

# China gold market update

## A notable rise in gold reserves

### Highlights

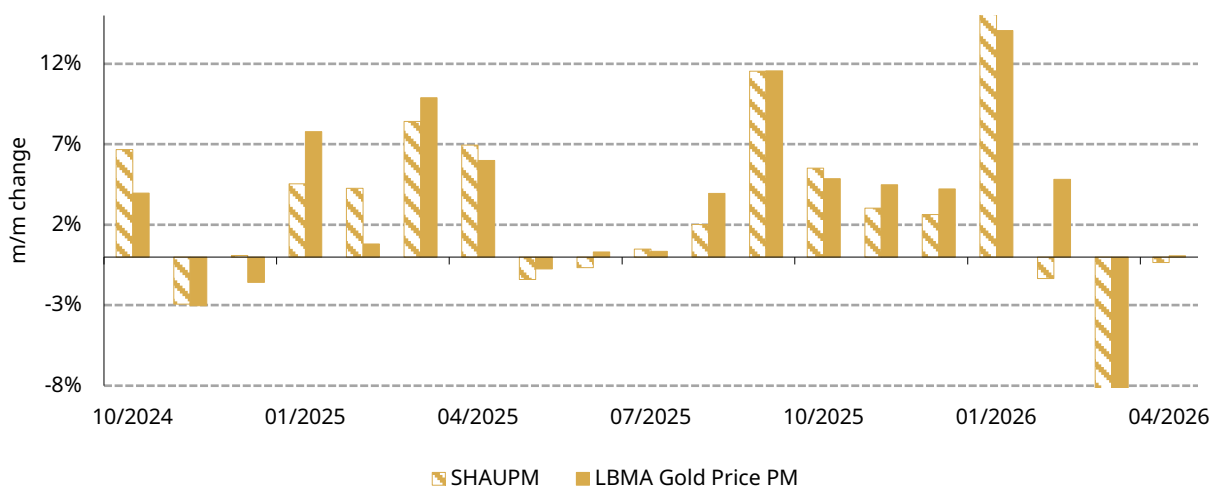
- Gold ended April flat: the LBMA Gold Price PM in USD rose slightly by 0.1% while the Shanghai Gold Benchmark Price PM (SHAUPM) in RMB shed a minor 0.4% – due mainly to a stronger local currency
- Local gold ETFs added RMB3.5bn (US\$498mn) in April, pushing their total assets under management (AUM) to RMB306bn (US\$45bn); holdings rose 3t to 301t, a month-end peak.
- Heading into May, the local gold price stabilised above the RMB1,000/g threshold, with Chinese gold ETFs witnessing continued inflows despite sustained strength in the equity market<sup>1</sup>
- Wholesale demand fell seasonally in April, declining 23% m/m to 103t – replenishment from both jewellery retailers and banks eased
- The People’s Bank of China (PBoC) announced an 8t gold addition in April, the highest since December 2024 and the 18<sup>th</sup> consecutive monthly purchase, pushing official gold holdings to 2,322t, 9% of total reserves.

### Looking ahead

- In the traditional off season for gold jewellery we expect demand in this sector to stay weak – though the stabilising gold price may offer some support; meanwhile, rising interest from local investors in the equity market rally – which started in early April – and the lack of a clear trend in the gold price may continue to discourage bullion investment.

#### Chart 1: Gold was almost flat in April

Monthly returns of SHAUPM in RMB and LBMA Gold Price PM in USD\*



\*Data to 30 April 2026.

Source: Shanghai Gold Exchange, ICE Benchmark Administration, World Gold Council

1. Based on data as of 11 May 2026.



### A flat month for gold

Gold traded sideways in April, ending the month flat. The LBMA Gold Price PM in USD and the SHAUPM in RMB were little changed. Early in the month gold rebounded from March weakness as easing Middle East tensions tempered inflation concerns and weighed on yields. However, renewed uncertainty around the Strait of Hormuz later in April drove oil prices higher, dampened Fed easing expectations, and reversed gold's earlier gains (Chart 1, p1).

