THE EDGE
CONSULTANCY

The Edge Special Reports

The Fall Began Before the War:

What Actually Moved Gold, and Where It Goes Next

September 2026

The Fall Began Before the War:
What Actually Moved Gold, and Where It Goes Next

Executive Summary

Gold reached its 2026 peak on 29 January and its trough on 25 June. On the LBMA Gold Price PM benchmark, the basis used throughout this report for period analysis, it fell from $5,405.00 to $4,001.80, a drawdown of 26.0%. It has since recovered 14.0% from that low to $4,562.75 on 28 August, a gain of 13.3% measured from the end-July close of $4,027, leaving it 15.6% below the January fix. The conventional explanation for the fall is the Middle East conflict that began on 28 February. The sequence does not support it.

One session accounts for more of the drawdown than any other observed in the period, and it came a month before the first shot. Gold fixed at its high on Thursday 29 January and fell 7.8% to $4,982 at the following day's fixing, the last of the month because 31 January fell on a Saturday. That one session accounts for 27.1% of the whole decline measured in logarithmic returns, and it happened four weeks before hostilities began.

Gold then rallied through February. Because 28 February 2026 was also a Saturday, no February fixing post-dates the outbreak: the month's close of $5,222, a gain of 4.8%, is the last observation before the first shot, and at that level gold stood just 3.4% below its all-time high. The war did not begin with gold already collapsing. It began with gold within touching distance of its record, having recovered a little over half of what it lost on 30 January. Cumulatively, only 11.5% of the eventual drawdown had occurred by that last pre-conflict fixing.

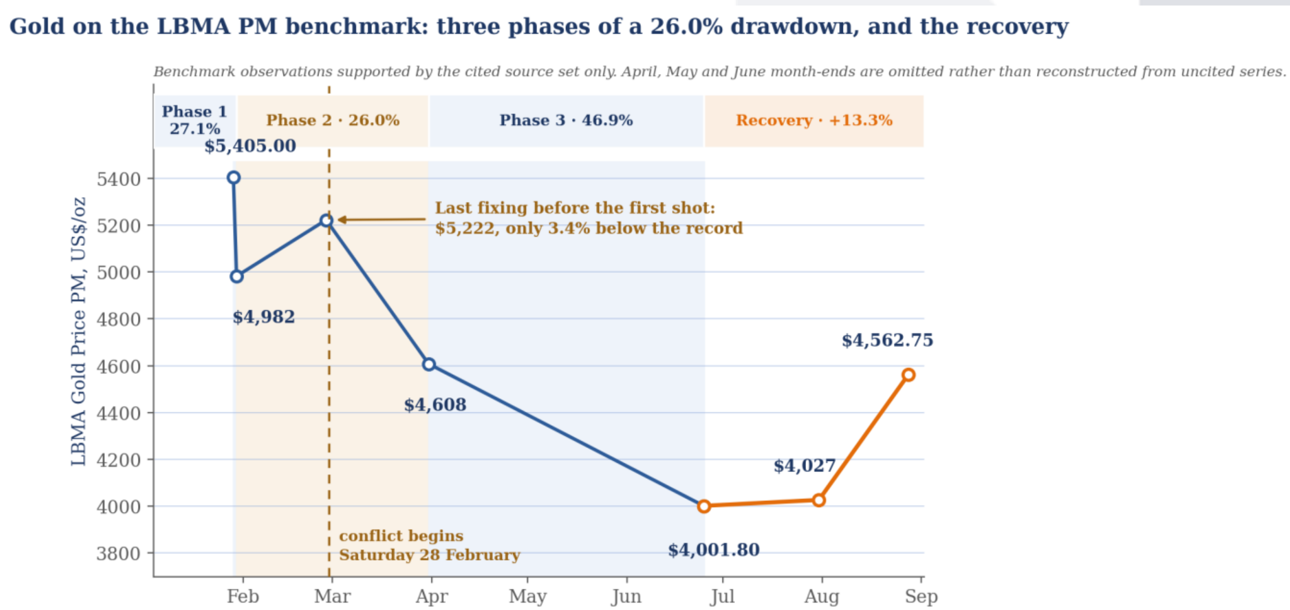

Figure 1. Gold on the LBMA Gold Price PM benchmark, from the 29 January high to the 28 August fixing, with the three phases of the drawdown and the recovery marked. Only benchmark observations supported by the cited source set are plotted; April, May and June month-ends are omitted rather than reconstructed from uncited or differently based series. Sources: World Gold Council; LBMA; The Edge calculations.

The Fall Began Before the War:

What Actually Moved Gold, and Where It Goes Next

The decline that produced the 26.0% drawdown ran afterwards. March, the first month whose fixings are entirely post-conflict, fell 11.8%. February and March together account for just over a quarter of the drawdown, 26.0% of it. The largest single block, 46.9%, came between April and the June trough, when the acute phase had passed and US 10-year real yields were rising on net, though not month by month.

The attribution evidence points the same way. The World Gold Council's Gold Return Attribution Model, measured through 28 November 2025, assigns 8 percentage points of gold's 61% gain to geopolitical risk, against 10 points for economic expansion, 9 for momentum and 8 for currency effects, with 20 points, a third of the move, left unexplained. Even the full risk-and-uncertainty bucket accounts for roughly a fifth of the rally.

War is not a gold factor in its own right. It is a transmission mechanism, and in 2026 it transmitted the wrong way. The dominant transmission was an energy and inflation shock rather than the disinflationary growth shock that would ordinarily strengthen gold's safe haven channel. Flows through the Strait of Hormuz fell below 10% of pre-conflict levels and the International Energy Agency released 400 million barrels from emergency stocks, its largest coordinated action ever. Energy shocks raise inflation and keep policy restrictive: the Federal Reserve held at 3.50–3.75% on 29 July with three members preferring an increase, tying elevated inflation explicitly to energy supply shocks. Higher real yields raise the cost of holding an asset that pays nothing.

Measuring that channel gives the report its central diagnostic. Between the end of March and the end of July, gold fell 12.6% while 10-year real yields rose 47 basis points, an observed sensitivity of about 2.7% of price per 10 basis points. Applying that same relationship to August, when real yields fell just 5 basis points, would predict a gain of 1.3%. Gold rose 13.3%. Roughly 12.0 percentage points of the August recovery are not explained by realised real yields, and rest instead on a weaker dollar, the US Treasury's enlarged buyback operations, renewed geopolitical uncertainty and a technical break above the 200-day moving average. The 2.7% figure is an episode-specific observation over one four-month window, not a forecasting coefficient; the World Gold Council's own framework implies a far gentler 1.75% response to a 25 basis point move in the 10-year nominal yield.

The structural bid is real but slower than the market. The World Gold Council estimates central banks bought a net 288.9 tonnes in the second quarter, after revising its first-quarter estimate down from 244 tonnes to 56.5 tonnes, a 187.5-tonne cut in the single series most often cited as gold's floor. Official demand builds a floor over years. It did not prevent a 26.0% drawdown in five months, and it is reported too slowly to serve as a real-time signal.

The Edge scenario distribution to end-2026 centres on \$4,400–5,000 at 50% probability, with a bull case of \$5,200–5,800 at 30% and a bear case of \$3,700–4,200 at 20%. The judgement-weighted midpoint is approximately \$4,790. No single variable determines the outcome: the operative signal is the interaction of real yields and the dollar, confirmed by investment flows.

The Fall Began Before the War:

What Actually Moved Gold, and Where It Goes Next

The Market In Numbers, And The Price Basis That Defines Them

Gold has no single price. Three published benchmarks recorded three different 2026 peaks on the same day, and any drawdown figure is meaningless without naming the basis it uses.

Basis	2026 high, 29 January	2026 low	Drawdown
LBMA Gold Price PM	$5,405.00	$4,001.80, 25 June	-26.0%
LBMA Gold Price AM	$5,501.70	not published	–
Spot intraday	$5,595.47	$3,959.33, 24 June	-29.2%

Table 2. Gold price benchmarks and 2026 peaks. LBMA PM and AM fixings are Grade B throughout, as regulated benchmark data, irrespective of which publisher republishes them; the PM and spot figures here are carried from the World Gold Council Mid-Year Outlook, 1 July 2026, and the AM fix of $5,501.70, which LBMA itself describes as the all-time high on the benchmark, from the LBMA Precious Metals Market Report, Q2 2026.

