Gold Price Predictions for Next 5 Years: Will Gold Continue to Go Up?

Original:
https://www.btcc.com/en-US/academy/financial-investment/gold-price-predictions-for-next-5-years-will-gold-continue-to-go-up?__cf_chl_tk=jGCWpoQTFNhuwxcen.M.I27ZArKYHbRxyw3CYNc0iMs-1714379119-0.0.1.1-1877

If you’re looking for the gold price predictions for next 5 years and want to know what the gold price will be in 2023, 2025 and 2030, you’re in the right place. In this article, we will dive into the gold price forecasts for both short term and long term.

Gold prices surged to near all-time highs in early May, touching the $2,067 mark for the first time since March 2022.

Previously, the gold price was supported by investor anxiety over the banking industry caused by the shuttering of Silicon Valley Bank and Credit Suisse’s implosion. Investors have been flocking to gold and Treasurys amid the banking fallout.

Will the gold price maintain bullish momentum as investor sentiment shifts to risk-off, and what’s the long-term outlook for the yellow metal? Here we take a look at the gold price predictions for next 5 years.

Gold Price History

Although gold has served as a valuable metal for thousands of years, it wasn’t until approximately 550 B.C. that it was utilized as money. Coins made of gold or silver were initially carried by the masses. They might convince the government to mint tradable coins from any gold they discovered.

During his rule from 31 B.C. to 14 A.D., Emperor Augustus established a price of 45 coins per pound for gold, which played a significant role across the Roman Empire. Great Britain established the price of one ounce of gold at 0.89 pounds in 1257.

The majority of nations’ paper currencies in the 1800s were backed by gold. The Gold standard came to an end in 1971 when US President Richard Nixon instructed the Federal Reserve to cease recognizing the value of the dollar in gold. This effectively terminated the asset’s main function as a currency value and contributed to its shift toward being used more as a store of value.

After being de-pegged from the dollar, the price of gold began to skyrocket; in 1980, it was valued $2,249 per ounce, up from $40 per ounce in 1979.

A brief glance at gold investment

Gold was first discovered by Ancient Egyptians over 4,000 years ago. Throughout centuries the rare precious metal was used as a store of value and showcase of wealth. In the modern day and age, gold's demand has expanded to industrial use, most notably in production of electronics.

Gold is a highly influential commodity in the global economy. As with many commodities, gold's price is highly shaped by the forces of supply and demand. Yet the yellow metal is also seen as an investment asset, preserving value throughout centuries. Some investors use gold as a safe-haven asset during economic recessions or periods of uncertainty, or as a hedge against inflation.

Historically, periods of high inflation have been positive for the gold's price, as investors tend to flee from fiat currencies towards the yellow metal. Hence monetary policy by central banks in controlling inflation is key in driving the gold's price. Gold's all-time high was $2,075 in August 2020.

As a tradable commodity, gold is denominated in the US dollars, which creates an inverse relationship with the greenback. When the US dollar rises against other currencies, gold becomes more expensive, which hurts demand. When USD falls, on the other hand, this boosts the gold's price as the metal becomes cheaper for overseas buyers.

Gold can be bought as a bullion in its physical form, or traded through financial derivatives. Some investors choose exposure to gold-mining stocks, or gold-linked exchange-traded funds (ETFs).

Gold is also used to produce jewellery, which is especially popular in China and India – some of the world's biggest buyers – for festivals and weddings. The biggest gold importers in 2021 were

Switzerland, India, the UK and China, according to Statista.

Gold price was supported by US debt ceiling concerns

The debt ceiling in the US serves as a limit to the amount of debt the federal government can amass. The nation's constitution mandates that the Congress approves any debt issuance, which in turn empowers the government to fund legally binding obligations such as Social Security, Medicare benefits, military wages, interest on the national debt, tax refunds, and other disbursements.

In May 2023, a deadlock transpired over the issue of the debt ceiling between the Democratic and Republican parties. The Republicans advocated for a rollback of spending to the levels of 2022 as a prerequisite for increasing the debt ceiling. On the other hand, Democrats were in favour of an "unencumbered bill", devoid of preconditions. The Treasury Secretary, Janet Yellen, cautioned that the impasse over the debt ceiling has led to an increase in the cost of government borrowing. She further indicated that the US could deplete its cash reserves as soon as the beginning of June.

As explained by Michael Pearce, Lead US Economist at Oxford Economics:

"Negotiations over the debt ceiling kicked into a higher gear, but both sides are still far from an agreement. With the Treasury potentially running out of cash by early June, the chances of a disorderly and damaging default are rising. Even if default is averted, the odds are high that any final deal includes cuts to federal spending, which would weigh on the economy."

