



# Investment

Global investment reached a four-year high in 2024, helping fuel gold’s stunning 26% annual return

- Annual investment totalled 1,180t, with a value of US\$90bn
- Increased demand for gold ETFs fuelled the rise in overall investment, notably in the second half of the year as US-listed funds attracted inflows
- Bar and coin investment was in line with 2023 as gains in India and China offset declines in the US and Europe.

| Tonnes                | 2023    | 2024    | Year-on-year % change |
|-----------------------|---------|---------|-----------------------|
| Investment            | 945.5   | 1,179.5 | 25 ▲                  |
| Bar & Coin            | 1,189.8 | 1,186.3 | 0 ▼                   |
| India                 | 185.2   | 239.4   | 29 ▲                  |
| China, P.R.: Mainland | 279.5   | 336.2   | 20 ▲                  |
| Gold-backed ETFs      | -244.2  | -6.8    | - ▲                   |

Annual gold investment grew 25% – the strongest annual growth rate since 2020. This was concentrated in the second half of the year as rate cuts, geopolitical uncertainty and gold’s price performance attracted inflows into gold ETFs.

Bar and coin demand was unchanged at 1,186t, while the value of this investment surged 23% to a record US\$91bn.

OTC investment held firm throughout much of the year. This category, as well as being a statistical residual from the balance of other categories of demand and supply, captures flows in the over-the-counter market, which has been increasingly reflective of demand from HNW investors seeking to hedge geopolitical and economic risks. The recent price performance has added fuel to these flows.

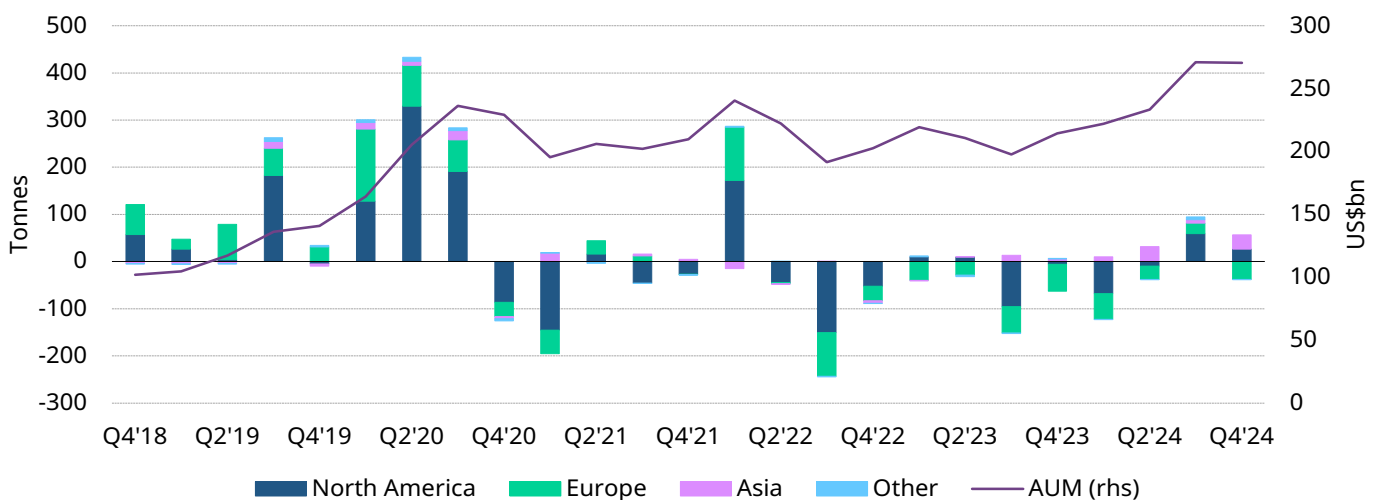
## ETFs

Global gold-backed ETFs posted a second consecutive quarter of inflows: holdings increased by 19t during the quarter. The net result for 2024 was a very small (7t) annual outflow, as growth in the second half of the year reversed the sizable Q1 outflows.

