

The BULLION SITUATION Report

10 April 2026



(Bull. Sit.) by **Tom Next**

The Memoirs, adventures and ramblings of a superannuated precious metals trader.

I Beg To Differ

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Back in August 1990 after the First Gulf War had broken out, it was decided that despite the New York trading desk still being active, that our London trading desk would remain open in to the night. The first problem was that after a long day and everyone else had gone home, the lone trader as the evening wore on and the coffee wore off, would gently nod off and miss the flashing lights on the desk.

To overcome this issue, an audible alarm was fitted so that if the board lit up an alarm would go off to alert the trader. This was very quickly dubbed the “Skud Alarm” (after the Skud missiles being fired by the Iraqi’s).



The problem now is that back in the 80’s, 90’s and 00’s, bullion trading desks were staffed by a dozen or more traders. Now two or three traders are expected to cover both precious and base metals and often FX too. While technology has moved on, it hasn’t moved on enough to cover the obvious shortfall when markets hit new peaks in activity.

If you are wondering why metals went down last month when Israel and the US attacked Iran: it’s the typical reaction. It happened when the US invaded Afghanistan in 2001 and Iraq in 2003. The metals came storming back a few months later.

What is more, these traders are having their information controlled. Many trading rooms have re-introduced bans on mobile ‘phones, along with filters on which websites can be viewed, so as a heard, traders are being

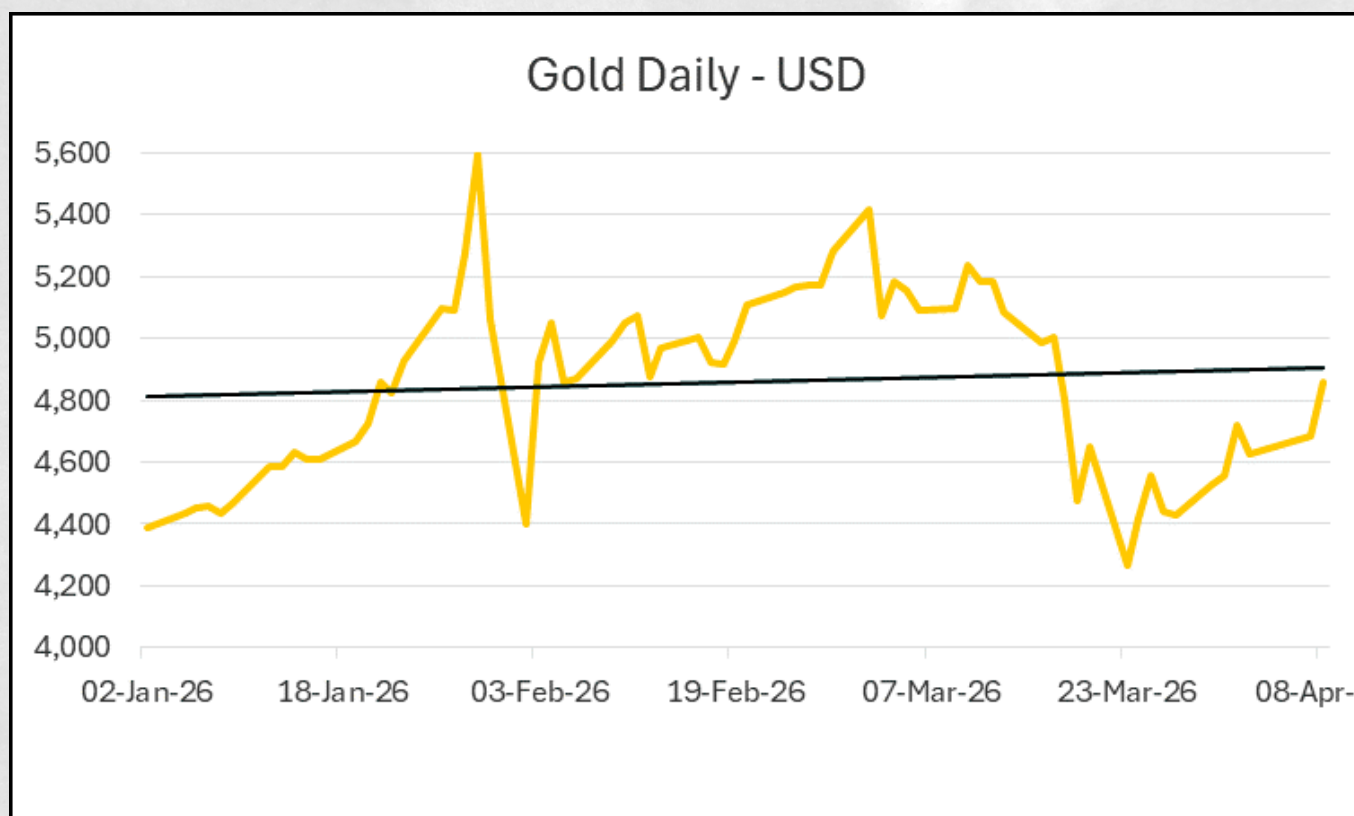
corralled towards the same sources of information from providers such as Bloomberg and Thompson-Reuters.