This report uses the LBMA Gold Price PM as its benchmark for all period returns, phase analysis and drawdown measurement, because the World Gold Council's monthly closes are published on that basis and a single consistent series is worth more than the highest available number. Spot prices are quoted separately where they are the relevant observation, and are labelled as such.

Measure	Value	Date
LBMA PM high	$5,405.00	29 January 2026
LBMA PM low	$4,001.80	25 June 2026
Peak-to-trough drawdown	-26.0%	29 Jan to 25 Jun
LBMA PM latest	$4,562.75	28 August 2026
Recovery from the 25 June low	+14.0%	25 June to 28 August
Recovery from the end-July close	+13.3%	31 July to 28 August
Position versus January fix	-15.6%	28 August 2026
Spot reference	$4,660.25	24 August 2026
Year to date	+4.5%	28 August 2026
Calendar 2025 gain	+67.4%	Full-year 2025
Q2 2026 average	$4,506.29	Q2 2026
10-year real yield	2.42%	28 August 2026

Front-month COMEX futures reached $4,738.50 intraday on 24 August, with spot ranging between $4,596.86 and $4,670.28 on the day. Gold reached a three-month high on 21 August and a 15-week high on 24 August, its third consecutive weekly gain.

Table 3. Key gold market indicators, as of the 28 August 2026 cut-off. LBMA benchmark fixings are Grade B as regulated benchmark data, carried here from the World Gold Council; the year-to-date figure, the calendar 2025 return and the Q2 2026 average are period calculations on that Grade B benchmark series, carried from the World Gold Council; spot is from Forbes Advisor (Grade B); the real yield is from the US Treasury daily real yield curve (Grade A); drawdown, recovery and relative position are The Edge's calculations (Grade D).

Anatomy Of The Drawdown: The Fall Began Before The War

The useful question is not whether gold fell but when. Decomposed into logarithmic returns on the LBMA PM benchmark so that the phases sum to the total, the 26.0% peak-to-trough decline breaks into three unequal blocks.

Phase	Move	Share of drawdown	Conflict status
29 to 30 January	-7.8%	27.1%	Pre-conflict, a single session
30 January to 31 March	-7.5%	26.0%	February entirely pre-conflict, March entirely post
31 March to 25 June	-13.2%	46.9%	Post-acute phase

Table 4. Phase decomposition of the drawdown, 29 January to 25 June 2026, LBMA PM basis. The Edge calculation (Grade D) from the World Gold Council's published high of $5,405.00, January close of $4,982, March close of $4,608 and low of $4,001.80. Note that 31 January and 28 February 2026 both fell on a Saturday, so the January close is the fixing of Friday 30 January and the February close that of Friday 27 February. Moves are simple percentage changes and shares are computed on logarithmic returns, which is why the Move column does not itself sum to 26.0% while the Share column sums to 100. Memo: measured cumulatively to that last pre-conflict fixing of $5,222, gold was 3.4% below its high, which is 11.5% of the eventual drawdown on the same logarithmic basis.

Two facts in that table are difficult to reconcile with a war-driven narrative.

The first is that the single largest move of the drawdown preceded the conflict by four weeks and took one session. Gold fixed at its 2026 high on Thursday 29 January and fell 7.8% to $4,982 at the next fixing, on Friday 30 January, which was the last of the month because 31 January fell on a Saturday. That one session accounts for 27.1% of the entire decline. The World Gold Council's own January review attributed roughly half of that month's 14.1% return to implied volatility, which is a warning that the January price contained a large positioning component before it fell. The Edge's assessment, which is a judgement rather than a sourced attribution, is that the move reflected a repricing of Federal Reserve leadership expectations rather than anything in the Gulf.

The second, and the more damaging to the conventional account, is where gold stood on the eve of the conflict. February closed at $5,222, a published World Gold Council figure and a gain of 4.8% on the month. Because 28 February 2026 was a Saturday, that close is the fixing of Friday 27 February and contains no post-conflict session at all. It is therefore the last observation before the first shot, and it puts gold 3.4% below its all-time high, having recovered a little over half of the 29 to 30 January fall. Cumulatively, 11.5% of the eventual drawdown had occurred by that point, not more than a quarter. The distinction matters. It is true that the largest single move came before the conflict; it is not true that a large cumulative loss had already accrued. Both facts point the same way, but only the first is usually stated, and the second is the stronger one: a market that entered the conflict within 3.4% of its record and then fell 23.4% over the following four months does not support a simple account in which the outbreak itself triggered the sell off. It is consistent with a delayed transmission through energy prices, inflation expectations, monetary policy, real yields and positioning, which is the mechanism the following sections examine.

The Fall Began Before the War:

What Actually Moved Gold, and Where It Goes Next

The acute war month was March, the first month whose fixings all post-date the outbreak, and it was severe: an 11.8% fall, which the World Gold Council describes as the weakest month for gold since June 2013. The mechanisms the World Gold Council identified were financial rather than geopolitical. Global gold ETFs shed $12 billion, some 84 tonnes, a net figure more than fully accounted for by North America at $14 billion and 87 tonnes, against modest net inflows elsewhere. COMEX managed-money net long positions fell $2 billion while retaining a long bias. Trend-following advisers who entered the month heavily long unwound sharply when gold broke its 50- and 55-day moving averages on 16 March. Multi-asset investors deleveraging across portfolios generated incremental selling.

On the specific question of whether the conflict moved the price, the World Gold Council is unusually direct: disruptions to market activity in parts of the Middle East were unlikely to have had a material impact on global gold prices in March, and regional disruption did not convincingly explain the scale or speed of the sell-off.

Even a deliberately generous reading that assigns all of February and March to the conflict caps its contribution at 26.0% of the drawdown, and that reading has to ignore February being an up month. The defensible range is lower, because most of March was a positioning event inside a war month rather than a war event.

What Drove The Rally: The Attribution Evidence

The same asymmetry appears on the way up. The World Gold Council's Gold Return Attribution Model decomposes a 61% gain measured through 28 November 2025.

Driver	Contribution	Share of the 61%
Economic expansion	10 points	16.4%
Momentum	9 points	14.8%
Geopolitical risk	8 points	13.1%
Currency effects	8 points	13.1%
Other risk and uncertainty	4 points	6.6%
Other opportunity cost	2 points	3.3%
Unexplained residual	20 points	32.8%

Table 5. Gold Return Attribution Model, World Gold Council, Gold Outlook 2026, published 4 December 2025 (Grade C). Shares are The Edge's calculation from the published point contributions (Grade D). The model measures through 28 November 2025; gold's full calendar-year gain on the same benchmark was 67.4%. The Edge has deliberately not rescaled the model to the full-year figure, because rescaling a published decomposition manufactures precision the model does not contain.

The Fall Began Before the War:

What Actually Moved Gold, and Where It Goes Next

Geopolitical risk is the joint third-largest identified driver, level with currency effects and behind economic expansion and momentum, not the first, and it is smaller than the unexplained residual by a factor of two and a half. The World Gold Council itself described the four main driver families as unusually balanced during 2025.

The residual deserves emphasis rather than a footnote. A third of the 61% gain the model decomposes sits outside a model built specifically to explain gold. Two candidate explanations are worth naming: official-sector buying is captured only partially and with long reporting lags, and the reflexive component of a momentum market is by construction difficult to model. Either way, any single clean causal story about 2025 overstates what the data support.

