

# Gold ETF Commentary

## North America dominates inflows

### September in review

**Global physically backed gold ETFs<sup>1</sup> saw their fifth consecutive monthly inflow in September, attracting US\$1.4bn (Table 1, p2).<sup>2</sup>** Inflows were concentrated in North America during the month while Europe was the only region that experienced outflows, albeit only mildly. Thanks to continued inflows and a record-breaking gold price, global assets under management (AUM) rose by 5% to US\$271bn, another month-end peak.<sup>3</sup> And collective holdings climbed 18t to 3,200t by the end of September.

**Continuous inflows in recent months trimmed y-t-d outflows of global gold ETFs to flip positive to \$389mn.** Recent inflows, alongside a soaring gold price, has fuelled the y-t-d surge in the total AUM by 26%. **It is worth noting that y-t-d flows of North American funds have flipped positive, leaving Europe the only region with outflows so far in 2024.** Meanwhile, Asian funds continued to dominate global y-t-d inflows despite a recent slowdown in demand.

### Highlights

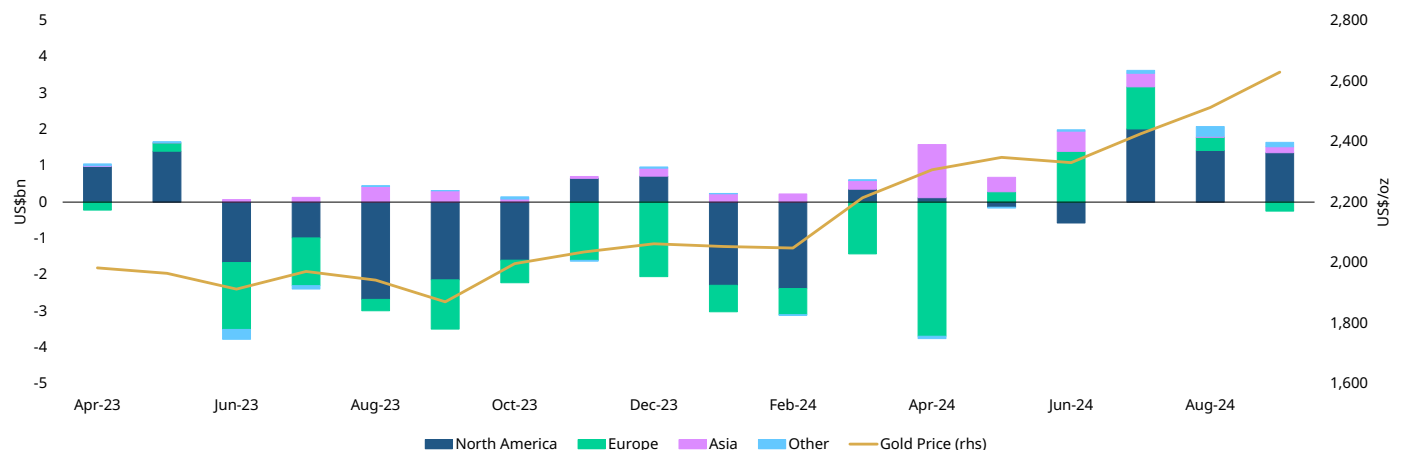
Global gold ETFs extended their inflow streak to five months, with North America leading the charge.

Recent inflows finally flipped global gold ETFs' y-t-d flows positive to US\$389mn, leaving Europe as the only region with net outflows.

Global gold trading volumes edged higher amid rising OTC activities.

**Chart 1: Global gold ETFs have now experienced five months of inflows**

Regional gold ETF flows and the gold price\*



\*As of 30 September 2024.

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

1. 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.
2. 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 details, see our ETF methodology note.
3. Based on the LBMA Gold Price PM.



## Regional overview

North American funds witnessed inflows three months in a row, adding US\$1.4bn in September. The US Fed surprised investors with a cut of 50bps at their September gathering, pushing Treasury yields and the dollar down during the month. Lower opportunity costs, related to interest rates and the dollar, boosted investor interest in gold ETFs. Similar to prior months, the surging gold price not only attracted investor attention, but also led to exercises of in-the-money call options of major gold ETFs, creating sizable inflows at the expiry date.<sup>4</sup> Rising geopolitical tensions in the Middle East during the month, we believe, also helped attract gold ETF inflows as investors seek safe-haven.

Europe lost US\$245mn in September, snapping its four-month inflow streak. Outflows were mainly from UK funds. Compared to the US Fed's easing efforts, the Bank of England (BoE) was more reserved, leaving rates unchanged at 5% at their September meeting, citing the upside risk of inflation from elevated wage growth.<sup>5</sup> The BoE's cautious move cooled investor expectation of future rate cuts, and fuelled a sizable rebound in UK gilt yields which coincided with major local gold ETFs' outflows. In contrast, both Germany and Switzerland witnessed inflows, minor as they are, likely driven by safe-haven demand amid the deteriorating economic outlook, especially in Germany.<sup>6</sup> Meanwhile, intensifying expectations of a further cut from the European Central Bank (ECB) in October, despite a pause this month, led to notable falls in local yields, and likely contributed to increased gold demand.<sup>7</sup>

Once again, the region saw FX hedging related inflows, albeit at a slower pace than August, driven mainly by continued strength in local currencies against the dollar.

Asian funds attracted US\$175mn in September, extending the region's inflow streak to 20 months. India again saw strong inflows, driven by factors not too dissimilar from [previous months](#). At the same time, the strong gold price momentum and elevated geopolitical risk were contributors. Chinese inflows were mild as the equity rally later in the month, fuelled by the government's aggressive stimulus package, diverted some investor attention away from gold despite its strong performance.

Funds elsewhere reported inflows, for the fourth successive month. September's US\$120mn inflows were mainly driven by Australian and South African funds. Although the Reserve Bank of Australia (RBA) held rates unchanged, local yields were generally lower in the month amid cooling inflation and weak growth.<sup>8</sup> Alongside the record-breaking gold price in the local currency, Australian gold ETFs have now registered inflows for four consecutive months. Meanwhile, the 25bps rate cut from the South Africa central bank led to a sharp reduction in local yields and a weaker Rand, igniting the region's fifth consecutive monthly gold ETF inflow.<sup>9</sup>

Table 1: September regional flows\*

	Total AUM (bn)	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
North America	137.3	1,360.9	1,623.9	16.2	1.01%
Europe	112.1	-244.9	1,325.4	-1.7	-0.13%
Asia	16.0	175.0	186.1	2.0	1.07%
Other	5.5	120.3	64.6	1.9	3.10%
Total	270.9	1,411.3	3,200.1	18.4	0.57%
Global inflows / Positive demand		4,116.1		31.0	1.60%
Global outflows / Negative demand		-2,704.8		-12.6	-1.05%

\*As of 30 September 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

4. Options expiry: While many ETFs have weekly or end-of-month option expirations, we refer to regular monthly expiration of ETF options that occur on the third Friday of each month, which generally have the most significant open interest. When gold prices rally into a major options expiration, it often elicits additional call options to be exercised, creating primary activity in the ETFs.  
 5. For more, see: [Cautious Bank of England hold rates, extends bond reduction plan | Reuters](#)  
 6. For more, see: [German economy is 'stuck in stagnation', ING says | Fortune Europe](#)

7. For more, see: [Rates Spark: October ECB cut more likely than ever | articles | ING Think](#)  
 8. For more, see: [RBA Leaves Interest Rate Unchanged - channelnews: Australia's economy growing at slowest pace since 1990s recession, as households cut back on spending - ABC News; Australia inflation slows to 3-year low in August, core also trends lower | Reuters](#)  
 9. For more, see: [South Africa central bank joins easing club with 25 basis point rate cut | Reuters](#)



## Trading activity climbs

**Global gold trading volumes rebounded in September, averaging US\$259bn, 7% higher m/m.** The main driver came from OTC activities, which saw a 10% m/m rise to US\$176bn/day, translating to a 6% increase m/m in tonnage terms. Exchange-traded products saw a marginal increase of 0.2% m/m in volumes during the month – while activities at COMEX rose, this was offset by lower Shanghai volumes. Despite continued inflows, global gold ETF trading cooled in September, declining 5% m/m.

COMEX **total net longs** continued to rise, reaching 976t by the end of September, a 6% m/m rise and the highest month-end level since February 2020. Increasing net longs were mainly contributed by money managers – their net positions reached 793t as of September, 8% higher than the end-August level and 84% above the H1 average of 430t. Similar to previous months, gold's eye-catching performance and investors' rising bets on the Fed's future rate cuts were main drivers.

