DIGITAL GOLD

Unlocking a $700-Billion Opportunity



WORLD GOLD COUNCIL

BCG



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Foreword & Executive Summary

Foreword



By David Tait
Chief Executive Officer,
WORLD GOLD COUNCIL

The appeal of gold has endured for thousands of years because what it represents has not changed: a scarce, physical, trusted and strategic asset, and a reliable store of value. However, as the financial world becomes increasingly digitalised, the gold market must adapt. Tokenisation and digital infrastructure will be the architectures through which a new global market will be built.

The World Gold Council was founded to sustain and strengthen trust and integrity in the gold market, and that mandate is why we are stepping into the digital gold market. We intend to launch Gold as a Service, a shared infrastructure to enable digital gold product issuance, because we are confident of the scale of the opportunity. This report reinforces that confidence with data and proof points drawn from a global consumer survey and in-depth conversations with industry experts.

We are also realistic about the scale of the task ahead, which includes challenges around trust, access, product utility and cost that have constrained market growth to date. There is much work to do, and no single institution can tackle everything alone. Indeed, building a liquid and trusted digital gold market will require the industry to embrace the same standards, and we are asking our peers and colleagues to work with us to bring that vision to life. Industry-wide, open, and voluntary standards on transparency and investor protection could help build trust.

Regulatory clarity matters as much as any technical infrastructure. Where rules are unclear or inconsistent, digital products struggle to scale, even when demand is strong. Governments and regulators have a vital role to play, and we will continue to work with them to move the agenda forward.

Digital gold presents both investors and providers with a significant opportunity. What must come next is collaboration to ensure the growing market meets the needs of all those who want to take part.

Executive Summary

The physical investment gold market is worth about $13 trillion. But digital gold, including vaulted digital gold and tokenised gold, represents less than 1% of the global market.

Why does it matter?

We are seeing signs of an inflection point. With more recently launched tokenised products triggering a surge in activity, the fledgling digital gold market has grown into a $45-$55 billion[1] category. Tokenised gold generated $90 billion of cumulative spot trading volumes in the first quarter of 2026, more than in the whole of 2025[2]. More importantly, wider financial markets are in the midst of a structural digital transformation. As a result, tokenised investments are increasingly mainstream.

For the purposes of this report, and to understand digital gold's potential, we surveyed more than 12,000 retail investors globally and interviewed 20 leading experts, helping us unpack the drivers of adoption and factors shaping demand. Our key finding:

Appeal is strong but is not (yet) converting at scale. Nearly 9 in 10 retail investors signal a willingness to invest in digital gold under the right conditions.



1. Refer to the Methodology section for further detail on how these figures were calculated
2. CoinGecko RWA Report 2026

Our modelling suggests that if stakeholders address the principal barriers to adoption, they can boost both participation and portfolio allocations, unlocking up to **$700 billion[3] in latent demand**. **Fully realised, this would create a market that broadly matches physically backed gold ETFs today.**

$700B

Total latent demand for digital gold in the long term

Perhaps a more relevant question is: how much potential demand can be converted into investment over the next five years? Our base case is that the digital gold market could grow at approximately **27% CAGR**, reaching **$160–$170 billion by 2031[4].**

Fulfilling this potential will be contingent on market participants addressing four barriers:

1 **Trust as the swing factor.** Nearly four in five investors say their priority is to trust the provider before investing: when asked what would make them more open to digital gold, the most cited answer is evidence that the product is safe and legitimate. Another important trust lever is a clear and accessible path to redeem holdings for physical gold, which would give investors confidence that a real asset backs their position. Regulation and consumer protection, seen across investor segments as a key barrier to entry will play an important role, too.

2 **Access through familiar channels.** Where digital gold is embedded in mainstream channels such as super-apps, payment platforms and banking apps, as seen in India, China and Indonesia, penetration is up to seven times higher than in markets where such distribution does not yet exist.

3 **New utilities for gold.** Unlocking latent demand partially hinges on what digital gold can be used for, not just how easy it is to buy. Yield generation, enabled by lending or use as collateral, is the top-cited unique selling point, ahead of being able to use it to make payments. This points to a potentially significant shift: product innovation could give investors new ways to use gold, alongside its long-standing role as a store of value.

4 **Competitive pricing is a prerequisite.** Even where other barriers are addressed, digital products must compete on price with alternative formats, including physical gold and gold-backed ETFs. While a low price is not, on its own, a major reason to invest in digital gold, an uncompetitive price point is ranked as the second most common barrier to entry.

New money for gold.

Around 65% of latent demand comes from people who have not yet invested in gold. Among those who already hold gold in other forms, more than half would fund a digital gold investment with money not currently allocated to the asset. Rather than cannibalising demand for bars, coins or gold-backed ETFs, digital gold is thus likely to attract new investors, and new money.

Critical for near-term uptake is the activation of a younger audience. Awareness of digital gold reaches 50% among 25–34-year-olds, compared with just 23% among those aged 55 and older. Younger cohorts are twice as likely as older cohorts to say they would invest if barriers to entry were addressed.

In conclusion, the next five years will be crucial in determining whether digital gold will break out. Success in addressing the four barriers will spur participation, while a failure to address them at meaningful scale could leave digital gold as a relative niche in the wider market.

3. Refer to the Methodology section for further detail on how these figures were calculated
4. All scenarios are modelled based on an 'all else being equal' basis, including the gold price



1.

The digital gold market today: a niche at an inflection point

The digital gold market today: a niche at an inflection point

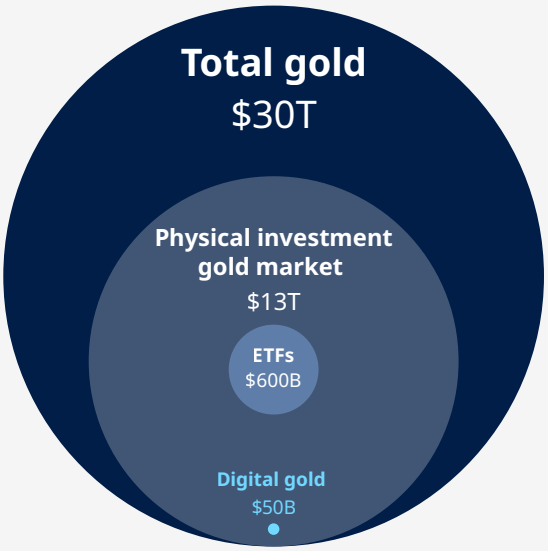
This report considers digital gold from the retail investor's point of view. It sizes the market today and shows why so few investors who find it appealing have bought it, and what it would take to change that. The report focuses on two products, tokenised gold and vaulted digital gold (see page 9: This report's scope). Our findings draw on a survey of more than 12,000 retail investors, interviews with 20 industry experts and a market model which points to three scenarios for the years up to 2031.

EXHIBIT 1

Digital gold is a tiny proportion of the wider market

Digital gold sits in one of the largest, most liquid asset classes in the world, with about 220,000 tonnes above ground. The gold market is worth more than $30 trillion at current prices, spanning jewellery, bars, coins, gold-backed ETFs, OTC[5] and central bank reserves. The physical investment gold market is worth about $13 trillion[6].

WGC above ground gold stocks



While physical gold is enduring, the ways in which people own it have changed over time: from bars and coins to paper certificates, ETFs, vaulted digital accounts and, most recently, tokens. Each innovation has lowered barriers to entry and expanded the market, often by splitting gold into smaller and more affordable units; from 400-ounce bars to one-ounce coins, to ETF shares worth just a few dollars.

Tokenisation extends that trend, offering the potential to divide ownership into even smaller fractions. It also connects gold to a broader shift in the financial industry, which is that digital assets are becoming increasingly mainstream, supported by younger, digitally native investors.