This information gets more expensive by the year, but traders due to the removal of other sources are getting more dependent on them. They are getting addicted. No wonder that the Thompson family, owners of Thompson-Reuters are one of the richest in Canada. The problem now is we run in herd instinct. Everyone is getting the same news alerts and reports. Descent has gone; everyone sees the same and reacts the same. No wonder we are getting more and more big peaks and troughs as they all charge in the same direction.

Allegedly it has created a level playing field. Has it? Or has it created a manipulated market? Worse still, are we seeing an experiment in Thought Control?

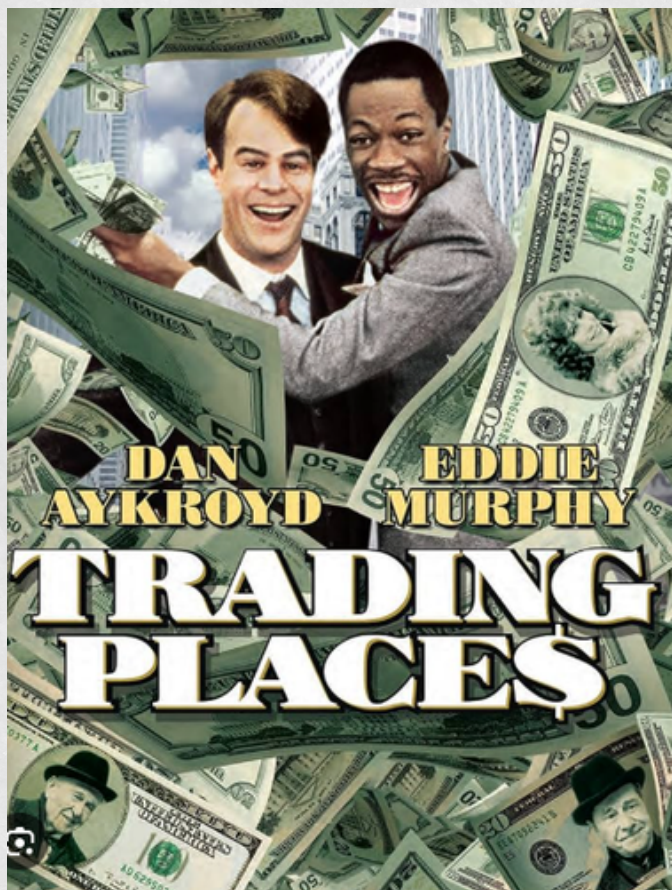


In the past three months, we've seen gold trade over a USD 1,400 range. That's a bigger range than for the 300 years to February 2011 or the 15 years to August 2024. Just like "Trading Places" (more on this later), traders are being carried out on stretchers with mental exhaustion.



The BRICS now officially hold 17.4% of Central Bank gold Reserves. Second only to the USA with close to 20%. China undoubtedly has far more than it officially declares. This is the symptom of dedollarisation. The value of the US Dollar is going to inversely proportionally to the increase in Central Bank Gold Reserves. This is a course that nobody particularly wants to change.

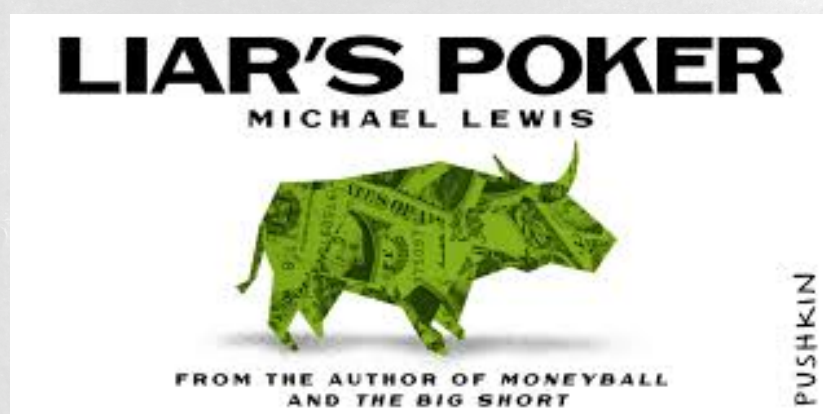
Information(if it's true!) and time are real money. Quite rightly are gone are the days where traders could get away with buying metals at last week's prices because the newspapers reporting prices took a week to reach the more inaccessible places where the metals were mined.



In the cinematic masterpiece, Trading Places. One of the major plot lines, is theft of the Frozen Concentrated Orange Juice (FCOJ) production forecast. Vital information for futures traders in FCOJ contracts. In fact it's such a brilliant film, that when I used to mentor interns and graduate trainees for a bank's trading desk, I made watching Trading Places compulsory home work.

Not only did it show the trading pits in action and the need for and effect of information, it also displayed the full range of characters and backgrounds you get in the markets.

