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Understanding the rise and recent fall in gold prices

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Unless otherwise noted, information as of April 2026

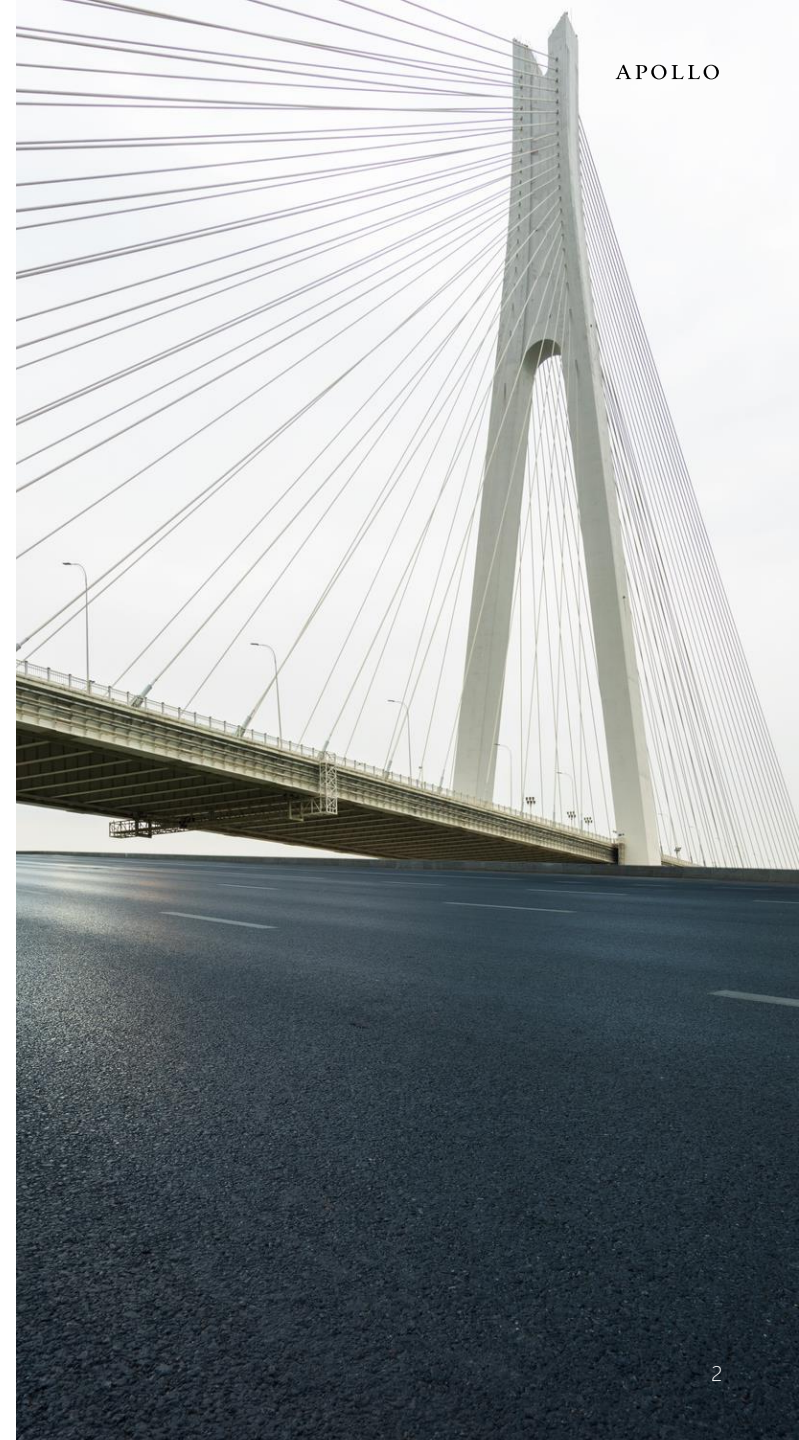
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Overview

Reasons why gold prices started going up in 2022:

1. Central bank buying driven by de-dollarization because of sanctions when Russia invaded Ukraine
2. Worries about US inflation
3. Strong retail demand in India and China accelerated the upward trend

Likely reason why gold prices have declined recently:

1. Investors needed liquidity as they experienced losses elsewhere in their portfolios

Gold prices



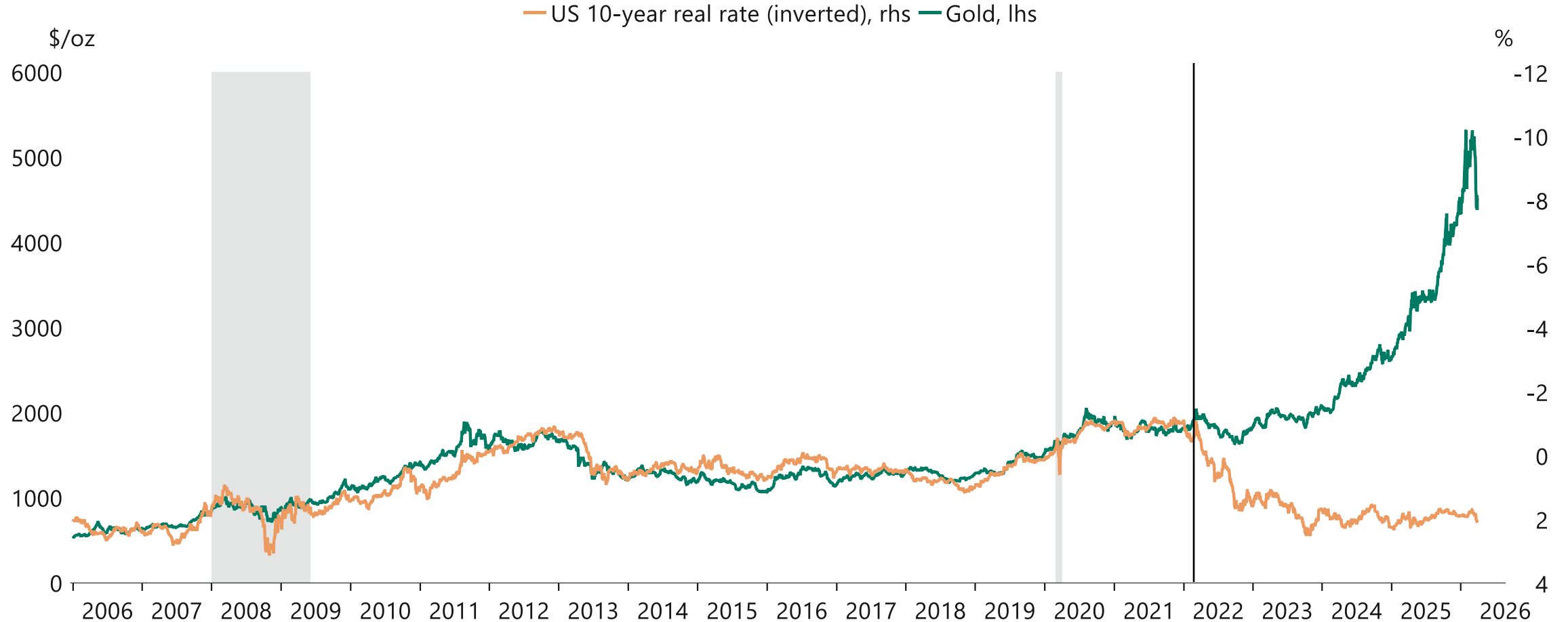
Source: Bloomberg, Macrobond, Apollo Chief Economist

