WORLD GOLD COUNCIL

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# Presentation to the CFA Society

November 2026

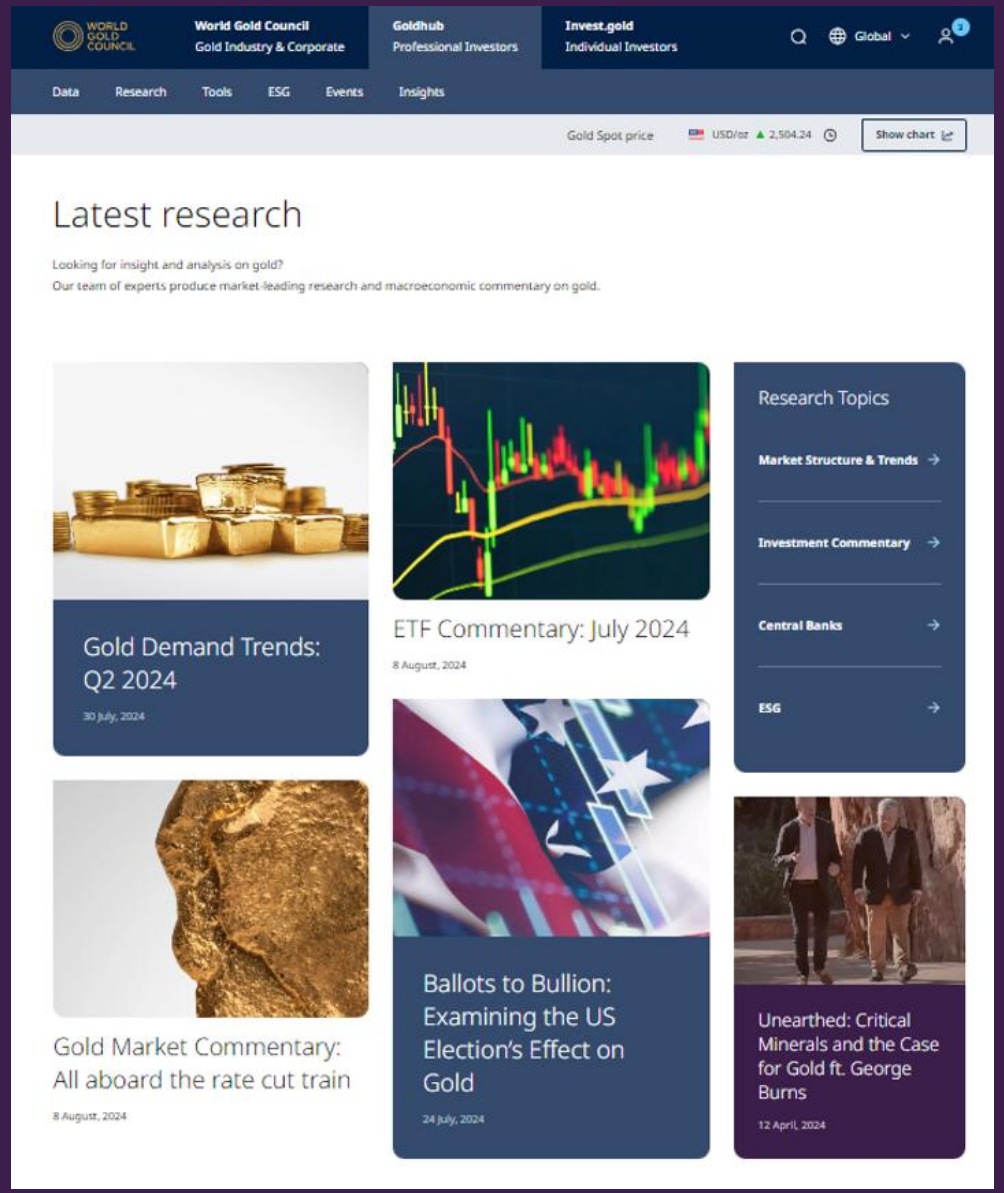


# About us

**We are a membership organisation that champions the role gold plays as a strategic asset, shaping the future of a responsible and accessible gold supply chain. Our team of experts builds understanding of the use case and possibilities of gold through trusted research, analysis, commentary and insights.**

**We drive industry progress, shaping policy and setting the standards for a perpetual and sustainable gold market.**

**gold.org**



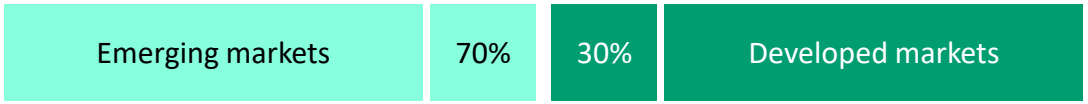
# Consolidating between $4000 and $4500/oz



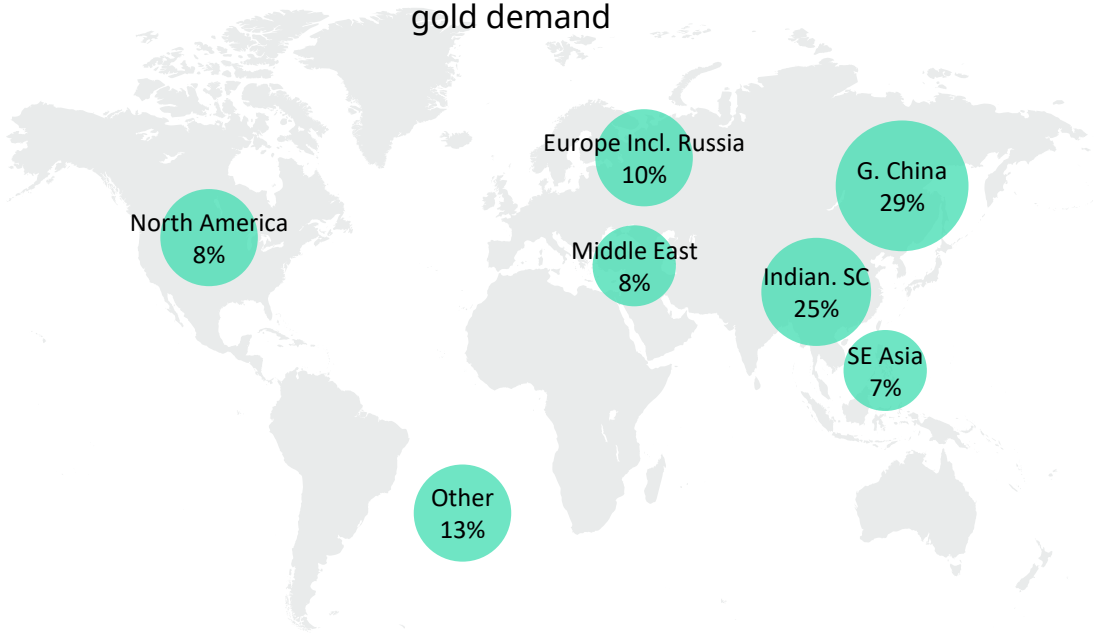
# Demand and supply are geographically diverse

## Gold is a global market

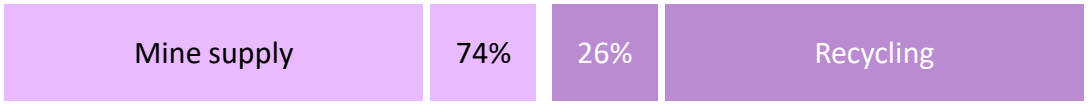
### Gold demand breakdown*



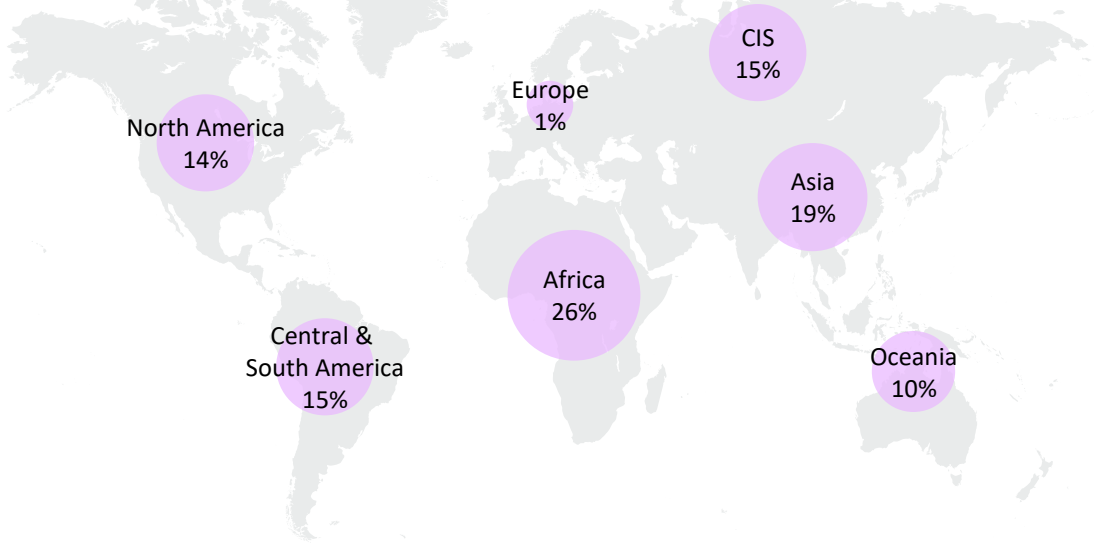

### China and India dominate annual global gold demand




### Gold supply breakdown**




### Mine production is well diversified geographically, reducing risk of supply shock

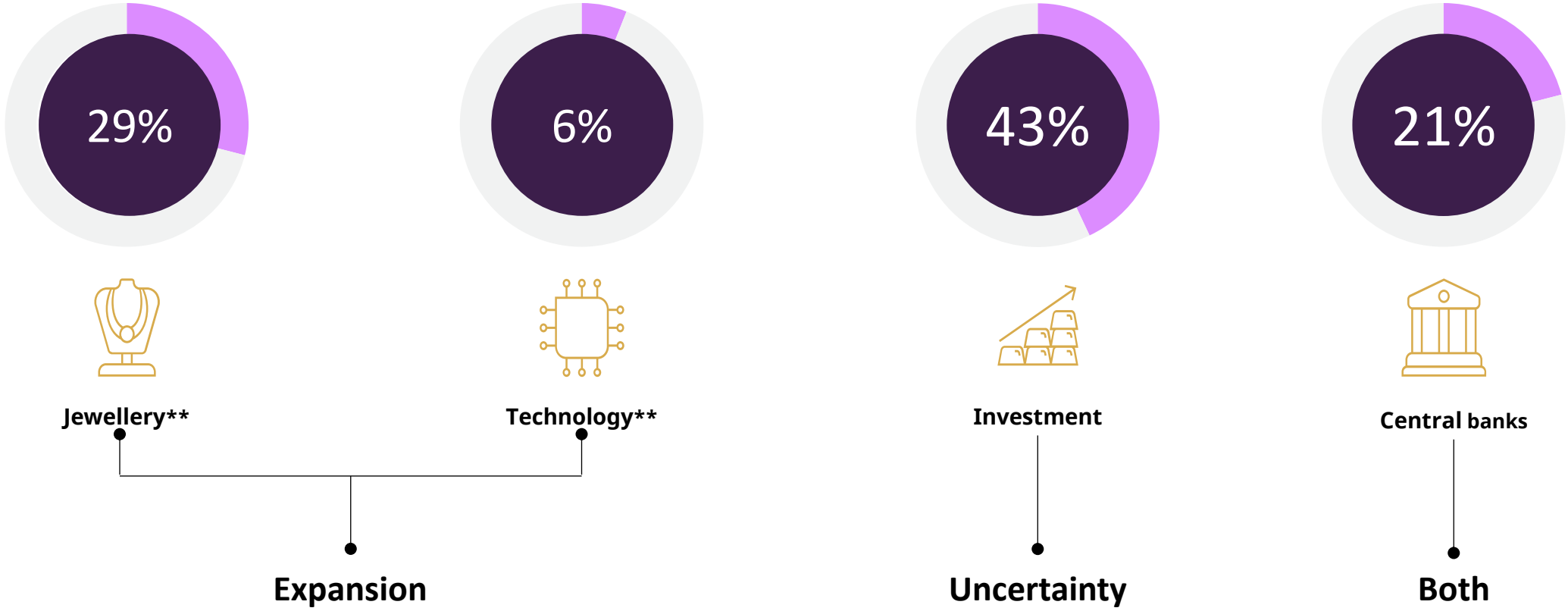



*Based on 10-year average demand estimates ending in 2025. **Based on 10-year average demand estimates ending in 2024. Includes jewellery, bars, coins, ETF demand, and technology demand. Excludes over-the-counter transactions and central bank purchases. Developed and emerging market categorisations are taken from the IMF World Economic Outlook World Economic Outlook: https://www.imf.org/external/pubs/ft/weo/2020/02/weodata/groups.htm#ae