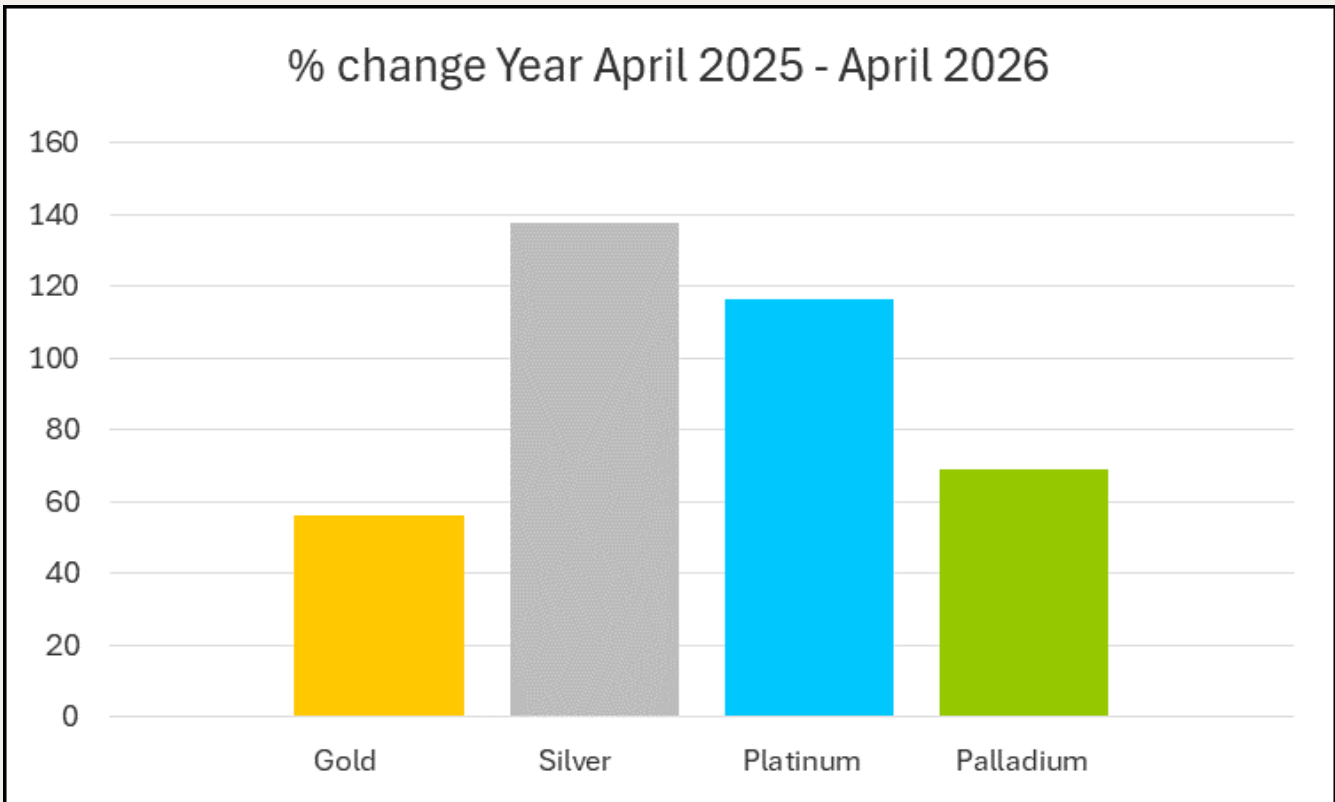
Other homework I would include was the book Liar's Poker (by Michael Lewis). More recently I added Wolf of Wall Street (this should put you off buying equities for life) and an interesting short (semi-) autobiography, Gold Fix – life on the Bullion Desk (available on Amazon eBooks) by Fabian Krazinski – not his real name, it's the only name he's changed in the book beyond subtle recognition.



While everyone now read the same weather forecasts for soft commodities, there was a time when one of the big commodity trading houses employed a man in Brazil. His only job was to look out of the window at the mountains where the coffee is grown every morning and 'phone New York with what the weather was actually doing. More accurate than any forecast.

It has been disclosed that the UK's Metrological Office has been using what they call "synthetic data" in their "readings" and forecasts rather than genuine observations. They will tell the average UK temperature is rising. Possibly true; but still bring warm clothing if you are visiting the UK. The average day time temperature has hardly changed, its just that there are fewer exceedingly cold nights.

Do Not Despair! Keep The Faith



Despite recent events, Year-on-Year, gold is up 56%, palladium 69%, platinum 116% and silver 137% respectively. If you knew that this time last year, wouldn't you have invested more?

Those trying to predict or second guess this market should remember the old joke: Confucius says "Man who picks bottom gets smelly fingers". The roller coaster is still gathering speed. Ultimately there will be more ups than downs.

Investing in precious metals is like buying a new 'phone. It was cheaper yesterday, but you should have waited for tomorrow.

About Us

Auctus Metal Portfolios is a Singapore-based precious metals investment firm specialising in the strategic management of physical gold, silver, platinum, palladium and rhodium.

We provide a secure, data-driven approach to wealth diversification through tailored bullion portfolios, supported by institutional-grade storage, real-time market analysis, and a proprietary algorithm tracking over 55 market variables to optimise performance and manage risk—empowering clients to navigate today's evolving financial landscape with confidence.



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Question? Contact us.