After sinking to a four-year low of 3,080t in April,<sup>6</sup> global holdings of gold ETFs recovered throughout the remainder of 2024 (with the exception of a slight November dip), ending the year very close to where they had started (3,219t vs 3,226t). Heightened geopolitical uncertainties, shifting expectations of the future path of interest rates, and the strongest annual gold price performance since 2010 were all key drivers of the annual increase.

Chart 6: A surge of inflows into gold ETFs in H2 2024 almost fully reversed the outflows from H1

Quarterly gold-backed ETF demand by region, tonnes, and global AUM, US\$bn\*



\*Data to 31 December 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

6. Refers to month-end levels. Intra-month lows may differ.



Table 3: Total bar and coin demand in selected countries, tonnes

|                          | 2023           | 2024           |          | Annual<br>y/y %<br>change | Q4'23        | Q4'24        |          | Quarterly y/y<br>% change |
|--------------------------|----------------|----------------|----------|---------------------------|--------------|--------------|----------|---------------------------|
| India                    | 185.2          | 239.4          | ▲        | 29                        | 66.7         | 76.0         | ▲        | 14                        |
| Pakistan                 | 21.9           | 19.0           | ▼        | -13                       | 5.3          | 5.6          | ▲        | 5                         |
| Sri Lanka                | -              | -              | -        | -                         | -            | -            | -        | -                         |
| <b>Greater China</b>     | <b>287.2</b>   | <b>345.7</b>   | <b>▲</b> | <b>20</b>                 | <b>85.0</b>  | <b>86.2</b>  | <b>▲</b> | <b>1</b>                  |
| China, P.R.: Mainland    | 279.5          | 336.2          | ▲        | 20                        | 82.7         | 83.6         | ▲        | 1                         |
| Hong Kong SAR            | 1.2            | 1.5            | ▲        | 24                        | 0.3          | 0.4          | ▲        | 25                        |
| Taiwan Province of China | 6.4            | 8.0            | ▲        | 25                        | 2.0          | 2.2          | ▲        | 15                        |
| Japan                    | -0.4           | 2.5            | ▲        | -                         | -1.3         | -1.3         | ▼        | -                         |
| Indonesia                | 20.6           | 24.5           | ▲        | 19                        | 4.5          | 5.8          | ▲        | 29                        |
| Malaysia                 | 5.3            | 6.4            | ▲        | 21                        | 1.6          | 2.0          | ▲        | 24                        |
| Singapore                | 5.3            | 6.5            | ▲        | 22                        | 1.6          | 1.9          | ▲        | 19                        |
| Korea, Republic of       | 15.3           | 19.4           | ▲        | 26                        | 4.6          | 5.9          | ▲        | 29                        |
| Thailand                 | 34.0           | 39.8           | ▲        | 17                        | 12.1         | 14.6         | ▲        | 20                        |
| Vietnam                  | 40.4           | 42.1           | ▲        | 4                         | 9.9          | 8.2          | ▼        | -17                       |
| Australia                | 13.4           | 11.1           | ▼        | -17                       | 3.0          | 3.6          | ▲        | 20                        |
| <b>Middle East</b>       | <b>114.1</b>   | <b>109.5</b>   | <b>▼</b> | <b>-4</b>                 | <b>24.5</b>  | <b>27.6</b>  | <b>▲</b> | <b>13</b>                 |
| Saudi Arabia             | 14.1           | 15.4           | ▲        | 9                         | 3.6          | 4.3          | ▲        | 20                        |