Meanwhile, Russ Mould, AJ Bell's investment director, noted that the ever-growing US federal deficit and the debt-ceiling debate on Capitol Hill will be the key point of gold-supporting investors. He said:

"Gold bugs will be on the look-out for any signs of higher spending and higher deficits as justification for their faith in the precious metal as a store of value at a time of fiscal incontinence and after an extended period of money printing."

Banking crisis also boosts gold price

Another catalyst in supporting the safe-haven's demand in 2023 was the Silicon Valley Bank's collapse, the most prominent banking failure since the 2008 financial crisis. The struggling bank was heavily invested in US government bonds, which have declined in value amid rising interest rates. To cover customer withdrawals, Silicon Valley Bank had to sell off the bonds, resulting in liquidity issues, as more and more clients withdrew their funds due to worries about liquidity.

Troubles in the banking sector continued as Credit Suisse acknowledged "material weaknesses" in its booking, which led to the rescue takeover by rival UBS, a bid that resulted in $17bn of Credit Suisse bonds turning worthless. This has caused further alarm in the markets, damaging investor confidence in banking stocks.

To restore the sentiment, several central banks, including the US Fed, European Central Bank (ECB), and the Bank of England (BoE) have taken a joint action to inject USD liquidity into the markets, echoing the steps taken during the 2008 financial crisis and Covid-19 outbreak.

Gold price prediction 2024

Due to extremely bullish sentiment at the start of the year due to high geopolitical fears, the gold price projection for 2024 and the gold price prediction for today both appear to be fairly favorable.

Gold was in a downtrend by year's end 2022, with prices falling below the $1650 mark. But as the year turned, investors flocked back to the gold market, driving prices up to the $2,000/oz range in 2023 and beyond.

Given the recent spate of bank scandals that have sent shockwaves through the financial markets, gold is likely to maintain its allure in 2024. Credit Suisse, First Republic, and Silicon Valley Bank are all part of this group. Also, fraud in the cryptocurrency market has been discovered, with the most prominent perpetrator being the now-defunct FTX. This has resulted in a surge in desire for gold that has not been witnessed in a while.

Most large funds and rich investors are increasing their exposure to gold as a hedge against economic uncertainty, since the precious metal has a history of holding its value when circumstances go rough. The fact that many global central banks, including the Federal Reserve, are still having trouble combating inflation through interest rate hikes has only made matters worse.

Because of this, default fears have become real, and as a result, most traders are looking to hedge their bets in the bond and gold markets. It appears that Gold is currently making every effort to break out to the upside and reach new, higher highs, and 2024 is likely to remain incredibly unpredictable.

Despite the irony, gold was appealing because of the past money printing. Investors were enticed by the dollar's debasement, but since the US dollar is strengthening, gold is being utilized as a hedge against wealth loss, leading to a rise in both the US dollar and gold.

As with most currencies, the US dollar might take a major hit from inflation. Even Nevertheless, gold was the first money, so it stands to reason that it will remain popular. It wasn't until the 1970s and 1980s that inflation was this severe on a global scale. Gold did well throughout that time period, so it does serve as a partial template.

Gold price prediction 2025

The consensus view is that money will keep flowing into the gold market. The purchasing of gold by central banks will, on its own, maintain pricing power. By 2025, the majority of experts expect gold prices to have risen to well over $3,000 per ounce.

It would appear that there is a great deal of momentum, as the market only reached the $2,000/oz price in March 2023. It may be difficult to move much above $2,000, despite the fact that other analysts are far more enthusiastic.

Once we break through that level, though, a short squeeze could occur, leading to very higher prices by 2025 and, by 2030, without a doubt.

