

Media Release

Dorex Markets Release – Gold Update 27 January 2026

Gold Supply Contracts as Demand Accelerates

In a case of same:same news, the gold price hit another peak last week at around US \$5,031 oz according to recent market data

The major macro trend for investors to consider, however, is that global gold markets are entering a tightening phase, as mine supply shows signs of contraction while demand from central banks and institutional investors continues to strengthen.

Recent industry analysis indicates that global mined gold supply has plateaued and is beginning to edge lower, reflecting structural constraints across the sector.

The World Gold Council advises that annual mined gold production has been largely flat/near-zero growth since about 2018, with 2024 production only ~4 t above the 2018 figure, marking a production plateau rather than strong growth, underscoring the industry's difficulty in bringing new supply online.

Market research firm Metals Focus has reinforced this view, noting that declining reserve grades, limited major discoveries, longer development timelines and rising capital intensity are increasingly acting as headwinds to production growth.

In several mature mining jurisdictions, output is now expected to decline modestly year-on-year rather than expand.

This represents a notable shift from prior decades, when higher prices reliably incentivised new production.

This emerging supply constraint stands in contrast to persistent strength in demand. Central banks remain active buyers of gold, while investor demand is being supported by elevated geopolitical risk, sovereign-debt concerns and shifting expectations around monetary policy.

From a market perspective, the combination of constrained supply and resilient demand reinforces gold's role as a strategic asset within institutional portfolios. Unlike many commodities, gold's supply response remains structurally inelastic, increasing the market's sensitivity to increasing demand.

Market Insight - Gold

Bretton Woods was established in July 1944, pegging the U.S. dollar to gold at US \$35 per troy ounce. On 15 August 1971, President Nixon ended the U.S. dollar's convertibility into gold, ushering in free-market pricing for gold.

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Source: Metals Focus, Refinitiv GFMS, World Gold Council

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About Dorex

Dorex is an Australian specialist advisor to Australian gold producers. Focused on near-term production opportunities, including the reclamation of historic resources and tailings reprocessing, Dorex assists with capital efficiency and environmental stewardship in equal measure, by assisting to structure non-dilutive, bespoke financing solutions. Dorex enables producers to accelerate their path to revenue while meeting the highest standards of sustainability and community responsibility.