

Gold price at record level: experts forecast further price rises

Pretoria, 25 February 2025 - The price of gold is at a historic high and has reached new record highs in recent weeks.

A troy ounce of gold is currently trading at 2,910 US dollars (approx. 2,767 euros).

In view of economic uncertainties, geopolitical tensions, and growing demands from central banks, leading analysts are forecasting that this upward trend will continue in the next few years.



Future forecast: where is the journey heading?

Several well-known financial institutions have revised their forecasts for the price of gold upwards:

- The Goldman Sachs Group has raised its estimate for the price of gold to USD 3,100 per troy ounce by the end of 2025. The main reasons for this are continued high demand from central banks, particularly from China and India, as well as the increased use of gold as a hedge against economic crises.
- The UBS Group even expects an increase to USD 3,200 per troy ounce. The experts emphasise that macroeconomic uncertainties, inflation and a weakening US dollar are the main drivers of this development.
- J.P. Morgan Chase & Co. is also forecasting a gold price of USD 3,000 by 2026, citing possible protectionist measures and rising US government debt as a decisive factor that could fuel inflation and drive investors to gold.

Gold as a 'safe haven' in uncertain times

The demand for gold has increased noticeably in recent years.

Particularly in times of economic and political uncertainty, this precious metal is seen as a stable investment, independent of banks and financial institutions. Recent trade conflicts, ongoing inflation, and uncertainties about future global economic policy have led to an influx of investors shifting their capital to gold.

Why does gold retain its value?

Gold has proven to be a stable asset class over thousands of years. While fiat currencies can be devalued by inflation, gold remains stable in the long term and serves as protection against loss of purchasing power.

There are many reasons for the intrinsic value of gold:

- Limited supply: global gold reserves are limited, and annual production cannot be increased indefinitely. In fact, most large mines have already exceeded their production peaks.
- Inflation protection: While paper money is devalued by inflation, gold remains a stable alternative.



- High demand: In addition to investors and central banks, industrial demand for gold is rising, particularly in the technology and jewellery sectors.
- Crisis protection: In times of economic turbulence or geopolitical conflicts, gold is favoured as a safe investment.

Long-term prospects

In its latest survey, the London Bullion Market Association (LBMA) calculated an average gold price of USD 2,737 for the year 2025, with further upside potential. While short-term fluctuations cannot be ruled out, the current market situation suggests that gold will remain a sought-after investment in the coming years.

Conclusion: Gold remains an attractive investment

In view of increasing global uncertainties and growing demand, gold remains an attractive investment for long-term investors. The intrinsic value of the precious metal and its status as a safe haven suggest that its price will continue to rise in the next few years.

