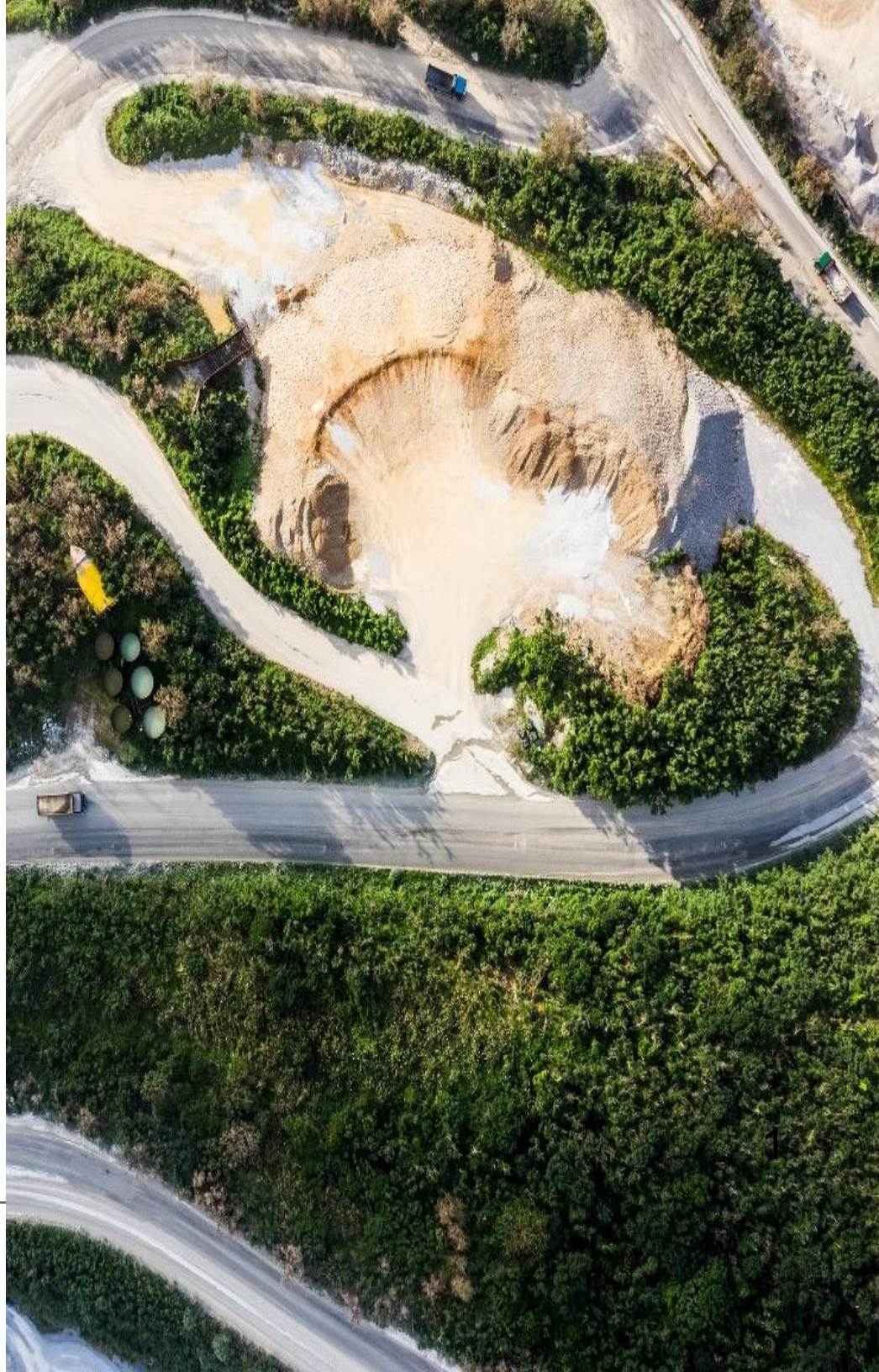


Gold and Silver Have Long-Term Game

Bart Melek
Managing Director and Global Head of Commodity
Strategy

November 2024



Commodity Price Forecasts



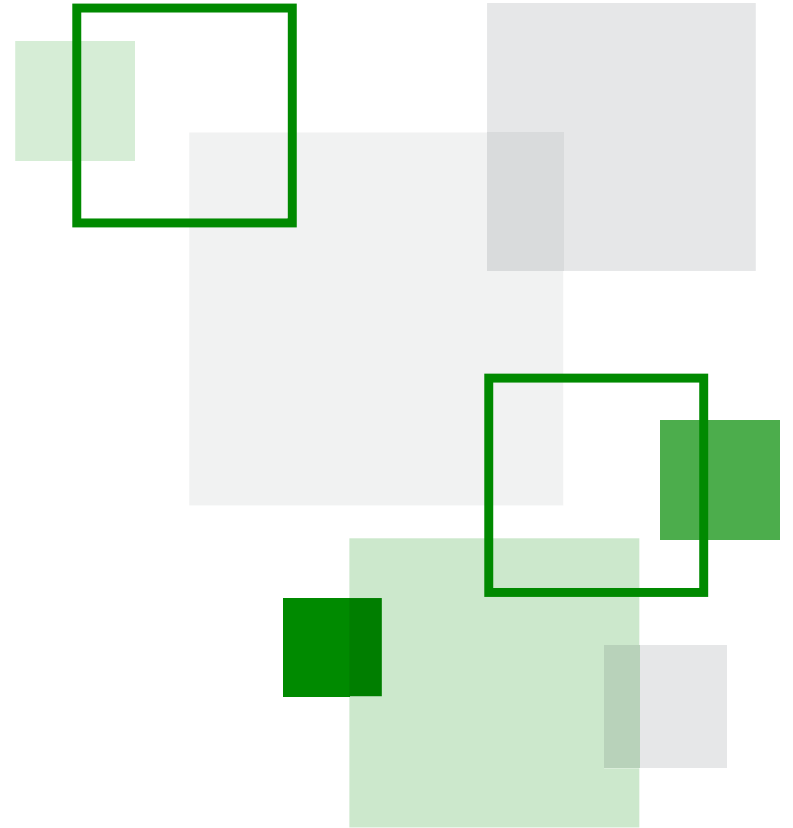
Commodity Forecasts													
Commodity (Avg of forward month contracts)	Spot Price	2025				2026				Annual			
		Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	2024F	2025F	2026F	
Precious Metals													
Gold	¹ \$/oz	2,641	2,675	2,700	2,625	2,625	2,600	2,600	2,525	2,525	2,387	2,656	2,563
Silver	¹ \$/oz	30.87	33.25	33.00	34.00	36.00	38.00	38.50	39.00	39.00	28.35	34.06	38.63
Platinum	¹ \$/oz	970	1,125	1,150	1,125	1,125	1,125	1,125	1,100	1,100	970	1,131	1,113
Palladium	¹ \$/oz	1,033	1,100	1,150	1,100	1,100	1,075	1,075	1,050	1,050	1,005	1,113	1,063
Base Metals													
Copper	² \$/lb	4.07	4.42	4.40	4.35	4.38	4.31	4.31	4.26	4.26	4.20	4.39	4.29
	\$/tonne	8,968	9,750	9,700	9,600	9,650	9,500	9,500	9,400	9,400	9,264	9,675	9,450
Zinc	² \$/lb	1.35	1.39	1.41	1.41	1.32	1.29	1.27	1.22	1.22	1.25	1.38	1.25
	\$/tonne	2,976	3,075	3,100	3,100	2,900	2,850	2,800	2,700	2,700	2,753	3,044	2,763
Lead	² \$/lb	0.90	0.99	0.98	1.00	1.00	0.97	0.96	0.93	0.92	0.95	0.99	0.95
	\$/tonne	1,988	2,175	2,150	2,200	2,200	2,138	2,116	2,050	2,028	2,089	2,181	2,083
Nickel	² \$/lb	7.11	7.94	7.94	7.82	7.82	7.71	7.71	7.60	7.60	7.77	7.88	7.65
	\$/tonne	15,667	17,500	17,500	17,250	17,250	17,000	17,000	16,750	16,750	17,138	17,375	16,875
Aluminium	² \$/lb	1.19	1.18	1.16	1.15	1.16	1.15	1.16	1.17	1.18	1.10	1.16	1.16
	\$/tonne	2,613	2,600	2,550	2,525	2,550	2,525	2,550	2,575	2,600	2,414	2,556	2,563
Iron Ore	⁴ \$/tonne	93	94	92	90	90	85	85	85	85	104	92	85
Energy													
WTI Crude Oil	\$/bbl	70	66	68	70	70	72	72	70	70	76	69	71
Brent Crude Oil	\$/bbl	74	69	71	73	73	75	75	73	73	80	72	74
Heating Oil (ULSD)	\$/gal	2.26	2.10	2.20	2.30	2.30	2.35	2.35	2.30	2.30	2.44	2.23	2.25
Gasoline	\$/gal	2.07	2.15	2.15	2.20	2.25	2.30	2.30	2.25	2.25	2.35	2.24	2.20
NYMEX Natural Gas	\$/MMBtu	3.39	2.75	2.75	2.75	3.00	3.00	3.00	3.25	3.25	2.28	2.81	2.90

Notes: F = Forecast, E = Estimate, A = Actual; 1. London PM Fix; 2. LME; 3. Molybdenum equivalent to moly oxide, FOB USA; 4. CFR China, 62%Fe, dry; 5. Japan CIF steam coal marker-Newcastle

