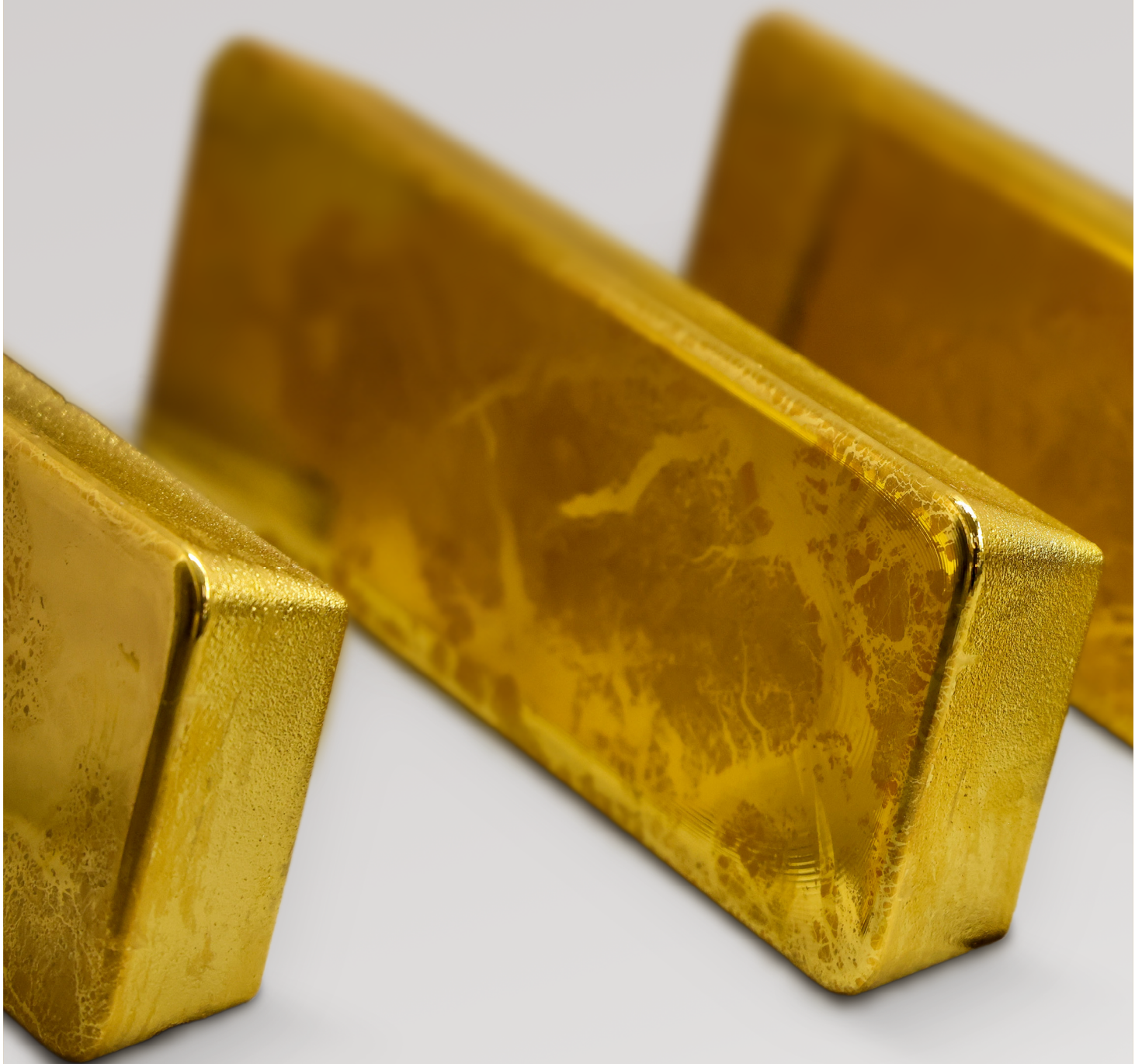


Central Bank Gold Reserves Survey

June 2024





Executive Summary

An increasingly complex geopolitical and financial environment is making gold reserves management more relevant than ever. In 2023, central banks added 1,037 tonnes of gold – the second highest annual purchase in history – following a record high of 1,082 tonnes in 2022.

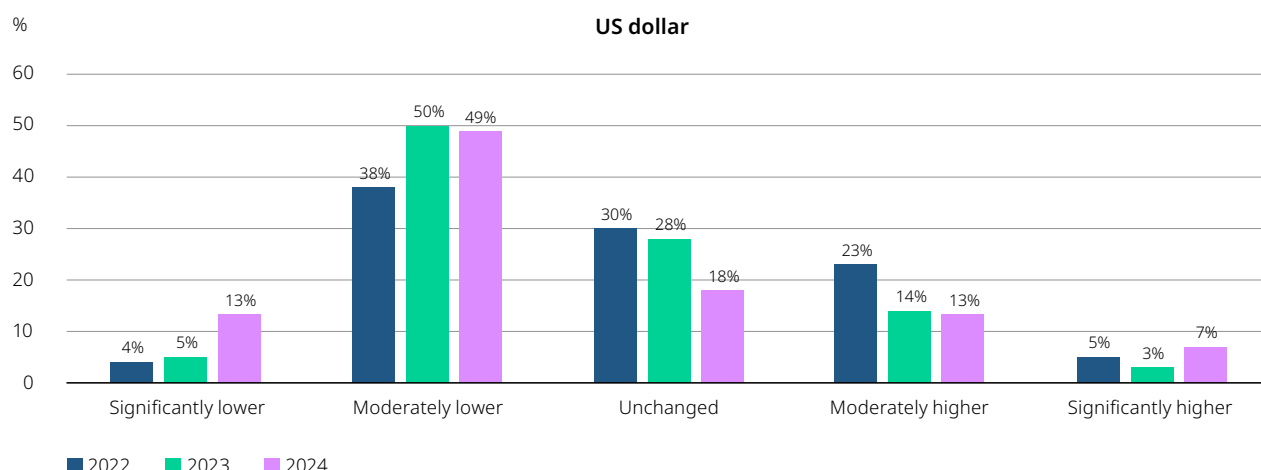
Following these record numbers, gold continues to be viewed favourably by central banks as a reserve asset. According to the 2024 Central Bank Gold Reserves (CBGR) survey, which was conducted between 19 February and 30 April 2024 with a total of 70 responses, 29% of central banks respondents intend to increase their gold reserves in the next twelve months, the highest level we have observed since we began this survey in 2018. The planned purchases are chiefly motivated by a desire to rebalance to a more preferred strategic level of gold holdings, domestic gold production, and financial market concerns including higher crisis risks and rising inflation (Q15, page 22).

These results come amidst a backdrop of ongoing geopolitical tensions – conflict in the Middle East, a protracted war in Ukraine and elevated US-China tensions. On the macroeconomic front, while global inflation is starting to cool, economic recovery is proceeding at an uneven pace around the world and concerns loom regarding underlying financial vulnerabilities. Accordingly, “interest rate levels”, “inflation concerns”, and “geopolitical instability” continue to be the leading factors in central bankers’ reserve management decisions as they were last year.

In a continuation of a trend observed in last year’s survey, the view of the US dollar’s future proportion of total reserve assets has continued to decline, with 62% of respondents thinking that the dollar’s share will diminish five years from now, up from 55% in 2023 and 42% in 2022 (Chart 1). There continues to be a gulf in thinking between advanced economy and Emerging Market and Developing Economy (EMDE) central banks on this question, however. Whereas 30% of advanced economy respondents think the US dollar’s share of global reserves will remain unchanged five years from now, only 11% of EMDE respondents share this view. While 56% of advanced economy respondents believe the US dollar’s share of global reserves will fall, 64% of EMDE respondents believe it will do so (Q5, page 13). It is notable though that the percentage of advanced economy respondents who believe that the US dollar’s share of global reserves will fall has increased from 46% in 2023 to 56% in 2024 – reflecting increased pessimism even among advanced economy respondents about the US dollar’s future share of global reserves.



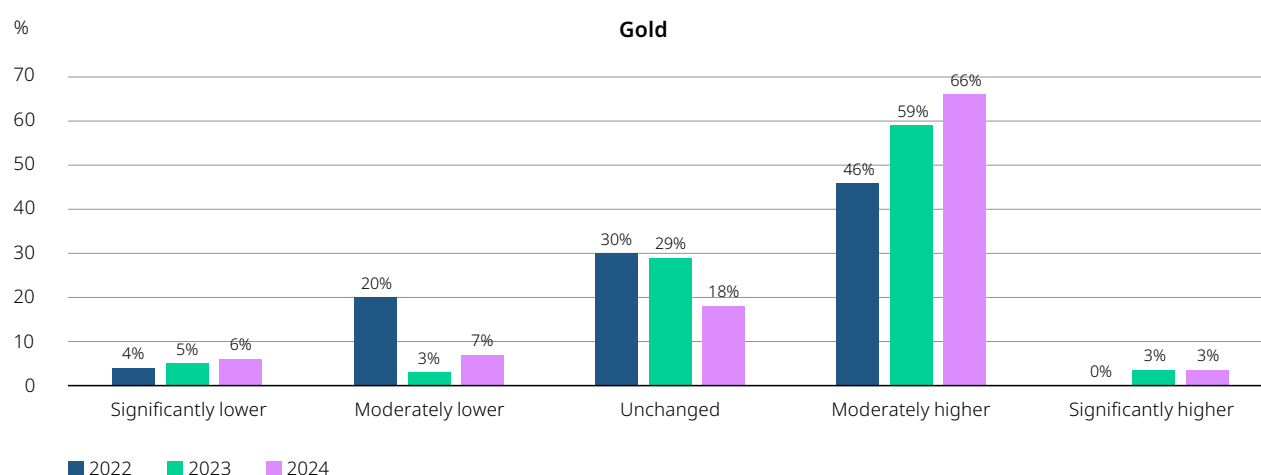
Chart 1: What proportion of total reserves (foreign exchange and gold) do you think will be denominated in US dollars 5 years from now? (2022-2024 responses shown).



2024 Base: All central banks (68); Advanced economy (23); EMDE (45). 2023 Base: All central banks (57); Advanced economy (13); EMDE (44). 2022 Base: All central banks (56); Advanced economy (13); EMDE (43). See Note 1 for a detailed explanation of the answer options.

When asked about gold's future share in global reserves, 69% of respondents thought that gold would occupy a higher proportion five years from now, up from 62% in 2023 and 46% in 2022 (Chart 2). While 57% of advanced economy respondents think gold's share will rise, 75% of EMDE respondents believe it will do so. Meanwhile, 35% of advanced economy respondents think that it will remain unchanged five years from now, a view shared by only 9% of EMDE respondents (Q8, page 16). EMDE central banks, which have been the primary driver of gold buying since the 2008 global financial crisis, appear to more pessimistic about the US dollar's future share of global reserves and more optimistic about that of gold. Nonetheless, it is notable too that the percentage of advanced economy respondents who believe that gold's share of global reserves will rise has increased significantly from 38% in 2023 to 57% in 2024.

Chart 2: What proportion of total reserves (foreign exchange and gold) do you think will be denominated in gold 5 years from now? (2022-2024 responses shown).



2024 Base: All central banks (68); Advanced economy (23); EMDE (45). 2023 Base: All central banks (57); Advanced economy (13); EMDE (44). 2022 Base: All central banks (56); Advanced economy (13); EMDE (43). See Note 2 for a detailed explanation of the answer options.

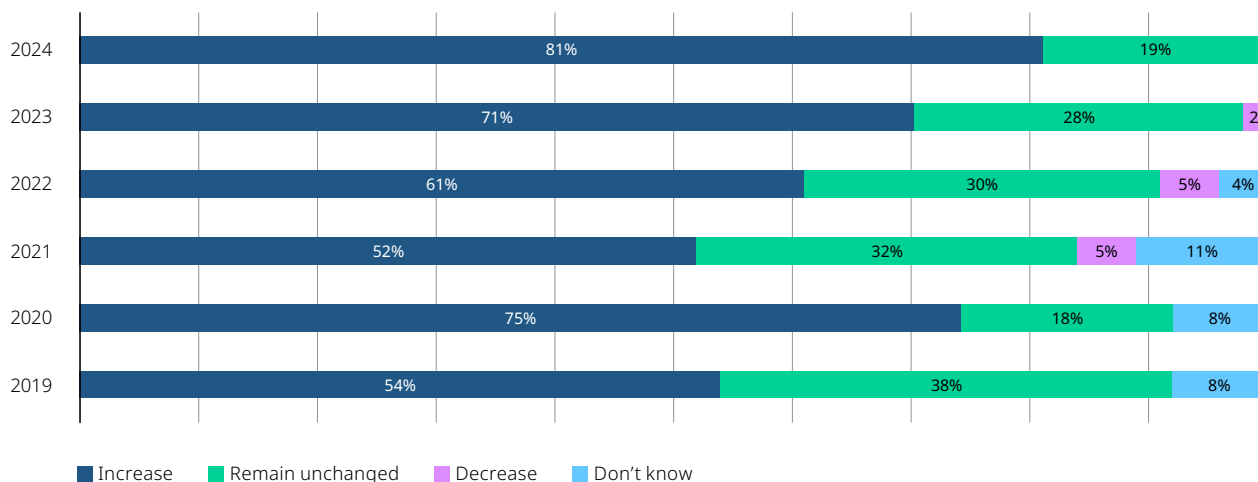
- The proportion of US dollars in total reserves (foreign currency and gold) on which respondents were asked to base their view was different in each survey year: 49% (2024), 51% (2023), 51% (2022). Correspondingly, the answer options varied in each survey year and are therefore presented with descriptions in this chart. The answer options in each year were: Significantly lower: less than 40% (2024), less than 40% (2023), less than 40% (2022); Moderately lower: between 40-48% (2024), between 40-50% (2023), between 40-50% (2022); Unchanged: 49% (2024), 51% (2023), 51% (2022); Moderately higher: between 50-60% (2024), between 52-60% (2023), between 52-60% (2022); Significantly higher: greater than 60% (2024), greater than 60% (2023), greater than 60% (2022).
- The proportion of gold in total reserves (foreign currency and gold) on which respondents were asked to base their view was different in each survey year: 16% (2024), 15% (2023), 14% (2022). Correspondingly, the answer options varied in each survey year and are therefore presented with descriptions in this chart. The answer options in each year were: Significantly lower: less than 10% (2024), less than 10% (2023), less than 10% (2022); Moderately lower: between 10-15% (2024), between 10-14% (2023), between 10-13% (2022); Unchanged: 16% (2024), 15% (2023), 14% (2022); Moderately higher: between 17-25% (2024), between 16-25% (2023), between 15-25% (2022); Significantly higher: greater than 25% (2024), greater than 25% (2023), greater than 25% (2022).



Hence, this year’s survey continues the trend observed in previous surveys of a growing role for gold in global reserves. While EMDE central banks exhibit stronger optimism about gold’s future share of global reserves (and corresponding stronger pessimism about the USD dollar’s future share), there is a notable shift in advanced economy central banks towards the same perspective.

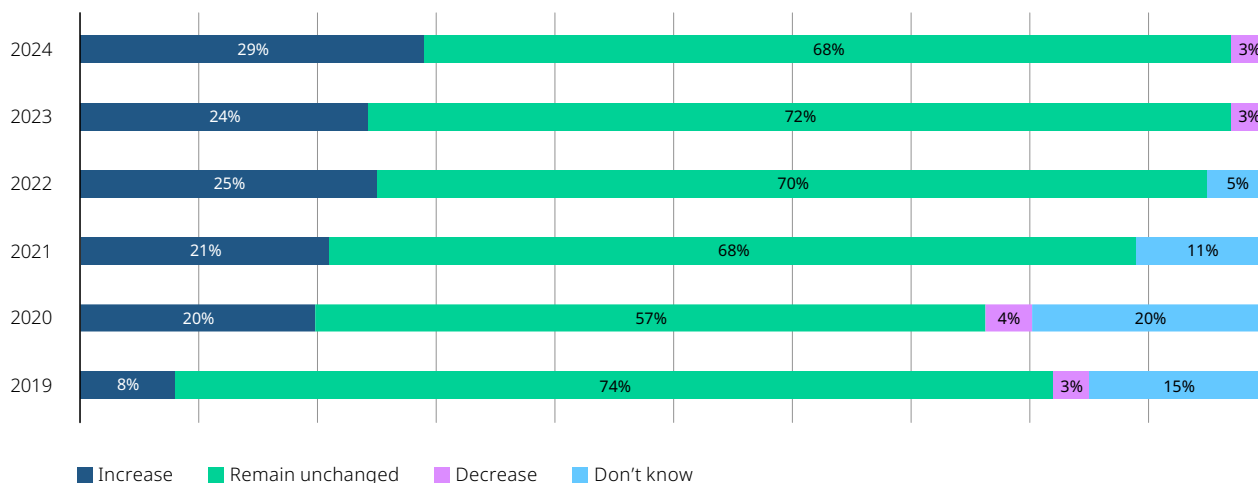
Overall, central banks view gold’s prospects as a reserve asset over the next twelve months slightly more favourably than last year, with 81% saying that global central bank gold holdings will rise in the next twelve months compared to 71% last year (Chart 3). Compared to last year, a slightly higher proportion of respondents (29%) say they have plans to increase their own gold holdings in the next twelve months (Chart 4). Both of these responses represent the highest level of positivity towards gold since we began asking this question in 2019.

Chart 3: How do you expect global central bank gold holdings to change over the next 12 months?



2024 Base: All central banks (69); Advanced economy (24); EMDE (45). "Don't know" was removed as a option from the 2023 survey onwards.

Chart 4: How do you expect your institution’s gold reserves to change over the next 12 months?



