



COMMODITY OUTLOOK

'A look ahead into the volume and price trends of key minerals'

Special focus on Metals and Minerals,

January 2026

Executive Summary

Energy slump drags global commodity index down 7%

The World Bank Commodity Price Index is set for its fourth consecutive year of decline, with a 7% projected drop in 2026, following a 5% decrease in 2025. The downward trend has largely been driven by growing surplus and slower demand that are pushing downward pressure on oil prices. While energy and agricultural prices are expected to soften, precious metals and energy-transition minerals such as lithium are projected to increase by 5% in 2026.

Commodity Price Index Weighting

Sector	Weight in Index	2026 Trend
Energy (Oil, Gas, Coal)	67%	-10%
Agriculture	21%	-0.3%
Metals & Minerals	11%	+5%

Source: World Bank

Precious metals set to surge

In 2026, gold is projected to reach US\$ 5,200 per ounce in supported by heightened geopolitical risks and central banks demand, while Platinum Group Metals are expected to remain elevated due to supply constraints and strong industrial demand. The overall precious metals sector is set to grow by 5%.

2026 Precious metals snapshot

Metal	2026 Price Target (US\$/oz)	2025 Average Price
Gold	5,200	3,442
Silver	100	40
Platinum	2,750	1,278
Palladium	1,875	1,157

Source: COMZ

Weak demand to weigh down energy prices

The Energy Price Index is projected to decline by an additional 10% in 2026, following a 12% drop in 2025 on the back of oversupply and subdued demand, marking the lowest levels in six years. The traditional energy mineral complex is expected to undergo significant price correction as global supply chains reach a state of chronic overcapacity.

2026 Energy minerals snapshot

Commodity	2026 Price Target (Avg)	Trend vs 2025
Brent Crude Oil	\$60.00/bbl	-11.8%
Natural Gas (US)	\$3.50/mmbtu	+11.4%
Natural Gas (EU)	\$10.80/mmbtu	-10.7%
Coal (Australian)	\$100.00/mt	-6.5%

Source: Trading Economics, Pinksheet, Kitco

Base metals set for strong rebound amid AI-Driven demand

Base metals are projected to strengthen by around 3% in 2026, supported by a surge in demand, policy support and ongoing supply constraints. Nickel faces upside potential amid Indonesian policy shifts, with prices expected to reach \$18,000/mt in 2026 from US\$ 15,000/mt in 2025. Meanwhile, copper remains in a structural deficit of approximately 600,000 tonnes, with accelerating demand from data center expansion (60% demand growth) and grid modernization potentially pushing prices toward bullish-case peaks exceeding \$13,000/mt. Aluminium is expected to reach \$3,250/t, driven by a looming market deficit.

2026 Base metals Snapshot

Metal	2026 Price Target (Avg)	2025 Average Price
Aluminum	\$3,250/t	\$2,630/t
Copper	\$10,943/t	\$9350/t
Nickel	\$18,000/t	\$15,080/t
Zinc	\$2,900/t	\$2,890/t

Source: Trading Economics, Pinksheet, Kitco

Prices for Critical minerals to rebound

In 2026, the critical minerals market is expected to shift from oversupply correction to structural supply-demand imbalance, driven by the energy transition and the AI infrastructure boom. Lithium is expected to stage a V-shaped recovery, with prices surging to \$29,000/mt in 2026 from around \$10,500/mt in 2025 fueled by mandate-driven EV adoption and a 55% growth in energy storage systems outpacing mine production.

2026 Critical Minerals snapshot

Mineral	2026 Forecast Price	2025 Average price
Copper	\$11,000/t	\$9,950/t
Lithium	\$29,000/t	\$10,400/t
Graphite	\$750/t	\$547/t

Source: COMZ

Price Forecast for key selected commodities

	3-year average*	2025	2026f
Gold/toz	2,590	3,442	5,200
Platinum/toz	1,067	1,278	2,750
Palladium/toz	1,156	1,157	1,875
Nickel/mt	17,839	15,160	18,000
Lithium/mt	18,900	10,400	29,000

Notes: *2023-25; f- Chamber forecast

Zimbabwe's mining sector set for robust growth

The Zimbabwe mining sector is positioned for robust growth in 2026, with output projected to increase by approximately 10%. This expansion is underpinned by a significant capital reinvestment into gold, (PGMs), and lithium projects. Mineral revenue is forecasted to increase to US\$8 billion in 2026 from US\$7.3 billion supported by rebounding global lithium and PGMs prices, and a bullish outlook for gold.

