

# RAX2 Assets Market Insight

Gold's Structural Shift - 2025 Review & 2026 Outlook

## A Foreword from the Director

As we begin 2026, the global financial landscape is entering a period of meaningful change. The traditional investment playbook is no longer sufficient on its own. After a year of strong, sustained gains in 2025, gold has evolved from a passive insurance policy into an essential, strategic component of a well-structured portfolio.

This is not a temporary spike. It reflects a deeper structural shift driven by sustained central bank accumulation, ongoing global uncertainty, and declining confidence in paper currencies.

Our focus at RAX2 Assets, your family-run gold dealership, remains unchanged: ensuring our clients are positioned in the most secure, tangible, and tax-efficient form of this metal. We continue to provide a personal, consultative approach that larger, impersonal firms simply cannot replicate.

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# 2025

## The Year Gold Became an Essential Long-Term Asset

The year 2025 will be remembered as a landmark period for precious metals. Gold achieved historic, sustained gains, outperforming many traditional asset classes and reaffirming its relevance in modern portfolios. For a growing number of investors, gold transitioned from a defensive holding into a core allocation.

Crucially, this performance was not driven by speculative enthusiasm or short-term trends, but by fundamental structural changes that continue to underpin gold's long-term role.

# Key Drivers of the 2025 Rally

## Massive Central Bank Buying

National central banks, particularly in emerging and developing economies, became the dominant buyers of gold throughout 2025. Purchase volumes exceeded historic norms, reflecting a deliberate strategy to diversify reserves away from government-backed fiat currencies and excessive reliance on the US Dollar. Gold is increasingly viewed as the ultimate neutral reserve asset.

## Persistent Global Uncertainty

Escalating geopolitical conflicts, trade tensions, and political instability reinforced gold's status as a trusted store of value. In periods where financial systems and cross-border capital flows are uncertain, investors consistently gravitate towards tangible assets that transcend borders and are not subject to sanctions or asset freezes.

## Interest Rate Expectations and Inflation

Market sentiment shifted decisively towards anticipated interest rate cuts by major central banks, including the Bank of England and the US Federal Reserve, throughout 2026. This environment enhances the relative appeal of gold, which does not pay interest, compared with cash and traditional deposits. At the same time, persistently high inflation and expanding government debt continued to erode confidence in paper currencies, reinforcing gold's role as a long-term inflation hedge. The message from 2025 is clear: the global financial system is undergoing a structural reallocation, with gold firmly at the centre of long-term diversification strategies.

# 2026 Outlook:

## Why Structural Demand Remains Strong

Looking ahead, most institutional analysts expect gold's strong performance to continue, supported by the same structural forces that defined 2025. While short-term volatility and periodic corrections are always possible, the longer-term outlook remains constructive.



# The Forces Shaping Gold in 2026

## Reduced Reliance on the US Dollar

Central banks are expected to continue reducing over-exposure to the US Dollar. This multi-year trend remains one of the most powerful underlying drivers of sustained gold demand.

## Ongoing Global Debt Concerns

With government debt levels at historic highs across major economies, concerns around currency stability and long-term fiscal sustainability continue to grow.

Gold provides a vital form of insurance against debt-driven currency debasement and systemic risk.

## Interest Rate Expectations and Inflation

Following gold's performance in 2025, investor interest is expected to broaden further in 2026.

Anticipated rate cuts may encourage increased inflows into gold-backed funds, while sustained demand for physical bars and coins signals continued confidence in tangible ownership.

A growing number of institutional and independent market analysts now project gold prices trading above current levels and into the \$5,000–\$6,000 per troy ounce range in 2026 and beyond, driven by sustained central bank buying, portfolio diversification trends, and macroeconomic pressures. J.P. Morgan's latest research forecasts gold averaging around \$5,055 per ounce by late 2026, while scenarios based on continued de-risking and diversification suggest prices could extend toward \$6,000 per ounce over a multi-year horizon if structural demand factors persist. These projections reflect long-term demand dynamics rather than short-term speculation. As always, forecasts are subject to change, and short-term price movements should not distract from gold's long-term strategic role.

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# Actionable Insight:

## The UK Coin Advantage

For UK-based investors, understanding the macroeconomic backdrop is only part of the equation. Structuring gold ownership in a secure and tax-efficient manner is equally important.

The strategic case for owning Gold Britannia and Gold Sovereign coins has rarely been stronger:



# 100%

## Capital Gains Tax (CGT) Exemption

As British legal tender, profits realised from the sale of these coins are entirely exempt from Capital Gains Tax, regardless of the size of the gain. With gold prices reaching record levels in 2025, this tax efficiency represents a significant and often underappreciated advantage for UK investors.

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# Liquidity and Global Recognition

Britannias and Sovereigns are among the most widely recognised gold coins in the world. Their high liquidity ensures ease of resale and flexibility when rebalancing portfolios.

We exclusively source investment-grade bullion from LBMA-approved mints and refineries, including The Royal Mint, PAMP Suisse, and Metalor.

This guarantees authenticity and quality, supported by competitive pricing and secure vaulting solutions tailored to long-term ownership.

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# Final Thoughts

If 2025 demonstrated anything, it is that effective wealth preservation increasingly depends on tangible, secure, and tax-efficient assets. Gold has reaffirmed its role not merely as a hedge, but as a strategic cornerstone of resilient portfolios.

We encourage you to use this insight to ensure your holdings are appropriately structured to manage risk and maximise long-term, tax-efficient returns in 2026 and beyond.

# Ready to discuss your 2026 gold strategy?

Contact our specialists for a confidential,  
personal consultation at our Royal Tunbridge  
Wells office.



# Sources & Disclosures

The market commentary, data, and price outlooks referenced in this newsletter are drawn from publicly available institutional research, independent analyst reports, and widely reported market analysis, including:

- J.P. Morgan Global Research – Gold market outlooks highlighting sustained central bank demand, portfolio diversification trends, and scenarios projecting gold prices averaging above \$5,000 per troy ounce by late 2026, with longer-term potential extending toward \$6,000 per ounce should structural demand persist.
- Bank of America Research – Analysis of central bank accumulation, geopolitical risk, and long-term gold demand dynamics.
- Gold market reporting via Kitco News and other industry publications – Coverage of central bank activity, investor flows, and macroeconomic drivers influencing precious metals markets.

Forecasts and price targets referenced reflect analyst expectations at the time of publication and are subject to change as market conditions evolve.

## **Disclaimer:**

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