Global gold ETF AUM



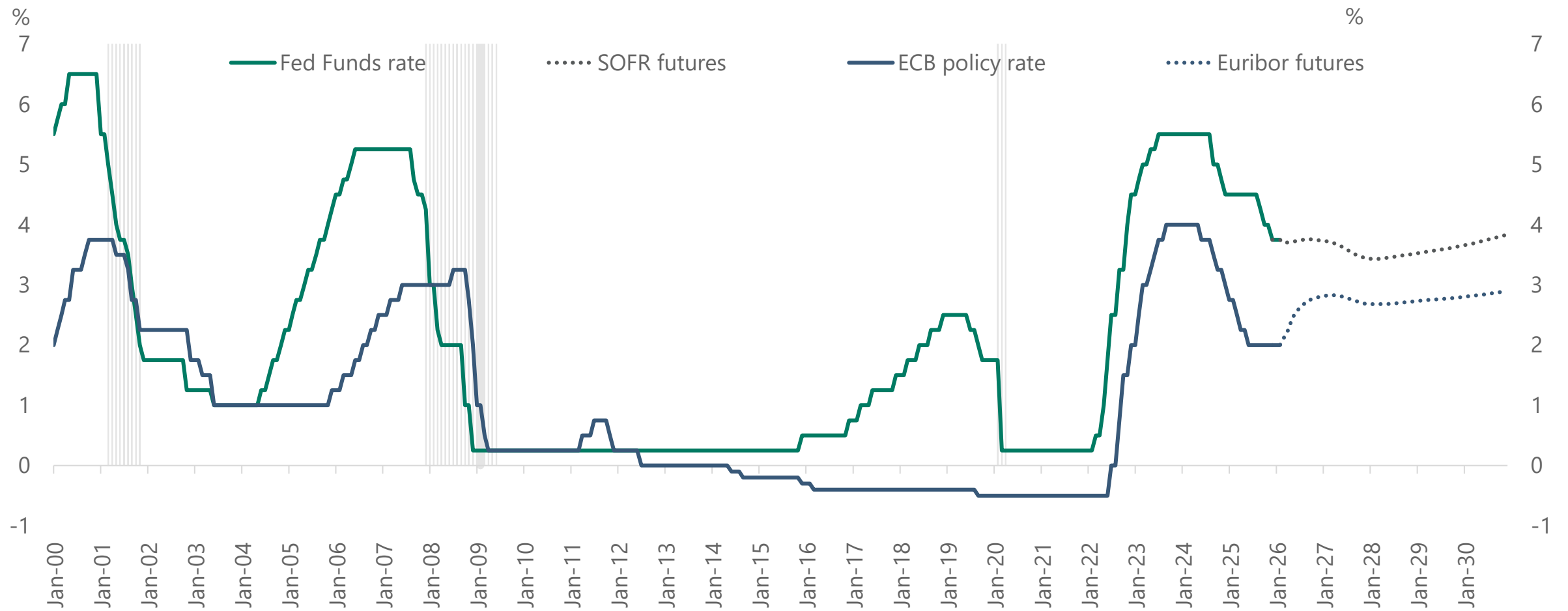
Source: Bloomberg, Apollo Chief Economist

The relationship between gold prices and real long-term interest rates broke down in 2022 when Russia invaded Ukraine and EM central banks started diversifying away from the dollar



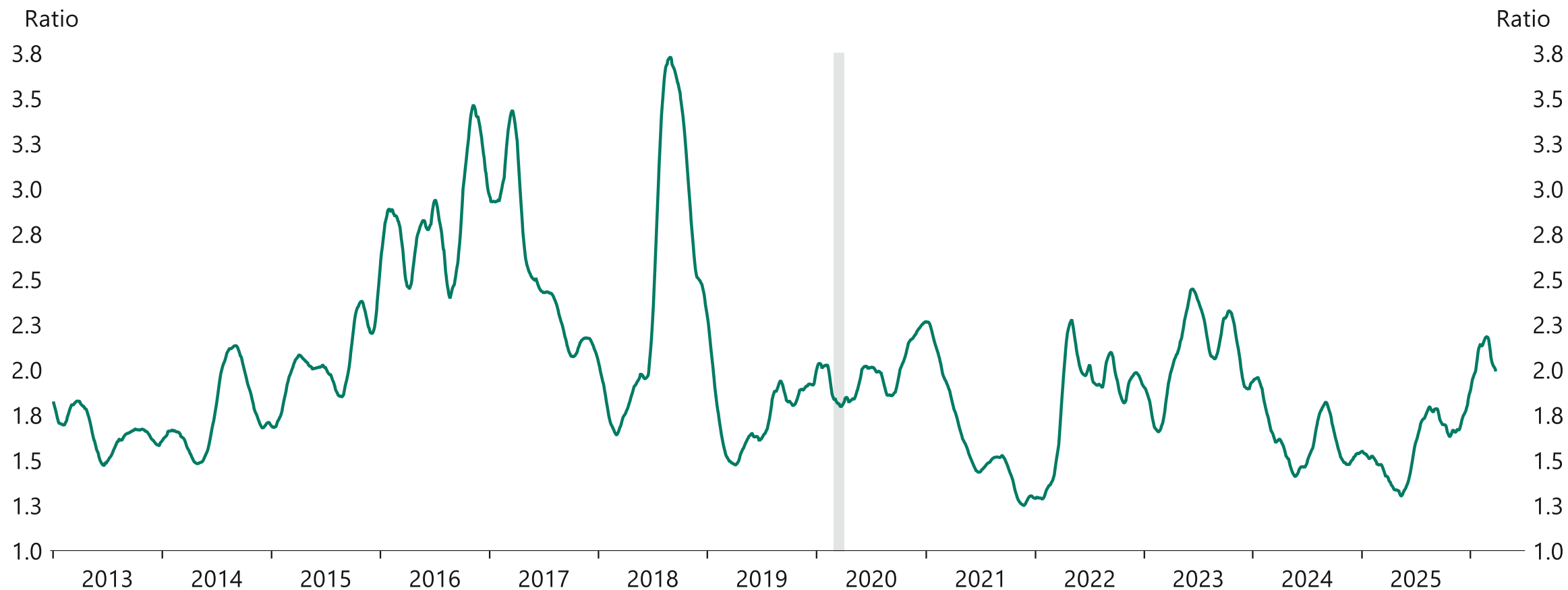
Source: Bloomberg, Macrobond, Apollo Chief Economist