Source: Bloomberg, TD Securities

Gold and Silver Outlook

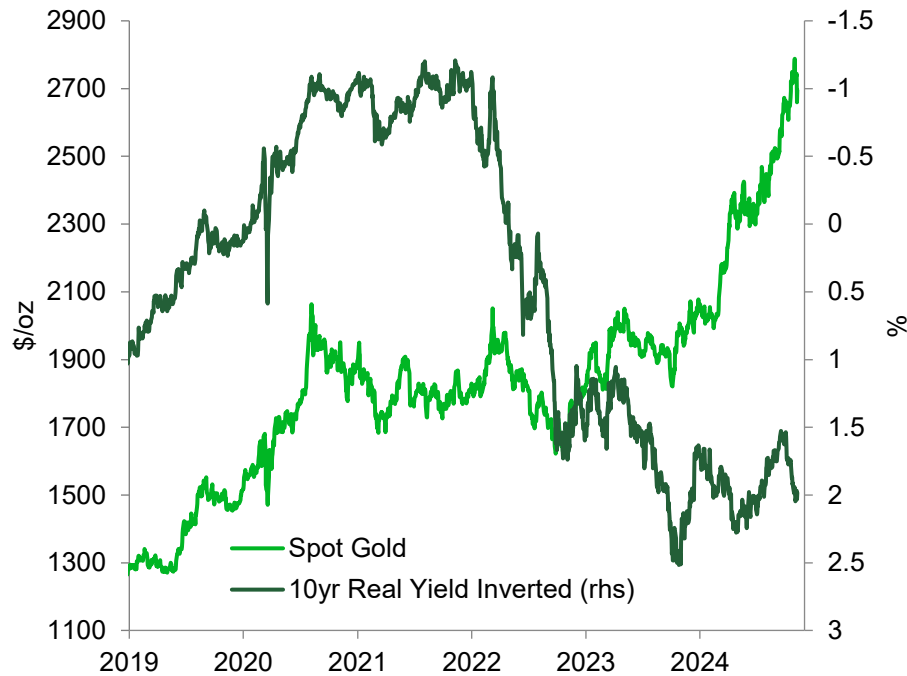
- Fed's dovish tilt, geopolitical instability, political risk, central banks and ETF interest propelled gold to record
- Changing rate environment post US election, extreme long positioning suggest consolidation and less upside momentum
- But no rout — inflation, hedging, long term wealth preservation supportive
- Silver set to outperform amid chronic undersupply, restocking and improving demand later in 2025



Physical Flows Trumped High Real Rates During Tightening Cycle— But Markets Turning to Lower Interest Rate Narrative as Central Bank and Physical Demand Slows

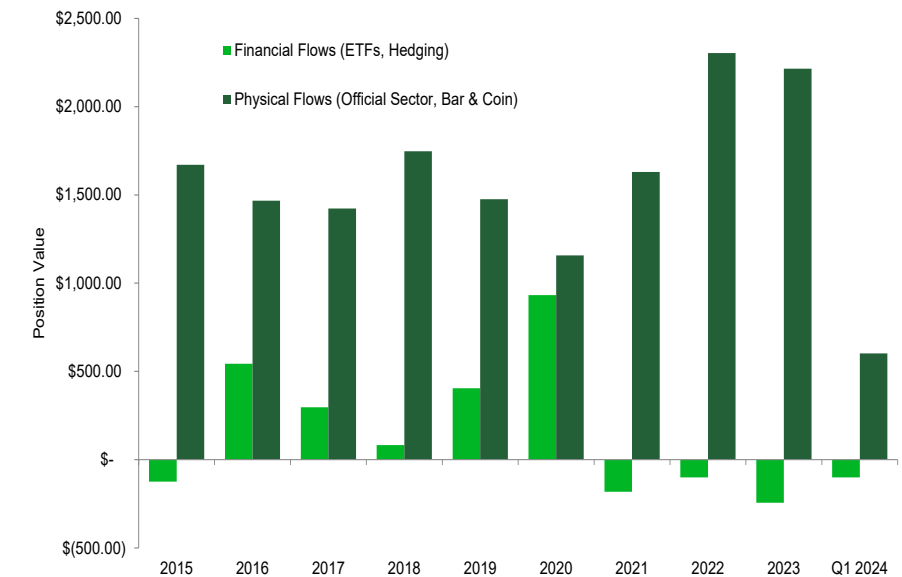


Gold Has Outperformed in Rising Real Rate Environment



Source: Bloomberg, TDS Commodity Strategy

Physical Flows Served as Gold Support in a Tight Interest Rate Environment



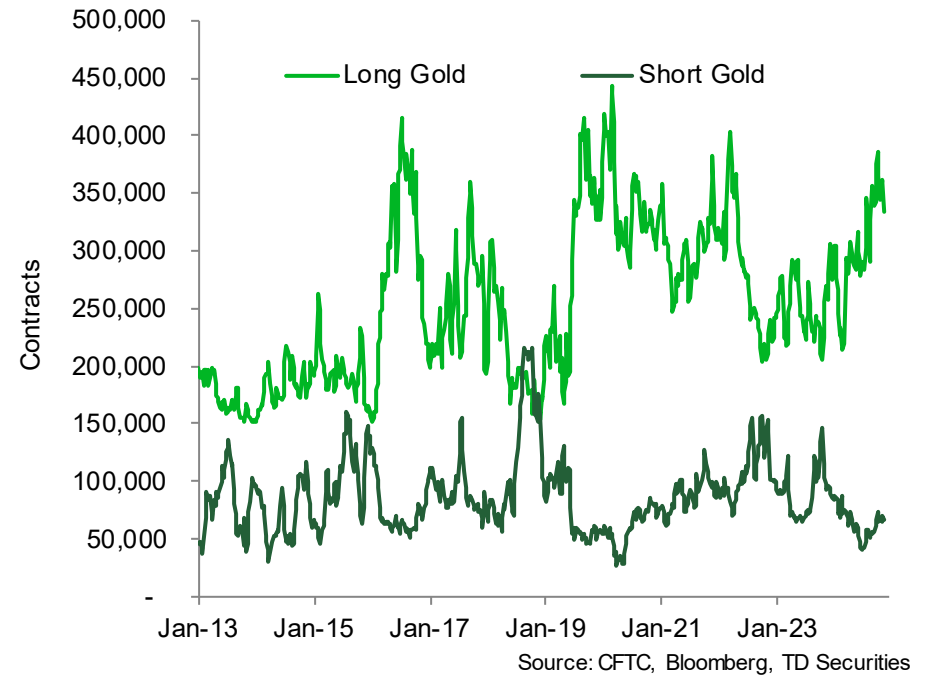
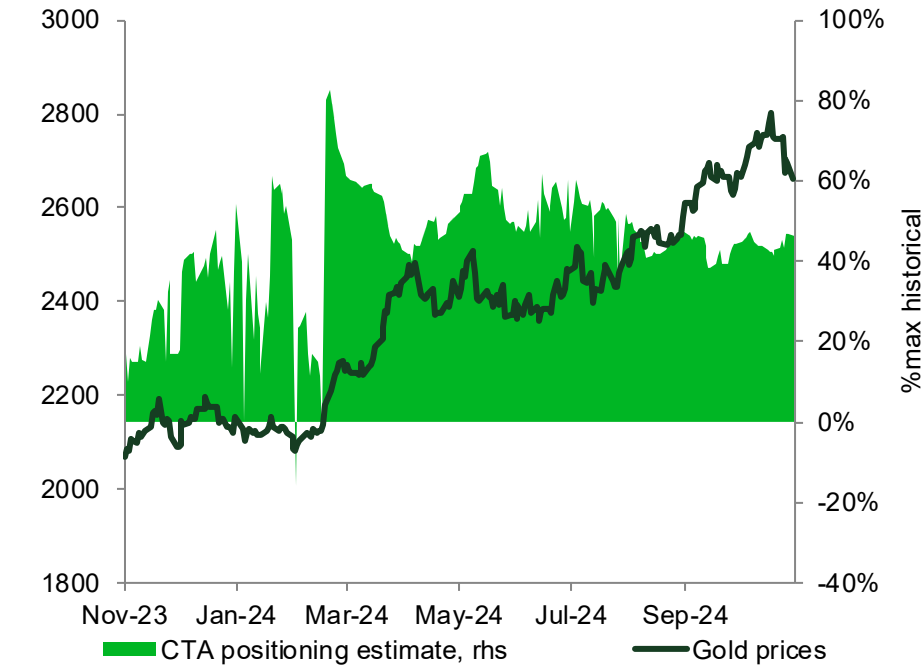
Source: Bloomberg, World Gold Council, MetalsFocus, TD Securities

Aggressive Fed Rate Cut Expectations and Dovish Narratives From Other CBs Fuelled Investor Interest More Recently