Source: IMF, Metals Focus, World Gold Council

# Gold has a dual nature

## Average annual net demand ~3,200 tonnes (~US$350bn)*



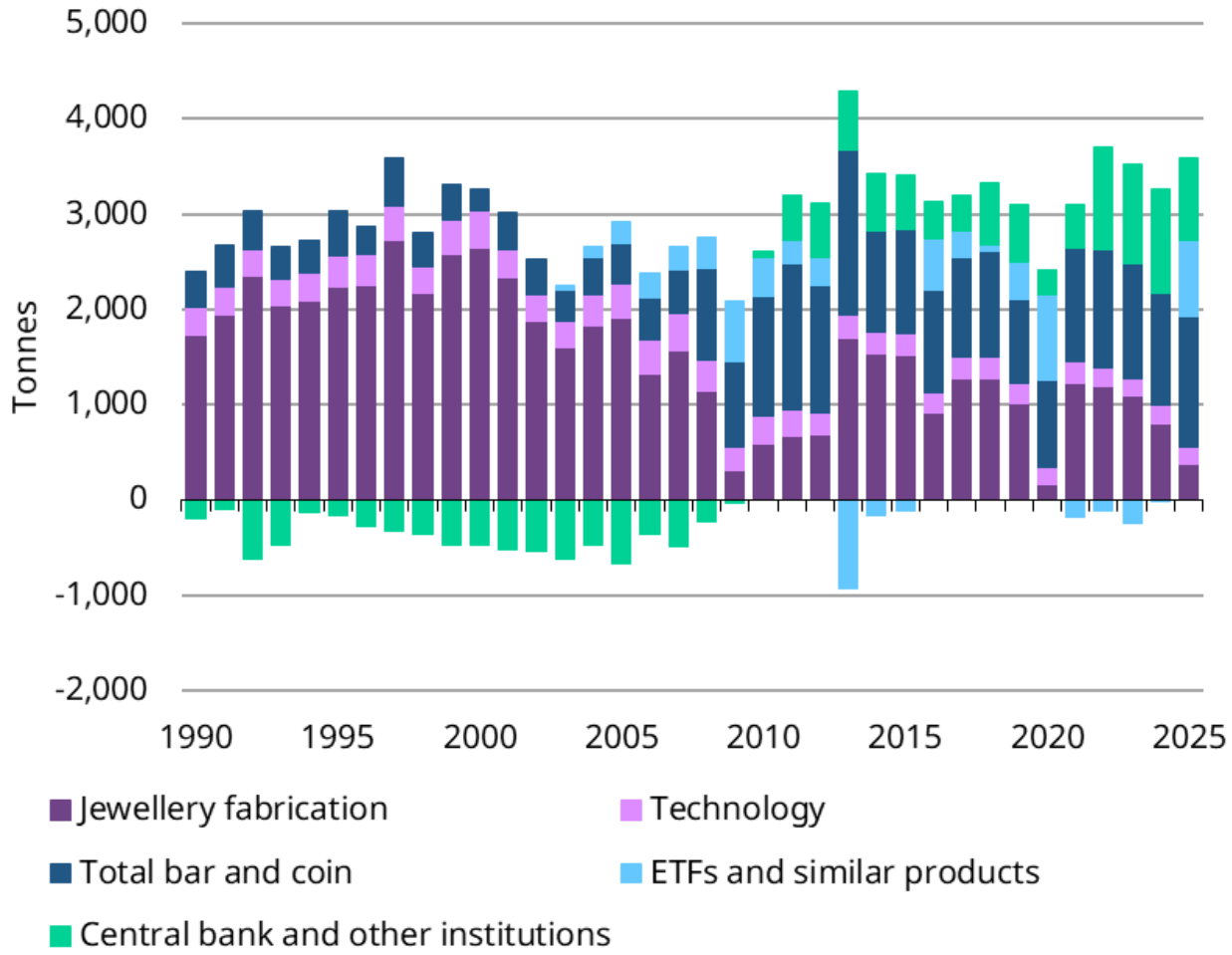

*Based on **10-year average** annual net demand estimates ending Q4 2025. Includes: jewellery and technology net of recycling, in addition to bars & coins, ETFs and central bank demand, which are historically reported on a net basis. It excludes over-the-counter demand owing to limitations in data availability. Figures may not add to 100% due to rounding. US dollar value computed using the 2025 annual average LBMA Gold Price PM of US$3,431.5/oz.

**Net jewellery and technology demand computed assuming 90% of annual recycling comes from jewellery and 10% from technology.

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

# Major trends have reshaped gold demand

Net gold demand by sector




Share of demand (5y avg.)

| | 90-94 | 21-25 |
|---|---|---|
| Central banks | - | 27% |
| ETFs | - | 2% |
| Bar and coin | 14% | 37% |
| Technology | 11% | 6% |
| Jewellery | 75% | 28% |

*As of 31 December 2025. Jewellery and technology are net of recycling.

Source: Bloomberg, Bank for International Settlements, ETF company filings, ICE Benchmark Administration, Metals Focus, Refinitiv GFMS, World Gold Council

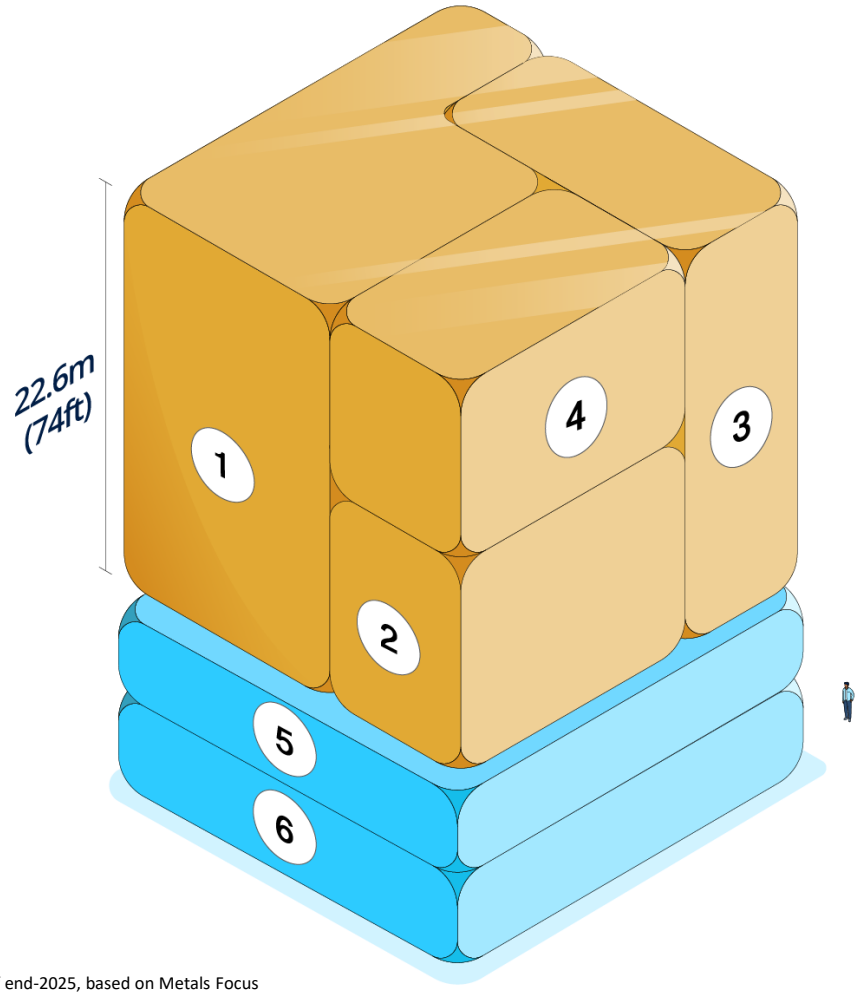
# Gold is a scarce asset with a large market



**Total above-ground stocks:**
**220,600 tonnes (US$29 trillion)***

1. **Jewellery**: ~99,700t (45%; ~US$13tn)
2. **Central banks**: ~39,000t (18%; ~US$5tn)
3. **Bars, coins and gold ETFs**
   Bars and coins: ~47,800t (21%; ~US$6tn)
   Gold ETFs: ~4,000t (2%; ~US$500bn)
4. **OTC & other**
   OTC: : ~10,000t (4%; ~US$1.5tn)
   Other: ~22,100t (10%; ~US$3tn)
5. **Reserves** ~61,000t
6. **Resources** ~114,400t

**Mine production** adds approximately 3,600t per year, equivalent to an annual 1.8% growth rate




*Estimated above-ground stocks as of Q2 2026; value calculated using the LBMA Gold Price PM in USD at the end of the period. Reserves and resources as of end-2025, based on Metals Focus estimates. Reserves are the portion of an ore deposit that can be economically extracted. Resources are the portion of a deposit in which companies have less geological knowledge and confidence – it's a broad category ranging from inferred, indicated to measured. Estimates for reserves and resources can vary, for example reserves are currently estimated to be ~66,000t by the US Geological Survey.

Source: Metals Focus, Refinitiv GFMS, US Geological Survey, World Gold Council

# Gold Demand Trends Q3-2026

# Gold demand steady vs Q3’25

**Total Q3 gold demand (incl. OTC) was 1% lower y/y at 1,369t. On a y-t-d basis, demand of 3,881t virtually matches the 2025 record.**

**Central bank: jumped to 321t in Q3, lifting y-t-d demand to 675t (+6% y/y)**

- ETFs: reversed course following the Q2 outflows, adding 211t in Q3

**Bar and coin: 19% lower y/y at 268t as investors waited for a clearer price trend to emerge**

- Jewellery: demand fell 17% y/y to 313t, the weakest third quarter in our data series
- Technology: AI-related demand more than offset the limiting effect of high gold prices
- Supply: **mine production rose to a third quarter record, while recycling fell to a three-year low**

**Q1-Q3 total global gold demand, tonnes and US$bn**

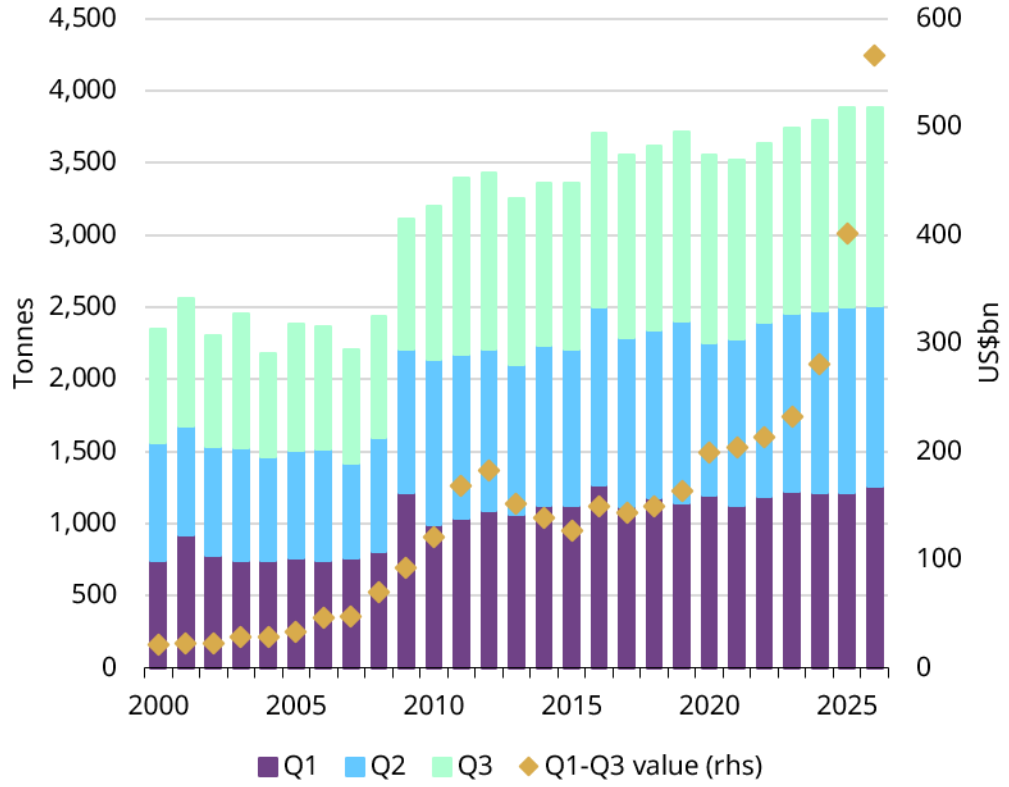



Chart note: Data to 30 September 2026. For an explanation of gold market sectors, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council.
Source: ICE Benchmark Administration, Metals Focus, Refinitiv GFMS, World Gold Council

# Weakest Q3 for jewellery volumes, but spending grew

**Quarterly gold jewellery demand by market/region, tonnes and US$bn**

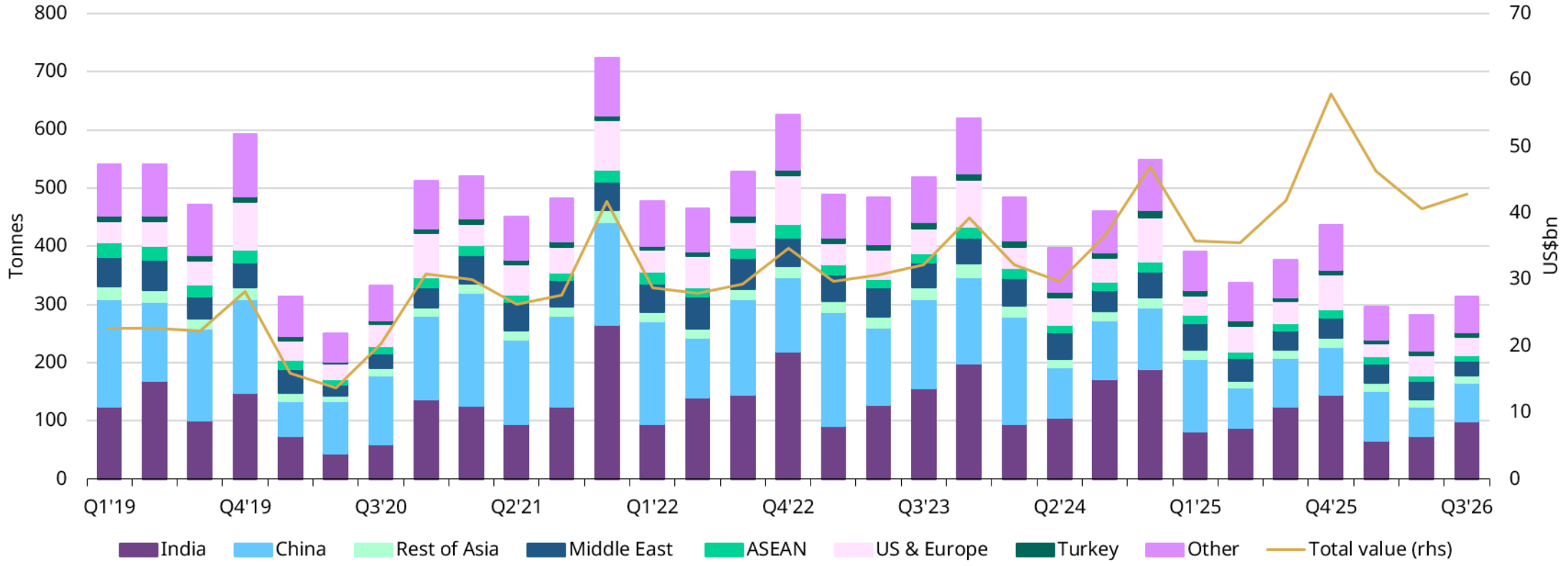



Chart note: Data to 30 September 2026. For an explanation of jewellery consumption, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council. Source: Metals Focus, World Gold Council

