

2024 Gold ETF Impact Study

Key Findings and Analysis

State Street Global Advisors
Research Center

All the information contained in this presentation is as of date indicated unless otherwise noted.

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KEY INSIGHTS

High Net Worth (HNW) Investors

\$250K+ in Investable Assets

Emerging Themes

Key Takeaways

Gold Investment Trends: Behaviors, Preferences, and Influences

Gold ETFs: Familiarity, Preferences, and Behaviors

Generational Analysis: Millennials' Affinity for Gold

Key Takeaways

- **Investment in gold is on the rise** as a safe-haven investment and hedge for uncertain economic and market conditions.
- **Gold investors are influenced by their opinion that the unsettled economy and market will continue**; advised investors are also influenced by their financial advisors' recommendations.
- **Gold is not just a tactical strategy for gold investors.** A majority also use gold for diversification and believe it delivers good returns over the long term.
- **After gold bullion, gold ETFs are the most popular way to invest in gold.** But over a quarter of those not invested in gold or gold ETFs have never heard of this type of investment.
- **Increased awareness of and familiarity with gold ETFs have the potential to remove some of the barriers** to investing for those not already doing so.
- **Those not aware of or familiar with gold ETFs are at a disadvantage.** Why? Because 84% of gold ETF owners say gold ETFs have improved the overall performance of their investment portfolios — a significant increase over the past 15 months.
- **Millennial investors continue to lead the way over Gen X and boomers** with gold investing, and more prominently gold ETF investing.

Gold Investment Trends

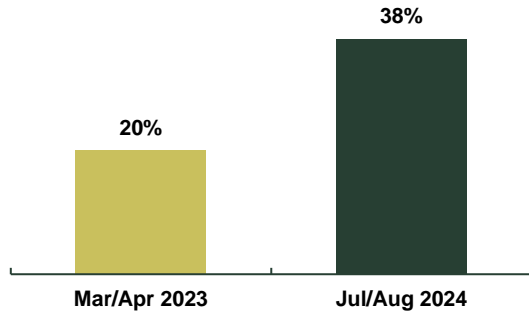
Behaviors, Preferences, and Influences

Gold Adoption Continues to Climb

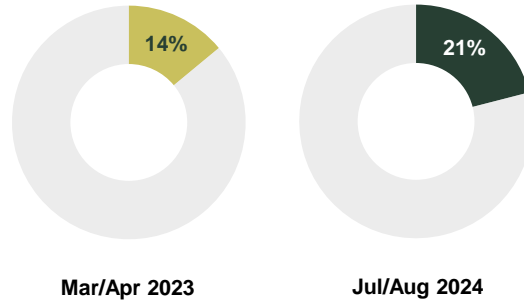
The proportion of HNW investors who currently have gold in their investment portfolios increased significantly over the past 15 months — jumping from 20% to 38%.

- Among this segment, the average gold allocation has increased significantly, from 14% to 21%.
- Over half (56%) say they're likely to increase their investment in gold significantly or slightly.

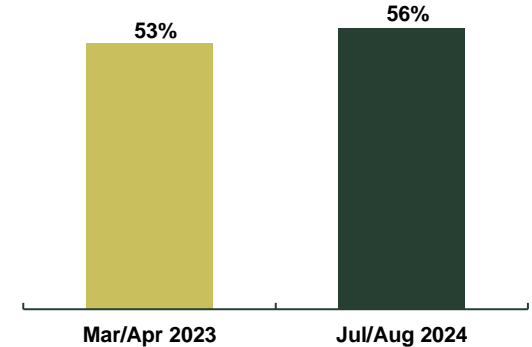
Percentage of Investors With Gold in Their Portfolio



Average Gold Allocation Among Surveyed Investors



Percentage of Investors Likely* to Increase Their Gold Investment



* Significantly or slightly

Question asked:

Do you currently have the following in your investment portfolio? (Total: Mar/Apr 2023=1,000, Jul/Aug 2024=1,502)

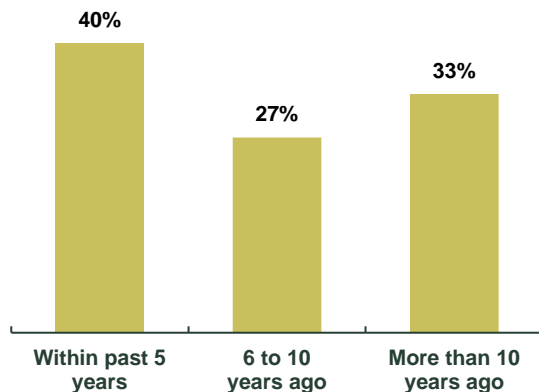
Approximately what percent of your portfolio is invested in gold? (Invest in Gold: Mar/Apr 2023=201, Jul/Aug 2024=564)