CTAs Were Dominant Flows in the Gold Bull Run, But This May Change Post Election

Discretionary Traders Bet on Aggressive Fed Easing — This is a Vulnerability Now



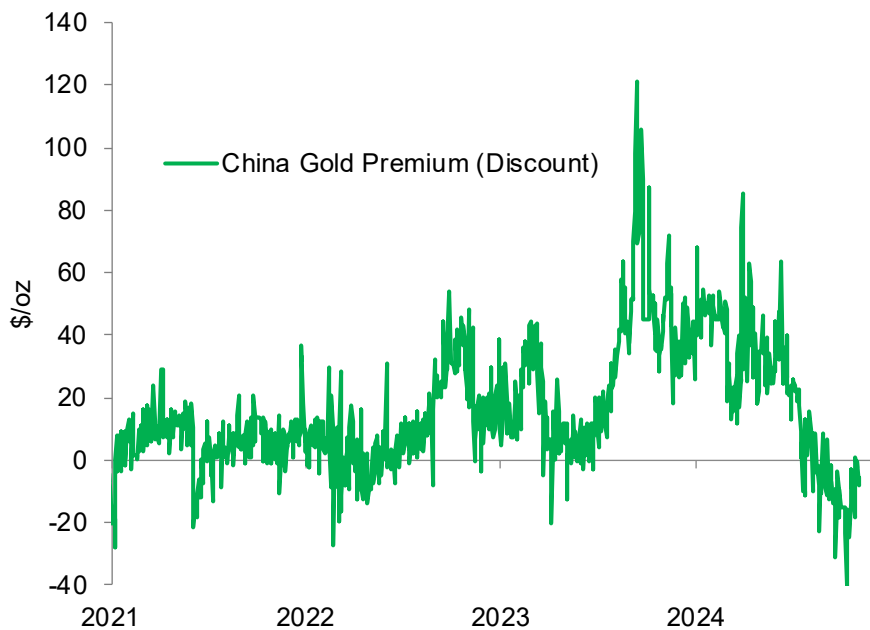
Source: TD Securities, Bloomberg

Source: CFTC, Bloomberg, TD Securities

China's Risk-Off Behaviour Sparked Speculative Bids — But Done for Now With a Correction Possible



Chinese Physical Premiums Ease for Now— but Should Return When Physical Appetite Returns



Source: Bloomberg, TDS Commodity Strategy

Plenty Room to Sell for Top Shanghai Traders

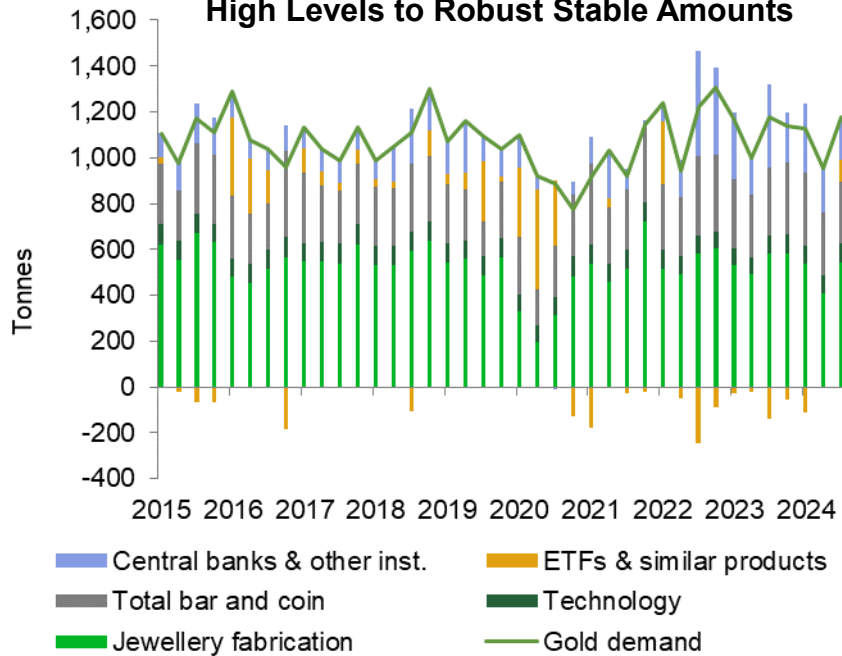


Source: SHFE, TDS Commodity Strategy

Global Physical Purchases Slowing

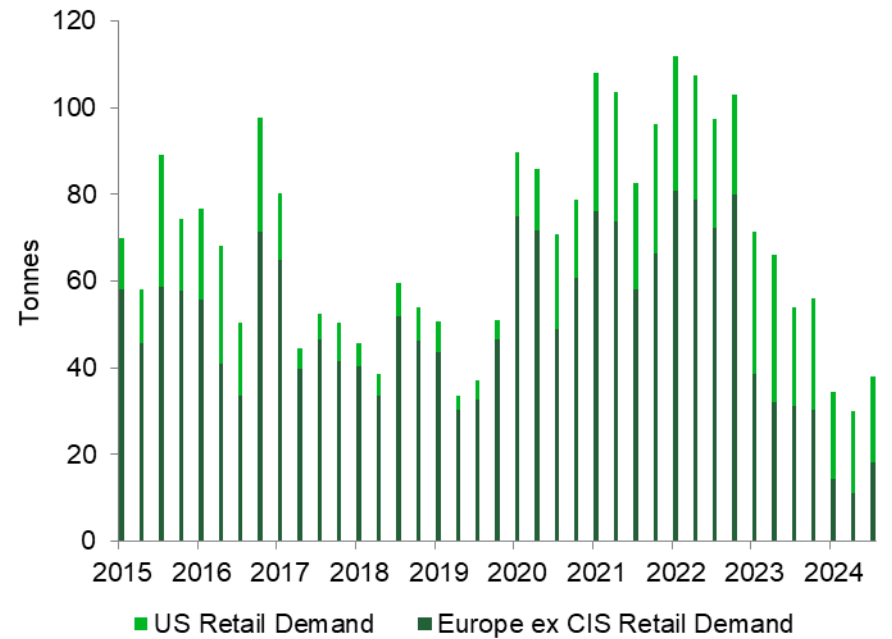


Global Physical Demand Down From Sky-High Levels to Robust Stable Amounts



Source: World Gold Council, TD Securities

Western Demand Falls from Record Levels

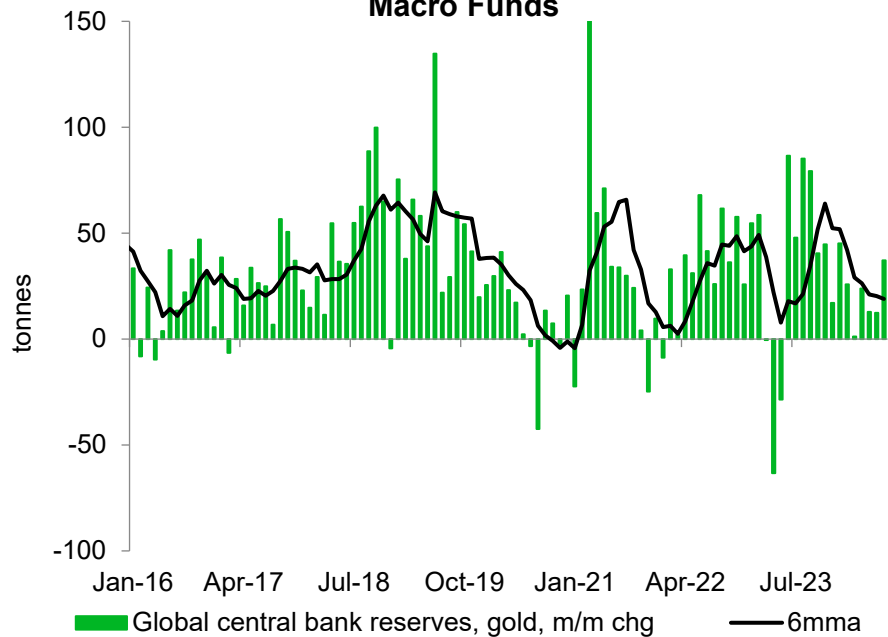


Source: World Gold Council, TD Securities

Central Bank Buying Pace Has Moderated For Now — But Positive Signs Emerging

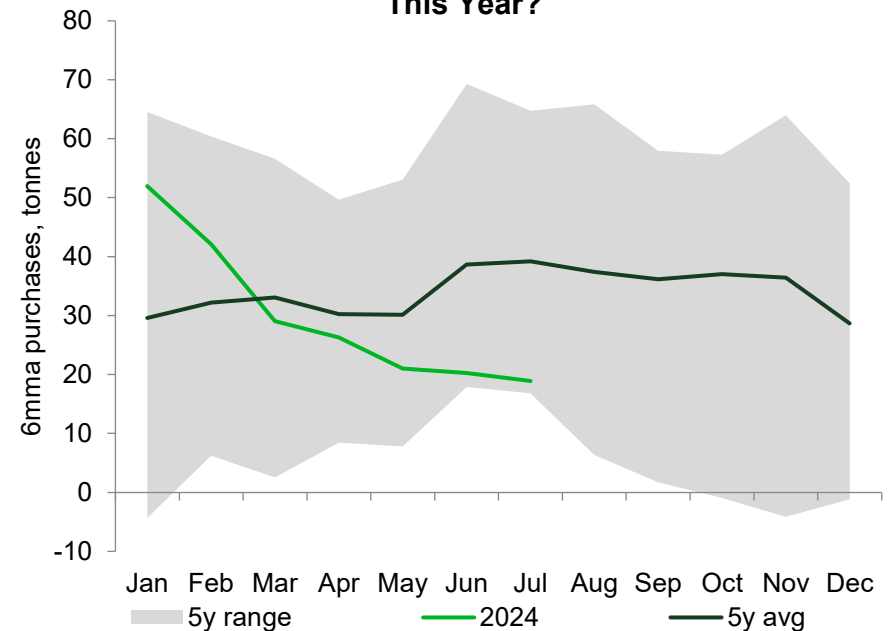


Central Bank Buying Activity is Key Argument for Macro Funds



Source: TD Securities, World Gold Council

How Are Official Sector Gold Purchases Trending This Year?

