

Gold ETF Commentary

Sustained inflows in June narrowed H1 losses

June and H1 in review

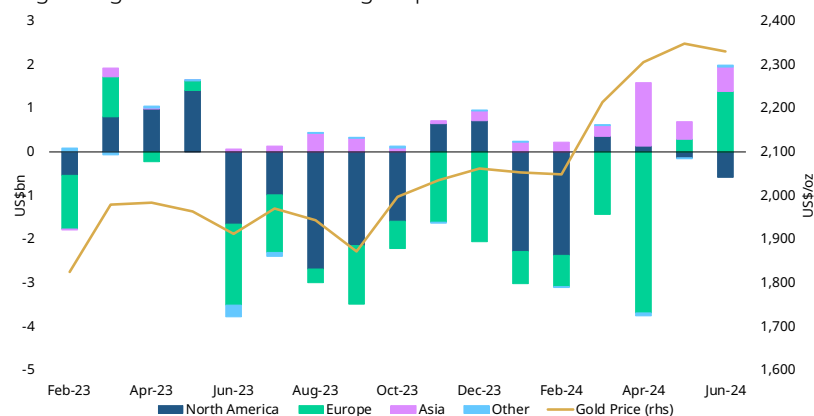
Global physically backed gold ETFs¹ witnessed their second consecutive monthly inflows, attracting US\$1.4bn in June (Table 1, p2).² Inflows were widespread, with all regions seeing positive gains except for North America which experienced mild losses for a second month. In general, lower yields in key regions and non-dollar currency weaknesses increased gold's allure to local investors. Global gold ETFs' collective holdings continued to rebound while their total AUM remained stable at US\$233bn due to a lower gold price in the month.

Year-to-date, global gold ETFs have lost US\$6.7bn, their worst H1 since 2013.

However, driven by recent inflows and a sizable rise in the gold price, their total AUM have increased by 8.8% y-t-d. Total holdings have dropped by 120t (-3.9%) to 3,105t during the period, well below their October 2020 monthly high of 3,915t. While Asian funds attracted a record US\$3bn during the first half, they were significantly outpaced by collective outflows in North America and Europe to the tune of US\$9.8bn.

Chart 1: Global gold ETFs saw inflows two months in a row

Regional gold ETF flows and the gold price*



*As of 30 June 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](#).

Highlights

Following the strongest month since May 2023, global gold ETFs have now seen inflows two months in a row; in June, notable European and Asian buying offset outflows from North America

Although June and May inflows helped limit global gold ETFs' y-t-d losses to US\$6.7bn (-120t), this remains the worst H1 since 2013 – both Europe and North America saw hefty outflows while Asia was the only region with inflows

A stronger gold price and recent inflows pushed the total AUM to US\$233bn, but collective holdings remain near their lowest since 2020

Trading volumes across different gold markets witnessed a mild decline in June; however, the H1 average remains well above its 2023 level as OTC and futures trading were exceptionally active.



It is worth noting that Western gold ETF investors did not react as anticipated to the rise in the gold price – which commonly drives up investment flows – amidst a high level of interest rates and a more risk-on sentiment generated by the AI boom. In contrast, Asian flows rhymed with the price strength – weaknesses in non-dollar currencies and gold’s staggering performance in those currencies attracted investors in the region.

Regional overview

North America continued to see mild outflows, shedding US\$573mn in June. The dollar strength and continued equity rally may have drawn investor attention away from gold despite falling Treasury yields.³ Nonetheless, flare-ups in geopolitical risk prompted sporadic inflows, partially offsetting larger outflows during the month.

North America saw outflows of US\$4.9bn during H1, the largest in three years. However, a 13% rise in the gold price during H1 also resulted in a 7.7% increase in North America’s total AUM. Meanwhile, the region’s collective holdings reduced by 78t.