### Chinese gold ETFs expanded further while futures volumes cooled

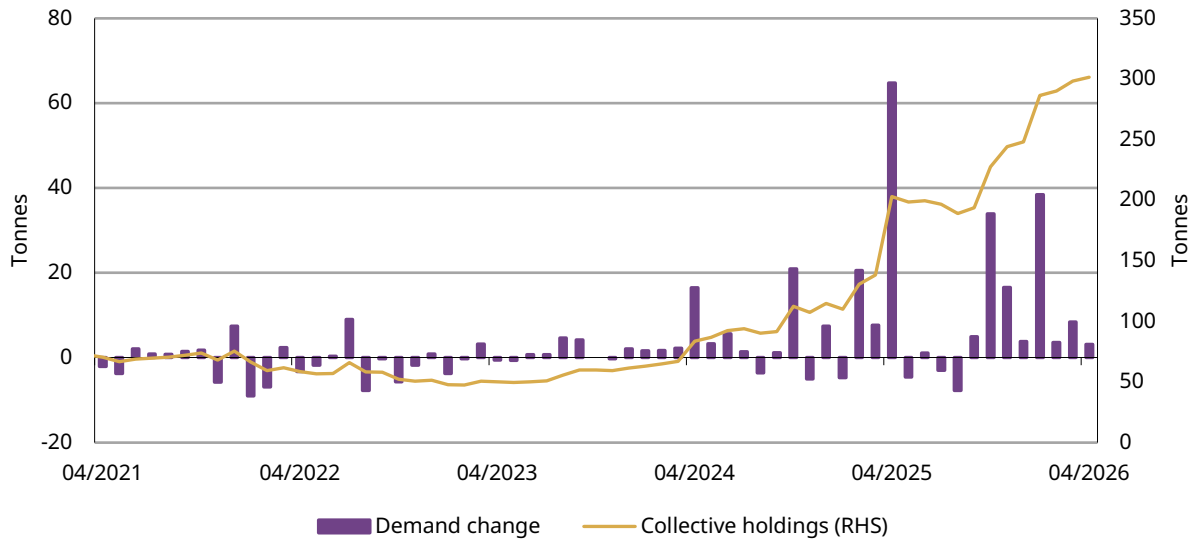
Chinese gold ETFs witnessed their eighth consecutive monthly inflow in April, attracting RMB3.5bn (US\$498mn). Following another monthly expansion their total AUM reached RMB306bn (US\$45bn), 1% higher m/m. Meanwhile, collective holdings increased 3t to 301t, another month-end peak (Chart 2).

Continued global and regional geopolitical tensions during the month, as well as falling local government bond yields, sustained Chinese investor interest in gold. Nonetheless, inflows slowed as investors may have been diverted to the rallying equity market.

With the local gold price stabilising in May, we see continued allocation to gold ETFs from local investors even as the local stock market kept rallying.

#### Chart 2: Demand for Chinese gold ETFs persisted

Chinese gold ETF demand and holdings in tonnes\*



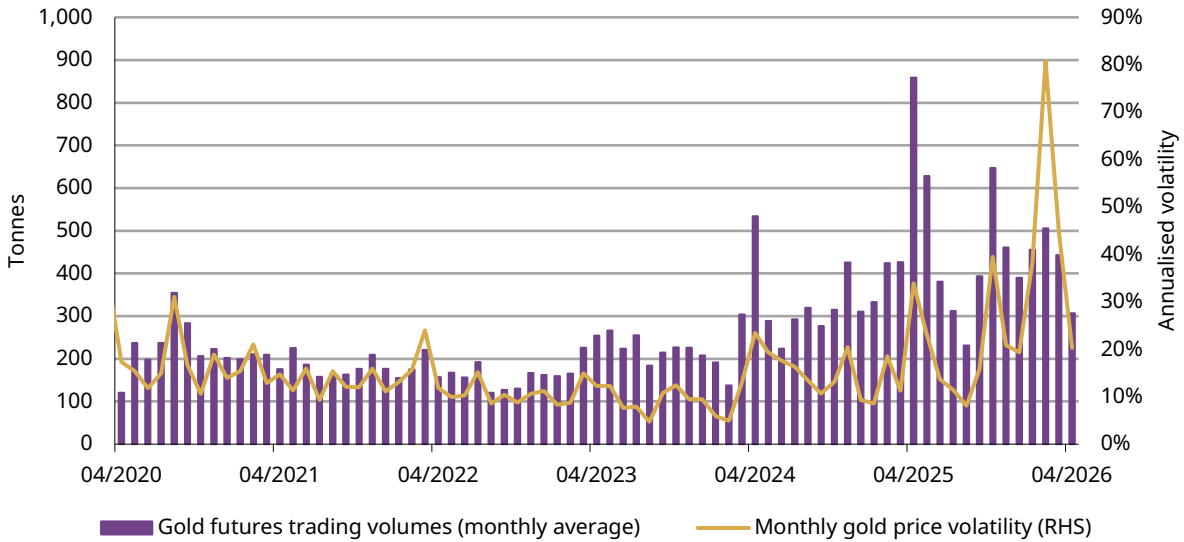
\*Data to 30 April 2026. Source: Company filings, World Gold Council

Chinese gold futures trading activities cooled further in April (Chart 3, p3). Despite a 31% m/m decline, volumes of gold futures traded at the Shanghai Futures Exchange (SHFE) – at 307t/day – remained well above the five-year daily average of 265t. Trader interest in gold futures weakened as amid local stock market strength and easing gold price volatility.



