[Jonny Haycock 00:05.2] Good morning, this is Jonny Haycock. I'm delighted to be hosting, for VON GREYERZ, our first Gold Matters presentation interview for 2026. Matt, it's a pleasure to have you back on the show.

[Matthew Piepenburg 00:22.9] It's always good to be on a Gold Matters discussion! We've been so busy in 2025 - Egon, you, myself... all of us; It's good to get this back on. And you, and I, and Egon, will be doing many more of these this year. But this is an important one, for 2026, for sure.

[Jonny Haycock 00:37.1] And I think, look, you've made such an important point already that this has been an incredibly busy first six weeks of the year. And, I think there's a lot to unpick here, whether it's Silver Friday, whether it's what's going on in governments around the world, or private credit, which I know you're going to touch on.

[Jonny Haycock 01:00.0] But I thought Matt would just start with a little bit of perspective? Because there's no question that we've seen some volatility this year. And look, given the run-up that we've seen in silver and gold, in the last couple of years, people have almost forgotten that there is some volatility.

[Jonny Haycock 01:16.4] And not everything goes up in a straight line, of course. It's interesting that we've seen prices now start to stabilise, again, particularly given that the Chinese are out with the Chinese New Year. But it is worth saying that with gold back above $5,000, and silver back at $79, it's interesting to note that they're literally back to where they were in mid-January.

[Jonny Haycock 01:41.4] Which just goes to show you just how parabolic it went, at the start of this year, in January. And also just stepping back a little bit, it's worth remembering that in the beginning of 2025, gold was at $2,700 an ounce and silver was at $29.

[Jonny Haycock 02:04.3] So, it just goes to show that - yes, we've had - some volatility, just recently. We've come an awful long way. And frankly, this is just a little bit of a blip in the face of a secular bull market that is likely to last many, many years from now.

[Jonny Haycock 02:23.1] So, my first question to you, Matt, is could you just briefly just explain what you think happened on Silver Friday on January 30th?

[Matthew Piepenburg 02:32.5] Yeah, I think it's important to keep this conversation and this topic on Silver Friday, in the context of what VON GREYERZ was founded for, why we came up with solutions to problems Egon did decades ago. And we've talked about this over and over, and our website makes it very clear, there are key areas of risk.

[Matthew Piepenburg 02:49.2] Banking risk, market risk, currency risk and historical risk. And for me, Silver Friday wasn't about silver risk; it was about banking risk. This is something that Egon and most of us, all of us, come from banking. We kind of know the sausage is made. And I look at what happened on January 30th as a moment of banking risk.

[Matthew Piepenburg 03:06.5] And so let's go back to that, because I think to your point, there was a lot of euphoria. I was in Vancouver at the conference for the VRICK conference. Gold was in, silver were still at their all-time highs. The mood was great, almost euphoric. And I made it very clear in my presentations and panels there, with Ronnie Stoeferle and others.

[Matthew Piepenburg 03:22.7] Look, folks, gold and silver don't move in a straight line, but the secular direction is very clear. And a few days later, we had Silver Friday. But again, I want to say, the Silver Friday was really a moment of extreme banking risk. You know, silver went from $120 on Thursday to $78 on Friday. That was a 35% loss (!!!), which is the largest single-day price crash in 44 years in silver.

[Matthew Piepenburg 03:42.7] But let's be very clear, such moves are not natural. That's not a flushing out of just taking profits by silver retail holders. This was an engineered flushing, Johnny. And the question is, and I think it's very clear to me and many others, who understand commodities market, and the precious metals markets, it's

because The too-big-to-fail banks like JP Morgan or HSBC were caught shorting a market that had seen an exponential price move.

[Matthew Piepenburg 04:07.9] I mean, JP Morgan had sold short 5,900 tons of silver it didn't own, as the price was tripling. So, they were in the mother of all short squeezes. So, each day that the silver price moved up, these banks are getting squeezed to the point of truly existential risk. So, so what really happened?

[Matthew Piepenburg 04:24.4] In simplest terms, the mechanics are very simple. As a series of events, the CME raised margin costs. And what does that mean? That's the buy-in to go long. And most of the long contracts on the, on the comics were levered 20:1 for silver. And those are mostly hedge funds, speculators.

