

Press release

Location and date: London, 1st August, 2023

Gold Demand Trends: Gold continues to perform as central bank buying hits H1 record

The World Gold Council's latest Gold Demand Trends report reveals that gold benefited from record central bank buying in the first half of the year and was supported by healthy investment markets and resilient jewellery demand.

Gold demand (excluding OTC) dropped by 2% y/y to 921t during Q2, although total demand (inclusive of OTC) was up 7% y/y, pointing to a solid gold market globally.

Second quarter central bank demand was down y/y to 103t, primarily driven by net sales in Turkey due to country-specific political and economic circumstances. However, central banks bought a first half record amount of 387t, and quarterly demand is in line with the longer-term positive trend – indicating that official sector buying should remain strong throughout the year.

Turning to gold investment, bar and coin demand increased by 6% y/y to 277t in Q2, and a total of 582t in H1, thanks to growth in key markets including the US and Turkey. Gold ETFs outflows of 21t in Q2 were notably smaller than the 47t in the same quarter of 2022, bringing net outflows to 50t in the first half of the year.

Jewellery consumption remained resilient in the face of high prices, showing a 3% y/y increase in Q2 and an H1 total of 951t. A rebound in Chinese demand and remarkably strong consumer buying in Turkey bolstered second quarter consumption.

Finally, total gold supply was 7% higher y/y at 1,255t in Q2, with mine production estimated to have reached a record for H1 of 1,781t.

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

“Record central bank demand has dominated the gold market over the last year and, despite a slower pace in Q2, this trend underscores gold's importance as a safe haven asset amid ongoing geopolitical tensions and challenging economic conditions around the world.”

“Looking ahead to the second half of 2023, an economic contraction could bring additional upside for gold, further reinforcing its safe-haven asset status. In this scenario, gold would be supported by demand from investors and central banks, helping to offset any weakness in jewellery and technology demand triggered by a squeeze on consumer spending.”

The **Gold Demand Trends Q2 2023** report, which includes comprehensive data provided by Metals Focus, can be viewed [here](#)

The World Gold Council is celebrating **30 years of Gold Demand Trends**. Learn more [here](#)

ENDS



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 7907 664 468 E WGC@fullyvested.com

Note to editors

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 research, analysis, commentary and insights.

We drive industry progress, shaping policy and setting the standards for a perpetual and sustainable gold market.

You can follow the World Gold Council on [LinkedIn](#) and Twitter at [@goldcouncil](#)