

Gold ETF Commentary

First positive December since 2019

2024 in review

In a year in which the gold price reached new all-time highs 40 times, global investor appetite for gold ETFs finally turned around, booking the first annual inflow in four years. A rocketing gold price, alongside a small but positive US\$3.4bn net inflow across physically-backed global gold ETFs, pushed their total AUM to jump by 26% in 2024 to US\$271bn. Collective holdings, however, fell slightly (-0.2%) in 2024.¹

While Asia continued to lead inflows, Western investor appetite for gold improved with North American funds registering their first positive annual flow since 2020 and European outflows narrowing significantly compared to 2023.

A few key factors contributed to improved gold ETF flows in 2024, most notably:

- Heightened uncertainties caused by the dramatic US election and flames of war on multiple fronts
- Changing expectations of future rate paths as major central banks began their easing cycles
- The strongest annual gold price performance since 2010.²

Highlights

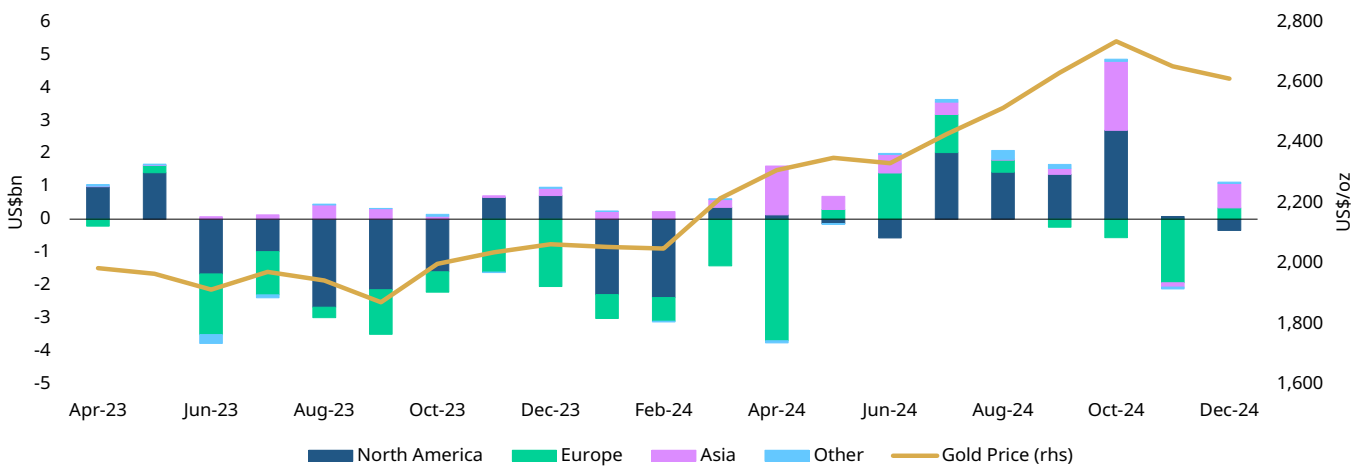
The 2024 inflows and a rocketing gold price pushed total AUM to a record high US\$271bn while holdings were relatively unchanged.

December flows flipped back to positive at US\$778mn, led by Asia and Europe, while North America saw mild losses.

Global gold trading volumes fell 24% in December, yet 2024 overall saw a sizable 39% increase.

Chart 1: Global gold ETF flows flipped positive in December

Regional gold ETF flows and the gold price*



*As of 31 December 2024.
Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

1. Holdings remained unchanged despite positive inflows due to: 1) differences in the gold price when the flows occur; and 2) changes in foreign exchange rates for (mostly European) currency-hedged products.
2. Based on the LBMA Gold Price PM, which rose 26% in 2024.



December in review

Flows of global physically backed gold ETFs³ flipped back to positive in December, adding US\$778mn (Table 1, p2).⁴ Asia and Europe led inflows, while North America saw modest outflows. It is worth noting that 2024 saw global gold ETFs' first positive December since 2019, while collective holdings rose by 4t to 3,219t. However, total global gold ETF assets under management (AUM) fell by 1.4% to US\$271bn due mainly to a 1.5% decline in the gold price.