[Matthew Piepenburg 04:40.6] When you have a 2% margin hike, and you're 220 to 1 leverage, that means the price hike is 40% higher. To stay in the position, obviously, hedge funds couldn't afford a 40% price hike, so they're effectively forced to sell. That forced selling causes a major sell-off in the silver price.

[Matthew Piepenburg 04:56.8] At the same time, that you saw that margin hike, The London exchange went dark. HSBC, which was the second largest silver short position, went offline, and its trading desk that same day, JP Morgan exited its shorts at the absolute bottom, at 35% discount leverage.

[Matthew Piepenburg 05:12.6] So they seemed to time that perfectly. And on that same Friday, DC announced a new Fed sheriff. On the weekend, well after Asian markets closed. All of those things were not coincidences. This was a very choreographed engine attempt to bail out banks, that were grotesquely short a market that was against them.

[Matthew Piepenburg 05:30.3] And that was a huge savings grace for the too-big-to-fail banks. And this Johnny is nothing new. The Hunt Brothers tried to corner the silver market in 1980, taking it to $50. The CME immediately changed the rules mid-game. The exchange became a sell-only exchange. When an exchange is a sell-only, obviously, you can't buy, you can't create demand.

[Matthew Piepenburg 05:48.8] That forced the price down artificially... 2011 - silver was approaching $50, again. The CME raised the margin hike 5 x in two weeks, and silver fell 48%. So, these are clearly engineered flushings, and I think there is actually a silver lining because I think our listeners will think, well great Matt and Johnny, thanks for telling me how the sausage is made.

[Matthew Piepenburg 06:09.5] The CME and the COMEX can manipulate silver. It's good to know it's a dirty cop, but I can't fight a dirty cop. I don't think that's the case at all. The crash didn't eradicate the laws of supply and demand. What we saw is silver saw five consecutive years, in the last five years, of 200 million ounces of supply deficits.

[Matthew Piepenburg 06:28.5] So, that's a total of 1 billion by Silver Friday. The self-regulated COMEX can play tricks with paper, but the CME, the COMEX and the LBMA players can't create physical metal. Their actions actually confirm what we already know. Their fear is that precious metals are going to be rising.

[Matthew Piepenburg 06:45.3] And they knew that because in October, the LBMA seized up in silver in 2025. And in the summer of 2025, the COMEX stood 100% delivery on gold. So, what we're saying is, despite the mechanizations on Silver Friday, the longer-term secular direction for gold and silver is obviously much, much higher than current prices.

[Matthew Piepenburg 07:04.7] And the CMA and everyone else knows that. And so again, they can play games with the paper price of silver and gold. They can't create silver and gold, and the supply and demand metrics for silver and gold are going to continue to secularly north for long-term investors. VON GREYERZ-like investors, this is not a shock, this is not a surprise.

[Matthew Piepenburg 07:22.5] They have the confidence to stay long in the metals, because it's a preservation asset, not a price action trade. This is the...