# No region was spared the y/y decline in gold jewellery volume

**Y/y change in Q3 jewellery demand by market/region, %**

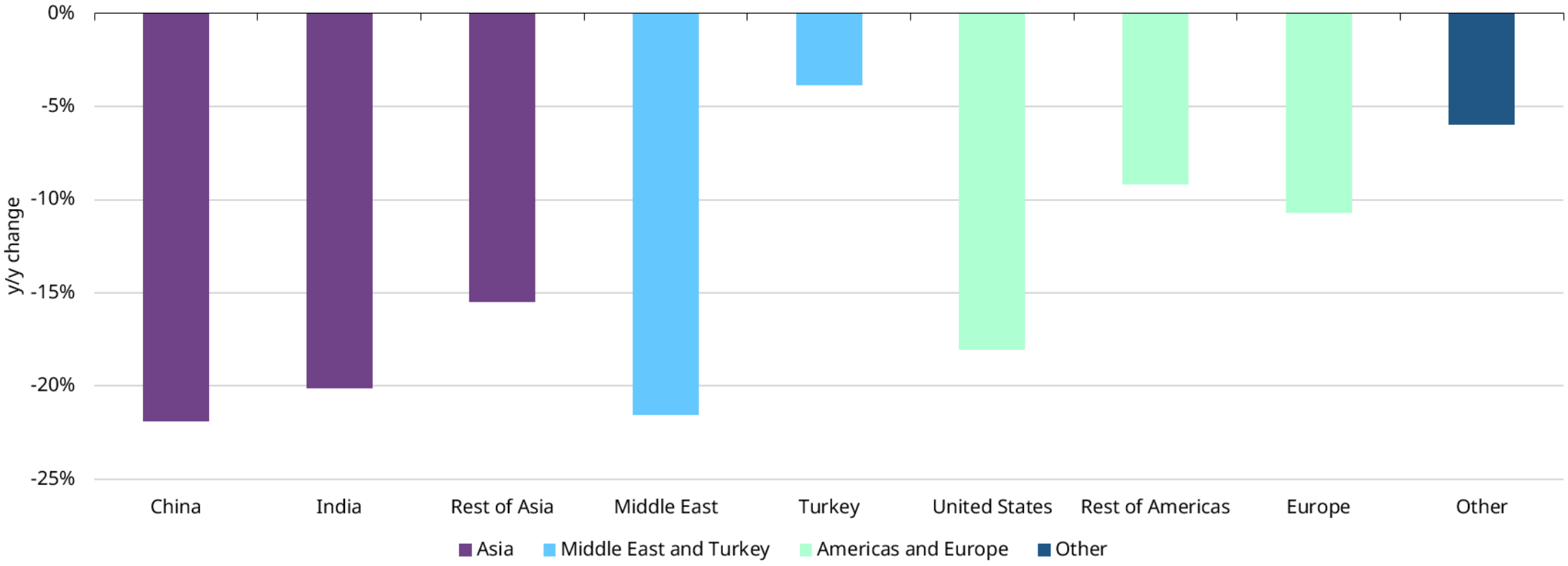



Chart note: Data to 30 September 2026. For an explanation of jewellery consumption, please see the Notes and definitions download: Gold Demand Trends: Q3 2026| World Gold Council. Source: Metals Focus, Refinitiv GFMS, Shanghai Gold Exchange, World Gold Council

# Strongest y-t-d bar and coin demand since 2013

**Q1-Q3 bar and coin investment by region, tonnes and US$ value**

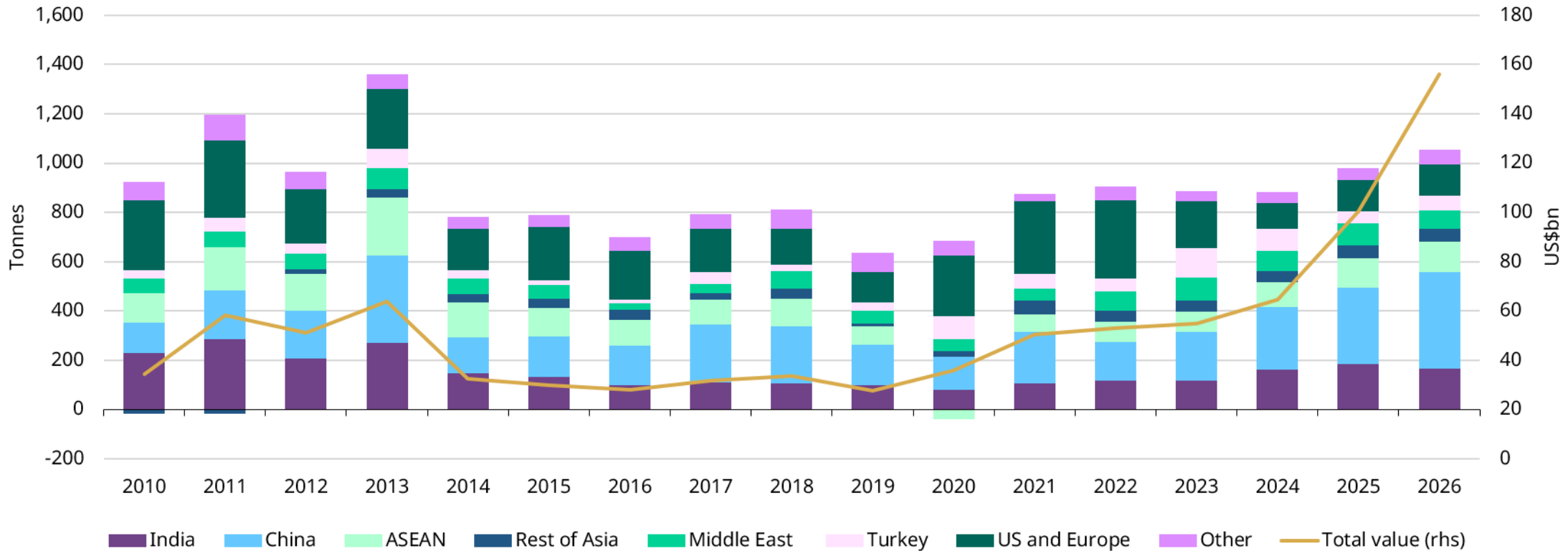



Chart note: Data to 30 September 2026. For an explanation of total bar and coin demand, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

# ETF buyers returned in force during Q3

**Global quarterly ETF demand, tonnes, and quarterly average gold price, US$/oz**

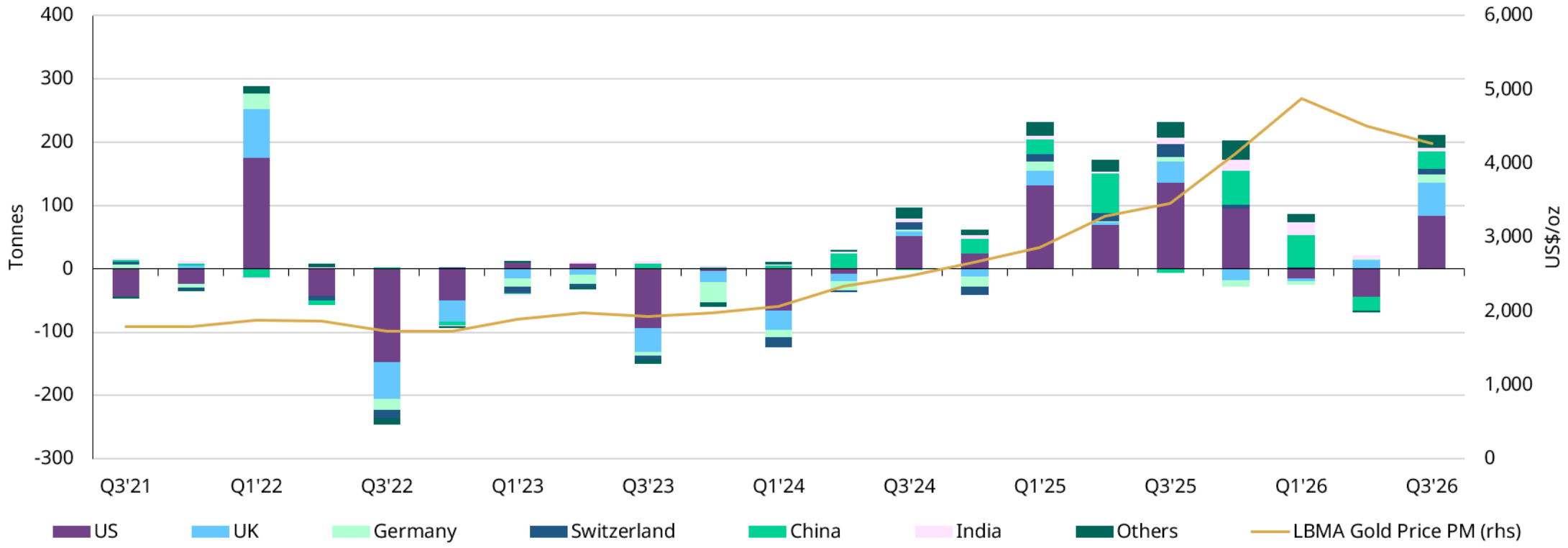



Chart note: Data to 30 September 2026. For an explanation of ETF demand, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

# Gold backed ETFs begin Q4 with modest inflows

**Weekly net fund flows into gold ETFs, US$**

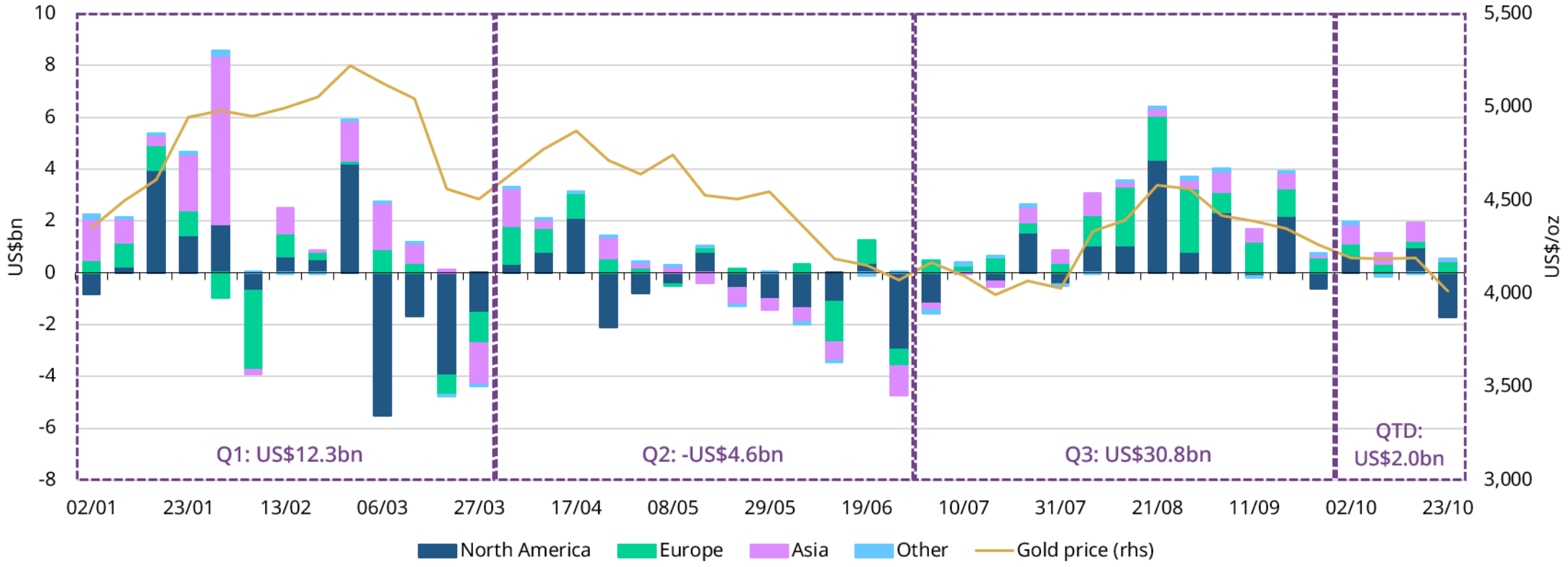



Chart note: Data to 23 November 2026. For an explanation of ETF demand, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

