier in investor portfolios, and may also benefit periodically from political and economic instability, not least in Europe. Offsetting these supportive factors, the US dollar may re-exert its role as a safe haven in the face of global turmoil and despite a possible US economic slowdown, limiting gold's gains in dollars. High levels of public and private debt, and the impact of trade policies may limit consumer appetite for gold jewellery. Physical investment in gold in China and other emerging markets, plus central bank buying, will help maintain a solid base of demand.

Ag **Range: $15.00 - $18.00**
Average: $16.50

Silver, long undervalued in relative and absolute terms, will make modest gains against gold in 2019 underpinned by industrial demand and more positive investor sentiment. Growth in global solar photovoltaic (PV) installations will continue to drive demand for silver, despite a slowing of the Chinese economy – the largest PV market. Demand for silver in electronics, notably electrified vehicles as well as in chemical applications will also have a positive year. There will be no shortage of physical silver in the market, however, due to mine expansions and rising recycling. Supportive real rates, equity market turmoil related to political and economic instability, and higher inflation due to protectionist policies will see silver return to favour among private investors, while tailwinds from the gold market may keep silver well bid among institutional investors, who could rebuild currently lean positions.

Pt **Range: $750 - $950**
Average: $910

Platinum begins 2019 close to an all-time low compared with its sister metals palladium and gold, and at a nearly 10-year low in dollar terms: it looks oversold, under-appreciated by industrial users and under-owned by investors. The platinum market is however likely to remain in a surplus with no shortage of near-market metal. We anticipate some further platinum supply rationalisation in 2019 and possible upside risk from labour disruptions. If the South African rand weakens further, this will lessen the business case for producers to remove excess ounces from the market, however. Further declines in the diesel market share in Europe and a shift towards electric vehicles will continue to erode the demand side. While platinum could make some inroads in gasoline emissions control due to the relative price spread with palladium, this is unlikely to have a major impact. For demand growth, we look to the chemical and electronics sectors.

Pd **Range: $1,050 - $1,350**
Average: $1,150

The palladium market will remain in a supply-demand deficit; however, this is unlikely to continue to justify record high prices and the extreme tightness seen in the forward market. Speculative profit-taking by investors and the release of inventory by industrial users are likely to bring the metal back to the market, helping ease prices and forward rates. The outlook for autocatalyst demand remains generally positive but is clouded by a slowing of the two biggest markets, China and the USA. In China, government stimulus and rising vehicle loadings as the country moves towards Euro 6 will partly offset the structural slowdown, but economic and political uncertainty in other markets may result in lower demand. Supplies will be constrained by a lack of output growth from Russia and South Africa, while the difficulty in processing filters from spent autocatalyst systems will keep supplies from recycled sources from growing quickly.

Tianze CHENG

Bank of China, Beijing

Pd **Range: $1,200 - $1,380**
Average: $1,260

We expect the global palladium market to remain in deficit for the eighth straight year in 2019. Although palladium supply is forecast to rise due to more scrap supply, relatively robust autocatalyst demand will likely motivate industrial consumers to purchase more palladium when the above-ground metal stock is already at a low level, which will support prices. But at the same time, concerns about slower global economic growth and potential headwinds may undermine investors' and speculators' interests in palladium, putting some pressures on the price. As a result, palladium is forecast to sustain its strong performance, with its yearly average price striking higher, while there will be higher two-way price volatility in the year ahead.

Suki COOPER

Standard Chartered, New York

Au **Range: $1,170 - $1,440**
Average: $1,305

Scaling back of Fed rate hike expectations, a weaker USD and lower US Treasury yields paint a favourable backdrop for gold prices. These macro factors were headwinds that capped gold's upside momentum in 2018, but are set to ease this year or even become tailwinds. Furthermore, gold has reasserted its safe-haven status in past weeks amid a weaker equity market and easing trade tensions, and lingering political risks such as Brexit that could expose prices to the upside. On the downside, despite a weaker-than-expected physical market, gold prices have found support from central bank buying and sizeable ETP buyers. Official-sector purchases are set to mark the strongest year in three years, buoyed by new market entrants such as Hungary, Poland and India, as well as established buyers such as Russia, Kazakhstan and Turkey. We expect this strength to continue in 2019. ETP investors have proven resilient, while tactical investors are underinvested, suggesting scope to the upside when the macro picture turns more favourable for gold.

Ag **Range: $14.00 - $17.75**
Average: $16.10

The silver market has been weighed down by gold's softer price action, but also copper's weak performance. Neither industrial nor investment demand has supported silver, driven by heightened uncertainty stemming from trade tensions and the scaling back of subsidies in China and the US. However, it is the absence of retail investment demand that has pressured prices lower. In an environment of slowing US growth and US interest rates peaking, silver is likely to shine again. Silver ETPs remain a weak spot, but as stale exposure is flushed out, a more solid footing is likely to materialise for fresh retail demand. The gold-silver ratio is trading above levels last seen in 1993. We do expect industrial demand to stabilise this year, as photovoltaic installations continue to grow, albeit at a slower pace and amid limited thrifting and substitution opportunities.

Pt **Range: $720 - $1,000**
Average: $874

The platinum market is set to remain oversupplied in 2019, and prices are likely to struggle for meaningful upward traction in the near term. Amid a slew of negative factors, prices have tested lows above $750/oz. With the cocktail of extreme short positioning, limited supply contraction, demand weakness and muted substitution in autocatalysts, prices trading into the cost curve are likely to have found their lows. Although the floor remains fragile, many factors have scope to drive upside risk rather than compound the downside further. Switching in autocatalysts has been much slower than anticipated. If it starts to materialise in the coming year, coupled with higher loadings for heavy-duty diesels to meet standards to be implemented in 2020, wage negotiations taking place in South Africa this year and investor positioning becoming more neutral should help prices to stabilise at lower levels, if not start to edge higher.

Pd **Range: $950 - $1,450**
Average: $1,206

We continue to forecast a deep market deficit of more than 700koz for palladium in 2019 and 2020, with limited opportunities for supply growth. The forward curve remains heavily backwardated, with lease rates above 25%. While the demand picture remains robust, there are signs of weakness. Investment demand appears overextended, posing the risk of profit-taking near term, and elevated prices expose palladium to rising risks of switching in autocatalysts. Further, the auto market has shown signs of slowing. China and US auto sales have decelerated, and 2018 is set to mark the first year of declining auto sales in China since at least 2005. We expect China's auto sales to stabilise in 2019, rising by just under 2%, with much of the growth likely to be led by Battery Electric Vehicles and hybrids. Much of the auto weakness has been offset by the rising Platinum Group Metal loadings in vehicles due to tighter emissions legislation in China and the US.

Bernard DAHDAH

Natixis, London

Au **Range: $1,270 - $1,380**
Average: $1,330

The weaker US dollar and a weaker macroeconomic environment will be the main driver behind higher gold prices.

We see the Fed rate hike cycle coming to an end, with only one rate hike in 2019. At the same time, we expect that the ECB will keep pursuing normalisation and, in latter part of the year, that the market will start factoring in a rate hike. Both the end of the Fed rate hike cycle and anticipations of higher ECB rates should push the dollar lower.

We expect further pressure on the dollar coming from lower US growth (a combination of full employment and an economy that is above potential). Also, we see the effect of the tax cuts turning negative for the economy during the second half of the year (a budget deficit that will further widen).

Ag **Range: $15.20 - $17.50**
Average: $16.20

As is usually the case with silver, the strong correlation with gold is expected to remain in place (comfortably above 0.8), with gold leading the direction.

We see no specific reason as to why this historic correlation could break down and believe that, like gold, silver prices will benefit from a weaker USD. It is also worth noting that the silver-gold beta was at 1.4 for the past year, up from 1.27 since the start of 2016. We expect to see silver prices rising at a faster pace than gold prices.

Pt **Range: $800 - $950**
Average: $855

We expect that demand for platinum from autocatalysts will remain weak in 2019 as the sale of diesel-powered cars keeps dropping. We also see platinum jewellery demand remaining weak as the metal has lost much of its lustre since it started trading below the price of gold.

Although our view on platinum fundamentals is grim, we believe that a strong correlation with gold will mean that the rise in gold price in 2019 should be positive for platinum, although we do not think the fundamentals will be strong enough to allow the metal to rise above $1,000/oz for a prolonged period.

Pd **Range: $900 - $1,400**
Average: $1,120

To highlight the importance of the automobile industry in palladium demand, around 81% of total demand comes from autocatalyst production. With that in mind, global automobile sales have been slowing down (by around 3.5% year on year in the first 11 months of 2018). We are particularly concerned with China as, in 2018, new car sales dropped for the first time since 1990. This came as a result of both the end of government tax breaks and an economic slowdown. As the trade war drags on into 2019, we are somewhat negative on the global automobile sector and expect weaker economic growth and sales in both the US and China.

As such, we see palladium prices heading to lower levels, with the biggest risk to prices coming from Russian state reserve sales.

Peter FERTIG

QCR Quantitative Commodity Research Ltd, Hainburg

Au **Range: $1,150 - $1,375**
Average: $1,250

Gold ended last year in the red for the third consecutive time and 2019 could easily be the fourth one, despite the trading range being expected to be almost the same. Also the annual average is probably lower than in 2018. Factors that could support gold's glitter as a safe haven are the tweets of Donald Trump. During the final quarter last year, the drop of international equity markets was also supportive; however, markets are likely to recover. At the start of the year, gold is also supported by market expectations that the Fed would be done with adjusting interest rates. The ECB is widely expected to start tightening interest rates. Both would be positive for gold, as the opportunity costs would not increase and the US dollar should weaken. However, both assumptions might be a fallacy. The US economy is growing strongly and the real yield on 10-year US Treasury notes below 1% are not a reason for a slowdown. The low US unemployment rate and accelerated wage growth could induce the Fed to make two more rate hikes as scheduled. In that case, a stronger US dollar has to be expected, which would be negative for gold. In Asian markets, the demand for gold might slow due to the trade war the US is waging against China.

Ag **Range: $12.75 - $16.75**
Average: $14.90

At the end of last year, silver profited from the rout in equity market. However, this is probably only a flash in the pan. While we would not rule out that silver might rise above $16.00/oz temporarily, a sustained upward trend and trading above last year's high appears rather unlikely. While a US recession is not on the horizon, a slowdown of global GDP growth has to be expected. Therefore, silver demand is suffering from its industrial use. For investors, silver is also not shining brightly as the Fed is most likely not done with hiking the Fed Funds rate and expectations for an ECB rate increase during fall this year already seem to be premature. During an economic slowdown and with core inflation well below the target, only foolish central bankers' hike rates and the German-speaking ECB council members are not in the majority. Thus, silver might face headwinds from higher US money market rates and a firmer US dollar, which could send prices below the low of 2018.

Pt **Range: $650 - $900**
Average: $725

Volkswagen's diesel scandal was the game changer for platinum, which was the worst-performing precious metal in 2019. It will probably underperform its peers also this year. A higher annual high compared was last year is not expected, but platinum could easily fall to a new multi-year low. Platinum will not profit from flights to safe havens in the case of a drop in stock markets — quite the opposite. As a bear market in equities is regarded as a harbinger of economic weakness, such a development could send platinum sharply lower. On the other hand, in the more likely scenario of robust US growth and only a moderate slowdown of global GDP growth, the risk prevails that higher Fed Funds rates and a firmer US dollar would drag platinum lower. It is more a loss-loss situation for the once leading PGM metal.

Pd **Range: $1,075 - $1,475**
Average: $1,325

Palladium was among the four precious metals surveyed, but the only one with a positive development in 2019 and is expected to repeat this outperformance again in 2019. Certainly, the old adage says that the best cure against high prices are high prices, and producers might try to increase output this year. In addition, total car sales might at least increase slower than last year or even decline. However, the shift from cars with diesel engines to those with gasoline engines will continue, especially in Germany after the courts order more and more that cars with diesel engines are forbidden to be driven in major cities. Positive for palladium is furthermore that palladium holdings at ETFs are at the lowest level since early 2010. Therefore, the funds are only a limited source of supply to satisfy increasing demand. It is probably quite normal that palladium will be quoted higher than gold in most of 2019.