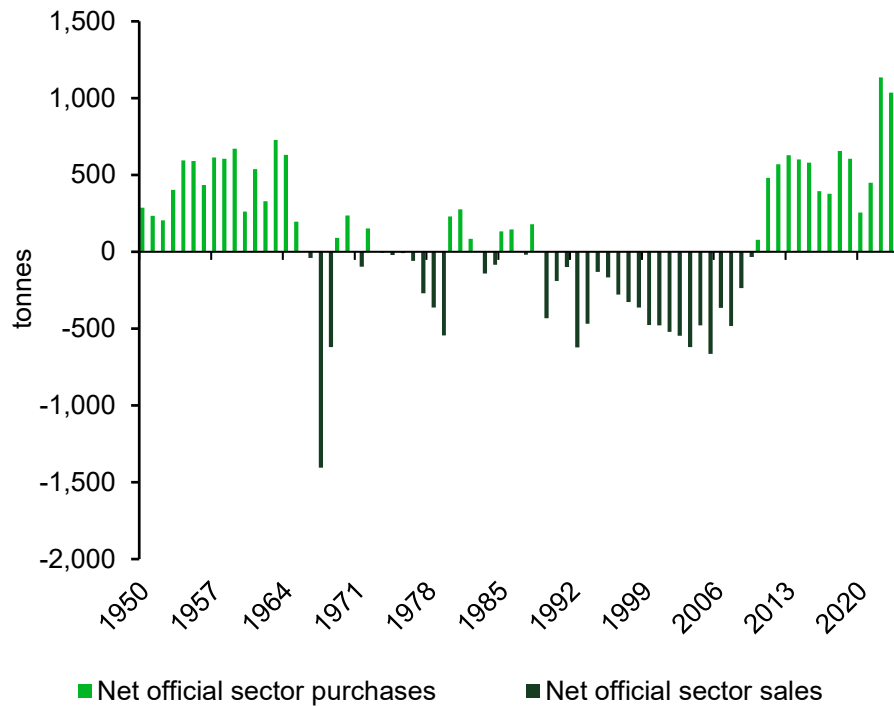


Source: TD Securities, World Gold Council

Still Firm Central Bank Buying Set to Prevent Rout

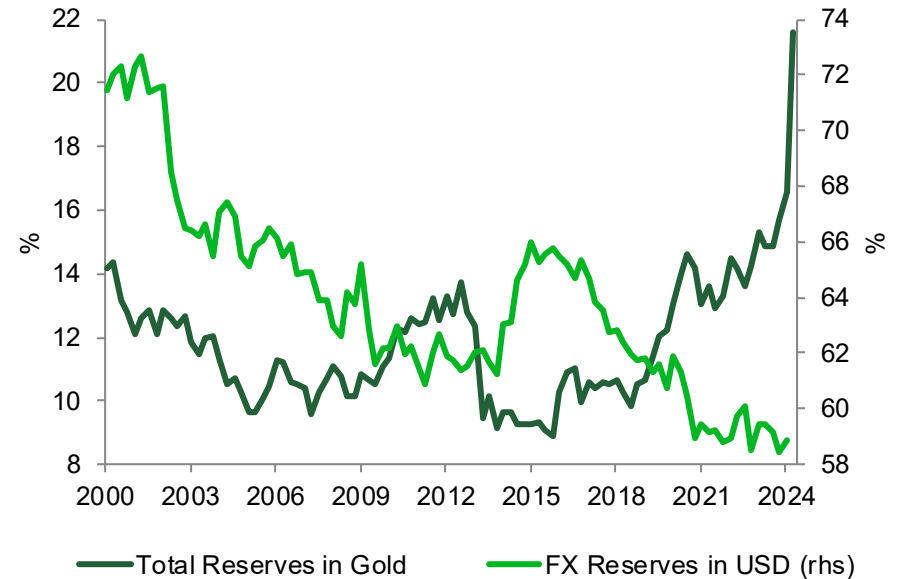


Half a Century Highs in Central Bank Buying Activity



Source: TD Securities, Metals Focus, Refinitiv GFMS, World Gold Council

Robust Central Bank Physical Purchases Add to Positive Long-Term Gold Outlook

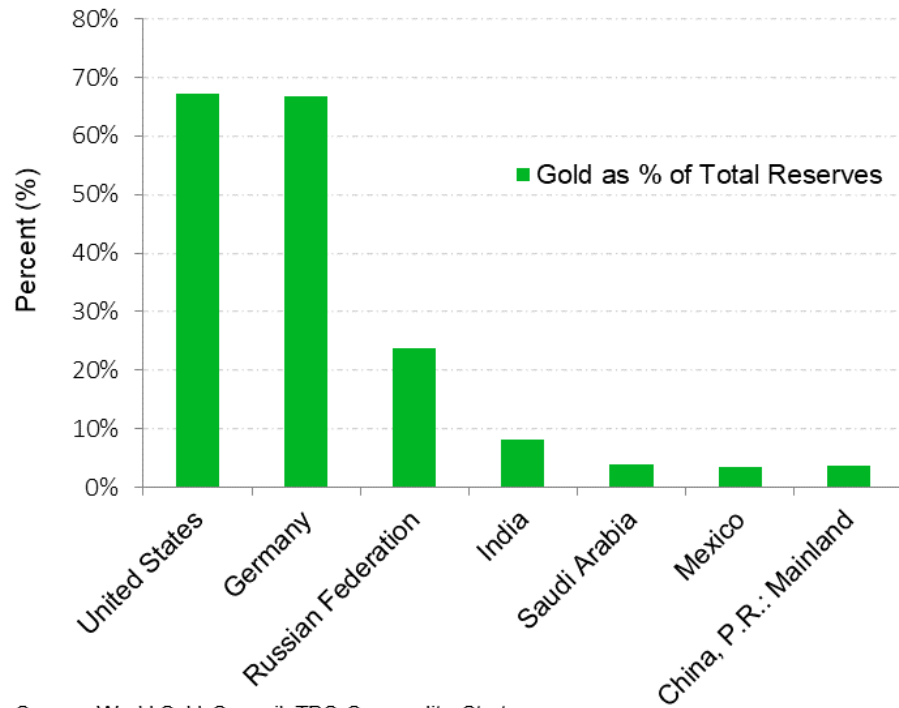


Source: Bloomberg, IMF, TDS Commodity Strategy

Physical Markets Still in Play Longer Term

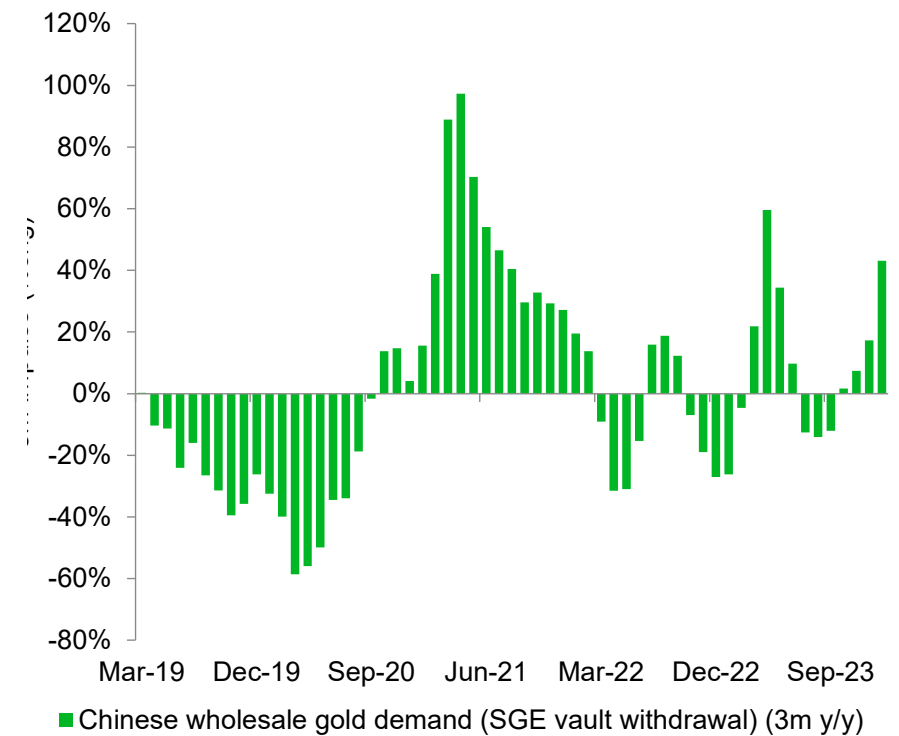


Plenty of Room For China to Grow Reserves



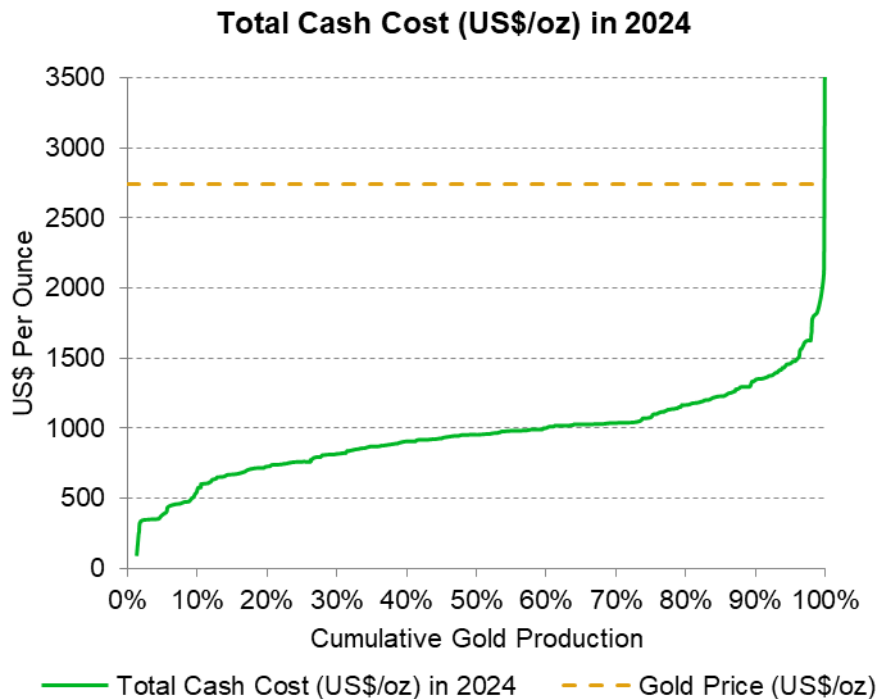
Source: World Gold Council, TDS Commodity Strategy

