

# World Gold Council (WGC) report

June 23, 2022

**In news-** World Gold Council (WGC) has recently released a report titled 'Gold refining and recycling'.

## **Key highlights of WGC report-**

- As per the report, **China topped the global gold recycling chart** as it **recycled 168 tonnes of yellow metal, followed by Italy** in the second position with 80 tonnes and **the US in the third rank with 78 tonnes in 2021.**
- **India was ranked fourth in the list** as the country recycled 75 tonnes in 2021.
- According to the WGC report from 300 tonnes in 2013, **India's gold refining capacity increased by 1,500 tonnes (500%) in 2021.**
- The report further noted that **the gold refining landscape in the country has changed over the last decade**, with the number of formal operations increasing from less than five in 2013 to 33 in 2021.
- While the informal sector accounts for as much as an additional 300-500 tonnes, it is worth noting that the **scale of unorganised refining has fallen**, largely due to the government's tightening of pollution regulations.
- Gold dore's **share of overall imports has risen from just 7%** in 2013 to around 22% in 2021.
- **India has potential to emerge as a competitive refining hub** if the next phase of bullion market reforms promote responsible sourcing, exports of bars and consistent supply of dore or scrap.
- Holding periods of jewellery will continue to decline as younger consumers look to change designs more frequently, a trend that could contribute to higher

levels of recycling.

- **Higher incomes following stronger economic growth will reduce outright selling and consumers will find it easier to pledge their gold** rather than sell it outright.
- The WGC report noted that **despite being the fourth largest recycler in the world, India recycles little of its own stock of gold – about 8% of the global scrap supply.**
- Recycling is driven by current gold price movements, future price expectations and the economic backdrop.

### **The World Gold Council-**

- It is an association whose members comprise the world's leading gold mining companies.
- It helps to support its members to mine in a responsible way and developed the Conflict Free Gold Standard.
- **Headquartered in London, United Kingdom,** they have offices in India, China, Singapore and the United States.
- It is the market development organisation for the gold industry.
- It works across all parts of the industry, from gold mining to investment, and their aim is to stimulate and sustain demand for gold.
- It analyzes the industry, offering insights into the drivers of gold demand.
- It also launched various products such as SPDR GLD and gold accumulation plans in India and China.