

# From Trust to Traceability

## HOW GOLDSTROM ENGINEERS THE FLOW OF METAL

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In precious metals, people often say that trust is the most valuable currency.

In reality, trust is only as strong as the systems that support it. It is not created by language on a website or in a brochure, it is built quietly, day after day, through disciplined behaviour, transparent structures and operational precision.

At Goldstrom, we do not treat trust as a marketing theme. We treat it as an operating principle. That means designing every element of our business - from pricing and hedging to logistics and settlement - to be robust but transparent, so that clients can see, test and rely on what we do, especially when markets are under stress.

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### Trust as an operating principle

Bullion markets move quickly, prices adjust in seconds and liquidity can tighten without warning. In such an environment, trust cannot only be a soft concept, it has to be grounded in repeatable and verifiable behaviours. For us, this begins with transparency. Our pricing structure is fully disclosed and applied consistently across our client base. Fees, spreads and charges are laid out in clear language, with no hidden elements or preferential treatment based on ticket size. Whether a client is placing a relatively small order or managing a complex, multi-leg strategy, the framework remains the same. That consistency is deliberate: it removes ambiguity and ensures that trust is built on fairness, not familiarity.

Equally important is consistency of communication. Markets will always have periods of sharp volatility and sudden dislocation. Our philosophy is to respond with calm, measured communication and disciplined execution, not reactive decision-making. Clients receive regular, structured updates, rather than ad hoc commentary, because predictability in communication reinforces predictability in outcomes.

Trust, ultimately, is proven over time. Many of our strongest relationships started small but have grown into enduring, long-term business relationships. As clients experienced reliability in pricing, execution and settlement, volumes naturally grew. Repeat business and referrals are not targeted as metrics, they emerge as by-products of a system that works the same way, every single day.



### Risk as a parameter, not a constraint

In bullion markets, risk is often viewed defensively, as something to limit or avoid. At Goldstrom, we view risk as a parameter that must be understood, measured and managed with intention.

Our approach to price risk is straightforward: all physical precious metals we offer to clients are 100% hedged on a strict back-to-back basis. We do not run speculative directional positions against client flows. This structure ensures that price exposure is isolated and controlled, rather than accumulated on our books in ways clients cannot see.

Counterparty exposure is addressed with equal firmness. By conducting trading on a back-to-back basis and avoiding the provision or acceptance of credit facilities, we eliminate a major source of financial risk from our operating model. Transactions are fully collateralised and transparent, rather than dependent on unsecured promises.

Operational risk is often underestimated in metals and is treated as seriously as market risk. We partner only with validated, professional security and logistics providers, and we implement procedures that have been stress-tested across complex routes and high-value shipments. Every part of the chain must be robust, for the whole to be dependable.

### The anatomy of the flow of metal

The best way to understand our philosophy is to look at what we call the flow of metal - the end-to-end journey from origin to final settlement.

It begins at the source. We work with producers and suppliers who have been rigorously vetted, both from a commercial and a compliance perspective. Material is accepted only after verification of documentation, provenance and alignment with our responsible sourcing standards. This “front door” is intentionally narrow. It is better to trade with fewer, better-known partners than to widen entry points and compromise integrity.

Once material is ready to be shipped, our logistics partners take over under tightly defined protocols. From the moment physical metal leaves its country of origin, its movement is tracked, recorded and communicated to all relevant parties. Clients have visibility into when and how metal is transported, how it is secured and when key milestones are reached. Upon arrival in the refining hub, we formally declare the source of origin and manage customs clearance. Material is then transported directly to Good Delivery-compliant refineries that adhere to LBMA standards. Refining is conducted under strict procedures, and full assay certifications are issued and shared with the client or supplier. This is where traceability and quality assurance come together: clients are not asked to “take our word for it”, they receive documented, certifiable proof.





Crucially, the platform does not sit apart from operations, it is integrated into them. Pricing, execution, hedging and settlement are all visible, so clients can see how risk is being managed, not just that it is being managed.

### **Governance as a front-office function**

All of this is anchored in governance and operational precision and professionalism. Our senior team brings diverse experience across operations, trading, banking and finance, which informs how we design and refine our SOPs. These are not static documents, they evolve with the market and with our own learning.

Governance is not treated as a back-office constraint, but rather it is a front-office enabler. Strong procedures and clear lines of accountability allow us to innovate with confidence, because we understand the parameters within which we operate. For clients, this means that strategic decisions are always taken within a disciplined framework.

From there, refined metal enters the distribution and settlement phase. Hedging positions are aligned with the physical flow, and clients can match their financial exposure with the underlying metal at each stage of the process. By the time final settlement occurs, every link in the chain, from origin to assay, is visible, validated and recorded.

In this way, the flow of metal becomes the backbone of trust. It transforms what might otherwise be a linear transaction into a fully documented and auditable lifecycle.

### **Technology as a bridge between risk and reality**

The complexity of modern bullion markets requires more than spreadsheets and manual reconciliation. That is why we built Goldstrom Alchemy, our proprietary digital trading platform.

Alchemy is designed to connect financial hedging directly with a global liquidity pool and with the physical flow of metal. Clients can manage price risk with precision, down to the gram, while seeing their positions, executed volumes and limits in real time. Every transaction is executed on a back-to-back basis, supported by internal controls, clear audit trails and Standard Operating Procedures that align with regulatory expectations.

### **Handing over to the next conversation**

Trust, risk management, and the flow of metal form the operational foundations of Goldstrom. But operations are only one side of the story. The other side is how we use this infrastructure to help clients navigate an evolving global ecosystem - one shaped by regulatory change, ESG expectations and new financial structures.

In the next part of this feature, my colleague Ramkumar Chandrasekharan, Managing Director – Dubai, explores how Goldstrom translates this operational backbone into long-term client partnerships, market growth and a future-ready bullion model.



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