

WisdomTree Gold Monthly

October 2025



Nitesh Shah
Head of Commodities and Macroeconomic Research, WisdomTree Europe

Nitesh Shah is a seasoned financial professional with over 24 years of experience in research and investment strategy. As Head of Commodities & Macroeconomic Research at WisdomTree Europe, he leads market analysis and insights across asset classes, with a focus on commodities and exchange-traded products. Previously, he held roles at Moody's, HSBC Investment Bank, The Pension Protection Fund, and Decision Economics, building expertise in market analysis and strategy.

Nitesh earned a master's degree in International Economics and Finance from Brandeis University and a bachelor's in Economics from the London School of Economics. His insights are frequently featured in financial media, and he is a sought-after speaker at

industry events. He also hosts the 'Commodity Exchange' podcast, where he discusses trends shaping global markets. Passionate about guiding investors, Nitesh provides actionable insights to help them navigate complex financial landscapes.

Gold monthly: Gold breaches \$4,300/oz for the first time

Gold hits new records amid mounting fiscal worries

Gold prices have surged to an all-time high, breaching \$4,300 per ounce for the first time in history. Mounting concerns about rising indebtedness and growing economic policy uncertainty have driven investors toward safe-haven assets. Gold's performance has been impressive not just in nominal terms but also relative to other asset classes, significantly outperforming major equity and bond benchmarks over the past month.

Figure 1: Economic policy uncertainty



Source: Economic Uncertainty Indices by Baker, Bloom, Davis of Stanford University. January 1997 – September 2025. **Historical performance is not an indication of future performance, and any investments may go down in value.**

Investor enthusiasm builds despite data blackout

The US government shutdown has temporarily halted the release of Commodity Futures Trading Commission (CFTC) data, limiting visibility into speculative positioning. However, flows into gold exchange-traded products (ETPs) provide a compelling alternative proxy.

Global holdings are rapidly approaching 100 million ounces, a level not seen since 2022, suggesting renewed institutional and retail participation. The acceleration in inflows over recent weeks signals that gold's rally is being broadly supported, not merely driven by short-term speculative activity.

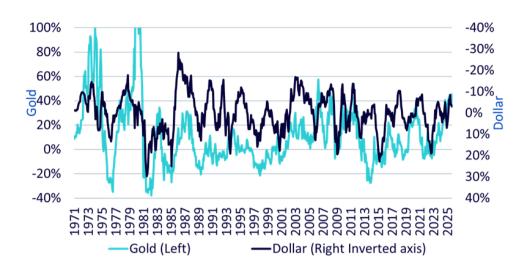


Figure 2: Gold held in exchange-traded-products (ETPs)

Source: WisdomTree, Bloomberg. July 2019 – October 2025. **Historical performance is not an indication of future performance, and any investments may go down in value.**

Gold firing on all cylinders

Gold is benefitting from a rare alignment of supportive factors:

- US dollar depreciation as fiscal risks mount and real yield differentials narrow.
- Bond yield compression, reflecting growing expectations of slower growth and continued monetary easing.
- Stubborn inflation, which keeps real yields suppressed and strengthens the case for holding non-yielding assets like gold.

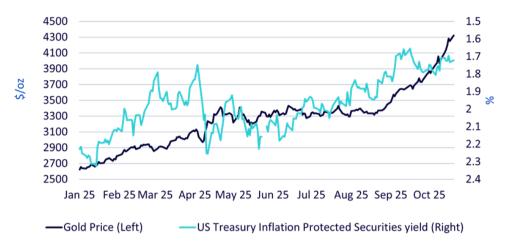
Dollar weakness likely to persist

We expect the US dollar to remain under pressure as markets increasingly question the sustainability of the country's fiscal trajectory. The US debt-to-GDP ratio continues to climb, while the political gridlock over fiscal consolidation adds to investor unease.

At the same time, the US Federal Reserve's eagerness to continue rate cuts, even as other central banks signal a pause, could widen rate differentials in favour of non-dollar currencies. Historically, such environments have coincided with strong gold performance.

Dollar depreciation tends to be gold-price positive, as it enhances affordability for non-US investors and highlights gold's role as a store of value.