Rates higher for longer is a headwind to gold prices: Investors like coupons



Gold call open interests

GLD total call/put open interest ratio

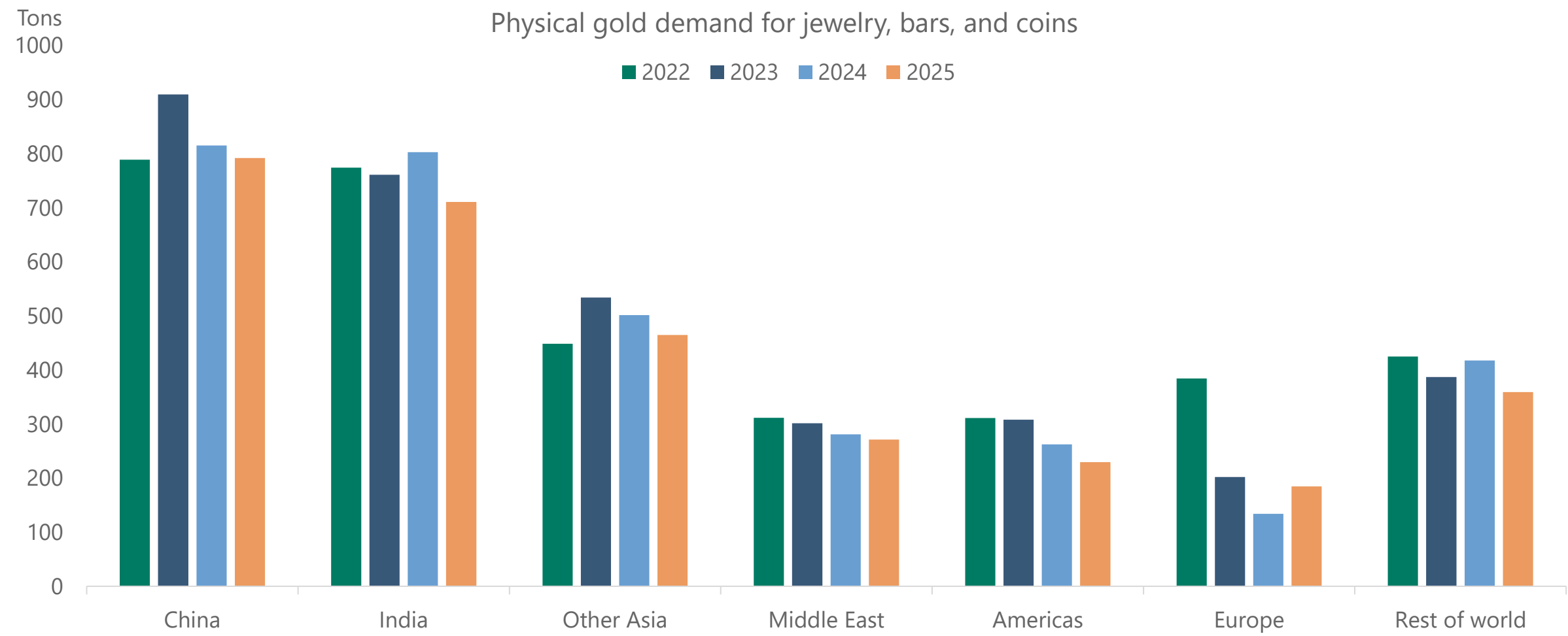


Source: Bloomberg, Macrobond, Apollo Chief Economist. Note: Data is 1-month moving average.

China and global demand



India and China lead in jewelry and physical gold investment

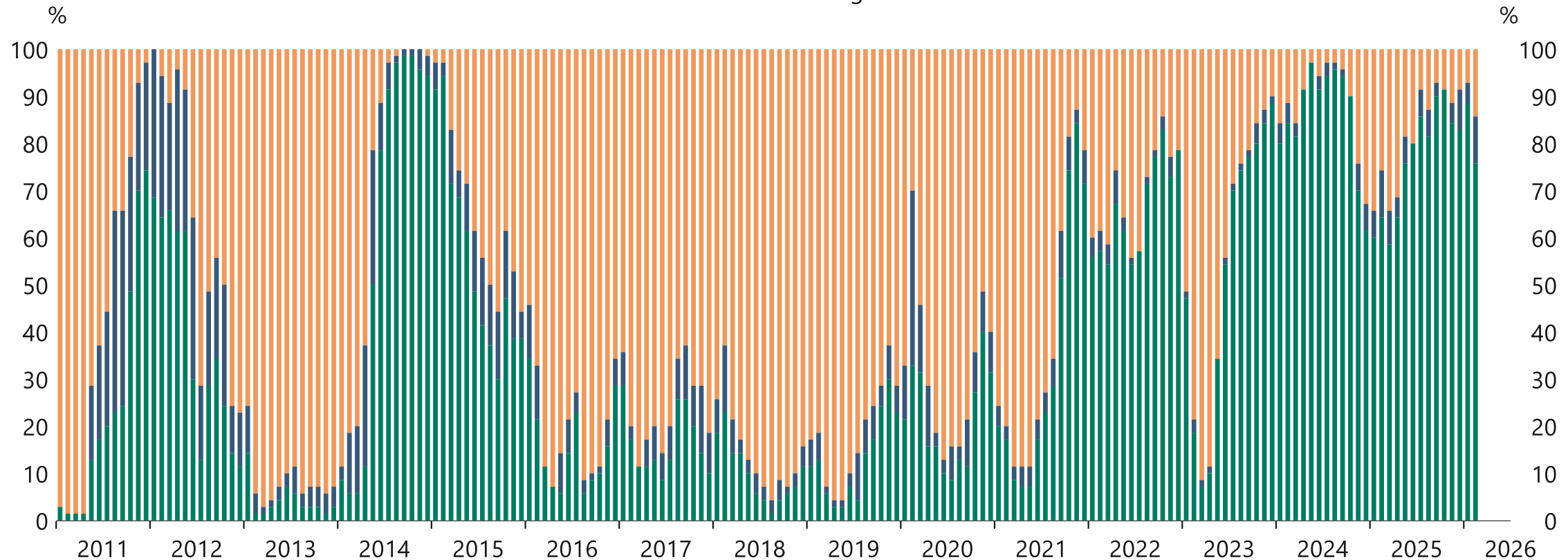


Source: World Gold Council, Apollo Chief Economist. Note: The demand data is for jewelry, bar and coin.

China: Falling home prices likely also increasing demand for other assets such as gold

Price changes in 70 major cities (new residential properties)

