

From West to East: Is it Really a One-Way Ticket for Gold?

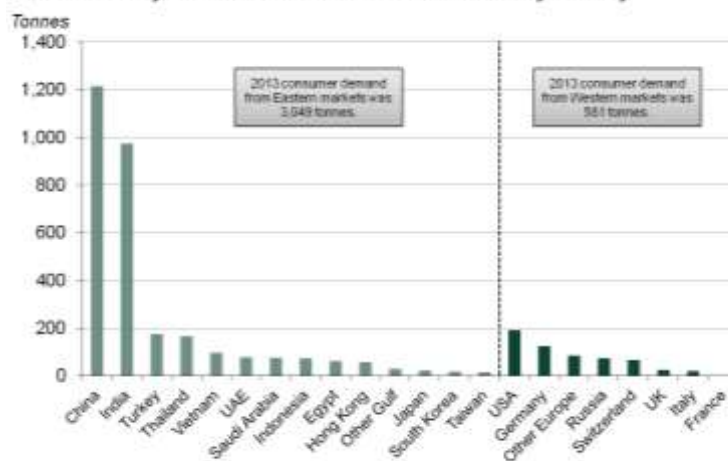
LBMA, Singapore, 25 June, 2014

Albert Cheng, Managing Director, Far East



During 2013, gold demand driven by the East

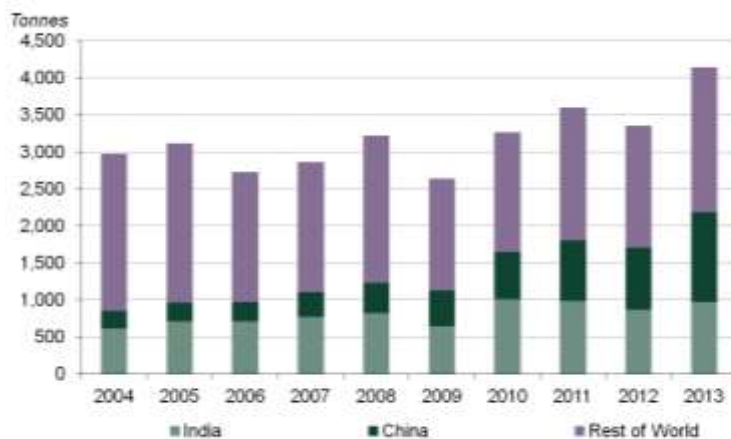
West to East - year-to-date total consumer demand* by country



*Total consumer demand comprises jewellery and total bar and coin
Source: GFMS, Thomson Reuters, World Gold Council

India and China: engines of growth

Consumer demand in tonnes for India, China and rest of world

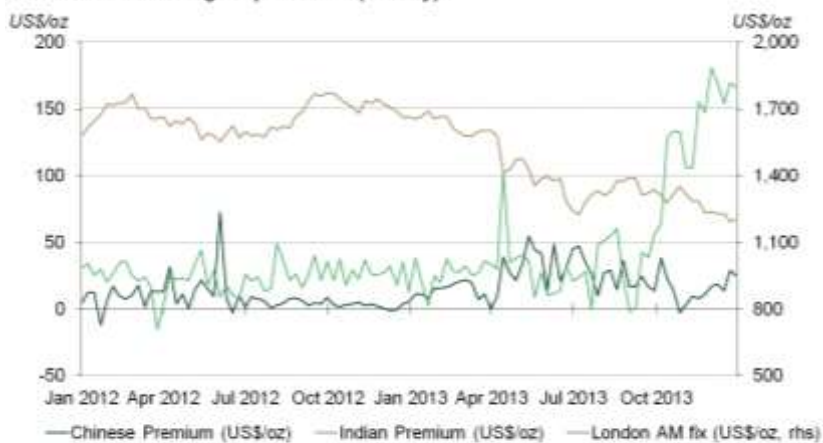


Source: GFMS, Thomson Reuters, World Gold Council

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Strong Demand caused elevated premiums China and India