Table 2: September flows by country\*

Countries list (by AUM)	Total AUM (bn)	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
US	131.6	1,299.7	1,556.2	15.5	1.00%
UK	50.2	-443.2	593.6	-5.0	-0.83%
Switzerland	27.8	118.3	328.3	2.0	0.61%
Germany	27.4	-6.2	324.1	0.2	0.07%
China P.R. Mainland	7.8	109.5	91.4	1.2	1.36%
Canada	5.7	61.2	67.8	0.7	1.11%
France	5.3	94.1	62.4	1.1	1.77%
India	4.7	65.1	52.6	0.7	1.44%
Australia	3.6	109.8	43.0	1.6	3.82%
Japan	3.2	0.0	37.9	0.0	-0.04%
South Africa	1.6	4.7	19.0	0.3	1.57%
Ireland	1.0	-5.2	11.6	-0.1	-0.55%
Italy	0.4	-2.4	4.8	0.0	-0.60%
Hong Kong SAR	0.3	0.0	3.9	0.0	-0.03%
Turkey	0.2	5.8	2.6	0.1	2.79%
Liechtenstein	0.0	-0.2	0.6	0.0	-0.03%
Malaysia	0.0	0.4	0.3	0.0	1.94%
Saudi Arabia	0.0	0.0	0.1	0.0	-0.09%

\*As of 30 September 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: September individual top and bottom flows\*

Top 15 flows	Country	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
SPDR Gold Shares	US	764.4	871.7	9.2	1.07%
iShares Gold Trust	US	300.8	370.3	3.6	0.97%
SMO Physical Gold ETC	GB	225.6	8.6	2.7	45.79%
Pictet CH Precious Metals Fund - Physical Gold ‡	CH	151.6	49.8	1.9	3.99%
Sprott Physical Gold Trust	US	115.4	101.7	1.4	1.39%
Amundi Physical Gold ETC	FR	94.1	62.4	1.1	1.77%
Global X Physical Gold	AU	78.2	28.3	1.0	3.84%
abrdn Gold ETF Trust	US	77.5	44.2	0.8	1.83%
Bosera Gold Exchange Trade Open-End Fund ETF	CN	72.3	21.8	0.8	4.06%
Guotai Gold ETF	CN	69.8	8.5	0.8	10.68%
WisdomTree Physical Gold GBP Daily Hedged	GB	63.9	20.2	1.2	6.17%
iShares Gold Bullion ETF ‡	CA	53.4	10.9	0.6	6.11%
E Fund Gold Tradable Open-end Securities Investment Fund	CN	33.6	16.2	0.4	2.50%
VanEck Merk Gold ETF	US	30.3	13.6	0.4	2.72%
Goldman Sachs Physical Gold ETF	US	29.9	10.3	0.4	3.62%
Bottom 15 flows	Country	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
WisdomTree Physical Gold	GB	-269.8	58.7	-3.3	-5.29%
Invesco Physical Gold ETC	GB	-259.9	210.2	-3.2	-1.48%
iShares Physical Gold ETC	GB	-169.9	204.2	-2.1	-1.02%
Huaan Yifu Gold ETF	CN	-127.0	39.4	-1.6	-3.80%
Xetra-Gold	DE	-52.4	176.4	-0.6	-0.35%
ZKB Gold ETF ‡	CH	-26.1	160.7	0.0	-0.03%
Gold Bullion Securities Ltd	GB	-20.2	37.1	-0.3	-0.68%
CSIF CH II Gold Blue DB USD ‡	CH	-17.9	19.9	-0.2	-0.89%
iShares Gold Trust Micro	US	-16.7	17.2	-0.2	-1.17%
WisdomTree Core Physical Gold	GB	-9.9	12.1	-0.1	-0.99%
iShares Gold CH	CH	-9.2	8.1	-0.1	-1.48%
SPDR Gold MiniShares Trust	US	-7.3	107.7	-0.1	-0.07%
Xtrackers IE Physical Gold EUR Hedged ETC	DE	-6.4	8.9	0.0	-0.17%
WisdomTree Physical Swiss Gold	GB	-5.5	36.2	-0.1	-0.19%
Royal Mint Responsibly Sourced Physical Gold ETC	IE	-5.2	11.6	-0.1	-0.55%

\*As of 30 September 2024.