Carsten FRITSCH

Commerzbank AG, Frankfurt

Au **Range: $1,200 - $1,400**
Average: $1,300

The end of the Fed's rate hike cycle and the depreciation of the US dollar that this will trigger should lend buoyancy to the gold price this year. In addition, the pressure on the currencies of emerging economies is likely to abate, which should also benefit global gold demand. The numerous political and economic uncertainties likewise point to a higher gold price, as these can lead at any time to higher risk aversion and stock market volatility. Demand for gold ETFs would profit from this. Gold's upswing is unlikely to be a one-way street, however. As long as the end of Fed interest rate hikes is still open, the gold price is likely to suffer repeated temporary setbacks. We envisage a lasting price rise only from mid-year to $1,350 per troy ounce by the end of 2019.

Ag **Range: $14.25 - $17.25**
Average: $15.25

The trade conflict is unlikely to be resolved in the near future, and the global economy looks set to lose momentum. This should dampen industrial demand. If even the low prices last year were not able to revive demand for coins and bars, there is no reason to think this will happen this year, either. Silver ETFs are thus likely to find it difficult to absorb the supply surplus. Admittedly, silver is historically cheap by comparison with gold, which gives it catch-up potential. Nonetheless, we do not expect the silver price to perform noticeably better than gold, apart from some brief periods. The silver price is likely to follow the gold price on its upwards trajectory for the most part. We expect the silver price to rise to $16.00 per troy ounce by the end of 2019, though this would still leave the gold:silver ratio at a high 84.

Marcus GARVEY

ICBC Standard Bank, London

Au **Range: $1,225 - $1,375**
Average: $1,293

We believe that the current dollar bull market is peaking and, therefore, expect gold to rally over the coming year. Specifically, we think that the FOMC will hike at a slower pace than implied by the dot plot, becoming more cautious as real short-term interest rates approach their estimated equilibrium level. Gold has already benefited from a futures short-covering rally that has taken the metal back towards $1,300/oz. However, we do not yet see this developing into a sustained gold bull market but rather expect prices to hold within their five-year range. For gold to truly break out higher, we would need to see sustained cross-asset risk-off price action, with US growth stalling and the FOMC ceasing to hike or even beginning to cut.

Ag **Range: $14.90 - $17.70**
Average: $16.60

Our upside expectations for silver are largely dictated by our gold price and US dollar views. The metal's discount to gold should also narrow from recent extremes, but we do not see a fundamental reason for it to change materially. A downside risk would be for ETF investors to liquidate a more substantial share of their holdings.

Pt **Range: $725 - $875**
Average: $775

We expect platinum to remain in surplus through 2019, unless there is a significant restructuring of the supply side. That is currently outside of our base case scenario as producers' margins are being supported by high by-product credits. On the demand side, further downgrades to the jewellery outlook – principally driven by current concerns around broader Chinese consumer sentiment – and the continued slide towards 30% market share for European diesel sales are likely to weigh on prices. Although the growth of fuel cells and increased substitution towards platinum should cushion demand over time, we do not see any short-term catalysts that are likely to tighten the market.

Pd **Range: $1,190 - $1,490**
Average: $1,350

Despite investor strength coming back to the market, it remains well short of Q1 2018 levels, creating further upside room to already elevated prices. Indeed, a substantial fundamental deficit should keep outright prices high and the forward curve backwardated. Although a softer autos sector and increased substitution away from palladium are risks to demand, increased loadings – particularly on the back of China Euro 6 implementation – should keep overall consumption relatively firm.

Réne HOCHREITER

Noah Capital Markets/Sieberana Research (Pty) Ltd, Sandton

Au **Range: $1,275 - $1,420**
Average: $1,365

With the VIX at extreme levels, and a full blast bear market possible this year on the US exchanges, the gold price is finally beginning to show signs of bullishness, even though the 200DMA is still heading downwards but is flattening. We still think that the gold price is geared to volatility, but not to the extent that it was pre-millenials. Today's alternatives to market downturns are cash, collars, cryptocurrency, shorts and lots of other mechanisms. With Trump in his third year and his popularity waning, we think the US dollar will weaken, benefitting gold. The Fed may turn dovish as the bear market develops, further weakening the dollar and supporting gold prices.

Ag **Range: $15.00 - $17.00**
Average: $16.00

As usual, the silver price will likely track the gold price with increasing accuracy. Algorithm trading will most likely see silver rise or fall proportionately with the gold price as it has done for some time now. Chinese demand may see a resurgence of silverware consumption during 2019. — we saw some silver chopsticks on a recent visit to China, as well as bowls. Consumption in the electronics and super-conductor sectors could benefit silver demand. Technically, the silver price is in the same boat as the gold price, lagging the upward move gold has started, but looking positive in 2019 and beyond.

Pt **Range: $790 - $900**
Average: $850

The platinum price is most strongly affected by the rand/USD exchange rate. If the rand were to decline to say 20/USD, we think the platinum price will trade at $600/oz as the South African producers will still be able to produce platinum profitably with the palladium price at around $1,270/oz and the rhodium price at around $2,500/oz. At an average R14.60/USD for 2019, we think that the platinum price will likely average $820/oz. There is obviously also the relationship with gold, which appears to have loosened in 2018, but nevertheless remains in place. With the gold price averaging $1,300/oz or thereabouts, we think the platinum price may feel some upwards pressure to move to the $900/oz level, but the weightiest determinant of the platinum price remains the rand.

Pd **Range: $1,250 - $1,475**
Average: $1,418

Palladium prices are likely to do well again this year. We maintain our view (since May 2017) that it could be double the price of platinum by 2020. As palladium demand is outstripping supply by several hundred thousand ounces a year, in the next five years, we see the price rising to perhaps $2,000/oz by the early 2020s. However, if the platinum price does not follow, and there is not enough rhodium to substitute for palladium in autocatalysts as per the Anglo Platinum '5<7-for-one' offer, there may be switching into platinum metal for use in gasoline autocatalysts whilst the gap remains greater than $500/oz to $600/oz. Technically, the palladium price shows a move to $1,475/oz possibly during 2019.

Nikos KAVALIS
Metals Focus, London

Au **Range: $1,235 - $1,400**
Average: $1,300

After a challenging 2018, the macroeconomic environment has turned positive for gold in recent weeks. Expectations that the Fed will be less hawkish than previously thought, equity market volatility and worries about the outlook for the global economy have all helped the yellow metal. Against this backdrop, it is tempting to become bullish. We caution however that, in the near term, there remain some key headwinds for gold. The main one among these is US dollar resilience, reflecting a dovish ECB coupled with further (albeit slower) US rate increases. A relatively healthy, for now, US economy should also weigh on gold.

As such, over the next few months, we think prices will struggle to break above the $1,350s/oz, while corrections to around the $1,230s/oz seem likely. However, a more decisive rally is expected to emerge later in 2019. As the end of the US tightening cycle and start of this process in Europe approach, a secular downtrend for the dollar is likely to emerge, providing the catalyst for a venture towards $1,400/oz.

Philip KLAPWIJK
Precious Metals Insights, Hong Kong

Au **Range: $1,259 - $1,402**
Average: $1,319

Gold prices are forecast over the next few months broadly to consolidate the gains seen in the latter part of 2018 before trending upwards later this year, with a decisive breakthrough of last year's high and a move towards $1,400/oz occurring towards year-end. This scenario is partly based on the view that while the US dollar has probably now peaked against other major currencies, a return to an outright depreciating trend will only occur once it is clear that the US economy is slowing and, as a result, expectations grow of the Fed preparing to loosen monetary policy. Gold would also benefit from a return to easing by the US central bank because real short-term dollar interest rates would drop back into negative territory. In response to clearer signs of an economic downturn later this year, another major sell-off in stocks is highly probable and this will also encourage investment in gold, especially if investors fear there will be no quick recovery in equity prices. And expect more focus by the market on America's fiscal position, as the inevitable fall that is coming in the country's GDP growth will result in even higher Federal budget deficits, with serious consequences for the longer-term credibility of the US dollar versus its peers, including gold. As economic conditions become friendlier towards gold, an important positive for the precious metal is that it is presently rather 'under-owned', meaning there is plenty of scope for new investment to enter the market and drive prices higher.

Ag **Range: $15.19 - $19.18**
Average: $16.71

The outlook for the silver price is positive this year, but this is largely because it will benefit from strength in gold and is beginning the year at a relatively low starting level, as indicated by a gold:silver ratio above 80:1. Indeed, whilst the ratio is by year-end expected to narrow substantially, at around the 70-mark, it would still be very high historically, especially in the context of an incipient bull market for these precious metals. The reasoning for this is that silver's price prospects may be somewhat constrained by a limited investor base and the impact of a global economic downturn on industrial demand for the metal. There appears to be less investor interest in silver than formerly and it may be that this is not just a cyclical phenomenon but that it also reflects demographic changes and a shift in speculators' attention towards new categories such as cryptocurrencies and cannabis stocks which are expected to generate higher returns. Some limitation on the scope for growth in investment demand, at least compared to that seen at the beginning of the decade, needs to be considered in light of a likely rise in the physical surplus in the silver market if a weaker global economy results in silver industrial demand faltering. Silver is quite vulnerable in this regard as, according to Metals Focus, a wide variety of industrial uses together accounted for as much as 64% of silver fabrication demand in 2018.

Pt **Range: $775 - $914**
Average: $843

Even if it were to perform as a laggard, it is difficult to see platinum altogether failing to benefit from the substantial move up in gold prices expected by the end of this year. Moreover, as with silver, platinum's lowly starting point on this journey also means that gains could appear quite flattering. But besides these considerations, there is not much positive to say about the precious metal. Supply continues to be sticky. A small drop in mine production this year is likely to be offset by higher recycling. On the demand side, while 2018's plunge in diesel registrations is unlikely to be repeated in 2019, the overall prospects for automobile sales in Europe this year are not good. Moreover, besides soft autocatalyst demand, platinum has to contend with the prospect of, at best, a sideways move in global jewellery demand, with arguably the more probable outcome further slippage, due to yet another year of decline in the world's largest consumer, China. As such, the physical surplus in the platinum market is actually likely to rise this year and, all other things being equal, this will limit the room for gains in prices.

Pd **Range: $1,095 - $1,361**
Average: $1,267

Palladium prices have largely been driven up and will continue to be buoyed by tight conditions in the physical market that are ultimately caused by the imbalance between demand and supply, which is resulting in a running down of bullion stocks. This fundamental situation will not change in 2019 in spite of some growth in supply from both mine production and recycling. However, the physical deficit could moderate if a global economic slowdown materialises and this results in car sales falling, especially in the dominant (for palladium) US and Chinese markets. It should be noted here that autocatalysts account for nearly 80% of palladium fabrication demand. While tighter emissions controls are likely to drive a further substantial increase in autocatalyst offtake over the medium term, in the short run, a cyclical downturn in the auto industry could result in a temporary change in trend. Indeed, it is probable that just the expectation of a major future setback to autocatalyst demand will be the catalyst that triggers a reduction in the speculative demand for palladium that has lately driven the metal's price beyond where it would have gone based on ordinary supply/demand factors alone. When this liquidation of positions occurs, the fall in the palladium price from elevated levels is likely to be quite considerable, although ongoing supply/demand realities should limit the scope for decline this year to comfortably above 2018's sub-$900/oz price lows.

Janlu LIANG
Metals Focus, London

Pd **Range: $1,150 - $1,450**
Average: $1,330

Palladium has started 2019 on a strong note. Ultimately, this reflects an almost uninterrupted period of structural deficits in the palladium market since 2010. The tightness in the physical market has been exacerbated by a lack of palladium ingots.

However, in a similar vein to previous years, we would caution that record high prices have made palladium vulnerable to profit-taking in the near term. Worries about slower Chinese and US economic growth may also hit equity markets, which tend to have a positive correlation with palladium prices, as well as raise concerns towards the outlook for car sales. A loosening of leasing market conditions could also weigh on the price.

That said, palladium's strong fundamentals should provide a solid floor for prices during such a correction. Eventually, the ongoing decline in palladium above-ground inventories and the threat of industrial action in South Africa later this year should favour higher prices, with palladium projected to hit $1,450/oz before year-end.

Yufei LIU
Bank of China, Beijing

Ag **Range: $14.50 - $17.90**
Average: $15.60

A modest rebound of the silver price is expected in 2019. Highly correlated with gold, silver will earn some chances to rise, since this round of US dollar rate hikes looks likely to come to the end. Additionally, gold:silver ratio needs a retracement after touching a several-year high. On the other hand, uncertainty around trade talks among major economies may persist, and it won't be surprising if we find twists and turns in the process. Silver may face pressure as well as other commodities, when the market becomes risk-off. Moreover, the global supply of silver will increase as new mining projects (copper, zinc, etc.) launch. In sum, silver may not be a star player in the precious metals group this year.