What are you likely to do with your investment in gold over the next 6-12 months? (Invest in Gold: Mar/Apr 2023=201, Jul/Aug 2024=564)

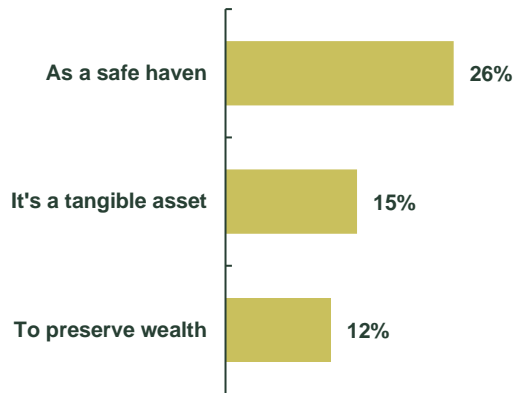
Reasons for Investing in Gold

Among HNW gold investors, 40% first started investing in gold within the past five years, while a third (33%) started investing in gold more than 10 years ago. These investors first invested, and continue to invest, in the asset because of its safe-haven properties.

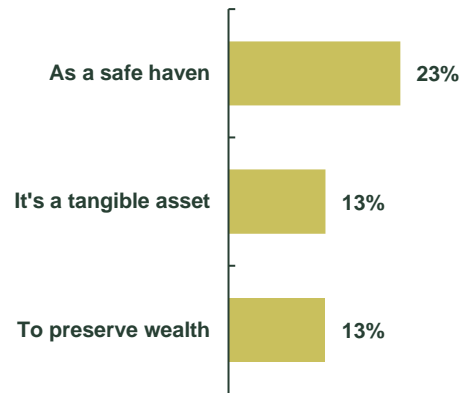
When Investors First Invested in Gold



Why Investors First Invested in Gold



Why Investors Continue to Invest in Gold



Questions asked:

When did you first start investing in gold? (Invest in Gold: 564)

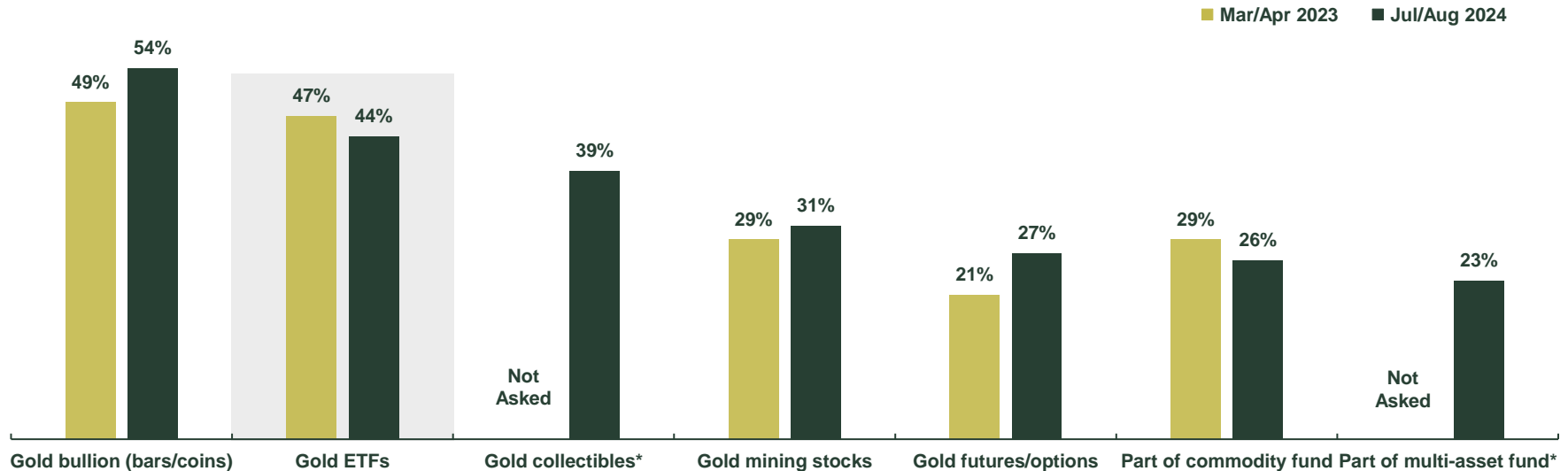
Which of the following best describes why you first started investing in gold? (Invest in Gold: 564)

Which of the following best describes why you continue to invest in gold? (Invest in Gold: 564)

Popular Gold Investments Among HNW Investors

Over half (54%) of HNW gold investors currently own gold bullion. Just under half (44%) currently hold gold ETFs.