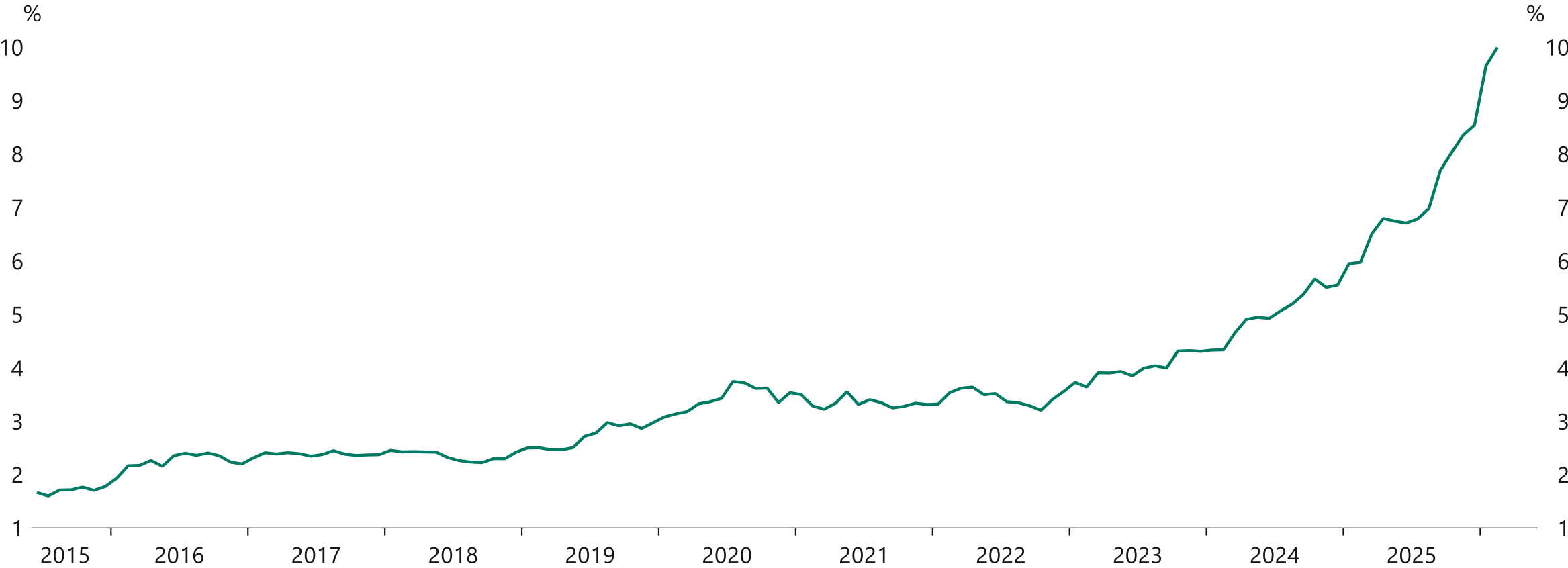
MoM increase MoM no change MoM decrease



Source: Bloomberg, Macrobond, Apollo Chief Economist

Chinese central bank gold holdings rising

Share of gold in China's official reserves



Source: People's Bank of China (PBoC), Macrobond, Apollo Chief Economist

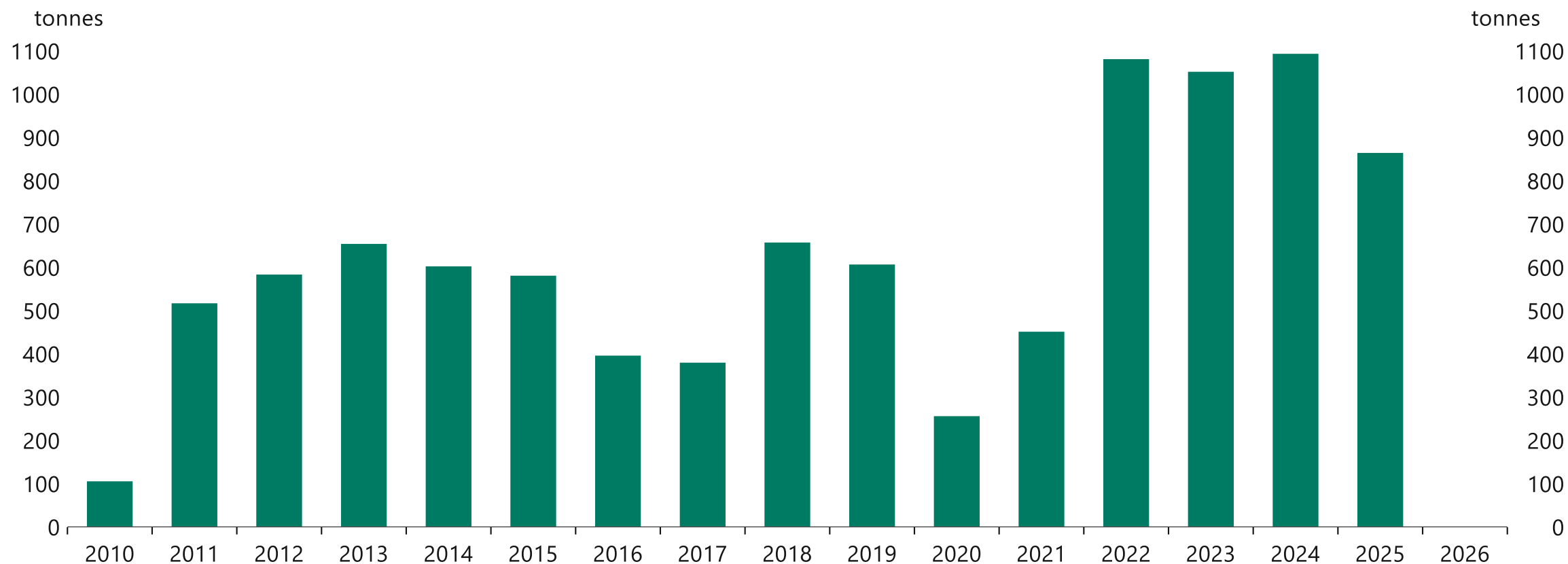
Chinese central bank gold holdings rising



Source: People's Bank of China (PBoC), Macrobond, Apollo Chief Economist

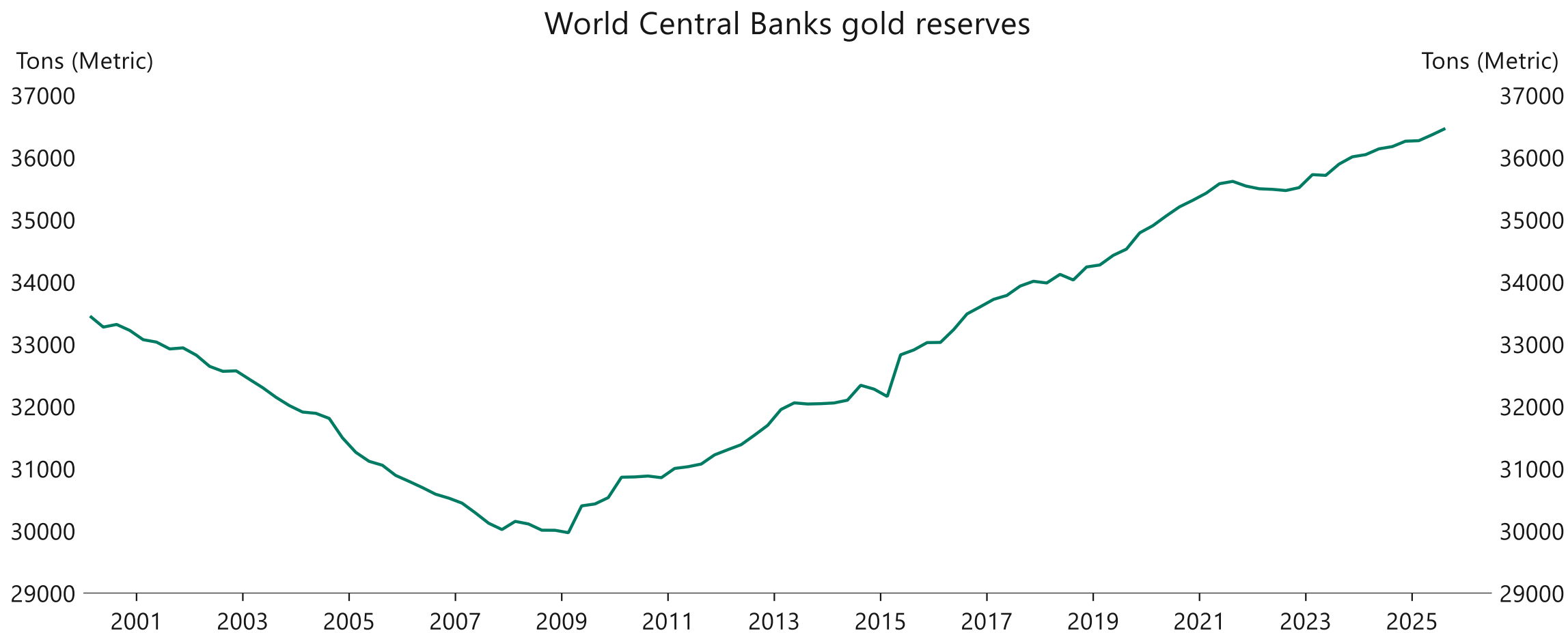
Central bank net purchases of gold have been elevated since 2022

