StoneX

Pulse of the Global Precious Metals Market

A Deep Dive into Asia Pacific and the Middle East

Executive Summary

Asia Pacific and the Middle East are the strategic core of the global precious metals market, driving demand, production, and price discovery. China and India anchor consumption through cultural cycles, while China's manufacturing scale and solar expansion fuel industrial silver demand. Dubai and Singapore serve as key trading hubs, offering liquidity and infrastructure that connect global flows.

For institutional investors and businesses, aligning with regional dynamics is essential. Cultural calendars influence price movements, substitution trends (e.g., platinum vs. gold) signal market shifts, and industrial demand remains structurally strong. Strategic positioning in hubs like Singapore, Shanghai, Hong Kong, and Dubai enables access to physical flows and timely market insights.

Introduction

At StoneX, our range of clients varies across the precious metals supply chain – including sectors like central banks, hedge funds and physical cash, to large corporates such as miners, traders, fabricators to smelters.

For these clients, Asia Pacific and the Middle East are key regions, creating the deepest demand as well as sharing the strongest cultural ties to gold, silver, and platinum. We examine how these regions are not just participants in the precious metals markets but key drivers, especially when considering China and India's almost 30% share in the world's population, combined with the Middle East – where Dubai anchors global flows.

Asia Pacific and Middle East: Demand, Production, and Trade

Consumption
With key factors like cultural and industrial demand, Asia continues to lead precious metals consumption globally. Gold demand in Q2 2025 reached 1,249 tons (worth US$132 billion) globally, with Asia accounting for the majority of consumer and industrial activity[1].

Production and resources
China and Australia consistently place as the top three gold producers, significantly contributing to global output – together with Russia, Canada, and the United States making up 41% of global mine output (~3,300 tons in 2024[14]). The Middle East, while not a top mining region, has emerged as a powerhouse in refining and trade, particularly through Dubai[2].

Manufacturing and fabrication
China continues to dominate as the global center for manufacturing precious metals, cementing its place as a key driver of global demand through its sheer industrial scale and integration across supply chains, particularly in aluminum and platinum.

Silver: Global industrial demand reached a record 680.5 million ounces in 2024, driven primarily by solar photovoltaic (PV) panels[3]. Producing over 80% of the world's solar panels[12] and installing 357 gigawatts (GW) of new capacity in 2024[13] alone, China's vital role in this sector remains unmatched.

Platinum: Global demand for platinum is climbing, thanks to its prevalence in industrial and jewelry sectors. In 2025, the global platinum market is projected to run a deficit of ~850,000 ounces (≈11% of demand), fueled by a surge of Chinese consumption[6].

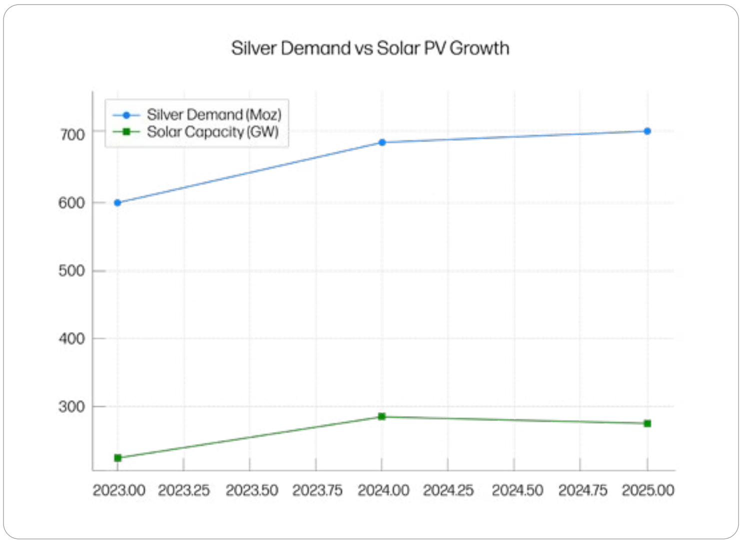

Figure 1: Silver demand growth compared to China solar PV capacity additions[15,16].

Trading and price discovery

Hong Kong is often seen as a direct channel into China's gold market, with gold imports swinging +127% in July 2025[7] before dipping 39% by August 2025[8], reflecting shifting demand trends and policy sensitivities.