How HNW Investors Are Holding Gold in Their Portfolios



* Not included in the 2023 Gold ETF Impact Study

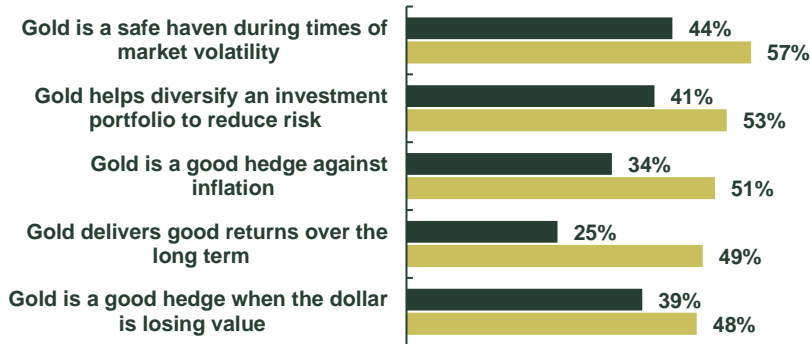
Question asked: Which of the following ways do you currently have gold in your investment portfolio? (Invest in Gold: Mar/Apr 2023=201, Jul/Aug 2024=564)

For Non-gold Investors Disadvantages Eclipse Benefits

Of those **not** invested in gold, while 44% perceive gold as a safe haven during times of market volatility, 46% point to gold having no dividend or yield as a top disadvantage.

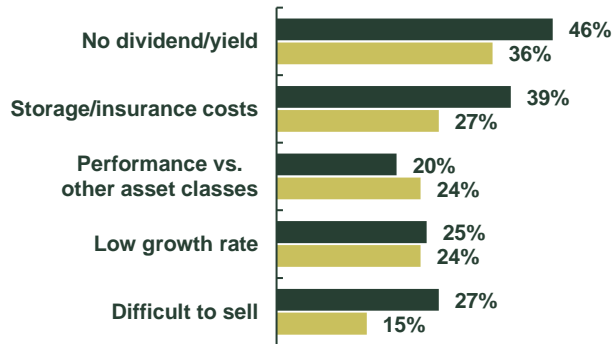
Of those invested in gold, while 57% see gold as a safe haven during times of market volatility, 36% point to gold having no dividend or yield as a top disadvantage. Gold ETFs can help address two of the top-identified disadvantages: storage/insurance costs and difficult to sell.

Top Five Benefits of Investing in Gold



■ Not invested in gold ■ Invested in gold

Top Five Disadvantages of Investing in Gold



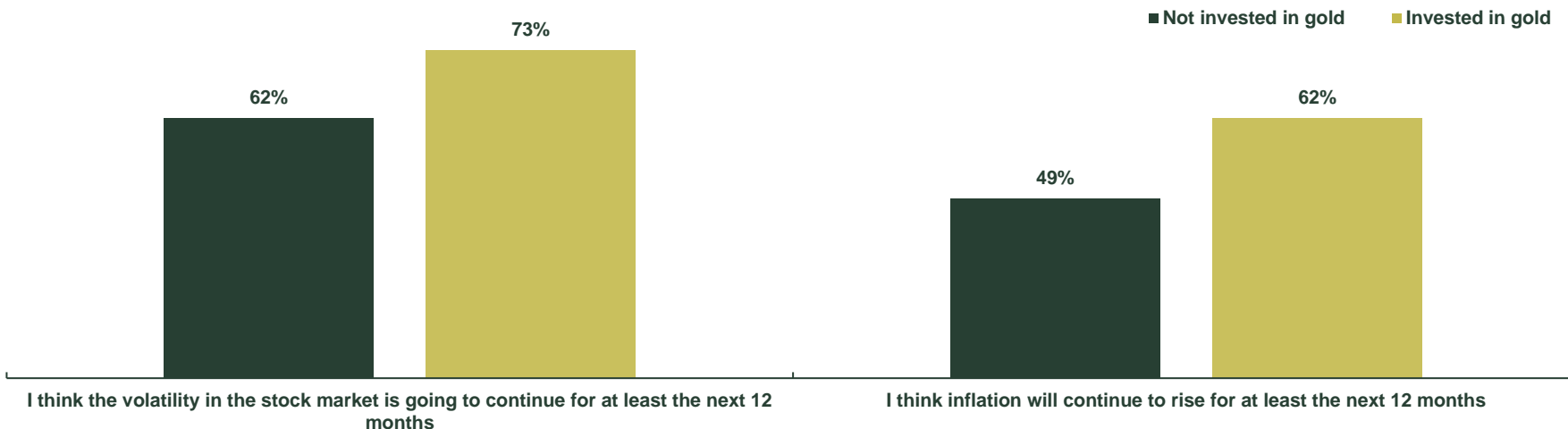
■ Not invested in gold ■ Invested in gold

Questions asked: Which, if any, of the following do you perceive as a **benefit** to having gold in an investment portfolio? (Do NOT Invest in Gold: 938 / Invest in Gold: 564)
Which, if any, of the following do you perceive as a **disadvantage** to having gold in an investment portfolio? (Do NOT Invest in Gold: 938 / Invest in Gold: 564)

The Market and Economic Opinions Influence Gold Ownership Decision-making

HNW investors who hold gold are more likely to think volatility in the stock market will continue for at least the next 12 months* (73%) and inflation will continue to rise for at least the next 12 months* (62%) than HNW investors who do **not** hold gold (62% and 49%, respectively).

Percentage of HNW Investors Who Agree With the Following Statements



* From July and August 2024, when study was conducted.

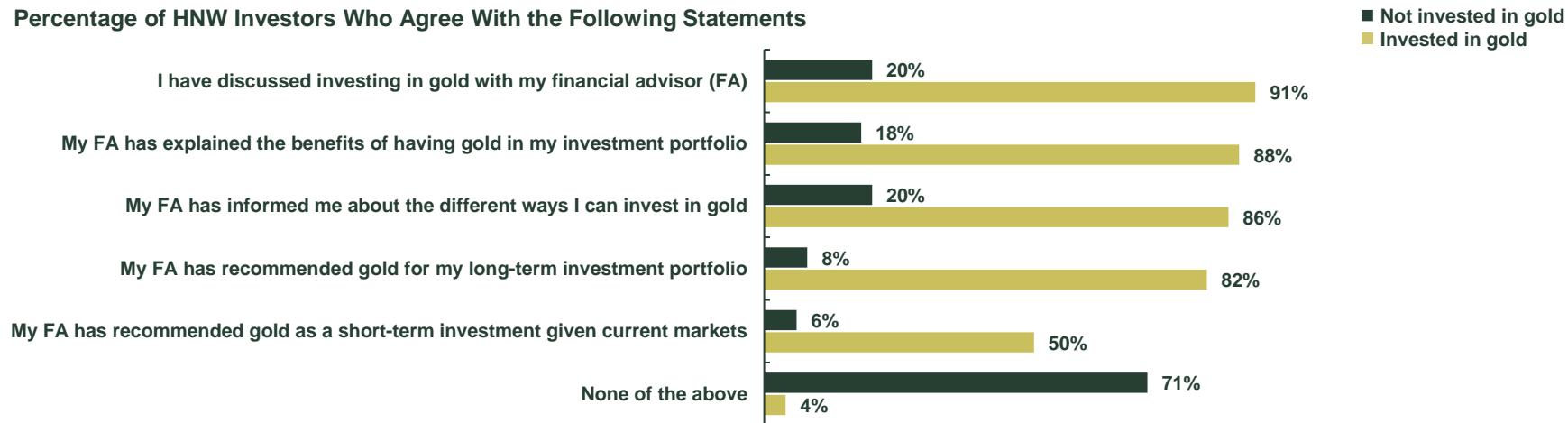
Question asked: How much do you agree or disagree with each of the following statements? (NOT Invest in Gold: 938 / Invest in Gold: 564)

Advisors Influence Gold Ownership Decision-making

Among advised HNW investors who hold gold, a significant number report that their financial advisors are:

- Discussing gold with them (91%)
- Explaining the benefits of gold (88%)
- Informing them about the different ways they can invest in gold (86%)
- Recommending gold for long-term (82%) and short-term (50%) investments

Percentage of HNW Investors Who Agree With the Following Statements



Question asked: Please indicate “yes” or “no” for each of the following. (Do NOT Invest in Gold + Have an FA: 418 / Invest in Gold + Have an FA: 333)

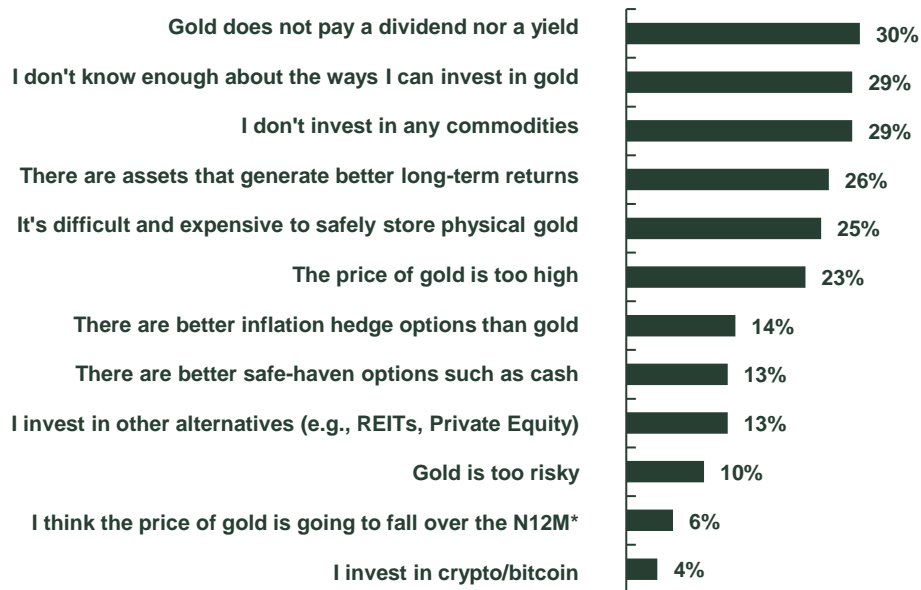
What Stops Investors From Going for Gold?