Neil MEADER
Metals Focus, London

Ag **Range: $14.50 - $19.00**
Average: $16.50

Silver disappointed once more last year as its price fell by 9% intra-year and the gold:silver ratio continued to widen, from around 66 in July 2016 to over 86 by November 2018. However, this year should see a decent reversal in fortune as we forecast that the price will rally to a high of $19.00/oz in Q4, which would mean the gold:silver ratio falling to less than 74.

The chief driver of the rally will be a positive spillover from the gains that we forecast in gold, as the yellow metal eventually benefits from such factors as dollar weakness and corrections in the equity markets. Some of the forces driving gold higher, such as concerns about the state of the global economy, have possible negative consequences for the industrial metals, and by extension silver. However, the weight of institutional money flowing into a relatively small market should prove sufficient for silver to outperform gold.

Edward MEIR
INTL FCStone, New York

Au **Range: $1,195 - $1,405**
Average: $1,302

A number of tailwinds are in place for gold to move significantly higher during the year, including flatlining US interest rates, a declining (or at least a stalling) dollar, wobbly US equity markets and perhaps renewed interest by the long-missing fund community.

Ag **Range: $14.00 - $17.30**
Average: $15.65

Silver should follow gold's lead, but could be held back somewhat more by a struggling base metals complex.

Pt **Range: $730 - $1,050**
Average: $885

During 2019, we see platinum doing better than it did last year as we have to suspect that the prolonged period of low prices should start to take a toll on supply just as existing ore grades continue to decline.

Pd **Range: $1,050 - $1,550**
Average: $1,325

Over the course of this year, it is anyone's guess where we could top out in palladium given that there is no chart resistance showing. We would not be surprised to see a $1,700/oz high at one point, but the inevitable sell-off – when it comes – could be vicious.

Bart MELEK

TD Securities, Toronto

Au **Range: $1,227 - $1,374**
Average: $1,313

Much of gold's poor performance last year can be traced to sentiment and capital flows which directed money managers to position short, as the Fed signalled an uninterrupted drive toward a restrictive monetary policy, a robust US dollar rally relative to EM and G10 currencies and surging equity markets. However, as 2019 unfolds, the factors which worked against the yellow metal are set to reverse, which should help boost prices to an average of $1,350/oz in the final three months of the year. Monetary policy normalisation, where the Fed ends its tightening cycle, while other central banks start removing monetary accommodation, along with a firming EM/China currency outlook, should all help to weaken the US dollar relative to its G10 and EM peers. A weaker US dollar, along with materially higher volatility and equity market correction risks, are primed to drive capital into gold for protection.

A flat yield curve, an uncertain global growth profile along with the lack of inflation, which should keep real rates quite low, and a growing conviction that President Trump's tax reforms will create unmanageable debt are additional factors which we judge will serve as support for the yellow metal. Industrial demand, official sector purchases, Chinese buyer compliance to new regulations which will allow them to lease metal again and a weak global supply growth profile should also prove to be positives on the margin.

Ag **Range: $14.75 - $18.22**
Average: $17.00

Considering the fact that silver is at its cheapest relative to gold since 1993, it is likely that its historically higher volatility and correlation to gold will make it a precious metals outperformer when investors again start to position long in the space. The white metal exhibits relative strength during periods when investors are building gold exposure and are looking to hedge, especially when silver positions move from an extreme net short towards net long exposure. In addition to monetary and macroeconomic drivers, tightening fundamentals owning to unimpressive mining output growth and strengthening global industrial demand, following Chinese stimulus later in 2019, are additional positives which should prompt silver to move higher this year.

Improved investor sentiment and stable global growth should help to lift industrial demand expectations, and along with modest mining activity growth, tighten physical fundamentals and generate upward price pressure as 2019 unfolds. Large silver inventories have flattened out and are also likely to start unwinding amid firmer industrial and investor demand. Relative to global asset values, specs have plenty of room to lengthen exposure in the white metal.

Pt **Range: $775 - $954**
Average: $913

The continued loss of market share for diesel light vehicles in Europe amid tighter regulations, the pause of new diesel models by some manufacturers, along with the lack of material mine closures in South Africa and gold's weak performance have all helped to force platinum prices to decade lows. Money managers' moved into aggressive short positions as manufacturers opted for a change to non-PGM SCRs to decrease NOx emissions and comply with environmental standards, which resulted in decreased platinum loadings. At the same time, strong palladium and rhodium byproduct pricing and a weaker rand kept mining operations from cutting platinum supply.

However, the factors that have worked against platinum should post a modest reversal into 2019, which we project will lift prices off recent lows. While we agree that diesel will continue to lose market share in Europe, we expect the declines to slow as they are to be offset by a rebounding market share in India, which should be seen as tightening on the margin. In addition, uncertainty with regards to the viability of new autocatalyst technology (which requires less platinum) could prompt a switch in tech towards one that contains higher platinum loadings ahead of more stringent regulations. This, along with an improved gold market environment, and platinum's correlation to the yellow metal are an additional positive for prices. The likely reduction in South African output, the metal's cost advantage over palladium and its security of supply, which should start to prompt substitution, are additional factors driving us to see platinum in a better light this year.

Pd **Range: $982 - $1,443**
Average: $1,175

Notwithstanding the fact that the primary deficit over the next several years will continue to be quite deep, as Russian and South African supply growth has trouble fully meeting demand, prices seem a bit too high at the current $1,330/oz, considering the fact that economic momentum is shifting into lower gear across the world. The tight S-D environment is projected to keep palladium well bid, but extreme pressure should ease as US and Chinese auto demand softens materially into negative territory. This, along with talk of possible substitution and more supply, should see prices ease, but still remain at a high $1,175/oz average over the next 12 months.

Eddie NAGAO
Sumitomo Corporation, Tokyo

Au **Range: $1,175 - $1,475**
Average: $1,315

The Fed won't be able to hike rates as much as it would want. The probability of a US recession is higher now and volatility of the markets is expected to rise as there will be fewer risk underwriters under such circumstance. Gold is to be one of the favoured asset classes among institutional and private investors.

Ag **Range: $14.50 - $18.75**
Average: $16.60

Silver will likely follow gold's direction. We expect investment demand to recover in the US due to political and economic uncertainties. As for industrials, some of the electronics-related demand may slow down, although the direct impact from US-China trade tensions is limited for the PV sector. It is also noteworthy that silver production from the mines could fall as average silver ore grades decline.

Pt **Range: $650 - $1,050**
Average: $830

The platinum price has historically been driven by demand rather than supply. In 2019, it is hard to expect a sharp increase in demand for platinum in conventional usage, neither from the autocatalyst nor from Chinese jewellery sector. The long-term downward trend of platinum has been continuing for more than seven years, so the lack of long position hanging is probably the most supporting element.

Pd **Range: $950 - $1,450**
Average: $1,245

Supply constraints will continue for palladium. Steep backwardation is making recycling business difficult despite the rising price. Under such circumstance, we expect the palladium price to exceed its historical high in the early part of the year. It won't last long though, based on the assumption that there will be less spot procurement compared to 2018 due to the worsening sentiment of the global economy.

Philip NEWMAN
Metals Focus, London

Pt **Range: $750 - $980**
Average: $850

Platinum continues to struggle under unfavourable supply-demand conditions. Against such a backdrop, Metals Focus's outlook of modestly higher prices may seem counterintuitive. However, we believe that as macroeconomic factors push gold higher, particularly in the late part of the year, platinum is likely to also follow. As such, for yet another year, we see gold remaining the key factor driving platinum prices, rather than the metal's own fundamentals. Importantly, the platinum price will remain in a deep discount to both gold and palladium throughout the year.

With regards to platinum's fundamentals, we see little prospect of a significant cut to mine production, even allowing for wage-related strikes in South Africa, where record palladium prices have helped alleviate rising cost pressures. In terms of platinum demand and focusing on automotive offtake, passenger diesel vehicle sales are expected to lose further market share in platinum's key European market. As a result, platinum is expected to post another physical surplus. This translates into further growth in above-ground stocks, which will weigh on the platinum price.

Ross NORMAN

Sharps Pixley, London

Au Range: $1,280 - $1,410
Average: $1,337

It is tempting to call 2019 – like 1999 – as the year that gold pivoted. While 2000 saw a plethora of positive new initiatives making gold attractive and accessible, 2019 is more likely to be fuelled by more negative factors elsewhere. The dollar run and, indeed, equities strength are looking tired and even the rate tightening cycle looks to have largely run its course.

Recent gold price strength is encouraging, but January is consistently one of the best-performing months as asset allocators shift a bundle into gold ETFs before the market flatlines again. On the charts, gold looks to have clearly established a bottom, but it still has work to do before we can say that we are back in a bull run.

Encouragingly, gold is at or close to all-time highs in many currencies, including the Aussie dollar and Indian rupee, which has shown itself to often be a leading indicator.

Looking ahead, we see the two most important factors for gold being the dollar outlook and the $1,365/oz technical resistance (a level largely unbreached most years since 2013). In short, gold is looking 'constructive' and we see the stage set for good gains.

Ag Range: $14.10 - $18.55
Average: $17.26

If gold has been 'unloved' then silver was positively 'disdained' by investors during 2018. The disenchantment was clear through ETF holdings, which despite a modest price rise in Q4, saw investors scaling back. Sadly, the silver chart better mirrors that of bitcoin, than gold. Imagine, $50.00/oz just a few years ago?

With the gold:silver ratio towards the upper end of its range, coupled with a positive outlook for gold, we should expect silver to outperform. However, silver prices remain stubbornly inert and the market is yet to be shaken from its long slumber.

Looking ahead, both gold and silver have important technical resistance about 5% north of where we started the year. In silver's case, this is at $16.35/oz. A breach of that level might embolden silver bulls and spur speculative activity. Our confidence is thin, but our bullish view of gold translates into a bullish view for silver – and never forget its capacity to surprise. We are going out on a limb here, but we think silver could be the big surprise of 2019.

Pt Range: $620 - $1,000
Average: $735

There used to be two truisms in PGMs: the first was 'never go short, they have a capacity to surprise and caught short is invariably an expensive exercise'. The second was 'as go car sales, so goes platinum'. Both seem redundant these days.

Sadly, the best thing one can say of platinum today is that it is really cheap – roughly a third of the price it was a decade ago. And then there's the floor formed by the marginal cost of production.

Platinum remains a quality metal and arguably one of the most efficacious out there, yet it's at levels not seen since mid 2004. The charts suggest that platinum should find a floor at $740/oz, but we are not yet convinced it will hold. With global manufacturing looking weak and car sales tepid, it is hard to make a strong case for platinum. Investors with a long-term view may be encouraged by a gradual shift to a hydrogen-fuelled economy, but the pace of these developments is often more glacial than you might hope. The outlook for platinum in 2019 looks weak, although we must surely be nearing the bottom of the cycle.

Pd Range: $1,261 - $1,715
Average: $1,505

Palladium was the stand-out performer of 2018 with a gain of 19% – we expect another stellar performance in 2019.

If any metal can go parabolic and sustain the rally, its palladium. With the market in backwardation and double-digit lease rates, it confirms that the metal remains in short supply and its demand fundamentals are strong. In short, palladium looks vulnerable and has the capacity to surprise even further to the upside, especially if the supply deficit attracts speculators. More so, if the political risk from its biggest producer, Russia, becomes inflamed.

The main dark cloud for palladium remains the probability of lower passenger vehicle sales, especially in China, although tightening emissions standards should keep loadings firm.

Having surpassed the gold price, palladium might even have an eye on the rhodium price. We expect further significant upside to palladium in 2019.

Rhona O'CONNELL

Independent, London

Au Range: $1,276 - $1,450
Average: $1,365

Gold has struggled to clear the $1,300/oz level in the early weeks of 2019, but nonetheless. its 9% rise from mid-August to mid-January has reflected its previously oversold nature and a degree of the then-prevailing pessimism. The bad news for gold is largely priced in, at least in terms of expectations for the dollar, and it is encouraging for the bulls that prices in local currencies are on the rise (although this has initially hampered demand in some key areas, it generally ultimately tempts the cautious back into the market). This local currency activity plus continued economic uncertainty and the news of renewed and sustained central bank interest are all underpinning factors for this market, and further gradual gains are viable.

Ag Range: $15.30 - $19.30
Average: $17.55

Silver remains torn between deciding whether it is an industrial or a precious metal. Certainly, recent investment activity in the United States and India suggest that it is cleaving more to the precious arena and is sustaining its long-held role as poor man's gold. The industrial fundamentals remain unprepossessing and gold is likely to be the key driver this year. On that basis, and given that the vast majority of silver's fundamentals are price-inelastic, a narrowing of the gold:silver ratio is foreseeable, although it is not likely to be by much.