European funds added US\$1.4bn in June, the second consecutive month of inflows. This helped further narrow Europe’s H1 outflows to US\$4.9bn. The region’s central banks adopted a different path to that of the US Fed. For instance, in June, the European Central Bank delivered its first rate cut for almost five years whilst the Swiss National Bank lowered rates for the second time this year.⁴ In the UK, the Bank of England hinted that a potential cut was on the cards but left rates unchanged following a surprise general election announcement. As such, lowering yields were a key contributor to the region’s inflows. Additionally, falling equities and political uncertainties related to elections in the UK and France, which sparked notable inflows there, also pushed up investor interest in gold.⁵

Nonetheless, **2024 saw the worst first half for European funds since 2013 (-US\$8bn).** Despite a 6% fall in holdings, total AUM of European funds experienced a 6.3% rise during the first half, thanks to the higher gold price.

Table 1: June regional flows*

	Total AUM (bn)	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
North America	117.3	-572.5	1,564.9	-8.2	-0.52%
Europe	97.6	1,397.9	1,302.7	17.9	1.39%
Asia	14.0	560.4	179.3	7.2	4.19%
Other	4.4	37.4	58.6	0.7	1.13%
Total	233.3	1,423.0	3,105.5	17.5	0.56%
Global inflows / Positive Demand		3,991.0		31.5	1.71%
Global outflows / Negative Demand		-2,567.9		-14.0	-1.10%

*As of 30 June 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

- For more, see: [Key takeaways from the Fed’s latest interest rate decision](#)
- For more, see: [ECB: Interest rates are coming down in Europe. The Fed won’t follow yet ; Swiss National Bank continues rate cuts, sees inflation pressure easing \(msn.com\)](#)
- For more, see: [UK general election 2024 \(ft.com\)](#); [Macron’s election gamble puts French democracy on the table](#)



Asia extended its inflow streak to 16 months, attracting US\$560mn in June. Similar to previous months, Asian inflows were mainly driven by China, which added US\$429mn in the month. Among factors that kept Chinese investor interest in gold elevated, we believe persistent weaknesses in stocks and the property sector, as well as continued depreciation in the RMB were highly relevant. Japan also witnessed its 16th consecutive monthly inflow in June, primarily supported by a weakening yen.

Asia registered inflows of US\$3.1bn in H1, significantly outpacing all other markets and the only region witnessing positive flows. This represents the strongest ever H1 for Asian funds, mainly driven by record-level inflows into China and Japan. Supported by record-breaking inflows and a higher gold price, the total AUM of Asian funds reached US\$14bn, the highest ever, while collective holdings increased by 41t.

Following two consecutive monthly outflows, funds in other regions captured a small inflow of US\$37mn in June, led by Australia and South Africa. In H1, funds listed in other regions saw mild outflows, mainly from Turkey.

For country-level gold ETF flows, please visit: [Gold ETF: Stock, Holdings and Flows | World Gold Council](#)

Ample gold market liquidity

Global gold trading volumes across various markets averaged US\$195bn/day in June, 9.5% down m/m. Over-the-counter (OTC) trading activities rose by 8.6% compared to May – LBMA trades were the main driver, signalling robust demand globally. In contrast, exchange-traded derivatives saw a -32% m/m plunge: volumes at COMEX fell by -35% m/m and Shanghai futures trading continued to cool (-24%). Gold ETF trading volumes saw a contraction of 15% m/m, mainly due to North American funds.

Despite the decline in June, global gold market liquidity averaged US\$210bn/day, remaining well above Q1 (US\$182bn/day) and 2023 (US\$163bn/day). Rising OTC trading activities, mainly at the LBMA, together with surges in Shanghai Futures Exchange and the North American gold ETF market were main H1 contributors.

COMEX total net longs remained stable at 767t by the end of June, a 1t m/m decline. Meanwhile money manager net longs rose further, reaching 575t at the end of June, a 3% increase m/m and the highest month-end value since February 2020.

Total net longs and money manager net longs have risen in H1 by 13% and 36% respectively – the strong gold price performance and various uncertainties on multiple fronts may have attracted investors.