The number one reason this investor segment does not invest in gold is because gold doesn't pay a dividend or yield (30%).

Notably, 29% say they don't know enough about the ways they can invest in gold — **highlighting the need for additional education on the topic.**

Other reasons include that they don't invest in commodities (29%) and other assets generate better long-term returns (26%).

Barriers to Investing in Gold



* Next 12 months

Question asked: Which of the following are reasons why you do not currently have gold in your investment portfolio? (Please select all that apply) Base size: \$250k+. Total = 938

Gold ETFs

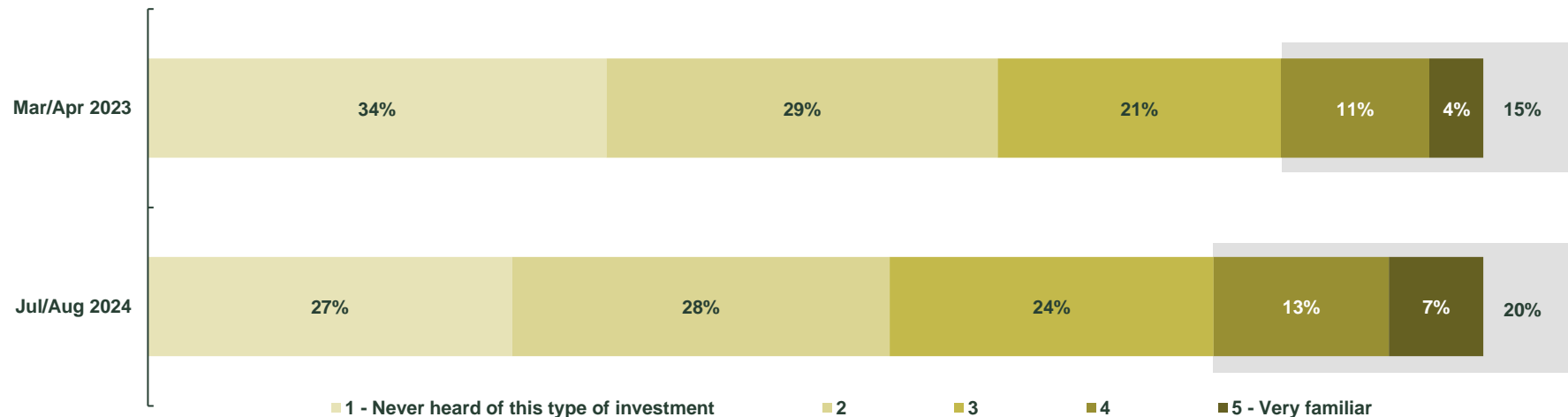
Familiarity, Preferences, and Behaviors

Gold ETF Familiarity Increases, Still Room for Growth

Among investors who do not hold gold ETFs, the percent who are familiar has increased significantly over the past 15 months — from 15% to 20%. The percent who have never heard of gold ETFs decreased significantly, from 34% to 27%.

While a positive increase, there's still plenty of opportunity to improve investors' familiarity with gold ETFs.