Gold price predictions for next 5 years

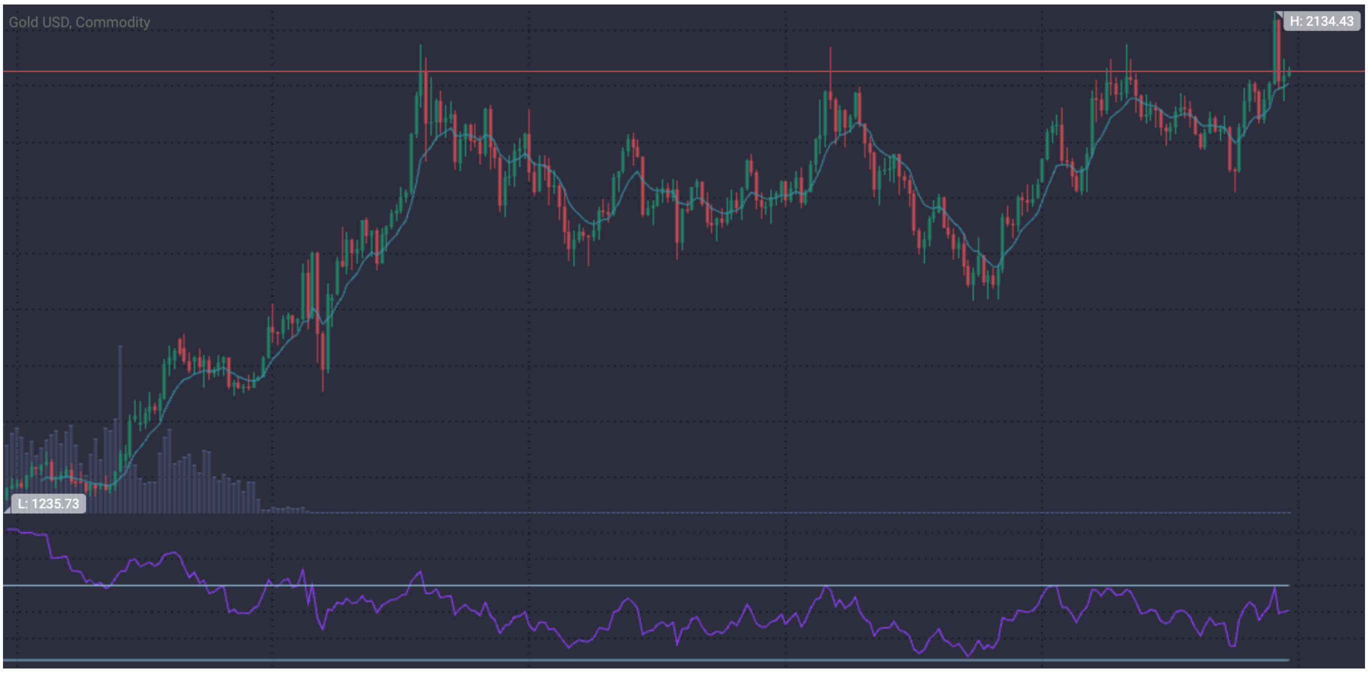
There are a lot of guesses about the future price of gold because it is a well-established asset that is relatively stable and slow changing. Unpredictable elements, such as the availability of minerals or geopolitical tensions, must be taken into account. However, many other variables, such currency inflation and the need for safe-haven assets, also contribute to Gold’s price movement.

Another factor eroding Gold’s market worth is the digital Gold narrative. Given the asset’s strong sentiment, the trend is still upwards. Since Bitcoin’s growth stagnated and the delta COVID type is still causing waves, gold is making a return.

Above, we see that Gold tends to go slowly but steadily upwards. However, at this pivotal moment, the price of gold could skyrocket, impacting estimates for the next five years.

Potentially sending gold prices soaring to new heights, a bull flag pattern may be taking shape. For instance, Richard Kiyosaki, author of “Rich Dad, Poor Dad,” predicts that gold will reach $5,000 in the coming years.

Predicting the future value of gold is challenging because of the many unknowns, but most experts and analysts have an optimistic outlook on the metal’s price in the next years.



When we extend our view into the future, we can see that the gold price prediction chart for the next decade is looking good for the asset. Considering the impending financial catastrophe, the popular consensus is that the value of gold will only rise.

The global financial crisis of 2008 serves as an exemplar, according to Dohmen Capital Research. As the crisis escalated, credit became more difficult to obtain, and a flight to cash from all assets began, the price of gold fell by 31%. Those bulls who were unaware that a credit crisis would lead to a precipitous decline in all assets felt the agony of that. At the bottom, though, it opened up a fantastic opportunity for purchase.

Although gold price patterns have been largely bullish over the longer term, there has been some consolidation over the past few of years. Having said that, it’s hard to conceive that Gold won’t continue to increase over the next decade, given the confluence of so many negative factors.

Several factors should be considered in a gold commodity forecast, including the fact that many banks worldwide will be seeking protection, the fact that some of the most important central banks from the BRICS+ will be buying gold at an astronomical rate, and the many reasons to expect gold prices to continue rising.

Gold price predictions for next 5 years: Conclusion

Gold prices have more room to run as global banks struggle and the U.S. Federal Reserve renders another interest rate decision, potentially breaking all-time highs — and staying there.