Table 2: H1 regional flows*

	Total AUM (bn)	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
North America	117.3	-4,914.3	1,564.9	-77.6	-4.72%
Europe	97.6	-4,881.2	1,302.7	-82.8	-5.98%
Asia	14.0	3,148.1	179.3	41.3	29.96%
Other	4.4	-38.1	58.6	-1.1	-1.77%
Total	233.3	-6,685.5	3,105.5	-120.1	-3.87%
Global inflows / Positive Demand		20,363.7		66.3	9.50%
Global outflows / Negative Demand		-27,049.1		-186.4	-12.62%

*As of 30 June 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: June individual top and bottom flows*

Top 15 flows	Country	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
iShares Physical Gold ETC	GB	428.7	202.9	5.7	2.91%
UBS ETF Gold	CH	314.3	32.1	4.2	14.99%
Amundi Physical Gold ETC	FR	301.8	61.5	4.0	7.01%
Huaan Yifu Gold ETF	CN	269.4	41.5	3.5	9.35%
Invesco Physical Gold ETC	GB	161.9	204.1	2.1	1.06%
Bosera Gold Exchange Trade Open-End Fund ETF	CN	113.0	22.4	1.5	7.03%
Pictet CH Precious Metals Fund - Physical Gold ‡	CH	71.8	43.9	0.9	2.21%
WisdomTree Core Physical Gold	GB	66.6	11.1	0.9	8.64%
SMO Physical Gold ETC	GB	60.6	1.2	0.8	184.23%
SPDR Gold MiniShares Trust	US	60.1	98.7	0.8	0.81%
Xetra-Gold	DE	57.6	175.5	0.8	0.44%
E Fund Gold Tradable Open-end Securities Investment Fund	CN	50.6	17.2	0.7	4.01%
Japan Physical Gold ETF	JP	41.6	35.8	0.5	1.52%
NewGold Issuer Ltd	ZA	41.0	14.7	0.7	4.69%
iShares Gold CH	CH	36.6	7.9	0.5	6.62%
Bottom 15 flows	Country	Fund flows (US\$m)	Holdings (tonnes)	Demand (tonnes)	Demand (% of holdings)
Graniteshares Gold Trust	US	-264.5	10.6	-3.5	-25.01%
SPDR Gold Shares	US	-202.2	828.8	-3.2	-0.38%
iShares Gold Trust	US	-192.8	378.5	-2.7	-0.70%
Sprott Physical Gold & Silver Trust	CA	-38.0	41.4	-0.5	-1.21%
iShares Gold CHF Hedged CH	CH	-32.1	5.4	-0.4	-7.02%
WisdomTree Physical Gold	GB	-30.2	63.1	-0.4	-0.66%
ZKB Gold ETF ‡	CH	-26.0	159.5	-0.4	-0.24%
WisdomTree Physical Gold EUR Daily Hedged	IT	-16.1	4.4	-0.2	-4.70%
Guotai Gold ETF	CN	-15.6	6.7	-0.2	-2.95%
Xtrackers Physical Gold Euro Hedged ETC	DE	-15.0	17.1	-0.4	-2.51%
Gold Bullion Securities Ltd	GB	-10.1	37.8	-0.2	-0.40%
CSIF CH II Gold Blue DB USD ‡	CH	-9.6	20.0	-0.2	-0.84%
abrdrn Precious Metals Basket ETF Trust	US	-9.6	8.2	-0.1	-1.63%
UBS ETF CH-Gold CHF hedged CHF	CH	-9.4	19.2	-0.1	-0.47%
Istanbul Gold Exchange Traded Fund	TR	-6.4	2.5	-0.1	-2.61%

*As of 30 June 2024.