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Commodity Price Outlook (Metals and Minerals)

Global economy outlook to remain subdued

Global economic conditions in 2026 are expected to remain subdued, with global GDP growth of around 3.3 % from 3.2 % in 2025. This growth trend is below historical averages, reflecting weaker trade momentum, tighter financial conditions, and persistent geopolitical uncertainty. Within this environment, trade and tariff policies continue to act as a structural drag on growth, particularly as elevated U.S. tariffs and the risk of retaliatory measures raise input costs, disrupt supply chains, and dampen investment. Meanwhile, average inflation is expected to fall to 3.4% in 2026 from 4.2% in 2025 as central banks sustain a cautious and largely restrictive monetary policy stance. Risks to the outlook remain tilted to the downside, including geopolitical uncertainty, rising trade protectionism, and the potential for abrupt financial market corrections if fiscal and debt sustainability concerns in major economies intensify.

Zimbabwe set to benefit from precious and energy-transition minerals amid global downturns

While subdued global economic activity and shifting trade volumes have introduced significant volatility into international markets, the outlook for Zimbabwe remains positive as local commodities, particularly gold, PGMs, and lithium, are poised for significant gains and robust price rebound. Zimbabwe's economy is projected to grow by 7% in 2026 from 6% in 2025, marking its fastest expansion in 14 years. This high-growth trajectory is fundamentally anchored by the mining sector, which is one of the nation's key macroeconomic stabilizers.

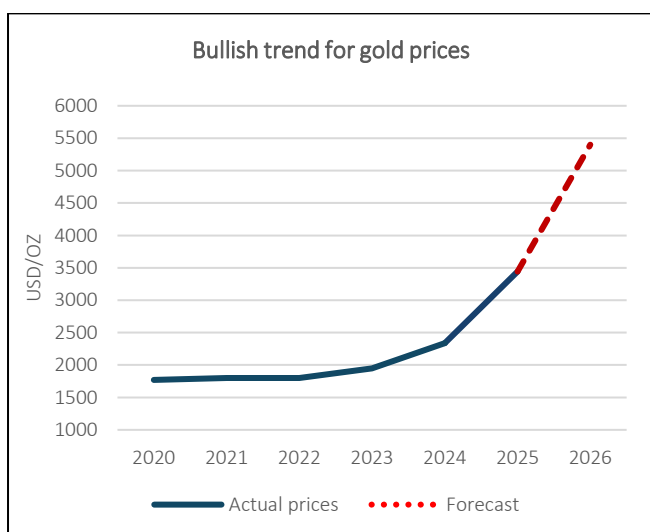
Gold price to remain bullish on safe haven demand

Gold Forecast Snapshot		USD/oz
2025	Annual Average	3,442
2026	Annual Average*	5,200
	Baseline*	5,055

* Forecasts

Source: CoMZ

In 2026, gold prices are expected to remain bullish maintaining a historic ascent, with price expected to reach up US\$ \$5,200 per ounce by end of 2026 from US\$ 3,442 per ounce in 2025. This trend will be driven by safe haven demand, sustained central bank accumulation (projected at 750+ tonnes annually) and persistent fiscal sustainability concerns in G20 economies.



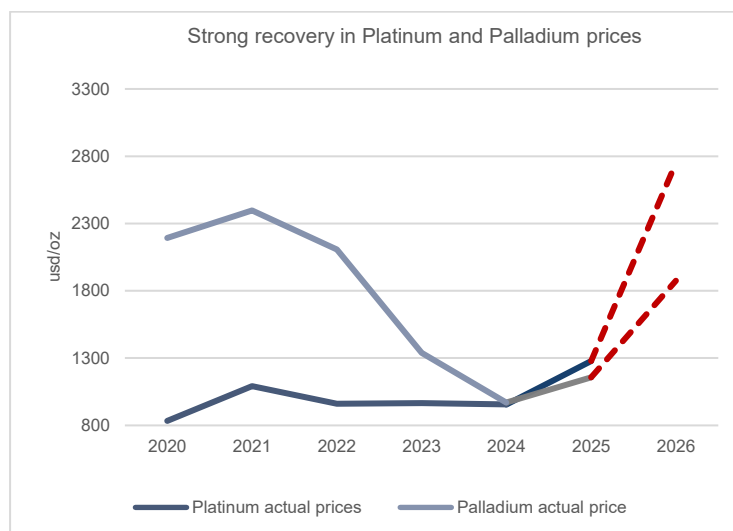
Source: World bank, CoMZ forecasts

PGM prices set for a historic recovery

Forecast Snapshot		Platinum USD/oz	Palladium USD/oz
2025	Annual Average	1,278	1,157
2026	Annual Average*	2,750	1,875
	Baseline*	2,450	1,785

Source: CoMZ

Platinum Group Metals (PGMs) are witnessing a historic price recovery, with Platinum expected to reach up to US\$2,750 per ounce from US\$1,278 per ounce in 2025 driven by a deepening structural supply deficit and its increased use as a substitute for palladium in automotive catalyst. Meanwhile palladium is maintaining its own rally; fuelled by supply constraints and rigid structural demand, prices are expected to climb to \$1,875 per ounce, a significant jump from the \$1,157 average recorded in 2025. This resurgence reflects a fundamental shift in the market, where structural supply constraints and evolving automotive demand are outweighing broader global economic sluggishness.