# Y-t-d central bank buying exceeds 2025 pace

**Quarterly central bank net purchases, tonnes**

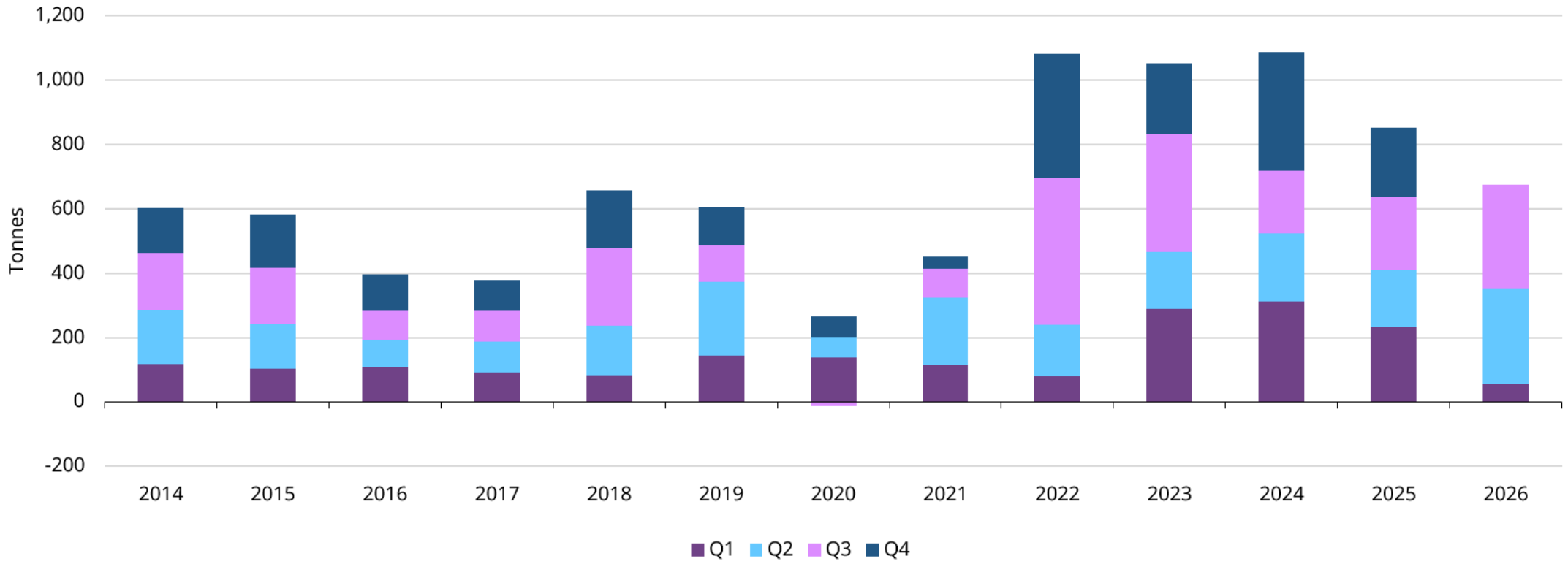



Chart note: Data to 30 September 2026. For an explanation of central bank and other official sector institutions, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council. Source: Metals Focus, Refinitiv GFMS, World Gold Council

# Poland and China drive reported purchases

**Y-t-d reported net purchases by region, tonnes**

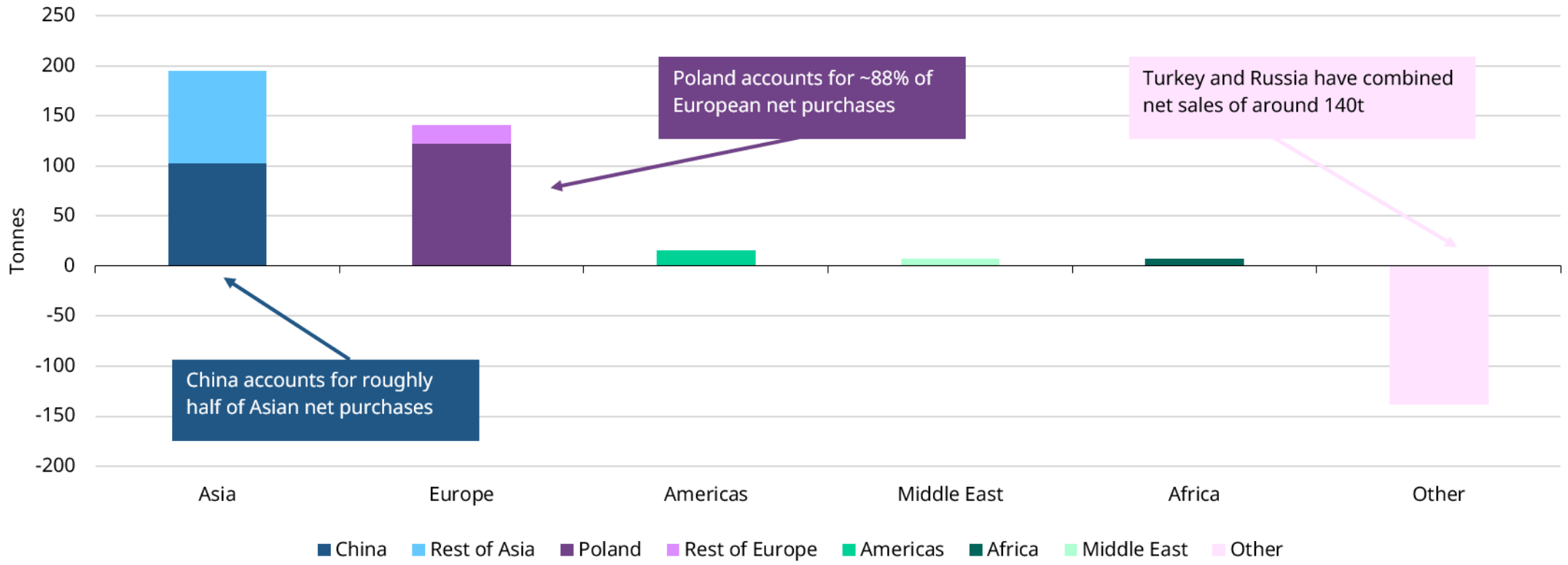



Chart note: Data to 30 September 2026. For an explanation of central bank and other official sector institutions, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council. Source: Metals Focus, Refinitiv GFMS, World Gold Council

# Unreported buying continues to be lions share of demand

**Net official sector demand – reported vs. unreported, tonnes**

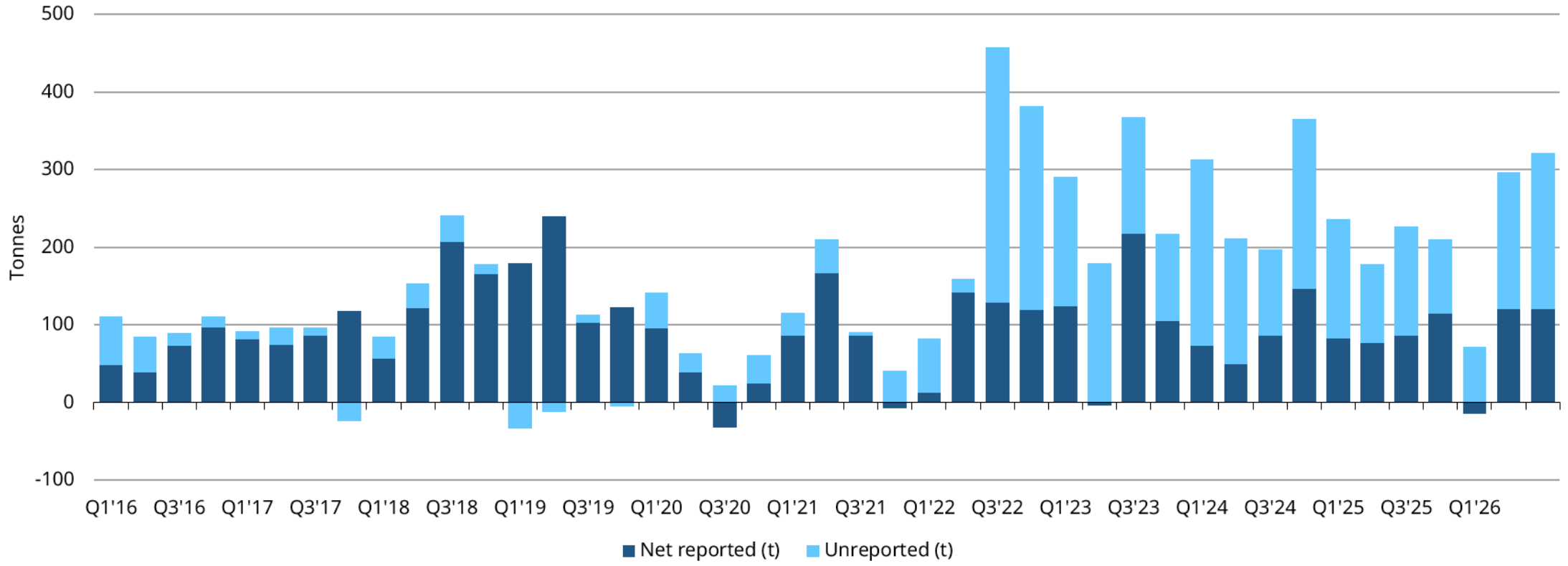



Chart note: Data to 30 September 2026. For an explanation of central bank and other official sector institutions, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council. Central bank demand includes other official institutions. Net reported purchases is based on data published by the IMF International Financial Statistics as well as direct reporting from central banks and other official institutions. Unreported demand is derived by subtracting reported net purchases from Metals Focus total official sector demand estimate for a given quarter. Source: IMF, Metals Focus, respective central banks, World Gold Council

# Mine production on course for a record 2026

**Q1–Q3 gold production, tonnes**

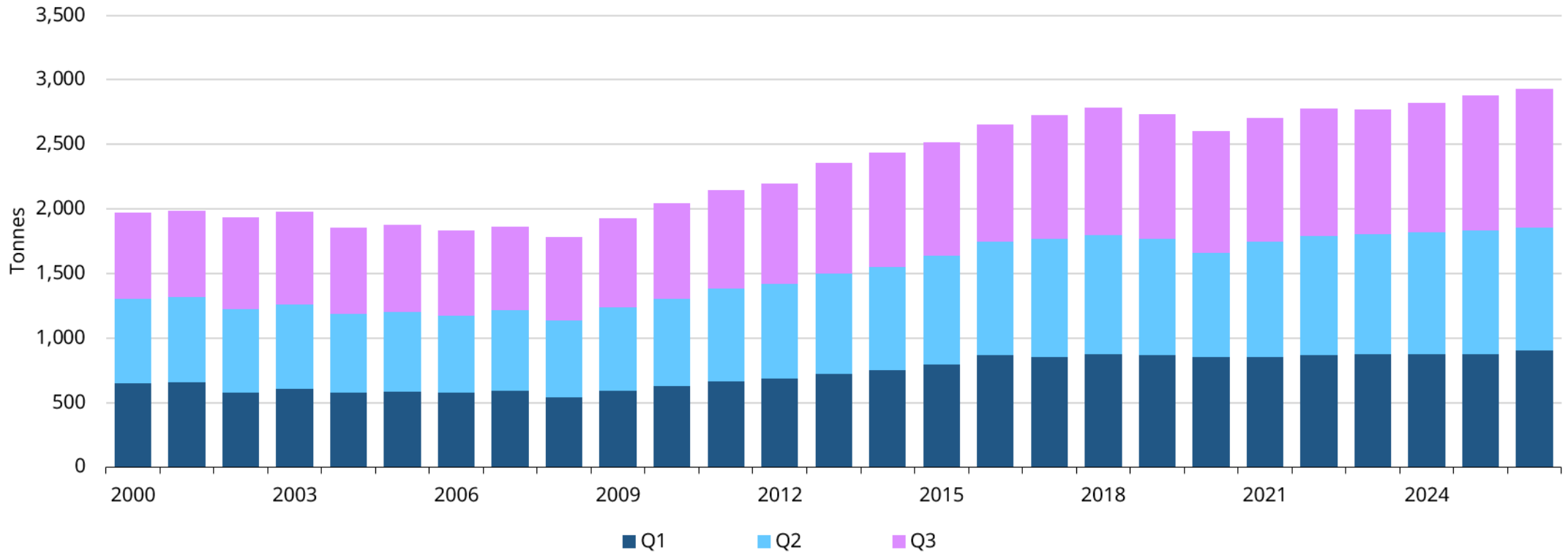



Chart note: Data to 30 September 2026. For an explanation of mine production, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council.
Source: Metals Focus, Refinitiv GFMS, World Gold Council

# Recycling remains relatively unresponsive to sustained high prices

**Quarterly supply of recycled gold by region, tonnes**

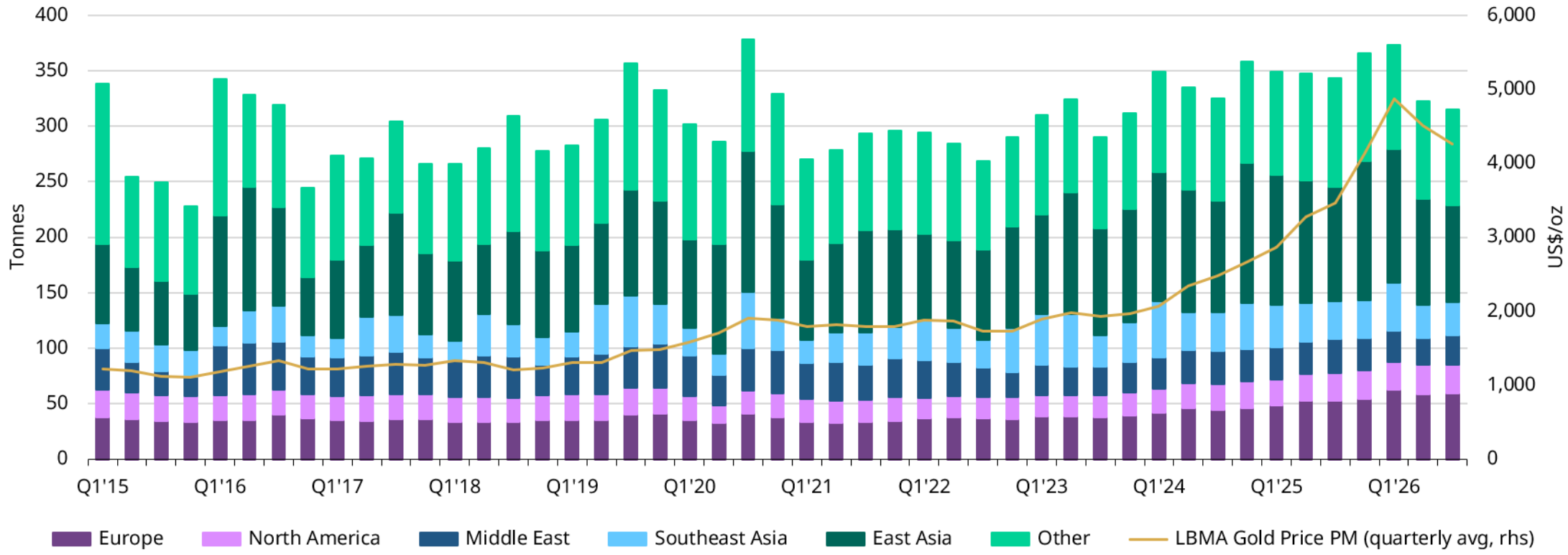



Chart note: Data to 30 September 2026. For an explanation of recycled gold, please see the Notes and definitions download: Gold Demand Trends: Q3 2026 | World Gold Council. Source: Metals Focus, Refinitiv GFMS, World Gold Council