Wholesale Demand Cycles Up

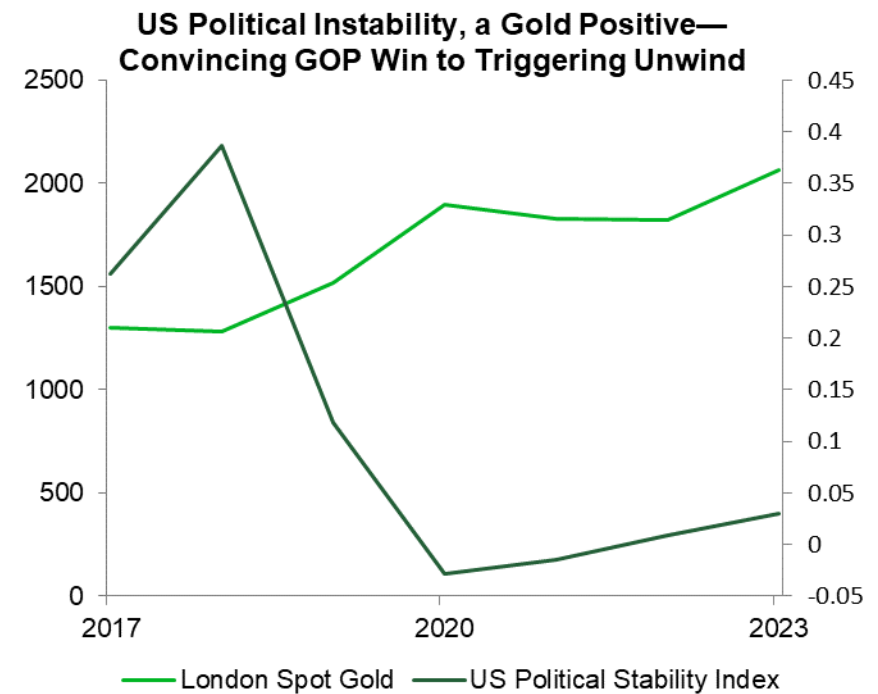


Source: TD Securities, SGE

Gold Has Long-Term Game— Supported by Its Link to Real Production Factors and Political Risks



Source: Metals Focus, TD Securities

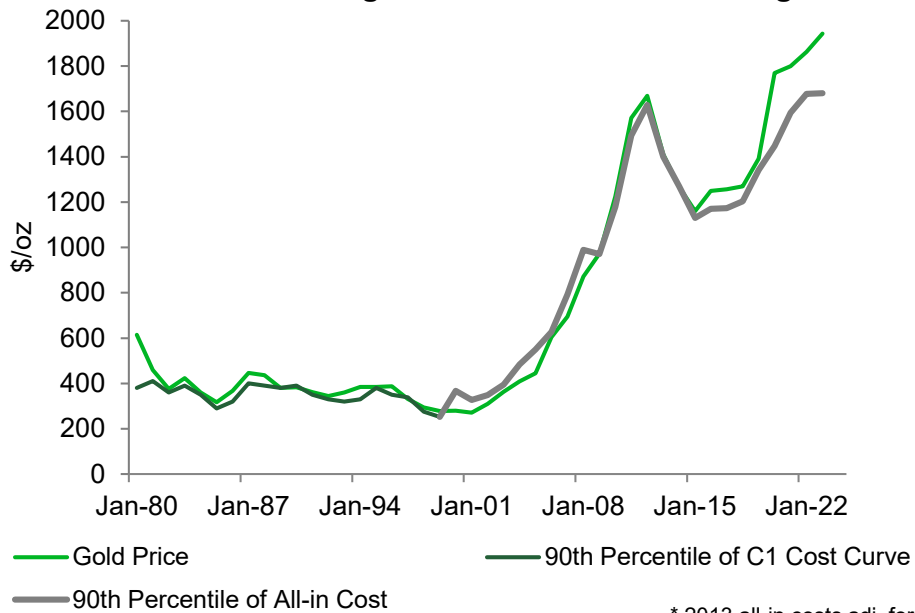


Source: Bloomberg, TD Securities

Gold's Hedge Qualities Offer Long-Term Support



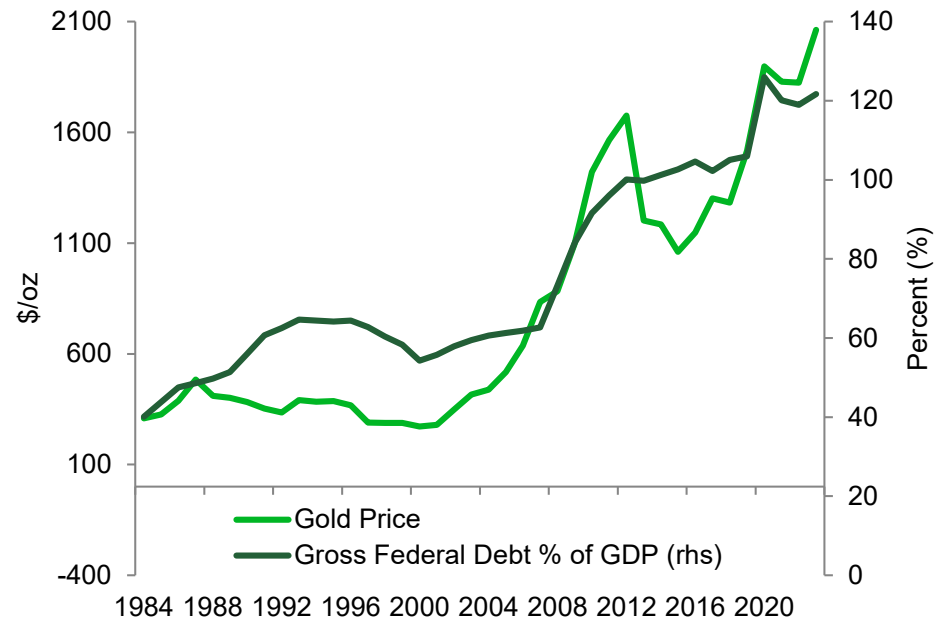
Marginal Cost Rises Along with Higher factor Costs— Making Gold a Good Inflation Hedge



