

## **Gold Price Soars Despite Fluctuations: Trade War, Weak Dollar and Rising Demand from China**

*Pretoria, April 9, 2025* – The gold price has made a significant jump in recent days, rising by over 2% on April 9, 2025, to around 3,010 US dollars per ounce. The reason for this is the escalation of the trade conflict between the USA and China: Washington unexpectedly imposed massive punitive tariffs of up to 104% on Chinese electric vehicles, batteries, and solar technology. This measure not only caused stock markets around the world to plummet, but also put pressure on the US dollar. A weaker dollar makes gold cheaper for buyers outside the USA, further boosting international demand.



### **Gold Appetite Growing in China**

The behavior of the Chinese market is particularly striking: large Chinese investors, including insurers and asset managers, are deliberately increasing their gold reserves. Premiums for physical gold in China have risen significantly – a clear sign of growing demand in a politically and economically tense environment. Analysts are already speaking of a strategic move by China to decouple from the dollar and become more independent from the Western financial system.

### **Gold Mines Benefit from the Uptrend**

At the same time, gold mining stocks are experiencing an upswing. Companies like Barrick Gold and Newmont recorded mid-single-digit percentage gains, as higher gold prices improve their margins. The industry is also benefiting from uncertainty in the capital markets, as investors increasingly seek more stable asset classes.

### **Short-Term Fluctuations Due to Interest Rate Speculation**

However, the gold price has recently shown short-term fluctuations as well. These are primarily due to uncertainty about the next monetary policy moves by the US Federal Reserve (Fed). While inflation in the USA is slightly declining, the interest rate decision remains uncertain – leading to speculative movements in commodity trading. Technical factors such as profit-taking after strong price increases and algorithmic trading strategies also contribute to volatility.

### **Conclusion: Gold Remains in the Market Spotlight**

Despite these movements, it is clear that the development of the gold price is far more robust than the turbulence on global stock markets. While tech and industrial stocks react sensitively to the new tariffs, gold remains comparatively stable – not only as a “crisis-resistant store of value,” but increasingly as an active beneficiary of geopolitical upheavals.