Source: CoMZ

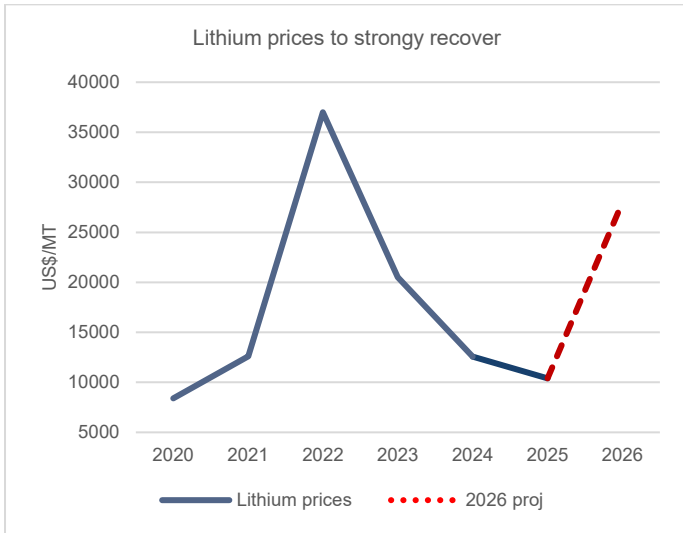
Lithium prices set for a sharp recovery

Forecast Snapshot		USD/MT
2025	Annual Average	10,500
2026	Annual Average*	29,000
	Baseline*	28,000

Lithium carbonate

Source: CoMZ

Lithium is expected to rebound sharply, with prices surging to \$29,000/mt in 2026 from around \$10,500/mt in 2025 fueled by mandate-driven EV adoption and a 55% growth in energy storage systems outpacing mine production. The market is expected to shift from a period of oversupply correction to one of structural supply demand imbalance.



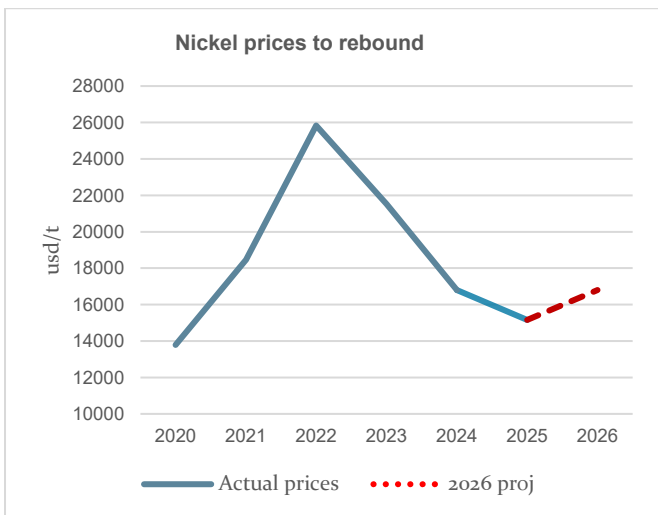
Source: Trading Economics, CoMZ forecasts

Nickel prices to rebound on policy-driven support

Forecast Snapshot		USD/t
2025	Annual Average	15,162
2026	Annual Average*	18,000
	Baseline*	15,850

Source: CoMZ

Nickel prices are expected to rebound, averaging US\$ 18,000/MT in 2026 from US\$ 15,162/MT in 2025 amid Indonesian policy shifts. The nickel market is transitioning from a period of structural oversupply toward a regime of policy-driven price support by Indonesia capping 2026 production quotas (RKAB) at 260–270 million wet metric tons, a significant reduction from the 379 million approved in 2025.



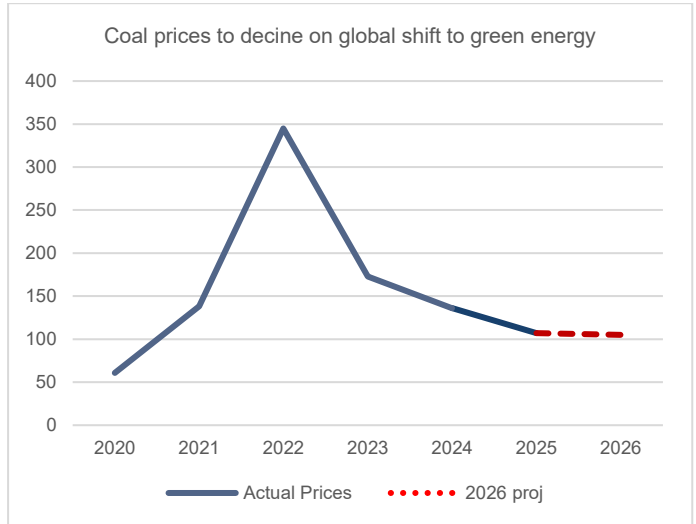
Source: CoMZ

Coal prices expected to decline on global shift to green energy

Forecast Snapshot		USD/mt
2025	Annual Average	107
2026	Annual Average*	105
	Baseline*	100