Source: GFMS, Metals Focus, TD Securities

* 2013 all-in costs adj. for extraordinary writedown costs

Growing Debt Increases Appetite For Hedge

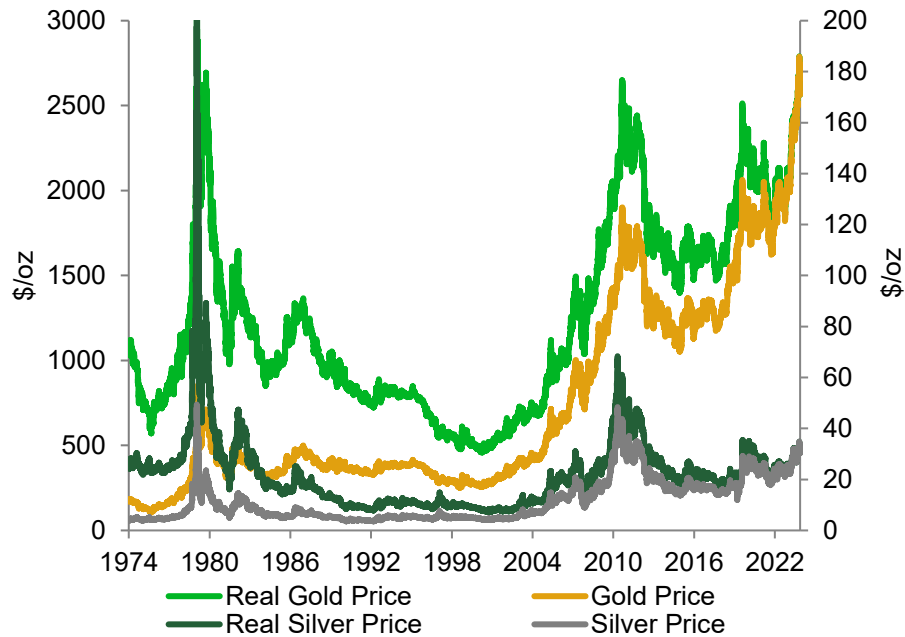


Source: Federal Reserve Bank of St. Louis, Bloomberg, TDS Commodity Strategy

Silver Has Moxie— Industrial Demand, Structural Deficit Unambiguous Positives



Silver Underperforming Materially



Source: Bloomberg, TD Securities

**Silver Still Cheap Relative to Gold — May do Well
When Gold Stalls**



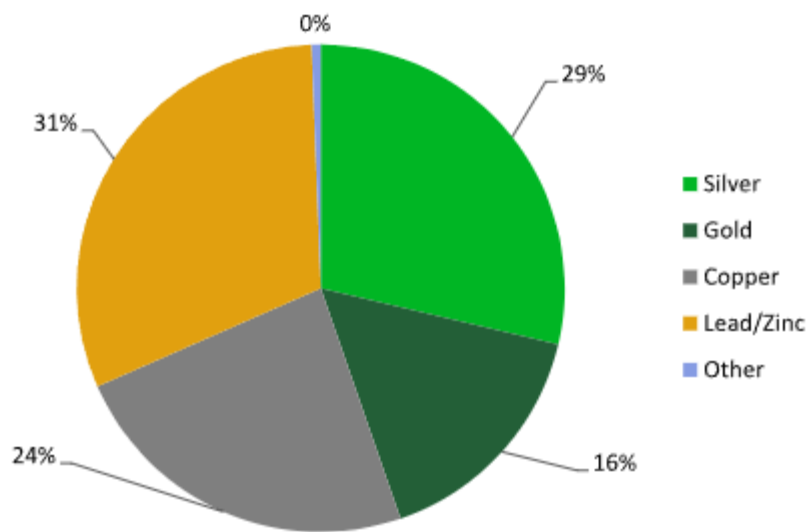
Source: Bloomberg, TD Securities

The Most Exciting Energy Transition Trade in the Complex



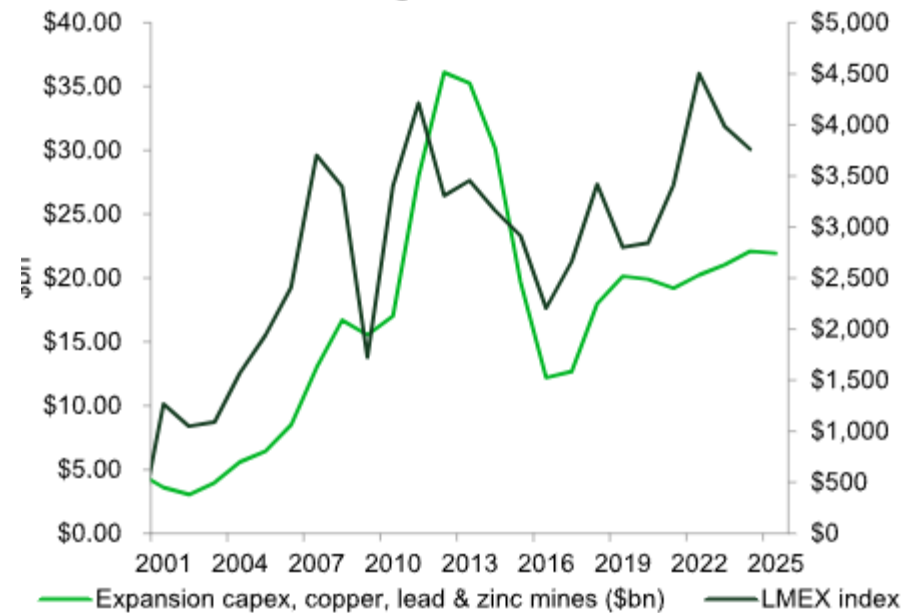
Structural Deficits, Underinvestment in Supply and Booming Demand

Silver Mined Largely as a By-Product



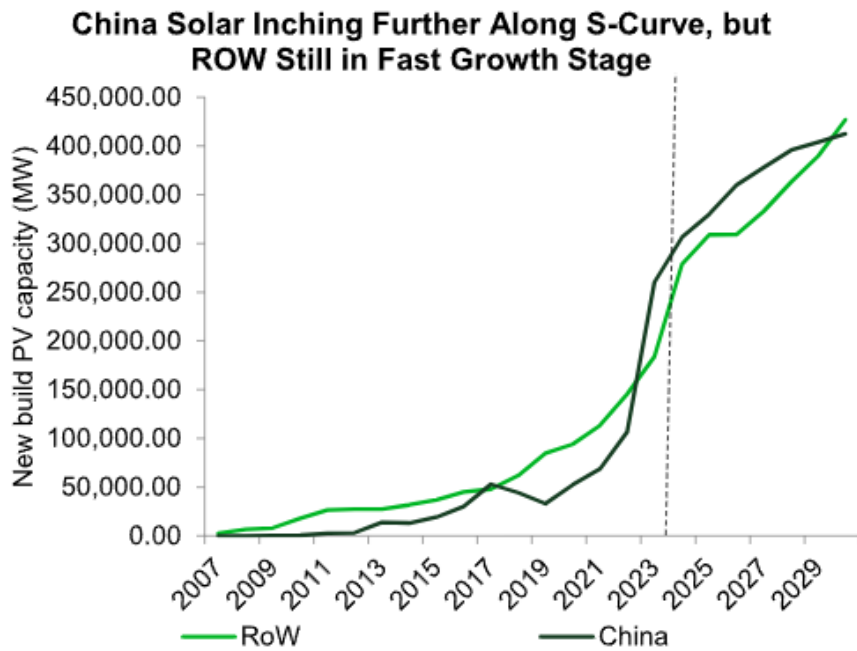
Source: Metals Focus, TDS Commodity Strategy

