World Gold Council

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According to the latest report by the World Gold Council (WGC), India, which is the world's largest consumer of gold, has the 11th largest gold reserve, with the current holding pegged at 607 tonnes.

- India's overall position in terms of total gold holding would have been tenth had the list included only countries.
    - International Monetary Fund (IMF) is included and is third on the list with total gold reserves of 2,814 tonnes.
- The U.S. tops the list with gold reserves of 8,133.5 tonnes, followed by Germany with 3,369.7 tonnes.
- Among Asian countries, China and Japan have more reserves when compared to India.
- The demand for gold was concentrated among emerging market central banks, with diversification the key driver in the face of ongoing geopolitical and economic uncertainty.

World Gold Council

- The World Gold Council (WGC) is a nonprofit association of the world's leading gold producers.
- Headquartered in London, the WGC covers the markets which comprise about three-quarters of the world's annual gold consumption.
- It is a market development organization for the gold industry which includes 25 members and many gold mining companies as well.
- The WGC was established to promote the use of and demand for gold through marketing, research and lobbying.

Gold & Economy

- **As Currency:** Gold was used as the world reserve currency up through most of the 20th century. The United States used the gold standard until 1971.
    - The paper money had to be backed up by equal amount of gold in their

reserves.
    - Although the gold standard has been discontinued, some economists feel that we should return to it due to the volatility of the U.S. dollar and other currencies.
- **As a hedge against inflation:** The demand for gold increases during inflationary times due to its inherent value and limited supply. As it cannot be diluted, gold is able to retain value much better than other forms of currency.
- **Strength of Currency:** When a country imports more than it exports, the value of its currency will decline. On the other hand, the value of its currency will increase when a country is a net exporter. Thus, a country that exports gold or has access to gold reserves will see an increase in the strength of its currency when gold prices increase, since this increases the value of the country's total exports.

    Since, the central banks rely on printing more money to buy gold, they create an excess supply of the currency. This increases the supply and thereby reduces the value of the currency used to purchase it.