Singapore often acts as a key bridge between broader Asia and Middle East, being the first market to open after New York closes, making it pivotal in digesting weekend macro events. Its time zone advantage is backed by government infrastructure, regulatory openness, and the ability to attract global talent, making it a strategic hub.

Shanghai Gold Exchange (SGE) is one of the world's largest commodity exchanges. In August 2025, it recorded 13 million kg in metals traded, with gold making up a staggering 4 million kg[9] - emphasizing China's vital role in the precious metals market.

Dubai is otherwise known as the "City of Gold," for good reason. Connecting Africa, Asia, and Europe with its refining capacities and trade infrastructure, it remains a gateway into Middle East demand and liquidity[2].

China and India: Two Giants with Outsized Influence

China

Gold: As the largest consumer and importer globally, the People's Bank of China continues to grow reserves, reinforcing its influence on global pricing[10].

Jewelry: Highly price sensitive. In Q2 2025, global jewelry demand fell to 341 tons – the lowest recorded figure since Q3 2020 – exacerbated by China and India's combined shares dropping below 50%[1].

Platinum: Jewelry fabrication more than doubled year-on-year in Q2 2025, while bar and coin demand grew nearly six-fold[6], likely driven by platinum's price advantage over gold.

Silver: China's solar build-out remains a leading driver of industrial silver demand[4], with 357 GW of new wind and solar capacity installed in 2024 and over 80% of global solar panel production anchored in China[5].

India

Gold: India purchased 134.9 tons in Q2 2025, a figure which dipped 10% by volume, but increased 30% in value compared to 2024[1]. For 2025, demand is forecasted to be 700-800 tons, versus 802.8 tons in 2024[1].

Culture: Weddings and festivals such as Diwali and Akshaya Tritiya sustain demand regardless of price. In 2025, Akshaya Tritiya saw a 15% drop in volumes year-on-year, but values held steady as consumers started opting for lighter pieces[17].

Silver: India is among the world's top silver buyers[3], with strong domestic demand pushing prices to record rupee highs in 2025[11].

Platinum: Jewelry fabrication rose ~10% year-on-year in Q2 2025, supported by retailers promoting platinum as a cost-effective alternative to gold[6].

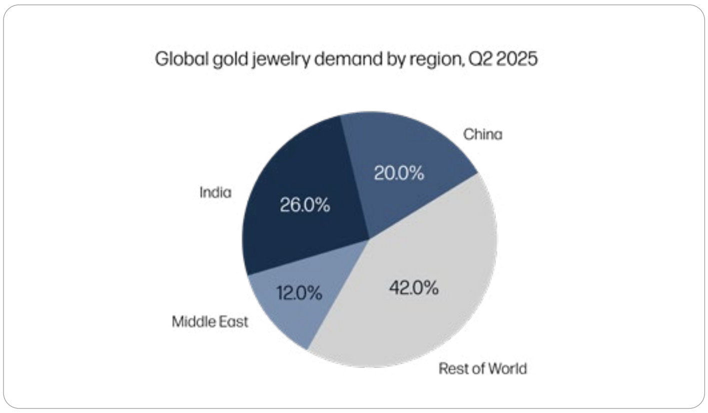

Figure 2: Global gold demand distribution, Q2 2025[1].

The Cultural Dimension

> **India:** Gold demand is anchored by weddings and festivals, transcending price cycles. Even in high-price environments, buying persists as gold is viewed as integral to not only cultural tradition but also family wealth protection.
>
> **China:** Lunar New Year and Golden Week are cultural catalysts to global price movements, with consistent boosts to jewelry and bar demand during these events.
>
> **Middle East:** Dubai's role in both retail and wholesale creates ripple effects across international flows. With its cultural affinity with gold as adornment and a store of value, Dubai remains a liquidity hub for this precious metal.

With Asia and the Middle East accounting for large shares of global consumption in precious metals, these cultural traditions are not simply local events – they are forces which shift global prices and shape liquidity.

Implications for Investors and Businesses

With cultural demands in Asia and the Middle East continuing to shape the trajectory of the global precious metals markets, business and investor strategies should be aligned to these key drivers in order to stay ahead of the curve.