Central bank net purchases of Gold



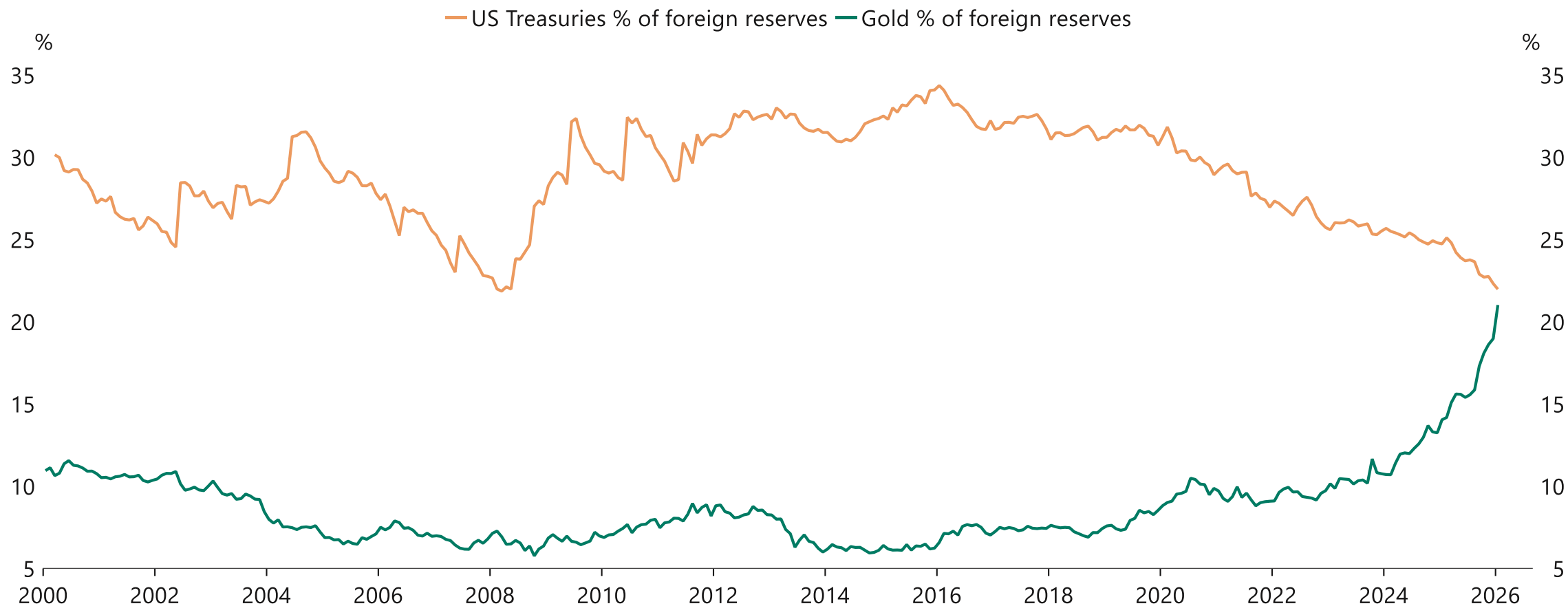
Source: Metal Focus, Bloomberg, Macrobond, Apollo Chief Economist

Central Banks gold reserves have risen steady since 2010



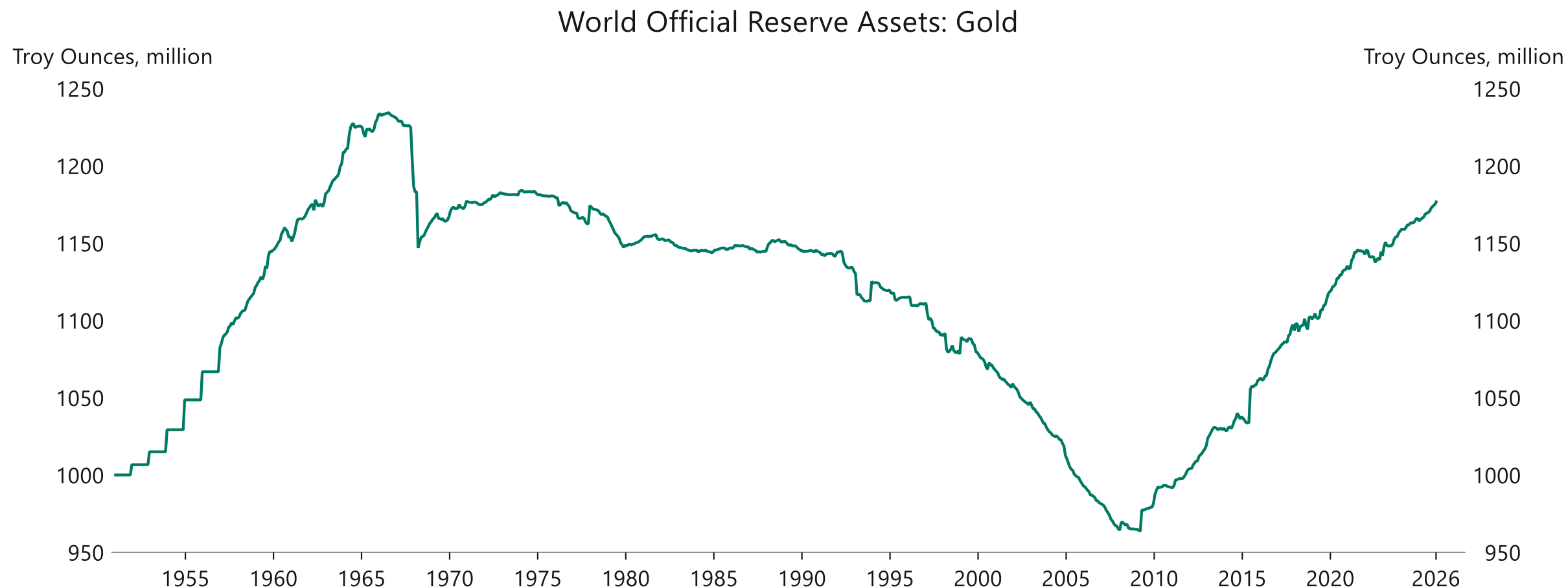
Source: World Gold Council, Macrobond, Apollo Chief Economist