| UAE                      | 11.5           | 13.3           | ▲        | 15                        | 3.1          | 3.4          | ▲        | 10                        |
| Kuwait                   | 5.2            | 6.1            | ▲        | 16                        | 1.3          | 1.4          | ▲        | 8                         |
| Egypt                    | 30.3           | 24.0           | ▼        | -21                       | 5.5          | 5.9          | ▲        | 7                         |
| Islamic Republic of Iran | 44.4           | 42.3           | ▼        | -5                        | 8.9          | 10.4         | ▲        | 18                        |
| Other Middle East        | 8.5            | 8.5            | ▲        | 0                         | 2.2          | 2.2          | ▲        | 2                         |
| Turkey                   | 150.1          | 112.2          | ▼        | -25                       | 29.6         | 23.5         | ▼        | -21                       |
| Russian Federation       | 31.5           | 34.4           | ▲        | 9                         | 7.5          | 9.0          | ▲        | 20                        |
| <b>Americas</b>          | <b>127.9</b>   | <b>87.8</b>    | <b>▼</b> | <b>-31</b>                | <b>28.4</b>  | <b>22.0</b>  | <b>▼</b> | <b>-23</b>                |
| United States            | 115.7          | 77.8           | ▼        | -33                       | 25.9         | 18.9         | ▼        | -27                       |
| Canada                   | 9.4            | 7.5            | ▼        | -21                       | 1.7          | 2.5          | ▲        | 46                        |
| Mexico                   | 1.1            | 0.8            | ▼        | -24                       | 0.3          | 0.2          | ▼        | -52                       |
| Brazil                   | 1.7            | 1.8            | ▲        | 4                         | 0.5          | 0.5          | ▲        | 2                         |
| <b>Europe ex CIS</b>     | <b>132.1</b>   | <b>66.6</b>    | <b>▼</b> | <b>-50</b>                | <b>30.2</b>  | <b>23.1</b>  | <b>▼</b> | <b>-24</b>                |
| France                   | 2.7            | -2.6           | ▼        | -                         | -0.4         | -0.5         | ▼        | -                         |
| Germany                  | 46.9           | 16.8           | ▼        | -64                       | 11.3         | 8.7          | ▼        | -23                       |
| Italy                    | -              | -              | -        | -                         | -            | -            | -        | -                         |
| Spain                    | -              | -              | -        | -                         | -            | -            | -        | -                         |
| United Kingdom           | 12.8           | 10.0           | ▼        | -22                       | 2.1          | 1.8          | ▼        | -11                       |
| Switzerland              | 35.8           | 16.9           | ▼        | -53                       | 8.8          | 5.4          | ▼        | -39                       |
| Austria                  | 4.1            | 2.4            | ▼        | -40                       | 1.1          | 1.1          | ▲        | 8                         |
| Other Europe             | 29.9           | 23.1           | ▼        | -23                       | 7.3          | 6.5          | ▼        | -11                       |
| <b>Total above</b>       | <b>1,183.9</b> | <b>1,166.9</b> | <b>▼</b> | <b>-1</b>                 | <b>313.2</b> | <b>313.7</b> | <b>▲</b> | <b>0</b>                  |
| Other & stock change     | 5.9            | 19.4           | ▲        | 228                       | 2.0          | 11.7         | ▲        | 483                       |
| <b>World total</b>       | <b>1,189.8</b> | <b>1,186.3</b> | <b>▼</b> | <b>-0</b>                 | <b>315.2</b> | <b>325.4</b> | <b>▲</b> | <b>3</b>                  |