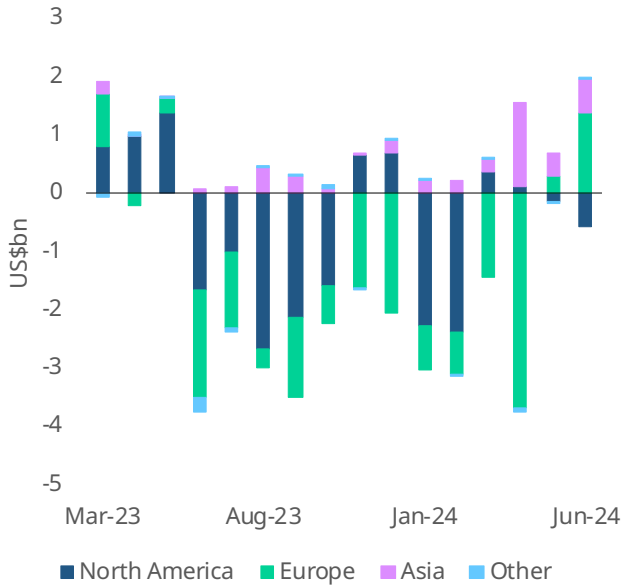
Note: Differences between fund flows and changes in holdings (demand) are driven by the mechanics of FX-hedged funds. For more information, see [ETF Flows Data Methodology](#).

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



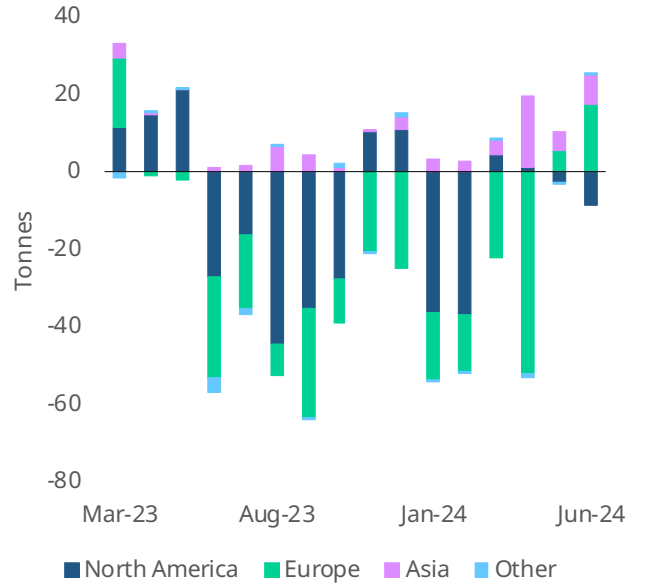
Relevant charts

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



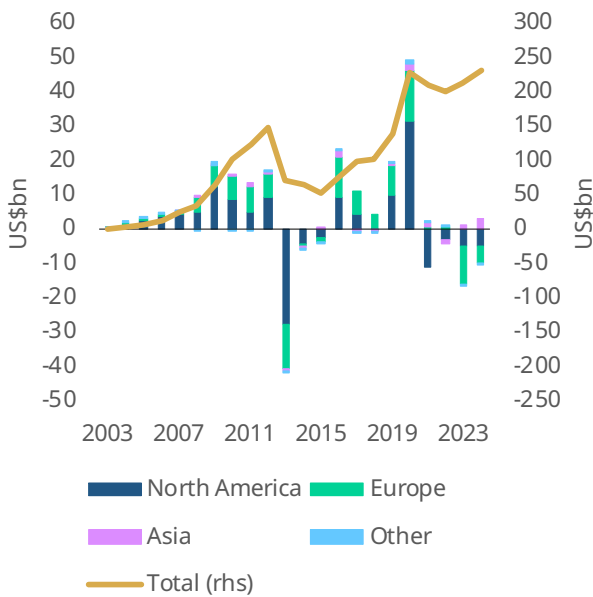
*As of 30 June 2024.
Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