Structural Underinvestment in Metals & Mining is Coming Home to Roost

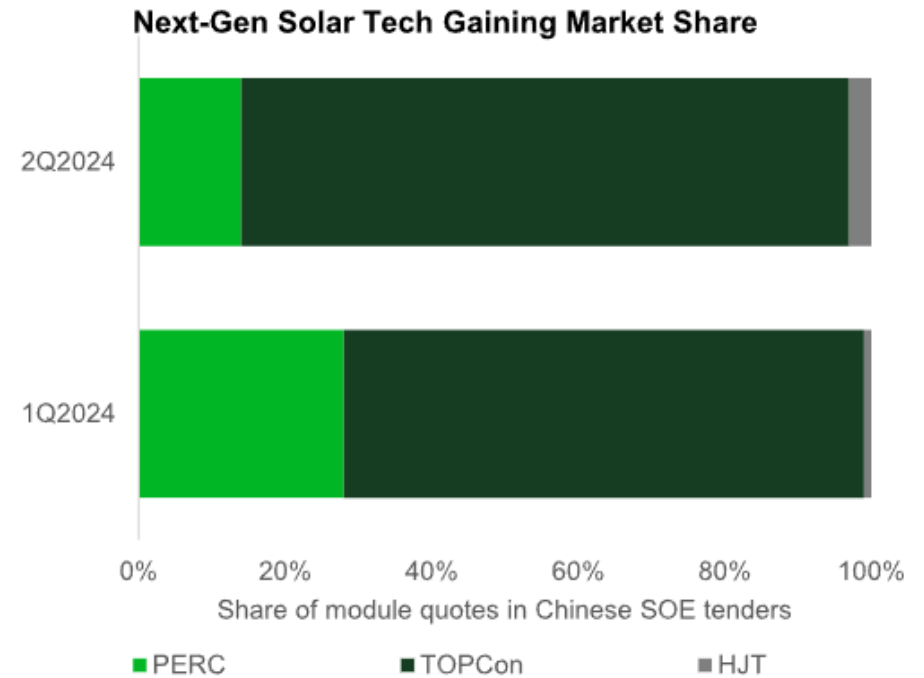


Source: TD Securities, Wood Mackenzie

Economics and Environmental Targets Drive Solar



Source: TD Securities, BNEF



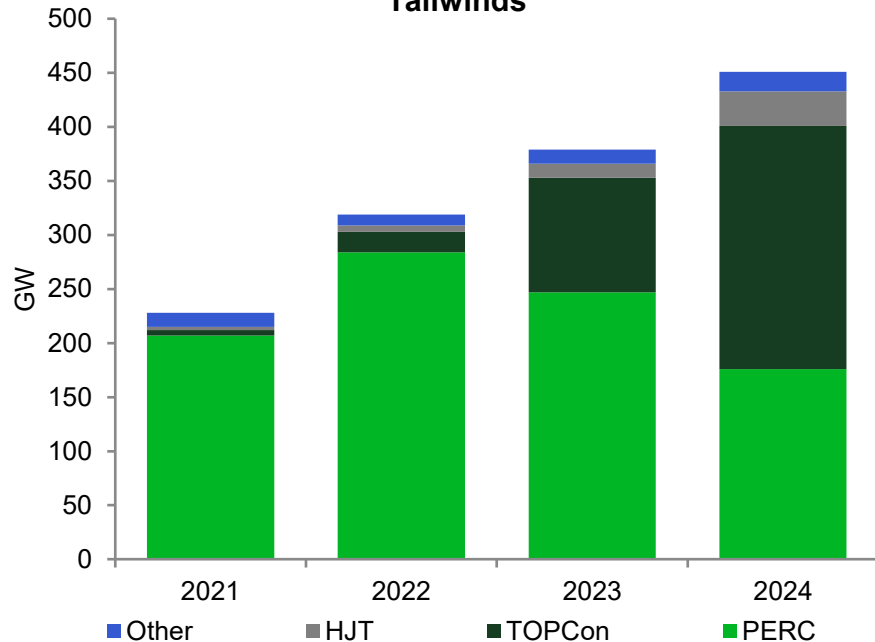
Source: TD Securities, BNEF, PVman

New-Age Solar Technology Gaining Market Share

Substantial Growth in PV Installations Further Bolstered by Rising Loadings

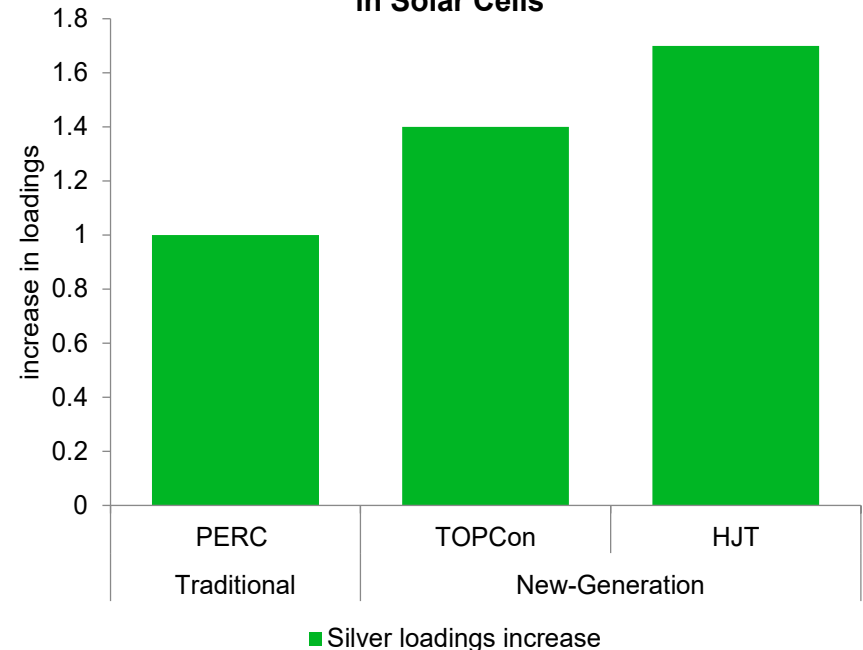


PV Growth Continues to Provide Demand Tailwinds



Source: TD Securities, Metals Focus

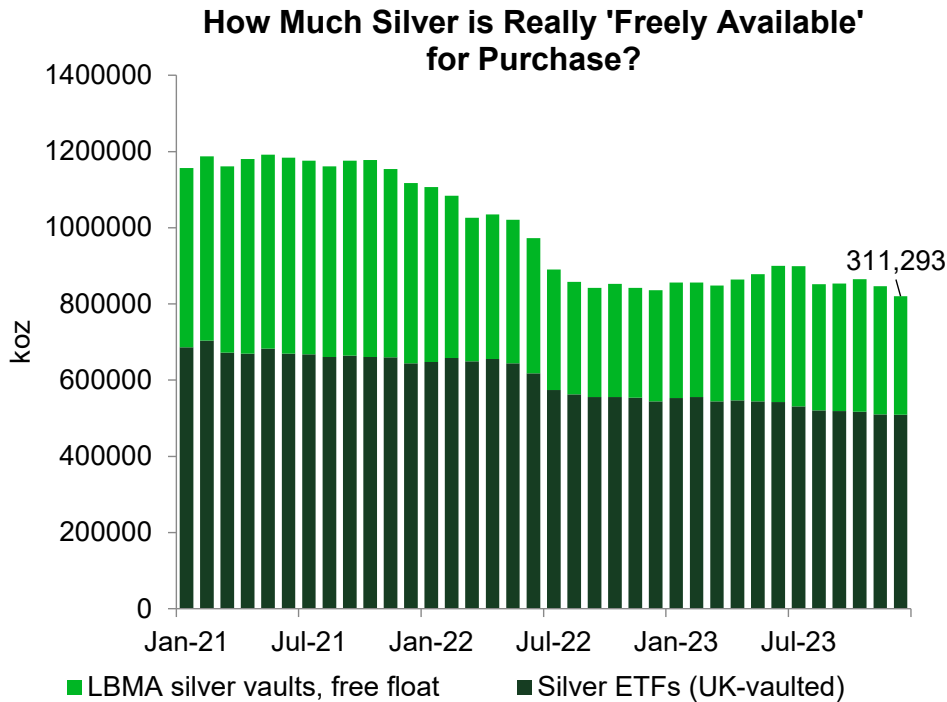
Next-Gen Technology to Support Silver Loadings in Solar Cells



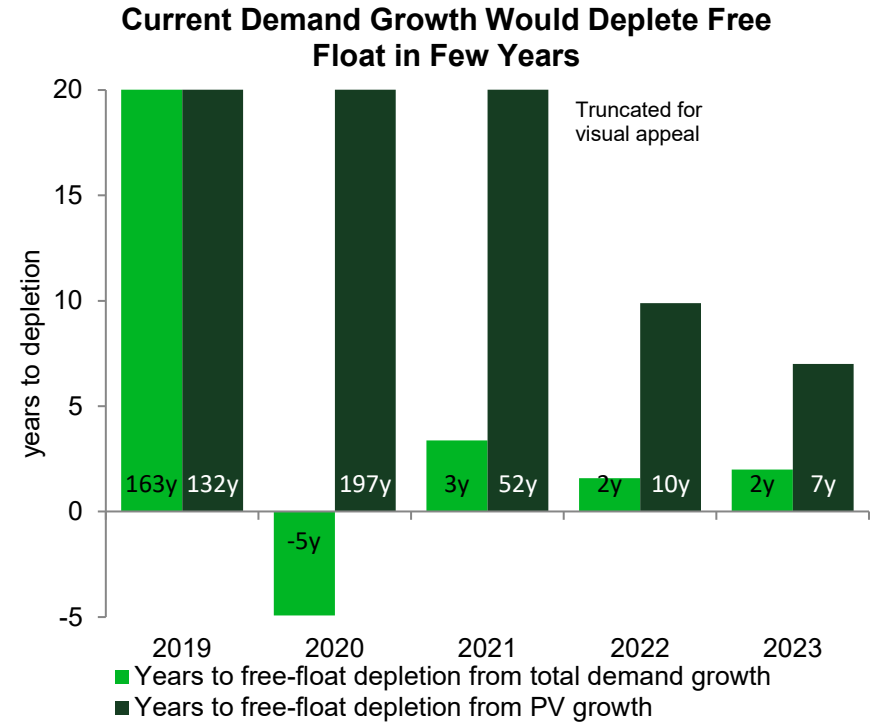
Source: TD Securities, World Silver Survey

A Silver Squeeze That You Can Buy Into

Is Silver Marching Towards a Stock-Out?



Source: TD Securities, LBMA

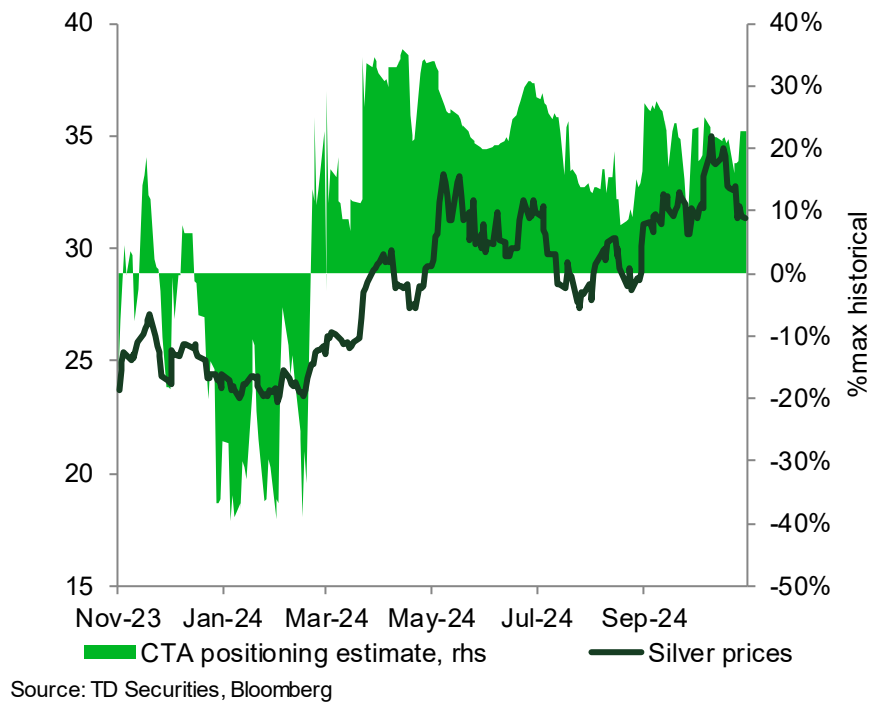


Source: TD Securities, Metals Focus, Silver Institute *assuming demand growth at rolling 3y cagr

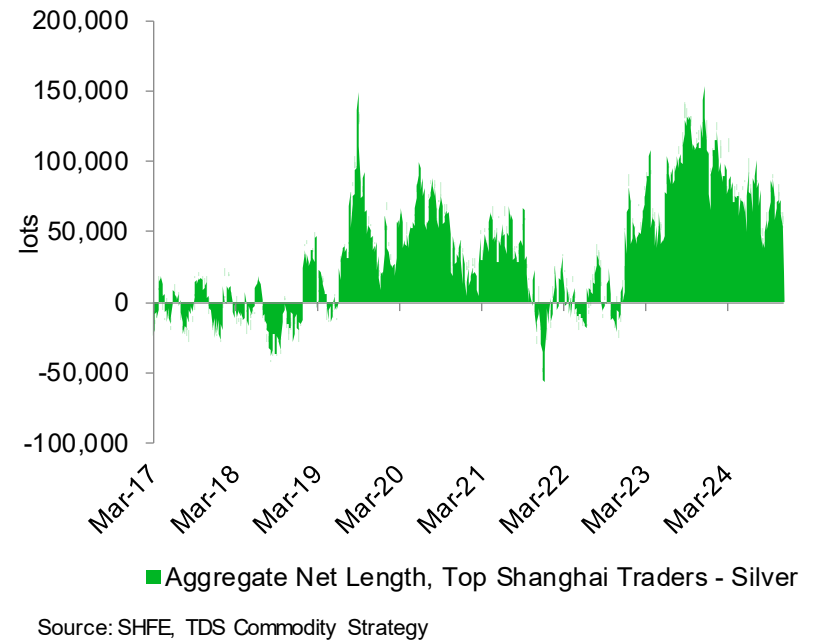
So, Who's Buying It?