5. Over the counter
6. As of August 2026. Including central banks, bars, coins, gold ETFs and OTC; GoldHub

For now, digital gold remains a niche product.

Its total value outstanding is about $45-$55 billion, equivalent to around 370 tonnes. This represents roughly 0.4% of physical investment gold and less than 9% of the $600 billion gold-backed ETF market. One reason is that digital gold has faced structural challenges which have constrained adoption.



See our White paper:

Digital Gold: The Case for a Shared Infrastructure

This report's scope

For the purposes of this report, digital gold encompasses two product categories (Exhibit 2):

Tokenised gold: A digital token that gives investors ownership of a specific quantity of physical gold held in secure custody. Each token corresponds to a fixed quantity of gold and the token price tracks the gold price.

Vaulted digital gold (digital gold certificate): An app- or platform-based account enabling investors to own physical gold held in secure custody by a third party.

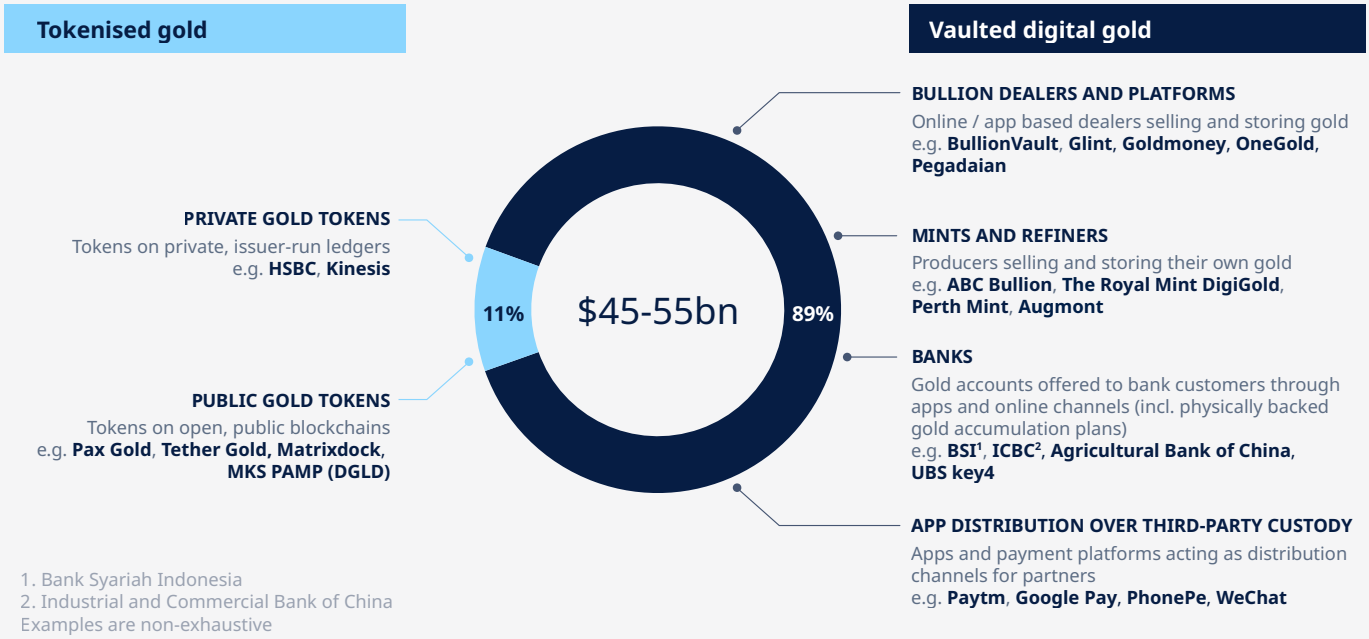
***Physically-backed gold ETFs**, leveraged products, and gold-backed stablecoins are excluded from the definition.*

Of the two digital gold products considered here, vaulted digital gold is the more established, with the first products dating back to 2005 (e.g., BullionVault)[7]. Tokenised gold products such as Paxos Gold (PAXG) were first launched in 2019. That difference in market maturity is reflected in volumes. **Vaulted digital gold accounts for about 89% of the digital gold market by value, while tokenised gold accounts for about 11%.** Both product categories are highly concentrated, with a handful of providers associated with the majority of volumes.

For vaulted digital gold, participants are drawn from across the gold value chain. They include bullion dealers and vault operators, sovereign mints, refiners and banks, alongside distributors such as super-apps and independent platforms. Meanwhile, tokenised gold issuance has generally been confined to a small group of crypto-native entities. But that is changing, with interest now expanding across the value chain and to more traditional financial institutions. HSBC's Gold Token is one example[8].

EXHIBIT 2

Vaulted digital gold currently makes up 89% of digital gold



1. Bank Syariah Indonesia
2. Industrial and Commercial Bank of China
Examples are non-exhaustive

Vaulted digital gold's scale is also concentrated geographically, with more than half of it held in China, India, and Indonesia[9], a regional footprint that the tokenised gold market has yet to match.

That said, tokenised gold has been the primary source of recent activity, having seen fivefold expansion since late 2024 (2.8x increase in underlying volumes), from $1.2 billion to $6 billion. The growth has been led by Tether Gold (XAUT) and Paxos Gold, which today represent more than 90% of the public tokenised[10] gold market. Trading activity has also expanded, with combined daily volumes across the two largest tokens up by approximately 45% over the past year[10]. Rising transaction volumes point to growing product utility (more detail in Section 3) and represent an opportunity for value capture across the value chain.

7. BullionVault
8. HSBC Gold Token
9. China volume is driven by physically backed Gold Accumulation Plans
10. EtherScan Oct 2026

2.

Why appeal is not (yet) converting



While digital gold's appeal is demonstrably high, it is not (yet) converting at scale

That gap between appeal and conversion is the central finding of our research and explains why an increasingly compelling market remains relatively small. To understand how the gap may close, we reviewed awareness of the product category, familiarity of the channels through which it can be purchased, and the factors that convert awareness into ownership.

Awareness is concentrated among younger cohorts, for whom digital investing is the default

Awareness is highest among younger cohorts, reaching 50% among 25-34-year-olds, compared with 23% among those aged 55 and over (Exhibit 3). This reflects the fact that younger generations are entering financial markets earlier than previous generations and investing through digital channels by default.[11] We return to what this means for growth in Section 4.

The new generations don't even have cash in their pockets.

They don't need to physically hold the asset anymore.

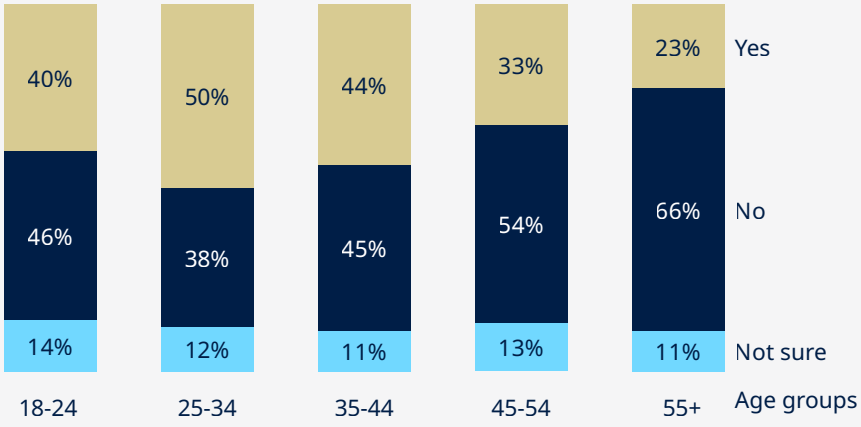
Ambre Soubiran
CEO,
KAIKO



EXHIBIT 3

Digital gold awareness is highest among 25- to 34-year-olds

Awareness of digital gold (%)



n = 12,365

11. World Economic Forum

Distribution through familiar channels drives mass adoption

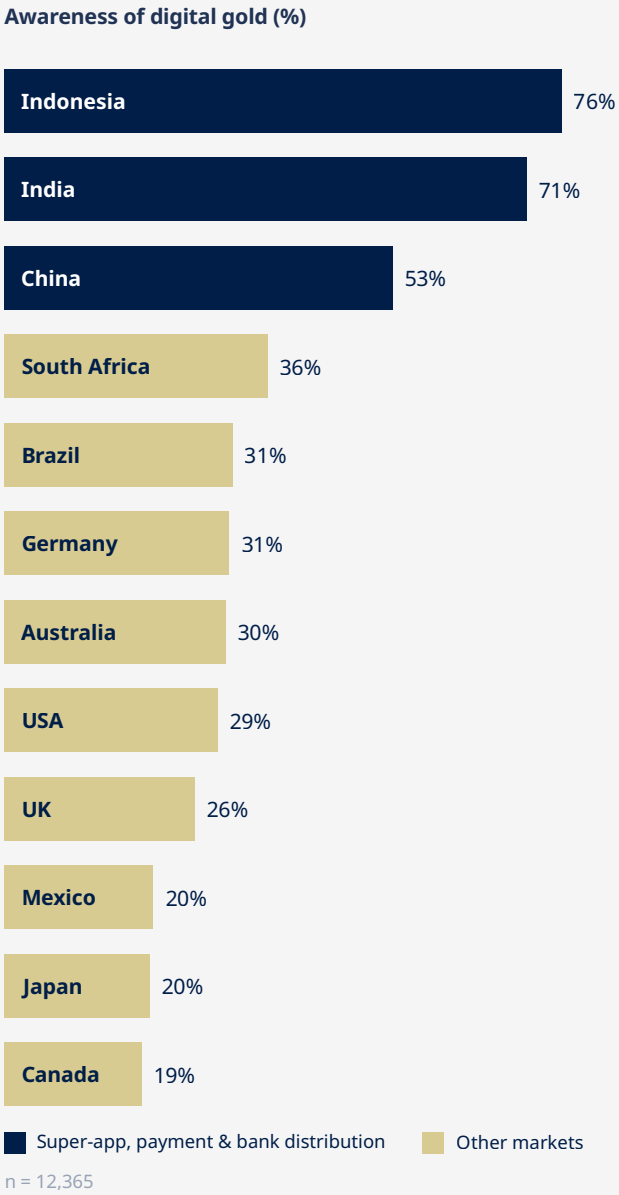
Consumers tend to invest smaller amounts but at far higher penetration rates in markets where digital gold is available fractionally through familiar, mainstream channels. In China, for example, digital gold can be accessed through platforms such as WeChat, which has more than 1.4 billion monthly active users[12]. In India, it is available through Paytm, PhonePe and Google Pay, and in Indonesia through Pegadaian and Bank Syariah Indonesia. These channels provide access to large, established consumer bases and enable investment at much lower average ticket sizes than channels available in other markets. As a result, awareness and adoption are significantly higher: current penetration is up to seven times greater than in less mature markets, while awareness is more than double (Exhibit 4).

In markets where products are offered through specialist or less familiar channels (crypto exchanges or bullion-dealer platforms rather than banking apps), awareness is much lower and ownership remains concentrated among the wealthy. Penetration among higher-wealth investors is approximately two and a half times that of lower-wealth investors. Access, in other words, determines not just how many people invest but who they are. Where access is constrained, demand patterns reflect those of specialist investment products.

12. WeChat reported account volumes

EXHIBIT 4

Awareness is highest in Indonesia



n = 12,365

I think it's very important to distinguish the views by regions, especially given the investment flows we are seeing. In Asia, investment demand for gold has been comparatively strong, although trends vary across individual markets.

Aron Chan
Gold Strategist,
STATE STREET INVESTMENT MANAGEMENT



Houston, we have a conversion problem

Digital gold offers significant growth potential, but it lags when it comes to converting awareness into ownership (Exhibit 5). This stands in contrast to other investment products, which convert at higher rates. One reason is that they have addressed structural barriers, while digital gold has not.

33%

Say that better proof and transparency of physical gold backing would increase adoption

What is holding investors back?

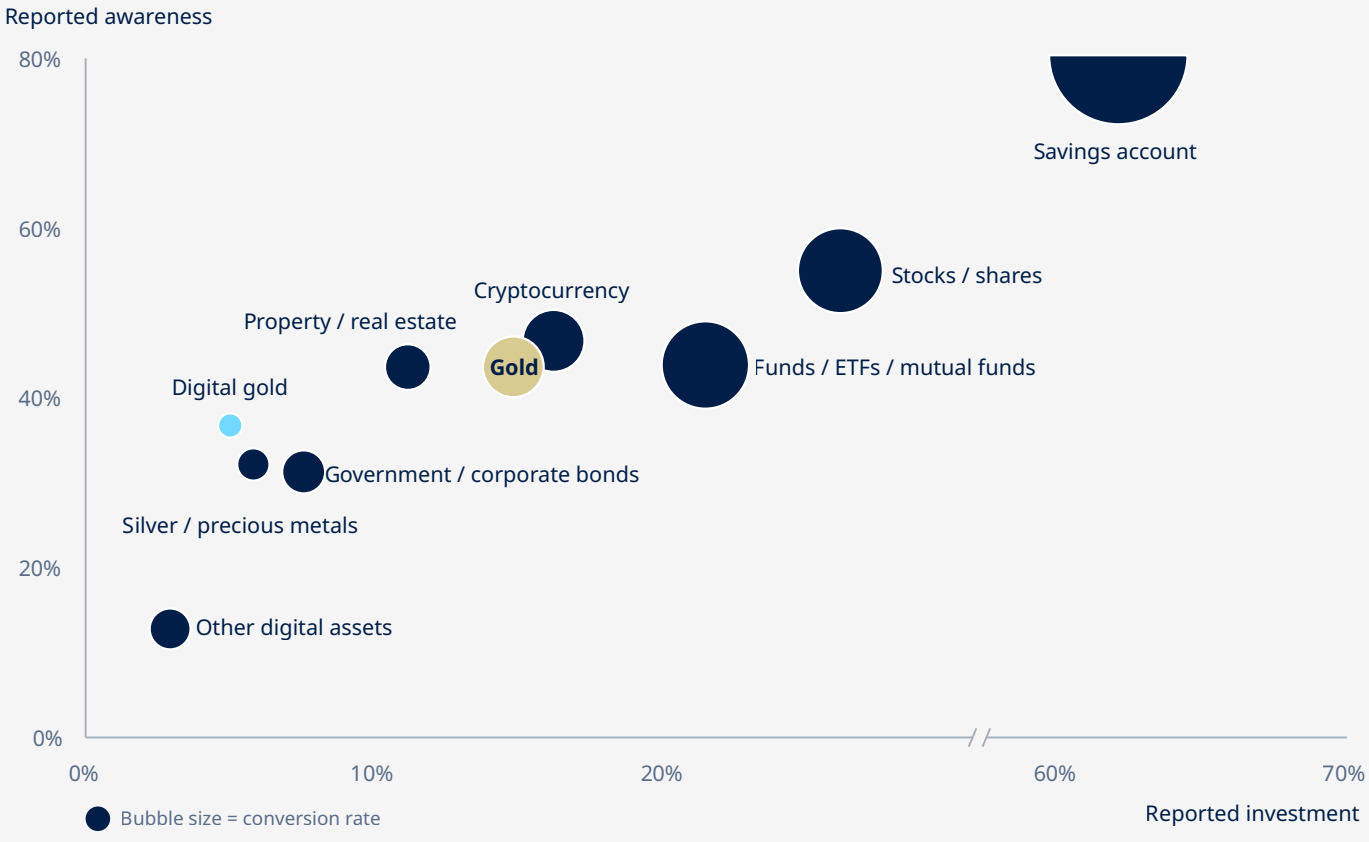
Four barriers stand in the way of scaling: These are trust, access, utility and cost.

Trust is the swing factor. More evidence that the product is safe and legitimate, together with clearer information for beginners, are the factors most often cited as potential spurs to investment. Beyond those factors, **33% say that better proof and transparency of physical gold backing would increase adoption**, and 35% say that clearer regulation and consumer protections would have the same effect.

Utility is another potential driver of uptake. If investors could pay with digital gold, earn a yield through lending, or borrow against it, they would have more reasons to buy. Access and cost complete the picture. While they are not key drivers of demand, restrictions on where digital gold can be bought and whether it can compete with alternative investment products are cited as top reasons that would prevent someone investing in the future.

EXHIBIT 5

Digital gold converts awareness into ownership less efficiently than other assets



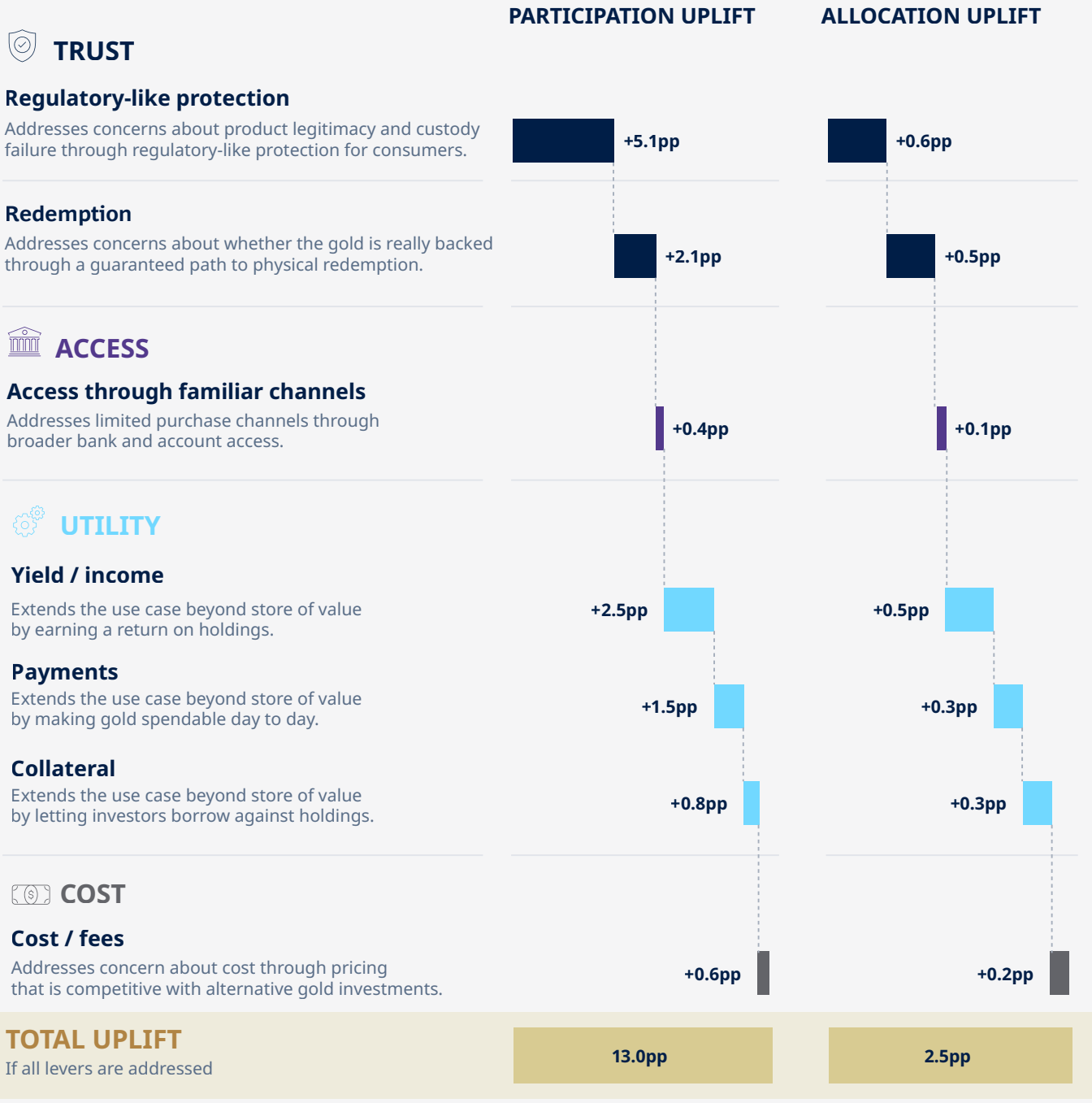
n = 12,365

What if the barriers were addressed?

Our survey has helped us quantify the impact of each barrier (Exhibit 6). In aggregate, our calculations show that **taking action to address all four barriers could reasonably increase participation by 13 percentage points and allocations by 2.5 percentage points**. Regulatory or similar protection is seen as the single most powerful lever for participation. Together, these effects account for the digital gold market's total latent demand of up to $700 billion.

EXHIBIT 6

Trust is the single biggest lever for unlocking participation and allocation



n = 12,267
Output from conjoint analysis, excludes any uplift from respondents who separately indicated they were unlikely to invest in digital gold in the future.

Latent demand to match the gold-backed ETF market

The potential market for digital gold is far larger than current adoption levels suggest. Nearly 90% of survey respondents say they would consider investing if the main barriers were addressed.

Based on the modelled increase in both market participation and portfolio allocation, removal of all the barriers could unlock up to $700 billion in latent demand.

This is not a near-term market forecast; it is an estimate of the total opportunity in today's terms.

Consumer sentiment is consistent with the aggregate industry view. Our research shows that market participants see potential and are monitoring demand and exploring options. Interest now spans the value chain and encompasses refiners and mints, exchanges, custodians and banks.

Demand, in other words, is not the problem. Conversion is. The three most important questions now are how much of the opportunity can be captured, how quickly, and what must the industry do to make it happen?

It can go very, very fast when all the pieces are there.



Charles Jansen
Managing Director
DeFi & Digital Assets,
S&P GLOBAL

I think it will grow and has the potential to grow well.



Jordan Eliseo
General Manager,
ABC BULLION

I can certainly see a path to digital gold becoming as big as the ETF market over the coming years.



Kurt Hemecker
CEO, GOLD TOKEN SA,
MKS PAMP

Absolutely... that the market for digitised precious metals is ripe for growth.



Michael DiRienzo
President and CEO,
THE SILVER INSTITUTE



3.

The result: a $160 billion market by 2031

The result: a $160 billion market by 2031

Having identified a total long-term opportunity of up to **$700 billion**, we set out three scenarios for the level of latent demand that could be converted into investment over the next five years (Exhibit 7):

In our base case, the retail digital gold market is projected to grow from approximately $45-$55 billion today to $160–170 billion by 2031, representing annual expansion of around 27%. At that size, the digital gold market would be more than a quarter of the size of today's gold-backed ETF market.

In the bull case, the market will reach $270–$280 billion by 2031 as barriers are removed more rapidly, accelerating the conversion of interest into investment.

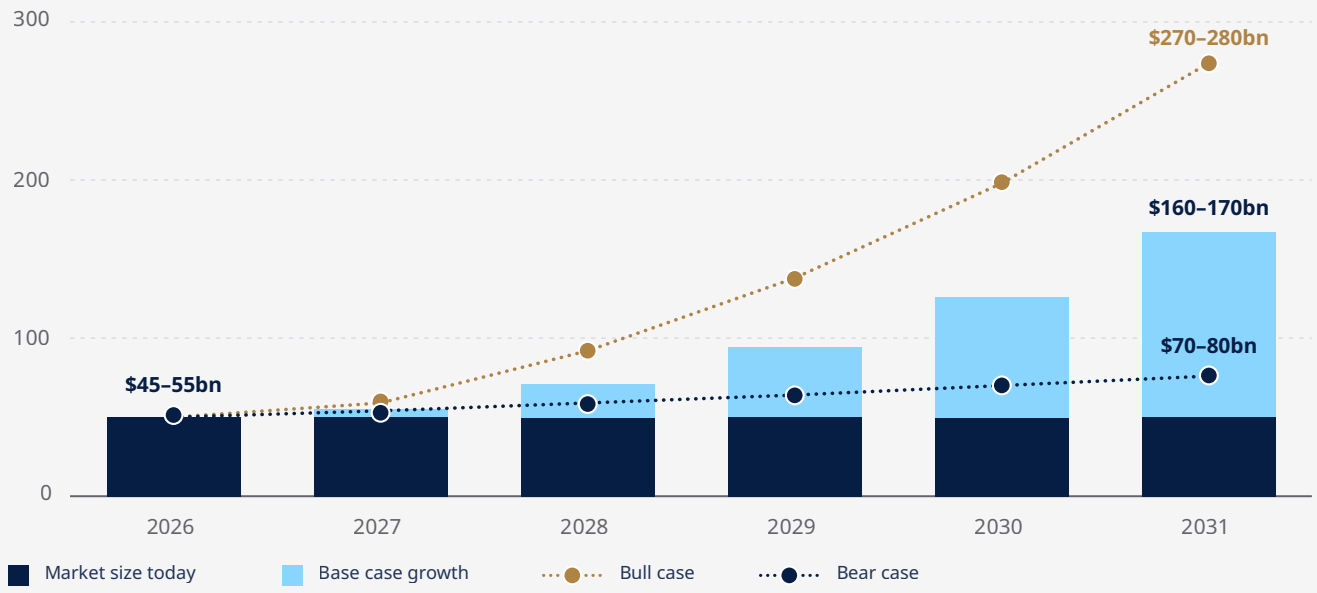
In the bear case, no current market barriers are addressed at meaningful scale and the market will expand to $70–$80 billion by 2031, driven primarily by underlying drivers of growth in the digitally-enabled population and in investable wealth, as opposed to conversion of latent demand.

The gap between the bear case and the others is, in effect, the value of latent demand that is actually converted. Structural tailwinds will grow the market regardless, but everything above the bear case depends on the speed and scale at which the barriers are addressed.

EXHIBIT 7

Digital gold could more than triple by 2031 in the base case

Digital gold market size by scenario, 2026–2031



How we built the scenarios

All three scenarios share the same structural tailwinds: population growth, a rising share of digitally enabled investors, and growth in investable wealth. Where they differ is in how far and how fast the four barriers will fall (Exhibit 8):

Base case. Stronger consumer protections, greater regulatory clarity and clear redemption pathways in leading markets foster trust, while wider bank and mainstream distribution expand access. Costs are competitive with alternative gold investments and new yield, collateral and payment use cases see limited adoption.

Bull case. Robust consumer protections, a harmonised global regulatory framework and transparent backing with clear physical redemption build trust across markets. Banks and scaled platforms provide broad access, costs fall below alternative gold investments and new use cases reach meaningful scale.

Bear case. Trust remains a challenge due to limited consumer protections, fragmented regulation and uncertainty over physical backing without a clear redemption path. Access through banks and mainstream channels is limited, costs remain higher than alternative gold investments and new use cases fail to reach meaningful scale.

EXHIBIT 8

The scenarios make different assumptions about trust, access, cost and utility

BARRIER	LEVER	BEAR	BASE	BULL
TRUST	Regulatory-like customer protections	Fragmented, no consistent framework	Clarity in leading markets	Harmonised global framework
	Ability to redeem for physical gold	Nascent	Partial, in leading markets	Clear path in all major markets
ACCESS	Access via familiar channels	Nascent	In leading markets	In all markets
UTILITY	Ability to generate yield off product	Nascent	Partial, in leading markets	Available at scale
	Ability to collateralise	Nascent	Partial, in leading markets	Available at scale
	Ability to use for payments	Nascent	Nascent	Available at scale
COST	Lower cost of product	Higher than alternative gold investments	Competitive with alternative gold investments in leading markets	Lower than alternative gold investments in leading markets

What would it take to achieve our base case?

Achieving the base case means making progress on all four barriers, meaning the digital gold market must focus on:

Building trust.
In many markets, product standards and regulatory regimes remain fragmented or absent, and often it is unclear who the relevant regulator should be. Equally, digital gold investors need greater assurance on physical backing and protection in the event of issuer insolvency or misconduct.

More than 40% of survey respondents say that a major custody failure, fraud or hack would damage their confidence.

> ***Trust has always been the biggest and most important factor for gold products.***
>
> **Robin Kolvenbach**
> CEO, ARGOR-HERAEUS



While the products are ready, the ecosystem around them needs to catch up. Boosting trust in digital gold will require clear and consistent standards, effective regulation and greater transparency around product structures, as well as physical backing and investor safeguards. Still, there are signs that regulatory momentum is building. Indonesia has introduced a dedicated digital gold regulatory regime, while the UK Financial Conduct Authority has launched a Call for Input on tokenised gold. Hong Kong has committed to bringing gold-backed tokens into its tokenised investment product framework. These initiatives will not only reassure potential investors but provide the clarity that financial institutions need to bring products to market.

> ***One of the biggest challenges ETFs faced was assuring customers that there was, in fact, physical gold backing the products. Digital gold is at a significant advantage because much of the heavy lifting has already been done.***



> **James Steel**
> Chief Precious Metals Analyst, HSBC

Regulatory clarity addresses one source of doubt; physical backing is the other, and redemption is where that backing is proven.

Redemption is possible today, but the terms are often restrictive, both in terms of where the metal can be redeemed (in many cases, one location worldwide) and in the minimum value required (for example, a 400-ounce bar). As a result, redemption currently functions mainly as a guarantee, and issuers that already offer it say it is a primary reason why customers trust the product. Widening that guarantee, through more redemption locations and lower minimum thresholds would fuel demand. Customers will trust digital gold products more if they can sell easily and exchange the product for cash or the physical metal.

> ***People want a clear path to their physical gold. People want to know that if there's a war, if there's anything, this is my gold and I can claim it immediately.***



> **Katharina Gehra**
> CEO, FLEXGOLD

Unlocking access.

Digital gold must become easier to find and buy. This means offering products through reputable, familiar institutions and integrating them into established channels.

> ***ETFs essentially put gold into the investment supermarket (stock exchanges) that most investors were already using. That has been key to their growth.***



Jordan Eliseo
General Manager, ABC BULLION

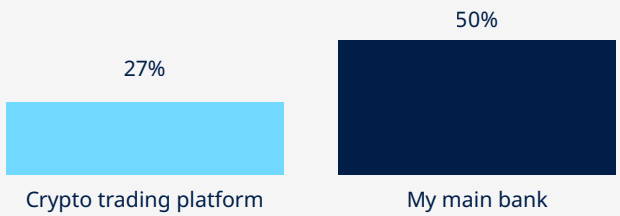
For the most part, digital gold is not yet accessible through everyday financial platforms. Indeed, particularly in the case of tokenised gold, access remains limited, often requiring investors to engage with unfamiliar routes to market, such as setting up a crypto wallet. As a result, adoption has been concentrated among crypto-native and digitally confident investors.

Where digital gold has been embedded into channels that investors already use, the results have been compelling. In India and Indonesia, digital gold products have been integrated into super-apps, payment platforms and banking channels, leading to over 120 million customers in India[13] having engaged in digital gold transactions and 5 million in Indonesia[14].