For Investors

> **Cultural calendars are market calendars** – events such as Diwali or the Lunar New Year, and demand from the Middle Eastern are seasons which consistently drive real price action and surges.
>
> **Substitution trends matter and often signal opportunities:** Platinum's discount to gold in 2025 sparked a notable surge in Chinese platinum buying, and this is a critical trade signal[6].
>
> **Industrial pull is structural.** With a 149-million-ounce silver deficit in 2024, solar-linked demand from China remains a long-term driver[11] and reinforces the nature of an industrial pull.

For Businesses

> **Retailers:** Product offerings should be adapted to consumer preference shifts. Lighter gold products, platinum alternatives to jewelry and silver options are increasingly favored in high-price environments[1].

Miners and refiners: Cultural demand peaks should be planned for so as to align production, shipment, and inventories to optimize flow and manage bottlenecks.

Traders: Strengthen positions in strategic hubs – Singapore, Shanghai, Hong Kong, and Dubai – all regions in which businesses could access deeper liquidity, physical flows, and market signals.

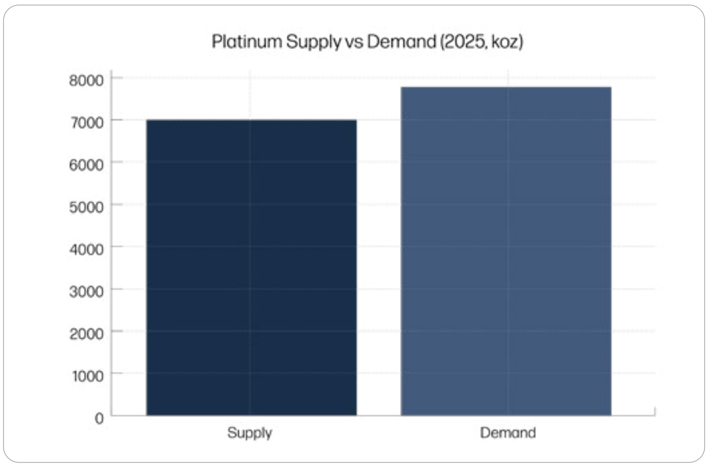

Figure 3: Platinum market supply and demand balance, 2025[18].

Conclusion

Asia Pacific and the Middle East are not mere participants in the global precious metals market – they are its pulse. When we consider China's manufacturing scale and policy-driven demand, India's entrenched gold traditions and silver appetite, or Dubai's pivotal role in trade and liquidity to Singapore's strategic time-zone and infrastructure bridge, we can recognize that these are all markets which have grown in relevance to the ecosystem, equating the impact of key players like London and New York, all with pivotal roles in setting global prices, liquidity, and sentiment.

Partnering with StoneX

For institutional investors, corporates, and commercial businesses, the message is clear: to understand precious metals, you must understand the markets that matter the most - Asia Pacific and the Middle East.

As the largest non-bank previous metals counterparty of elite associations, StoneX does not just observe the markets - we bridge our clients to them. The StoneX Precious Metals team pairs deep cultural fluency with local intelligence and full-service trading capabilities, offering global reach few other firms can match, along with our "boots-on-the-ground" mentality, which enhances our local connections and places our clients at the forefront of the precious metals landscape.

Annex: Sources

1. World Gold Council – Gold Demand Trends Q2 2025

2. DMCC – UAE role in gold trade

3. Silver Institute – Industrial demand record 2024

4. PV-magazine – China PV additions 2024

5. US EIA – China solar capacity 2024

6. WPIC – Platinum Quarterly Q2 2025

7. Reuters – China July 2025 net gold imports

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9. Shanghai Gold Exchange – Monthly Report (Aug 2025)

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11. Silver Institute – World Silver Survey 2025

12. IEA – Solar PV Supply Chain Analysis

13. IEA PVPS – official Snapshot 2025

14. U.S. Geological Survey – Mineral Commodities Summaries 2025

15. Megaproject - CPIA forecast for 2025 additions 215-255 GW

16. The Silver Institute

17. Reuters - Record gold prices dampen demand during Indian festival

18. WPIC Platinum Quarterly – Supply & Demand

Contact us

Vinh Nguyen
Head of Precious Metals, Asia
vinh.nguyen@stonex.com