The War Cut Both Ways: The Energy Channel

The conflict that began on 28 February 2026 produced a disruption to seaborne energy trade severe enough to trigger the largest coordinated emergency stock release in the International Energy Agency's history, only the sixth ever undertaken. Around 20 million barrels a day of crude and products had moved through the Strait of Hormuz during 2025, roughly a quarter of global seaborne oil trade. By 11 March, exports were running below 10% of pre-conflict levels. International Energy Agency members agreed to release 400 million barrels from emergency stocks, the largest release in the agency's history and only its sixth collective action. The agency's regional overview of 15 March itemised commitments of 195.8 million barrels from the Americas, 108.6 million from Asia Oceania and 107.5 million from Europe, 411.9 million in total. Its country-by-country confirmation four days later put the total at 426 million barrels, composed of 280 million from public stocks, 119 million from obligated industry stocks and 28 million from additional production, split 301 million of crude against 125 million of refined products. The three figures reconcile rather than conflict: 400 million is the volume members agreed to make available, 411.9 million is the interim tally of commitments received by 15 March, and 426 million is the confirmed total once every member had specified its contribution, which exceeds the agreed figure partly because 28 million of it is incremental production rather than stock. The agency has continued to describe the action as a 400 million barrel release and cautions that the internal breakdown remains subject to change. By 21 July it reported that around 290 million barrels had actually reached the market.

For gold this created two opposing forces. The positive shock was conventional: higher geopolitical uncertainty, greater perceived sovereign and sanctions risk, and a stronger case for reserve diversification. The negative shock ran through energy prices into inflation, into nominal and real yields, into a more restrictive expected policy path, and finally into higher volatility and forced deleveraging.

Over this drawdown the price action is more consistent with the second force dominating, and that inverts the intuition that war is good for gold. War is bullish for gold when it raises uncertainty while weakening growth, the dollar and real yields. It is bearish when its dominant channel is an energy price shock that pushes real yields up and keeps policy tight. That conditionality is the report's organising principle, and it applies symmetrically: escalation is not automatically bullish and de-escalation is not automatically bearish.

The Fall Began Before the War:

What Actually Moved Gold, and Where It Goes Next

The disruption has not normalised. The International Energy Agency's August report describes the Strait as effectively closed again after renewed hostilities in early July, following a partial reopening in June. Gulf production ran at 23.9 million barrels a day in July while regional exports fell 2.1 million barrels a day to 15 million. Global supply rose 2.4 million barrels a day in July to 101.5 million but remains 6.3 million below a year earlier, with 8.3 million barrels a day of output shut in. North Sea Dated ended July at $96.80, up $25.67 over the month. Observed stocks fell 69 million barrels to below 7.9 billion, a cumulative draw of 410 million barrels since February.

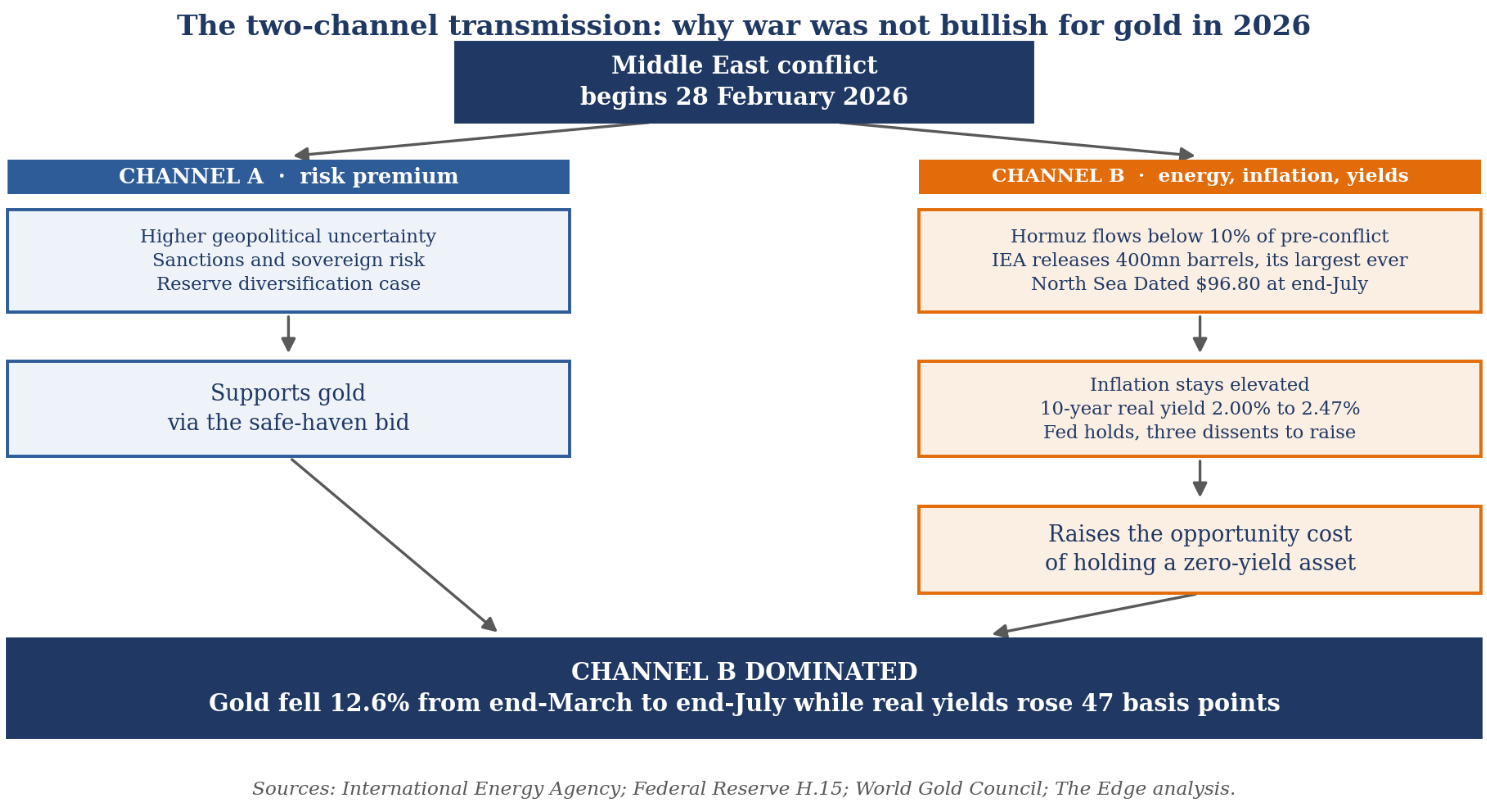

Figure 2. The two-channel transmission: the geopolitical risk premium against the energy, inflation and yield channel, February to August 2026. Sources: International Energy Agency; Federal Reserve H.15; World Gold Council; The Edge analysis.

Real Yields: Measuring The Channel, And Its Limits

The cleanest explanation for the April-to-June phase, the largest block of the drawdown, is the inflation-adjusted interest rate, though it is not a clean month-by-month fit and the report does not pretend otherwise.

Month, 2026	Monthly average	Month-end or cut-off	LBMA PM close
March	1.91%	2.00%	$4,608
April	1.94%	1.94%	–
May	2.04%	2.07%	–
June	2.18%	2.20%	–
July	2.35%	2.47%	$4,027
August	not yet published	2.42%	$4,562.75

Table 6. US 10-year Treasury inflation-protected yields and gold, March to August 2026. March to July yields are from Federal Reserve H.15 (Grade A). The August row is different and it is labelled rather than smoothed. Its 2.42% is the 28 August reading from the US Treasury daily real par curve (Grade A), which is this report's cut-off date, not a month-end: United States markets traded on 31 August and the Treasury published a 31 August curve after this report's cut-off. That curve has since printed a 10-year real yield of 2.44%, 2 basis points above the cut-off reading, which does not change the diagnostic set out below. The United Kingdom bank holiday explains only why the gold benchmark has no 31 August fixing, not anything about US yields. H.15's August monthly average cannot publish until the 31 August business day enters the daily release on 1 September, so that cell is marked not yet published rather than estimated; the March to July averages in the table were confirmed against the H.15 monthly series itself. The August gold close of $4,562.75 is the 28 August LBMA PM fixing, the last of the month on that benchmark. For the July and August month-end values used in the August test in the text, both legs are taken from the Treasury daily series so that the comparison is like for like. Monthly averages and month-end values differ materially and are shown separately for that reason. Note that the month-end real yield fell in April, from 2.00% to 1.94%, before rising through May, June and July. The relationship is directional over the four-month window and not monotonic within it, and over the shorter April-to-trough window the implied sensitivity is roughly two and a half times the four-month figure used as the diagnostic below. That dispersion is itself the argument against treating any single-window sensitivity as a coefficient. Gold levels are LBMA PM fixings carried from the World Gold Council (Grade B). Intermediate month-end closes are not published on a consistent basis and are omitted rather than estimated.

