

Gold in the Shadow of the Stock Market High: Why Institutional Investors Are Turning to Safety

Pretoria, May 28, 2025 – The gold price is currently moving sideways at around 3,350 US dollars per ounce. Despite the calm price trend, the precious metal remains in the focus of many large investors. At the same time, the stock market is seeing a noticeable recovery after the turbulence of recent months. The prices of numerous indices have risen again, mainly driven by purchases from retail investors.

Two Different Strategies: Small Investors Buy, Large Investors Hedge

Indeed, an interesting market divergence is emerging:

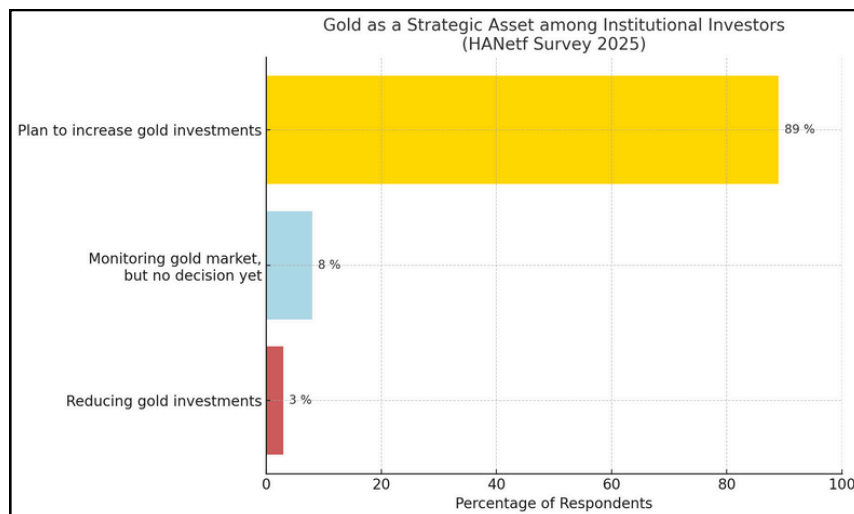
While retail investors are increasingly buying stocks again, attracted by lower prices and the hope of an upcoming rally, many institutional investors are pulling back from the stock market.

Numerous fund managers, pension funds, and asset managers are using current price levels to reduce equity positions and shift capital into security-focused assets.

The main target: physical gold.

The world's largest gold ETF, SPDR Gold Shares, recently reported inflows of over 700 million US dollars, following several weeks of outflows.

A survey by HANetf among institutional investors revealed that 89% of respondents plan to expand their gold holdings within the next twelve months.



Source: HANetf Investor Survey 2025, graphical representation

Central banks around the world - especially in China, India, and Turkey - are also continuously increasing their gold reserves, purchasing over 700 tons per quarter.

This development clearly shows: *behind the facade of a market recovery, a silent repositioning is taking place.*

Gold is being accumulated in the background as a long-term reserve of stability.

Although the price is currently stable, the strong demand signals growing uncertainty about the financial system's stability and an increasing desire for crisis protection.

Conclusion: Gold Remains the Backbone of Long-Term Security

Although the gold price is not making major leaps at the moment, physical demand remains high in the background.

For gold producers, the current market environment is highly favorable: *high gold prices combined with lower operating costs result in impressive profitability.*