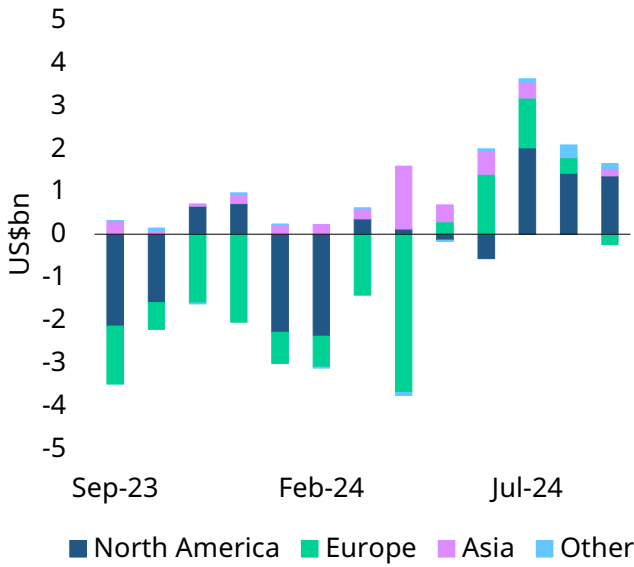
Note: Differences between fund flows and changes in holdings (demand) are driven by the mechanics of FX-hedged funds. For more information, see [ETF Flows Data Methodology](#).

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



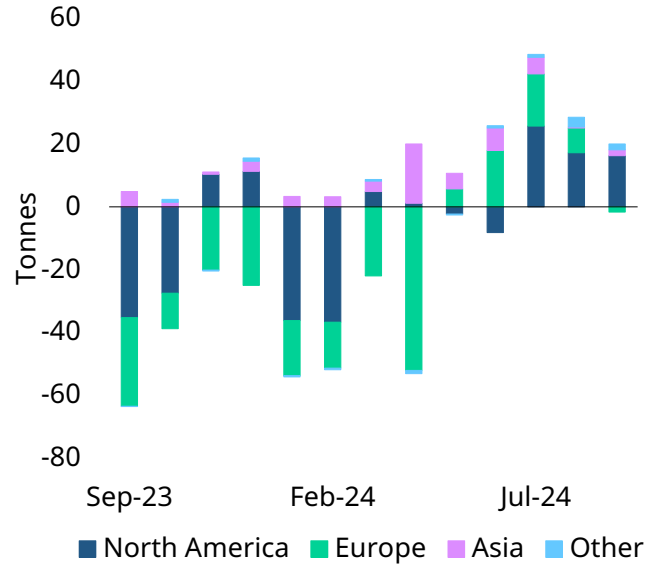
# Relevant charts

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



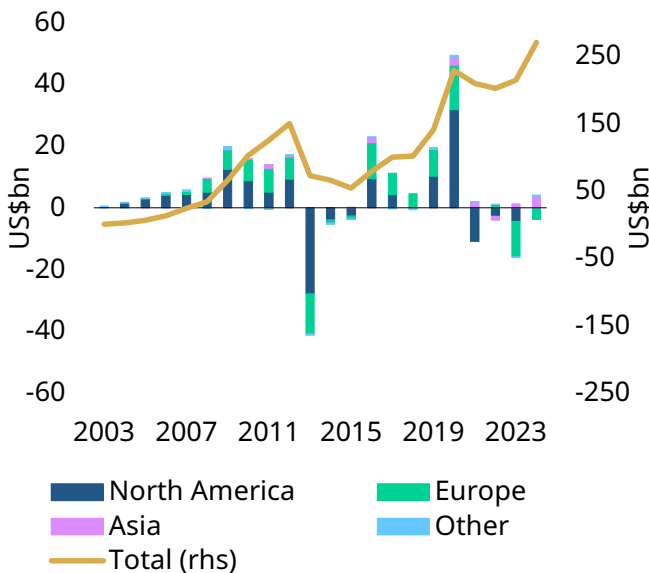
\*As of 30 September 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