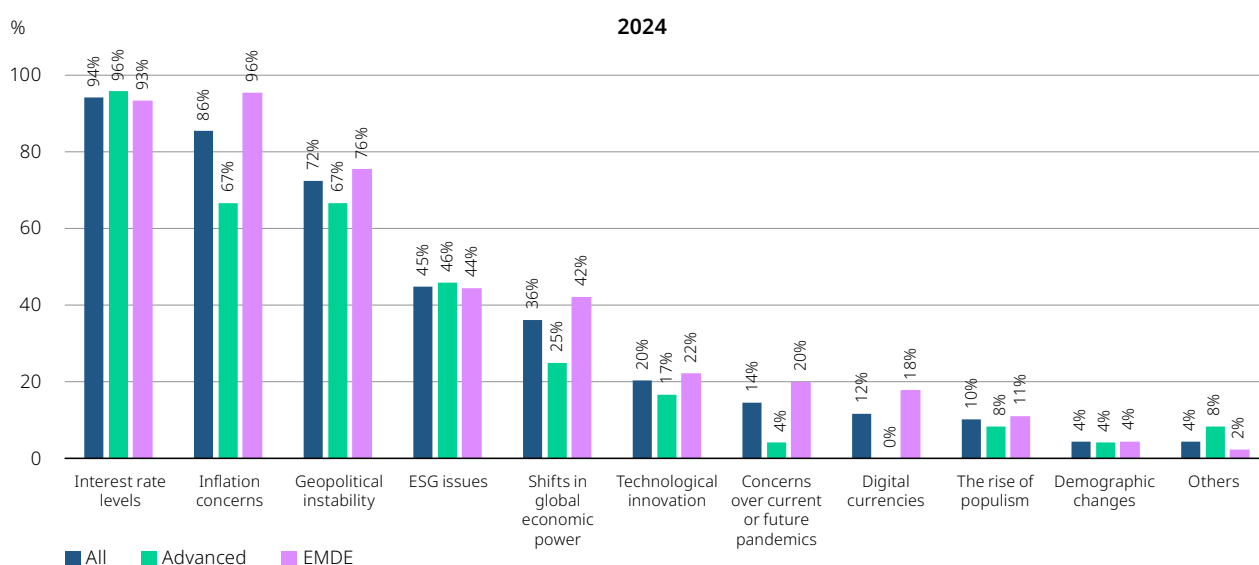
2024 Base: All central banks (69); Advanced economy (24); EMDE (45). "Don't know" was removed as a option from the 2023 survey onwards.



Strategic Considerations in Reserves Management

In 2024, 71% of respondents reported higher total reserve levels than five years ago, little changed from the 69% reported last year (Q3, page 11). Among the factors that influence reserve management decisions, “interest rate levels”, “inflation concerns”, and “geopolitical instability” continue to occupy the top three positions as they did last year. As noted in previous surveys, a dichotomy of attitudes persists between advanced economy and EMDE central banks in their views towards some of these factors. While both groups were aligned in their views towards the top factor – “interest rate levels” – other factors resulted in split opinions. Interestingly, while both groups of central banks rated the second and third factor – “inflation concerns” and “geopolitical instability” – similarly in 2023, the divergence is apparent in 2024. This year, 96% and 76% respectively of EMDE central banks rated “inflation concerns” and “geopolitical instability” as relevant, while only 67% of their advanced economy counterparts did. Compared to their advanced economy peers, EMDE central banks are more concerned by “shifts in global economic power” (Chart 5).

Chart 5: What topics are relevant for your reserve management decisions? (Select all that apply).



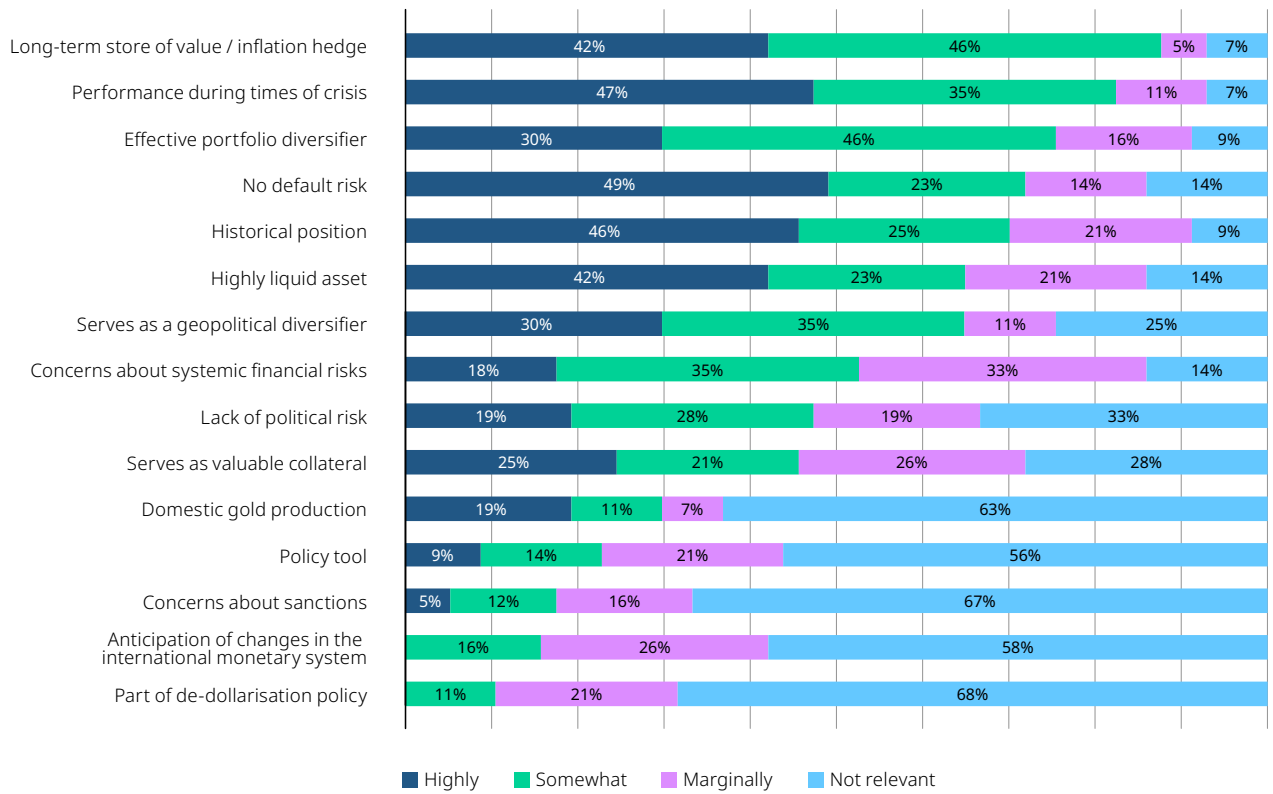
Base: All central banks (69); Advanced economy (24); EMDE (45).

This year, 83% of central banks surveyed hold gold as part of their total international reserves, a percentage that is in line with previous results (Q9, page 17). While in prior years, gold's “historical position” was the top reason for central banks to hold gold, this factor dropped significantly to number five this year. This year, the top reason for central banks to hold gold is “long-term store of value / inflation hedge” (88%), followed by “performance during times of crisis” (82%), “effective portfolio diversifier” (75%) and “no default risk” (72%) (Chart 6).

When broken into advanced economy and EMDE responses (Chart 7), a higher proportion of EMDE central banks viewed the following factors as more relevant – “concerns about systemic financial risks”, “lack of political risk”, “concerns about sanctions”, “policy tool” and “anticipation of changes in the international monetary system”. In fact, no advanced economy respondents rated the latter three reasons as relevant. Nevertheless, a notable convergence between EMDE and advanced economy respondents' views towards gold has emerged in this year's survey. Whereas previous surveys showed wide gaps in how both camps viewed factors like “effective portfolio diversifier”, “performance during times of crisis”, and “highly liquid asset”, the divergence narrowed significantly this year. Advanced economy central banks appear to be valuing gold's financial role to a higher degree compared to previous years.



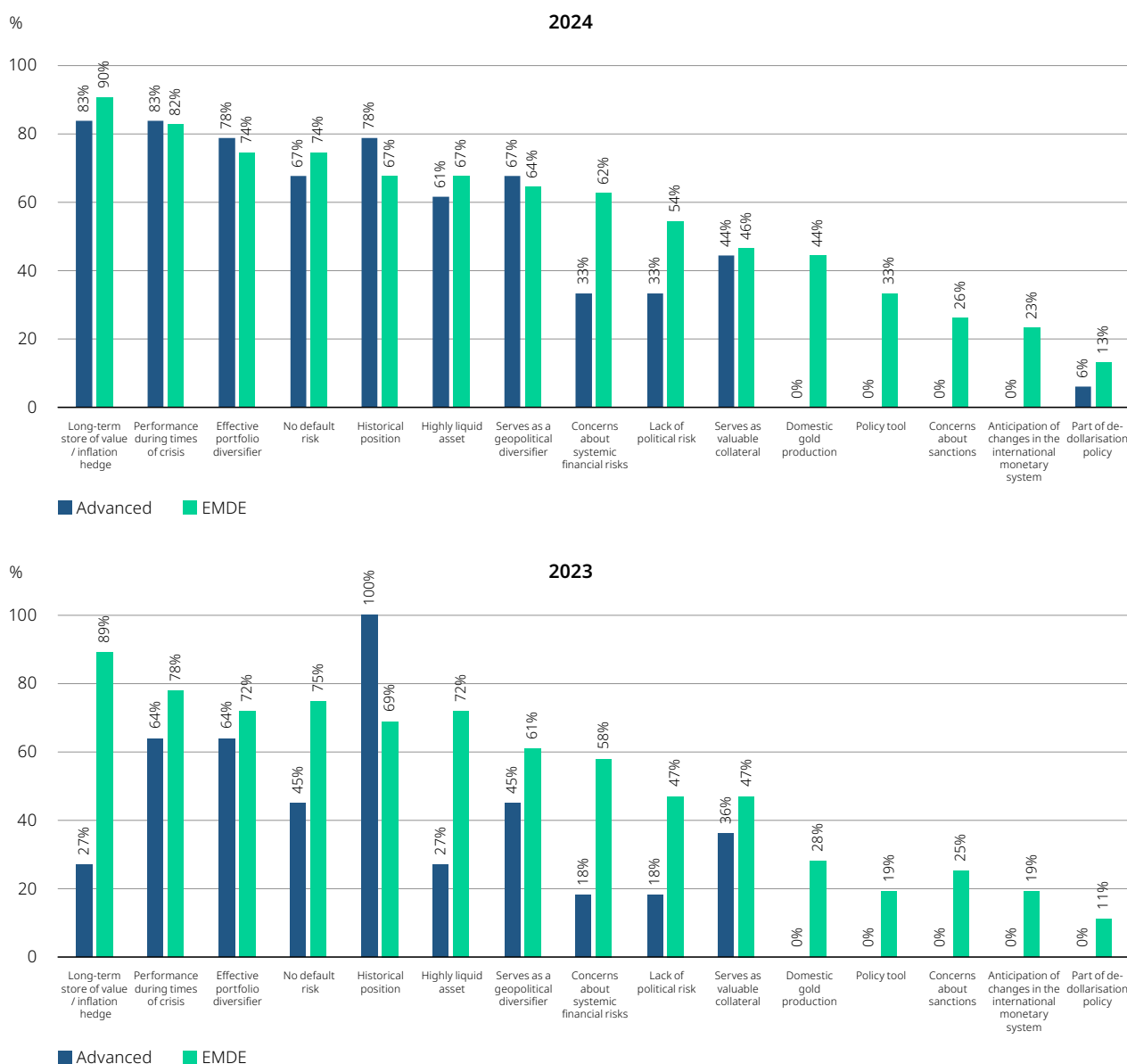
Chart 6: How relevant are the following factors in your organisation’s decision to hold gold?



Base: All central banks that hold gold (57); Advanced economy (18); EMDE (39). Ranked by "highly relevant" plus "somewhat relevant".



Chart 7: How relevant are the following factors in your organisation’s decision to hold gold? (2023 vs. 2024).



2024 Base: All central banks that hold gold (57); Advanced economy (18); EMDE (39). 2023 Base: All central banks that hold gold (47); Advanced economy (11); EMDE (36). Ranked by “highly relevant” plus “somewhat relevant” based on 2024 responses.

These results seem to reflect an underlying theme of EMDE central banks, but also increasingly advanced economy central banks, valuing gold’s strategic role amidst uncertain geopolitical times and renewed concerns about financial stability. This underscores the challenging economic and strategic circumstances faced by both groups.



Technical and Operational Considerations of Reserves Management

Among survey respondents, 67% manage gold separately from other reserve assets, a decrease compared to 83% last year (Q18, page 24). There was a corresponding increase – from 8% last year to 23% this year – in respondents which manage gold in the investment tranche. With regard to the reasons for managing gold separately, 79% of advanced economy respondents chose “it is a historical legacy asset” as a relevant reason. 71% of both advanced economy and EMDE respondents chose “it is a strategic asset” as a relevant reason. Meanwhile, 21% of EMDE respondents chose “different accounting regimes compared to other asset classes” while no advanced economy respondent picked this option.

London Good Delivery³ bars continue to be the most popular option for physical gold, with more than half of respondents buying physical gold in that form and nearly all respondents holding physical gold in that form, while kilo bars and doré were much less popular options (Q21, page 26 and Q22, page 27).

This year, 19% of respondents have considered upgrading gold holdings that do not conform to Good Delivery standards (Q23, page 27). A small proportion of central banks (all EMDE central banks) say they would consider establishing a domestic gold purchase programme, and 15 EMDE central banks state that they already have such a programme in place. Of these 15, two refine their domestically purchased gold at a refinery owned by the government, three at a private refinery in their country, and seven at a private refinery overseas. The majority of these EMDE central banks also pay the spot international gold price for their gold (Q25c, page 29).

The Bank of England continues to be the most popular storage location, with 55% of respondents vaulting there. Domestic storage increased from last year with 41% of respondents citing it as the location of their gold, compared to 35% last year (Q26, page 30). 74% of respondents indicate there has been no change in their custody arrangements over the last year, 4% indicate an increase in domestic storage and 4% indicate a decrease in domestic storage, and 19% preferred not to answer (Q27, page 30). Looking forward, 15% plan to make some change to their custody arrangements, while 67% have no plans to change and 19% preferred not to answer (Q28, page 31).

The proportion of respondents who actively manage their gold reserves increased to 37% this year from 33% last year and 28% in 2022. Of the 22 respondents that actively manage their gold, 86% indicate that the aim of active management is yield enhancement. Of the same 22 respondents, 13 are currently active in deposits and another three are considering being active in deposits. Swaps (giving gold as collateral) and forwards were the next popular forms of active management.

³ Refers to gold bars that meet the Good Delivery standards set by the London Bullion Market Association: www.lbma.org.uk/good-delivery/about-good-delivery



Conclusion

This year's Central Bank Gold Reserves Survey indicate continuing central bank interest in gold on the back of record levels of central bank gold buying. Geopolitical tensions and macroeconomic factors such as inflation and interest rates are front of mind for many central bank reserve managers. EMDE central banks in particular have expressed continuing concerns about the impact of geopolitics and potential financial instability on their reserve management decisions, with many valuing gold as a way to manage these risks. The future of the international monetary system continues to be in flux, with central banks expressing less confidence in the US dollar's sustained supremacy. In the face of these trends and an ever-changing investment environment, central bank gold demand is likely to remain robust.



Methodology

For the seventh year in a row, the World Gold Council has worked with YouGov to conduct a survey of central banks. The questionnaire was primarily designed by the World Gold Council with YouGov providing additional design consultation. Once the English questionnaire was approved, it was translated into four additional languages (Arabic, French, Russian, and Spanish) in order to make the survey accessible to a wide audience.

The questionnaire was scripted and set up on YouGov's secure survey system and was thoroughly tested before fieldwork was launched. The World Gold Council was given a test link to ensure it was satisfied with the way the survey had been implemented. Unique, anonymised links were then provided to the World Gold Council to send to their contacts within central banks around the world. Central banks that are under sanctions were not contacted. Fieldwork was conducted between 19 February and 30 April 2024, with a total of 70 eligible responses (up from 59 last year) representing a 47% response rate amongst all central banks who were contacted.

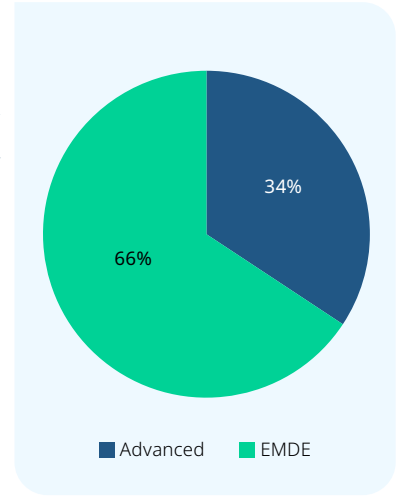
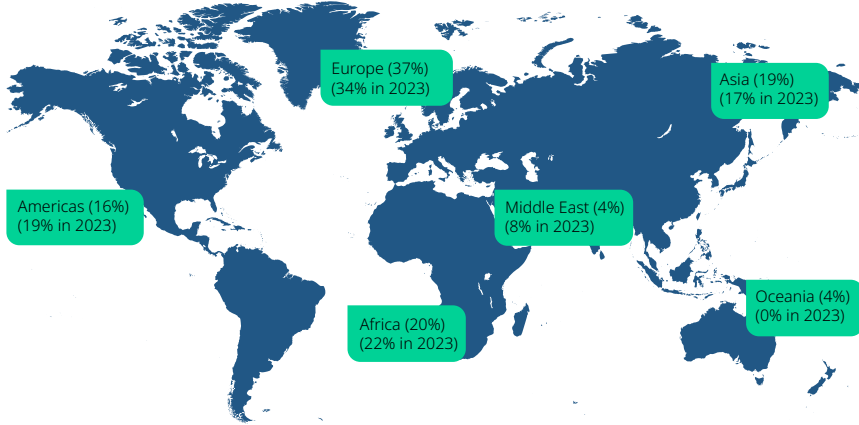
Data in the report is shown at an overall level but is also sub-divided by advanced economy countries and Emerging Market and Development Economy (EMDE) countries as defined by the IMF.