Pt Range: $778 - $940
Average: $845

After an abysmal performance over the past six years, platinum does at last look to be trying to stabilise. Uncertainty still prevails over its destiny in the automotive sector (although hybrids will still require emission control catalysts) and this will continue to cloud sentiment, but after holding around $800/oz in early 2019 (and, importantly, around ¥2,800/g), there is some possibility that it can start to clamber back towards $900/oz, although it is likely to be a tough grind. The mid-December CFTC figures (the most recent available) still showed a market short, but this may well have been eroded. A long hard road lies ahead, but perhaps with a smoother surface than of late.

Pd Range: $1,250 - $1,450
Average: $1,330

Palladium has remained the darling of the sector, although perhaps now it is time for the ardour to cool a little. Palladium's exuberant 59% gain between mid-August and mid-January clearly puts gold's run into the shade (although this was after a much-needed correction), but coming off a three-year bull market from below $480/oz, it is certainly arguable that this metal has done enough for now. Volatility is still likely as the market remains in backwardation and there is still lurking concern over liquidity, while demand continues to outstrip supply. Given this environment, it is unlikely that we will see much profit-taking until momentum slows. Meanwhile, the previous upward channel is now under attack from below but may well provide effective resistance. The early January levels of between $1,300/oz and $1,350/oz look like a safe benchmark for the year.

Manuel OLIVERI

Credit Agricole, London

Au **Range: $1,260 - $1,380**
Average: $1,320

Looking ahead, we expect precious metals to perform well for the remainder of the year. This is regardless of stabilising global risk sentiment on the back of easing geopolitical tensions and potentially rebounding growth momentum outside of the US. In fact, further progress on trade between the US and China should not only come to the benefit of a rising appetite for risk assets, it should also lower fears about rising upside risks to inflation from tariffs. Such prospects should support the view of the Fed being closer to a pause. Elsewhere, other major central banks such as the ECB have been moving closer to policy normalisation and such a development should help to lower the greenback's rate advantage even further. With the Fed being less likely to continue operating ahead of the curve, gold ($/oz) is facing upside risks. By the end of the year, we see room towards $1,350/oz with upside risks.

Frederic PANIZZUTTI

MKS PAMP Group, Geneva

Au **Range: $1,240 - $1,460**
Average: $1,335

In 2018, gold declined slightly, ending the year around 2.4% lower. Despite sound fundamentals, gold did not manage to respond favourably to bullish factors, as a strong US dollar prevented any rally.

2019 could be a different story. We do expect the FED to be on a wait and see stance, and to take a slower pace in hiking interest rates. In such a scenario, the US dollar might not strengthen much further, especially in the second half of the year. This combined with the ongoing US-China trade debates, geopolitical tensions, political turmoil and additional stock market downside corrections will be supportive for gold.

More volatility in stock markets shall trigger safe-haven gold buying. We view 2019 as a year of assets rebalancing and fresh money to flow into gold. The official sector shall continue to be a net buyer.

We see gold averaging $1,335/oz in 2019.

Ag **Range: $15.00 - $17.50**
Average: $16.63

In 2018, silver again underperformed gold, declining over 9%. In 2019, despite the growing silver market surplus, we expect silver to recover and trade higher. The gold:silver ratio at over 80 points is at the highest in over two decades. We expect silver to trade in the shadow of gold and to rise along with it based on the same underlying factors. This should trigger interest and, considering the poor performance in 2018, silver has a decent chance to recover. More volatility shall trigger speculative interest in silver, resulting in erratic trading sessions. We expect silver to average at $16.625/oz and to peak at $17.50/oz.

Pt **Range: $750 - $900**
Average: $855

Platinum's sharp decline by over 15% in 2018 came as a surprise!

In 2019, the supply surplus shall decrease from the previous year but will remain significant.

Less demand from the automotive catalyst sector is likely as the interest for diesel cars, mainly in Europe, is fading. On the other hand, the physical investment demand for bars and coins, and the physical demand from the jewellery and industrial sectors, is set to remain sound and support the metal. Platinum underperformed the three other metals in the complex, and might be considered inexpensive and possibly trigger speculative and investment buying. We see platinum recovering from last year's lows and to average $855/oz and to peak at $900/oz in 2019.

Pd **Range: $1,250 - $1,420**
Average: $1,360

Palladium was again the top performer in 2018, closing the year over 17% higher, doubling its price in two years. We expect the show to go on in 2019. Palladium has been in a supply deficit for several years and so is it set to remain in 2019. The mining output is not facing any increase. We don't see a shift from palladium to platinum catalyst materialising over the short term. A possible moderate decrease in automotive demand in China would likely not affect palladium over the short term as its fundamentals remain very strong. The supply deficit and high borrowing rates are set to persist. Palladium could possibly suffer from a temporary sell-off on the back of profit-taking, but this would remain short-lived and followed by more price strength. Palladium is our favorite metal in 2019 and we expect the year average to be $1,360/oz with a high at around $1,420/oz.

Hans-Günter RITTER
Heraeus, Hanau

Au **Range: $1,225 - $1,450**
Average: $1,355

The positives this year are that both political and economic uncertainty are rising, so gold could benefit as a safe haven, and with stock market volatility increasing, investors could consider diversifying into gold.

The gold price does face potential headwinds from positive real interest rates and slowing inflation. The US Treasury yield curve continues to flatten and has even inverted in parts, while inflation expectations have declined sharply, suggesting economic growth is set to slow. Real interest rates could continue to rise, so gold is unlikely to receive a boost from inflation concerns.

Since the Federal Reserve's last meeting in December, the market has shifted to projecting a zero chance of any further rate rises in 2019 as economic data have softened, which could remove some support for the dollar. However, while this seems like an overreaction, some dollar weakness is possible, which would help to lift the gold price.

Ag **Range: $14.50 - $20.00**
Average: $17.00

There are plenty of reasons for investors to look for a store of value in less certain times and silver could benefit alongside gold.

The technical picture has improved, with the silver price showing some strength in late December. This narrowed the gold:silver ratio slightly, but it remains very high. The ratio does not tend to spend long periods at such elevated levels, so this year could see silver regain some ground against gold. In order to do that, investment demand will need to pick up.

Industrial demand could see modest growth in 2019, but that will depend on how well the global economy performs. The outlook is positive for photovoltaic demand as installations increase, with growth spread across many markets, but thrifting will offset some of those gains. Electronic and electrical demand is also expected to gain as the amount of silver used in circuitry and switches grows.

Pt **Range: $700 - $950**
Average: $780

The platinum market is projected to have a significant surplus this year weighing on the price.

Primary production is forecast to edge up and recycling will rise slightly, lifting supply modestly.

Gross demand is projected to be marginally higher than last year, underpinned by improving industrial demand driven by gains in petroleum and chemical uses. Autocatalyst demand is estimated to shrink further as European diesel car sales are projected to continue to decline. Jewellery demand could have another difficult year because demand in China could slip further. Despite growing interest in fuel cells, it is still too early for this source of demand to help lift the price.

There is the potential for industrial action in South Africa as the three largest mining companies begin wage negotiations in the summer. Given the fundamental picture, any upside will likely be temporary and the price is expected to decline further in 2019.

Pd **Range: $1,130 - $1,650**
Average: $1,325

The palladium price is likely to remain strong this year, since the market is in a significant deficit. Slowing economic growth could prove to be a dampener for demand, but there are a number of factors that could exacerbate the market tightness and result in a sharp price rally.

Automotive palladium demand is growing in most regions. In China, it is likely to increase ahead of the introduction of tighter emissions legislation nationwide in 2020, while the shift to larger vehicles in the US is supporting palladium demand even as sales numbers have flattened off.

There is the potential for strikes to occur in South Africa, which would restrict supply, as the major PGM mining companies will be starting wage negotiations with the unions in the summer.

Rohit SAVANT
CPM Group LLC, New York

Au **Range: $1,200 - $1,400**
Average: $1,295

Gold prices are expected to rise moderately during 2019. US political dysfunction and various political issues across the globe are likely to be the biggest factors supporting gold prices during the year. Global economic growth is expected to slow during 2019 relative to 2018. An economic recession is not expected to occur during 2019, however. The Fed is likely to resume raising rates during the second half of the year, which could put downward pressure on gold prices.

Ag **Range: $14.00 - $17.50**
Average: $15.91

The year 2019 is likely to be slightly better for silver than 2018. Fabrication demand fundamentals for the metal are expected to be healthy; however, it is demand from investors that plays a critical role in influencing silver prices. There are various political, economic, and financial market reasons for investors to turn their attention toward silver. The metal's price is still not reflecting the various threats in the marketplace and this makes the metal a value purchase for investors.

Pt **Range: $750 - $900**
Average: $830

Platinum prices are expected to move mostly sideways with limited downside during 2019. Platinum continues to face various challenges, including a slowing commercial vehicle market projected in many major countries in 2019, a sharp decline in diesel passenger vehicles in Europe, mine supply not declining in any significant way and relatively slower global economic growth, which could negatively affect overall vehicle market growth (and not just commercial vehicles). While these factors are negative for platinum, they are to a large extent already factored into the price of the metal and, therefore, there may be limited downside exposure for prices. The one factor that is likely to be positive for platinum prices during 2019 is the potential for at least some switching by autocatalyst manufacturers from the use of palladium to the use of more platinum. The platinum:palladium price ratio was at 0.67 in December, which is the lowest that this ratio has been since February 2001.

Pd **Range: $1,000 - $1,450**
Average: $1,226

Palladium prices are likely to continue rising during the first quarter of 2019 but are vulnerable to declining over the remainder of the year. The fundamentals for palladium are expected to remain healthy. That said, there are threats that could derail the price rally in palladium. These threats could come in the form of a slowdown in vehicle demand resulting from an overall slowdown in global economic growth in 2019 relative to 2018. While no recessions are expected in 2019, a slowing of global growth could negatively affect vehicle demand, which could hit hard the price of an asset such as palladium, which has run up strongly over the past few years. Another threat to palladium prices is the substitution of the metal with platinum, especially given how much the prices of these two metals have diverged in recent times. Last but not least is the reduction in demand for palladium from the electronics industry.

Frank SCHALLENBERGER
LBBW, Stuttgart

Au **Range: $1,250 - $1,375**
Average: $1,326

I am still bullish for Gold. ETFs buy again, central banks still buy, stock markets are still nervous and interest rates don't go up! But it remains to be seen if the resistance at $1,375/oz can be broken.

Ag **Range: $14.00 - $18.20**
Average: $15.57

If gold goes up, silver should go up even further – if there isn't too much supply, relatively weak demand and no ETF buying. Therefore, gold will be the better option than silver in 2019.

Pt **Range: $740 - $910**
Average: $774

There is no much hope for platinum. I don't see demand picking up – not from automotive demand and not from jewellery – and supply keeps on getting bigger. The price is low, but supply surplus will eventually lead to even lower prices!

Pd **Range: $1,230 - $1,435**
Average: $1,316

What goes up must come down, but fundamentals are still bullish for palladium! Demand will be strong again and supply will be an even bigger problem than last year. The supply deficit is here to stay and the high level of palladium prices as well!

Chantelle SCHIEVEN
Murenbeeld & Co, Victoria

Au **Range: $1,215 - $1,446**
Average: $1,330

We expect the gold price to move higher in 2019. The global environment is volatile, and the US administration is unpredictable – two good reasons to expect sudden crisis flare-ups in the gold price. For the time being, the increased geopolitical uncertainty and the slower economic growth will likely keep the Fed on hold from further interest rate increases. The combination of slower US economic growth and a higher US budget deficit could leave a 'data-dependent' Fed with little option but to reduce the $50 billion it is rolling off its balance sheet each month. Any reduction should ease pressure on the TIPS yield, which in turn should be positive for gold. Furthermore, the US dollar, a prominent variable, is likely to resume its long-term downtrend in the second half of 2019.

James STEEL
HSBC, New York

Au **Range: $1,211 - $1,372**
Average: $1,314

Gold looks set to move higher in 2019 primarily on safe-haven investor demand. Any further significant equity market declines, higher financial market volatility or uptick in geopolitical, trade or other risks should support gold. The negative impact of Fed policy may be obviated by a perceived end to the tightening cycle later in 2019, as forecast by HSBC US economic research. The greatest threat to gold and one that should limit rallies is a potentially stronger US dollar as forecast by HSBC FX research. There is room for net long positions on the Comex to build and ETF holdings are likely to grow on investor safe-haven demand. Price-sensitive emerging market demand, mostly for jewellery, will likely be key in setting a floor on prices. Bar demand is likely to be steady and coin sales are recovering but from low levels. Central bank purchases should increase on geopolitically driven EM purchases.

Ag **Range: $14.65 - $18.05**
Average: $16.27

Silver is likely to be supported by healthier investor demand this year brought on by increased financial market volatility, stock market declines or resurgence in risk. Low prices, firmer gold and a better investment climate should encourage a recovery in long positions on the Comex and encourage increases in ETF holdings. Photovoltaic demand should buoy industrial consumption. Meanwhile, mine and scrap supply increases will likely be constrained and not sufficient to wear notably on rallies. The presence of high levels of above-ground stocks of silver, which can be easily mobilised, will likely cap rallies. Jewellery demand should be supported by income gains in emerging markets. The major headwinds to rallies will most probably come from a stronger US dollar as forecast by HSBC FX strategists. Further gold rallies would be silver-friendly. Bar demand should be firm, while coin demand should improve from historically weak levels.

Pt **Range: $775 - $931**
Average: $886

Platinum prices may be set to make modest gains this year after many months of declines. That said, we still anticipate a production/consumption surplus for 2019. While we expect automotive platinum demand to ease slightly this year, we also expect some modest reduction in mine supply. Tighter supplies, notably from limited mine output in South Africa, and good non-automotive industrial demand may be among the best fundamental reasons for prices to go higher. Jewellery demand, which has been sluggish, may begin to recover based in part on low prices. Strength in related precious metals, notably gold and palladium, may trigger sympathetic buying in platinum. This should buoy investment demand, which may also be spurred by equity market wobbles or recognition by investors that prices are at multi-year lows and may represent good value.

Pd **Range: $1,195 - $1,405**
Average: $1,256

Palladium continues to exhibit compelling underlying fundamentals. We anticipate ongoing structural production/consumption deficits that will not be closed quickly or easily. Mine supply will likely be limited this year. The only major source of supply increase may be automotive recycling. Automotive demand is projected to increase as palladium-rich gasoline vehicles continue to win market share from diesel vehicles. High lease rates imply a tight underlying physical market. That said, the palladium market made meteoric gains in 2018 and further rallies could leave the market open to a correction. Also, any pronounced slowdown in auto demand or wider economic weakness could restrain prices. Central to our expectations that prices will remain relatively well bid is the unknown levels of above-ground stocks, which are likely to be reduced further due to market deficits. Thin trading volumes compared to other precious metals also implies that we may see a very wide and volatile trading range.

Glyn STEVENS

MTSS UK Ltd, London

Pt **Range:** **$703 - $1,012**
Average: **$888**

Pd **Range:** **$1,013 - $1,402**
Average: **$1,228**

If ever a commodity was in dire need of a new use, that commodity is platinum. The internal combustion engine as a form of motive power, and especially that fed by diesel, is on its last legs. Jewellery demand is faltering and will suffer further from any global onset of recession. Platinum as an investment medium has always struggled to find favour. However, there may be a saviour looming on the horizon. Johnson Matthey's second ever annual review, *Platinum 1986*, included a survey on fuel cells as a potential source of electrical power and as a major outlet for the metal. Over 30 years later, perhaps the time is finally ripe for this technology to come into its own? There are certainly positive mutterings out there.

Palladium, on the other hand, has the dual benefits of supply shortage and geopolitical uncertainty on its side, mitigating against a downward correction in price. It will take a while for the apparent dearth of physical metal to be eaten into by declining usage in the auto sector. Meanwhile, East/West tensions seem to be mounting to deter any sustained speculative sell-off.

Add to the mix the possibility of so many conflicting economic, political and social flashpoints coming to a head all over the globe this year and the direction of PGM prices becomes even more uncertain. 2019 may well turn out to be a year of consolidation for platinum and palladium, with both metals ending barely changed from where they began.

Ross STRACHAN

Capital Economics, London

Au **Range:** **$1,275 - $1,410**
Average: **$1,325**

We believe gold prices will increase further over the course of 2019 for two key reasons. First, we think the recent equity market wobbles have not run their course, and we expect the S&P 500 to fall to 2,300 at the end-2019. This will come against a backdrop of slower economic growth across the US, China and Europe. As such, it is hardly surprising that we anticipate further safe-haven flows, which will benefit gold. Second, we think that bond yields will fall and that this will encourage more investment as the opportunity cost of investing in other low-risk investments drops. Indeed, we think US 10-year bond yields will fall to 2.5% by end-2019, which would be consistent with gold rising to around $1,350/oz. Moreover, we suspect central banks will probably buy at least 500 tonnes of gold in 2019, up from 373 tonnes in 2017 (data for 2018 not yet available).

Ag **Range:** **$15.30 - $17.75**
Average: **$16.50**

Silver had another tough year in 2018, but we think that the rally at the tail end of last year is a foretaste of better times ahead. We believe that it will garner safe-haven interest for many of the same reasons why we are bullish on gold. This will lead to asset reallocation towards the metal, particularly in the United States, as equities and bond yields are under downward pressure. We also expect that the recent decrease in the gold:silver price ratio will continue, from its very high levels, as silver demonstrates its higher beta than gold, in part due to the lower liquidity of the silver market.

Pt **Range:** **$775 - $905**
Average: **$825**

The weakness of platinum prices was so severe in 2018 that the low almost exactly matched the nadir during the global financial crisis. We think that the market bearishness was, and is, overdone, as the prevailing negative sentiment around the diesel sector is still central to the narrative around prices. What's more, auto sales in the vital European sector were stalling, hindered by the new testing procedures. While the global economy is set to slow further this year, we think that platinum will finally start to recover. This should be supported by increased physical investment, helped by an end to the US monetary tightening cycle and constrained supply from South Africa, as the lagged effects of years of under investment in the mining sector feed through into lower volumes.

Pd **Range:** **$1,000 - $1,400**
Average: **$1,150**

The substantial structural deficits in recent years have sent the price of palladium (and lease rates for the metal) skyrocketing in recent months as it caught up with this reality. However, while these structural factors triggered the bull run, we think that the price of the metal has moved too far, too fast. Therefore, in the short term, we think prices should drop back appreciably, perhaps to around $1,000/oz, as auto sales in China are painfully weak. That said, after the current froth dissipates, we would expect palladium prices to resume a more gradual uptrend thereafter, as the market fundamentals are supportive.

Venkatraman SUBRAMANIAN

Foretell Business Solutions Pvt Ltd, Bangalore

Au **Range:** **$1,180 - $1,355**
Average: **$1,250**

In 2018, gold traded in the region of $1,178.4/oz and $1,354.95/oz, ending the year with a negative return of 2.5%. For most of H1 2019, gold is likely to get support from a softer tone in the US dollar index, a global economic slowdown, turbulent financial markets as well as increased volatility across the globe, uncertainty on the outcome of the US-China trade war. Gold is well poised to retest the January 2018 highs range of $1,345/oz and $1,355/oz, which could be the anticipated high for 2019. The US dollar index is likely to stay resilient from the latter half of Q2 and the stronger tone is expected to stay till the end of the year. The US Fed is likely to pursue its rate hike as US economic activity is likely to recover in H2 2019 and the trade war with China is likely to be resolved amicably in Q2 2019, eventually boosting global economic growth. Gold may lose its sheen in H2 2019 and most likely may retest $1,200/oz - $1,180oz, probably in later part of Q3 or early Q4 2019. For the whole of 2019, we expect gold prices to average around $1,250/oz.

Ag **Range:** **$13.50 - $18.50**
Average: **$16.60**

In 2018, silver traded in the region of $13.97/oz and $17.52/oz. In 2019, silver is forecast to perform better than gold especially in H2 2019. Silver is unlikely to drop below $13.50/oz during 2019. In the second half of 2019, an easing of the trade war between the US and China and strong global economic growth in H2 2019, as compared to H1, will result in gains in silver. As a result, silver is expected to move higher towards $18.20/oz - $18.50/oz. One can't rule out the silver price exceeding $18.50/oz towards the end of 2019, if the economic momentum picks up. Overall in 2019, silver prices are likely to average at $16.60/oz.

Joni TEVES
UBS Limited, London

Au **Range: $1,200 - $1,400**
Average: $1,300

We expect a broadly range-bound gold market, with upside bias. Lower dollar and real rates that have likely peaked should support gold. We expect gold's role as a safe haven and diversifier to become more evident as the cycle matures: potential soft patches in the data, growing uncertainty about the economic outlook and the Fed's path, and rising concerns about equities are likely going to increase investor interest. Gold allocations remain low, allowing room for strategic gold exposure to grow. Fundamentals are unlikely to move the needle for prices, but should be sufficient to underpin a modest uptrend. We see a potential test of the $1,375/oz highs, with a possibility of briefly overshooting, but not a convincing break higher yet. A move towards the later stage of the cycle, shift to accommodative policy, the prospect of compression in real yields and a sustained dollar decline are key signposts we are watching.

Ag **Range: $13.90 - $17.70**
Average: $15.80

Silver should trade better over the next 12 months than in H2 2018. It is set to benefit from a drift higher in gold given its strong positive correlation, although the influence of industrial metals and lingering trade uncertainty could also act as a drag. Although we expect an improvement in the gold:silver ratio from the extremes seen in 2018, the move in favour of silver is likely to be modest. For silver to attract significant interest and for the ratio to drop sharply, there needs to be a compelling fundamental catalyst or a strong bull run in gold. Investor conviction on a strong gold uptrend needs to be high, such that views can also be comfortably expressed via silver. Dovish Fed signals are likely to help gold as well as risk sentiment – silver is well positioned to benefit from both as it straddles both the precious and industrial metals worlds.

Pt **Range: $770 - $1,050**
Average: $910

Platinum sentiment remains poor given unattractive fundamentals – persistent surpluses mean that it is difficult to make a strong case for platinum upside beyond any positive spill-over from gold. Demand is likely to stay weak as diesel shares persistently decline, and jewellery offtake remains modest. Supply continues to be constrained, yet resilient, as the PGM basket price hovers near decade highs, reducing the urgency and likelihood of any material adjustments. More broadly, the threshold is high for supply-side factors to shift market sentiment. Any convincing upside catalyst is probably more likely to come from the demand side, the prospect for substitution being one that investors are watching out for. We think there is potential for substitution, particularly if platinum's deep discount to palladium persists and there is significant concern about sustainability of supply. However, there is currently no compelling evidence of this or any visible signs of improvement in demand.

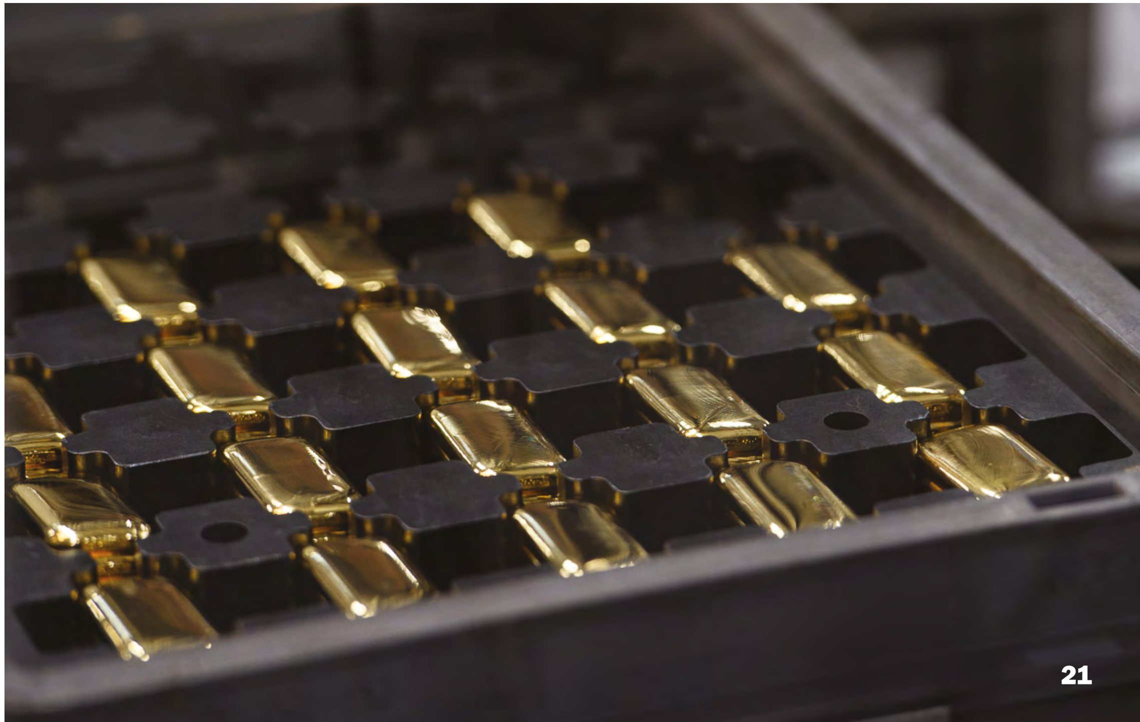
Pd **Range: $1,000 - $1,400**
Average: $1,240

We expect palladium to stay strong as the market remains in deficit. Fundamentals are compelling and indicators suggest that the market is tight. Demand is healthy as modest car sales growth is augmented by higher loadings on the back of more stringent emissions standards, which also serves as a buffer for any potential slowdown in car sales. Supply is resilient, but any disruptions should have a strong price impact on a market that is already perceived to be tight. Despite strong fundamentals underpinning the market, periods of risk-off, pressure on broader commodities and downside risks to global growth could still act as a drag to palladium from time to time. Moves in either direction are likely to be amplified by liquidity issues, resulting in a choppy journey higher. The potential for substitution is rising, given a widening price gap to platinum and concerns about tight supply, presenting downside risks.