Figure 3: Gold and US Dollar



Source: WisdomTree, Bloomberg. January 1971 – September 2025. Historical performance is not an indication of future performance, and any investments may go down in value.

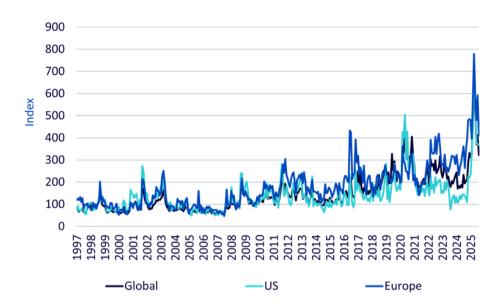
Bond yields add fuel to the rally

After a period of rising yields in 2023, the US 10-year Treasury yield has been trending lower again, reflecting expectations that the Fed will have to remain accommodative for longer.

Falling nominal yields and anchored inflation expectations have led to a renewed decline in real yields, a critical driver of gold's valuation.

With the real yield curve back in negative territory across shorter maturities, the opportunity cost of holding gold has diminished substantially, adding fundamental support to prices.

Figures 4: Gold and real yields



Source: WisdomTree, Bloomberg. January 2025 to October 2025. Daily data. Historical performance is not an indication of future performance, and any investments may go down in value.

Conclusion: Still room to run

While gold's recent rally has been dramatic, the macroeconomic backdrop suggests it may have further to go.

Persistent fiscal concerns, slowing global growth momentum and ongoing monetary easing should continue to underpin demand. In our recently published <u>Gold Outlook to Q3 2026: Structural Tailwinds and Policy Fragilities</u>, we project that gold could reach \$4,530/oz under consensus macroeconomic assumptions. However, bond yields have already fallen more than consensus had expected and we expect the dollar depreciation pressure to be stronger than that implied by consensus. Gold could very easily rise above \$5,000/oz in a year's time.

Investors should be mindful of the potential for short-term consolidation after such strong gains. Any retracement could provide an opportunity to accumulate exposure at more attractive levels, particularly if real yields continue to trend lower and the dollar remains weak.

WisdomTree Gold Monthly

Important Information

Marketing communications issued in the European Economic Area ("EEA"): This document has been issued and approved by WisdomTree Ireland Limited, which is authorised and regulated by the Central Bank of Ireland.

Marketing communications issued in jurisdictions outside of the EEA: This document has been issued and approved by WisdomTree UK Limited, which is authorised and regulated by the United Kingdom Financial Conduct Authority.

WisdomTree Ireland Limited and WisdomTree UK Limited are each referred to as "WisdomTree" (as applicable). Our Conflicts of Interest Policy and Inventory are available on request.

For professional clients only. The information contained in this document is for your general information only and is neither an offer for sale nor a solicitation of an offer to buy securities or shares. This document should not be used as the basis for any investment decision. Investments may go up or down in value and you may lose some or all of the amount invested. Past performance is not necessarily a guide to future performance. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice.

The application of regulations and tax laws can often lead to a number of different interpretations. Any views or opinions expressed in this communication represent the views of WisdomTree and should not be construed as regulatory, tax or legal advice. WisdomTree makes no warranty or representation as to the accuracy of any of the views or opinions expressed in this communication. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice.

This document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of shares or securities in the United States or any province or territory thereof. Neither this document nor any copy hereof should be taken, transmitted or distributed (directly or indirectly) into the United States.

Although WisdomTree endeavours to ensure the accuracy of the content in this document, WisdomTree does not warrant or guarantee its accuracy or correctness. Where WisdomTree has expressed its own opinions related to product or market activity, these views may change. Neither WisdomTree, nor any affiliate, nor any of their respective officers, directors, partners, or employees accepts any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents.

This document may contain forward looking statements including statements regarding current expectations or beliefs with regards to the performance of certain assets classes and/or sectors. Forward looking statements are subject to certain risks, uncertainties and assumptions. There can be no assurance that such statements will be accurate and actual results could differ materially from those anticipated in such statements. WisdomTree strongly recommends that you do not place undue reliance on these forward-looking statements.

Any historical performance included in this document may be based on back testing. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. However, back tested performance is purely hypothetical and is provided in this document solely for informational purposes. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance.