

Press release

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Strong Investor Interest Drives Gold Demand Higher

The World Gold Council's Q2 2025 *Gold Demand Trends* report reveals that total quarterly gold demand (including OTC¹) reached 1,249t, a 3% increase year-on-year amid a high price environment. Strong gold investment flows largely fuelled quarterly growth, as an increasingly unpredictable geopolitical environment and price momentum sustained demand.

Gold ETF investment remained a key driver of total demand, with inflows of 170t over the quarter, compared with small outflows in Q2 2024. Asian-listed funds were major contributors at 70t, keeping pace with US flows. Combined with inflows in Q1, global gold ETF demand reached 397t, the highest first half total since 2020.

Total bar and coin investment also increased 11% year-on-year, adding 307t. Chinese investors led the way with a notable 44% year-on-year increase to 115t, while Indian investors continued to add to their holdings, totalling 46t in Q2. Divergent trends emerged in Western markets as European net investment more than doubled to 28t while US bar and coin demand halved to 9t in the second quarter.

Central banks continued to buy, albeit at a slower pace, adding 166t in Q2 2025. Despite this deceleration, central bank buying remains at significantly elevated levels due to ongoing economic and geopolitical uncertainty. Our annual central bank survey² shows that 95% of reserve managers believe that global central bank gold reserves will increase over the next 12 months.

Jewellery demand continued to decline with the volume of consumption down 14% and nearing low levels last seen in 2020 during the COVID pandemic. Jewellery demand in China was down 20% and Indian demand fell 17% year-on-year. However, in value terms the global jewellery market increased to a total of US\$36bn.

Total gold supply increased 3% to 1,249t, with mine production up marginally to a new second quarter record. Recycling increased 4% year-on-year but stayed relatively subdued considering the high price environment.

¹ 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.

² <https://www.gold.org/goldhub/research/central-bank-gold-reserves-survey-2025>

Louise Street, Senior Markets Analyst at the World Gold Council, commented:

“Global markets have navigated a volatile start to the year marked by trade tensions, unpredictable US policy shifts and frequent geopolitical flashpoints. The robust investment activity we have seen in the first half of 2025 underscores gold's role as a hedge against economic and geopolitical risks. Ongoing market volatility, coupled with gold's impressive price performance in recent months, has also generated significant momentum, drawing capital from investors around the globe.

“Gold recorded a remarkable 26% appreciation in the first half of the year in dollar terms, outperforming many major asset classes. With such an impressive start to the year, it is possible that gold could trade within a relatively narrow range in the latter half of 2025. On the other hand, the macroeconomic environment remains highly unpredictable, which may underpin further gains for gold. Any material deterioration in global economic or geopolitical conditions could further amplify gold's safe-haven appeal, potentially pushing prices higher still.”

The ***Gold Demand Trends Q2 2025*** report, which includes comprehensive data provided by Metals Focus, can be viewed [here](#).

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For further information please contact:

Stephanie Cadman, World Gold Council, T: +44 20 7826 4740 E: stephanie.cadman@gold.org

Megan Lloyd, Vested T: +44 7907664468 E: wgc@fullyvested.com

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 standards for a perpetual and sustainable gold market.

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