# Investment stays in the driving seat

## We expect…

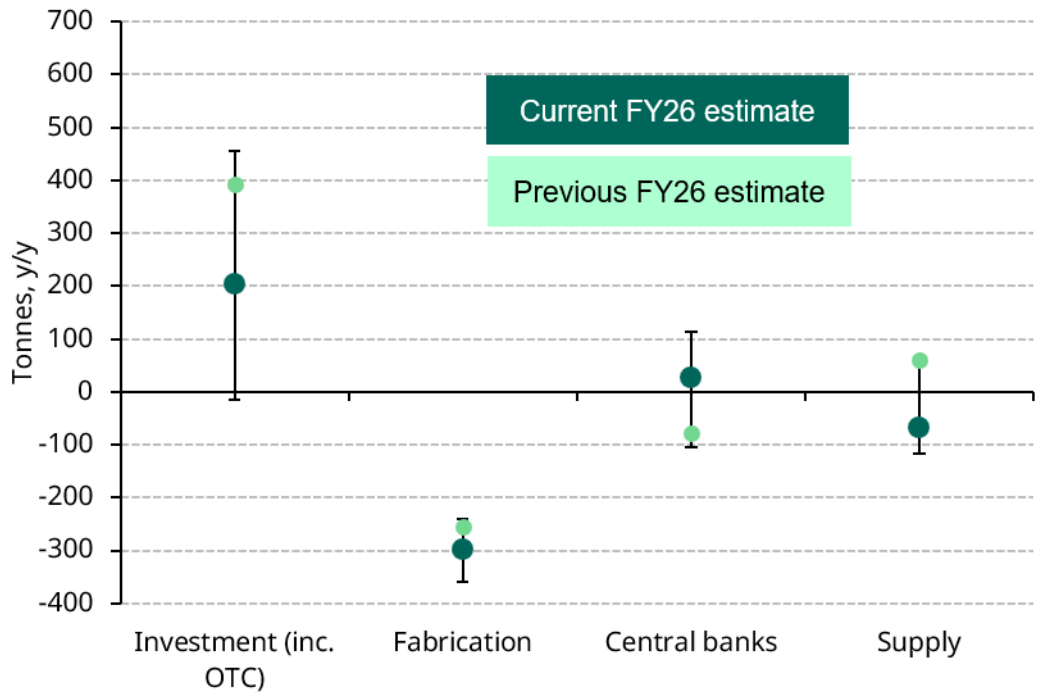
**Investment:** Principal driver of y/y growth in 2026, but facing competing forces of higher opportunity cost vs. inflation and fiscal risks, geopolitical event risk and the threat of financial market stress

**Fabrication:** A y/y decline is expected for full-year 2026, as high prices continue to bite. Some seasonal improvement possible in China in the last quarter

**Central banks:** Surprise performers during the first nine months are expected to lift full-year demand to a level similar to 2025

**Supply:** Modest growth in full-year mine supply, possibly to a new record high, is expected to be outweighed by restrained recycling – leading to a small contraction in overall supply

**Expected y/y tonnage change in demand and supply, 2026**




Note: Data to 30 September 2026. Fabrication combines global jewellery and technology demand. Investment includes ETFs, bar and coin and OTC demand, Supply includes mine production and recycling. We have omitted hedging and assume it to be unchanged. Range estimates are generated by a combination of inputs including our independent analysis of the gold market, consensus market expectations for the global economy and Metals Focus forecasts. The width of the range reflects our confidence in the outlook, while the ratio of one tail to the other captures whether we see upside or downside risk to our view. Source: World Gold Council

# Tactical Thinking

# 2026 corrections

## January's exuberance reversed; ME Conflict

- A 30% one-month move higher in gold was unsustainable
  - 9% correction on 30/01 was fifth largest one-day sell-off ever
- Middle East conflict triggers profit-taking, reassessment, deleveraging
  - 12.5% correction March was sixth largest one-month sell-off ever
- Gold found good support around $4000/oz

# Iran conflict damaged all aspects of supply and demand

## Forget the safe-haven narrative – focus on fundamentals

- Higher interest rate expectations hit western investment
- Emerging markets pummelled by higher energy prices. Food next?
- Jewellery demand slowed by weaker growth and still-high prices
- Central bank buying weakened in Q1-26 before recovering

## August bounce in gold proved unsustainable

# Is this the start of a new period of gold price strength?  Not yet

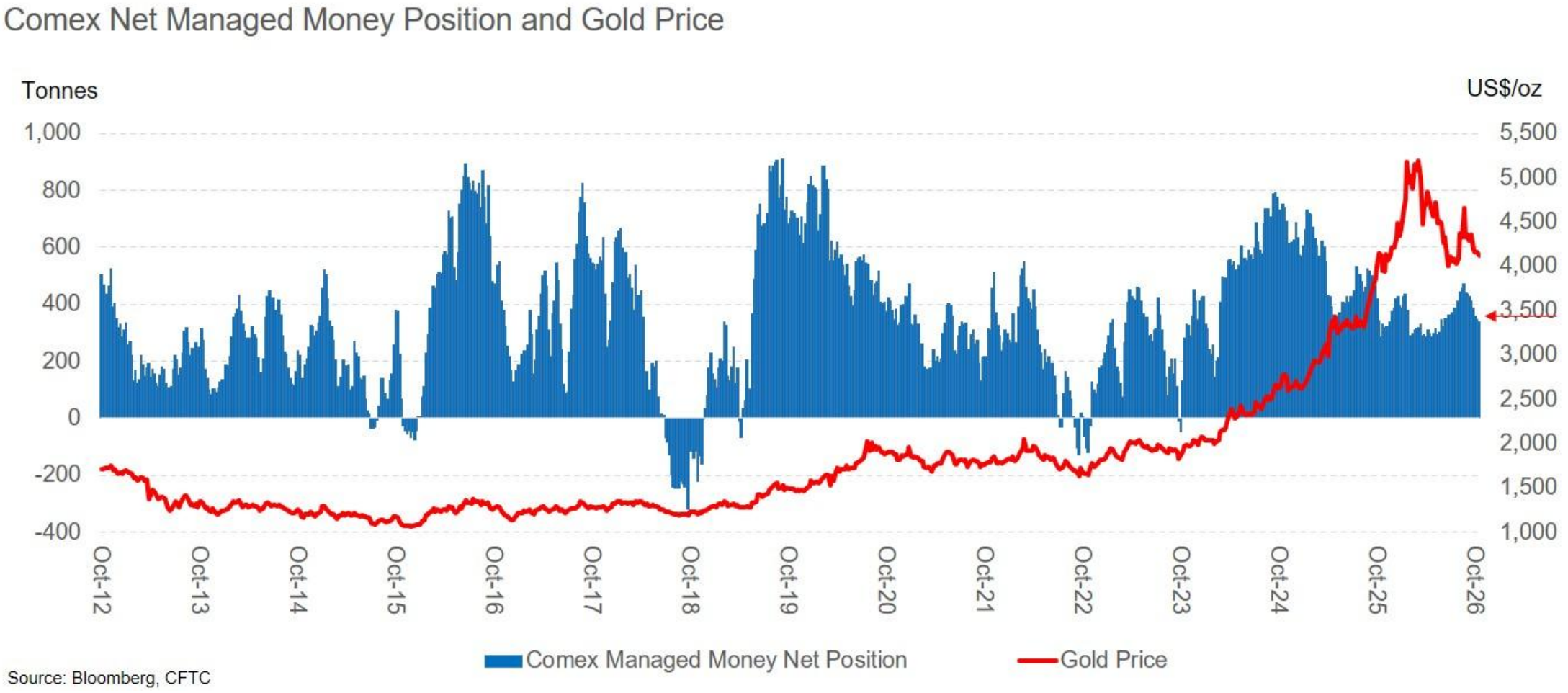
## The drivers of gold in 2025 have not gone away

- Debasement, Deficits, Debt, De-dollarisation
- Fed Independence

## Face off against Inflation risks and higher yields

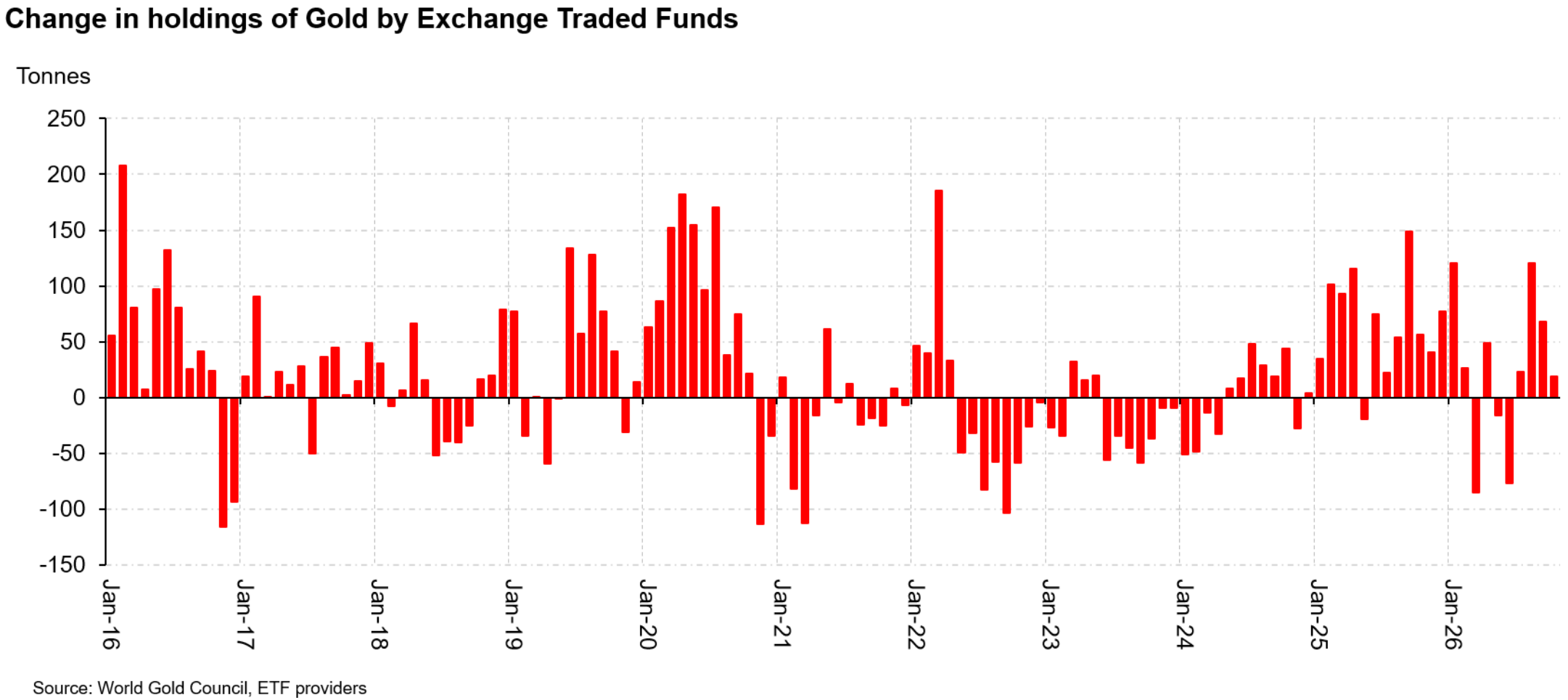
- The August rally was primarily western investors / speculators behind the move: Comex + ETFs
- Emerging markets – especially China and India – rather quiet