### Chart 3: Gold futures volumes fell alongside the cooling price volatility

Daily average trading volumes of SHFE gold futures and monthly gold price volatility\*



\*As of 30 April 2026. Source: Shanghai Futures Exchange, World Gold Council

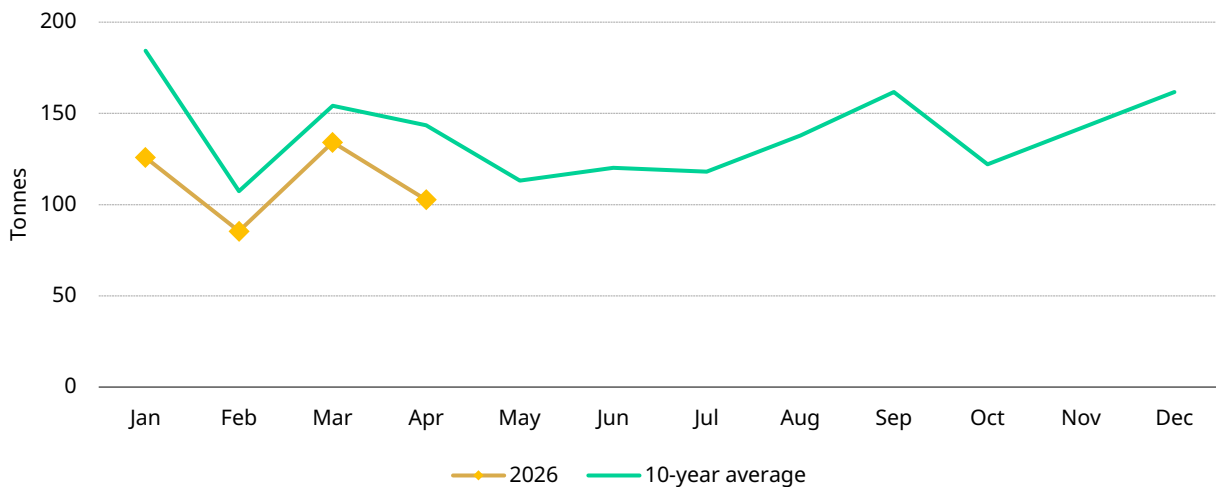
### Wholesale demand weakened seasonally

Gold withdrawals from the SGE totalled 103t in April, a 23% m/m fall (Chart 4). The m/m weakness followed a seasonal pattern: restocking falls in April as gold jewellery consumption enters its traditional Q2 off season. Although there was some replenishment ahead of the early-May Labour Day holiday – historically a boost for jewellery sales – the impact was limited as consumer spending continues to shift toward experiences such as travel. Meanwhile, bullion sales, while still healthy, cooled from the previous buying frenzy as strong equities and the easing gold price momentum dimmed investor interest in gold.

On a y/y basis, April wholesale demand fell 33%, due in part to a high comparison base: in 2025 demand reached its strongest April level since 2018. Weaker wholesale demand has, however, been evident generally this year, due mainly to the downturn in the gold jewellery sector.

### Chart 4: Wholesale gold demand on a seasonal path, only weaker

Gold withdrawals from the SGE by month and the ten-year monthly average\*



\*Ten-year average based on data between 2016 and 2025. Source: Shanghai Gold Exchange, World Gold Council