EXHIBIT 9

Customers prefer banking channels

Preferred channel to buy digital gold (%)



n = 7,149

Expanding product utility.

Much latent demand for digital gold is due to the product's potential for incremental utility, with the top use cases being yield generation from activities such as lending, collateral servicing and payments, as well as a clear path to physical redemption.

Earning a yield is typically achieved by lending the product out or posting it as collateral. Payments usually consist of using gold to transact directly or send remittances. These use cases remain nascent in digital gold and represent a significant opportunity.

> ***Having the ability to optimise the utility of those assets in digital form becomes one of the key benefits and unlocks of the technology.***

Digital Assets Leader
MAJOR GLOBAL BANK

Yield generation through activities such as lending, collateral use and options writing is already possible for physical gold and gold ETFs, although it typically requires a specific brokerage feature or directly negotiated terms. Uptake among retail investors remains low. Embedding ownership in smart contracts could enable holdings to be pledged, transferred, reallocated or used to write derivatives automatically, potentially creating a significant investment opportunity.

The shift is already happening, but not through traditional channels.

PAXG and XAUT are deployable as collateral on Aave, one of the largest relevant platforms, which alone holds more than half of tokenised gold DeFi deposits. In early 2026, levels of demand to borrow against XAUT repeatedly hit the platform's supply cap (the maximum amount that can be posted as collateral across the platform).

13. WGC's India digital gold research
14. Indonesian Banking Association

The trend is now broadening beyond decentralised platforms. In September 2026, Arch Lending, a crypto lending platform, also began accepting PAXG and XAUT as loan collateral[15]. Tokenised gold turns over daily at roughly six times the rate of major gold-backed ETFs[16], showing holders are actively trading, rather than just holding. Paxos Labs' newly launched gold-backed cryptocurrency token (PAXGy) goes a step further, building a yield directly into a PAXG-backed token through gold lending to institutional borrowers.

In the first quarter of 2026, cumulative trading volume in gold-backed tokens exceeded $90 billion, more than in the whole of the preceding year. That is a sure sign of growing product utility and the opportunity for value capture across the value chain.

> ***If gold yields on tokenised gold are moving in tandem with US Treasury yields, then the adverse case for holding gold is substantially undermined.***
>
> **Daragh Maher**
> Head of Digital Assets Research, HSBC



Payments is another use case, but it remains niche, despite the fact that digitisation removes the physical constraint that has historically stood in the way. Market participants must overcome two barriers: building the necessary infrastructure and persuading merchants to accept it. Both have stalled would-be alternatives to fiat for centuries.

That said, the rise of cryptocurrencies and fiat-denominated stablecoins over the past decade has effectively dismantled both payments barriers on gold's behalf. Blockchain rails built for other digital assets give gold tokens a ready-made transmission network. The ability to swap gold tokens for stablecoins means merchants can accept a gold-funded payment and receive fiat equivalents without ever needing to hold gold themselves.

>$90B

Cumulative trading volume in gold-backed tokens in the first quarter of 2026

> ***I could take my ring, but it's going to be hard for me to pay with it. And I can't break it down into small pieces to do micro payments. With digital gold, you can do that.***
>
> **Ambre Soubiran**
> CEO, KAIKO



Becoming more competitive on costs.

Even where trust and access improve, digital gold products must compete on price with other products, including physical gold and gold-backed ETFs. Digitisation on its own does not lower the underlying cost base, because sourcing, custody and compliance costs remain largely the same.

Some digital gold providers have not viewed user fees as the primary source of revenue (unlike other product categories), testing to capture revenue from other intermediaries. Physical gold carries a different cost profile, a purchase premium of several percentage points over spot for coins and small bars and ongoing vaulting and insurance costs. Whether that pricing will hold in future depends on two key drivers. The first is assets under custody (AUC) volume, which offers economies of scale on the supply side by spreading sourcing, custody and compliance costs across a larger asset base. The second is trading velocity, which determines how much value providers can capture across the value chain as holdings turn over more frequently. Providers need to be able to offer competitive pricing to solve for both.

15. Tokenized gold is becoming productive collateral in crypto lending, Arch says
16. Gold Trading Volumes, and CoinGecko data on PAXG and XAUT



4.

A new generation of gold investors

A new generation of gold investors

Much of the growth predicted in our base case would be new money for gold, rather than money moved around within the asset class.

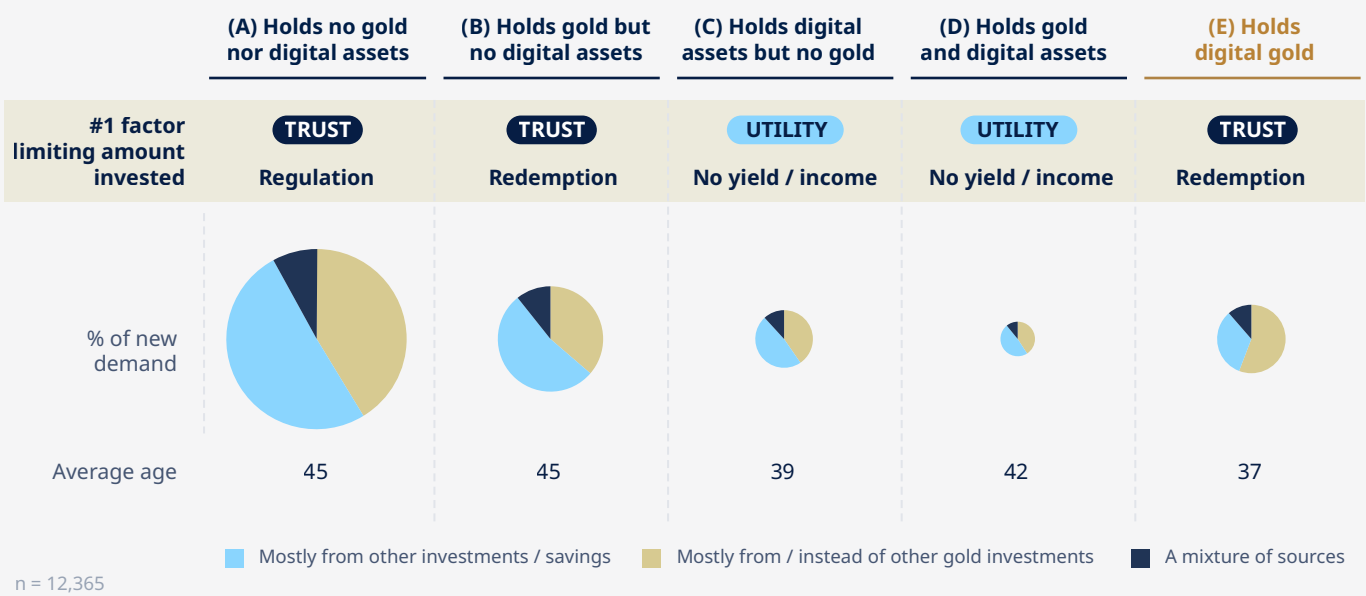
This is one of the most distinctive findings of our research. The bulk of latent demand lies with people who do not yet own gold, and specifically younger investors who are the keenest to buy digital gold products. Digital gold, in other words, is likely to grow the gold market rather than carve it up.

We see sharp differences across groups on the factors that limit investment, with redemption most important to gold investors and yield most important to digital asset investors (Exhibit 10).

That said, our research suggests that approximately 65% of new demand will come from first-time entrants to the gold market.

EXHIBIT 10

Redemption matters most to gold investors, yield matters most to digital asset investors



n = 12,365

Interest in digital gold among younger generations is not only apparent in levels of awareness.