Between the end of March and the end of July, gold fell 12.6%, from a March close of $4,608 to a July close of $4,027, while the 10-year real yield rose 47 basis points, from 2.00% to 2.47%. That is an observed sensitivity of approximately 2.7% of gold price per 10 basis points.

That figure is a diagnostic, not a forecasting coefficient, and three things limit it. It is calibrated on a single four-month window. It attributes to real yields whatever else moved in the same period, including the dollar and the unwinding of a crowded long position. And it is unusually strong by comparison with published frameworks: the World Gold Council's Mid-Year Outlook estimates that a 25 basis point fall in the US 10-year **nominal** yield equates to a 1.75% gold price increase, which is roughly 0.7% per 10 basis points. The two are not directly comparable, one being a real yield and the other nominal, but a gap of nearly four times is a caution against extrapolating the local relationship.

Its value is as a benchmark against which other periods can be tested, and the August test is instructive. The real yield fell 5 basis points between the 31 July month-end and this report's 28 August cut-off, from 2.47% to 2.42%. At the observed March-to-July relationship that predicts a gold gain of about 1.3%. Gold rose 13.3%, from $4,026.60 to $4,562.75. Approximately 12.0 percentage points of the recovery are unexplained by realised real yields.

Both legs of that test now carry the same reporting date, which was not true at the previous cut-off, and both yields are taken from the same US Treasury daily series rather than setting a Federal Reserve H.15 value against a Treasury reading. They do not share an intraday timestamp: the gold leg is a 15:00 London auction price and the yield leg is a daily curve reading struck later in the United States session. The residual should therefore be read as an order of magnitude rather than a precise attribution, and the sensitivity it is measured against is itself an observation over a single four-month window.

The honest reading of that gap is not that the framework broke but that the weights shifted. Between April and July gold was tracking a realised move in the cost of capital. In August the dollar, positioning, policy expectations and non-Western demand carried more of the move. One calibration window followed by one divergent month cannot establish a durable regime change, and this report does not claim one; it claims that a single-variable model of gold is insufficient, which is the same conclusion the World Gold Council reaches from a much longer sample.

Inflation itself was not the constraint. US headline inflation eased from 3.5% in June to 3.4% in July, with core easing from 2.6% to 2.5%, and the CPI energy component fell 1.5% in July even as gasoline remained 24.6% higher year on year, a series that reflects retail pass-through with a lag and had not yet absorbed the crude move described in section 4. Globally the picture is less comfortable: the International Monetary Fund's July update projects headline inflation rising from 4.1% in 2025 to 4.7% in 2026 before easing to 3.9% in 2027, with global growth at 3.0% and 3.4%, and states plainly that the disinflation trend in place since early 2024 has stalled.

The World Gold Council's long-run quarterly regression, run over 222 observations from the first quarter of 1971 to the second quarter of 2026, quantifies the ordering.

Variable	Full sample	Inflation above 4%
Change in CPI	1.32	2.98
Change in real Fed funds rate	-0.63	-0.84
Dollar index return	-0.93	-1.20
Change in recession probability	0.14	0.19

Table 7. Structural gold regression, World Gold Council commentary for July 2026, published 6 August 2026 (Grade C). Only the dollar coefficient is statistically significant at conventional levels across the full sample. Inflation sensitivity strengthens materially in high-inflation regimes.

That result is important for the outlook and cuts against treating any single rate as decisive. Over half a century the dollar is the most statistically robust driver of gold, more so than the real policy rate. The World Gold Council's own framing is that gold's response depends on how real rates, the dollar and growth expectations move together, as well as on central-bank and Asian investor demand, and it notes that gold performed strongly despite historically restrictive US real rates from 2023 onward largely because of those two demand sources. The correct formulation is therefore a joint signal, not a hierarchy with one variable at the top.

The Fall Began Before the War:
What Actually Moved Gold, and Where It Goes Next

The Official Sector: A Floor, And A 187.5-Tonne Warning

Official-sector buying is the clearest structural difference between this gold cycle and those before 2022. The World Gold Council estimates central banks accumulated an average of 1,000 tonnes a year over the four years into 2026, against roughly 500 tonnes a year over the preceding decade, and puts second-quarter net official purchases at 288.9 tonnes.

That figure carries a warning. Metals Focus, whose estimates underpin Gold Demand Trends, revised the first-quarter figure down from 244 tonnes to 56.5 tonnes, a reduction of 187.5 tonnes, or 77% of the original number. A revision of that magnitude in the single series most often cited as gold's structural support is itself a finding. Official-sector data are reported with a lag, incompletely, and by institutions under no obligation to disclose promptly. The practical consequence for this report is that central-bank demand belongs in the structural layer of the analysis and near the bottom of any monitoring hierarchy: it is too slow and too heavily revised to confirm a turn in real time, and the second-quarter figure should be expected to move.

The intent behind the buying is better documented than its timing. In the World Gold Council's 2026 reserve-manager survey, conducted between 5 February and 19 May with a record 76 responses, 89% expected global official gold reserves to rise over the following 12 months, a record 45% expected their own reserves to rise, and 74% expected the dollar's share of global reserves to be moderately or significantly lower within five years. Because fieldwork ran from 5 February to 19 May, it straddled the 28 February outbreak: the responses mix pre-conflict and mid-shock sentiment and cannot be read cleanly as either.

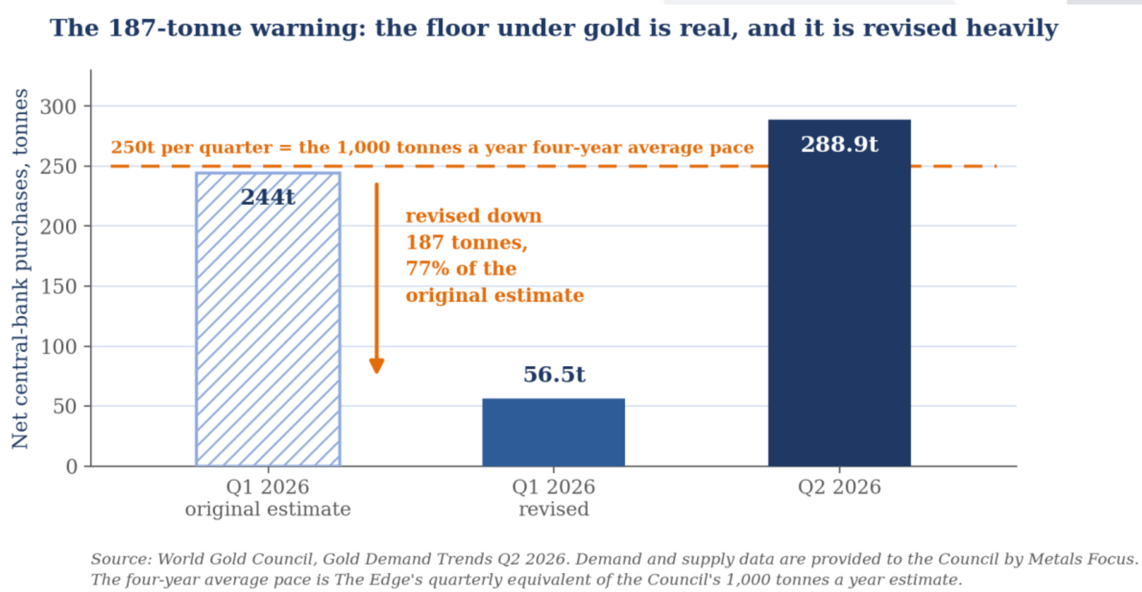

Figure 3. Central-bank net purchases by quarter, with the first-quarter 2026 revision shown against the original estimate. The dashed line is The Edge's quarterly equivalent of the World Gold Council's 1,000 tonnes a year four-year average. Source: World Gold Council, Gold Demand Trends Q2 2026.