Detailed Results

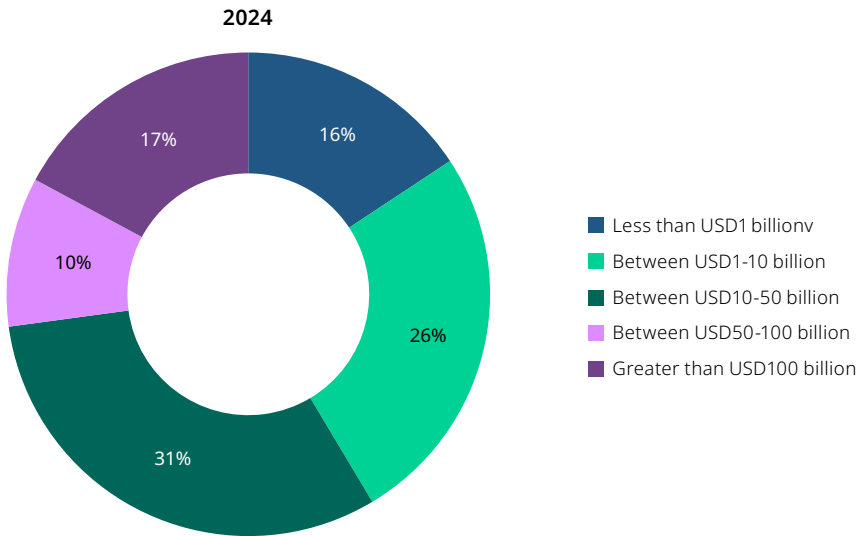
Q1. Please indicate within which region your institution is located.

70 central banks responded with 34% from advanced economies and 66% from EMDE countries.



Base: All central banks (70); Advanced economy (24); EMDE (46).

Q2. Please indicate the current size of your institution’s total reserves (foreign exchange and gold).



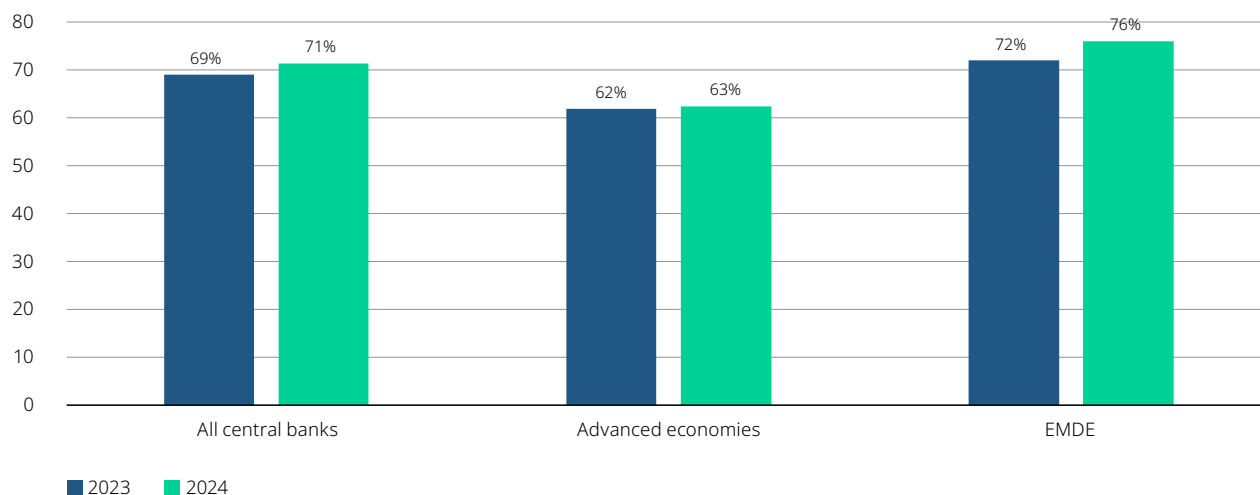
Base: All central banks (70); Advanced economy (24); EMDE (46).



Q3. Is your institution holding a higher level of total reserves (foreign exchange and gold) now than it was 5 years ago?

The proportion of central banks holding a higher level of total reserves now than 5 years ago is 71%, which is similar to last year. The proportion of EMDE central banks which responded “Yes” is 76%, higher than the 63% among advanced economy central banks.

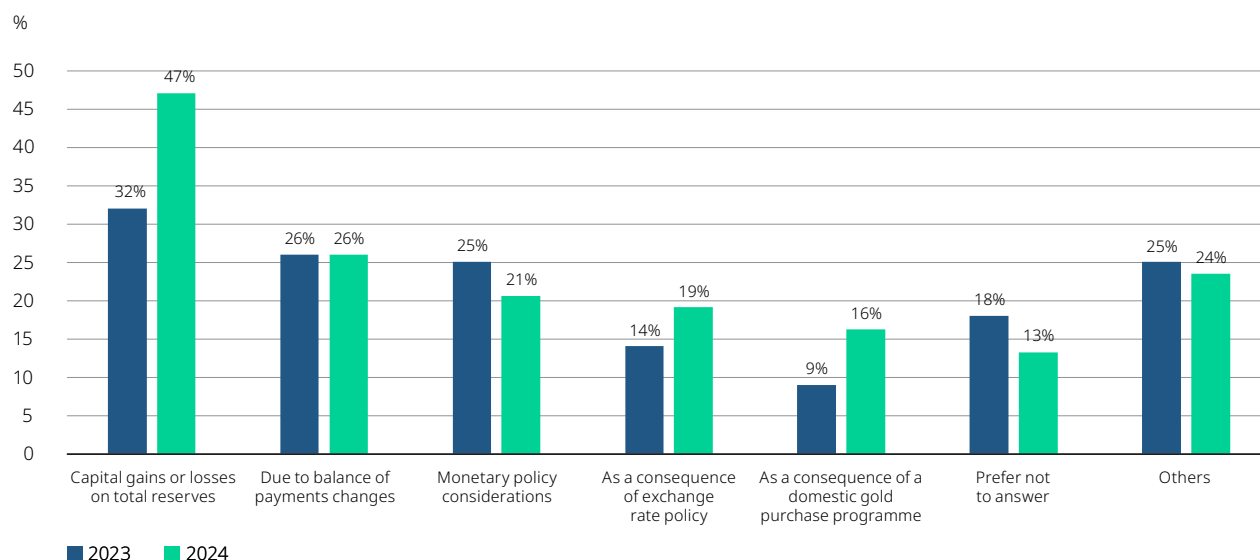
% answered “yes”



Base: All central banks (70); Advanced economy (24); EMDE (46).

Q3a. Please indicate the reason for any change in your institution's level total reserves (foreign exchange and gold) compared to 5 years ago. (Select all that apply).

“Capital gains or losses on total reserves” is the most relevant reason, followed by “due to balance of payments changes” and “monetary policy considerations”.



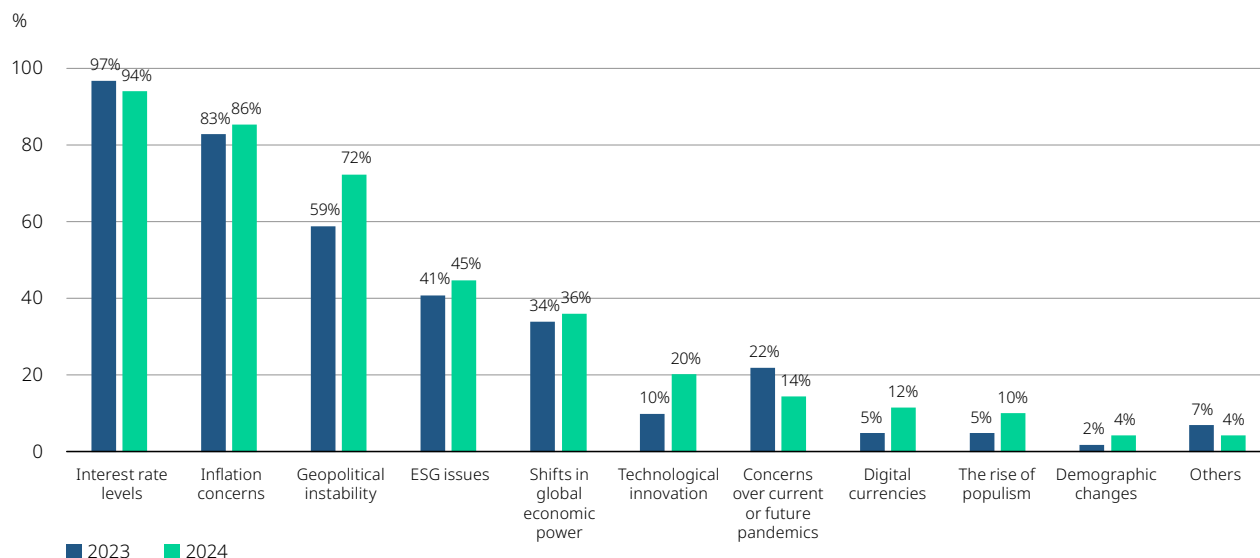
Base: All central banks (70); Advanced economy (24); EMDE (46).



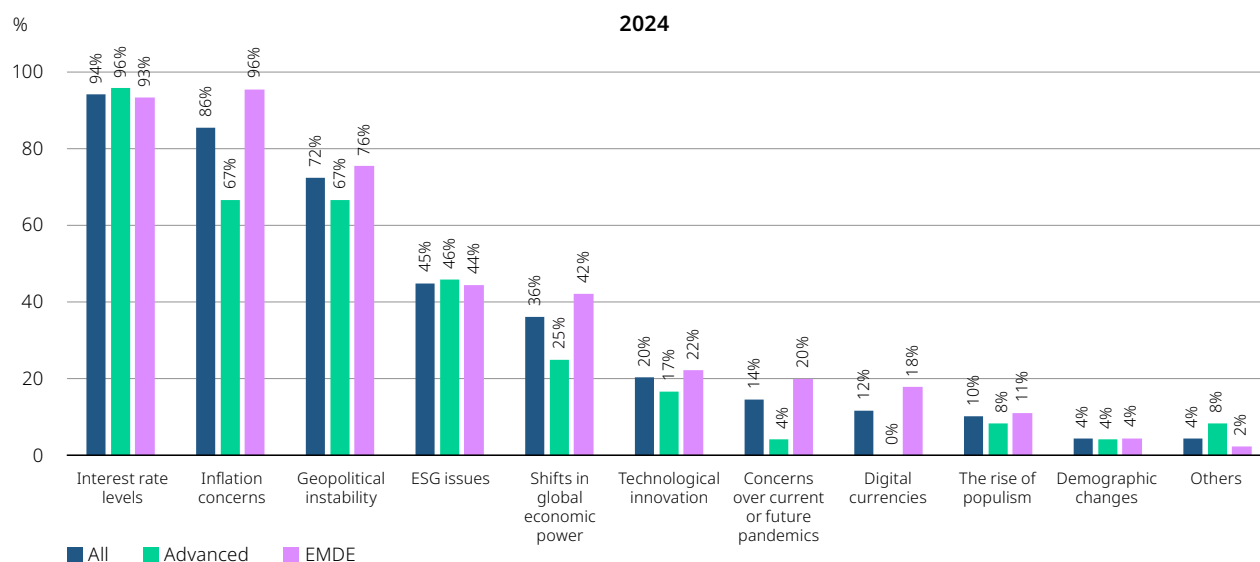
Q4. What topics are relevant for your reserve management decisions? (Select all that apply).

Similar to last year, “interest rate levels” is the most relevant topic, followed by “inflation concerns” and then “geopolitical instability”.

For EMDE central banks, “inflation concerns” is the top factor with 96% choosing this option. For this group of central banks, “interest rate levels” is a close second at 93%. For advanced economy central banks, “interest rate levels” is the top factor with 96% choosing this option. For this group of central banks, 67% chose “inflation concerns” – a significantly lower percentage compared to their EMDE counterparts.



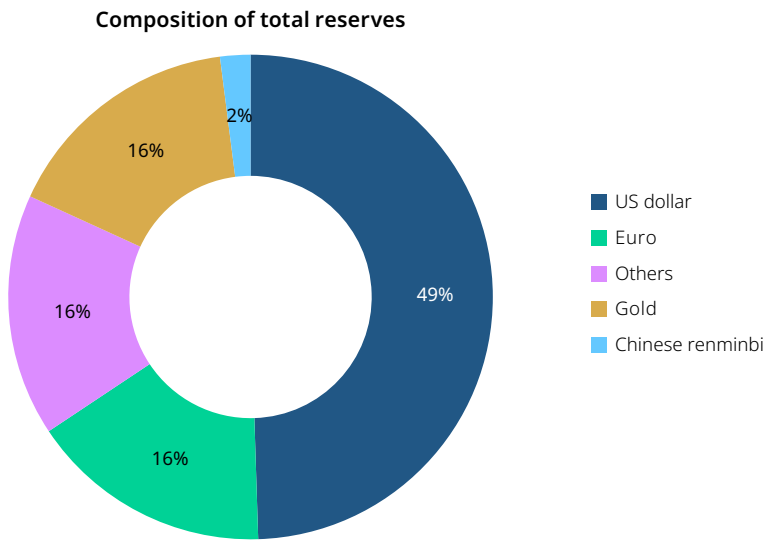
Base: All central banks (69); Advanced economy (24); EMDE (45). “Inflation concerns” and “Geopolitical instability” were added in 2022. “Concerns over future pandemics” was added in 2021.



Base: All central banks (69); Advanced economy (24); EMDE (45). “Inflation concerns” and “Geopolitical instability” were added in 2022. “Concerns over future pandemics” was added in 2021.



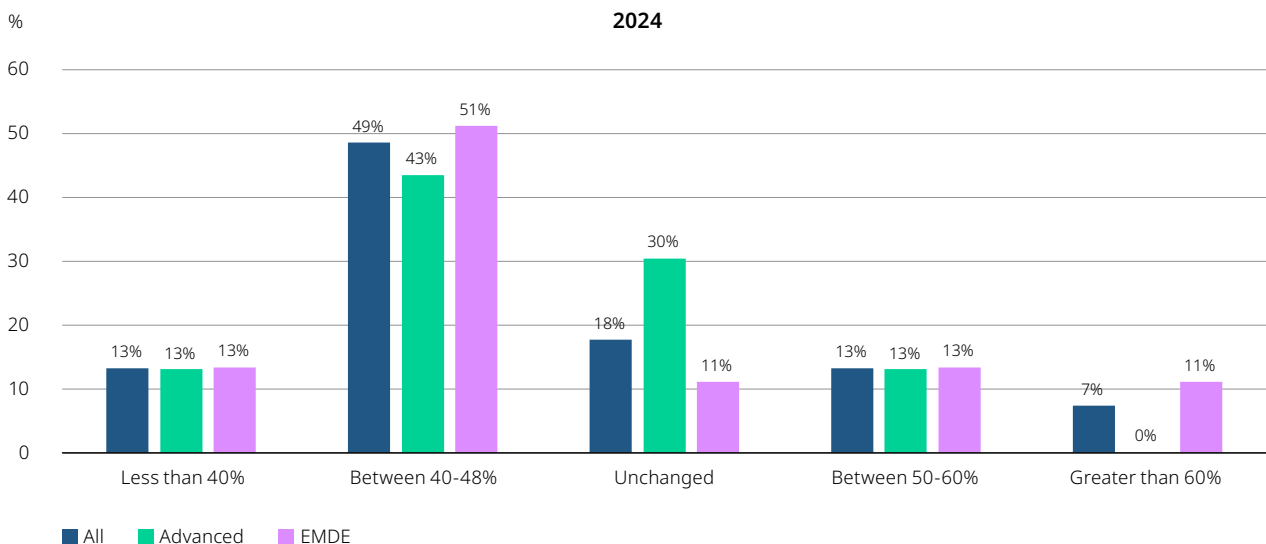
All respondents were shown the chart below detailing the composition of total reserves (foreign exchange and gold) as of the end of Q3 2023. Respondents were then asked about what proportion of total reserves (foreign exchange and gold) they expect to be denominated in US dollars, euros, Chinese renminbi, and gold in five years' time.



Based on Q3 2023 IMF COFER data with gold added into the total, calculated excluding unallocated reserve assets. Source: IMF COFER and World Gold Council

Q5. US dollars accounted for 49% of total reported reserves (foreign exchange and gold) in Q3 2023. What proportion of total reserves (foreign exchange and gold) do you think will be denominated in US dollars 5 years from now?

62% of respondents expect the US dollar to decline as a proportion of total reserves in the next 5 years, up from 55% last year and 42% in 2022. Similar to last year, EMDE central banks are less optimistic on the role of the US dollar, with 64% expecting the US dollar to decline in proportion, as compared to 56% of advanced economy central banks



Base: All central banks (68); Advanced economy (23); EMDE (45).



Select comments from respondents provide additional insight into their views of the US dollar:

“Although US dollar will remain as the main reserve currency because of its extensive use in international trade and finance, its importance is going to diminish gradually with the rise of alternative reserve currencies such as RMB and the increase in the bilateral trade agreements and swap lines among countries.”