[Jonny Haycock 07:30.0] I think you're making an interesting distinction between the paper market and the physical market. And obviously, our clients are buying physical precious metals, stored outside the banking system, in their own name. And that has been the principle for the last 25 years, and remains so.
[Jonny Haycock 07:45.6] And, what's so interesting, is during thiz period of volatility in the last couple of weeks, the demand from existing clients and new clients for physical gold has been through the roof. And also, interesting to note, Matt, is that whilst the price action, particularly in silver, may have unnerved investors in the West,
[Jonny Haycock 08:11.8]I couldn't help but notice that in the East, in Singapore and Malaysia, you see these photographs of lines of people queuing around the block; saying 'Thank God!', we've got a dip, to be buying in Asia, which was, I think, very, very notable.
[Jonny Haycock 08:31.1] So, let's just move on a little bit from that. I think we all understand that there was some manipulation here. It certainly wasn't illegal. It's amazing that that can still happen in today's world. It just shows you how big the paper market is, dwarfs the physical market.
[Jonny Haycock 08:48.6]But it's interesting to see the premiums in the East versus the West. And I do think that you know, NAS prices start to stabilise, now, which is clearly what we're seeing, that we'll be back on the the upward trend before too long.
[Jonny Haycock 09:05.8] Because, as you say, the fundamentals are the fundamentals of supply and demand. One just turning to one other area that, perhaps, isn't getting as much focus as certainly you think that should do, is private credit.
[Jonny Haycock 09:22.5] I would suggest that commentators have been speculating about where will the canary in the coal mine be, you know, in order to sort of pop this debt balloon. Will it be the Japanese bond market, where yields have been just steadily rising?
[Jonny Haycock 09:43.0] Of course. And interestingly, at a time the yen is weakening whilst yields are rising, which is very, very, very unusual... But I think that gets some press. What I want to ask you about specifically is in the private credit market, where that could be the ticking time bomb.
[Jonny Haycock 10:01.1] Could you spend a minute or two just talking a little bit about that?
[Matthew Piepenburg 10:04.5] Yeah. Jonny, to your point, this market is overvalued by every metric. The S&P, the Dow, the NASDAQ. It's a red balloon with a lot of needles, so many different needles pointing at it, whether it's Japanese carry trade yields, whether it's private credit, whether it's a recession, whether it's AI, whether it's subprime.
[Matthew Piepenburg 10:21.9] But again, it points to the issue of market risk, which is another pillar of the VON GREYERZ model, started decades ago. Again, we saw a problem, and we understood that market risk was a problem. And what we're seeing in the private credit space is one of those needles in this S&P Dow, this overvalued risk asset market - I call it - a bug looking for a windshield.
[Matthew Piepenburg 10:45.3] And Jeffrey Gundlach, the bond king after Bill Gross, who obviously knows the credit markets, calls the private credit pools the new weapons of mass destruction. So, it's an important thing to think about when we're looking at gold, in the context of market risk. I think private credit is one of the larger examples of a needle, looking at this red balloon, this market bubble.
[Matthew Piepenburg 11:04.0] So, what really is private credit? And what are its red flags? In a nutshell, this multi-trillion dollar private credit mark is an amalgam of private equity, venture capital, SPV money market and hedge fund actors acting like banks.
[Matthew Piepenburg 11:20.5] They're using leverage to make risky loans to a predominantly unknown class of borrowers. So, that's the first red flag. These borrowers are typically going to the shadow banking, because they don't qualify for credit, because from the commercial banks. So, it's usually on the border of subprime credit already.

[Matthew Piepenburg 11:36.3] But these private lenders make loans with none of the capital requirements, or the deposit insurance, or direct Fed excess; otherwise, characteristics of the safer, more regulated commercial banks. So, that's another red flag. And more importantly, these lenders are seeing default rates creeping up from borrowers like Tricolour or First Brands Group and other subprime borrowers at alarming rates.

[Matthew Piepenburg 11:59.3] It's very reminiscent, Johnny, of those first defaulting subprime mortgage pools we saw in those pre-08 days. So, that's the red flag number three. And borrowers, these private creditors are unable to pay their interest. And what they're doing is they're desperately offering equity instead of cash to cover their loans.

[Matthew Piepenburg 12:17.2] That's called a PIK or a 'payment-in-kind'. That's a major red flag. When you see PIK payments in private credit pools, that means default rates are about to pick up. But what do any of these private creditors and private credits have to do with commercial banks and banking risk? Well, these hedge funds and other shadow banking players get the money to make their private loans from the commercial banks.

[Matthew Piepenburg 12:39.0] So, in other words, by directly funding shadow bankers, commercial banks, the too-big-to-fail banks, are indirectly exposing themselves to the default risk of these private, non-bank creditor lenders. And, if you think these private lenders are super savvy, or not stupidly risk-imposed, exposed, you've got to think again.

[Matthew Piepenburg 12:58.1] And here's where it gets interesting to your point. BlackRock, of course, which is so-called smartest guys in the room, the largest, smartest global asset management firm in the galaxy, has its own massive private credit fund. It's called the TCP Capital Fund. And what many may not know is that the TC Capital Fund - in just the last 90 days - lost 20% (!!!) of its value.