Source: Metals Focus, Refinitiv GFMS, ICE Benchmark Administration, World Gold Council



Asian-listed funds were at the forefront of this trend, registering a 78t increase in holdings over the year and taking holdings to a record 216t, driven by exceptional growth in both India and China. This far outstripped the 8t increase in North American-listed funds, although that was nevertheless notable for being the first positive annual increase for the region since 2020. Funds listed in the 'Other' region added a modest 5t.

European funds were the exception: the region saw its fourth consecutive annual decline in holdings, although at 98t this was a significant improvement on 2023's 180t drop. For a detailed review of gold ETF flows, please see our [ETF flows commentary](#).

## Bar and coin

Global bar and coin investment closed 2024 on a high note: Q4 demand surged 20% q/q. After hitting a new record in October the gold price corrected in November and investors globally seized on this as an opportunity to buy gold at lower levels, anticipating a resumption of the strong upward trend.

US dollar strength throughout 2024 meant that gold's price performance was stronger still when measured in other currencies. This ensured that gold gained attention across global markets, delivering an impressive investment performance, while also clearly fulfilling its recognised role as a currency hedge.

While annual demand stalled at 2023 levels (1,180t), this was nevertheless a healthy outcome: the average of the prior ten years is 1,073t.

## China

Q4 bar and coin investment in China rebounded to produce the highest annual total for over 10 years. Gold's local price performance kept it firmly on the investor radar in 2024, reaching 38 fresh record highs during the year.

Against a backdrop of domestic economic uncertainty, government bond yields that plunged to a historic low, increased equity market volatility, and a still lacklustre property market, Chinese investors faced a dearth of alternative assets in which to invest. Furthermore, the 3% depreciation in the renminbi against the dollar encouraged investors into gold to meet their value-preservation needs.

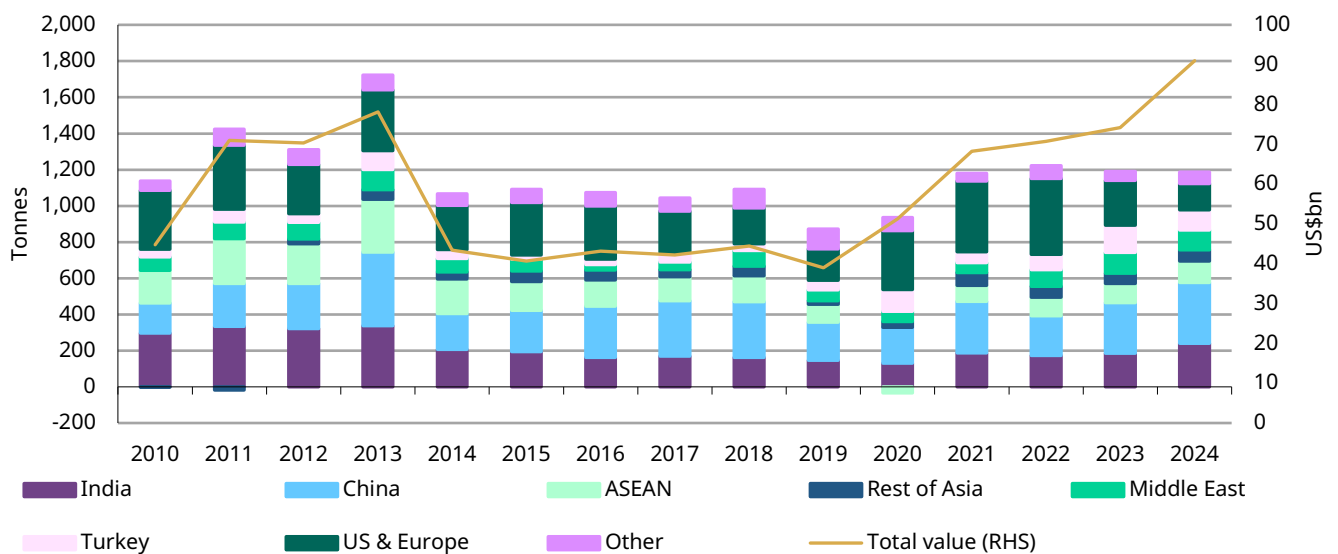
And we believe announcements from the Chinese central bank about its gold purchases during the year gave an additional boost to investor sentiment.

We anticipate that investment demand will remain healthy in 2025, supported by the macro environment. Interest rates are expected to fall further, which would reduce the opportunity cost of holding gold and will likely exert continued pressure on the local currency if the differential between China and US rates widens (given that expectations of further Fed rate cuts have been dialled back significantly for 2025). Gold investment sentiment may rise further should the PBoC continue to announce gold purchases.

But the performance of gold in tandem with other assets will remain key; investors may be diverted away from gold if local assets, such as equities, offer robust returns.

