

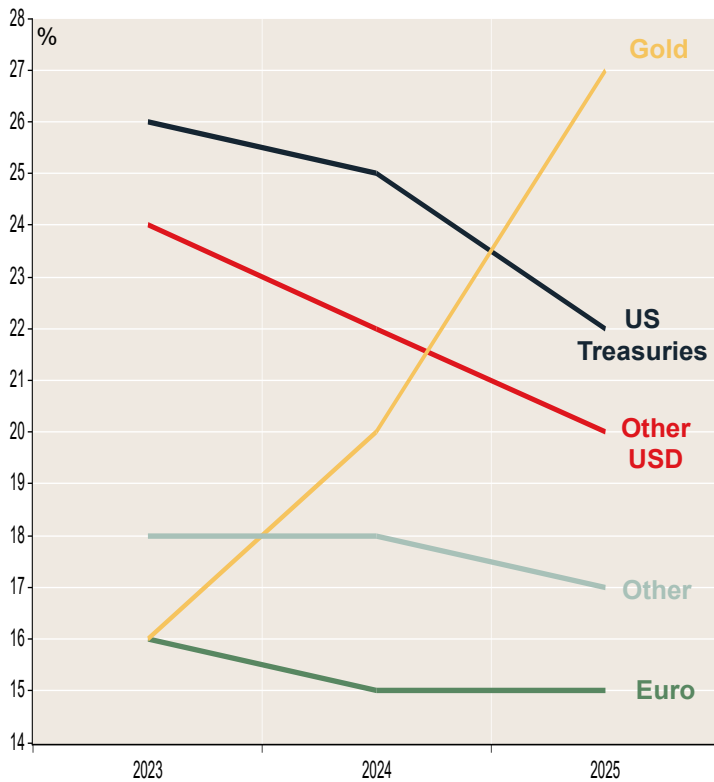
## Commodity Watch

By Stéfane Marion

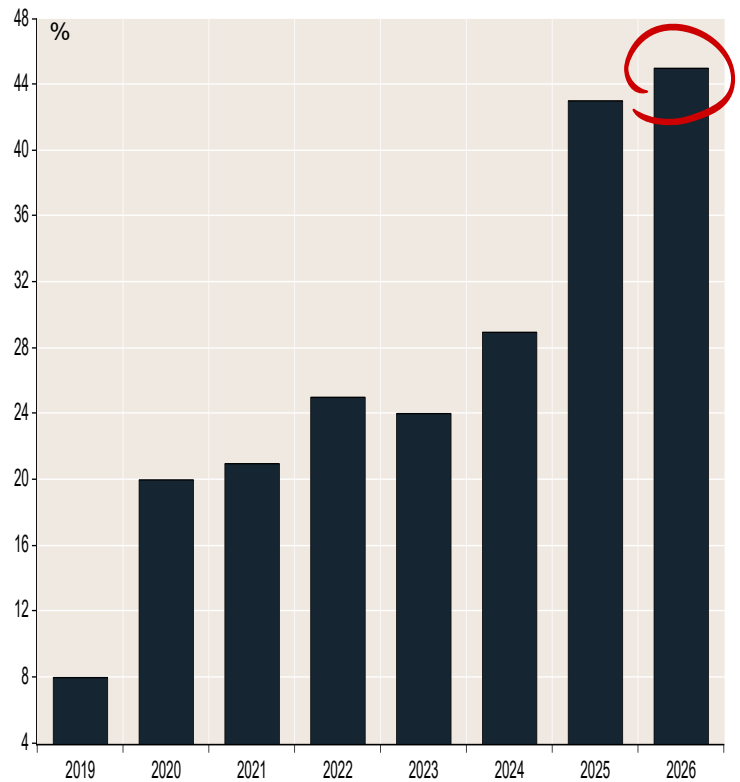
A recent European Central Bank **paper** provides a timely reason to revisit central banks' growing preference for gold, with persistent geopolitical tensions continuing to support strong official demand in 2025. Reserve managers still value the liquidity of U.S. dollar assets, but sanctions risk, financial fragmentation and concerns over sovereign exposure are strengthening the appeal of assets outside the traditional currency system. As today's Hot Chart shows, gold's share of total official reserves rose from 16% in 2023 to 27% at the end of 2025, surpassing U.S. Treasuries at 22%, other U.S. dollar assets at 20% and the euro at 15%. The trend appears far from exhausted. According to the World Gold Council's **just-released** Central Bank Gold Reserves Survey, 84% of respondents expect gold to represent a larger share of global reserves five years from now, up from 76% last year. As shown, 45% of the 74 central banks surveyed expect their own institution's holdings to increase over the next 12 months, the highest proportion since the survey began. Gold is not replacing the dollar, but it is becoming an increasingly important hedge against a more fragmented geopolitical and financial order. Against this backdrop, we remain comfortable with our US\$4,000 to US\$6,000 per ounce trading range for bullion over the next 12 to 36 months.

### World: Central banks remain in gold-acquisition mode

Share of global official reserves:  
2023-2025



Share of central banks intending to increase gold reserves over the next 12 months\*



\* Sample of 74 central banks  
NBC Economics and Strategy (data via Datastream)



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