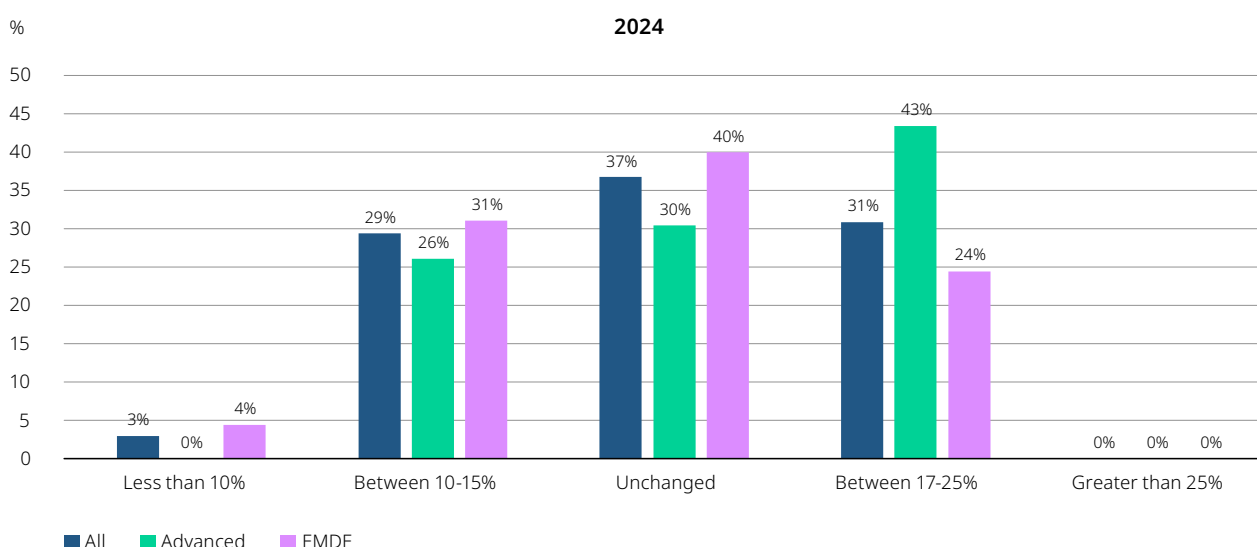
“The role of the dollar is being slowly challenged, especially the so-called weaponisation of the dollar. The ability to access your USD reserves can be determined by the US at times of sanctions.”

“Our reserve is very much USD centric because of: 1) Returns due to interest rate differential 2) USD dominates our international trade basket.”

Comments from respondents may have been edited for clarity or translated into English.

Q6. Euros accounted for 16% of total reported reserves (foreign exchange and gold) in Q3 2023. What proportion of total reserves (foreign exchange and gold) do you think will be denominated in euros 5 years from now?

Overall, respondents’ views on the euro are quite evenly split - 32% of respondents expect the future share of the euro to decline while 31% expect it to increase. EMDE central banks are less optimistic on the role of the Euro, with 35% expecting the Euro to decline in proportion, as compared to 26% of advanced economy central banks.



Base: All central banks (68); Advanced economy (23); EMDE (45).

Select comments from respondents provide additional insight into their views of the Euro:

“Despite relatively weak EU macroeconomic fundamentals and fragmented financial markets, the euro is an important foreign reserves diversifier.”

“Given the current position of the euro as a major reserve currency and ongoing efforts to strengthen the eurozone's economic and financial stability, it's plausible to anticipate a modest increase in the proportion of total reserves denominated in euros over the next five years. However, a significant surge in the euro's share of reserves may depend on factors such as geopolitical developments, the European Central Bank's monetary policy decisions, and the eurozone's economic performance relative to other regions.”

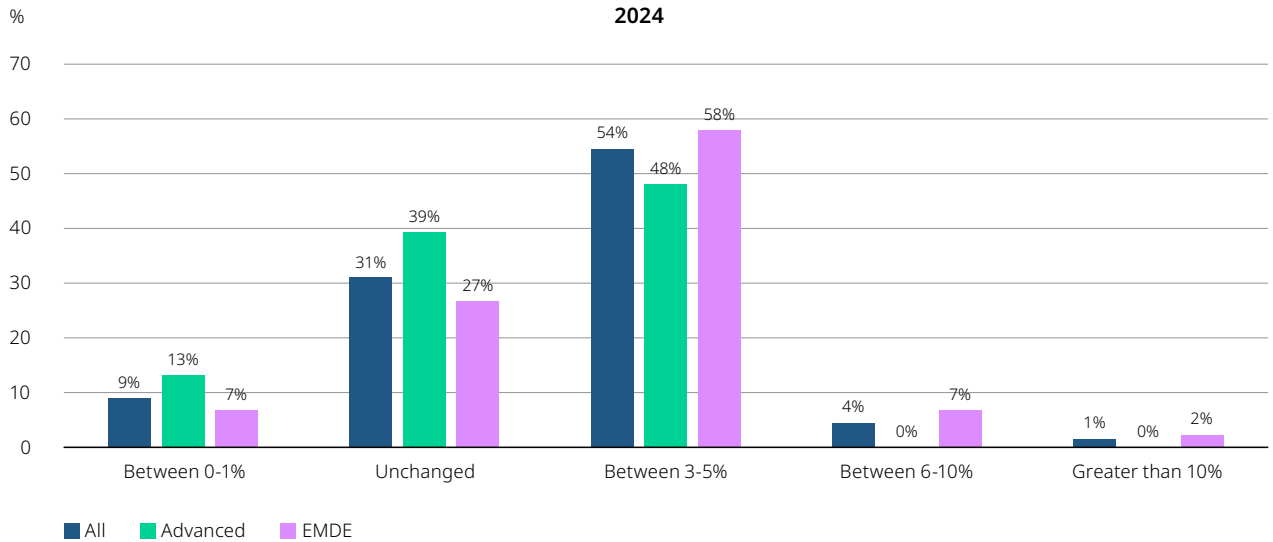
“As rates in Euro area continue to increase and stay in the positive territory and the euro-dollar parity strengthen, the euro holdings of central banks are expected to increase to some extent.”

Comments from respondents may have been edited for clarity or translated into English.



Q7. Chinese renminbi accounted for 2% of total reported reserves (foreign exchange and gold) in Q3 2023. What proportion of total reserves (foreign exchange and gold) do you think will be denominated in Chinese renminbi 5 years from now?

59% of respondents expect the Chinese renminbi's share to increase, down from 79% last year.



Base: All central banks (68); Advanced economy (23); EMDE (45).

Select comments from respondents provide additional insight into their views of the Chinese renminbi:

“Due to uncertainties surrounding the evolution of the Chinese economy and geopolitical factors, we do not anticipate a significant increase in central bank's investments in RMB.”

“Based on our foreign trade data and geographical location, we tend to maintain a long FX position on the RMB.”

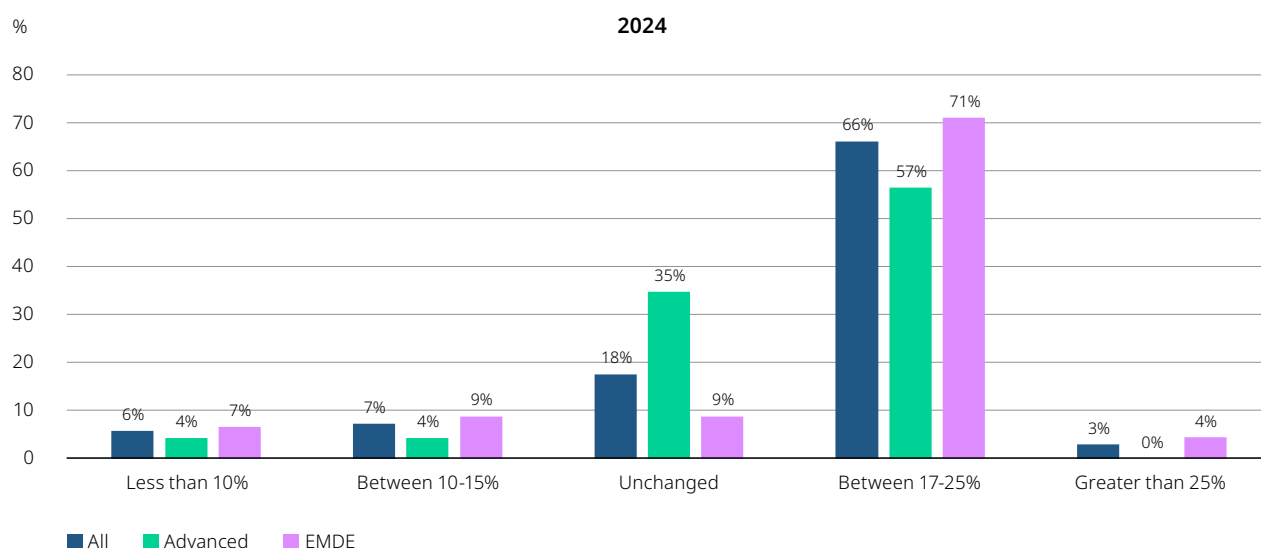
“The current allocation of reserves indicates a relatively small proportion held in Renminbi, reflecting the gradual internationalization of the Chinese currency. However, as China continues its efforts to promote the renminbi as a global reserve currency and enhances its financial infrastructure, we may see a gradual increase in its share of total reserves over the next five years.”

Comments from respondents may have been edited for clarity or translated into English.



Q8. Gold accounted for 16% of total reported reserves (foreign exchange and gold) in Q3 2023. What proportion of total reserves (foreign exchange and gold) do you think will be denominated in gold 5 years from now?

57% of advanced economy respondents think gold’s share will rise while 75% of EMDE respondents believe it will do so. The percentage of advanced economy respondents who believe that gold’s share of global reserves will rise has increased significantly from 38% in 2023. Meanwhile, 35% of advanced economy respondents think that gold’s share will remain unchanged 5 years from now, a view shared by only 9% of EMDE respondents. The proportion of respondents who think that gold’s share will rise has increased in recent years, from 46% in 2022 to 62% in 2023, and finally to 69% this year.



Base: All central banks (68); Advanced economy (23); EMDE (45).

Select comments from respondents provide additional insight into their views of gold:

“Gold's long-standing status as a reliable store of value and hedge against economic uncertainties suggests that its proportion within total reserves may remain relatively stable or experience modest fluctuations within the range of 17-25%. This dual perspective underscores the evolving landscape of reserve currencies and the enduring appeal of precious metals in safeguarding against market volatility”

“Being a hedge against inflation, market volatility and geopolitical risks, the share of gold is expected to increase in a gradual manner if the current inflationary environment, financial uncertainty and/or geopolitical tensions continue despite the rise in global rates”

“It is most likely that Gold prices will continue its upward trajectory over the next decade due to the: 1) continued fragmentation of the world economy, 2) expectation that the USD will weaken.”

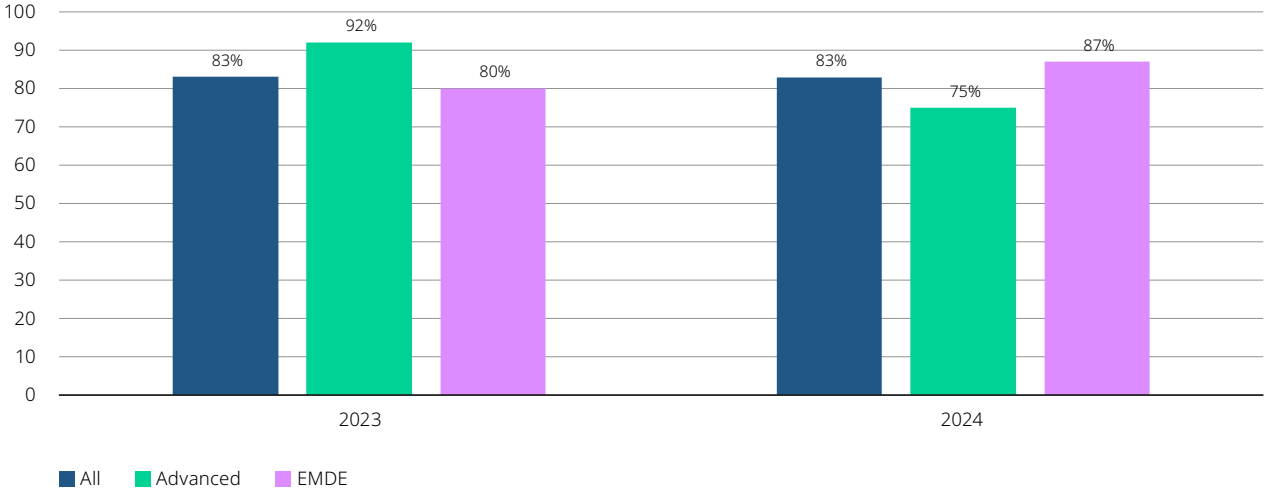
Comments from respondents may have been edited for clarity or translated into English.



Q9. Do you currently hold gold as part of your total reserves?

83% of central banks hold gold in their reserves, the same percentage as last year.

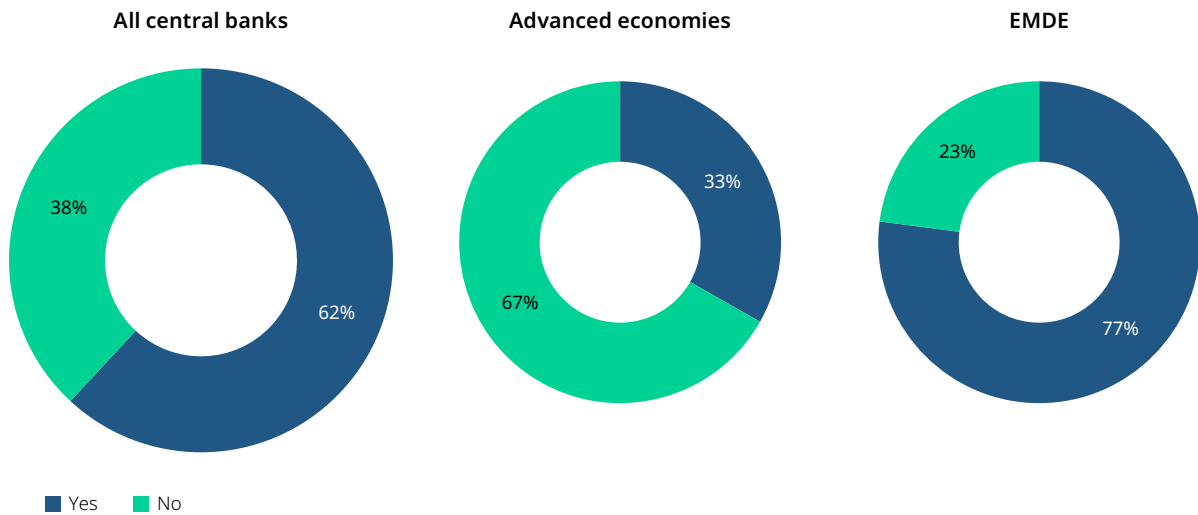
% answered "yes"



Base: All central banks (70); Advanced economy (24); EMDE (46).

Q10. Have you bought or sold any gold, or used any gold management tools (e.g. deposits, swaps, options, forwards, ETFs) in the last 5 years? *New question for 2024 survey.*

62% of central banks responded "yes". A significantly higher proportion of EMDE central banks (77%) indicated "yes" as compared to their advanced economy counterparts (33%).

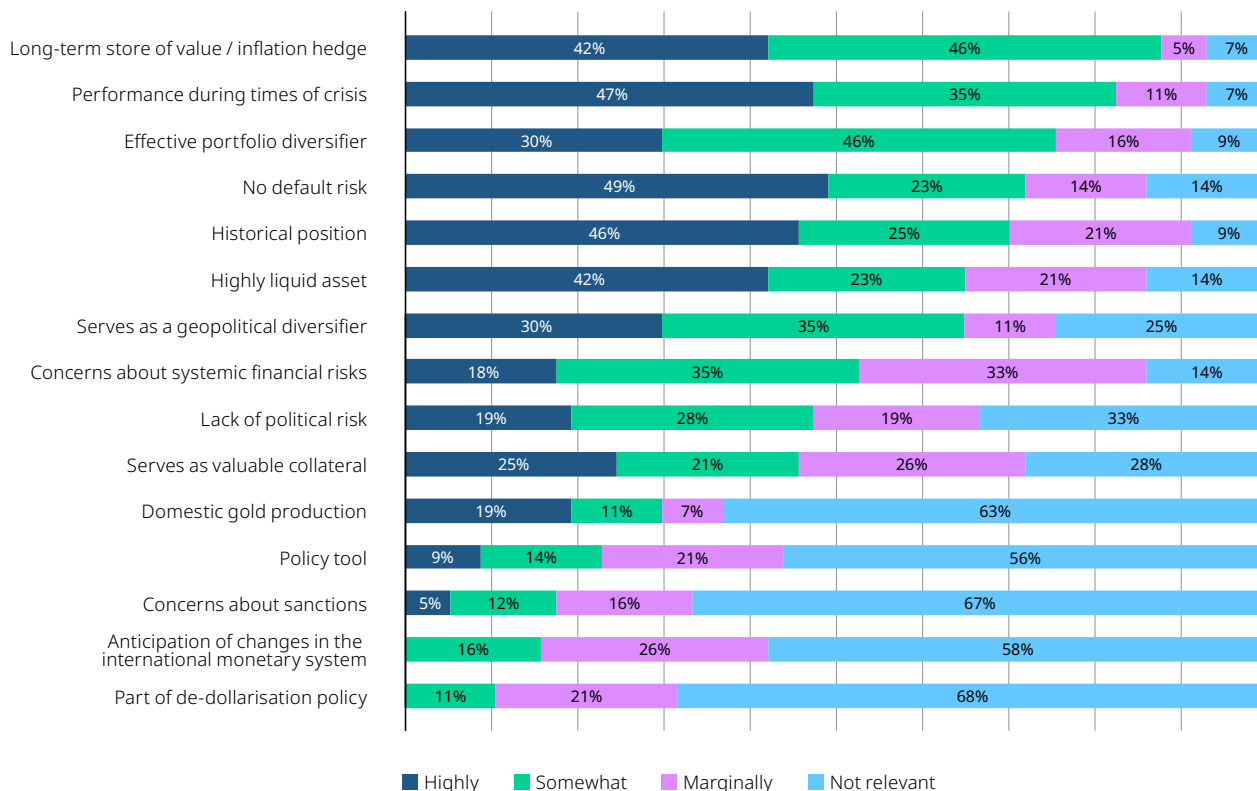


Base: All central banks that hold gold (57); Advanced economy (18); EMDE (39).