***CoMZ**

Coal prices are expected to continue their downward trajectory in 2026, with the annual average projected to drop to \$105/mt from \$107/mt in 2025. This softening reflects a global market shift toward stabilization following the volatility of previous years. The trend is driven by record domestic production in major consuming nations like China and India, which has successfully bolstered inventories and reduced reliance on expensive seaborne imports.



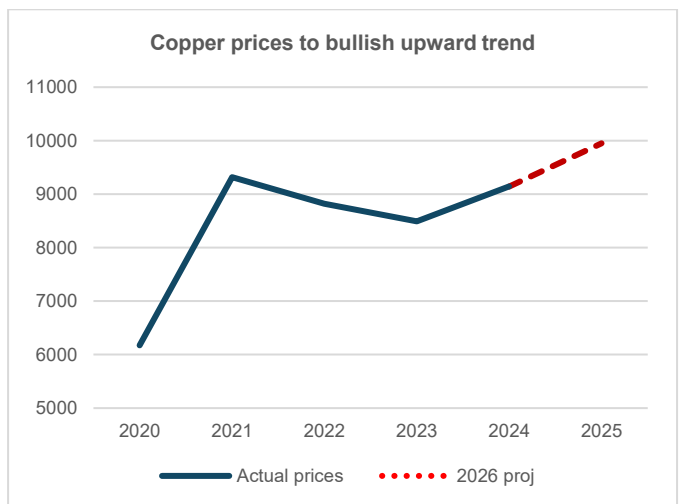
Source: CoMZ

Copper prices set to surge

Forecast Snapshot		USD/mt
2025	Annual Average	9,950
2026	Annual Average*	14,000
	Baseline*	13,500

CoMZ

Copper prices are set for a major breakout in 2026, with the annual average projected to surge to \$14,000/mt from \$9,950/mt in 2025. This 40% year-over-year surge reflects a fundamental shift into a structural deficit, as supply-side disruptions most notably in Indonesia record-high demand as “animal spirits” returning to the market, driven by the dual-engine demand of the energy transition (EVs and grid expansion) and the massive build-out of AI-powered data centers.



Source: CoMZ

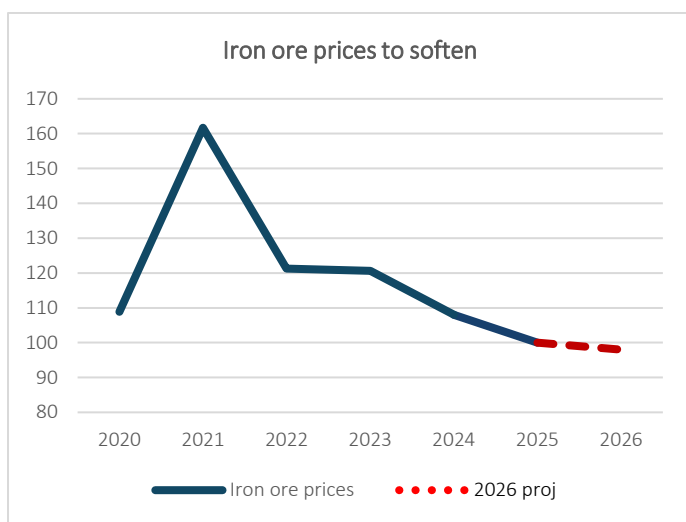
Iron ore market to remain in a surplus-prone state

Forecast Snapshot		USD/t
2025	Annual Average	100
2026	Annual Average*	98
	Baseline*	94

Source: CoMZ

Iron ore prices are expected to remain in a gradual decline to US\$98 in 2026 from US\$ 100 per metric ton. This downward pressure is primarily driven by

Iron ore prices are projected to maintain a gradual descent in 2026, with the annual average retreating to US\$98/t from US\$100/t in 2025. This downward pressure is primarily driven by a structural pivot in China's steel sector, where prolonged stagnation in the property market and a strategic shift toward electric arc furnaces are dampening demand. Meanwhile, the market is bracing for a significant supply-side shock as the large-scale project in Guinea begins its ramp-up, introducing low-cost, high-grade ore into the market.



