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Media Release

DOREX WEEKLY GOLD MARKET UPDATE – w/e 28.08.26

Gold Market Fundamentals Hold Firm After Chairman Warsh's Hawkish Jackson Hole Speech

Week in Review (Gold Price – USD/oz)

- High: US\$4,730.90
- Low: US\$4,454.08
- Average: US\$4,621.50
- Close: US\$4,454.08

For the trading week ended Friday, August 28, 2026, world gold markets experienced sharp volatility as a strong early-week advance gave way to a decisive late-week correction following Federal Reserve Chair Kevin Warsh's closely watched address at Jackson Hole.

Gold reached a weekly high of US\$4,730.90 before retreating to close at the week's low of US\$4,454.08. The resulting US\$276.82 trading range reinforced a theme Dorex has noted throughout gold's move into a higher price range: momentum and volatility are increasingly travelling together.

Attention during the week was firmly focused on the Jackson Hole Economic Policy Symposium. In last week's Dorex Weekly Gold Markets Update, Dorex identified the Federal Reserve's policy message as an important near-term risk. A more restrictive signal was expected to support the US Dollar and Treasury yields and, in turn, create resistance for gold. That risk materialised on Friday.

Chair Warsh emphasised that inflation remained above the Federal Reserve's 2% objective and indicated that further interest-rate increases could be required if price pressures did not ease sufficiently. The market response was swift. A more restrictive signal was expected to strengthen the US dollar and lift Treasury yields and, in turn, create resistance for gold.

Dorex CEO John Kochanski said the reaction demonstrated the continuing sensitivity of gold to changes in monetary-policy expectations.

"Jackson Hole delivered the near-term risk we identified last week," Mr Kochanski said.

"The late-week liquidation has altered short-term technical patterns, but it should not be confused with a resolution of the longer-term issues supporting precious metals. The final third of the year will test how investors balance the technical damage from Friday against an investment outlook that remains broadly constructive."

The correction should also be viewed in the context of gold's broader performance. Earlier in the week, prices traded above US\$4,700 as investors continued to respond to persistent inflation, elevated government debt, uncertainty over long-term Treasury yields and questions surrounding the purchasing power of the US Dollar.

July US Personal Consumption Expenditures data reinforced the policy tension. The Federal Reserve's preferred inflation gauge remained elevated, supporting the view that the inflation challenge has not yet been resolved. At the same time, US government debt above US\$40 trillion has kept longer-term fiscal and currency concerns firmly in view.

Short-Term Outlook

The immediate multi-week trend is likely to be defined by a contest between the technical damage created by the Jackson Hole sell-off and the next sequence of US economic data. Inflation, employment and activity readings will shape expectations for the Federal Reserve's September meeting and, with them, the direction of the US Dollar, Treasury yields and gold.

"The market now has to absorb a more restrictive policy signal while it waits for the data to confirm or challenge that position," Mr Kochanski said.

"Gold may remain volatile while that process unfolds. A stronger Dollar and higher real yields would continue to create resistance, while softer data or renewed financial-market stress could restore support quickly."

Investors should therefore expect price action to remain sensitive to changes in interest-rate expectations. After a correction of Friday's speed, consolidation would be a normal part of the market's adjustment rather than evidence of a change in the longer-term trend.

Medium-Term Outlook

The medium-term picture remains more balanced than Friday's price action alone suggests.

Restrictive monetary policy is a meaningful headwind for a non-yielding asset, but it sits alongside structural forces that continue to support strategic demand: high public debt, substantial interest costs, geopolitical uncertainty, central-bank reserve diversification and continuing concern about the long-term purchasing power of major currencies.

"Despite the correction at the end of August, the underlying macroeconomic pillars supporting gold as an alternative hard currency remain strong," Mr Kochanski said.

"Gold can correct sharply without invalidating its role as a long-term store of value. Friday changed the near-term interest-rate equation; it did not remove the debt, currency or geopolitical risks that brought gold to these levels."

For Dorex, the distinction between the short-term trading signal and the medium-term investment case remains important. The coming data pipeline will determine whether the Jackson Hole repricing develops into a more durable correction or becomes a period of consolidation within a still-elevated gold market.

Dorex continues to view gold primarily as a long-term store of value and strategic reserve asset rather than a short-term trading instrument. Investors should remain attentive to volatility, liquidity and their own investment time horizon as markets adjust to the Federal Reserve's policy stance.

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*Gold Market Fundamentals Hold Firm After Chairman Warsh's Hawkish Jackson Hole Speech.
(Image: Federal Reserve Board / Public domain)*

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About Dorex

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