This should not be read as the end of the dollar system. The European Central Bank reported on 2 June that gold reached 27% of total official foreign reserves at market value by end-2025, against 22% for US Treasuries and 15% for the euro. The ECB is explicit that the crossover largely reflects valuation effects rather than reallocation: the gold price rose roughly 60% in 2025 and 30% in 2024 on the ECB's own measure, which is a different basis from the 67.4% LBMA PM calendar-year return used elsewhere in this report, and which mechanically lifts gold's share. Quantity and price must be separated before drawing any conclusion about reserve managers' intentions.

Where The Price Is Set: Investment Flows, Jewellery And Mine Supply

Short-run gold prices are set in financial markets, not in mines or jewellery shops. The second-quarter figures make the point.

Category	Q2 2026	Change	Role in price formation
Gold ETF flows	-44.8 tonnes	Reversal from Q1	Sets the marginal price
Mine production	965.6 tonnes	+2%	Cannot adjust within weeks
Recycling	326.1 tonnes	-6%	Price-responsive, slow
Jewellery consumption	278.2 tonnes	-17% y/y	Responds to price, does not set it

Table 8. Demand and supply, second quarter 2026, World Gold Council Gold Demand Trends (Grade C). Jewellery volume was the lowest since the pandemic. Technology demand was 80.4 tonnes, with artificial-intelligence-related demand offsetting weakness in consumer electronics. The right-hand column is The Edge's assessment (Grade D).

Mine supply cannot move enough within weeks to explain a 26% price move: project lead times run to years and output changed by 2%. Jewellery demand is price-sensitive and amplifies weakness at the margin, but it responds to price rather than setting it, and the collapse in volumes to a post-pandemic low is best read as the demand side confirming the price move rather than causing it.

The composition of investment demand matters for the outlook as much as its direction. The World Gold Council expects investment demand to remain constructive over the remainder of 2026, with over-the-counter activity and Asian investment making a greater contribution, while Western ETF flows may remain sensitive to real yields, monetary-policy expectations and the dollar. That split is analytically useful: the visible, high-frequency component of investment demand is precisely the component most exposed to the opportunity-cost channel, while the component capable of absorbing weakness on price dips is the one that is hardest to observe in real time.

The Policy Backdrop

Monetary policy through the middle of the year was restrictive across the major Western economies and moving in one direction only.

Central bank	Decision	Rate	Vote
Federal Reserve	29 July, held	3.50–3.75%	9–3, dissents for a rise
Bank of England	30 July, held	3.75%	6–3, dissents for a rise
European Central Bank	23 July, held	2.25% deposit	After a June increase

Table 9. Major central-bank decisions, July 2026 (Grade A). Federal Reserve dissenters were Beth Hammack, Neel Kashkari and Lorie Logan, each preferring a quarter-point increase. Bank of England dissenters were Megan Greene, Catherine Mann and Huw Pill, each preferring 4.00%. The ECB raised by a quarter point on 11 June, effective 17 June, before holding in July.

The Federal Reserve's statement said inflation remains elevated relative to the 2% goal, in part reflecting supply shocks that have driven price increases in certain sectors, including energy. The Bank of England majority judged that the existing rate plus the tightening of financial conditions since the conflict began was providing sufficient insurance. The ECB Governing Council said it was monitoring the intensity and duration of the shock together with its indirect and second-round effects.

Two major central banks holding with hawkish dissents, and a third that had raised as recently as June, is an environment in which gold struggles, whatever the geopolitical backdrop. None has met since.

The policy backdrop hardened again on the report's cut-off date itself. Speaking at the Jackson Hole symposium on 28 August, Federal Reserve Chairman Kevin Warsh said that "we must be confident that underlying inflation is moving to our objective, clearly and at sufficient speed", adding: "Otherwise, we have work to do." Both remarks are read at the Board's own publication of the keynote. The Chairman did not commit to a September decision. For gold the significance is the opportunity cost channel this report has traced throughout: a central bank that has not declared victory on inflation is a central bank whose policy rate stays higher for longer, and that is the condition under which a non-yielding asset struggles.

The timing carries a caveat that matters for the anchor. The LBMA Gold Price PM auction is struck at 15:00 London, which is the same hour the keynote was delivered. **The $4,562.75 benchmark anchor used throughout this report therefore does not incorporate the market's response to that speech.** Any repricing that followed it falls after this report's cut-off and is not measured here.

The August Recovery, And What The Buybacks Actually Are

Gold has recovered 13.3% from its end-July close of $4,027 to $4,562.75 on 28 August. Four drivers are identifiable. They are the same variables in reverse, but not in the same proportion, and the variable that dominated the fall accounts for only a small share of the rise: a weaker dollar; the US Treasury's enlarged buyback operations; renewed geopolitical uncertainty following the expiry of a ceasefire; and a technical break, with gold clearing its 200-day moving average and weekly momentum turning higher after breaking the pattern of lower highs that had held since January.

The buyback programme requires precision, because it is widely mischaracterised. On 19 August the Treasury announced that it is increasing, by at least double, the size of liquidity support buyback operations for longer-dated nominal coupon securities, taking the maximum from $2 billion to at least $4 billion per operation in the 10-to-20-year and 20-to-30-year sectors, effective 9 September and running through 4 November. Treasury's stated objective is its own: the increase reflects its desire to provide greater liquidity support in longer-dated nominal sectors where there is consistent strong sponsorship from market participants. **The announcement makes no reference to yield levels or yield targets.** This is a liquidity operation, and describing it as an attempt to cap long-dated yields overstates both the intent and the mechanism.

Scale reinforces the point. Treasury estimates privately held net marketable borrowing of $739 billion in the July-to-September quarter and $628 billion in October-to-December. Operations of $4 billion apiece sit inside a net borrowing requirement of that order, and gross issuance larger still. They can plausibly influence liquidity conditions and the term premium in specific sectors. They cannot mechanically override the supply and demand balance of the Treasury market. The World Gold Council's own comment is the right register: this is not yield-curve control, but it might be a step in that direction.

Section 5 established that the realised 5 basis point fall in real yields accounts for roughly 1.3 percentage points of the 13.3% move at the local sensitivity. Approximately 12 percentage points are therefore not explained by that single variable diagnostic. The drivers set out in Table 10 are the ones identified in contemporaneous commentary as operating over the same period, and each carries a specific fragility, but the data do not support allocating the residual precisely among them.

Driver	Nature	Fragility
Treasury buyback expansion	Expectation of improved liquidity and lower term premia	Long yields may rise anyway; operations are small relative to issuance
Dollar weakness	Realised, but policy-contingent	September central-bank cluster
Geopolitical escalation	Event-driven risk premium	Joint third-largest identified driver in the attribution model, per section 3
Technical break	Momentum and positioning	Self-reversing without fundamental support

Table 10. Composition and fragility of the August recovery. The Edge assessment (Grade D), with driver identification from the World Gold Council's Weekly Markets Monitor of 24 August 2026 (Grade C) and the Treasury announcement of 19 August 2026 (Grade A).

The sequence within the month matters and should not be smoothed into a single narrative. The World Gold Council's Weekly Markets Monitor of 24 August attributes the final week's move to the expiry of the ceasefire, the Treasury buyback expansion, pressure on the dollar and the break above the 200-day moving average. Three of those four are positioning, policy and liquidity rather than fundamentals, which is precisely the condition the World Gold Council identified in March, when the direction was down. A market whose stated driver can be a geopolitical development in one week and a Treasury operation in the next, with the price moving the same way through both, is a market in which flows dominate.

Outlook To End-2026: Scenarios, Triggers And Signals

The scenarios below start from a single anchor: $4,562.75 on the LBMA Gold Price PM benchmark on 28 August 2026. Spot traded at $4,660.25 on 24 August, but that is a different price basis on a different date and is not an equivalent observation; every scenario percentage in this section is measured against the $4,562.75 benchmark anchor. The central principle is that no single variable is treated as sufficient. The highest-value near-term signal is the interaction between US real yields and the dollar, confirmed by ETF and futures positioning. Asian and over-the-counter investment and official-sector purchases form a slower structural layer. Geopolitical events matter mainly through their effect on energy, inflation expectations, financial conditions and risk appetite, not as standalone gold inputs.