HNW Investors Familiar With Gold ETFs

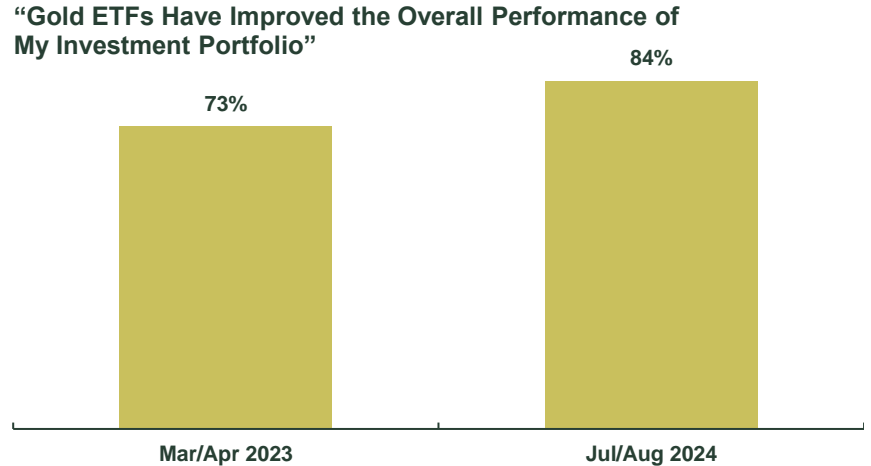
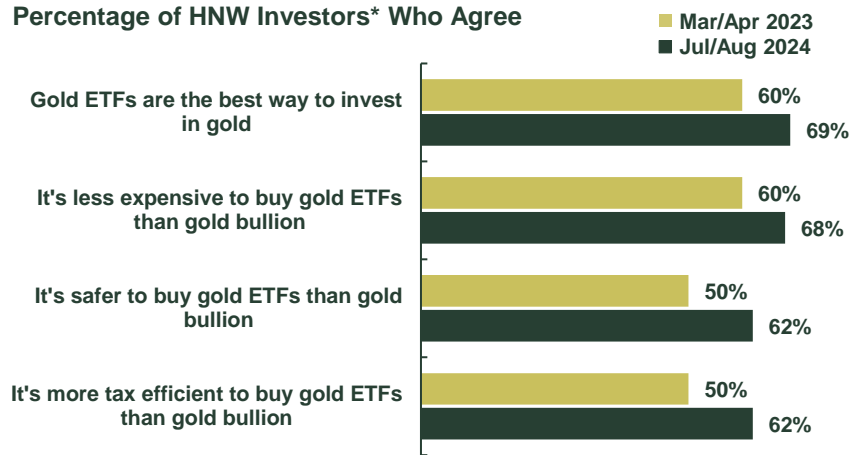


Question asked: How familiar are you with gold ETFs (exchange traded funds)? (NOT Hold Gold ETFs: Mar/Apr 2023=905, Jul/Aug 2024=1,253)

Gold ETF Sentiment Shows Signs of Major Improvement Over Past 15 Months

Sentiment for gold ETFs continues to climb for HNW gold ETF investors and those familiar with gold ETFs.

Among those who invest in gold ETFs, the percentage who agree that “gold ETFs have improved the overall performance of my investment portfolio” increased significantly.



* Investors surveyed either currently hold or are familiar with gold ETFs

Questions asked:

How much do you agree or disagree with each of the following statements about **gold ETFs**? (Hold Gold ETFs or Familiar with Gold ETFs: Mar/Apr 2023=235, Jul/Aug 2024=497)

How much do you agree or disagree with “Gold ETFs have improved the overall performance of my investment portfolio?” (Hold Gold ETFs: Mar/Apr 2023=105, Jul/Aug 2024=249)

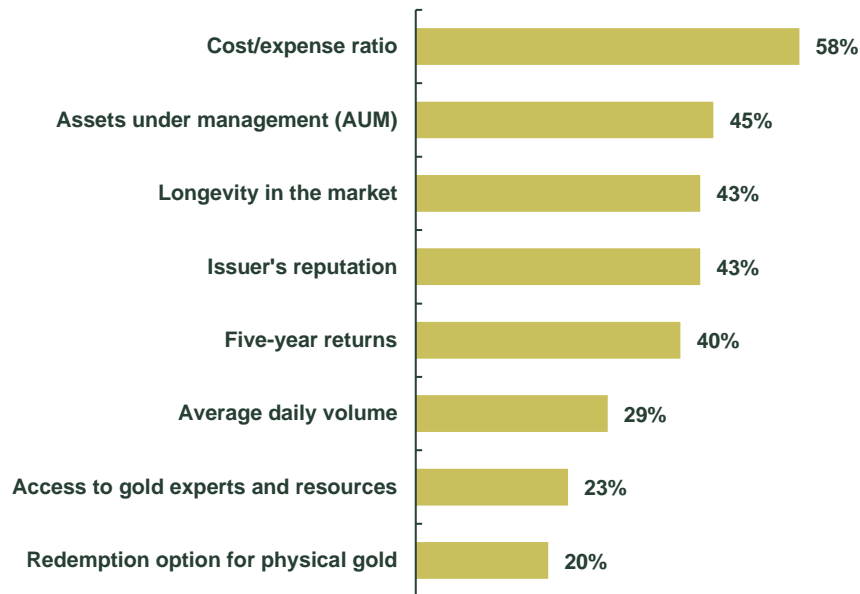
Top Decision Criterion When Selecting a Gold ETF

The greatest proportion of HNW gold investors rank cost/expense ratio in the top three most important criteria when selecting a gold ETF (58%).

Cost is followed by AUM (45%), market longevity (43%), the reputation of the issuer (43%), and five-year returns (40%).

Less than one-third of HNW gold ETF investors find average daily volume, access to gold experts and resources, and redemption for physical gold important decision criteria.

Most Important Gold ETF Selection Criteria, Top 3 Ranked



Question asked: Please rank order the following in terms of importance when selecting a gold ETF? (Hold Gold ETFs: 249)

HNW Investors Prefer Physically Backed Gold ETFs

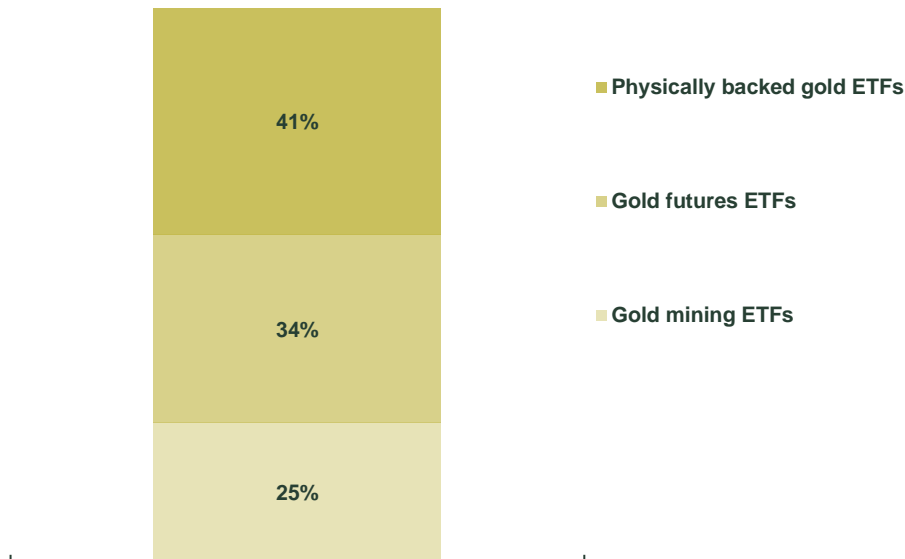
When we asked HNW gold ETF investors to rank their preference for gold ETFs:

- 41% ranked physically backed gold ETFs as their first choice.
- 34% ranked gold futures ETFs as their first choice.

The proportion who prefer physically backed gold ETFs compared to those who prefer gold futures ETFs is minor.

However, the fact that a much lower proportion (25%) of investors prefer gold mining ETFs is significant.

Investors' First Preference, Ranked

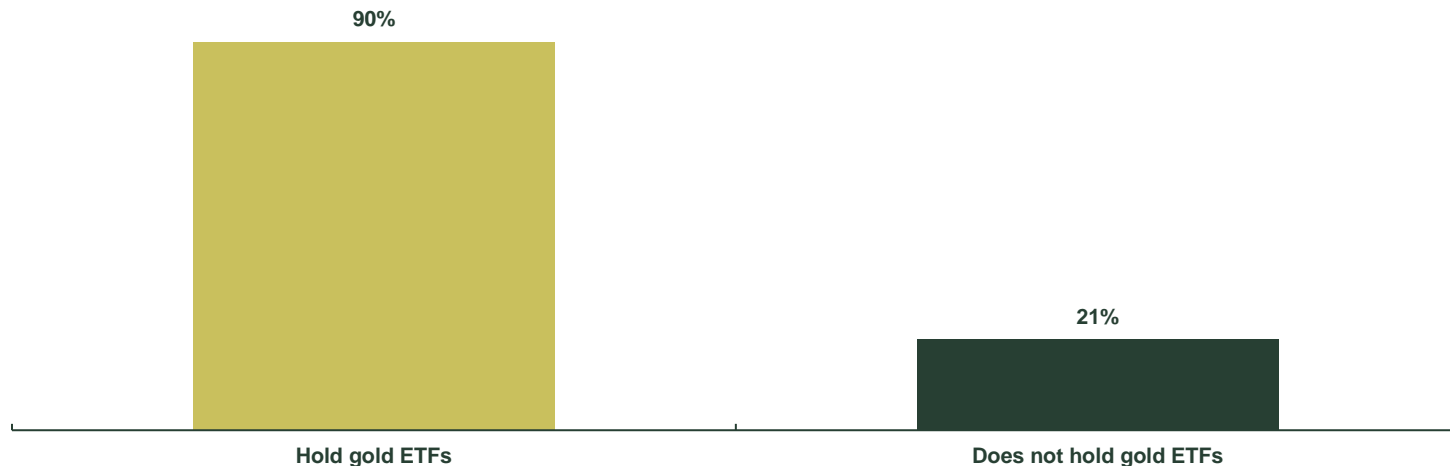


Question asked: Please rank order the following in terms of preference when selecting a gold ETF? (Hold Gold ETFs: 249)

Advisors Play a Major Role in Gold ETF Investments

Among advised investors who invest in gold ETFs, 90% say their advisor has recommended a gold ETF as the best way to invest in gold, showcasing how vital a role the advisor plays in an investor's allocation to gold ETFs.