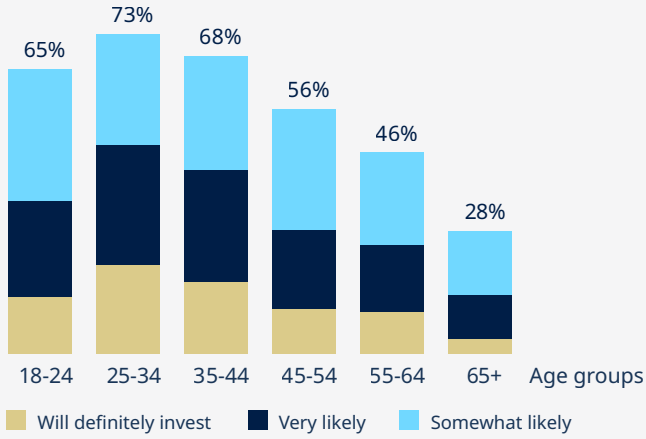
Both intention to buy and share of portfolio allocated to digital gold peak in the 25-34 age group, and under-45s collectively convert at roughly double the rate of those aged 55+ (Exhibit 11).

Given that willingness to invest, digital gold should be the avenue through which the broader gold market brings younger demographics (aged 35 and below) to the asset class.

EXHIBIT 11

Younger cohorts are most likely to invest

Willingness to invest in digital gold (%)



n = 12,365

Among those who convert their interest into investment, the more direct question is where the money will come from. While growth will likely emanate from a mixture of incremental demand and substitution for other forms of gold investment, the survey reveals that incremental demand will dominate.

About 53% of current gold investors would use money from non-gold investments or money currently not invested at all for buying digital gold (Exhibit 12).

EXHIBIT 12

Most future purchases will be funded with new money, not existing gold holdings

Funding source for future digital gold purchases among current gold holders (%)



n = 2,189, only current gold investors

52%

of current digital gold holders had no gold before buying digital gold

These findings are consistent with the views expressed by people already holding digital gold. **We find that 52% of that group held no gold in any form before their first digital purchase, of which 92% went on to buy other forms of gold after they bought digital gold.**

This shows digital gold products often act as a gateway to the purchase of physical bullion.

I have no doubt that there are people that have bought Tether or Paxos that would have never bought a gold ETF or bought a physical gold bar. That created new demand. No question.



Jordan Eliseo
General Manager,
ABC BULLION

Some industry participants believe that tokenised gold will cannibalise other products, particularly gold-backed ETFs. Tokenised products enable 24/7 trading and offer additional use cases that give them a slight product edge. These are advantages that gold-backed ETFs cannot currently match, and early evidence suggests investors value them: in tokenised equity markets, more than half of trading occurs outside traditional market hours, pointing to real demand for round-the-clock access.[17] However, gold-backed ETFs have gained market share by making gold easier to access within the existing, regulated financial system, and digital gold has yet to establish the same level of trust. The relative advantages of each product address different investor needs, helping to explain why cannibalisation is likely to be limited. That said, if digital gold can overcome the trust deficit, some cannibalisation is likely, although it would be small relative to the incremental demand it would unlock.

> ***So far, I think it has created incremental new demand for gold. But yes, if [they] get their act together, it could also eat into the market share of the ETFs.***



Vikram Dhawan
Head of Commodities and Fund Manager, NIPPON INDIA

> ***We had the same concerns when we launched DigiGold, wondering whether it would draw customers away from our physical gold proposition. What we find is that DigiGold is a gateway for customers moving from digital into owning physical bullion.***



Andrew Dickey
Managing Director, THE ROYAL MINT

In practice, we believe the gold market is likely to grow in aggregate, while a small share moves between products.

Net of displacement, the base case represents approximately $95 billion of genuinely new demand by 2031. This mirrors how gold-backed ETFs grew; by adding a compelling product that builds its own market over time[18].

~$95B

of genuinely new demand by 2031

17. IMF Global Financial Stability Report: "Scaling Tokenization: New Efficiencies, New Vulnerabilities.", October 2026.
18. Note: We report gross and net figures separately throughout, since the difference between them is the difference between a new market and a redistributed one.

5.

What to watch: four signs of a breakout



What to watch: four signs of a breakout

The scenarios described in Section 3 hinge on how quickly the four barriers come down, but there will not be progress without deliberate effort. Change is predicated on progress across the market, from token issuers, vaulting providers, and regulators, as well as banks and platforms that ultimately connect with retail investors.

So how will we know if it is working?

Four signals, each likely to manifest before 2031, will show whether digital gold is on track for the base case, the bull case or neither:

1 Trust taking shape through regulation and redemption.

The signal is whether consultations turn into regulation, from the UK FCA's Call for Input on tokenised gold to Hong Kong's move to bring gold-backed tokens into its tokenised investment framework, and whether redemption terms loosen, with physical gold available at more locations and lower minimums. Clarity on both fronts in leading markets is the base case, while a harmonised global framework paired with broadly available redemption would favour the bull case. With trust seen as the single biggest barrier for every group of investors, this is the one to watch first.

2 Major banks putting digital gold in their apps.

Asian markets have shown that making digital gold available through channels customers already use and trust, and especially banking apps, significantly drives uptake. Our base case is that banks in the remaining leading markets will follow suit. Banks and other scaled platforms offering access everywhere would point to the bull case.

3 New revenue models unlock competitive pricing.

Digital gold providers are finding new ways to make money beyond simply charging customers for holding gold. By offering additional products and earning a share of trading fees, providers can generate new sources of income. Enabled by new technology and digital banking platforms, these revenue streams can help cover the costs of holding gold, allowing providers to offer customers more competitive prices.

4 Utility breaking out of the crypto niche.

Yield and collateral use cases are already live but mostly on crypto-native platforms. The signal is whether regulated institutions adopt them and whether payments follow. Partial progress in the leading markets is the base case. All three uses at scale would point to the bull case.

If the signals emerge faster and more powerfully than expected, digital gold can do what every earlier innovation in gold ownership has done: lower barriers to entry and grow the market as a whole.

Capturing that opportunity will take an industry-wide effort. The World Gold Council is committed to act as a convenor, bringing together stakeholders who can make it happen. We encourage any organisation, regulator or individual who wants to shape this movement to reach out.

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Creating conditions for scale:

Gold as a Service is the World Gold Council's shared infrastructure platform for digital gold issuers. It builds trust in the products and market through a clear legal structure, backed by the World Gold Council's reputation, best-in-class compliance and auditing, and over time, a global network for physical redemption. It also gives issuers faster access to the market, enabling them to plug into an established gold supply chain instead of building sourcing, custody and compliance from scratch. Pooling volume across issuers makes the economics work at a cost that would be far lower than for any single issuer.

Glossary and Methodology

Glossary

Concept	Explanation
Allocation	Share of investable wealth allocated to digital gold (%).
Assets under custody (AUC)	The value of gold held in custody on behalf of a product's investors. Used in this report to size each product and the market as a whole.
Blockchain	A shared digital ledger, maintained across many computers, that records transactions in a way that is very difficult to alter afterwards.
Bullion	Gold, in bar form, refined to a purity of at least 99.5%.
Crypto wallet	Software or a device that holds the keys needed to own and transfer digital tokens. Setting one up is often required to buy tokenised gold.
Custodian	The entity that holds physical custody of gold on behalf of investors or platforms, typically appointing specialist vaulting providers to store the gold and maintaining records of each holder's interest.
DeFi (Decentralised Finance)	A financial system built on public blockchains that uses smart contracts instead of traditional middlemen like banks or brokerages.
Digital gold	Gold held and traded through a digital account or token, backed by physical gold in secure custody. In this report, it spans tokenised gold and vaulted digital gold, and excludes gold-backed ETFs, leveraged products and gold-backed stablecoins.
Exchange	A trading venue, digital or traditional, on which gold, gold tokens or other digital assets can be bought and sold.
Fiat currency	Government-issued money, such as the US dollar, that is not backed by a physical commodity.
Gold as a Service	A shared infrastructure model that would enable businesses to create, issue and operate gold-backed products without independently building the full physical, legal and technology stack.
Gold-backed ETF	A publicly traded investment fund that provides exposure to gold (typically by holding physical gold and/or using derivatives), allowing investors to access gold returns through traditional brokerage accounts.
Issuer	A business, such as a fintech, bank or gold platform, that creates and operates a gold-backed product for its own customers.

