

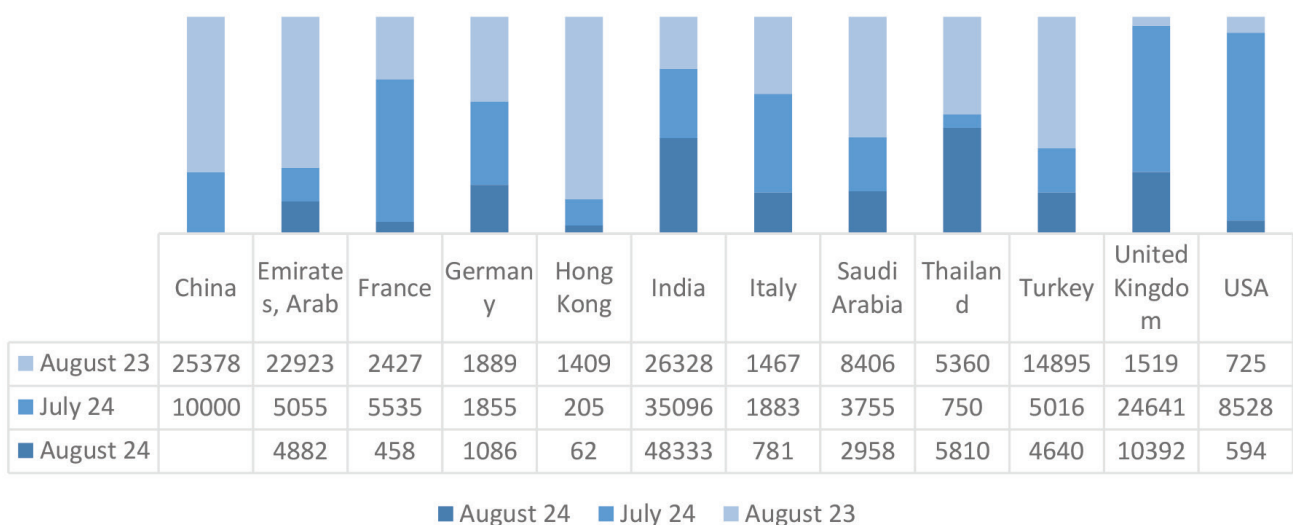
"China Halts Gold Imports from Switzerland as India Steps Up Demand"

In a notable shift in the global gold market, China—historically the largest consumer of gold—halted its imports from Switzerland in August, marking the first such pause since January 2021. Customs data from Switzerland, a key hub for gold refining and transit, revealed a complete cessation of shipments to China during the month. This trend follows a steady decline in imports over the previous two months, as escalating gold prices discouraged buyers in Asia. The trend in declining imports was as anticipated given that exports to Greater China had already weakened in July due to dwindling demand. Additionally, local gold prices in China shifted

to a discount compared to those in London, further diminishing the motivation for imports.

The repercussions of this drop in Chinese demand were evident in Switzerland's overall gold exports, which fell to their lowest level since June. In contrast, India's gold imports surged by 38% month-on-month in August. This increase coincided with a reduction in the state import tax on gold, the lowest it has been in a decade. While demand in China has softened in response to higher prices, India is stepping in to fill the gap, reflecting a significant shift in the dynamics of the global gold market.

Swiss gold exports to the key markets (in kgs)



Source: Swiss customs. Data subject to revision.

