

YEAR IN REVIEW: INDIA BULLION INDUSTRY 2025

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The year 2025 was transformative for the bullion trade across the world, shaped by unprecedented volatility, shifting macroeconomic conditions, regulatory adjustments, and a surge in investor interest. This convergence of global and domestic factors created one of the most dynamic trading environments in recent history, redefining strategies and reshaping the value chain for bullion businesses on both sides of the world.

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In the US, the dominant theme was monetary-policy uncertainty. Persistent inflation, labour-market softness, and repeated hints of Federal Reserve rate cuts fuelled strong safe-haven demand. Gold ETF inflows rose sharply, while OTC desks reported heightened activity as prices climbed to record territory. Silver became the story of the year: industrial demand, a global supply squeeze, and speculative short-covering pushed prices to decades-high levels. The US solar manufacturing boom, supported by the Inflation Reduction Act, further tightened silver availability. Refiners and industrial consumers faced rising premiums and delivery delays, forcing businesses to adopt more aggressive hedging and inventory strategies.

India experienced parallel but uniquely localised forces. High domestic demand-driven by weddings, festivals, and record imports earlier in the year-kept the bullion market vibrant despite elevated prices. Silver demand from small manufacturers,

EV components, and solar applications surged, creating pressure on supplies. Regulatory adjustments around import duties, TRQ utilisation, and enhanced KYC norms added complexity but also encouraged greater formalisation. Retail behaviour shifted notably: customers gravitated toward smaller-ticket products, digital gold offerings, and systematic accumulation plans, improving market depth even during price surges.

Throughout 2025, bullion businesses in both nations navigated common challenges-volatility, tighter liquidity cycles, and rapidly shifting investor sentiment. For traders, managing margins during fast-moving markets required agility and upgraded risk frameworks. Banks and bullion dealers strengthened their derivative strategies, while refiners adopted more technology-driven sourcing and purity-assurance mechanisms. The US saw momentum in ESG-aligned sourcing and recycled gold initiatives, while India accelerated hallmarking digitisation, warehouse receipts adoption, and blockchain-linked traceability.

Amid challenges came opportunities. The extreme spotlight on silver opened new avenues for market-makers, refiners, and retail platforms. Demand for education-led advisory content increased sharply

as first-time investors sought clarity. Partnerships expanded between bullion players, fintech platforms, jewellers, and logistics providers, creating a more integrated ecosystem. Many businesses hit key milestones-new retail store openings, digital-user growth, cross-border partnerships, and enhanced refining capacities.

Looking to 2026, the outlook for precious metals remains structurally bullish. Anticipated US interest-rate cuts, continued global geopolitical friction, and the steady decline of real yields will support gold prices near record levels. Silver's industrial-led story is expected to continue, especially with renewable-energy expansion and constrained mine supply. In India, growth will be driven by rising incomes, deeper digital penetration, and increasing institutional participation.

Key focus areas for 2026 will include operational efficiency, stronger compliance with ESG and KYC frameworks, advanced hedging strategies, and technology adoption across testing, trading, and logistics. With disciplined execution, the bullion industry is well-positioned to leverage another year of opportunity and structural long-term growth.