Gold becoming more important as a share of central bank foreign reserves



Source: International Monetary Fund (IMF), Macrobond, Apollo Chief Economist

Official world gold reserves rising



Source: International Monetary Fund (IMF), Macrobond, Apollo Chief Economist

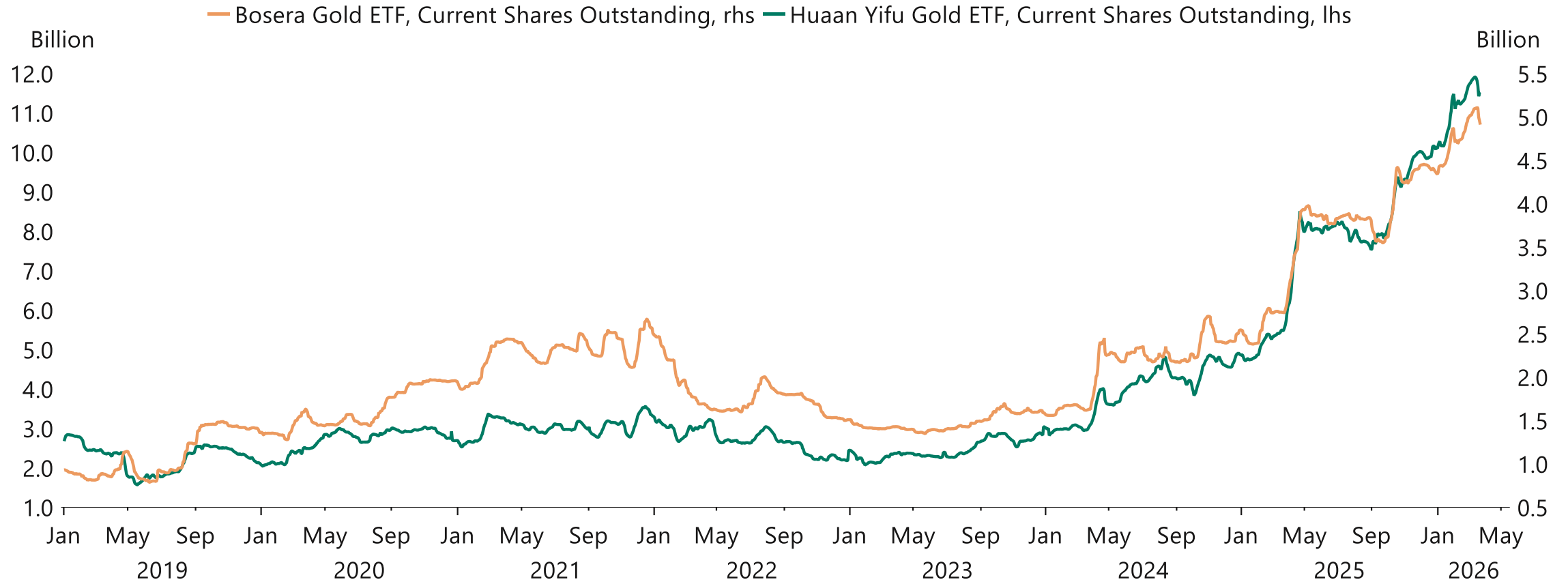
Official world gold reserves rising in Asia



Source: International Monetary Fund (IMF), Macrobond, Apollo Chief Economist

China retail demand for gold ETFs rising

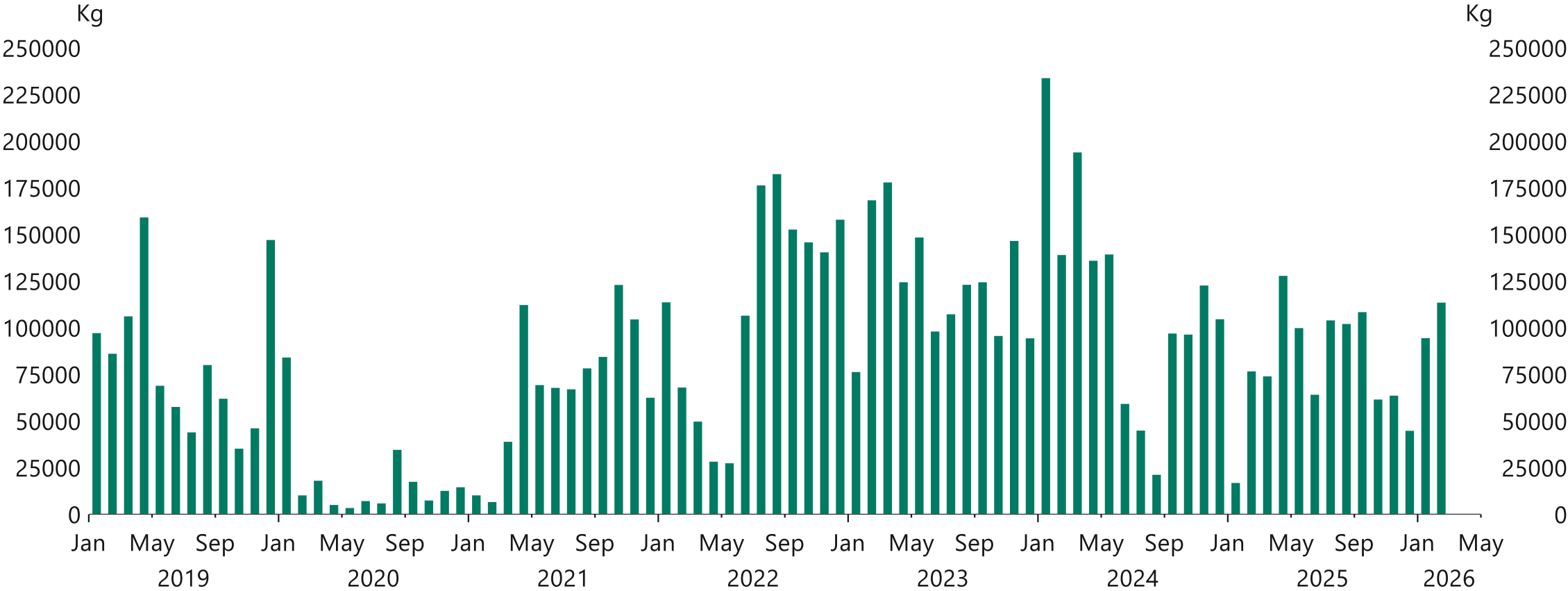
China ETF shares outstanding



Source: Bloomberg, Macrobond, Apollo Chief Economist

China non-monetary gold imports

China non-monetary gold imports



Source: China Customs, Bloomberg, Macrobond, Apollo Chief Economist

Chinese gold premium down from its recent peak



Source: Bloomberg, Macrobond, Apollo Chief Economist. Note: Gold premium is the difference between local and international gold price.

