MANUFACTURING – Jewellery manufacturing strategies to adapt to metals price rally

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Image credit: T.GOLD, Vicenzaoro

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Here are a few possible strategies cited by jewellery manufacturers to adapt to soaring and volatile metals prices, with silver having broken above USD$100 per ounce on January 23, 2026, and gold trading just below USD $5,000 per ounce.

Silver prices are up 40 percent so far in 2026, surging more than gold in percentage terms this year. Goldman Sachs have revised up their price target for gold to USD $5,400 per ounce by end-2026.

Possible manufacturing strategies:

Lighter weight jewellery ranges: ultra-lightweight pieces to keep jewellery prices accessible to customers on tight budgets;

Lowering gold purities, eg from 18-carat to 14-carat;

Offering silver instead of gold, blended with synthetic gems instead of natural in some cases, to keep price points down in lower market segments;

Reviewing costs of platinum versus white gold in some market segments. Platinum has hit record prices lately, but is still cheaper than gold;

Switching from gold to gold vermeil (sterling silver coated with a thick layer of gold.)

Some of the reasons for the recent prices rally in gold and silver:

Gold:

Investor “safe haven” buying due to geopolitical uncertainties;

Expectations of cuts in U.S. interest rates in the months ahead (gold bears no yield);

Solid central bank buying;

Investor flows to Exchange-Traded Funds (ETFs).

Silver:

Investor buying;

Strong industrial demand;

Tight inventories.