[Matthew Piepenburg 13:19.5] That's a big red flag. And what I'm seeing, Jonny - again - This is market risk pointing towards why gold is a preservation asset, and a hedge against the volatility in a topping market - is that the commercial banks, who seeded these private creditors, will once again or possibly, in my opinion. And Jeffrey Gundlach's, and many others' opinions, these are smart guys, not just gold bugs experience an 08-like moment of credit defaults.

[Matthew Piepenburg 13:43.5] Not from the mortgage side, but from these credit pools, these weapons of mass destruction, all based on failed underwriting and reckless malinvestment. Again, nothing new. We've seen this movie before, where banks go into a boom and bust cycle based on really sloppy underwriting, risk management and leverage.

[Matthew Piepenburg 14:00.3] And so that points to, again, what Egon discovered decades ago. Market risk, banking risk - We see that in the silver market - with banking risk, we see, in private credit market risk. And again, for long-term preservation-minded gold investors, you can sit back and watch this unfold with a lot more equanimity and calm, because you're in this precious metals trade - not as a speculator - not full of red flags, but as a wealth preservation investor, which just continues to be the right message decade after decade, year after year.

[Jonny Haycock 14:30.1] Yeah, I guess what you're describing, it doesn't really matter whether it's private credit pools, which we know are huge, the shadow banking system. Or whether it's Japanese debt, or or U.S. debt, frankly... What we're talking about here is that at some point, the $370 trillion of global debt is just too much, and there has to be a reckoning.

[Jonny Haycock 14:58.5] And I personally think, Matt, that this is what gold and silver are reflecting. The prices are telling you that at some point, the chicken is going to come home to roost. And, if you've got $38 trillion of US public debt, $151 trillion of on and off-balance sheet liabilities, the only way out here is for these governments to print to the moon, to save the bond market at the expense of the currency.

[Jonny Haycock 15:31.9] And that is what the gold price is telling you. And that is why owning it the right way, physically, in your own name, outside of the banking system, with no counterparty risk, is the only way to do this.
[Jonny Haycock 15:48.8] Why take counterparty risk when you don't have to? And personally, that's what I think the gold price is reflecting. I want to just change tack in the interest of time, to just the two other areas that I think are really, really interesting.
[Jonny Haycock 16:07.1] I was in Zürich last week, Matt, with one of our American clients, and he flagged to me something that I hadn't noticed... And that was this bill going through Congress in America, the U.S. Exclusion, Citizenship Act of 2025.
[Jonny Haycock 16:26.0] And I hadn't heard of this, but our client just flagged it as quite concerning, because effectively what this bill is, it aims to end dual citizenship for U.S. citizens, and requires them to hold just one passport, effectively just sole allegiance to the US.
[Jonny Haycock 16:46.6] Either you say, right, I'm going to be a US citizen and forgo my foreign passport, or you forego your U.S. citizenship. And when you think about that, that's a pretty scary prospect. Now, to be clear, this has not been enacted into law and may not do right, but it's pretty controversial.
[Jonny Haycock 17:06.8] Add on to that, Matt, what's going on in Holland, and the Dutch parliament that have now given the green light to a new tax for unrealised gains on assets at 36% max?
[Jonny Haycock 17:25.2] 36% (!!!) Just imagine that.... And I don't want to get into the details of either example, but what it does show is - desperate governments do desperate things.
[Jonny Haycock 17:41.3] And again, coming back to debt, when debt is just too high, then governments act in frankly a reckless and desperate manner. And I do think that those two examples are, perhaps, under the radar and worth just bearing in mind, just as a temperature check of where the pressure is building now.
[Matthew Piepenburg 18:03.2] Absolutely, Jonny, you nailed it. You go from debt to desperation and desperation to centralisation. What you're seeing with these passports' possible rules is a classic form of control. It's not a capital - it's a citizenship control. It limits your mobility. And in the Netherlands, you're seeing capital controls, or wealth taxes or windfall taxes.
[Matthew Piepenburg 18:22.2] Those are all desperate signs to your original point. When you have that mountain of debt, the heat of that mountain of debt melts fiat currencies like ice cubes. So, you see gold and silver reflecting in their price move - the discredit of fiat currencies. Those fiat currencies are discredited because of the debt.
[Matthew Piepenburg 18:39.7] The debt is making sovereigns more desperate capital measures, legislative measures more desperate. This is all 'History 101' to your point. And gold, sadly, gets the last laugh over debt-soaked, desperate, and increasingly centralised sovereigns. Which is what the history is we're living in now.
[Matthew Piepenburg 18:56.8] And again, it's something we saw decades ago, when we started VON GREYERZ. These are the type of risks that - let's be clear - Egon saw decades ahead of the rest and held, held steady through the storm, and certain has profited in the capital appreciation or the depreciation of the gold and silver price.
[Matthew Piepenburg 19:12.7] But it was really not about worrying about the gold price. It was worrying about the currencies, the banks, the sovereigns, the historical risk that you're just flagging, which we're living in right now, in 2026.
[Jonny Haycock 19:24.7] And, so it just feels you're right, and it just feels that this insurance policy - just an allocation. Everyone needs an allocation to this insurance policy, of gold and silver.
[Jonny Haycock 19:41.7] And what I find so staggering, Matt, is despite all these obvious risks, we're still at a point where only 0.5% of all world financial assets today are in gold. And the multi-decade average has been 2%.