China gold prices rising

Shanghai gold futures



Source: Bloomberg, Macrobond, Apollo Chief Economist

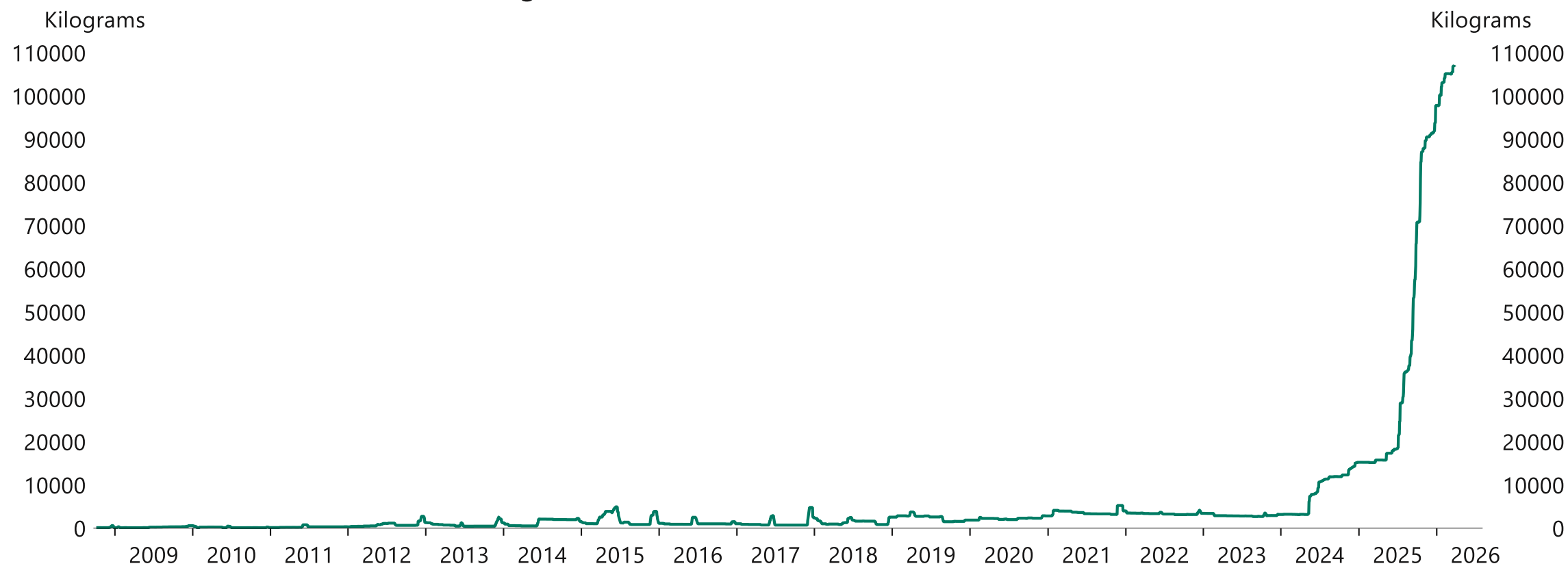
China: Gold trading volumes



Source: Bloomberg, Macrobond, Apollo Chief Economist

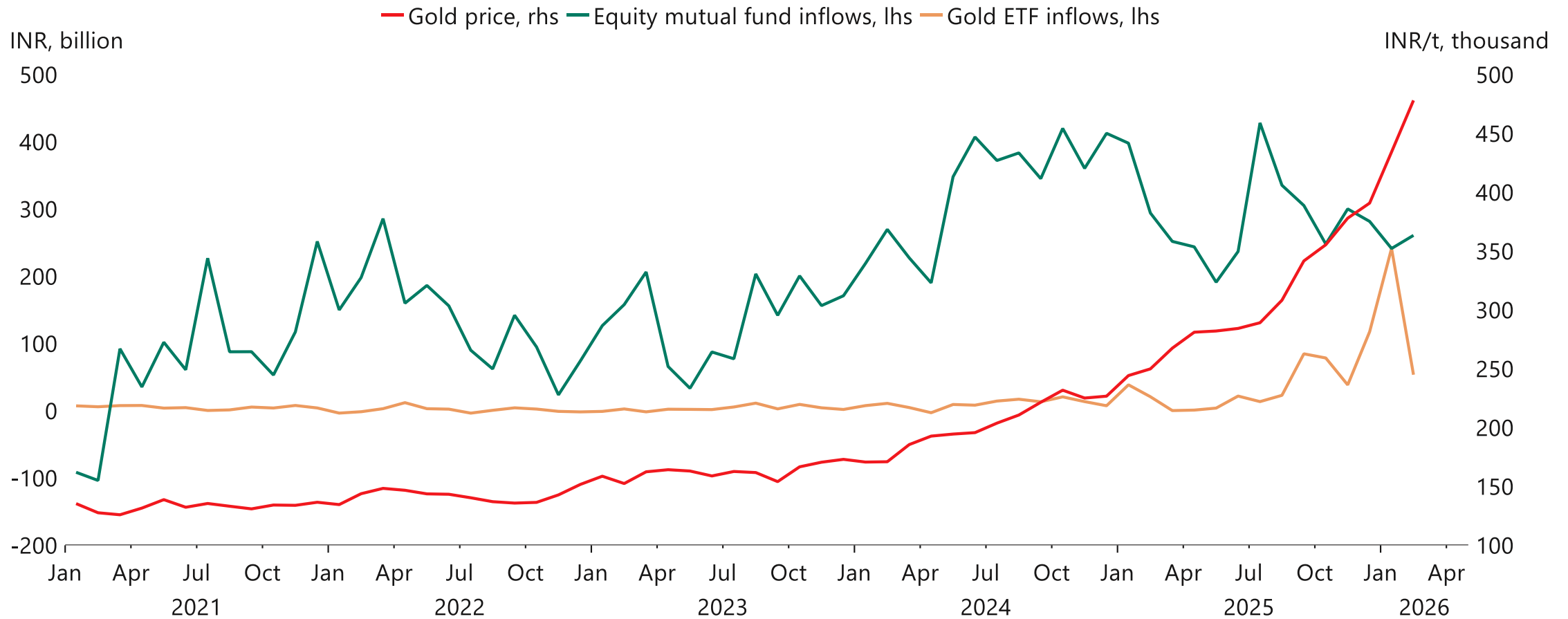
China warehouse stocks

China gold stock level, warehouse stocks on warrant



Source: Shanghai Futures Exchange, Macrobond, Apollo Chief Economist

India: Inflows into gold ETFs



Source: Association of Mutual Funds in India, Macrobond, Apollo Chief Economist. Note: Gold prices are INR per troy ounce



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Torsten Slok joined Apollo in August 2020 as Chief Economist and he leads Apollo's macroeconomic and market analysis across the platform.

Prior to joining, Mr. Slok worked for 15 years as Chief Economist at Deutsche Bank where his team was top ranked in the annual Institutional Investor survey for a decade. Prior to joining Deutsche Bank Mr. Slok worked at the IMF in Washington, DC and at the OECD in Paris.

Mr. Slok has a Ph.D. in Economics and has studied at the University of Copenhagen and Princeton University.