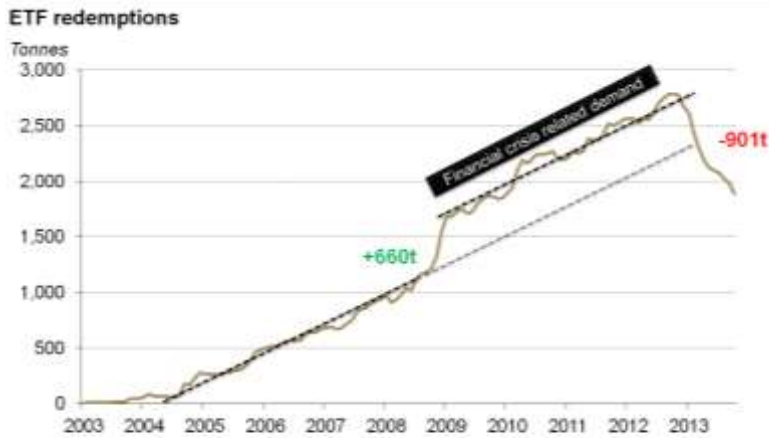
Chinese and Indian gold premiums (weekly)



Source: The London Gold Market Fixing Ltd, Thomson Reuters, Bloomberg, World Gold Council

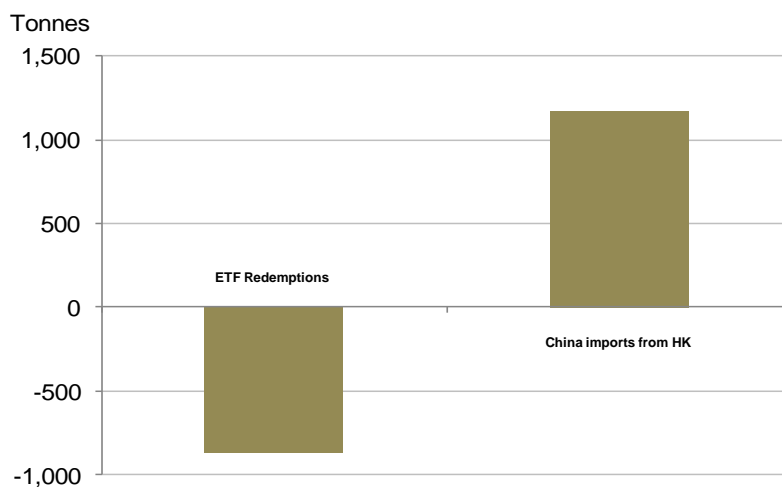
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Massive ETF Redemptions in West during 2013



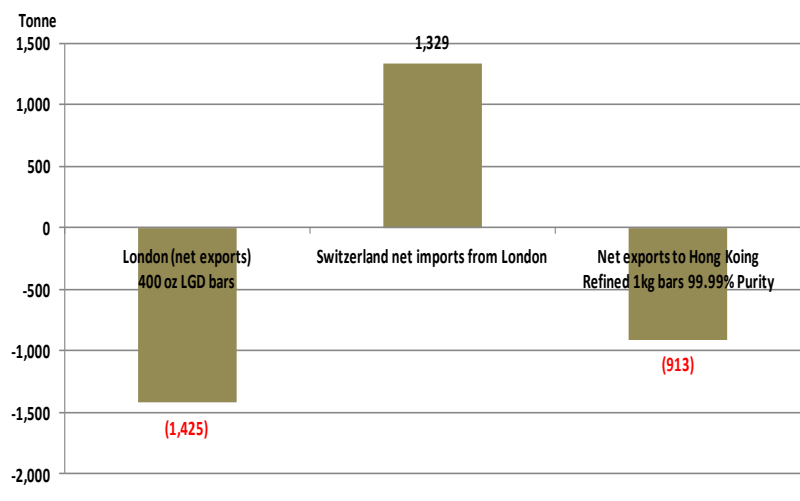
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ETF Redemptions all to China?



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Gold flew from London to Switzerland then to HK



Source: : Bloomberg, Census and Statistic Department HK, WGC Investment Services Ltd