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



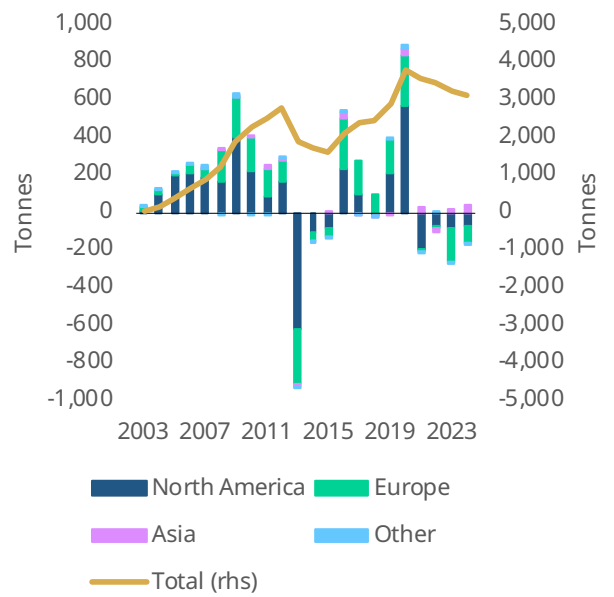
*As of 30 June 2024.
Source: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council

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



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

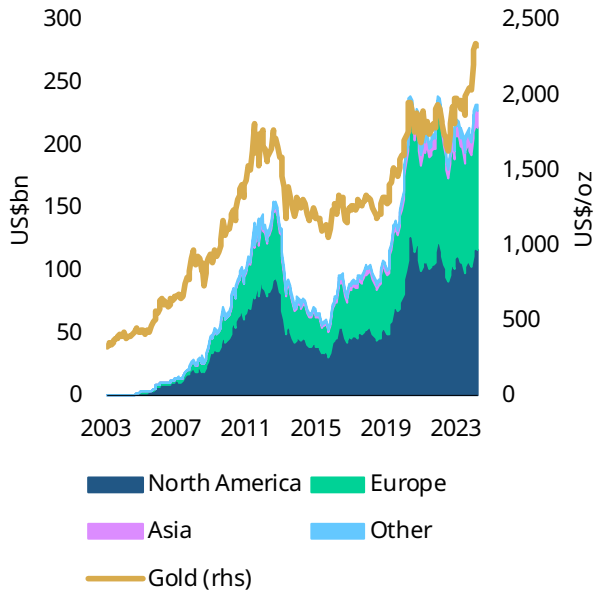
Chart 5: Physically backed gold ETFs (and similar) demand and total holdings by year*



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

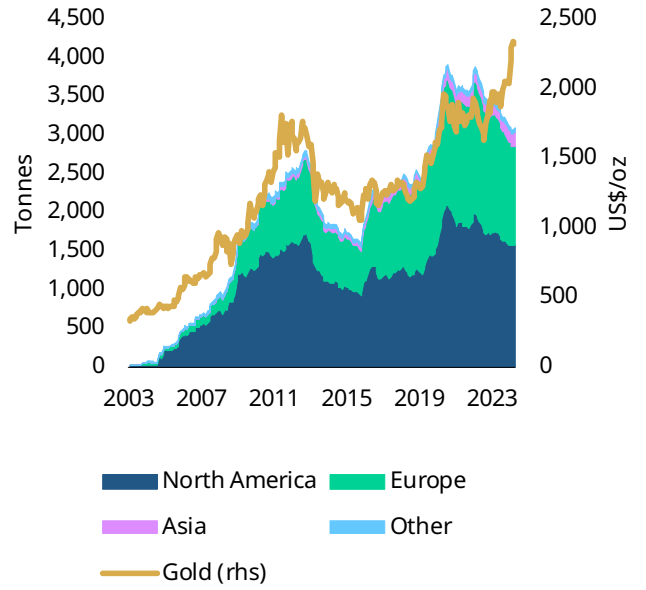


Chart 6: Physically backed gold ETFs (and similar) AUM and the gold price*



*As of 30 June 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 June 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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Jeremy De Pessemier, CFA
Asset Allocation Strategist

Johan Palmberg
Senior Quantitative Analyst

Kavita Chacko
Research Head, India

Krishan Gopaul
Senior Analyst, EMEA

Louise Street
Senior Markets Analyst

Ray Jia
Research Head, China

Taylor Burnette
Research Lead, Americas

Juan Carlos Artigas
Global Head of Research

Market Strategy

John Reade
Senior Market Strategist,
Europe and Asia

Joseph Cavatoni
Senior Market Strategist,
Americas

Further information:

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www.gold.org/goldhub

Contact:
research@gold.org



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