Scenario	End-2026 range	Midpoint	Probability
Bull	$5,200 – 5,800	$5,500	30%
Base	$4,400 – 5,000	$4,700	50%
Bear	$3,700 – 4,200	$3,950	20%

Table 11. The Edge scenario distribution to end-2026 (Grade D). The judgement-weighted midpoint is approximately $4,790, which is 5.0% above the $4,562.75 benchmark anchor of 28 August. The probabilities are editorial scenario weights reflecting The Edge's judgement, not econometric probabilities, and the midpoint is a weighted average of those judgements rather than a statistically estimated fair value. Ranges are endpoints, not paths.

Base case, 50%. Gold consolidates between $4,400 and $5,000. The 10-year real yield stays broadly within 2.10% to 2.60% rather than beginning a sustained decline, the band bounded by the bull and bear thresholds in Table 12. The dollar is range-bound or modestly softer, Western ETF flows fluctuate without returning to persistent liquidation, and Asian and over-the-counter investment absorbs weakness on dips. Central-bank purchases continue as structural support rather than a catalyst. The September meetings do not deliver a materially more hawkish path than markets expect, and the enlarged buyback operations improve liquidity at the margin without imposing a ceiling on long yields. The causes of the April-to-June decline have stopped intensifying, but the conditions for a return to the January fix have not aligned.

Bull case, 30%. A durable move to $5,200 to $5,800 requires several signals to align rather than escalation alone. The strongest confirmation would be the 10-year real yield falling below roughly 2.10% and staying there, with further dollar weakness and sustained positive ETF flows. Asian and over-the-counter investment would need to remain constructive, and official accumulation would need to hold near its multi-year run rate after revision. That combination could come from weaker growth, a less restrictive expected policy path, or a genuine compression of long-end risk premia.

The buybacks matter only to the extent that yields and the dollar actually respond. This is a route through falling opportunity cost and broadening investment demand, not through conflict intensity.

Bear case, 20%. A fall to $3,700 to $4,200 **does not require de-escalation**, and the report's own framework explains why. It can arise either from resilient growth that keeps policy restrictive, or from renewed energy disruption that lifts inflation expectations and forces markets to price higher policy rates. The common denominator in both paths is a 10-year real yield sustained above roughly 2.60%, a firmer dollar and renewed ETF liquidation. A slowdown in Asian or over-the-counter investment and downward revisions to official purchases would remove the remaining support, and jewellery demand at post-pandemic lows offers little resistance. This is the April-to-June configuration repeating, and it is indifferent to whether the conflict is intensifying or easing.

Signal	Bull confirmation	Bear confirmation
Real yield and dollar	Real yield below 2.10%, dollar weaker	Real yield above 2.60%, dollar firmer
ETF and futures flows	Sustained accumulation	Renewed persistent liquidation
Yield response to buybacks	Long yields stabilise or fall	Long yields rise despite operations
Asian and OTC investment	Continues to absorb weakness	Material loss of investment demand
Official-sector demand	Multi-year pace survives revision	Material downward revisions
Energy and Hormuz	Lower yields despite uncertainty	Inflation shock lifts yields and dollar

Table 12. Signals to monitor, in order of informational value (Grade D). The ordering is deliberate. Real yields and the dollar set the opportunity cost and the currency channel. Flows show whether financial investors are acting on those conditions. Asian and over-the-counter investment determines whether Western weakness is being offset. Official purchases provide the floor but are reported too slowly and revised too heavily to lead. Energy and geopolitics matter through their effect on the variables above them.

The September sequence is an unusually clean test. Enlarged Treasury buyback operations begin on 9 September. The ECB Governing Council meets on 9 and 10 September. The Federal Reserve meets on 15 and 16 September, with a Summary of Economic Projections. The Bank of England announces on 17 September. What matters is not only what each institution decides but how real yields, the dollar and gold investment flows respond to the combination.

What would falsify this view. The central claim is that the opportunity-cost and currency channels dominate geopolitical risk in gold price formation. It would be materially weakened if gold sustained levels above $5,000 while the 10-year real yield held above roughly 2.60%, the bear threshold in Table 12, the dollar stayed firm and investment flows failed to improve, which would show that structural and non-Western demand had grown strong enough to overwhelm opportunity cost. A further escalation accompanied by higher real yields, a stronger dollar and renewed ETF selling would reinforce the framework rather than contradict it.

External calibration. The LBMA published a snapshot survey of 16 professional analysts on 11 August 2026, with fieldwork conducted during July. Its averaged year-end 2026 forecast is approximately $4,500, with the highest individual estimate at $5,100 and the lowest at $3,879. The same survey gives an averaged whole-year 2026 price of $4,604 and an averaged second-half high of $4,818. The Edge's base range of $4,400 to $5,000 contains that approximately $4,500 average, though it is narrower than the $3,879 to $5,100 span of individual responses, and its $4,790 weighted midpoint sits above the average, which is the honest way to state the difference rather than claiming agreement.

Published bank targets warrant caution, and should be read with their dates attached. J.P. Morgan Research's current published forecast, dated 9 June, puts the fourth quarter of 2026 at an average of $6,000 an ounce, with a 2026 annual average of $5,243 and a 2027 annual average of $6,263, the last of these often quoted loosely as $6,300 and applying to 2027 rather than 2026. That forecast was itself a downgrade, and the bank's own table sets out the cut: the February 2026 figures it replaced were $6,300 for the fourth quarter and $5,708 for the year, reductions of 5% and 8%. Goldman Sachs Research published a year-end 2026 forecast of $4,900 an ounce on 28 August, measured against a $4,600 level as of 25 August. Deutsche Bank reiterated a $6,000 target in February; CNBC reported on 25 August that the bank's metals analyst had said gold could surpass his target of $4,800 an ounce, without stating the period to which that target applies. Two of those three houses now publish figures inside The Edge's own $4,400 to $5,000 base range and the third sits well above it. Every target was set against a different price base, and the direction of revision through 2026 has been downward. A target quoted without its date is not information.

The outlook is therefore asymmetric but not aggressively bullish. The structural case is stronger than in earlier cycles because central banks, Asian investors and over-the-counter demand have broadened the buyer base. The cyclical case is weaker because real yields remain high and the major Western central banks are still restrictive. Consolidation, not a return to the January fix, is the base case, and a durable breakout requires confirmation from yields, the dollar and flows together.

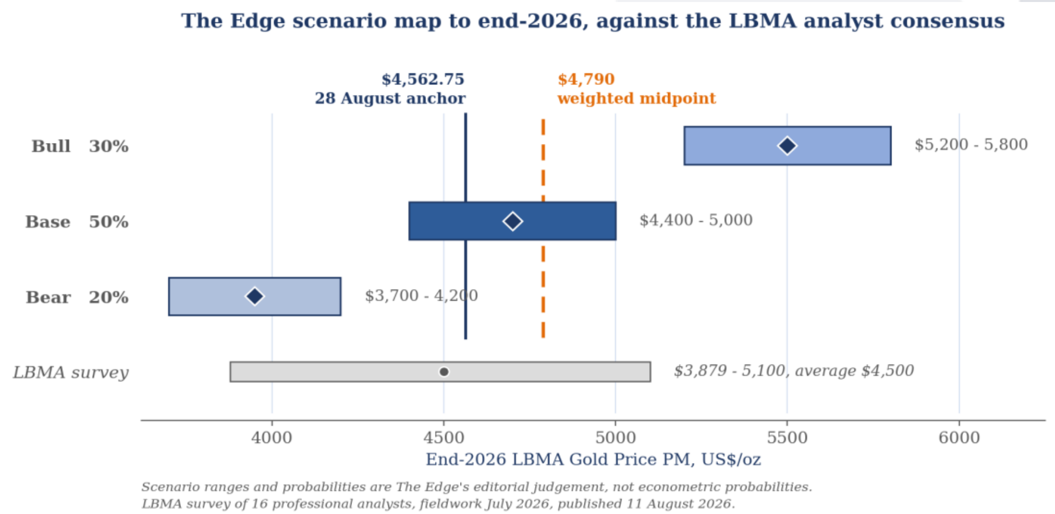

Figure 4. The Edge scenario map to end-2026, with the judgement-weighted midpoint, the 28 August benchmark anchor and the LBMA analyst consensus range shown for comparison. Scenario ranges and probabilities are The Edge's editorial judgement, not econometric probabilities. Sources: LBMA snapshot survey of professional analysts, 11 August 2026; The Edge analysis.

