

## CHINESE PURCHASE COULD LEAD TO STRUCTURAL SHIFT IN GOLD HOLDINGS, SAYS WGC

**24 April, 2009:** News that China has increased its gold holdings by more than 75% is a clear indication of the critical role that gold plays in central bank reserves, World Gold Council said today.

Welcoming the announcement by China's State Administration of Foreign Exchange (SAFE) that the country's official gold reserves have risen from 600 tonnes in 2003 to 1,054 tonnes, the CEO of World Gold Council, Aram Shishmanian, said:

"The Chinese government's decision further demonstrates the leadership it is increasingly taking and its public recognition of gold's proven role as a store of value and portfolio diversifier. We are closely monitoring developments at other central banks to determine whether they will follow China's bold and thought-leading move, particularly those in Asia.

"This news is also further evidence of the growing recognition of gold's growing prominence in providing stability in the uncertain financial markets, not only as a reserve asset but in the investment markets also."

As a result of the 454 tonnes bought since the last adjustment in 2003, China's gold reserves are now the fifth largest among national central banks in the world after the U.S, Germany, France and Italy.

The world's newest Central Bank, the European Central Bank, initially allocated 15% of its reserve asset portfolio to gold, but this figure has traditionally been much smaller among Asian central banks.

### **Note to editors:**

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### **World Gold Council**

World Gold Council (WGC) is a commercially-driven marketing organisation funded by the world's leading gold mining companies. A global advocate for gold, WGC aims to promote the demand for gold in all its forms through marketing activities in major international markets. For further information visit [www.gold.org](http://www.gold.org).