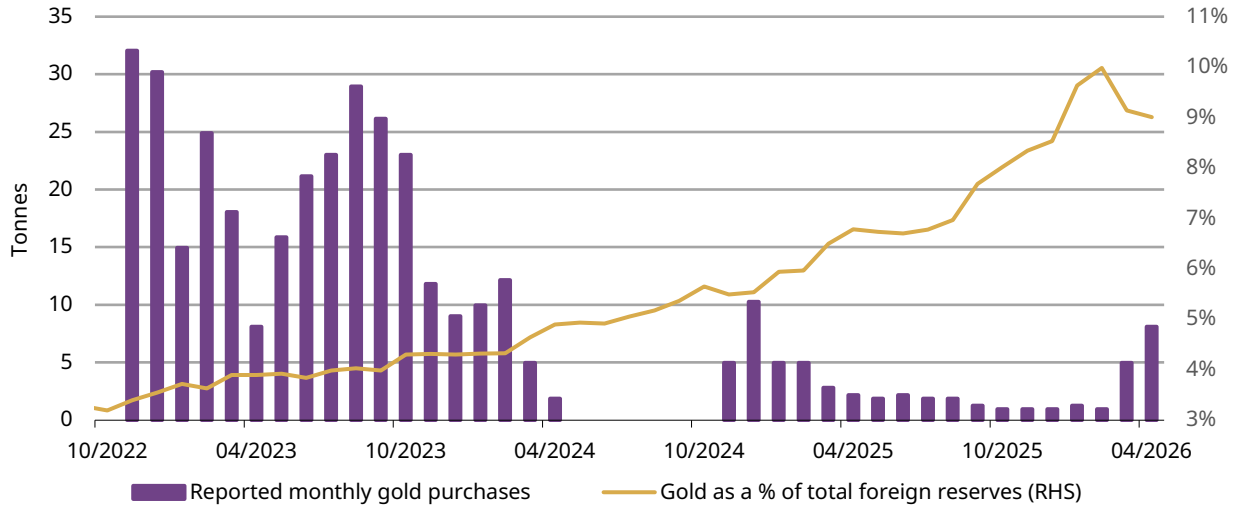


## The PBoC added the most gold in 15 months

The PBoC reported an 8t gold purchase in April, its 18<sup>th</sup> consecutive monthly addition and the highest since December 2024 (Chart 5). This addition brought Chinese official gold holdings to 2,322t, 9% of the country's total official reserves, which rose 2% to US\$3.8tn.

Chart 5: The 18<sup>th</sup> non-stop monthly Chinese gold reserve addition

The PBoC's reported gold purchases and gold's share of total foreign exchange reserves\*



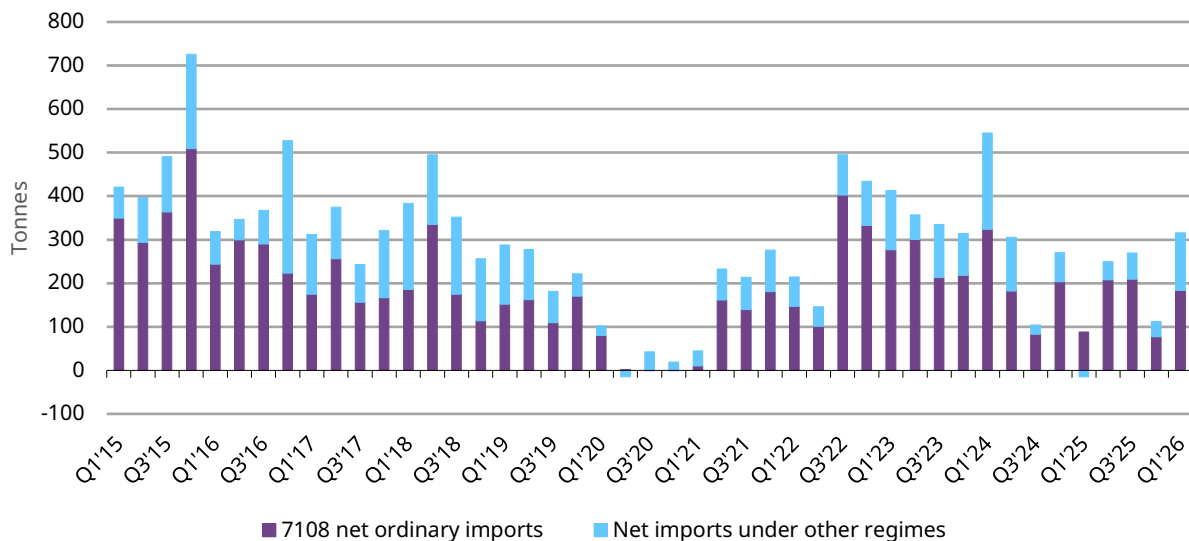
\*Data to April 2026. Source: State Administration of Foreign Exchanges, World Gold Council

## Imports rebounded notably in Q1

China imported 143t of gold on a net basis in March, a notable 49% m/m rise. The March rebound brought Q1 net gold imports to 316t, surging both q/q (+182%) and y/y (+333%) (Chart 6). This is in line with robust Chinese gold consumption, as strong bullion investment offset weak jewellery buying, during the quarter. Meanwhile, positive local gold price spread throughout the quarter also encouraged importers.

Chart 6: Q1 gold imports rose notably

Net gold imports under HS7108\*



\*Data to March 2026. Source: China Customs, World Gold Council



## World Gold Council

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

## Author



### Ray Jia

Research Head APAC ex India &  
Trade Engagement Deputy  
Head China  
World Gold Council



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