Regional overview

The five-month inflow streak in North American funds came to an end in December, losing US\$342mn. Despite the anticipated 25bps rate cut last month, the US Fed sent a hawkish signal as it updated projections to show fewer rate cuts in 2025 amid expectations for stubborn inflation.⁵ Consequent rises in US Treasury yields and the dollar weighed on the gold price, leading to gold ETF outflows. But they were partially mitigated by sizable inflows generated from major gold ETF option expiries.⁶ A decline in broader market activity over the holiday season also influenced flows.

It is worth flagging that gold volatility has continued to reduce since the outcome of the election, but this may change in the run up to President Trump's inauguration on 20 January, which may reignite investor interest.

European funds saw mild inflows of US\$337mn in the last month of the year. Inflows were largely driven by increased demand in France, which can be attributed to the ongoing political turmoil as a new French government is formed.⁷ We believe elevated geopolitical risks continued to contribute to European inflows, although these were largely offset by outflows from Switzerland – mainly from FX-hedging products amid the weakening local currency against the dollar – and Germany – potentially driven by a sharp rise in its government bond yields. FX movements also resulted in a marginal drop in regional holdings despite positive flows.

Asian funds saw inflows again in December, attracting US\$748mn. China led the way: plunging government bond yields amid intensifying expectations of further rate cuts from the central bank and a weakening local currency on concerns of a potential trade war with the US drove up local investor safe-haven demand. India experienced its eighth consecutive month of inflows, albeit moderating, as rising equity market volatility and bullish sentiment towards gold continued to attract investors. **Funds in other regions reported limited flows of US\$35mn.** This was driven by minor inflows from Australia and South Africa.

Table 1: December regional flows*

	Total AUM (bn)	Fund flows (US\$mn)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
North America	138.5	-341.6	1,650.5	-4.7	-0.29%
Europe	108.1	337.0	1,287.6	-0.3	-0.03%
Asia	18.5	747.7	216.4	8.7	4.20%
Other	5.4	34.8	64.3	0.0	-0.06%
Total	270.5	777.9	3,218.8	3.6	0.11%
Global inflows / Positive demand		6,090.3		21.6	2.22%
Global outflows / Negative demand		-5,312.4		-18.0	-1.94%

*As of 31 December 2024. 'Global inflows/Positive demand' refers to the sum of changes of all funds that saw a net increase in holdings over a given period (e.g. month, quarter, etc.). Conversely, 'Global outflows/Negative demand' aggregates changes from funds that saw holdings decline over the same period.

Note: Differences between fund flows and changes in holdings (demand) are driven by the mechanics of FX-hedged funds. For more information, see ETF Flows Data Methodology.

Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

- We define gold ETFs as regulated securities that hold gold in physical form. These include open-ended funds traded on regulated exchanges and other regulated products such as closed-end funds and mutual funds. A complete list is included in the gold ETF section of [Goldhub.com](https://www.goldhub.com).
- We track gold ETF assets in two ways: the quantity of gold they hold, generally measured in tonnes, and the equivalent value of those holdings in US dollars (AUM).

- We also monitor how these fund assets change through time by looking at two key metrics: demand and fund flows. For more detail, see our [ETF methodology note](#).
- For more, see: [Fed lowers rates but sees fewer cuts next year due to stubbornly high inflation](#) | Reuters.
- We refer to regular monthly expiration of ETF options that occur on the third Friday of each month.
- For more, see [Yet another French government](#) | Politico.



Gold trading volumes fell

Gold trading volumes averaged US\$221bn/day across global markets in December, 24% lower m/m. The decline can be mainly attributed to lowering volumes at COMEX and Shanghai Futures Exchange as the limited gold price volatility discouraged tactical investors. Global gold ETF and OTC trading both fell 29% and 13.5%, respectively.

Global gold trading volumes have jumped in 2024, reaching US\$226.3bn/day, 39% higher than 2023 and the highest on our record. Almost all markets saw peak volumes in value terms: OTC activities soared 37%; exchange-traded volumes, 40%; global gold ETF trading, 32%. Notably, volumes at Shanghai Futures Exchange rose the most, reaching a record high. And these increases were not solely driven by the record-shattering gold price; volumes measured in tonnage also improved across all sectors.

Total net longs of COMEX's gold futures ended December at 764t, a 5% m/m fall. Money managers reduced their net long positions by 9% to 567t by the end of the month. We believe the gold price weakness and dollar strength likely contributed to diminished interest in gold futures trading.