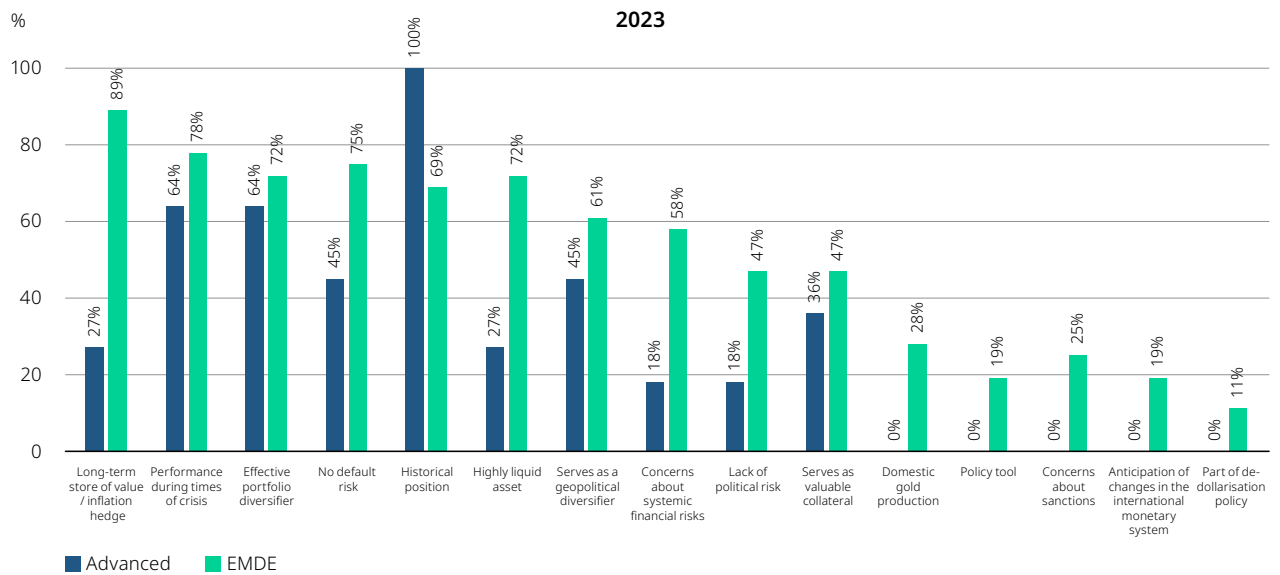
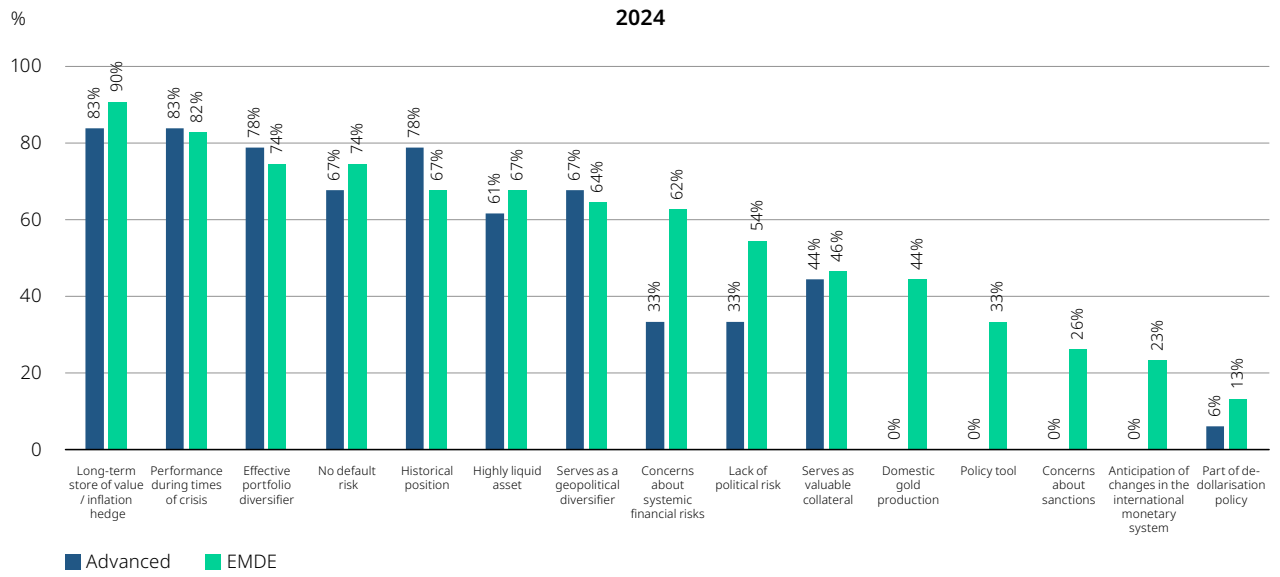
Q11. How relevant are the following factors in your organization's decision to hold gold?

This year, the top reason for central banks to hold gold is “long-term store of value / inflation hedge” (88%), followed by “performance during times of crisis” (82%), “effective portfolio diversifier” (75%) and “no default risk” (72%). While gold’s “historical position” was in prior years the top reason for central banks to hold gold, this factor dropped significantly to number five this year.



Base: All central banks that hold gold (57); Advanced economy (18); EMDE (39).
 Ranked by adding “Highly relevant” and “Somewhat relevant”.

A higher proportion of EMDE central banks viewed the following factors as more relevant – “concerns about systemic financial risks”, “lack of political risk”, “concerns about sanctions”, “policy tool” and “anticipation of changes in the international monetary system”. No advanced economy respondents rated the latter three reasons as relevant. There has been a significant convergence in views between advanced economy and EMDE central banks towards the factors which are relevant to hold gold. “Performance during times of crisis” was rated as highly- or somewhat relevant by 83% of advanced economy respondents and 82% of EMDE respondents, “serves as a geopolitical diversifier” by 67% and 64% respectively, and “highly liquid asset” by 61% and 67% respectively. This is a notable departure from the divergence in views between the two groups of central banks observed in previous surveys.



2024 Base: All central banks that hold gold (57); Advanced economy (18); EMDE (39), 2023 Base: All central banks that hold gold (47); Advanced economy (11); EMDE (36). Ranked by "highly relevant" plus "somewhat relevant" based on 2024 responses.



Q12. How relevant are the following factors in your organization’s decision to not hold gold?

The small number (n=12) of central banks that indicated they do not currently hold gold were asked about the relevance of a variety of factors in their decision not to hold gold.

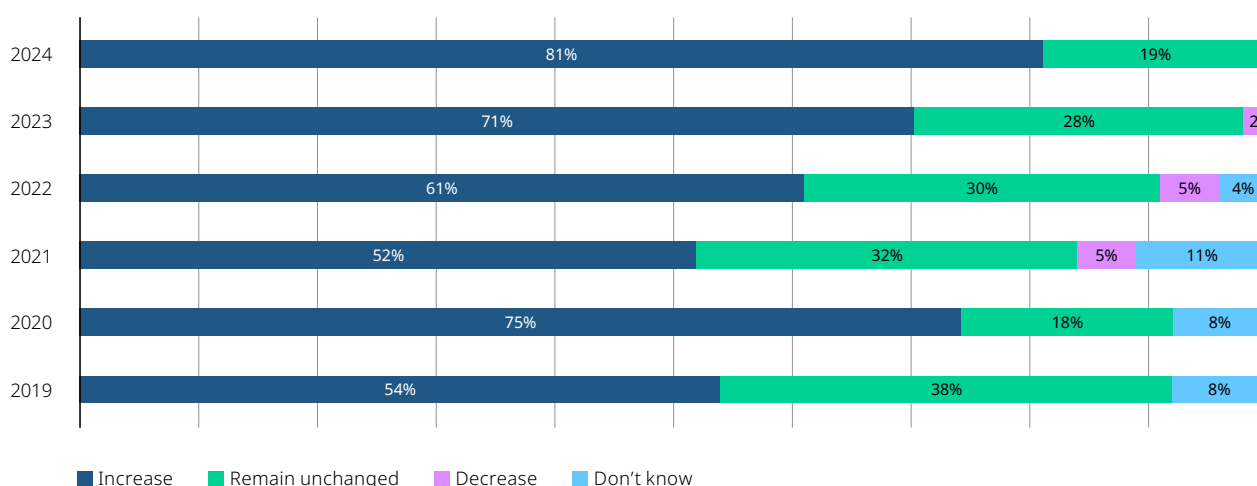
As this question has a very small number of respondents, percentages will not be meaningful. Hence, we have provided the raw data to give some indication of which factors are most relevant (highly or somewhat relevant), along with data from previous surveys for comparison.

	2023	2024
Preference for better yielding or higher returning assets	6 out of 10	9 out of 12
Higher volatility than other reserve assets	7 out of 10	6 out of 12
Unsure how to value gold	6 out of 10	6 out of 12
Costs of holding hold (vaulting or custodial fees, etc.)	5 out of 10	6 out of 12
Accounting related issues	5 out of 10	6 out of 12
Ability to transact in large sizes	4 out of 10	4 out of 12
Not enough understanding of the market	6 out of 10	3 out of 12
Not permitted under current investment guidelines	1 out of 10	3 out of 12
Difficulty in accessing relevant data	6 out of 10	2 out of 12
Headline risk	5 out of 10	2 out of 12
ESG concerns	3 out of 10	2 out of 12

Base: All central banks that do not hold gold (12); Advanced economy (6); EMDE (6).

Q13. How do you expect global central bank gold reserves to change over the next 12 months?

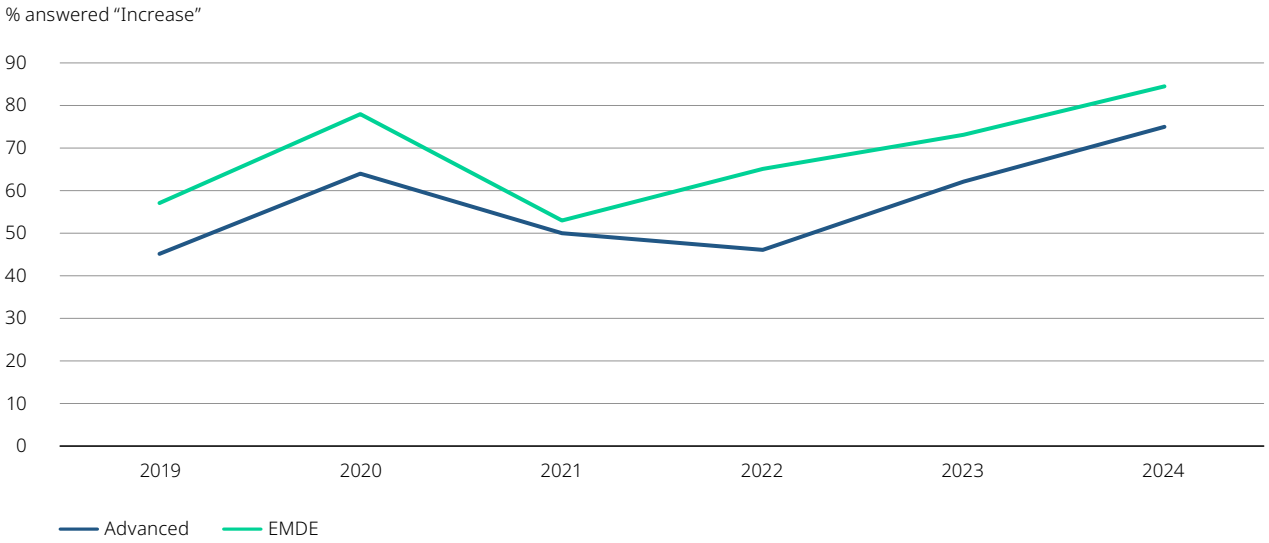
Central banks are more positive on the trajectory of gold reserves, with 81% of respondents stating they expect global gold reserves to increase over the next 12 months, as compared to 71% last year. This marks the highest proportion saying that central banks will increase their gold reserves since this question was included in our survey in 2019.



Base: All central banks (69); Advanced economy (24); EMDE (45). "Don't know" was removed as an option in 2023.



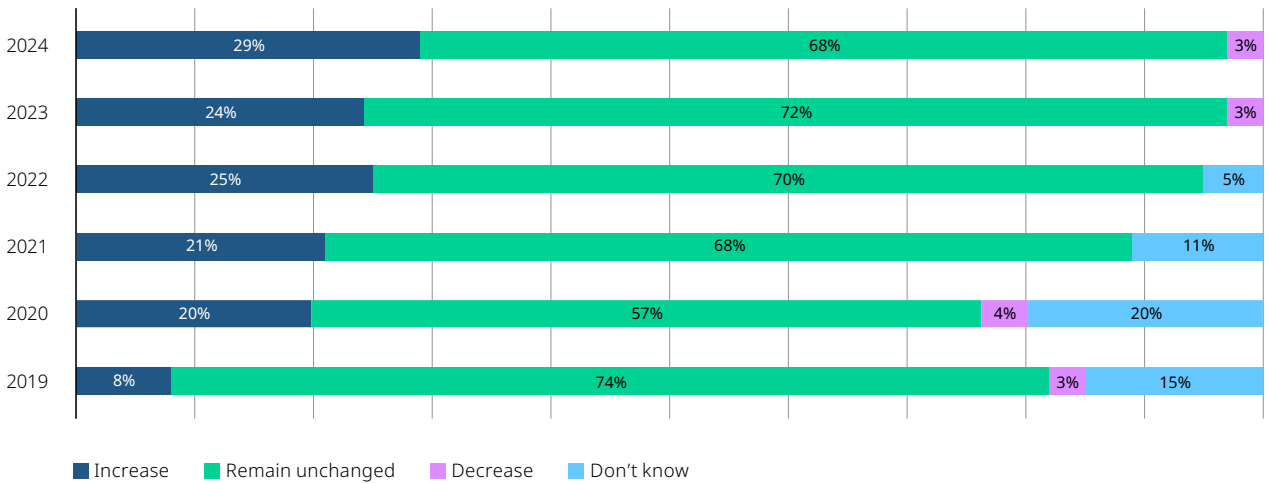
EMDE central bank respondents are more optimistic on gold's trajectory over the next 12 months, with the proportion of EMDE central banks expecting global gold reserves to increase consistently higher than the proportion of advanced economy central banks.



Base: All central banks (69); Advanced economy (24); EMDE (45).

Q14. How do you expect your institution's gold reserves to change over the next 12 months?

The proportion of central bank respondents that intend to increase their gold reserves is 29%, up slightly from 24% last year. The majority expect their gold reserves to remain unchanged, while a small proportion expect it to decrease. This marks the highest proportion saying that their institution will increase its gold reserves since this question was included in our survey in 2019.

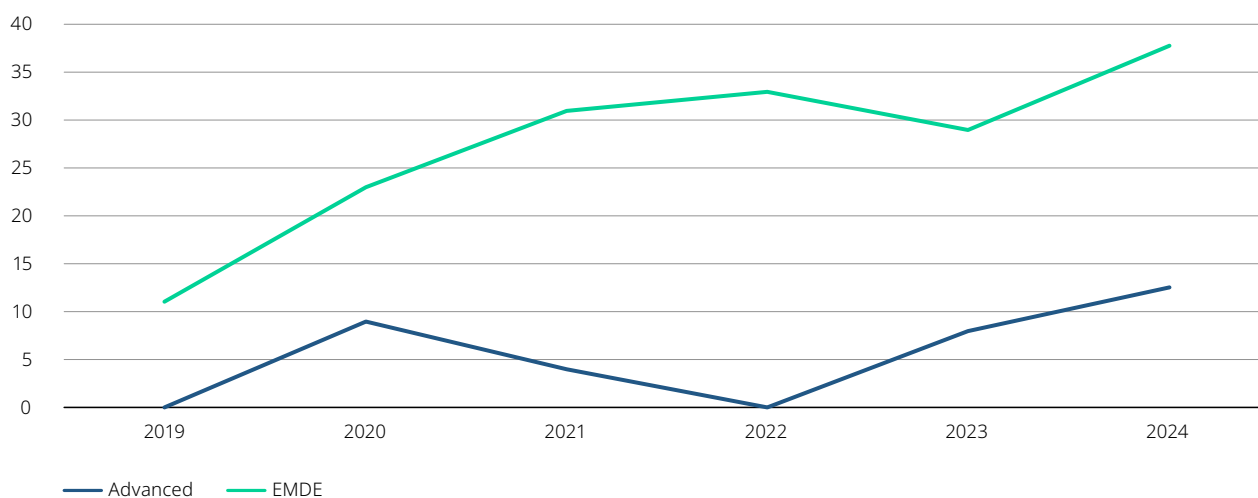


Base: All central banks (69); Advanced economy (24); EMDE (45). "Don't know" was removed as an option in 2023.