# Comex **NET** Managed Money Positions (20/10/2026)



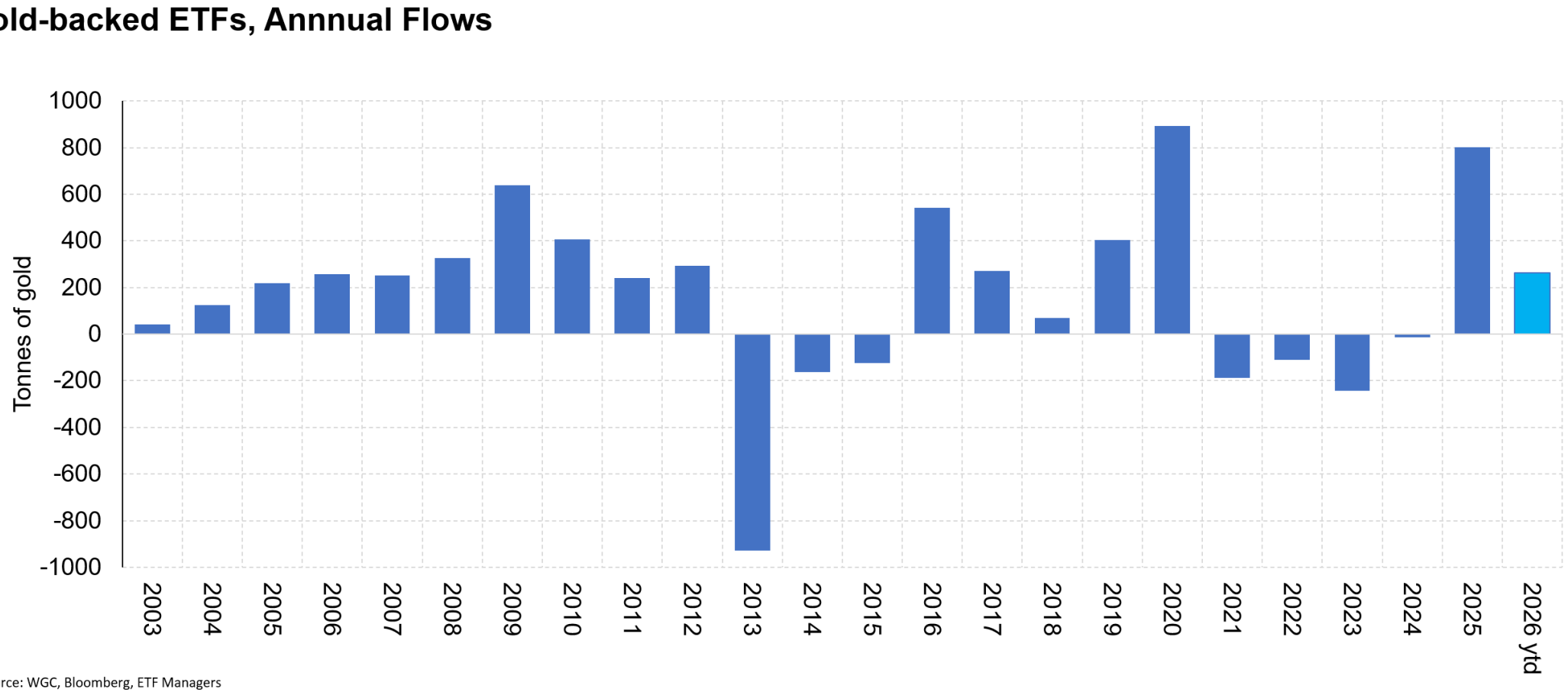

Source: Bloomberg, CFTC

# ETF investors adding aggressively in Aug, Sep (31/10/2026)




Source: World Gold Council, ETF providers

# ETFs still positive in 2026 ytd (20/10/2026)

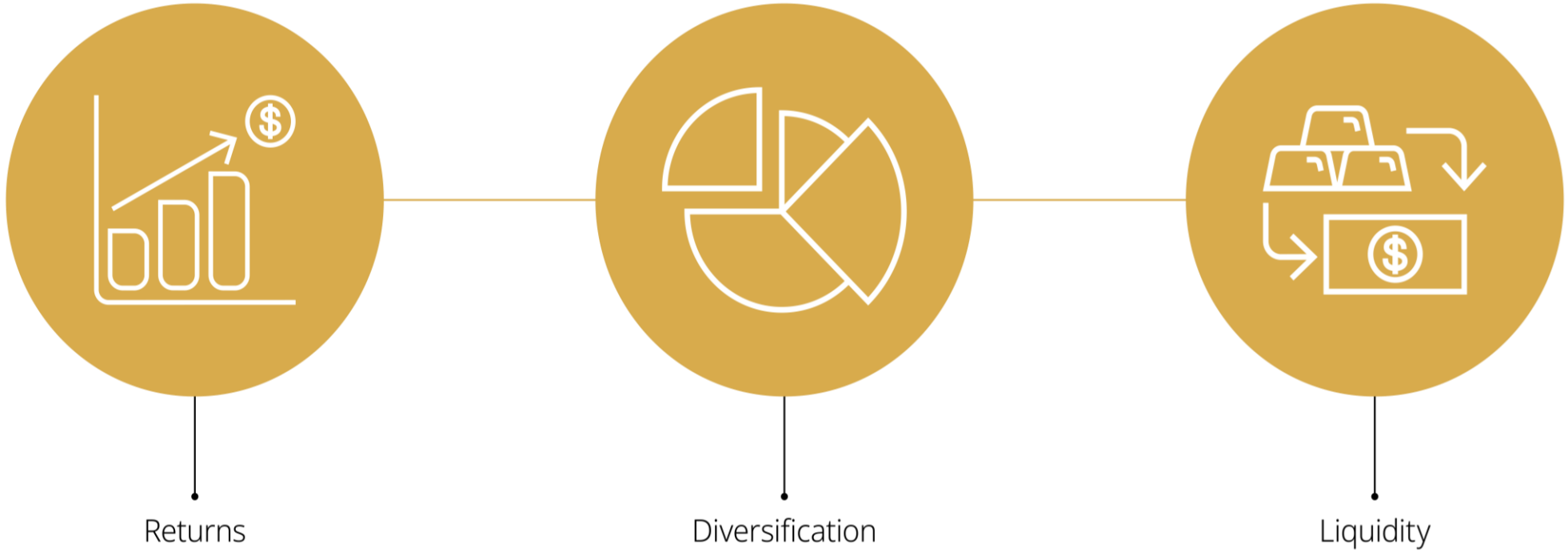



Source: WGC, Bloomberg, ETF Managers

# Strategic case for gold

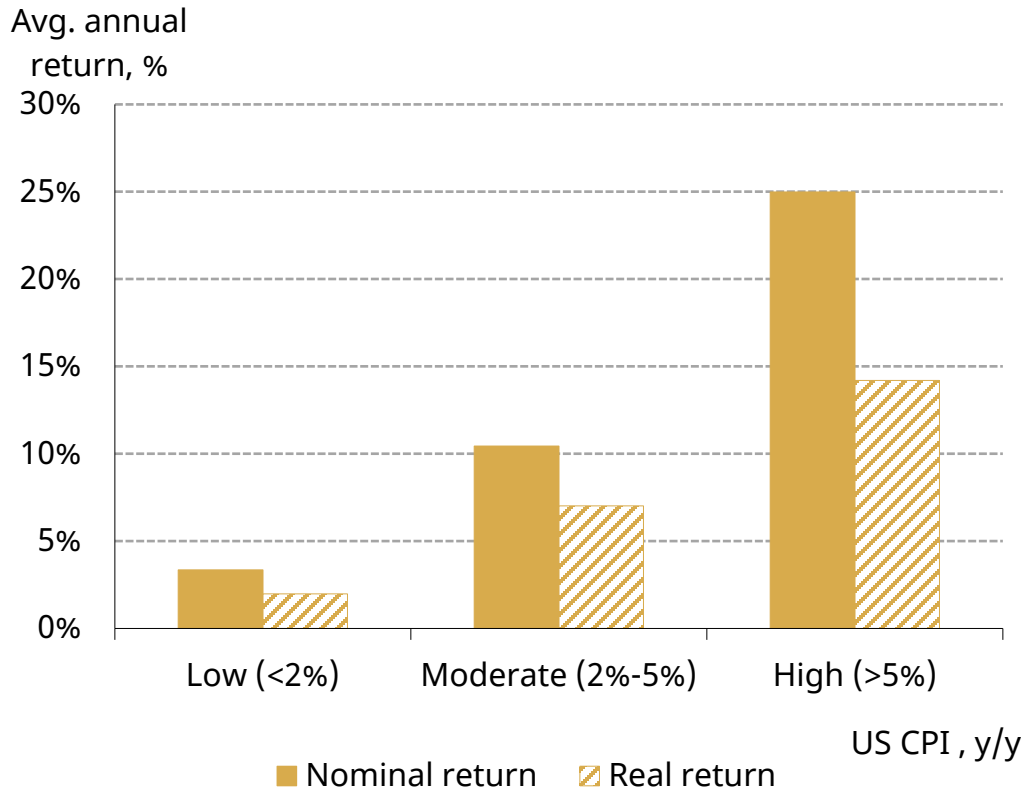
# Why gold?

Gold can enhance a portfolio in three key ways:



# Gold historically performs well in periods of high inflation…

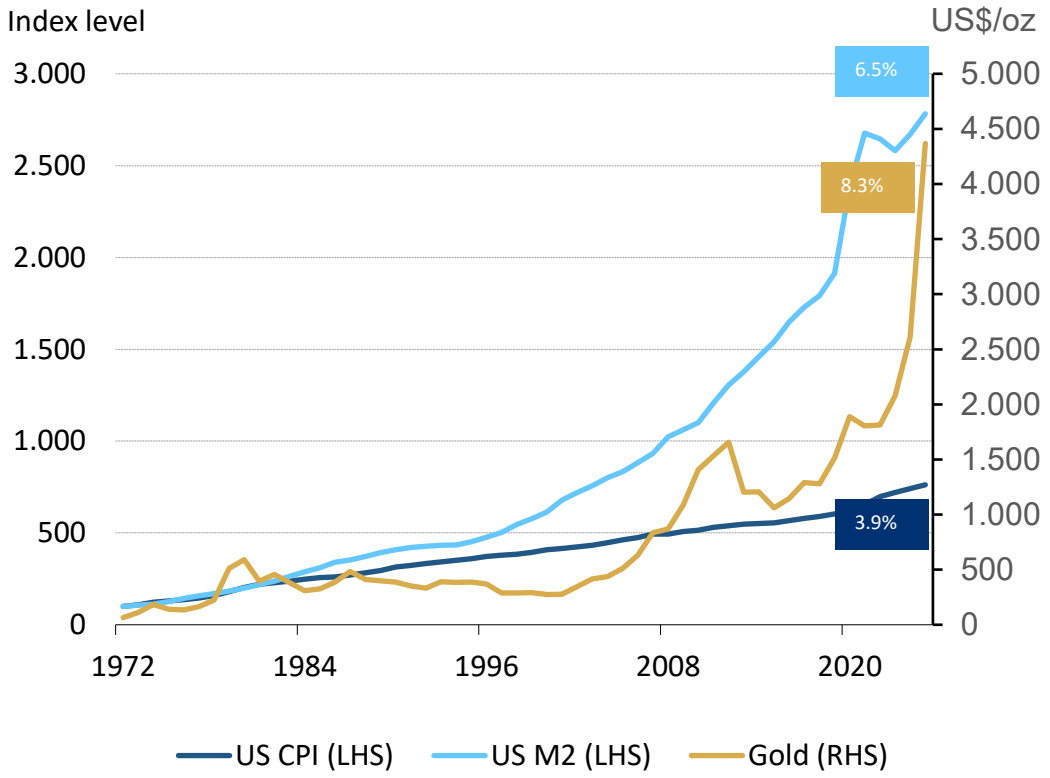
**Gold nominal and real returns in US dollars as a function of annual inflation***




*Based on y-o-y changes for the LBMA Gold Price PM and US CPI between December 1971 and December 2025 in USD.
** For each year on the sample, real return = (1+nominal return)/(1+inflation)-1.
Source: Bloomberg, ICE Benchmark Administration, World Gold Council

# …and has kept up with money supply growth

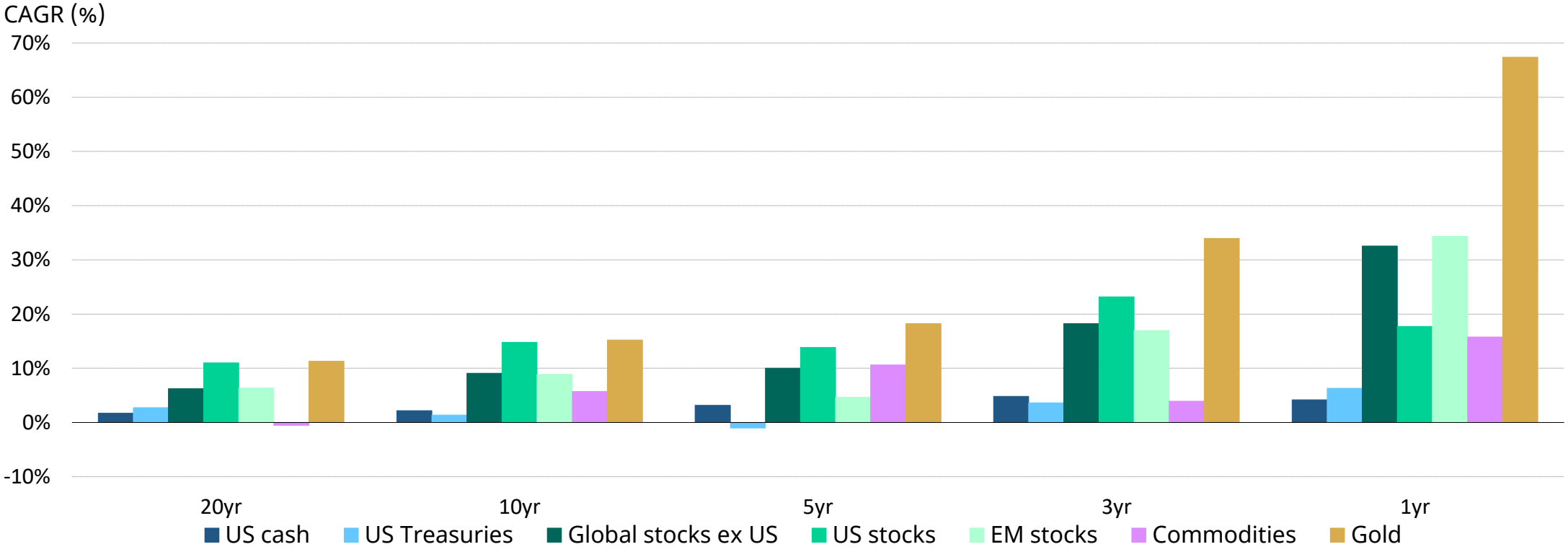
**US M2, US CPI and gold price***




*As of 31 December 2025. Based on US M2 cumulative growth, US CPI and LBMA Gold Price PM USD. Gold (US$/oz), US M2, US CPI indexed: 1971 = 100
Source: Bloomberg, ICE Benchmark Administration, World Gold Council