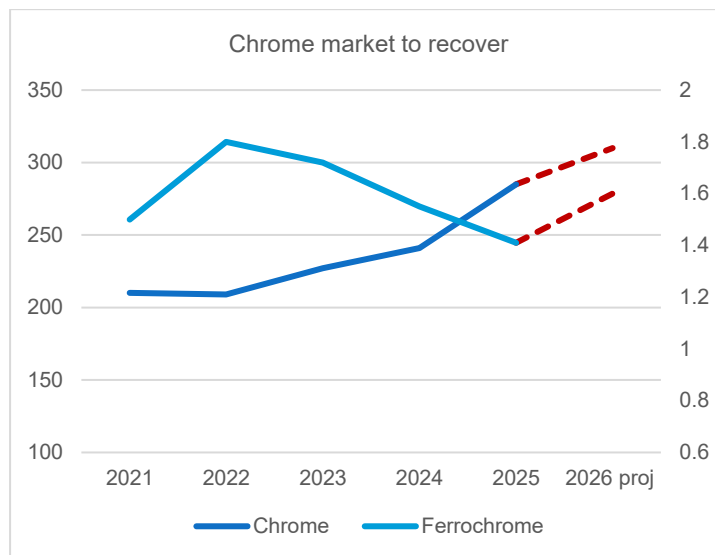
Source: CoMZ

Chrome market to recover on rising demand

Forecast Snapshot		Chrome ore USD/mt	Ferrochrome (HC) USD/lb
2025	Annual Average	285	1.41
2026	Annual Average*	310	1.60
	Baseline*	295	1.45

Source: CoMZ

Chrome prices are expected to increase by an average of 6% to US\$310/mt, from US\$285 in 2025, while ferrochrome prices are expected to average US\$ 1.60 in 2026 from US\$ 1.41 in 2025. The chrome market is expected to trade at an elevated annual average compared to historical norms, driven by a combination of severe supply disruptions in South Africa and the implementation of new trade policies in Europe.



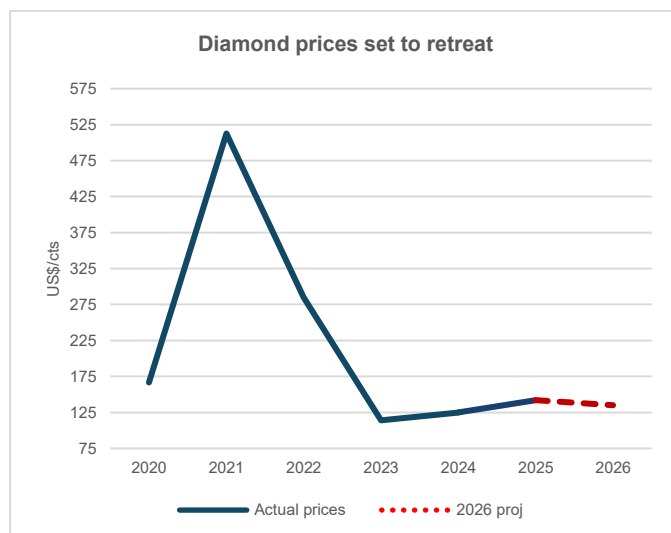
Source: CoMZ

Diamond prices to retreat

Forecast Snapshot		USD/carats
2025	Average	142
2026	Average*	135
	Baseline*	130

*CoMZ

Diamond prices are expected retreat to US\$135 per carat in 2026, from US\$ 142/ carat in 2025. This significant downward correction is driven by a surge in lab-grown diamond (LGD) competition and high midstream inventories. While polished prices for specific high-end cuts are stabilizing, the average realized price for rough carats is expected to continue facing a structural reset.



Source: CoMZ

Zimbabwe Mining Sector Outlook (Metals and Minerals)

Broad-Zimbabwe's mining sector set for robust growth

The Zimbabwe mining sector is expected to grow by 10% in 2026 from around 7% in 2025 reinforced by a strong recovery in global PGMs and lithium prices, alongside a record gold production target exceeding 53 tonnes, driven by the expansion of existing operations and the ramp-up of new projects. All key minerals are projected to record output increases in 2026 compared to 2025.