[Jonny Haycock 19:58.2] And in 1980, it was at 8%. So, just to get back to the mean, and we haven't even started to talk about Venezuela or Greenland. Or Iran or geopolitical.
[Matthew Piepenburg 20:10.6] It could be here all day, Jonnny.
[Jonny Haycock 20:11.8] It could be here all day. But isn't it remarkable that gold has gone from $300 an ounce when Egon started investing his own money to $5,000 today? And yet you'd still have to quadruple the demand for gold, just to get back to the long-term average of 2%.
[Jonny Haycock 20:38.8] And so I do think it is very, very interesting that the lack of allocation to the asset class remains unbelievably low today in absolute terms and relative to history, and that there's just a massive runway, you know, still to go.
[Jonny Haycock 21:00.3] You know, we certainly feel that, you know, at $5,000, this thing is only just starting. If the institutional world, the pension funds - you know, we know - that the Chinese are telling their institutions to sell, to keep selling Treasuries and allocate more to gold insurance companies, as well.
[Jonny Haycock 21:18.3] We're seeing the same thing in India. You know, there's absolutely no reason why we can't see the gold price and the silver price be multiples higher than where we are today.
[Matthew Piepenburg 21:28.1] I've always said we're still very much in the first innings, or the first chapters of a much larger book. Of course, never in a straight line, but $5,000 gold is going to be something we'll look back years from now, and think we should have bought then? And this is not selling the book. This is understanding history and math. And again, it's very obvious on the technical and fundamentals behind gold and silver that we're still, as you said, with full runway ahead of us.
[Matthew Piepenburg 21:51.6] And again, it doesn't mean a straight line, but if you understand the historical and mathematical reasons, and the risk facing currencies, you can make these investments with a great deal of calm. Right now, you're not trying to time a top or a bottom like a speculator in Nvidia or Qualcomm. This is a preservation asset.
[Matthew Piepenburg 22:08.7] This is an anti-fiat solution to a world clearly suffering a fiat crisis. And again, we've been saying this for years. It's only being confirmed by recent and further headlines to come. That's just where we are.
[Jonny Haycock 22:20.3] Yeah, and look, you know, we're not saying that you've got to, you know, you've got to invest everything in gold and silver. You've got to invest what you're comfortable with. But certainly an allocation of absolutely 25% looks very, very sensible given the risks that we're talking about and seeing now, when you know, many have zero AND know, I'd say the average sort of family office has about a 1% exposure today to the asset class.
[Jonny Haycock 22:47.4] Matt, we could talk all day, but we mustn't. We're going to keep it snappy. We promised, you know, 20-25 minutes. Many thanks indeed for your time, and of course, Johnny, let's do it again. Let's do it again soon.
[Matthew Piepenburg 22:59.3] We will, we will and look forward to it. Always will.
[Jonny Haycock 23:02.3] Many thanks. Thank you.
[Matthew Piepenburg 23:03.6] Cheers.