Some investors may opt to keep some exposure to gold in their portfolio for diversification, as a hedge against a fall in stocks and bonds.

However, please note that analysts' and algorithm-based gold price forecasts should not be used as a substitute for your own research and and due diligence. Commodity markets remain volatile and shaped by the constant changes in economic and geopolitical events.

It's essential to always conduct your own research before trading, looking at the latest news, a wide range of commentary, fundamental and technical analysis.

In closing, BTCC exchange is a perfect choice for those who want to diversify their investments to include stocks, commodities and cryptocurrencies. Apart from large crypto selection, BTCC also supports tokenized futures, allowing users to trade commodities and stocks futures with USDT. The platform is highly recommended due to its favourable attributes such as extremely low fees, user-friendly interface, excellent customer support, and robust security measures with no reported hacks or security breaches to date.

In order to trade GOLD/USDT on BTCC, you need to first register an account. And you need to have some USDT in your crypto wallet, or you can directly buy it on BTCC. Once you have USDT, you can trade GOLDUSDT Perpetual Contracts on BTCC with a leverage up to 150x. The transaction is safe, cheap, and fast with VERY easy steps.

FAQs

Is it a good time to buy gold?

If your goal is to use gold as security, timing is less important than for the speculative approach, as this is a longer term strategy. If you agree with the view that gold's value as part of a portfolio is to guard against shocks to other investments, then any time would be a good time to buy gold.

Is gold still a good investment 2023?

Yes. Some experts think gold prices will continue rising as inflation persists and the economy remains uncertain.

Will gold rate decrease in coming days?

From gold's price chart, its initial support is found at the $1920 price level. It is crucial for buyers to defend this support because a breach below this level could lead to further declines, potentially pushing the gold price below $1900.

How much has gold price risen over the last year?

In 2022, the price of gold stayed flat, increasing only slightly by 2%.

Will gold go up in the next 5 years?

Fitch Solutions' gold price predictions for next 5 years predicted that the gold bullion would fall beyond 2023 as the global economy would recover and the Russia-Ukraine war would resolve, while algorithm-based price forecasting service WalletInvestor was bullish in their predictions, seeing the metal trade at $2,026 in 2025 and rise to $2,257 by January 2028.

What will gold be in 2023?

ANZ Research forecasts gold to trade at $2,000 at the end of 2023 and accelerate to $2,075 by September 2024, citing a pause of Fed's interest rate hiking cycle and weaker USD as the primary reason for the upgrade.

What is the gold price prediction for 2025?

According to Goldman Sachs, the commodities bull market observed in the past year will likely continue into 2023 and beyond. Indeed, the investment bank holds that the commodities supercycle will last for about 10 years. Based on this narrative, gold price is expected to reach a new all-time high of $2,200 per ounce by 2025.

What will gold price be in 2030?

Due to the existing inverse correlation, a feasible gold price prediction 2030 is founded on US dollar movements. Given that the gold price has risen about 60% over the past eight years, a 50% surge is feasible assuming the bull market will continue for the next eight years. In this case, the gold price forecast for 2030 will be for the precious metal to hit a high of about $2,700 per ounce.

What factors affect gold price?

The price of gold is driven by a number of factors, mainly including the strength of the U.S. dollar, physical and investment demand for the precious metal, and the health of the global economy. Gold is seen as a safe-haven asset, which rises during times of economic uncertainty, and is used by some investors as a hedge against inflation.

What are BTCC's specs?

Sometimes, users feel more comfortable working with an exchange if they know that the exchange has a footprint in the industry. With 12 years of stable and secure operating history, BTCC is one of the top cryptocurrency derivatives exchanges in CoinMarketCap, which boasts a wide selection of 60+ cryptocurrencies and millions of registered users, offering services in 100+ countries.

BTCC charges 0.06% for both takers and makers, which are way below the industry average. According to the largest and most recent empirical study on crypto exchange trading fees, the average spot trading taker fee is 0.2294% and the maker fee is 0.1854%.

With high liquidity, low trading fees and fast transaction speed, BTCC allows users to open a trade immediately even when the crypto markets experience a sharp rise or plunge.

Apart from crypto trading, BTCC also supports tokenized futures service, allowing users to trade stocks and commodities futures (Gold/Silver) with USDT as the margin. The maximum leverage is up to 150x.

Trading on BTCC begins with registration and log in, which only takes 30 seconds. New customers can now sign up here to get a welcome bonus of 10 USDT, and complete the KYC verification to access all BTCC's features and BTCC bonus. Once verified, you can start trading GOLD now.

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