Concept	Explanation
Latent demand	The additional investment in digital gold that would follow if all four barriers (trust, access, cost and utility) were removed at once, at today's population and wealth. It is a ceiling rather than a forecast, so it carries no date.
Lending and collateral	Lending digital gold to borrowers, or using it as collateral to borrow against, to support credit or yield-generating activities. Subject to legal enforceability, custody structure and market infrastructure.
Over-the-counter (OTC)	Over-the-counter (OTC) transactions (also referred to as 'off exchange' trading) take place directly between two parties, unlike exchange trading which is conducted via an exchange.
Participation	Share of addressable investors holding digital gold (%).
Redemption	The process by which a holder converts a digital gold position into physical gold or a cash equivalent, subject to defined eligibility, fees and delivery terms.
Refiner / Mint	A company that produces gold bars or coins to recognised purity and weight standards, often supplying the physical gold that backs vaulted or tokenised digital gold products.
Smart contract	Self-executing code deployed on a blockchain that automatically carries out predefined actions, such as transferring or pledging a digital gold token, once its conditions are met.
Spot price	The current market price of gold for immediate delivery. Product premiums and fees are quoted against it.
Stablecoin	A digital token designed to maintain a stable value, typically by being pegged to a fiat currency such as the US dollar.
Super-app	A single mobile app that bundles messaging, payments, shopping and financial services, such as WeChat or Paytm.
Token	A secure digital record of a specified amount of gold, held on a blockchain, that can be transferred, pledged or redeemed depending on the product and jurisdiction (for example PAXG or XAUT).
Tokenisation	Representing ownership of an asset, here physical gold, as a digital token on a blockchain. This allows it to be divided into small fractions and transferred directly between holders.
Tokenised gold	A digital token that gives investors ownership of a specific quantity of physical gold held in secure custody. Each token corresponds to a fixed quantity of gold and the token price tracks the gold price.
Vaulted digital gold (digital gold certificate)	An app- or platform-based account enabling investors to own physical gold held in secure custody by a third party.
Yield	An additional return generated from an underlying gold holding through activities such as lending or supplying it as collateral, distinct from price appreciation in the underlying gold itself.

Methodology

Data inputs

The findings of this report rest on a combination of primary and secondary research conducted between July and October 2026. The primary research, conducted by Toluna, comprised a consumer survey of over 12,000 respondents in 12 markets and a programme of interviews with experts from across the gold and digital assets value chain. The secondary research comprised a product-by-product review of the existing market landscape, together with third-party datasets of country-level forecasts for population, banked and digitally enabled rates, and investable wealth. The survey covered Australia, Brazil, Canada, China, Germany, India, Indonesia, Japan, Mexico, South Africa, the UK and the US. Each market contributed around 1,000 respondents, balanced on age, gender, income and region, so that results can be read both market by market and in aggregate. It explored what investors know about digital gold, what they own, what holds them back and what would persuade them to invest. Interviews were also conducted with 20 experts from organisations spanning issuers and platforms, refiners and mints, banks, asset managers, exchanges and market infrastructure, and industry bodies.

Market sizing

The market today

Today's market has been sized from the bottom up: the sum of total assets under custody across all identified product that meets this report's definition of digital gold. The review identified over 70 products worldwide. For each product it recorded what is available and through which channels, the terms on which it is offered and, where publicly disclosed, total assets under custody, customer numbers and average holdings. Twenty-five of these products disclose their assets under custody and account for the large majority of the market. The remainder form a long tail of smaller issuers whose holdings have been estimated from customer counts or other proxies. All disclosures are restated on a common gold-price basis.

Market growth

From this base, future growth is modelled as new demand added on top of today's market. The model sizes each market as the product of four terms, summed across 96 countries, which together represent 98% of global investable wealth:

addressable investors (#) × investable wealth per investor ($) × share holding digital gold (%) × share of portfolio allocated to digital gold (%)

The first two terms come from external data sources. The last two carry the uplifts in share holding digital gold (%) and share of portfolio allocated (%), which are derived from the survey results.

For each of the 96 countries, the population aged 15 and over (World Bank population forecasts) is narrowed first to those with a bank account and then to those able to transact digitally (World Bank Global Findex), producing the number of addressable investors. This figure is multiplied by the country's average investable wealth per investor (BCG Global Wealth Report). Average investable wealth includes financial assets but excludes the largest individual holdings, as these are not addressable through retail products. Both inputs are expressed in today's values and projected annually on a country-by-country basis, so that both the number of addressable investors and their average investable wealth grow over time. These are what the report describes as the “underlying drivers of growth”.

The larger driver is the removal of barriers, the effect of which was sized using a conjoint analysis. As part of the survey, each respondent was shown a series of cards, each describing a digital gold product with a different combination of barriers removed or left in place. For each card they indicated how much they would invest. Because the combinations vary systematically across cards and respondents, the effect of each barrier can be estimated independently of the others. This gives two values for each barrier removed, both set out in Chapter 2: the uplift in the share holding digital gold (%), and the uplift in the share of portfolio allocated to digital gold (%).

Because the uplifts are measured only in the surveyed markets, each remaining country is matched to the surveyed market that best represents how its investors are likely to behave. Proxy markets were selected using four criteria: GDP per capita, geographic proximity, precious metals holdings per capita, and crypto holdings per capita. Each country then inherits its proxy market's uplifts, applied to its own growth in addressable investors and investable wealth.

Total latent demand and the growth scenarios answer two different questions, and the two figures are not directly comparable.

Total latent demand: if every barrier fell at once, at today's population and wealth, the market would be approximately $700 billion larger than it is now. Nothing is phased and nothing grows, so the figure carries no date. It is the ceiling: how much demand the barriers hold back today, assuming investors respond in full and immediately.

Growth scenarios: these ask how much of that demand is realistically converted by 2031. Here population and wealth grow year by year, barriers fall in different years in different markets, and each uplift phases in gradually rather than landing at once. Because those ramp periods run longer than the forecast window, only a portion of the latent demand is captured by 2031. The gap between the scenario outcomes and the $700 billion is therefore a question of how quickly demand converts, not of whether it exists.

Three things change between scenarios: which barriers are removed, when they are removed, and the ramp-up period, in years, from removal to the point at which the full uplift is realised. These assumptions are anchored in the product review, the expert interviews and public disclosures on regulation and forthcoming launches. The ramp-up period is benchmarked against the adoption curves of comparable product transitions.

Three scenarios are modelled: a bear case in which no barriers are removed, so growth comes from the underlying drivers alone; a base case in which barriers are partially removed and the uplift materialises over a longer, 15-year period; and a bull case in which barriers fall faster and more widely. The detail of each scenario is set out in Chapter 3.

Intentionally excluded from modelling

A major hack or security breach could materially damage trust in digital gold. Among respondents, 44% said this would most undermine their confidence in the category.

A significant custody failure or fraud at a large issuer could trigger a broader collapse in retail trust, comparable to the major crypto-exchange failures of 2022. Some 41% of respondents said this would most damage their confidence.

Neither is reflected in the scenarios, which assume the market continues to function as it does today.

The modelling also excludes the effect of a material change in the gold price. A significant move either way would affect both the reported value of the market and investor demand, and could produce outcomes outside the scenarios presented.

A note on interpretation

This report sets out a potential path for the market under particular scenarios, informed by customer research.
It is not investment advice and should not be treated as such.

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