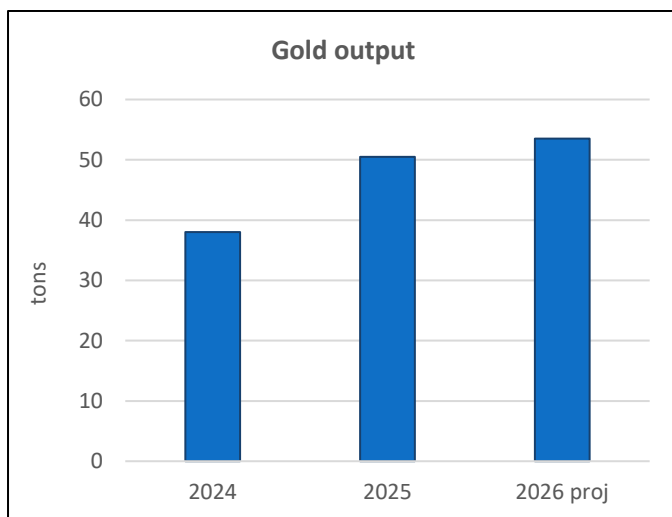
Projected Output performance for selected minerals			
Mineral	2025	2026 f (Baseline)	2026 f (with policy support)
Gold (Kg)	50,514	53,500	56,500
Platinum (Kg)	17,882	19,000	19,400
Palladium (Kg)	16,085	16,900	17,200
Diamond (Cts)	4,313,363	5,000,000	5,550,000
Coal (Mt)	7,284,169	8,400,000	8,800,000
Chrome (Mt)	2,195,604	3,300,000	3,600,000
Lithium (Mt)	2,206,165	4,300,000	4,675,000

Source: CoMZ

Downside risks to the mining sector outlook include fragile power supply, foreign exchange shortfalls, capital shortages and a high cost structure characterized by high taxes and charges, high royalties and a high electricity tariff.

Gold Output set to reach 53 tons in 2026

Zimbabwe's gold output is projected to reach 53 tonnes in 2026, marking a sustained upward trajectory from the record-breaking 50.5 tonnes achieved in 2025. This expansion is expected to be driven by ongoing expansion projects and sustained bullish prices. Gold export revenues are expected to surpass US\$6 billion in 2026, up from around US\$4.8 billion in 2025. The average capacity utilization for the gold sector is expected to increase to 96% in 2026, up from 89% in 2025.



Source: Ministry of Mines, CoMZ forecasts

Key risks to the gold sector outlook

Power outages

Some gold projects are not connected to dedicated power lines due to the scale of their operations. As a result, they experience power outages

averaging 9 hours per day, leading to frequent production stoppages and output losses.

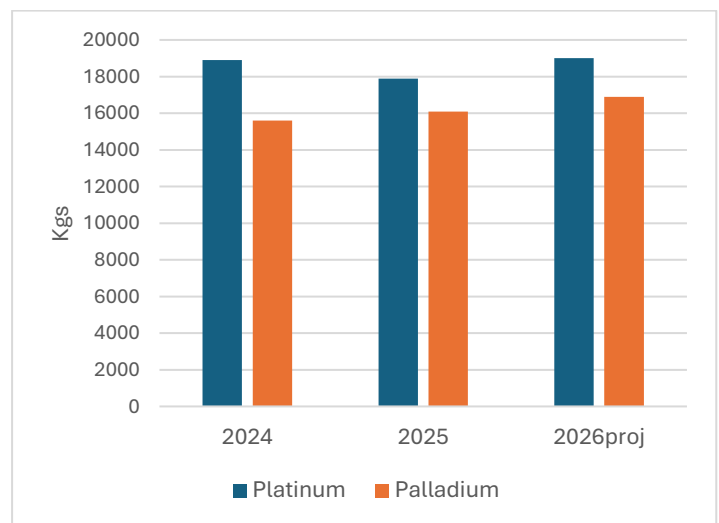
Capital Shortages

Gold producers are struggling to raise offshore capital and are therefore relying on internally generated cash flows to finance their expansion activities due to the following key reasons:

- Financiers are requiring producers to lodge physical gold as collateral and maintain escrow accounts to mitigate counterparty risk
- Financiers are reluctant to provide long-term financing beyond 2030, citing uncertainty surrounding the potential outcomes of the country's dedollarization
- Inadequate foreign currency is constraining producers' ability to import critical equipment and implements necessary for expansion projects

PGMs output set to increase on price recovery

Platinum output is projected to reach 19 tonnes in 2026, up from 17.9 tonnes in 2025, while palladium is projected to reach 16.9 tonnes in 2026, up from 16.1 tonnes in 2025. The planned increase in production is expected to emanate from a recovery in platinum prices, efficiency gains generated across PGMs producers and anticipated production ramp up. Capacity utilization in the PGMs sector is projected to remain around 100%, with all three operating mines (Zimplats, Mimosa, and Valterra/ Unki) planning to operate at near full capacity, as was the case in 2025.



Source: Ministry of Mines, CoMZ forecasts

Risks to the PGMs sector outlook

Delays in payment of the surrender portion

Platinum producers reported are facing viability and operational challenges due to delays in the payment of the surrender portion of export proceeds, now running on 70% of their revenue. Some of the platinum producers have indicated that they have already deferred capital projects due to cashflow challenges.