Tong TONG
Bank of China, London

Au **Range: $1,220 - $1,420**
Average: $1,315

The gold price is expected to rise in 2019, with an average of $1,315/oz. The performance of the gold price this year is likely to be determined first and foremost by the US Federal Reserve's monetary policy. As the global easing policy after the financial crisis in 2008 is returning to neutral, the US rate hike cycle will likely draw to an end with a flattened yield curve. We project that real interest rates will start to move lower and the dollar should come under pressure during the course of 2019, allowing the gold price to gain as a result. Moreover, the ongoing concerns over global economic slowdown combined with elevated geopolitical risks will further encourage safe-haven buying.



Matthew TURNER

Macquarie Bank, London

Au **Range: $1,225 - $1,425**
Average: $1,320

The US financial market tumult of end-2018 looks overdone, but we see it as a dress rehearsal for events to come as the Fed grapples with the difficulties of making monetary policy towards the end of a cycle and heading into a Presidential election year. For gold, then things could be the opposite of what one expects – the expected pause on hikes bearish and a resumption bullish, as the prospect of policy mistakes and a hard landing are magnified. Tempering our bullishness is gold's 'surplus', and jewellery is set for a weak year. But softening the blow should be central bank buying, broader and higher in 2018 than expected and set fair in 2019 if China's December addition is anything to go by.

Ag **Range: $14.50 - $17.50**
Average: $16.10

Last year, we were bullish silver on the global industrial boom but that boom failed to deliver, and silver faced the challenges of weak gold and weak base metals. This year, we think gold's gains will mostly be defensive, a less positive backdrop for silver, but price analysis suggests it will still outperform marginally.

Pt **Range: $750 - $975**
Average: $894

Platinum can take some comfort from tentative signs of a stabilising European diesel share, but it comes as overall car sales are weak and amid signs that Chinese high-end consumption is falling rapidly. Stimulus might help, and perhaps some supply disruption, but ultimately our bullish price forecast assumes that substitution for palladium finally happens.

Pd **Range: $1,000 - $1,400**
Average: $1,163

Palladium's remarkable rally is consistent with analysis that shows the market to be in deficit, and the inelasticity of its supply and demand means it is hard to give a definitive level where it is 'too high'. Ultimately though, we think the latest leg higher cannot be fundamentally justified and expect weakening end-use demand to take its toll in 2019 as sluggish car sales are not offset by tighter emissions standards. The low will come if we see signs that autocatalyst-makers are substituting cheaper platinum.

Bhargava VAIDYA

B.N. Vaidya & Associates, Mumbai

Au **Range: $1,221- $1,361**
Average: $1,308

Geopolitical tensions will keep investors interested in gold.

Trade war fears between the US and China will fuel interest in gold.

Gold will retain it old straits of 'store of value'.

Ag **Range: $14.15 - $17.75**
Average: $16.52

Trade war fears between the US and China will keep investors interested in gold and silver.

Silver will remain within last year's range. No major change in the demand/supply scenario is expected.

WINNERS OF THE 2018 PRECIOUS METALS FORECAST SURVEY

THE RULES OF THE COMPETITION

The aim of the annual survey is to predict the average, high and low price range for the year ahead in each metal as accurately as possible. The prediction closest to the average price wins a 1oz gold bar. In the event of a tie, the forecast range is taken into account.

The LBMA is delighted to congratulate the four winners in the 2018 Forecast Survey.

Au

Aakash Doshi, CitiGroup, held off all challenges to claim first prize with his forecast of $1,270, less than $2 off the actual average price. Taking the runners up spot was Hans Günter-Ritter (Heraeus), with his forecast of $1,255, with third place going to Jim Steel (HSBC) with his forecast of $1,284.

Ag

Just ten cents separated first and second. **Robin Bhar, Societe Generale** raised the bar and claimed the bar with his forecast of $16, just edging out Bernard Dahdah into second ($16.10), against an actual average price for the year of $15.71. In third place was Nell Agate (CitiGroup) with his forecast of $16.70. They booked the top three places by virtue of being the most bearish of all the analysts.

Pt

Claiming first prize was **Ross Norman, Sharps Pixley** with his forecast of $884 less than $5 off the actual average price in 2018 ($879.70). Back in second was Glyn Stevens (Independent) with his forecast of $862, followed in third by Bernard Dahdah (Natixis) with his prediction of $910.

Pd

Suki Cooper, Standard Chartered Bank came out on top in a tight finish with her forecast of $1,038, less than $9 off the actual average price for the year ($1,029.19). She just edged out Bart Melek into second ($1,019), with Bernard Dahdah grabbing third with his forecast of $1,040.

MKS PAMP GROUP

Many thanks to all the forecast contributors and once again to PAMP for the generous donation of the winning prizes.

2018 LBMA Forecast Survey Winners						
Metal	**Actual average price in first half Jan 2018[(a)]**	**Analysts' 2018 forecast average**	**Actual 2018 average price**	**Winning forecast**	**2018 winning analyst**	**Company**
Gold	$1,320	$1,318	$1,268.41	$1,270	Aakash Doshi	CitiGroup
Silver	$17.13	$17.81	$15.71	$16.00	Robin Bhar	Societe Generale
Platinum	$970.00	$1,000	$879.70	$884	Ross Norman	Sharps Pixley
Palladium	$1,097	$1,080	$1,029.19	$1,038	Suki Cooper	Standard Chartered Bank

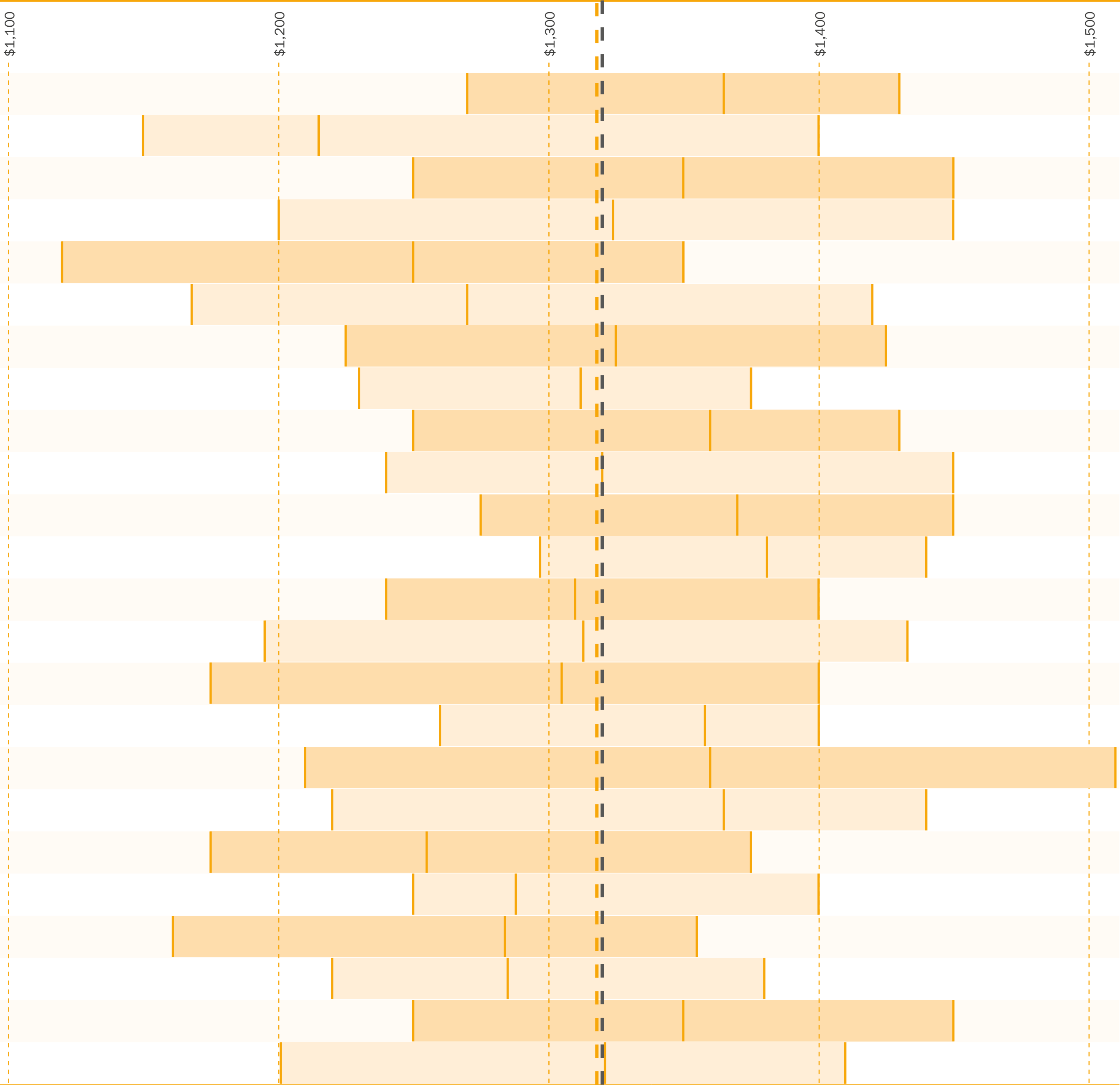
(a) 2-15 January 2018 inclusive.