Algos Have Played a Role in Recent Rally



Top Shanghai Trader Positions Subside From Extreme Levels



Global Strategy Team



Richard Kelly Head of Global Strategy +44 20 7786 8448

Global Macro Strategy

James Rossiter Head of Global Macro Strategy +44 20 7786 8422
Oscar Munoz Chief US Macro Strategist +1 212 827 7405
Robert Both Canada Macro Strategist +1 416 983 0859
Alex Loo FX and Macro Strategist +65 6500 8047
Lucas Krishan Global Macro Analyst +44 20 7786 8425
Joseph Dufton Macro Strategy Intern +44 20 7786 8425

Global Rates Strategy

Gennadiy Goldberg Head of US Rates Strategy +1 212 827 7180
Andrew Kelvin Head of Canadian and Global Rates Strategy +1 416 983 7184
Chris Whelan Senior Canada Rates Strategist and Head of Portfolio and ESG Strategy +1 416 983 0445
Prashant Newnaha Senior Asia-Pac Rates Strategist +65 6500 8047
Pooja Kumra Senior European Rates Strategist +44 20 7786 8433
Molly McGown US Rates Strategist +1 212 827 6169

Portfolio & ESG Strategy

Chris Whelan Head of Portfolio and ESG Strategy +1 416 983 0445
Izidor Flajsman Portfolio and ESG Strategist +44 20 7786 8414

Global Editor

Jacqui Douglas Global Editor +44 20 7786 8439



FX and EM Strategy

Mark McCormick Global Head of FX and EM Strategy +1 416 982 7784
Jayati Bharadwaj Global FX Strategist +1 212 827 6943
Ray Ng FX Quantitative Strategist +1 905 921 9659
Alex Loo FX and Macro Strategist +65 6500 8047

Commodities Strategy

Bart Melek Head of Commodity Strategy +1 416 983 9288
Daniel Ghali Senior Commodity Strategist +1 416 983 8075
Ryan McKay Senior Commodity Strategist +1 416 982 5816

Disclaimer



This material is for general informational purposes only and is not investment advice nor does it constitute an offer, recommendation or solicitation to buy or sell a particular financial instrument. It does not have regard to the specific investment objectives, financial situation, risk profile or the particular needs of any specific person who may receive this material. No representation is made that the information contained herein is accurate in all material respects, complete or up to date, nor that it has been independently verified by TD Securities. Recipients of this analysis or report are to contact the representative in their local jurisdiction with regards to any matters or questions arising from, or in connection with, the analysis or report.

Historic information regarding performance is not indicative of future results and investors should understand that statements regarding future prospects may not be realized. All investments entail risk, including potential loss of principal invested. Performance analysis is based on certain assumptions, the results of which may vary significantly depending on the modelling inputs assumed. This material, including all opinions, estimates and other information, constitute TD Securities' judgment as of the date hereof and is subject to change without notice. The price, value of and income from any of the securities mentioned in this material can fall as well as rise. Any market valuations contained herein are indicative values as of the time and date indicated. Such market valuations are believed to be reliable, but TD Securities does not warrant their completeness or accuracy. Different prices and/or valuations may be available elsewhere and TD Securities suggests that valuations from other sources be obtained for comparison purposes. Any price or valuation constitutes TD Securities' judgment and is subject to change without notice. Actual quotations could differ subject to market conditions and other factors.

TD Securities disclaims any and all liability relating to the information herein, including without limitation any express or implied representations or warranties for, statements contained in, and omissions from, the information. TD Securities is not liable for any errors or omissions in such information or for any loss or damage suffered, directly or indirectly, from the use of this information. TD Securities may have effected or may effect transactions for its own account in the securities described herein. No proposed customer or counterparty relationship is intended or implied between TD Securities and a recipient of this document.

TD Securities makes no representation as to any tax, accounting, legal or regulatory issues. Investors should seek their own legal, financial and tax advice regarding the appropriateness of investing in any securities or pursuing any strategies discussed herein. Investors should also carefully consider any risks involved. Any transaction entered into is in reliance only upon the investor's judgment as to financial, suitability and risk criteria. TD Securities does not hold itself out to be an advisor in these circumstances, nor do any of its representatives have the authority to do so.

The information contained herein is not intended for distribution to, or use by, any person in any jurisdiction where such distribution or use would be contrary to applicable law or regulation or which would subject TD Securities to additional licensing or registration requirements. It may not be copied, reproduced, posted, transmitted or redistributed in any form without the prior written consent of TD Securities.

If you would like to unsubscribe from our email distribution lists at any time, please contact your TD Securities Sales Contact. If you are located in Europe, Asia, Australia or New Zealand you may also unsubscribe by emailing us at Privacy.EAP@tdsecurities.com.

You can access our Privacy Policy here (tdsecurities.com/tds/content/AU_PrivacyPage).

Australia: If you receive this document and you are domiciled in Australia, please note that this report is intended to be issued for general information purposes only and distributed through the Toronto Dominion Australia Limited ("TDAL"). TDAL does not hold itself out to be providing financial advice in these circumstances. TD Securities is a trademark and represents certain investment dealing and advisory activities of Toronto-Dominion Bank and its subsidiaries, including TDAL. The Toronto-Dominion Bank is not an authorized deposit-taking or financial services institution in Australia. TDAL is a holder of an Australian Financial Services License (404698) and is regulated by the Australian Securities and Investments Commission.

Canada: Canadian clients wishing to effect transactions in any security discussed herein should do so through a qualified salesperson of TD Securities or TD Securities Inc. TD Securities Inc. is a member of the Canadian Investor Protection Fund.

China, India, and South Korea: Insofar as the document is received by any persons in the People's Republic of China ("PRC"), India and South Korea, it is intended only to be issued to persons who have the relevant qualifications to engage in the investment activity mentioned in this document. The recipient is responsible for obtaining all relevant government regulatory approvals/licenses themselves, and represents and warrants to TD Bank that the recipient's investments in those securities do not violate any law or regulation, including, but not limited to, any relevant foreign exchange regulations and/or overseas investment regulations. The Toronto-Dominion Bank has a representative office in Shanghai, Mumbai and Seoul which should be contacted for any general enquiry related to The Toronto-Dominion Bank or its business. However, neither any of the Toronto-Dominion Bank offshore branches/subsidiaries nor its representative offices are permitted to conduct business within the borders of the PRC, India and South Korea. In locations in Asia where the Bank does not hold licenses to conduct business in financial services, it is not our intention to, and the information contained in this document should not be construed as, conducting any regulated financial activity, including dealing in, or the provision of advice in relation to, any regulated instrument or product. This publication is for general information only, without addressing any particular needs of any individual or entity, and should not be relied upon without obtaining specific advice in the context of specific circumstances.

Hong Kong SAR (China): This document, which is intended to be issued in Hong Kong SAR (China) ("Hong Kong") only to Professional Investors within the meaning of the Securities and Futures Ordinance (the "SFO") and the Securities and Futures (Professional Investor) Rules made under the SFO, has been distributed through Toronto-Dominion Bank, Hong Kong Branch, which is regulated by the Hong Kong Monetary Authority.

Japan: For Japanese residents, please note that if you have received this document from Toronto-Dominion Bank entities based outside Japan, it is being provided to qualified financial institutions ("QFI") only under a relevant exemption to the Financial Instruments and Exchange Act.

If you have received this document from TD Securities (Japan) Co., Ltd., it is being provided only to institutional investors. TD Securities (Japan) Co., Ltd. is regulated by the Financial Services Agency of Japan and is distributing this document in Japan as a Type 1 Financial Instruments Business Operator registered with the Kanto Local Finance Bureau under registration number, Kinsho 2992, and a member of Japan Securities Dealers Association.

New Zealand: The Toronto-Dominion Bank is not a "registered bank" in New Zealand under the Reserve Bank Act 1989.

Singapore: This report is distributed in Singapore by The Toronto-Dominion Bank, Singapore Branch, and recipients in Singapore of this report are to contact The Toronto-Dominion Bank, Singapore Branch in respect of any matters arising from, or in connection with, this report. The Toronto-Dominion Bank, Singapore Branch is regulated by the Monetary Authority of Singapore. Where this report is issued or promulgated in Singapore, it is only intended for distribution to a person who is an accredited investor, expert investor or institutional investor as defined in the Securities and Futures Act (Cap. 289), the Securities and Futures (Prescribed Specific Classes of Investors) Regulations 2005, or the Securities and Futures (Classes of Investors) Regulations 2018 issued by the Monetary Authority of Singapore.

United Kingdom and Europe: This document is prepared, issued or approved for issuance in the UK and Europe by TD Securities Limited in respect of investment business as agent and introducer for TD Bank. The Toronto-Dominion Bank is authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. TD Securities Limited is authorised and regulated by the Financial Conduct Authority. Insofar as the document is issued in or to the United Kingdom or Europe, it is intended only to be issued to persons who (i) are persons falling within Article 19(5) ("Investment professional") of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("High net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated. European clients wishing to effect transactions in any security discussed herein should do so through a qualified salesperson of TD Securities Limited. Insofar as the information in this report is issued in the U.K. and Europe, it has been issued with the prior approval of TD Securities Limited.

United States: U.S. clients wishing to effect transactions in any security discussed herein must do so through a registered representative of TD Securities (USA) LLC.

TD Securities is a trademark of TD Bank and represents TD Securities Inc., TD Securities (USA) LLC and TD Securities Limited and certain investment and corporate banking activities of TD Bank and its subsidiaries.

© Copyright 2023 The Toronto-Dominion Bank. All rights reserved.