Nonetheless, 2024 money manager net longs averaged 555t, a notable pick up from 2023's 289t and the highest since 2011. The gold price strength and rising safe-haven demand amid uncertainties stemmed from various fronts, we believe, attracted investors.

Table 2: December flows by country*

Countries list (by AUM)	Total AUM (bn)	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
US	132.8	-329.9	1,581.7	-4.3	-0.27%
UK	48.7	56.5	580.3	0.1	0.02%
Switzerland	26.5	-41.2	316.2	-3.5	-1.10%
Germany	25.9	-49.7	309.1	-1.3	-0.42%
China P.R. Mainland	9.7	635.3	114.7	7.5	6.96%
Canada	5.8	-11.7	68.8	-0.5	-0.69%
France	5.5	374.3	65.1	4.4	7.23%
India	5.1	65.5	57.5	0.7	1.29%
Australia	3.6	29.4	42.5	0.0	-0.02%
Japan	3.4	51.4	40.0	0.6	1.48%
South Africa	1.6	2.5	19.1	-0.1	-0.35%
Ireland	1.0	-28.8	11.4	-0.3	-2.98%
Italy	0.4	26.6	5.0	0.3	6.67%
Hong Kong SAR	0.3	-4.8	3.9	-0.1	-1.56%
Turkey	0.2	2.9	2.7	0.0	1.37%
Liechtenstein	0.0	-0.7	0.5	0.0	-1.64%
Malaysia	0.0	0.4	0.3	0.0	1.57%
Saudi Arabia	0.0	0.0	0.1	0.0	0.00%

*As of 31 December 2024.

Note: Differences between fund flows and changes in holdings (demand) are driven by the mechanics of FX-hedged funds. For more information, see [ETF Flows Data Methodology](#).

Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council



Table 3: December individual top and bottom flows*

Top 15 flows	Country	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
Amundi Physical Gold ETC	FR	374.3	65.1	4.4	7.23%
SPDR Gold MiniShares Trust	US	203.7	109.7	2.3	2.17%
Huaan Yifu Gold ETF	CN	189.7	46.4	2.2	5.03%
Bosera Gold Exchange Trade Open-End Fund ETF	CN	116.4	24.4	1.4	5.91%
Guotai Gold ETF	CN	109.0	11.6	1.3	12.41%
WisdomTree Physical Swiss Gold	GB	99.7	38.1	1.2	3.15%
Global X Bullion ETF	AU	85.4	1.2	1.0	392.52%
Pictet CH Precious Metals Fund - Physical Gold ‡	CH	76.2	50.2	0.8	1.67%
Invesco Physical Gold ETC	GB	62.3	200.2	0.7	0.36%
Japan Physical Gold ETF	JP	51.4	40.0	0.6	1.48%
ChinaAMC Gold ETF	CN	49.2	2.3	0.6	33.07%
E Fund Gold Tradable Open-end Securities Investment Fund	CN	45.5	21.2	0.5	2.55%
EUWAX Gold II	DE	36.1	23.0	0.3	1.34%
GF Shanghai Gold ETF	CN	34.8	1.2	0.4	54.42%
WisdomTree Physical Gold EUR Daily Hedged	IT	26.6	5.0	0.3	6.67%
Bottom 15 flows	Country	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
SPDR Gold Shares	US	-496.5	872.2	-6.1	-0.69%
ZKB Gold ETF ‡	CH	-103.5	153.8	-2.5	-1.63%
Xetra-Gold	DE	-80.7	166.5	-0.9	-0.56%
iShares Physical Gold ETC	GB	-79.2	198.2	-1.0	-0.50%
Global X Physical Gold	AU	-63.3	26.9	-0.8	-2.89%
CSIF CH II Gold Blue DB USD ‡	CH	-48.8	15.2	-0.9	-5.57%
Sprott Physical Gold Trust	US	-33.9	101.9	-0.4	-0.39%
Sprott Physical Gold & Silver Trust	CA	-30.3	40.7	-0.4	-0.87%
Royal Mint Responsibly Sourced Physical Gold ETC	IE	-28.8	11.4	-0.3	-2.98%
Invesco Physical Gold EUR Hedged ETC	DE	-25.9	3.0	-0.4	-10.93%
Goldman Sachs Physical Gold ETF	US	-15.7	10.7	-0.2	-1.71%
Gold Bullion Securities Ltd	GB	-15.5	35.1	-0.2	-0.55%
WisdomTree Physical Gold	GB	-12.9	57.5	-0.2	-0.29%
Xtrackers Physical Gold Euro Hedged ETC	DE	-10.7	13.9	-0.4	-3.12%
Xtrackers IE Physical Gold ETC	DE	-10.2	64.0	-0.1	-0.19%

*As of 31 December 2024.