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



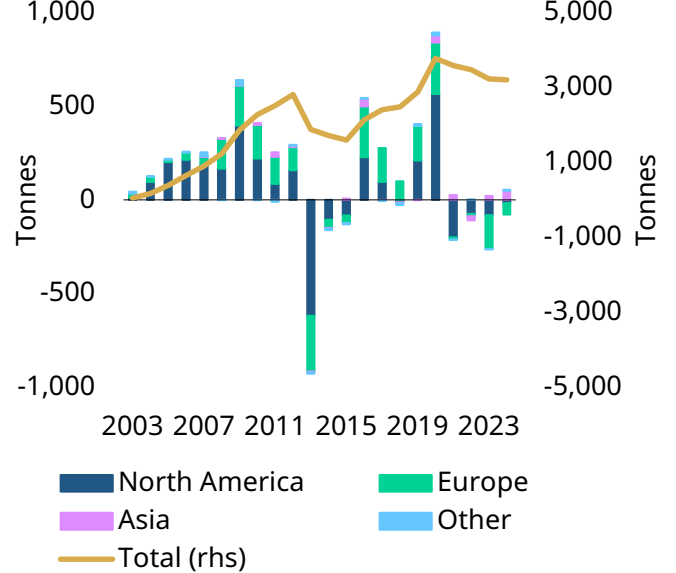
\*As of 30 September 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

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



\*As of 30 September 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

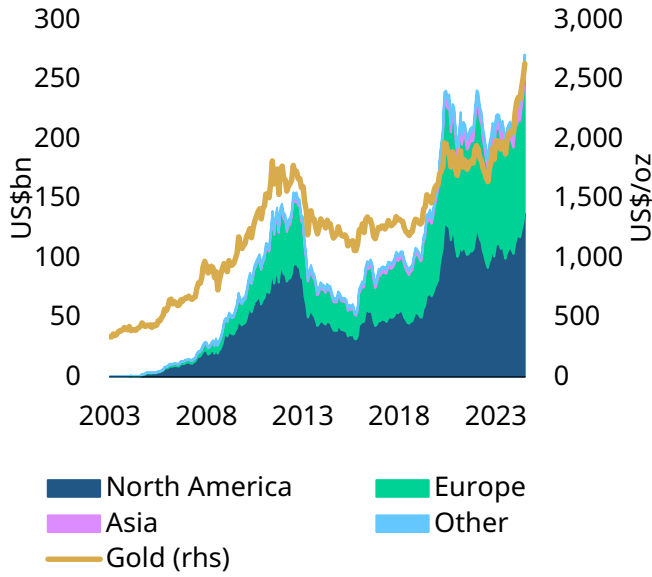
Chart 5: Physically backed gold ETFs (and similar) demand and total holdings by year\*



\*As of 30 September 2024. Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

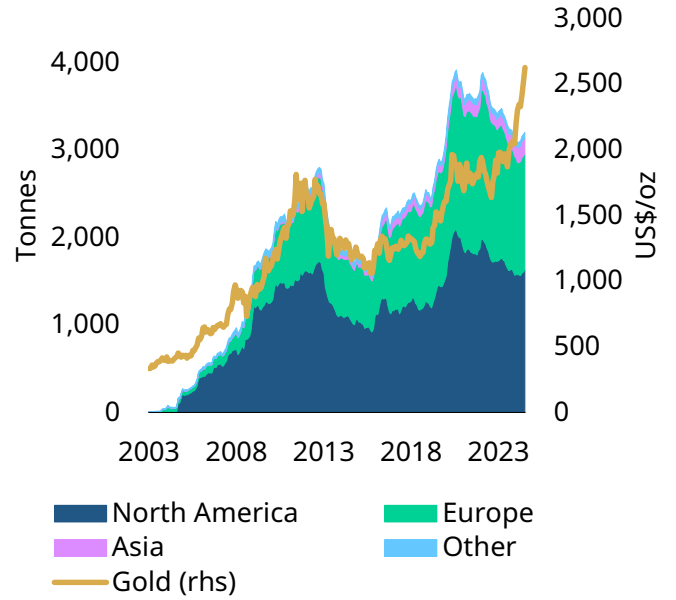


Chart 6: Physically backed gold ETFs (and similar) AUM and the gold price\*



\*As of 30 September 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 30 September 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.

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