The proportion of EMDE central banks that intend to increase their gold reserves is substantially higher than the proportion of advanced central banks.

% answered "Increase"



Base: All central banks (69); Advanced economy (24); EMDE (45).

Q15. What factors are driving your institution's plan to increase gold reserves in the next 12 months? (Select all that apply).

The relatively small number of central banks (n=20) that told us they anticipate an increase in gold reserves in the next 12 months were asked about the factors influencing their decision. As this question has a very small number of respondents, percentages will not be meaningful. "Re-balancing of reserve allocations to a preferred strategic level" is the top factor.

	2023	2024
Re-balancing of reserve allocations to a preferred strategic level	8 out of 14	10 out of 20
More purchases from a domestic gold buying programme	9 out of 14	9 out of 20
Need for more gold as a hedging instrument (e.g. hedge against inflation, US dollar exposure, market instability, etc.)	3 out of 14	9 out of 20
Rise in the gold price	3 out of 14	9 out of 20
Rising inflation	6 out of 14	8 out of 20
Higher economic risks in reserve currency economies (e.g. rising budget deficit in the US, slower growth in advanced economies, etc.)	2 out of 14	8 out of 20
Rising political risk in advanced economies	3 out of 14	6 out of 20
Anticipation of a structural change in the international monetary system (a decrease in the share of advanced economy currencies and a rise in the share of emerging currencies)	2 out of 14	5 out of 20
Interest rate environment in advanced economies	1 out of 14	5 out of 20
Higher risk of a global financial crisis	6 out of 14	4 out of 20
Part of a policy of de-dollarisation	4 out of 14	4 out of 20
Uncertainty stemming from global pandemics	3 out of 14	4 out of 20
Increased need to include ESG compliant assets	2 out of 14	4 out of 20
Rising risk of central bank sanctions	1 out of 14	3 out of 20
Other	1 out of 14	3 out of 20
Rising political risk in emerging markets	0 out of 14	3 out of 20
US dollar weakness	0 out of 14	3 out of 20

Base: All central banks who intend to add gold (20); Advanced economy (3); EMDE (17).

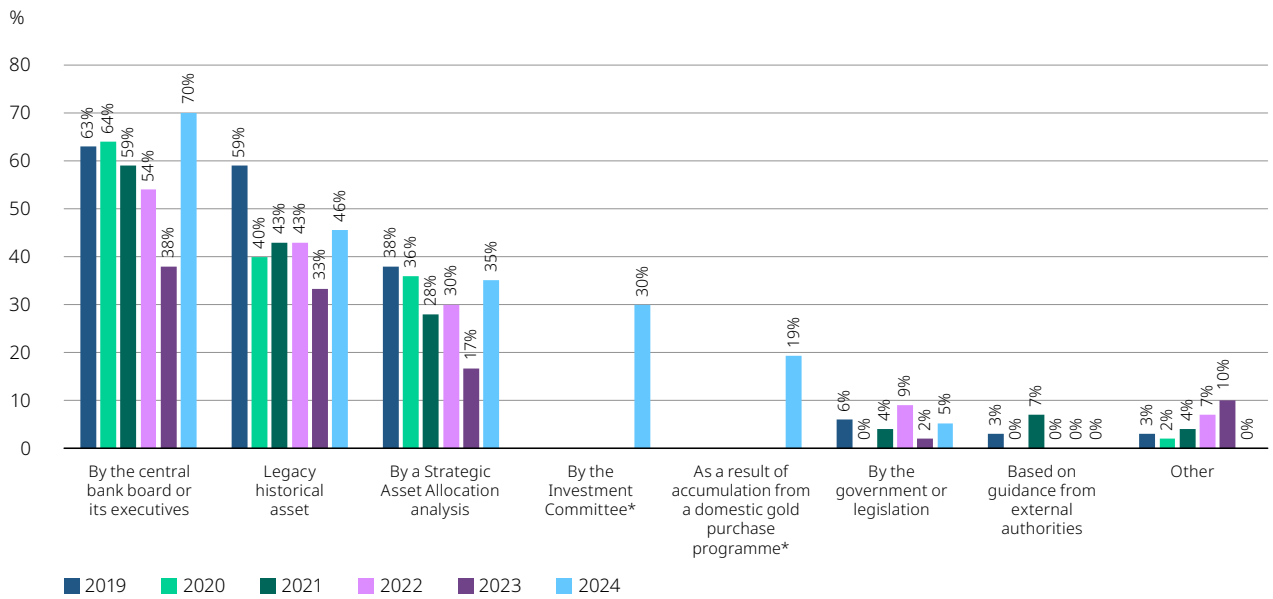


Q16. What factors are driving your institution’s plan to decrease gold reserves in the next 12 months? (Select all that apply).

The small number of central banks (n=2) that indicated they anticipate a decrease in gold reserves in the next 12 months were asked about the factors influencing their decision. Both respondents cite “re-balancing of reserve allocations to a preferred strategic level” and “need for liquidity” as reasons. One respondent cited “higher yields on advanced economy debt” as a reason. One respondent cited “decreased purchases from a domestic gold buying programme” as a reason.

Q17. Which of the following options best describes how you determined your gold reserves allocation? (Select all that apply).

The main way in which central banks determine their gold reserves allocation is by central bank board or its executives. Gold’s position as a legacy historical asset continues to be the second-most cited option, followed by determination by Strategic Asset Allocation analysis. “By the investment committee” and “As a result of accumulation from a domestic gold purchase programme” were added as options in this year’s survey.

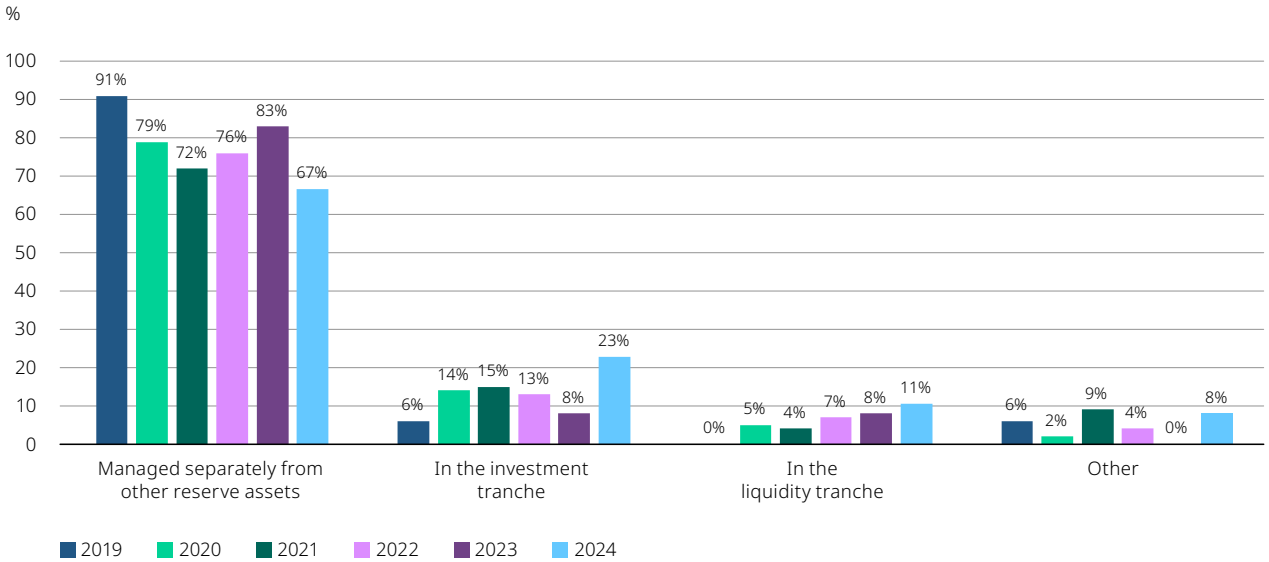


*New options in 2024.
Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).



Q18. Which of the following options best describes how you manage your gold reserves?

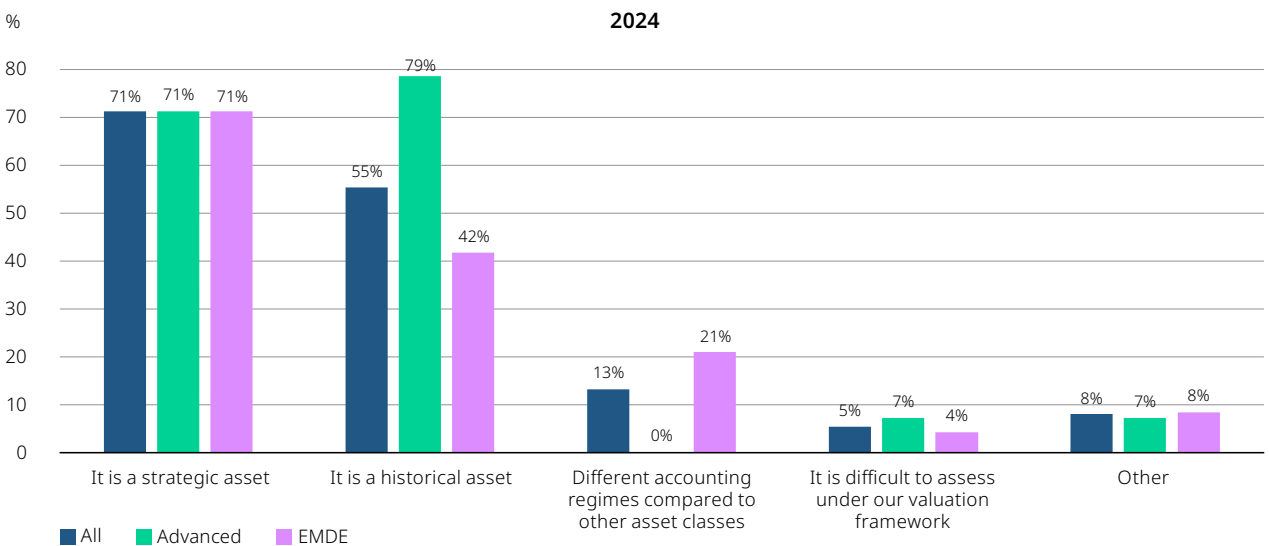
Similar to the responses from prior years, gold reserves are most likely to be managed separately from other reserve asset. However, there were increases in the proportion saying they include gold in either an investment tranche or in a liquidity tranche.



Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).

Q19. Why is gold managed separately? (Select all that apply).

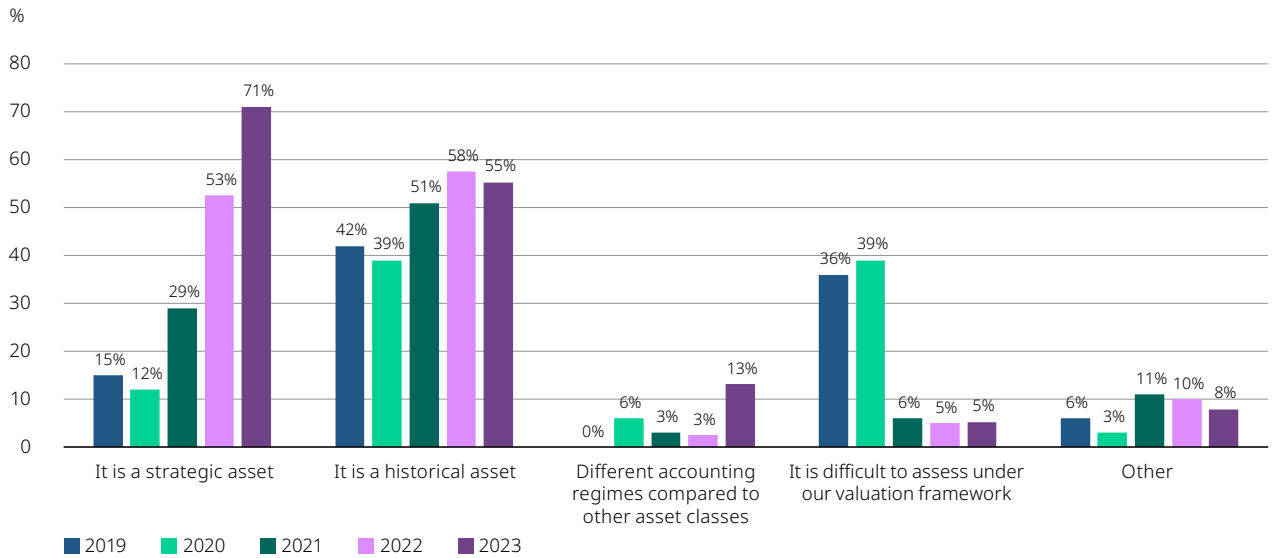
The central banks which indicated that they managed gold separately from other reserve assets were asked this question. The top reason that advanced economy central banks manage gold separately is due to it being an historical legacy asset, while a close second is because it is a strategic asset. For EMDE central banks, the top reason is because gold is a strategic asset.



Base: All central banks who said they manage gold separately (38); Advanced economy (14); EMDE (24).



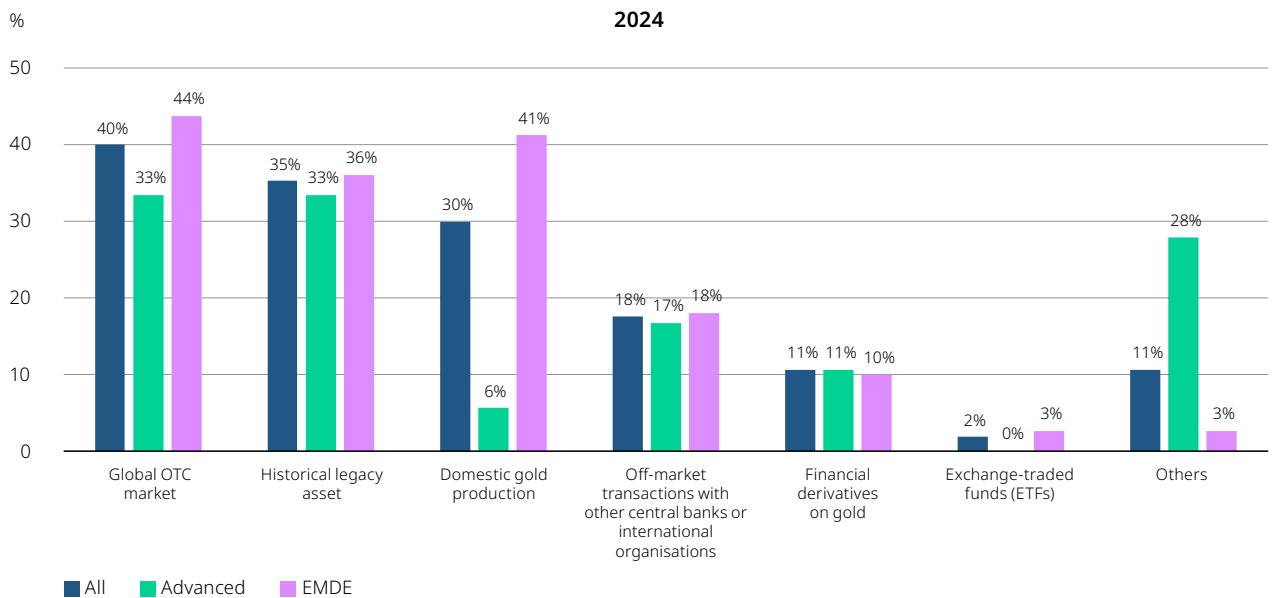
While “historical legacy asset” as a reason to manage gold separately has remained somewhat static in recent years, there has been a significant increase in the proportion saying they do so because “it is a strategic asset”. “It is difficult to assess under our valuation framework” has fallen as a reason over time.



Base: All central banks who said they manage gold separately (38); Advanced economy (14); EMDE (24).

Q20. How do you purchase gold? (Please select all that apply).

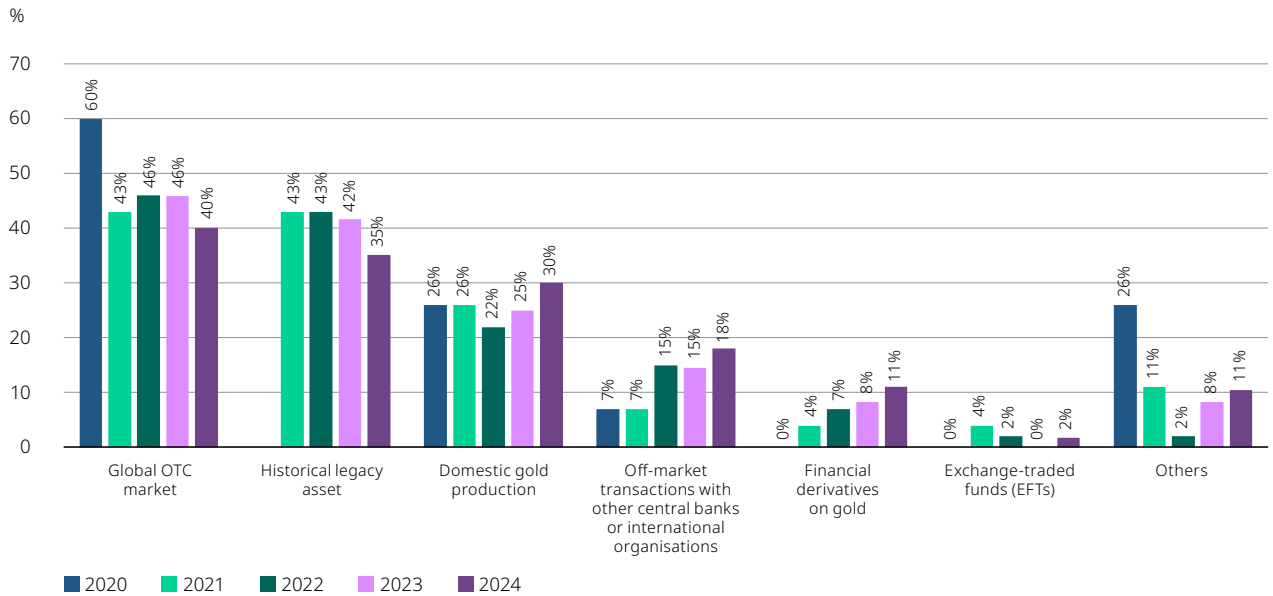
Buying gold through the global OTC market remains the most common method. Domestic gold production is dominated by EMDE central banks.



Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).



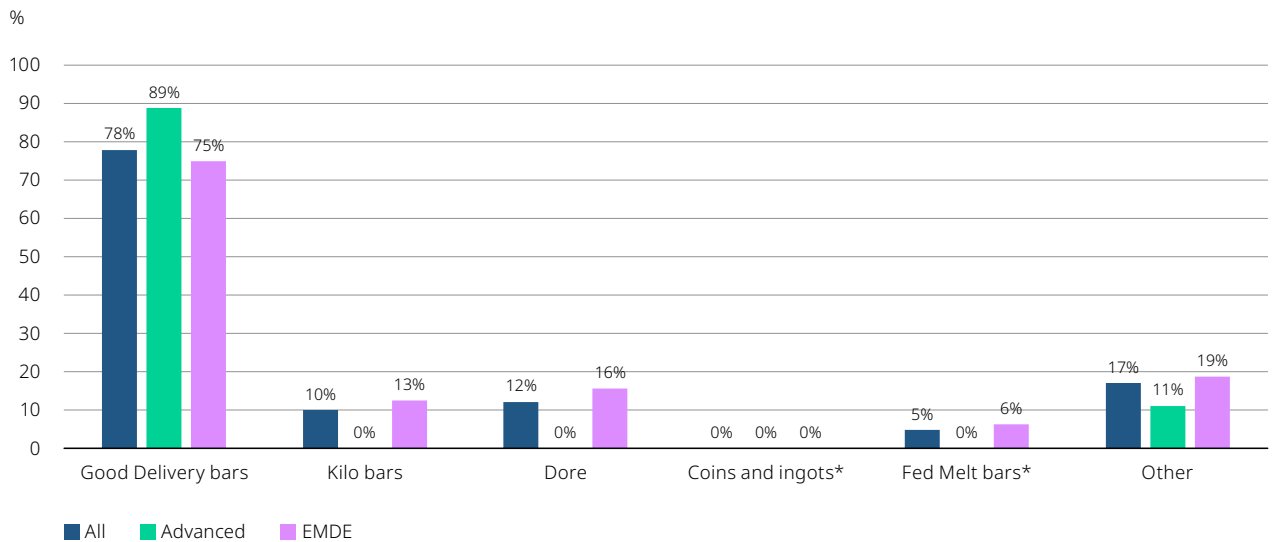
Over time, there have been moderate rises in the proportion saying they purchase gold through domestic gold production, through off-market transactions with other central banks or international organisations, and financial derivatives on gold.



Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39). "Historical legacy" was not an option in 2020.

Q21. In what form do you purchase physical gold, if applicable? (Please select all that apply).

Buying Good Delivery bars continues to be the most popular method. "Fed melt bars" and "Coins and ingots" were added as options this year.

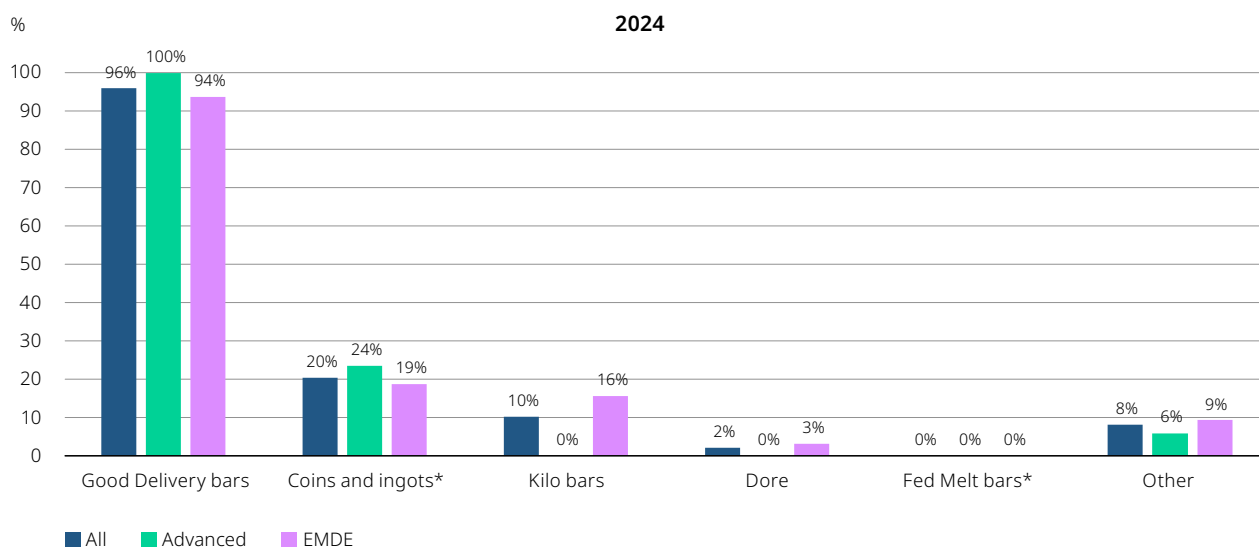


*New options in 2024. Base: All central banks who hold gold (56); Advanced economy (17); EMDE (39).



Q22. In what form do hold purchase physical gold, if applicable? (Please select all that apply).

Good Delivery bars continue to be the most popular form. “Fed melt bars” and “Coins and ingots” were added as options this year.

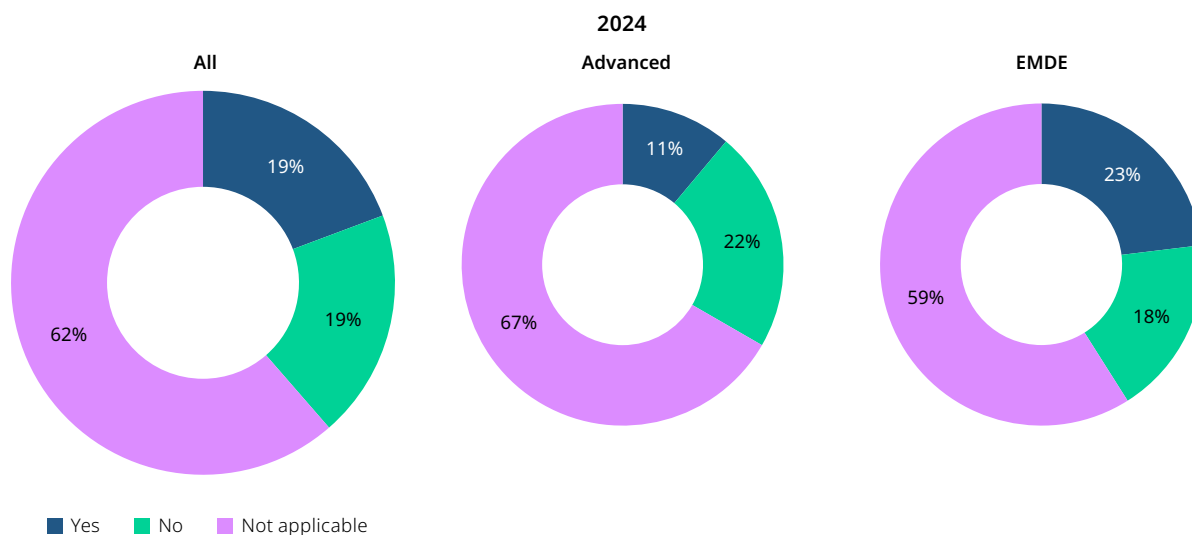


*New options in 2024.

Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).

Q23. Have you considered upgrading or re-refining your gold holdings to meet Gold Delivery standards (if you have any gold holdings that currently do not meet these standards)?

Among respondents, 19% say they have considered upgrading their gold holdings with a higher proportion coming from EMDE central banks compared with their advanced economy counterparts.

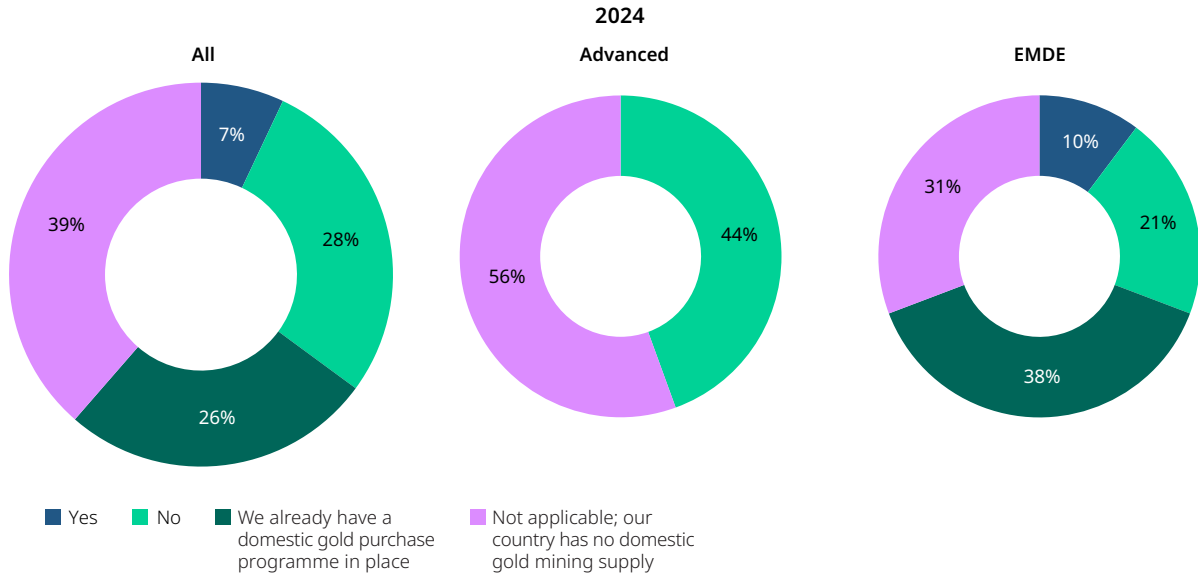


Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).



Q24. Have you considered establishing a domestic gold purchase programme to add gold from mining supply produced within your country?

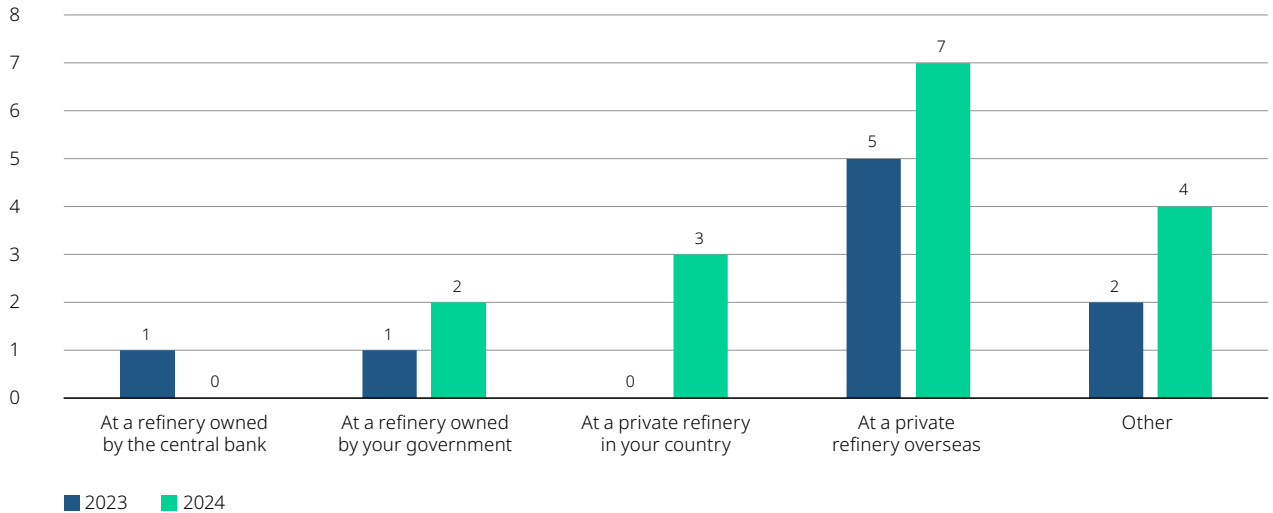
Among respondents, 7% say they have considered establishing a domestic gold purchase programme while 26% say they already have such a programme in place. All of these responses came from EMDE central banks.



Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).

Q25a. How do you refine gold purchased under your domestic gold purchase programme?

Asked to those who said they already have a domestic gold purchase programme in place and presented by the number of respondents due to the low number of respondents, the most selected response was refining at a private refinery overseas.

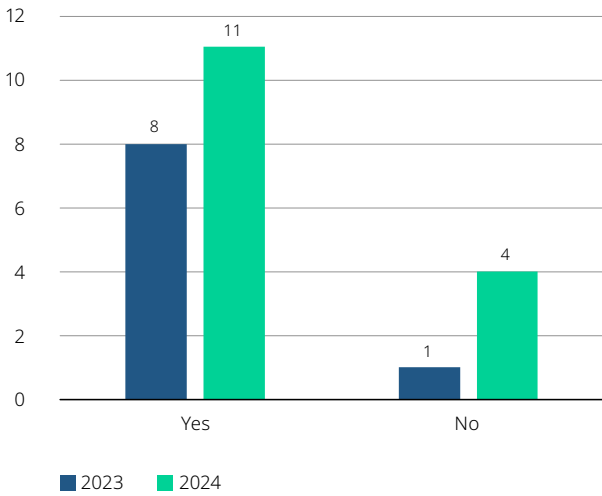


Base: All central banks who operate a domestic buying programme (15); Advanced economy (0); EMDE (15).



Q25b. Is your gold refined at an LBMA Good Delivery List refinery?

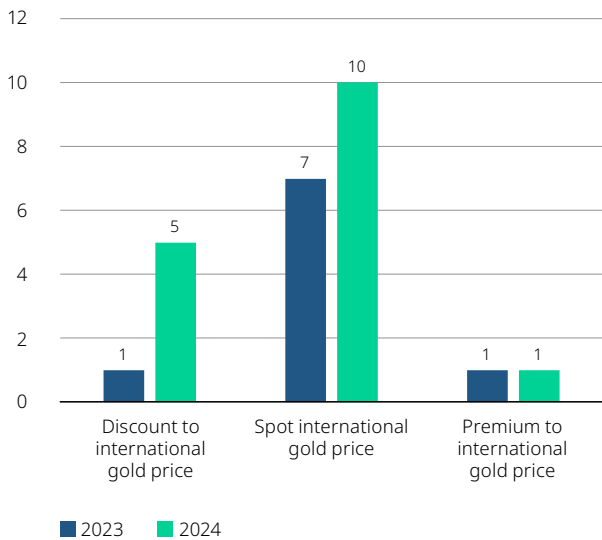
Asked to those who said they already have a domestic gold purchase programme in place and presented by the number of respondents due to the low number of respondents.



Base: All central banks who operate a domestic buying programme (15); Advanced economy (0); EMDE (15).

Q25c. What price do you pay for gold under your domestic gold programme? (Select all that apply).

Asked to those who said they already have a domestic gold purchase programme in place and presented by the number of respondents due to the low number of respondents.

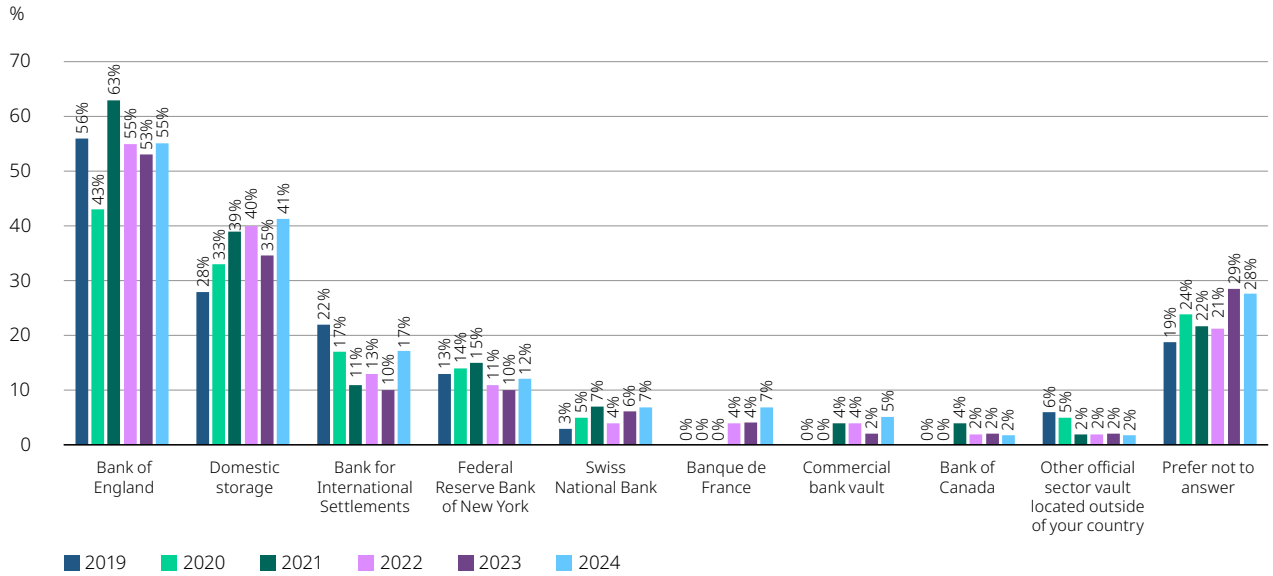


Base: All central banks who operate a domestic buying programme (15); Advanced economy (0); EMDE (15).