# Returns: Gold has performed across multiple horizons

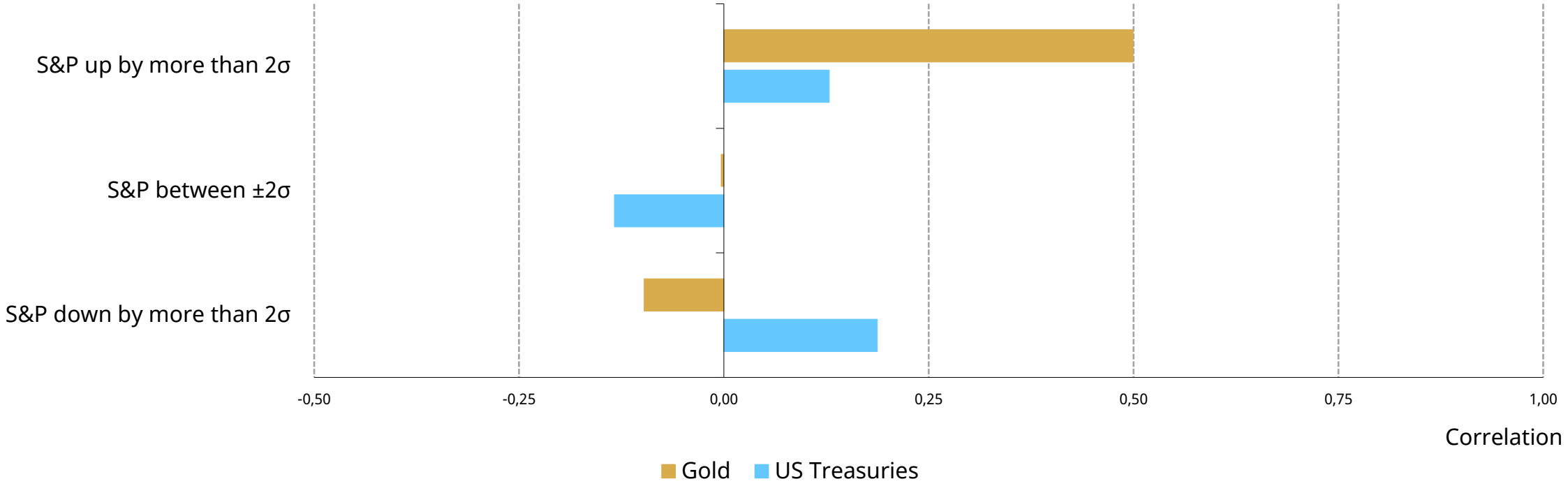
**Annualised return over the past 1, 3, 5, 10 and 20 years***




*As of 31 December 2025. Computations in US dollars of unhedged total return indices unless otherwise specified. For US Cash: ICE 3-month Treasury; US treasuries: Bloomberg US Treasury; US, Global ex US and EM stocks: MSCI US, World ex US and EM total return indices respectively; Commodities: Bloomberg Commodity Total Return Index; and Gold: LBMA Gold Price PM (spot). Compounded annual growth rate (CAGR) computed as the geometric average from the start to the end of the period.
Source: Bloomberg, ICE Benchmark Administration, World Gold Council

# Diversification: Correlation flip valuable and unusual

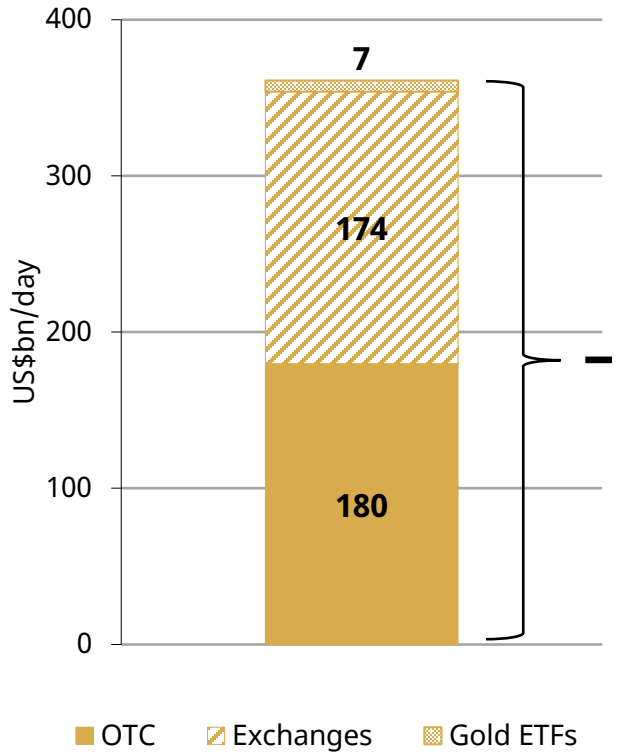
**Correlation between gold, US treasuries and US stocks in various environments of stocks' performance***



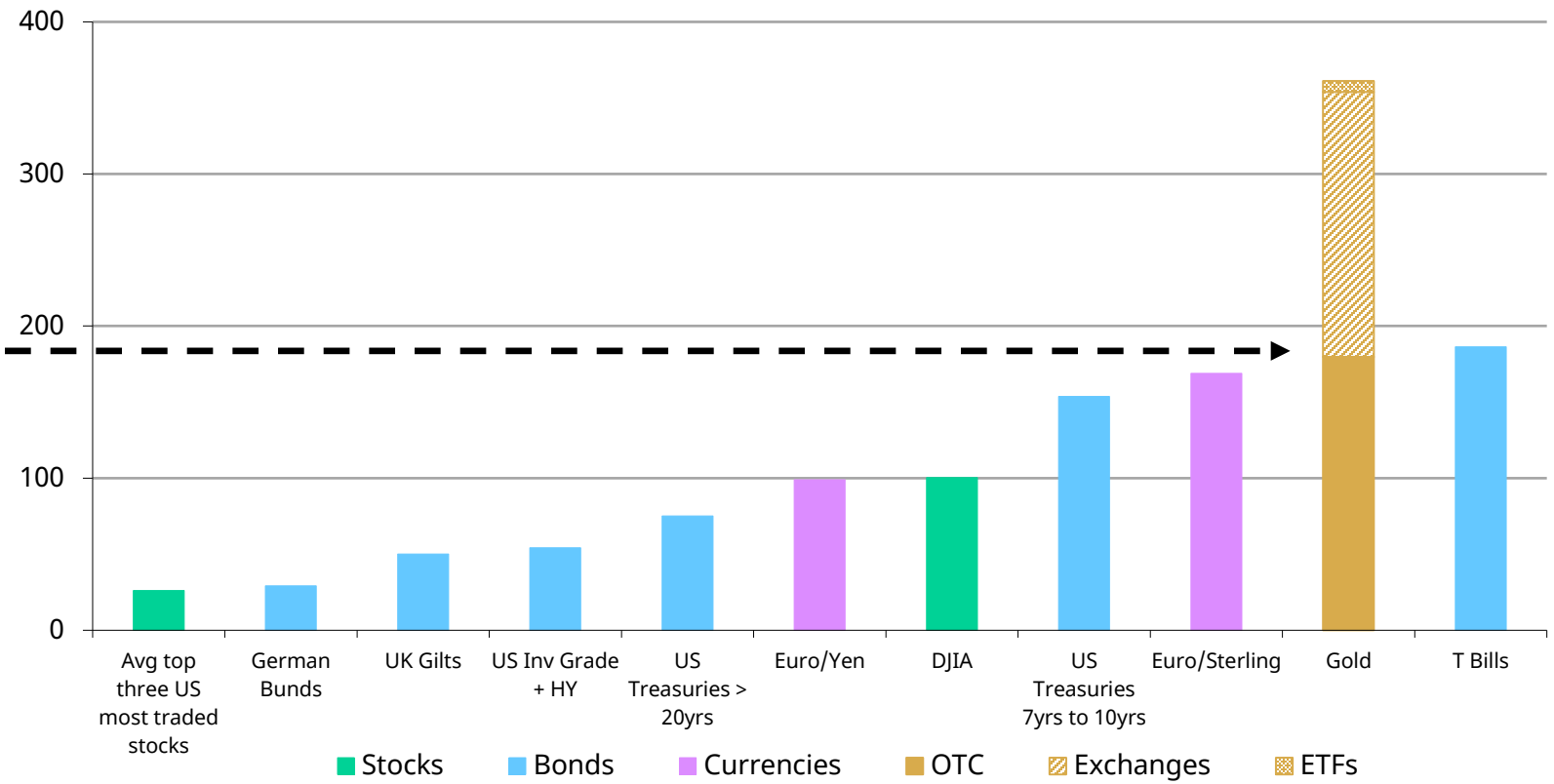

*As of 31 December 2025. Correlations computed using weekly returns based on the Bloomberg US Treasury Index and the LBMA Gold Price PM since January 1994 due to weekly data availability. The middle bar corresponds to the correlation conditional on S&P 500 weekly returns being between +/- two standard deviations (or 'σ') over the full period. The bottom bar corresponds to the correlation conditional on S&P 500 weekly return falling by more than two standard deviations (or 'σ') respectively, while the top bar corresponds to the S&P 500 weekly return increasing by more than two standard deviations. The standard deviation is based on the same weekly returns over the full period.
Source: Bloomberg, ICE Benchmark Administration, World Gold Council; Disclaimer

# *Liquidity*: Gold is a highly liquid asset

**Gold is liquid across key investment platforms**




**Average daily trading volumes over the last year in US dollars***



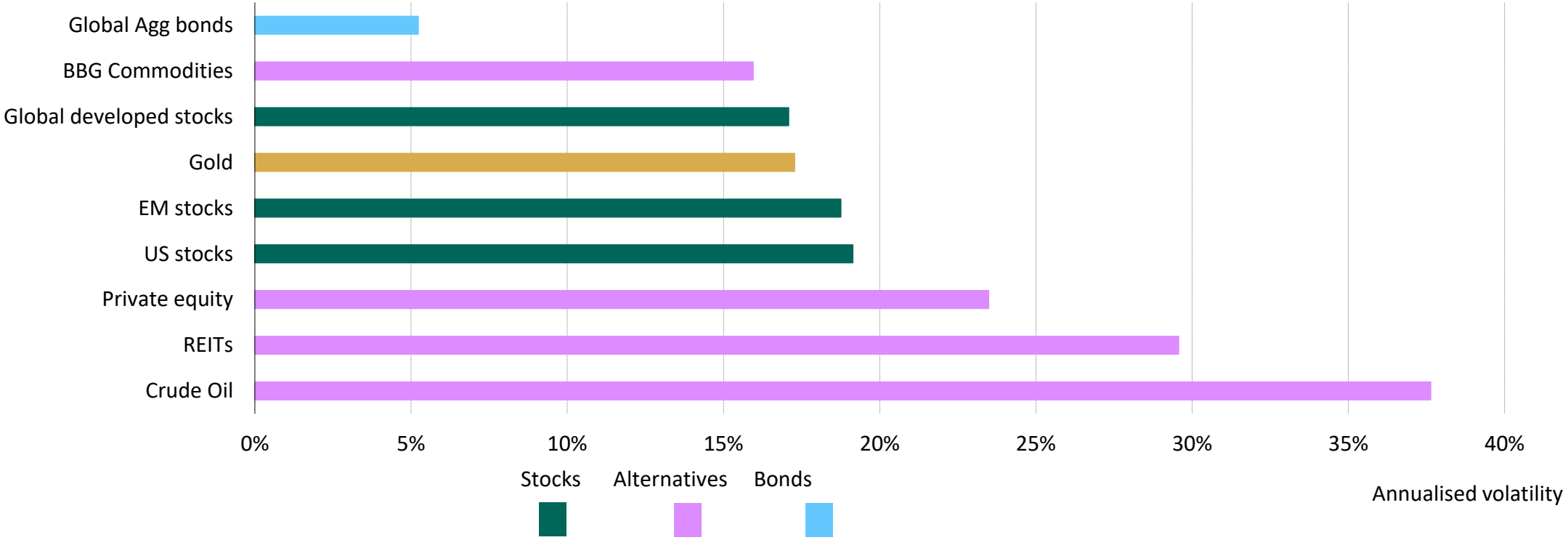

*Based on estimated one-year average trading volumes from 01 January 2024 to 31 Dec 2025, except for currencies that correspond to April 2025 daily volumes due to data availability and UK Gilts and German Bunds that correspond to 2024 data.

**Gold liquidity includes estimates on over-the-counter (OTC) transactions and published statistics on futures exchanges, and gold-backed exchange-traded products. For methodology details visit the liquidity section at Goldhub.com.

