

Price Correction in Gold – but Fundamental Strength Remains

Pretoria, 28 April 2025 – In recent months, the gold price has staged an impressive rally, reaching new record highs. This increase was driven mainly by expectations of interest rate cuts by the US Federal Reserve, geopolitical tensions, and continued demand for safe-haven assets. Analysts such as Goldman Sachs see a short-term price target of 2,700 US dollars, while Citigroup even considers a rise to 3,000 US dollars by mid-2025 possible.



Nevertheless, despite these positive prospects, *short-term setbacks in the gold market are completely normal*. After reaching a record high of nearly 3,500 US dollars per ounce, the gold price recently experienced a *correction of over six percent*.

Such movements are part of a healthy market environment and should by no means be interpreted as signs of fundamental weakness. *Rather, they reflect the natural dynamics of markets, where profits are taken and new buying opportunities are created.*

An additional factor contributing to the recent price correction is the easing of international relations: above all, the rapprochement between the United States and China under the leadership of Donald Trump has *reduced geopolitical tensions*. Initial signals of a settlement in the trade conflict and the prospect of more stable global trade have temporarily reduced the demand for gold.

Gold Remains an Attractive Long-Term Investment

Currently, positive developments in global trade and a slightly increased risk appetite among investors are putting short-term pressure on the gold price. The reduction in the net long positions of major hedge funds also contributes to this temporary phase of weakness. From a technical chart perspective, gold is currently in a consolidation phase in which important support zones and resistance levels are being retested.

However, the crucial factor is the long-term outlook: the fundamental drivers for gold – such as geopolitical uncertainties, structural inflation risks, and the growing global demand for real assets – remain intact. Even if there are short-term fluctuations, *gold continues to be one of the most reliable asset classes for wealth protection and diversification.*

Investors with a long-term horizon should not be unsettled by temporary corrections – but rather see them as opportunities.

Use Corrections as Entry Opportunities

Experts emphasize that price declines in gold are not only normal but should also be viewed as attractive entry opportunities. Analysts at Goldman Sachs see potential for a price increase of up to 15% by the end of 2025 following the recent correction.

Claus Vogt, a renowned market analyst, also sees the current price correction as an excellent buying opportunity to benefit from the long-term bull market in precious metals. He stresses that nothing has changed in the excellent framework conditions for gold and that the current correction represents a healthy breather in the upward trend.

Furthermore, a survey among gold investors shows that the majority view the lower price level as a good buying opportunity. According to an online survey conducted by Goldreporter.de, 80% of participants stated that they see the current gold price as a *clear opportunity to make additional purchases*.

