

Gold as an International Reserve: Is a Revaluation Imminent?

Pretoria, March 13, 2025 – Gold has played a central role in the international financial system for centuries. In recent years, however, it has been regaining significant prominence, being considered a safe haven in uncertain times. A potential revaluation of gold could have far-reaching consequences for central banks and nations worldwide.



The U.S. and a Potential Gold Revaluation

The U.S. government has recognized gold as a crucial factor for economic stability. Discussions about a possible revaluation of gold are gaining momentum, though no official action has been taken yet. Currently, substantial amounts of gold are flowing into the U.S., not due to tariffs, but because the U.S. aims to monetize its balance sheet. This means optimizing existing assets to improve the financial situation, potentially through a gold revaluation.

Gold Revaluation Accounts of Central Banks

Central banks worldwide maintain gold revaluation accounts to adjust the value of their gold reserves, thereby stabilizing their balance sheets. However, the gold in these accounts cannot currently be used to cover liabilities. The value of gold on these accounts is still set at \$35 per ounce, a remnant of the Bretton Woods system. Aligning the gold price with the current market value could significantly enhance the balance sheets of central banks.

U.S. Gold Reserves: Enormous but Underutilized Potential

The U.S. holds approximately 8,100 tons of gold, currently valued at \$42 per ounce—a valuation dating back to 1971 when the gold standard was abolished. At that time, the gold price ranged between \$30 and \$42 per ounce, totaling around \$10.94 billion. At today's market price, this stockpile would be worth approximately \$755 billion. Such a revaluation could provide the U.S. with additional financial flexibility and improve the stability of American treasury bonds, which have recently declined in international rankings.

Is a Global Revaluation of Gold Possible?

Whether a worldwide revaluation of gold will occur remains uncertain. However, it's clear that gold is becoming increasingly important as an international reserve. Adjusting the value of gold to reflect current market prices could offer new financial opportunities for nations and central banks, contributing to the stability of the global financial system. The coming years will reveal if and to what extent such a revaluation will take place.