Au

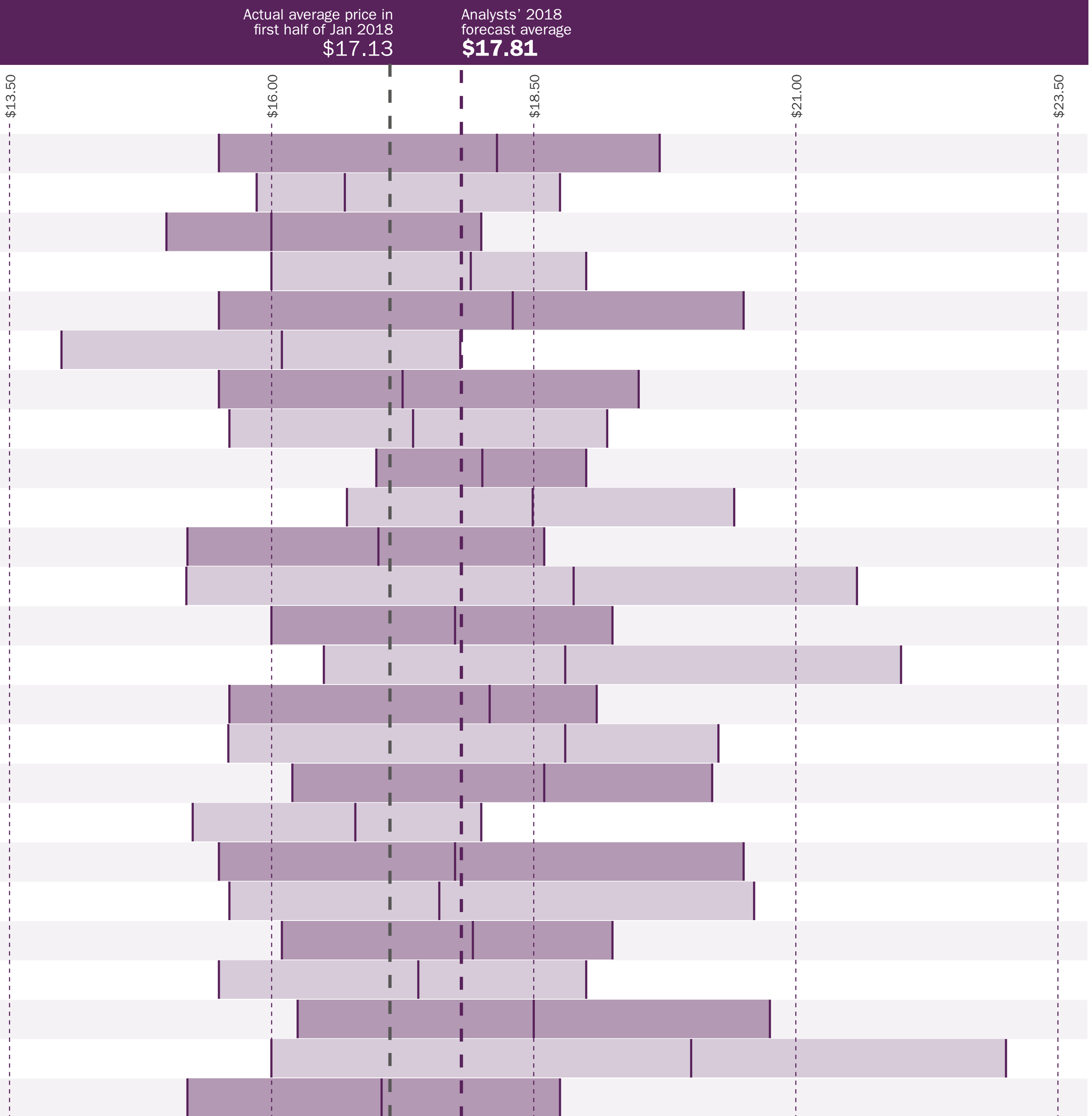
Analysts' 2018 forecast average **$1,318**

Actual average price in first half of Jan 2018 $1,320

Name	Low	Average	High
Adams, William Metal Bulletin Ltd	$1,270	**$1,365**	$1,430
Bhar, Robin Societe Generale CIB	$1,150	**$1,215**	$1,400
Butler, Jonathan Mitsubishi Corporation	$1,250	**$1,350**	$1,450
Cooper, Suki Standard Chartered	$1,200	**$1,324**	$1,450
Dahdah, Bernard Natixis	$1,120	**$1,250**	$1,350
Doshi, Aakash Citigroup	$1,168	**$1,270**	$1,420
Fritsch, Carsten Commerzbank AG	$1,225	**$1,325**	$1,425
Garvey, Marcus ICBC Standard Bank	$1,230	**$1,312.5**	$1,375
Hochreiter, Réne Noah Capital Markets/Sieberana Research (Pty) Ltd	$1,250	**$1,360**	$1,430
Hong, Hao Bank of China	$1,240	**$1,320**	$1,450
Kavalis, Nikos Metals Focus	$1,275	**$1,370**	$1,450
Klapwijk, Philip Precious Metals Insights	$1,297	**$1,381**	$1,440
Meir, Edward INTL FCStone	$1,240	**$1,310**	$1,400
Melek, Bart TD Securities	$1,195	**$1,313**	$1,433
Nagao, Eddie Sumitomo Corporation	$1,175	**$1,305**	$1,400
Norman, Ross Sharps Pixley	$1,260	**$1,358**	$1,400
O'Connell, Rhona Thomson Reuters GFMS	$1,210	**$1,360**	$1,510
Panizzutti, Frederic MKS PAMP Group	$1,220	**$1,365**	$1,440
Ritter, Hans-Günter Heraeus	$1,175	**$1,255**	$1,375
Savant, Rohit CPM Group LLC	$1,250	**$1,288**	$1,400
Steel, James HSBC	$1,161	**$1,284**	$1,355
Teves, Joni UBS Limited	$1,220	**$1,285**	$1,380
Turner, Matthew Macquarie Bank	$1,250	**$1,350**	$1,450
Vaidya, Bhargava B.N. Vaidya & Associates	$1,201	**$1,321**	$1,410
Averages	**$1,218**	**$1,318**	**$1,418**



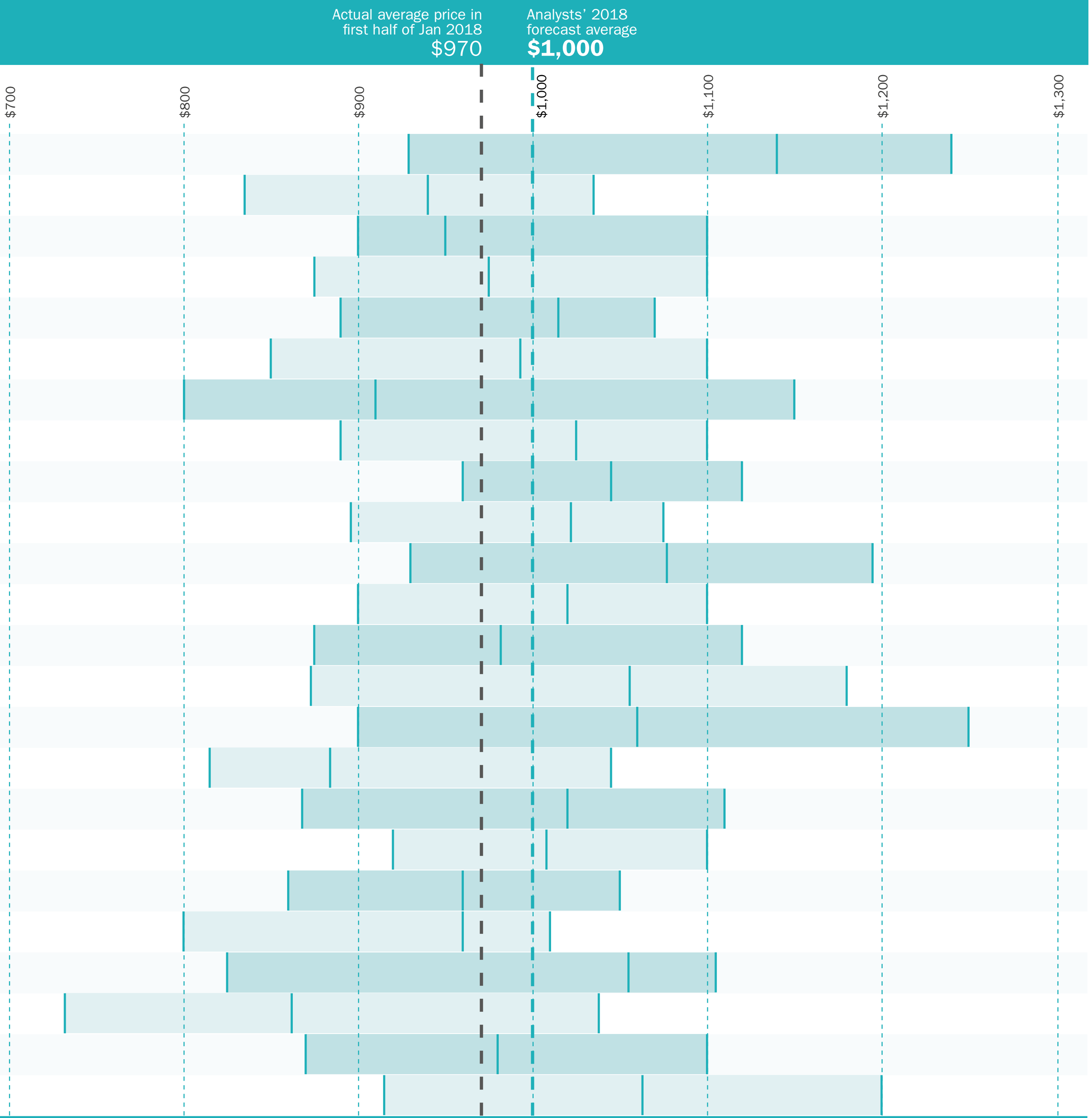
Ag



Name	Low	Average	High
Adams, William Metal Bulletin Ltd	$15.50	**$18.15**	$19.70
Agate, Nell Citigroup	$15.86	**$16.70**	$18.75
Bhar, Robin Societe Generale CIB	$15.00	**$16.00**	$18.00
Butler, Jonathan Mitsubishi Corporation	$16.00	**$17.90**	$19.00
Cooper, Suki Standard Chartered	$15.50	**$18.30**	$20.50
Dahdah, Bernard Natixis	$14.00	**$16.10**	$17.80
Fritsch, Carsten Commerzbank AG	$15.50	**$17.25**	$19.50
Garvey, Marcus ICBC Standard Bank	$15.60	**$17.35**	$19.20
Hochreiter, Réne Noah Capital Markets/Sieberana Research (Pty) Ltd	$17.00	**$18.00**	$19.00
Klapwijk, Philip Precious Metals Insights	$16.72	**$18.49**	$20.41
Meir, Edward INTL FCStone	$15.20	**$17.02**	$18.60
Melek, Bart TD Securities	$15.19	**$18.88**	$21.58
Nagao, Eddie Sumitomo Corporation	$16.00	**$17.75**	$19.25
Newman, Philip Metals Focus	$16.50	**$18.80**	$22.00
Norman, Ross Sharps Pixley	$15.60	**$18.08**	$19.10
O'Connell, Rhona Thomson Reuters GFMS	$15.59	**$18.80**	$20.26
Panizzutti, Frederic MKS PAMP Group	$16.20	**$18.60**	$20.20
Ritter, Hans-Günter Heraeus	$15.25	**$16.80**	$18.00
Savant, Rohit CPM Group LLC	$15.50	**$17.75**	$20.50
Shen, Kun Bank of China	$15.60	**$17.60**	$20.60
Steel, James HSBC	$16.10	**$17.92**	$19.25
Teves, Joni UBS Limited	$15.50	**$17.40**	$19.00
Turnbull, Trevor Scotiabank GBM	$16.25	**$18.50**	$20.75
Turner, Matthew Macquarie Bank	$16.00	**$20.00**	$23.00
Vaidya, Bhargava B.N. Vaidya & Associates	$15.20	**$17.05**	$18.75
Averages	**$15.69**	**$17.81**	**$19.71**

Pt

Name	Low	Average	High
Adams, William Metal Bulletin Ltd	$929	**$1,140**	$1,240
Agate, Nell Citigroup	$835	**$940**	$1,035
Bhar, Robin Societe Generale	$900	**$950**	$1,100
Briesemann, Daniel Commerzbank AG	$875	**$975**	$1,100
Butler, Jonathan Mitsubishi Corporation	$890	**$1,015**	$1,070
Cooper, Suki Standard Chartered	$850	**$993**	$1,100
Dahdah, Bernard Natixis	$800	**$910**	$1,150
Garvey, Marcus ICBC Standard Bank	$890	**$1,025**	$1,100
Hochreiter, Réne Noah Capital Markets/Sieberana Research (Pty) Ltd	$960	**$1,045**	$1,120
Klapwijk, Philip Precious Metals Insights	$896	**$1,022**	$1,075
Liu, Yufei Bank of China	$930	**$1,077**	$1,195
Meader, Neil Metals Focus	$900	**$1,020**	$1,100
Meir, Edward INTL FCStone	$875	**$982**	$1,120
Melek, Bart TD Securities	$873	**$1,056**	$1,180
Nagao, Eddie Sumitomo Corporation	$900	**$1,060**	$1,250
Norman, Ross Sharps Pixley	$815	**$884**	$1,045
O'Connell, Rhona Thomson Reuters GFMS	$868	**$1,020**	$1,110
Panizzutti, Frederic MKS PAMP Group	$920	**$1,008**	$1,100
Ritter, Hans-Günter Heraeus	$860	**$960**	$1,050
Savant, Rohit CPM Group LLC	$800	**$960**	$1,010
Steel, James HSBC	$825	**$1,055**	$1,105
Stevens, Glyn Independent	$732	**$862**	$1,038
Teves, Joni UBS Limited	$870	**$980**	$1,100
Turner, Matthew Macquarie Bank	$915	**$1063**	$1,200
Averages	**$871**	**$1,000**	**$1,112**