Fragile Power

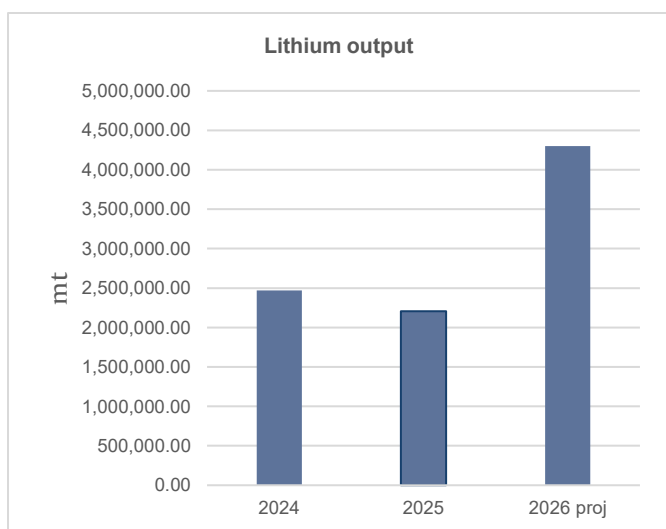
All platinum producers are experiencing unstable power supply, resulting in frequent outages, with smelting operations being the most adversely affected.

Royalty

Royalty for platinum at 7% is high and unsustainable, increasing the cost structure for the PGMs industry.

Lithium output expected to double in 2026

Lithium concentrates output is expected to nearly double to around 4.3 million metric tons in 2026 as lithium producers are ramping up production for adequate feedstock into the lithium sulphate plants that they are currently setting up in line with agreed lithium beneficiation roadmap. The planned increase in production is also expected to emanate a recovery in lithium prices in 2026. Average capacity utilization in the lithium sector is expected to increase to 98% in 2026 from 79% in 2025 as they are ramping up production to meet feedstock requirements.



Source: Ministry of Mines, CoMZ forecasts

Risks to the lithium sector outlook

Mistrust between Government and lithium producers

Persistent mistrust between producers and Government has had a material impact on the ease of doing business for lithium producers. The imposition of export bans, while intended to promote value addition and curb resource leakages, has heightened policy uncertainty and undermined investor confidence and weakened Zimbabwe's competitiveness as an investment destination

Global uncertainty

Uncertain global market conditions that may reverse the anticipated price recovery.

Beneficiation tax on lithium exports

Beneficiation tax in the lithium sector is high chewing up to 10% of potential cashflows for reinvestment into lithium projects specifically construction of lithium sulphate plants.

High Royalty

The royalty for lithium at 7% is high and uncompetitive, impacting negatively on the viability of lithium projects.

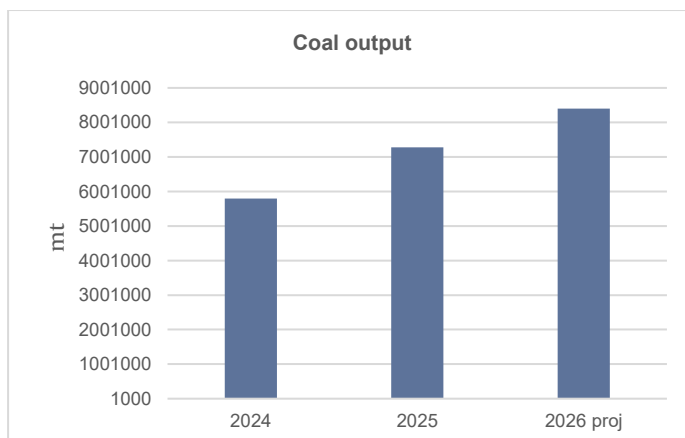
Wrong computation of royalty

Royalty on lithium concentrate has been levied on lithium carbonate (refined in China) and not lithium concentrate products (spodumene and petalite), that current producers are exporting. This situation is impacting negatively on viability of operations.

Coal output projected to reach 8.4 million metrics

Coal output is expected to increase by approximately 15% to 8.4 million metric tons in 2026, from 7.4 million metric tons in 2025. One of the largest producers driving this growth is expected to increase capacity utilization to 100% as well as ramp up of production to feed coke oven

batteries. Average capacity utilization for the coal sector is expected at 80% in 2026, from 75% in 2025.



Source: Ministry of Mines, CoMZ forecasts

Risks to the coal sector outlook

Market Uncertainty

Producers in the coal sector expressed concern over potential market instability due to uncertainties surrounding the takeover of Hwange Units 1 and 6.

Low prices

Coal prices remain depressed, particularly for deliveries to the Zimbabwe Power Company (ZPC). This has negatively affected producers' revenue and profitability.