Conclusion:

The war is not a sufficient standalone explanation. It is one channel among several, and in 2026 it operated in the opposite direction to the intuition. The single largest move of gold's drawdown, 27.1% of the whole decline, took one session four weeks before the conflict began. Gold then rallied to within 3.4% of its record by the last fixing before the first shot, so only 11.5% of the eventual drawdown had cumulatively occurred by that point. February and March together account for 26.0% of the fall, and the World Gold Council's own analysis attributes most of March to ETF liquidation, futures positioning, trend-following and cross-asset deleveraging rather than to any disruption in the physical market. The largest block of the decline came afterwards, between April and the June trough, as real yields climbed.

The recovery since has been driven by the same variables in reverse, but not in the same proportion. Only about 1.3 of the 13.3 percentage points of the August move are explained by realised real yields. Approximately 12 percentage points are not explained by that single variable diagnostic. A weaker dollar, an enlarged Treasury liquidity operation whose effect on yields is unproven, renewed geopolitical risk and a technical break are plausible contributors over the same period, but this analysis does not allocate the residual among them. That is a thinner foundation than the price action suggests, and it is why The Edge's base case has gold consolidating rather than extending.

For an investor the operational conclusion is to stop treating conflict headlines as a standalone gold signal, and to stop treating any single interest rate as one either. The stronger signal is falling real yields and a weakening dollar together, confirmed by sustained investment inflows. The weaker, and potentially negative, signal is rising real yields with a firmer dollar and renewed liquidation, whether geopolitical tension is rising or falling. March 2026 was the clearest recent example of the second case. August 2026 is an incomplete example of the first, and the September sequence will determine which it becomes.

The Fall Began Before the War:

What Actually Moved Gold, and Where It Goes Next

Methodology & Source Note

Every figure quoted in this report was read at its originating source and graded per Table 1. Where a figure could not be read at an approved source it is excluded, and the exclusion is disclosed in the text. Where a figure is derived, it is identified as a calculation by The Edge and each input is separately graded.

Price basis. *Gold has no single price, and the choice of benchmark changes every period return. On 29 January 2026 the LBMA Gold Price PM fixed at $5,405.00, the AM fix at $5,501.70, which LBMA itself describes as the all-time high on the benchmark, and intraday spot peaked at $5,595.47 on the World Gold Council's data and $5,597.23 on Forbes Advisor's feed, a $1.76 vendor difference on the same basis. This report uses the LBMA PM benchmark for all period analysis, because the World Gold Council's monthly closes are published on that basis and a consistent series is worth more than the highest available number. Drawdowns therefore read 26.0% on the PM basis against 29.2% on spot; both are correct on their own terms. An earlier draft of this analysis treated the $5,405 figure as an error to be corrected; that was itself the error, and this note replaces it.*

The drawdown decomposition uses logarithmic returns so that phases sum to the total. Its four inputs are all published World Gold Council figures on the LBMA PM basis: the high of $5,405.00 fixed on 29 January, the January close of $4,982, the March close of $4,608 and the low of $4,001.80 fixed on 25 June. The February close of $5,222 and the July close of $4,027 are used elsewhere in the report, in the pre-conflict position and the recovery calculation respectively. An earlier draft derived the February close arithmetically at about $5,236; that derivation has been removed in favour of the published figure.

The real-yield sensitivity of approximately 2.7% per 10 basis points is an observed relationship over a single four-month window. It is presented as a diagnostic for testing other periods, not as a structural or forecasting coefficient, and it should not be extrapolated beyond the range of yields observed in 2026. It is materially stronger than the World Gold Council's published sensitivity of 1.75% per 25 basis points on the nominal 10-year yield, a difference noted in section 5 rather than reconciled, since the two rest on different rate measures and different estimation samples.

Real-yield figures distinguish Federal Reserve H.15 monthly averages from month-end values, which differ materially, and the July and August month-end readings used in the August test are both from the US Treasury daily real yield curve.

All demand, supply, official-sector, survey and attribution-model statistics are World Gold Council or LBMA estimates, graded C throughout. LBMA benchmark fixings are graded B rather than C, because the LBMA Gold Price is administered by ICE Benchmark Administration and has been regulated by the Financial Conduct Authority as a specified benchmark since 1 April 2015; it is regulated market data, not an industry estimate. No approved wire service publishes independent global tonnage estimates against which the World Gold Council's figures could be cross-checked. The 187.5-tonne downward revision to first-quarter official purchases is disclosed in the text for that reason.

Scenario ranges, probabilities, signal thresholds and fragility assessments are The Edge's judgement. They are not derived from a statistical model. The weighted midpoint of approximately $4,790 is a probability-weighted average of those judgements and is labelled accordingly.

Two figures considered for inclusion were excluded on verification. A December 2026 COMEX settlement price circulating as a market anchor for the base case could not be confirmed at the exchange or at any approved publisher and is omitted rather than sourced to an aggregator. A monthly average price series was dropped entirely when two independent readings of the same source document disagreed. Bank price targets originally sourced to aggregator websites were re-verified at the originating institutions or removed.

Verification Framework

Every figure in this report is graded by evidence standard. The report distinguishes official statistics published by the issuing authority from industry-body estimates that no independent party publishes, and marks derived figures explicitly.

Grade	*Evidence standard*	*Applied to*
A	*Official statistic published by the issuing authority*	*Fed, ECB, BoE decisions; BLS inflation; Treasury borrowing, buyback and real-yield data; IMF projections; IEA supply and stock-release data*
B	*Regulated benchmark or market price from an approved financial publisher*	*LBMA Gold Price AM and PM fixings, administered by ICE Benchmark Administration and regulated by the Financial Conduct Authority since 1 April 2015; spot prices and intraday ranges*
C	*Industry or research estimate, survey or model output, not an official statistic or a regulated benchmark*	*Metals Focus tonnage, demand and supply estimates published through World Gold Council Gold Demand Trends; Council surveys, attribution and regression outputs; the LBMA analyst survey*
D	*Derived by The Edge from graded inputs*	*Phase decomposition, yield sensitivity, attribution shares, scenario ranges and thresholds*

Table 1. Evidence grading at the 28 August 2026 cut-off. Grade C carries a structural limitation. Gold Demand Trends demand, supply and official-sector figures are provided to the World Gold Council by Metals Focus, whose estimates combine reported data with proprietary estimation, and the Council's own chart source lines name ICE Benchmark Administration, Metals Focus and the World Gold Council together. No independent party publishes a competing global series, so these figures cannot be cross-checked against an alternative estimate and are subject to revision. The 187.5-tonne downward revision to first-quarter central-bank purchases, disclosed in section 6, is the practical illustration of why that grade is separated. Grade D figures are identified in the text at each use.

SOURCES & REFERENCES

References are numbered and name the publishing organisation and the date of publication. Data current to the 28 August 2026 cut-off.