**Chart 7: Global bar and coin investment was steady in 2024, with growth in Asia cancelling out weakness in the West**

Annual bar and coin investment by region in volume, tonnes, and value, US\$bn\*



\*Data to 31 December 2024. Source: Metals Focus, ICE Benchmark Administration, Refinitiv GFMS, World Gold Council



## India

Indian gold investment remained strong in Q4 at 76t, almost matching Q3's exceptional performance and taking full-year demand to 239t – the highest since 2013. In local currency terms that equated to demand of INR1.5tn (US\$18bn), an increase of 60% over the prior record set in 2023.

As with most other markets, investment demand was cemented by gold's price rise throughout the year. Prices swiftly resumed their upward march following the July duty cut, and a subsequent correction in November attracted bargain hunting investors keen to add to their holdings at a lower price.

The auspicious festival period of Dhanteras and Diwali in October/November spurred buying during the final quarter. This was boosted further in the big metropolitan cities by e-commerce platforms offering super-quick delivery of small gold investment bars and coins, sometimes in as little as 10-15 minutes.<sup>7</sup>

Also working in gold's favour was the relatively lacklustre performance of other assets, with domestic stock markets generating mediocre returns in H1 and ending the year with a notable downward correction after touching record highs in Q3.

We expect the trend of healthy investment demand in India to continue in 2025, with investment interest in gold broadening to include gold ETFs and mutual funds. An extension of gold's recent strength would likely fuel continued strong investment interest in gold.

## Middle East and Turkey

After a record 2023, retail investment demand in Turkey fell by 25% in 2024 as high domestic interest rates lured investors away from gold and into the attractive returns on offer from domestic savings accounts and money market funds.

That said, gold's eye-catching price performance – returning around 50% in lira terms during the year – produced investment demand of almost double the 66t average of the previous 10 years. And, measured in local currency, the value of demand smashed the previous year's annual record to hit 283bn (+27%).

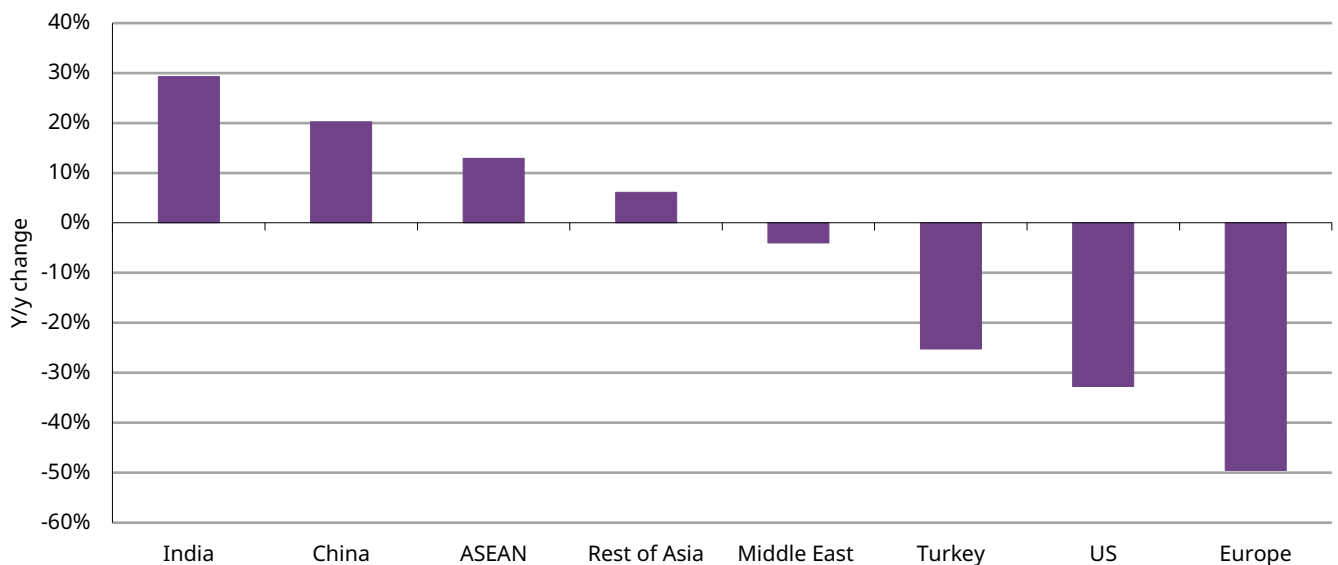
Demand jumped in Q4 from a relatively weak Q3, as a fresh peak in the gold price during October was followed by a corrective dip that attracted opportunistic buying.