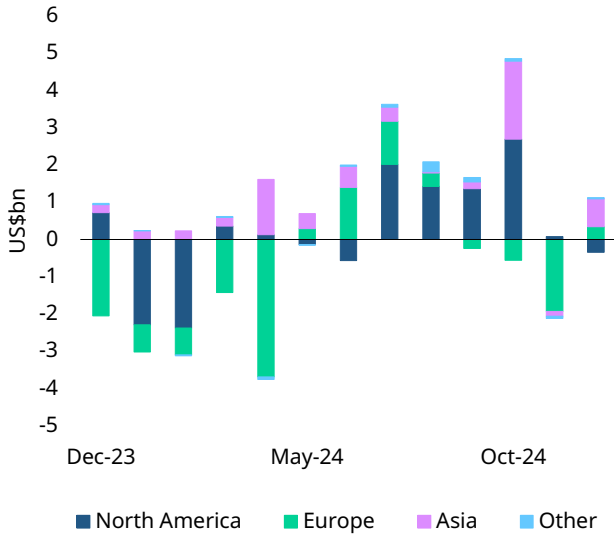
Note: Differences between fund flows and changes in holdings (demand) are driven by the mechanics of FX-hedged funds. For more information, see [ETF Flows Data Methodology](#).

Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council



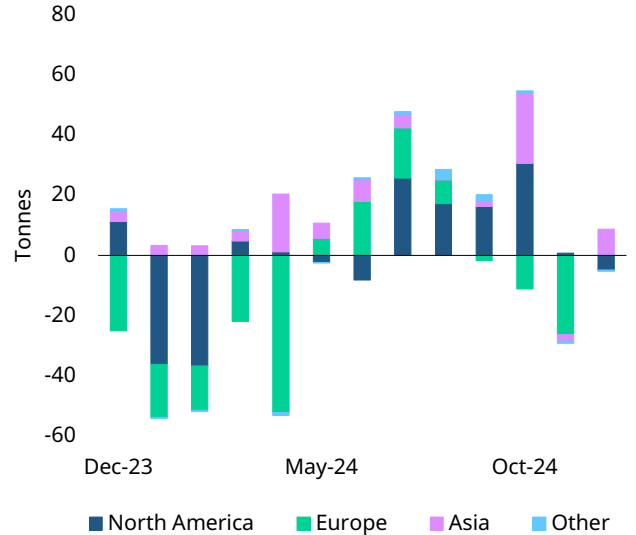
Relevant charts

Chart 2: Physically backed gold ETFs (and similar) fund flows by month*



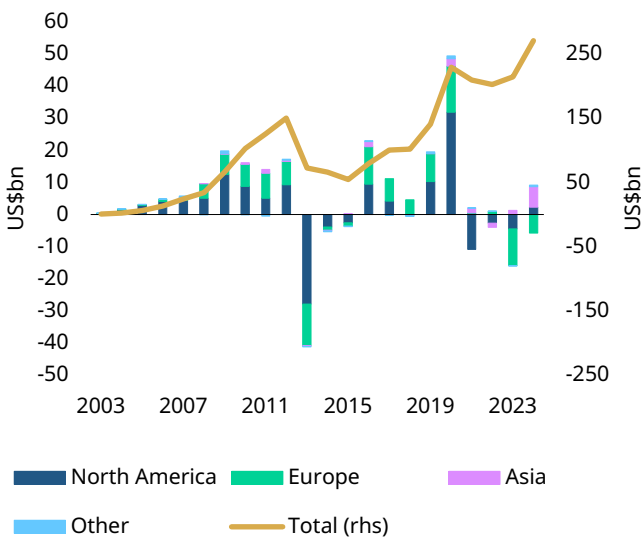
*As of 31 December 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