Source: Bloomberg, Bank for International Settlements, FINRA TRACE, Bundesrepublik Deutschland Finanzagentur GmbH, Nasdaq, SIFMA, United Kingdom Debt Management Office, World Gold Council

# Volatility: Gold is less volatile than many major assets

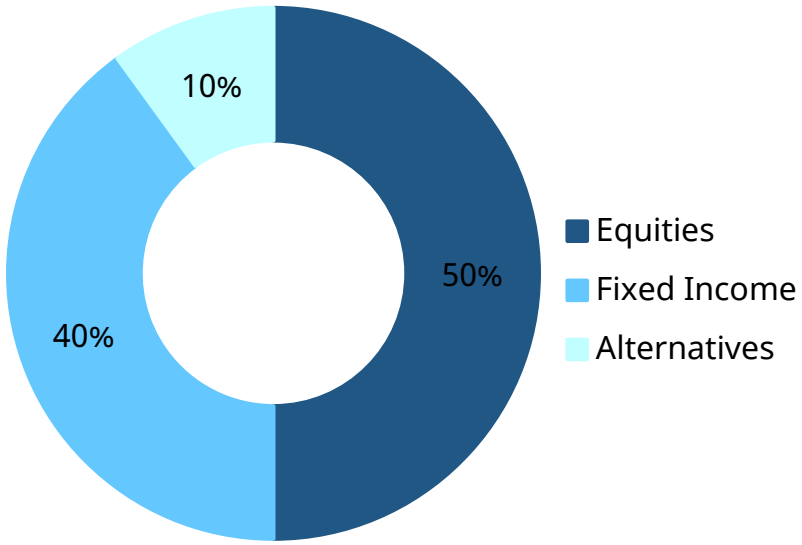
**Average daily volatility of several major assets since 2005***



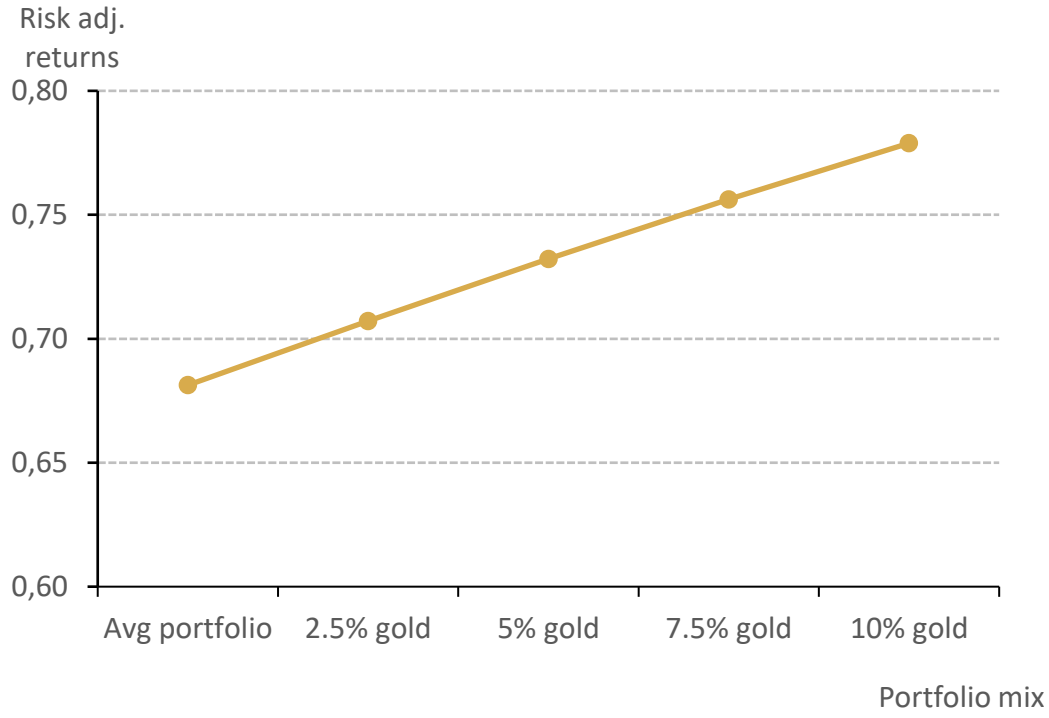

*Annualised volatility is computed based on daily returns in US dollars between 31 December 2005 and 31 December 2025. Computations for 'US equities': S&P 500 Index; 'EM equities': MSCI Daily Gross EM; 'gold': LBMA Gold Price PM, 'Crude oil': Bloomberg WTI Crude Oil; 'REITs': FTSE Nareit Equity REITs Index USD; 'Global Agg Bonds': Bloomberg Global Aggregate Index.
On Goldhub.com see: Gold volatility
Sources: Bloomberg, World Gold Council.

# Portfolio impact: Adding gold has resulted in higher risk-adjusted returns

**Hypothetical diversified portfolio: asset allocation (50% stocks, 40% fixed income, 10% alternatives*)**




**Risk-adjusted returns of a hypothetical portfolio with various levels of gold exposure***




*Based on US dollar performance between 31 December 2005 and 31 December 2025. The hypothetical average portfolio: 50% allocation to equities (40% MSCI World Net Total Return Index, 5% MSCI EM Net Total Return Index, 5% MSCI World Small Cap Net Total Return Index), 40% allocation to fixed income (20% Bloomberg US Treasury Index, 15% Bloomberg US Corporate Bond Index, 5% Bloomberg US Corporate High Yield Total Return Index) and 10% allocation to alternative assets (3.3% FTSE REITs Index, 3.3% HFRI Hedge Fund Index and 3.3% Bloomberg Commodity Index). The allocation to gold comes from proportionally reducing all assets. Risk-adjusted returns are calculated as the annualised return/annualised volatility. See important disclaimers and disclosures at the end of this report.
Source: Bloomberg, ICE Benchmark Administration, World Gold Council

# Portfolio impact and optimisation

# Portfolio impact: Gold has been an effective risk management tool

**Comparison of key performance metrics of hypothetical portfolios with and without gold over the past 20 years***

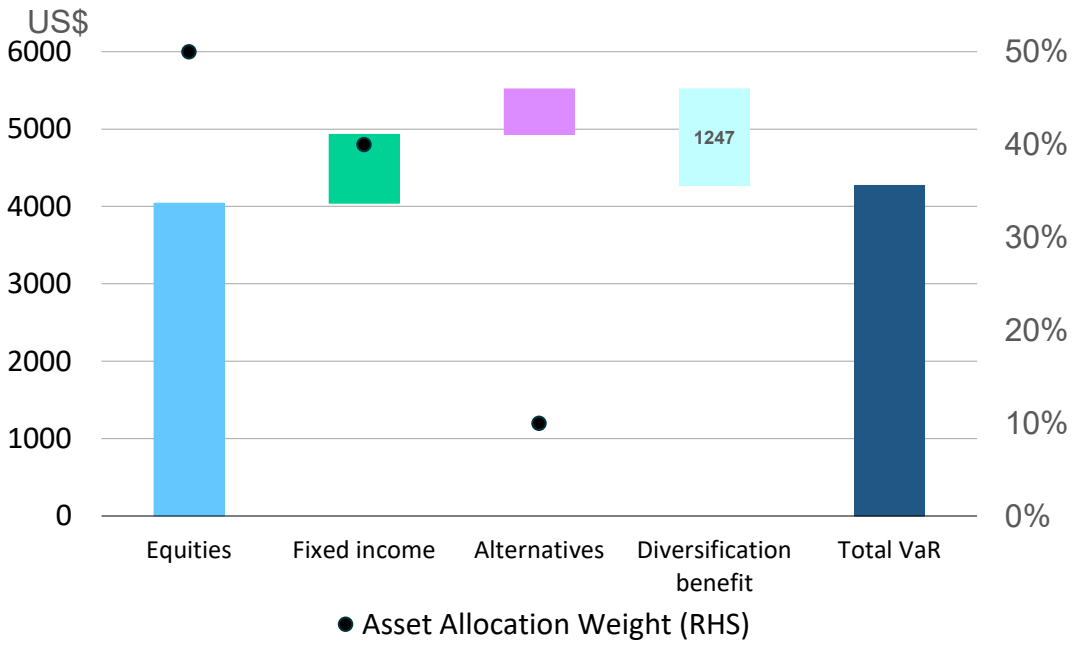
| | Avg portfolio | 2.5% gold | 5% gold | 7.5% gold | 10% gold |
|---|---|---|---|---|---|
| Annualised returns | 6.7% | 6.9% | 7.0% | 7.2% | 7.3% |
| Volatility | 9.9% | 9.7% | 9.6% | 9.5% | 9.4% |
| Reward to risk | 68.1% | 70.7% | 73.2% | 75.6% | 77.9% |
| Max drawdown | -34.9% | -33.8% | -32.7% | -31.6% | -30.4% |

*Based on US dollar performance between 31 December 2005 and 31 December 2025. The hypothetical average portfolio: 50% allocation to equities (40% MSCI World Net Total Return Index, 5% MSCI EM Net Total Return Index, 5% MSCI World Small Cap Net Total Return Index), 40% allocation to fixed income (20% Bloomberg US Treasury Index, 15% Bloomberg US Corporate Bond Index, 5% Bloomberg US Corporate High Yield Total Return Index) and 10% allocation to alternative assets (3.3% FTSE REITs Index, 3.3% HFRI Hedge Fund Index and 3.3% Bloomberg Commodity Index). The allocation to gold comes from proportionally reducing all assets. Risk-adjusted returns are calculated as the annualised return/annualised volatility. See important disclaimers and disclosures at the end of this report.

Source: Bloomberg, ICE Benchmark Administration, World Gold Council

# Portfolio impact: Gold reduces Value-at-Risk (VaR) in balanced portfolios

**Monthly VaR (@ 95% confidence) per US$100k of investment in a hypothetical portfolio without gold**



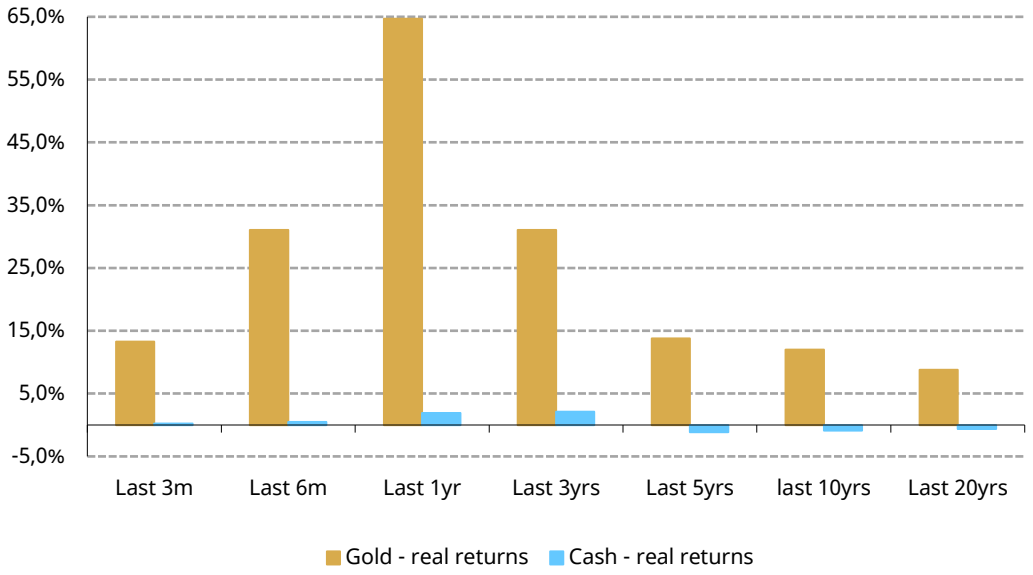

**Monthly VaR (@ 95% confidence) per US$100k of investment in a hypothetical portfolio with 10% in gold**



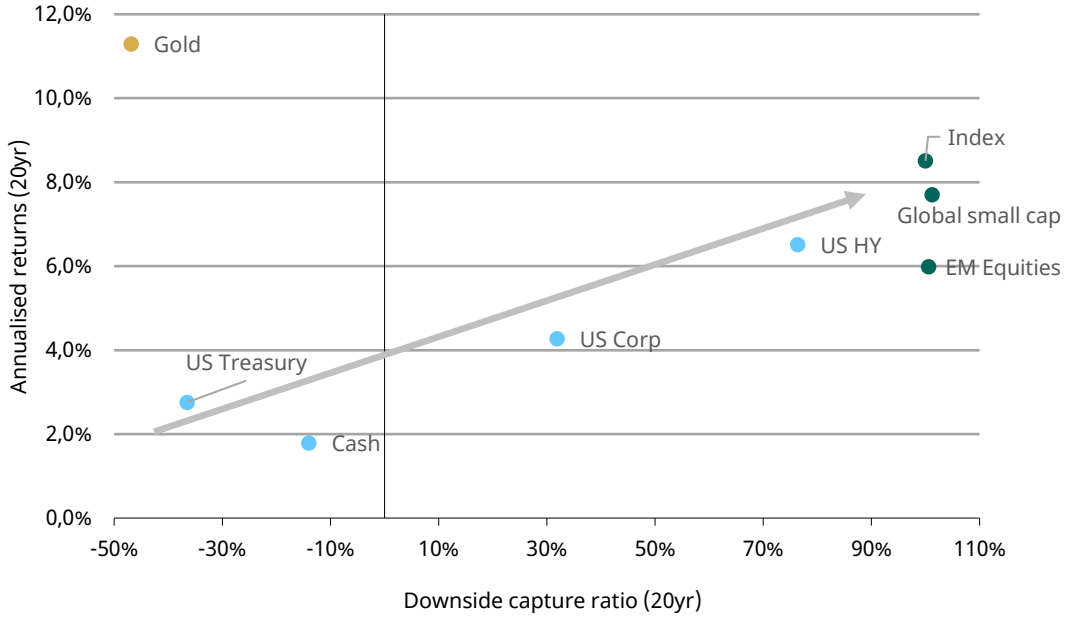

*Based on US dollar performance between 31 December 2005 and 31 December 2025. The hypothetical average portfolio: 50% allocation to equities (40% MSCI World Net Total Return Index, 5% MSCI EM Net Total Return Index, 5% MSCI World Small Cap Net Total Return Index), 40% allocation to fixed income (20% Bloomberg US Treasury Index, 15% Bloomberg US Corporate Bond Index, 5% Bloomberg US Corporate High Yield Total Return Index) and 10% allocation to alternative assets (3.3% FTSE REITs Index, 3.3% HFRI Hedge Fund Index and 3.3% Bloomberg Commodity Index).
Source: Bloomberg, ICE Benchmark Administration, World Gold Council

# Gold can complement cash positions and improve portfolio performance over time

**Cash has struggled to deliver positive real returns over the long term**
Gold and cash real returns over various investment horizons




**Gold provides unique diversifying effects**
Long-term performance and downside risk of various asset classes




*Data from 31 December 2005 to 31 December 2025. Downside capture ratio is calculated by dividing the returns in down market by index returns. Gold: LBMA Gold Price PM; US Corp: ICE BofA US Corporate Index; US Treasury: Bloomberg US Treasury Index; EM equities: MSCI EM Index; Global small cap: MSCI World Small Cap Index; Cash: ICE BofA USD 1m Deposit Rate; US HY: Bloomberg High Yield Index; All calculations in USD.
Source: Bloomberg, World Gold Council

# Q&A

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