Payment delays for coal deliveries

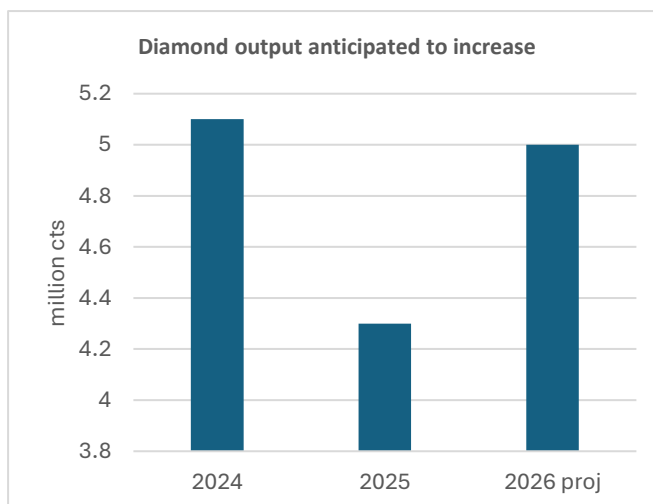
Coal producers reported persistent delays in receiving payments from ZPC for coal deliveries. These delays are straining cash flows and disrupting operational planning.

High-Cost structure

The sector continues to face high production undermining competitiveness and viability.

Diamond output expected to reach 5 million carats

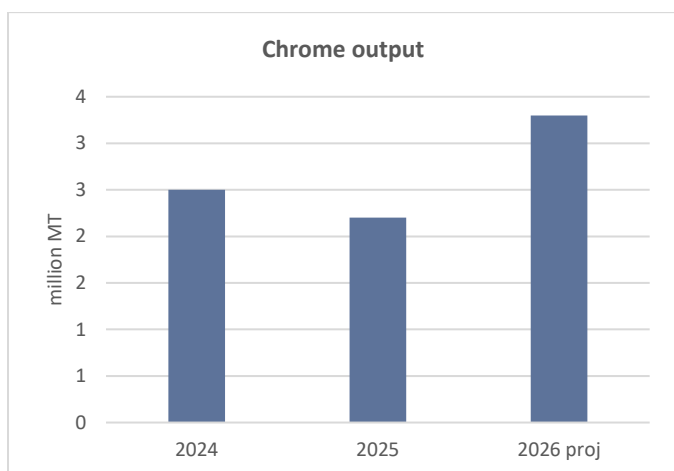
Diamond output is expected at around 5 million carats in 2026 an 16 % increase from 4.3 million carats in 2025 benefiting from ongoing expansion projects.



Source: Ministry of Mines, CoMZ* forecasts

Chrome output to reach 3.3 million metric

Chrome ore output is projected to reach around 3.3 million metric tonnes in 2026, up from 2.2 million metric tonnes in 2025. Chrome production has seen revitalisation especially through the restoration of ZimAlloy's high carbon ferrochrome plant in Gweru.



Source: Ministry of Mines, CoMZ forecasts

invested in adequate smelting capacity that will see all concentrates being smelted in-country.

Lithium

The beneficiation tax on lithium concentrates was increased from 5% to 10%.

Chrome

The Government also introduced a 10% beneficiation tax on chrome ore, and the Chamber is engaging for reduction in the tax in line with best practice.

2% CSR levy on coal

The Government also introduced a 2% CSR levy on coal.

End

Risks to the outlook

Key risks to the Zimbabwe mining sector outlook include foreign currency shortages, high-cost structure, fragile power and capital constraints.

Fragile and high cost of power

The power supply situation in the country has remained predominantly fragile. Rising demand driven by new and expansion projects, continues to strain available capacity. While the power supply situation in the country continues to present a challenge to the economy, mining companies have been prioritised of available power with few reports of significant power outages in the mining industry. The general tariff for mining companies at US\$14.21/kWh, however, continued to be one of the highest in the region.

Foreign currency shortfalls

Foreign exchange retentions for mining companies at 70% remain inadequate to meet requirements for mining companies. The Chamber has been engaging the Government for adequate foreign currency for the mining sector. Meanwhile, some mining companies have been experiencing delays in receiving payments for the portion of export proceeds that is mandatorily surrendered to Government in exchange with local currency.

Suboptimal fiscal framework

The fiscal framework continues to be suboptimal with key tax matters for the mining industry remaining largely unresolved. Meanwhile, Government reviewed the fiscal framework through the 2026 National Budget, increasing some royalties and beneficiation taxes, while introducing beneficiation taxes for other minerals.

Royalty for gold

Government, through the 2026 National Budget increased royalty for gold to 10% for prices above US\$5,000/ ounce, from 5% for prices above US\$1,200/ ounce.

Beneficiation Tax

PGMs

The Government also increased beneficiation tax for PGMs concentrates from 5% to 10%. This is despite platinum producers having