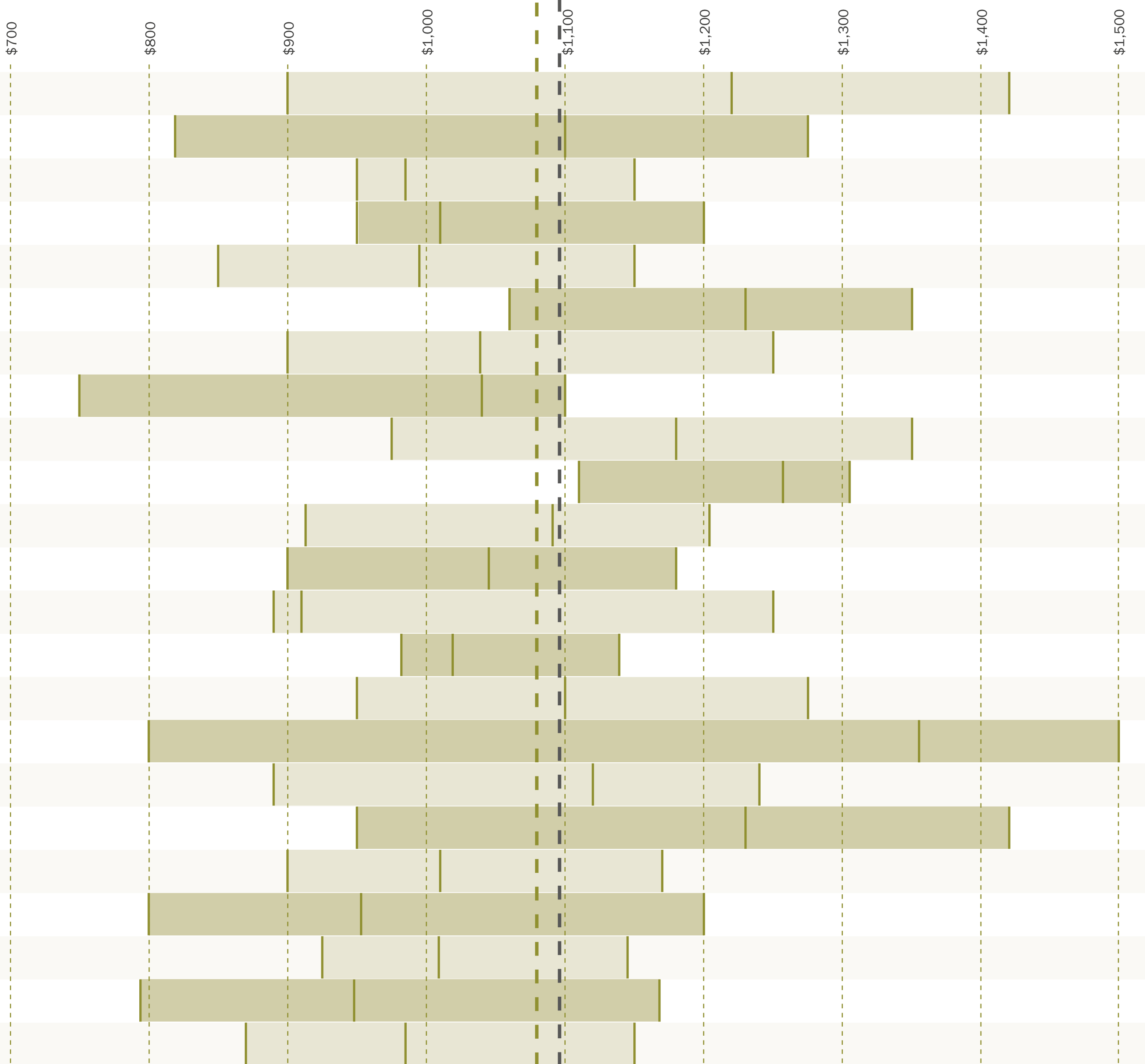


Pd

Analysts' 2018 forecast average **$1,080**

Actual average price in first half of Jan 2018 $1,097

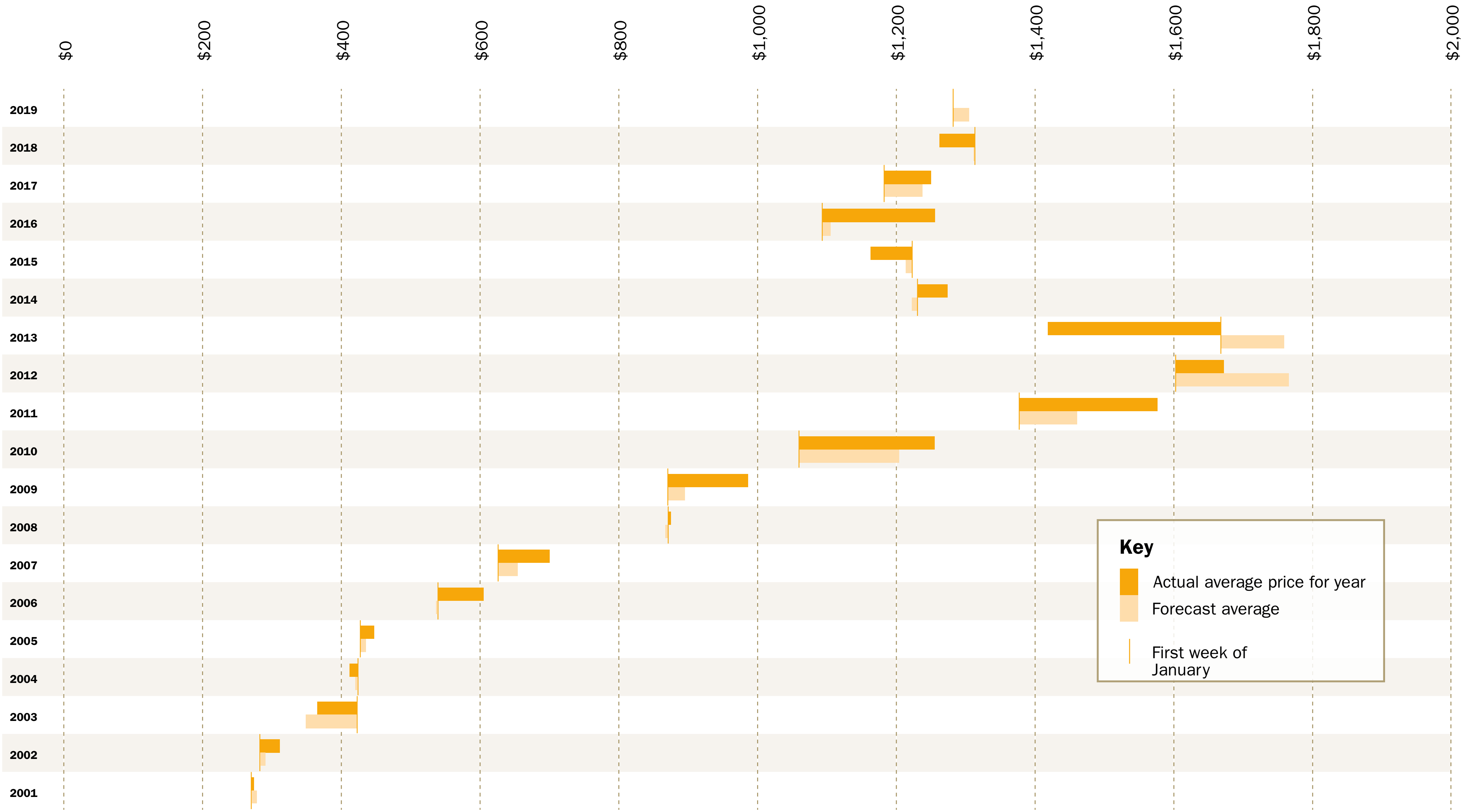
Name	Low	Average	High
Adams, William Metal Bulletin Ltd	$900	**$1,220**	$1,420
Agate, Nell Citigroup	$819	**$1,100**	$1,275
Bahr, Robin Societe Generale	$950	**$985**	$1,150
Briesemann, Daniel Commerzbank AG	$950	**$1,010**	$1,200
Butler, Jonathan Mitsubishi Corporation	$850	**$995**	$1,150
Cheng, Tianze Bank of China	$1,060	**$1,230**	$1,350
Cooper, Suki Standard Chartered	$900	**$1,038**	$1,250
Dahdah, Bernard Natixis	$750	**$1,040**	$1,100
Garvey, Marcus ICBC Standard Bank	$975	**$1,180**	$1,350
Hochreiter, Réne Noah Capital Markets/Sieberana Research (Pty) Ltd	$1,110	**$1,257**	$1,305
Klapwijk, Philip Precious Metals Insights	$913	**$1,091**	$1,204
Liang, Junlu Metals Focus	$900	**$1,045**	$1,180
Meir, Edward INTL FCStone	$890	**$910**	$1,250
Melek, Bart TD Securities	$982	**$1,019**	$1,139
Nagao, Eddie Sumitomo Corporation	$950	**$1,100**	$1,275
Norman, Ross Sharps Pixley	$800	**$1,355**	$1,500
O'Connell, Rhona Thomson Reuters GFMS	$890	**$1,120**	$1,240
Panizzutti, Frederic MKS PAMP Group	$950	**$1,230**	$1,420
Ritter, Hans-Günter Heraeus	$900	**$1,010**	$1,170
Savant, Rohit CPM Group LLC	$800	**$953**	$1,200
Steel, James HSBC	$925	**$1,009**	$1,145
Stevens, Glyn Independent	$794	**$948**	$1,168
Teves, Joni UBS Limited	$870	**$985**	$1,150
Averages	**$906**	**$1,080**	**$1,243**



FORECAST 2001-2019 REVIEW

In the 2018 forecast survey analysts' forecast that the average gold price in 2018 would be $1,318/oz, broadly in line with the actual average price in the first half of January 2018 of $1,320/oz. As it transpired the actual average price in 2018 fell 3.8% to $1,268.41/oz.

In the 2019 forecast, contributors are forecasting that prices will increase by 1.78% over the course of the year, predicting that the gold price will average $1,311.71/oz in 2019.



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Telephone: 020 7796 3067 Fax: 020 7283 0030 Email: alchemist@lbma.org.uk www.lbma.org.uk

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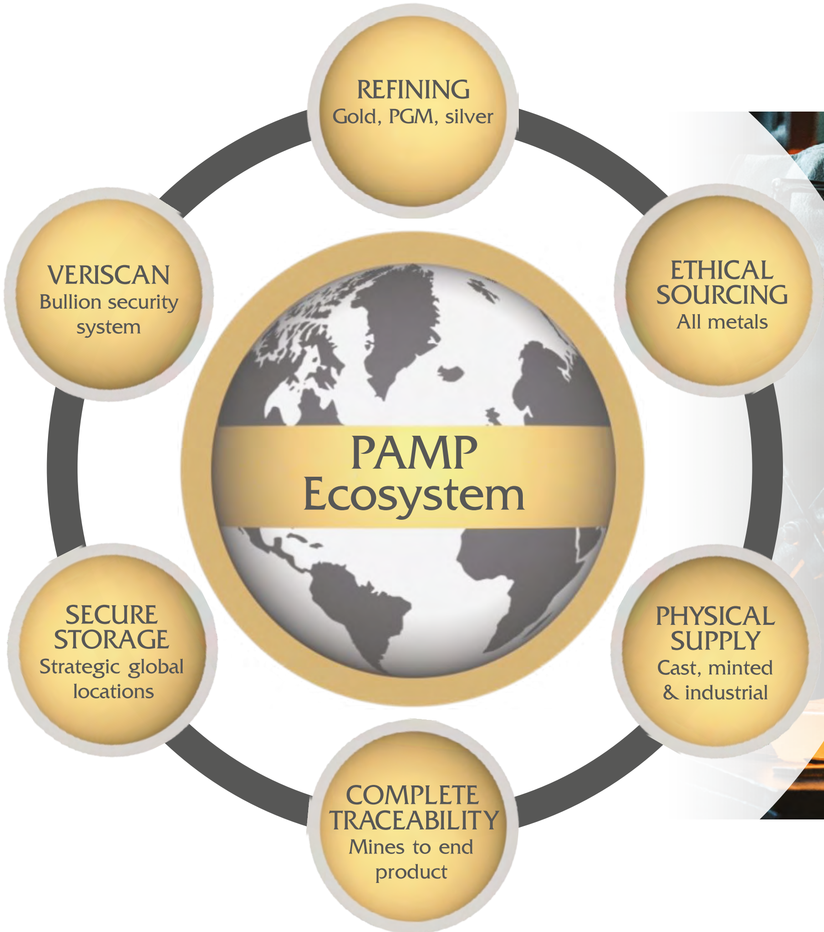

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