Chart 3: Physically backed gold ETFs (and similar) demand by month*



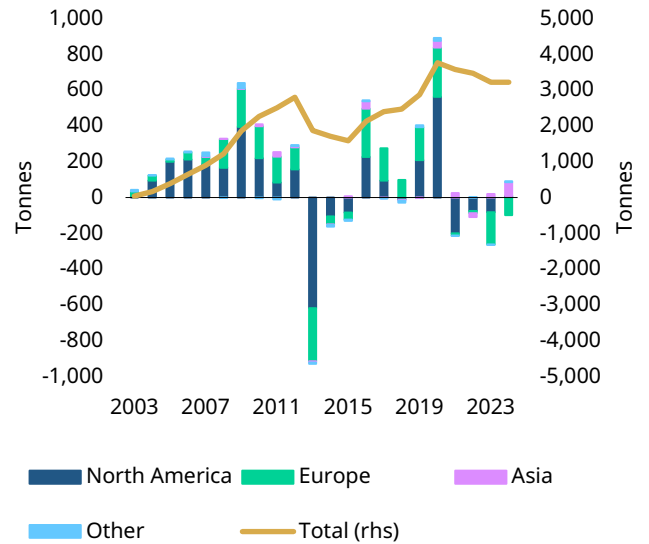
*As of 31 December 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

Chart 4: Physically backed gold ETFs (and similar) fund flows and AUM by year*



*As of 31 December 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

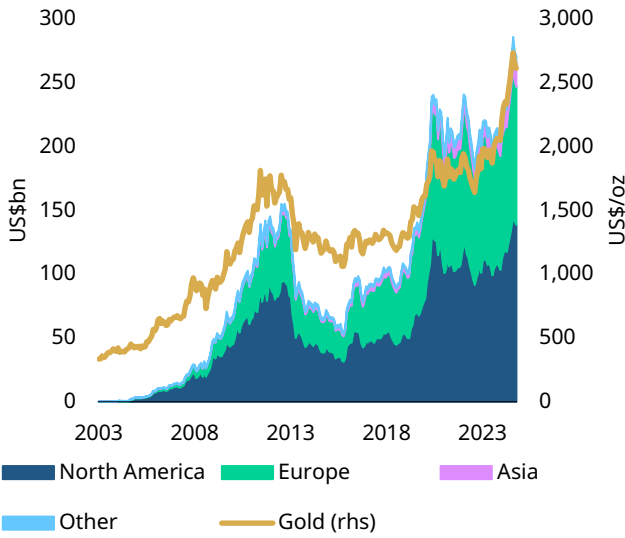
Chart 5: Physically backed gold ETFs (and similar) demand and total holdings by year*



*As of 31 December 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

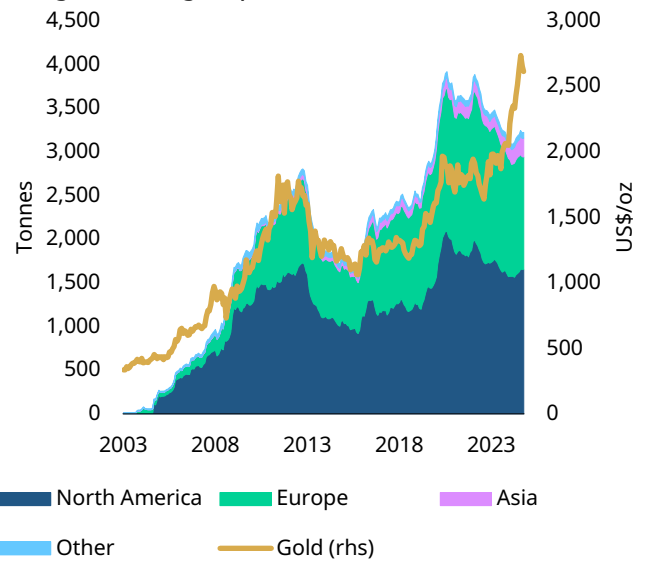


Chart 6: Physically backed gold ETFs (and similar) AUM and the gold price*



*As of 31 December 2024.
Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

Chart 7: Physically backed gold ETFs (and similar) holdings and the gold price*



*As of 31 December 2024.
Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council



World Gold Council

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.

Research

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Asset Allocation Strategist

Johan Palmberg
Senior Quantitative Analyst

Kavita Chacko
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Krishan Gopaul
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