Q26. Where do you currently vault your gold reserves? (Select all that apply).

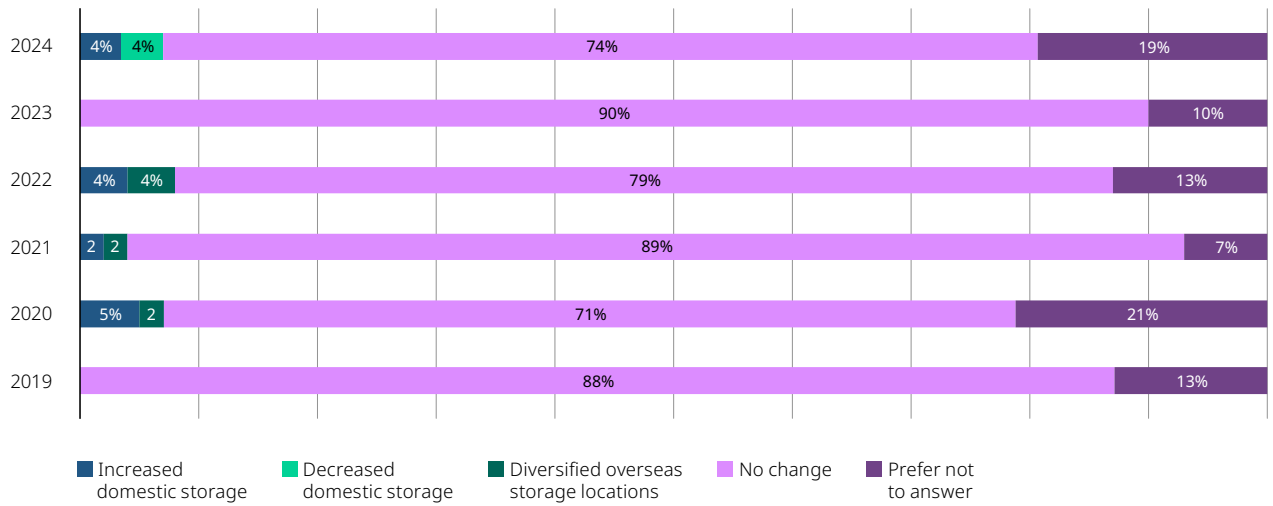
The Bank of England continues to be the most popular location for central banks to vault their gold reserves. Domestic storage has witnessed a moderate uptick compared to previous years.



Base: All central banks who hold gold (58); Advanced economy (18); EMDE (40).

Q27. How, if at all, have your custody arrangements changed over the past 12 months?

Among respondents, 4% say they have increased domestic storage while 4% say they have decreased domestic storage.

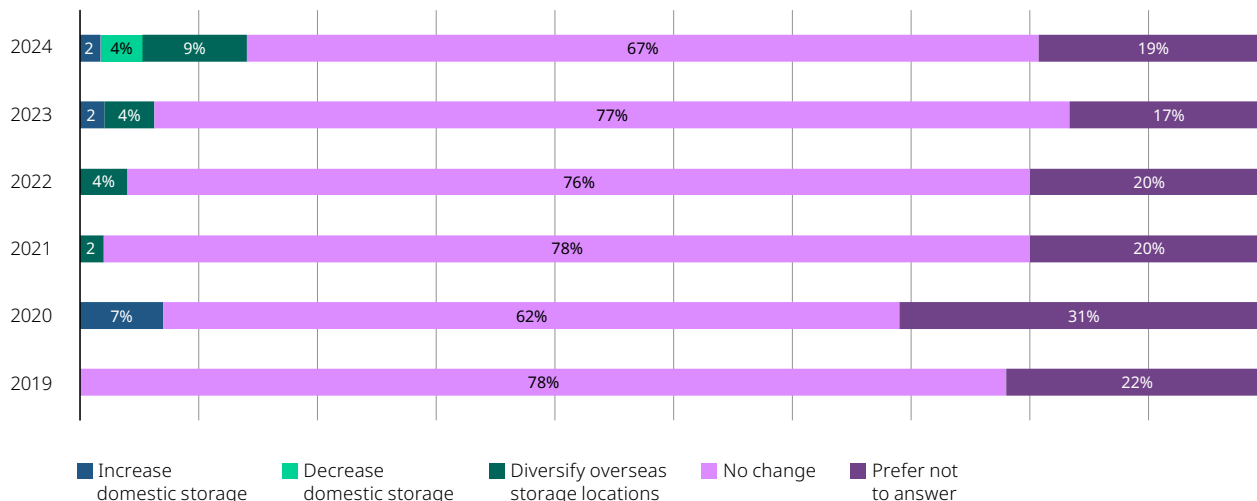


Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).



Q28. How, if at all, do you intend to change your custody arrangements in the next 12 months?

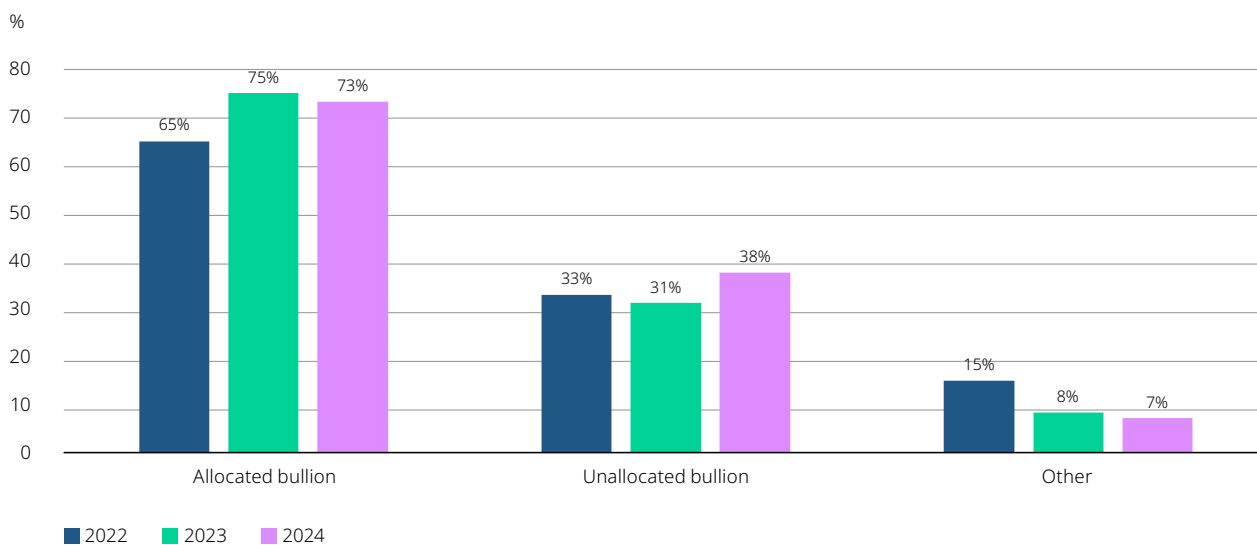
Among respondents, 2% say they plan to increase domestic storage, 4% say they plan to decrease domestic storage, and 9% say they plan to diversify overseas storage locations. Overall, 15% of respondents say they have plans to change their custody arrangements in some way, an increase compared to previous years.



Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).

Q29. How do you hold your gold reserves? Please note that gold bullion stored at an official sector facility in your home country is considered to be Allocated bullion. (Select all that apply).

Among respondents, 73% say they hold allocated bullion while 38% say they hold unallocated bullion.



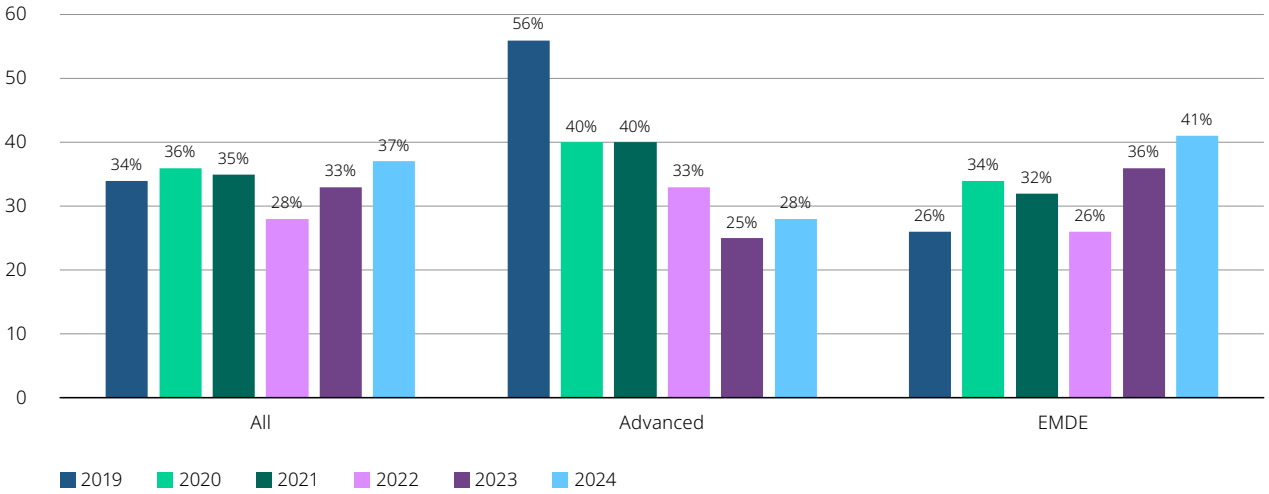
Base: All central banks who hold gold (56); Advanced economy (18); EMDE (38).



Q30. Do you actively manage your gold reserves?

Among respondents, 37% say they actively manage their gold reserves.

% answered "yes"

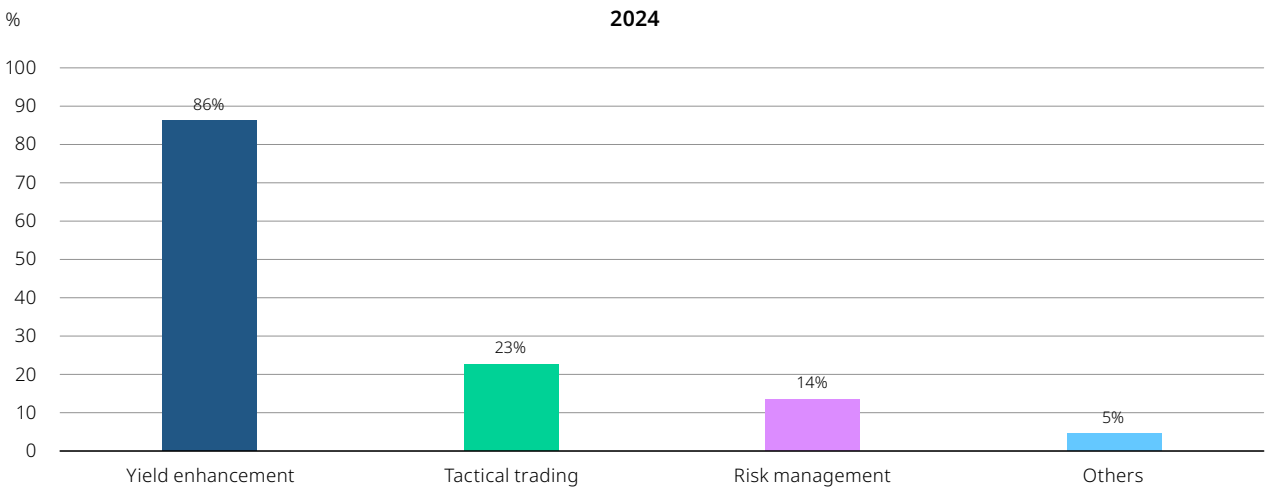


Base: All central banks who hold gold (57); Advanced economy (18); EMDE (39).

Q31a. What is the aim of active management of your gold reserves? (Select all that apply)

New question for 2024 survey.

Yield enhancement in the most popular reason for central banks to actively manage their gold reserves.

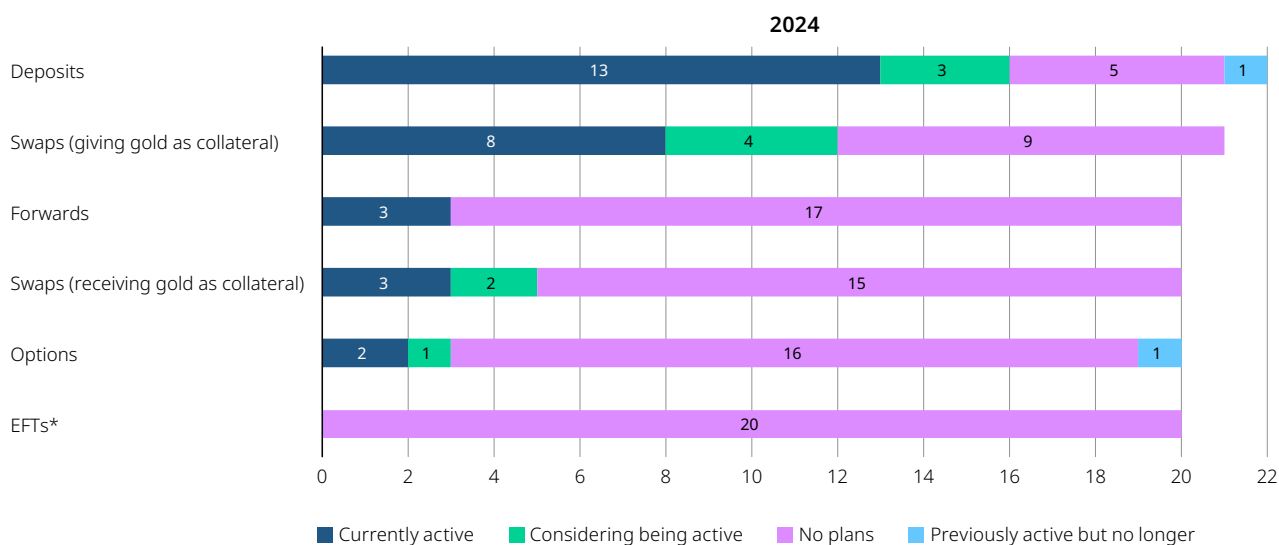


Base: All central banks who actively manage their gold reserves (22); Advanced economy (5); EMDE (17).



Q31b. Please describe how you actively manage your gold reserves. (Select all that apply).

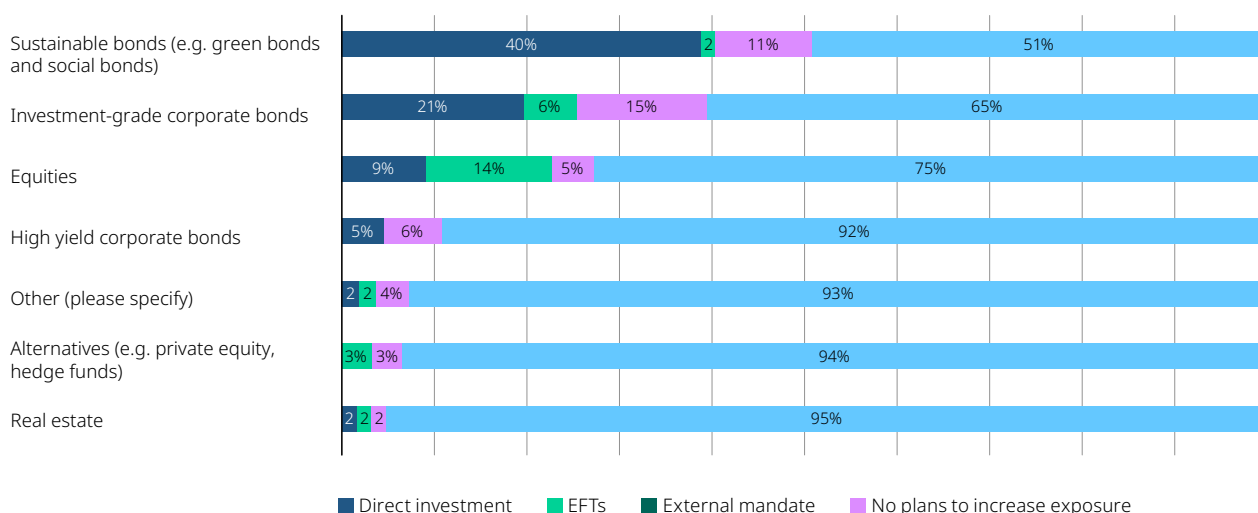
Deposits continue to be the most common way that central banks actively manage their gold reserves while swaps (giving gold as collateral) is second. Due to the low number of responses (n=22), answers are not given as percentages.



Base: All central banks who actively manage their gold reserves (22); Advanced economy (5); EMDE (17). "Swaps (receiving gold as collateral)" was labelled as "receiving gold as collateral" in the 2020 and 2019 surveys. The wording was changed to provide more clarity.

Q32. Is your institution planning on increasing its allocation into any of the following non-traditional central bank reserve assets in the next 12 months? If so, how would you invest in that asset class? (Select all that apply).

As with previous surveys, sustainable bonds are the most common asset class in which central banks intend to grow their allocation.



Base: All central banks (66); Advanced economy (24); EMDE (42).



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