Investment in Turkey is likely to remain elevated in comparison with historical levels, but could be somewhat restrained by continued tight monetary policy, given the still-high inflationary environment.

Regional gold investment demand for the Middle East fell slightly short of the record level set in 2023, but was nevertheless very strong on a historical basis: annual demand of 110t was the third highest in our data series. In the fourth quarter investors across the region were universal in their response to the gold price dip in November, using it as an opportunity to add to/build gold holdings in expectation of a return to the strong upward trend.

**Chart 8: Increased investment in India and China offset the slowdown in Europe and the US**

Y/y change in bar and coin investment by country, %\*



\*Data to 31 December 2024. Source: Metals Focus, World Gold Council

7. [The Times of India | Q-commerce sees consumers order gold, silver coins | Oct 21, 2024.](#)



The annual decline was solely driven by Egypt and Iran, both of which saw y/y declines. This comparison is, however, set against a relatively strong base of 2023: in a longer-term context, demand in both markets remains healthy.

Elsewhere, demand in Saudi Arabia, UAE and Kuwait improved on the previous year's levels as investors were attracted by gold's price performance.

## The West

US gold investment saw four consecutive quarters of y/y decline in 2024, resulting in the lowest annual total for bar and coin demand since 2020. This was true for both volume and value measures of demand. Nonetheless, applying a longer-term perspective suggests annual tonnage remains healthy, 11% above the 10-year average.

While investment remained firmly positive, with gold's price performance attracting considerable interest, the slowdown in demand during the year can be attributed to a combination of market saturation and profit-taking on existing holdings. Anecdotally, the slowdown in retail investment is apparently not being replicated in the HNW investor space; demand from this segment is captured in our OTC figure.

2024 marked a 17-year low in European retail gold investment: regional demand halved from an already low base in 2023. Germany and Switzerland were key contributors to the decline as high gold prices encouraged significant profit-taking, which offset still-healthy levels of fresh investment demand. From a sequential quarterly perspective, investment across the region perked up in the second half of the year as the price continued to rally, but it remains very weak compared with historical averages. The challenging economic backdrop across Europe makes it likely that 2025 will see a continuation of the scenario in which new investment is countered by sizable liquidations.

## ASEAN markets

All of the ASEAN markets covered in this report saw growth in 2024 annual gold investment demand: each posted multi-year highs. Local currency performance was a key driver of this growth, with investors focused on gold's role as a hedge. And currency moves across the region resulted in a local price performance that exceeded the US dollar gold price return, which made a more compelling case for investing.

Vietnam bucked the regional Q4 trend with a y/y decline. Limited availability restricted investors' ability to buy gold bars, and resulted in higher premiums. In this environment some investors switched to buying gold chi rings. Although classed as jewellery, these crude gold rings are often used as an investment proxy.

## Rest of Asia

Although very modest, Japanese bar and coin demand posted its strongest year since 2018, just above 2t. Japanese investors have, historically, tended to sell into gold price rallies. The fact that demand was positive during a year of record gold prices seems to reflect the broadening appeal of gold, with investors increasingly focusing on gold's potential to generate returns as well as its role as an inflation and currency hedge.

Demand for gold investment products in South Korea jumped in 2024; the market has now seen five consecutive quarters of strong double-digit y/y gains. While the gold price was a key driver of this strength, the market was further galvanised in Q4 by domestic political strife and weak economic growth.

## Australia

Annual bar and coin investment slowed again in 2024, although the year ended with a flourish: Q4 demand picked up sharply as the gold price dip presented a buying opportunity for investors.