Market Prices and Benchmarks

[1] Gold spot $4,660.25/oz, session range $4,596.86–4,670.28, intraday record $5,597.23 on 29 January 2026, 24 August 2026. Link - Forbes Advisor

[2] Gold at a 15-week high, front-month COMEX intraday $4,738.50, third consecutive weekly gain, 24 August 2026. Link - Forbes

[3] Gold at a three-month high on dollar weakness; Q2 2026 the worst quarter in over a decade, 21 August 2026. Link - Forbes

[4] Late-January slump of nearly 10% from the record, 2 February 2026. Link - Forbes

[5] Precious Metals Market Report Q2 2026: LBMA gold price all-time high $5,501.70 (AM) on 29 January 2026, 15 July 2026. Link - LBMA

Official Statistics and Central Banks

[6] FOMC statement: target range held at 3.50–3.75%; inflation elevated in part reflecting supply shocks including energy; three dissents preferring a quarter-point increase, 29 July 2026. Link - Federal Reserve

[7] H.15 selected interest rates: 10-year Treasury inflation-indexed constant maturity, monthly averages and daily values. Link - Federal Reserve

[8] Daily Treasury par real yield curve rates: 10-year real yield 2.47% on 31 July 2026 and 2.42% on 28 August 2026, the last published reading of each month. Link - US Department of the Treasury

[9] Treasury announces increased sizes of nominal long-end liquidity support buybacks: maximum raised from $2 billion to at least $4 billion per operation in the 10-to-20-year and 20-to-30-year sectors, effective 9 September 2026 through 4 November 2026, 19 August 2026. Link - US Department of the Treasury

[10] Marketable borrowing estimates: $739 billion privately held net marketable borrowing July-September 2026; $628 billion October-December 2026, 3 August 2026. Link - US Department of the Treasury

[11] Monetary Policy Summary and minutes: Bank Rate held at 3.75% on a 6–3 vote, 30 July 2026; next announcement 17 September 2026. Link - Bank of England

[12] Monetary policy decisions: deposit facility rate held at 2.25%, 23 July 2026; quarter-point increase of 11 June effective 17 June; next meeting 9–10 September 2026. Link - European Central Bank

[13] The international role of the euro: gold 27% of official foreign reserves at market value at end-2025 against US Treasuries 22% and the euro 15%, largely reflecting valuation effects, 2 June 2026. Link - European Central Bank

[14] Consumer Price Index: headline 3.4% and core 2.5% year on year in July 2026; June 3.5% and 2.6%; energy component down 1.5% on the month with gasoline 24.6% higher year on year. Link - US Bureau of Labor Statistics

[15] FOMC calendar: meeting of 15–16 September 2026 with Summary of Economic Projections. Link - Federal Reserve

Multilateral Institutions

[16] World Economic Outlook Update: global headline inflation 4.1% in 2025 rising to 4.7% in 2026 and easing to 3.9% in 2027; growth 3.0% and 3.4%; disinflation has stalled, 8 July 2026. Link - International Monetary Fund

[17] Largest-ever collective oil stock release: 400 million barrels; Hormuz exports below 10% of pre-conflict levels; approximately 20 million barrels a day and a quarter of seaborne oil trade in 2025, 11 March 2026. Link - International Energy Agency

[18] Update on collective action: Americas 195.8 million barrels, Asia Oceania 108.6 million, Europe 107.5 million, 15 March 2026; confirmation of member country contributions totalling 426 million barrels, comprising 280 million of public stocks, 119 million of obligated industry stocks and 28 million of production increase, split 301 million crude against 125 million products, with the internal breakdown stated to be subject to change, 19 March 2026; approximately 290 million barrels released to date, 21 July 2026. Link - International Energy Agency

[19] Oil Market Report: Strait effectively closed again after renewed hostilities in early July following a partial reopening in June; Gulf production 23.9 mb/d in July with regional exports down 2.1 mb/d to 15 mb/d; global supply 101.5 mb/d, up 2.4 mb/d on the month and 6.3 mb/d below a year earlier, with 8.3 mb/d shut in; North Sea Dated $96.80 at end-July, up $25.67 on the month; observed stocks down 69 million barrels to below 7.9 billion, a cumulative draw of 410 million barrels since February, 12 August 2026. Link - International Energy Agency

Gold Market Statistics, World Gold Council

[20] Gold Outlook 2026: Gold Return Attribution Model, 61% gain through 28 November 2025 decomposed across six drivers plus a 20-point residual, 4 December 2025. Link - World Gold Council

[21] Gold Market Commentary, January 2026: 14.1% monthly return, close $4,982, implied volatility approximately half the month's return, ETFs +120 tonnes, holdings a record $669 billion, 5 February 2026. Link - World Gold Council

[22] Gold Market Commentary, March 2026, "Anatomy of a fall": 11.8% decline to $4,608, described as the weakest month for gold since June 2013; ETFs -$12bn and 84 tonnes; COMEX managed money -$2bn; CTA unwind on the 16 March moving-average break; Middle East disruption unlikely to have had a material impact, 8 April 2026. Link - World Gold Council

[23] Gold Mid-Year Outlook 2026, "Point break": LBMA gold price high $5,405.00 on 29 January and low $4,001.80 on 25 June; spot intraday high $5,595.47 and low $3,959.33; a 25bp decrease in the US 10-year nominal yield equates to a 1.75% price increase, 1 July 2026. Link - World Gold Council

[24] *Gold Market Commentary for July 2026, "Making waves": long-run quarterly regression, 222 observations, Q1 1971 to Q2 2026; gold's reaction depends on real rates, the dollar and growth expectations as well as central-bank and Asian investor demand, 6 August 2026. Link - World Gold Council*

[25] *Gold Demand Trends, Q2 2026: central banks +288.9 tonnes with Q1 revised from 244 to 56.5 tonnes; ETFs -44.8 tonnes; jewellery 278.2 tonnes, -17%; mine production 965.6 tonnes, +2%; recycling 326.1 tonnes, -6%; technology 80.4 tonnes; LBMA PM average $4,506.29; investment expected to remain constructive with OTC and Asian investment contributing more, 30 July 2026. Link - World Gold Council*

[26] *Central Bank Gold Reserves Survey 2026: 89%, 45% and 74% responses; 76 respondents; four-year average accumulation of 1,000 tonnes against 500 tonnes in the preceding decade, 16 June 2026. Link - World Gold Council*

[27] *"You asked, we answered: Markets may not buy the buybacks": this is not yield-curve control but it might be a step in that direction, 21 August 2026. Link - World Gold Council*

[28] *Weekly Markets Monitor, "Danger Zone": LBMA PM $4,582 on 21 August, approximately +5% year to date; ceasefire expiry, Treasury buyback expansion, dollar pressure and the 200-day moving-average break, 24 August 2026. Link - World Gold Council*

[29] *Gold Market Commentary, February 2026: month-end close $5,222, monthly return +4.8%, 5 March 2026. Link - World Gold Council*

[30] *Gold Market Commentary, December 2025: full-year 2025 return of 67.4% on the LBMA PM benchmark; December close $4,368, 6 January 2026. Link - World Gold Council*

Benchmark Administration and Analyst Consensus

[31] *LBMA Gold Price: administered independently by ICE Benchmark Administration; a regulated benchmark and a specified benchmark for the purposes of Article 63O of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 since 1 April 2015. Link - LBMA*

[32] *LBMA Gold and Silver Prices Benchmark Statement: published in compliance with Article 27 of the UK Benchmarks Regulation; commodity benchmarks under the BMR, 24 October 2024. Link - ICE Benchmark Administration*

[33] *Gold Price: LBMA Snapshot Survey of Professional Analysts: 16 analysts surveyed during July, averaged year-end 2026 forecast approximately $4,500, high $5,100, low $3,879, whole-year average $4,604, second-half averaged high $4,818; the same article cites a 2026 low of $3,978.55 on 1 July without stating the fix, 11 August 2026. Link - LBMA*

Institutional Forecasts

[34] *Gold price forecasts table: fourth quarter 2026 average $6,000, 2026 average $5,243, 2027 average $6,263, revised down from the February 2026 figures of $6,300 and $5,708, 9 June 2026. Link - J.P. Morgan Research*

[35] *Gold is forecast to climb as central banks buy the precious metal: year-end 2026 forecast $4,900 an ounce against $4,600 as of 25 August, 28 August 2026. Link - Goldman Sachs Research*

[36] *Deutsche Bank $6,000 target reiterated, 2 February 2026; target of $4,800 an ounce attributed to the bank's metals analyst in a note dated 24 August 2026, period not stated, 25 August 2026. Link - CNBC*

The Edge for Economic Consultancy W.L.L.
edgeconsultancykw.com +965-22286370
Al-Qibla, Block 14, Hamad Al-Saqer Street, Tower 15 (Yacoub Tower), Office C11. Kuwait City, State of Kuwait.