“Yes, My Advisor Has Recommended a Gold ETF as the Best Way to Invest in Gold”



Question asked: Please indicate “yes” or “no” for each of the following. (Hold Gold ETFs + Have an FA: 164 / NOT Hold Gold ETFs + Have an FA: 587)

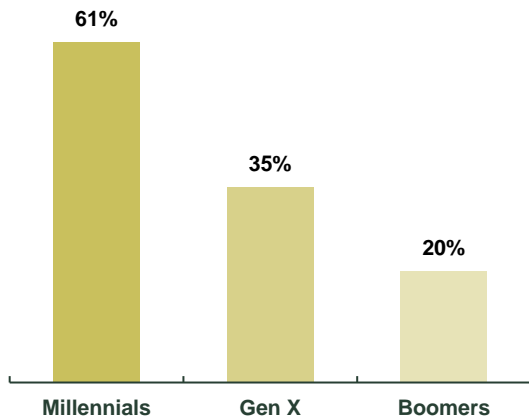
Generational Analysis

Millennials' Affinity for Gold

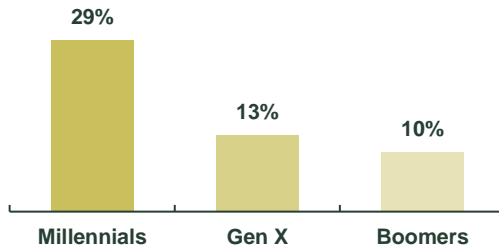
More Millennials Have Gold in Their Portfolios

Significantly more millennials* (61%) than Gen X (35%) and boomers (20%) have gold in their investment portfolios. Millennials' average allocation to gold is also significantly greater (29%) than their Gen X (13%) and boomer (10%) counterparts. And a greater proportion of millennials think that gold delivers good returns over the long term.

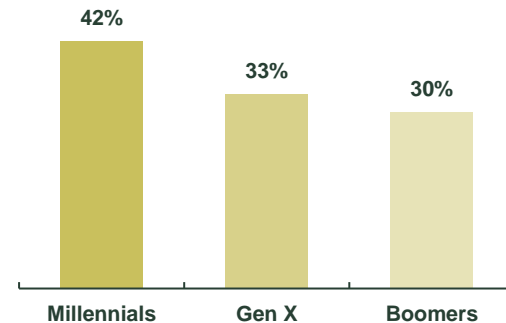
Percentage of Investors Who Have Gold in Portfolio



Average Gold Allocation Within Investors' Portfolios



Gold Investment Benefit: "Delivers good returns over the long term"



* [View the profile of HNW millennials in this study](#)

Questions asked:

Do you currently have the following in your investment portfolio? (Yes, No or Don't Know) Base size: \$250K+ Total = 1,502

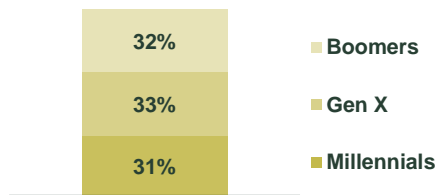
Approximately what percent of your portfolio is invested in gold? (Invest in gold: Millennials = 282, Gen X = 176, Boomers = 95) Total = 553

Which, if any, of the following do you perceive as a **benefit** to having gold in an investment portfolio? (Total: Millennials=464, Gen X=500, Boomers=475)

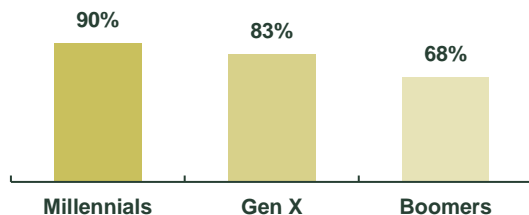
Profile of HNW Millennials in This Study

Millennials made up nearly one-third of HNW investors in this study, or those who have a minimum of \$250K or more in investable assets. HNW millennials are more educated and have a higher average household income (HHI) than their Gen X and boomer counterparts. More than half work with a financial advisor and nearly all (91%) have a self-directed or robo account.

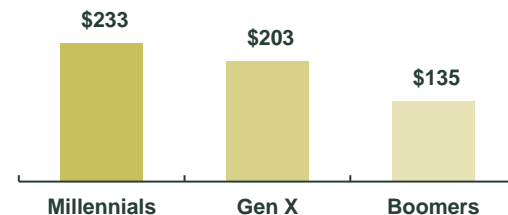
Generational Demographics



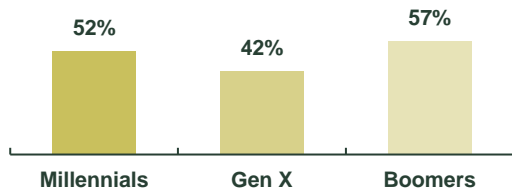
College or Grad Degree



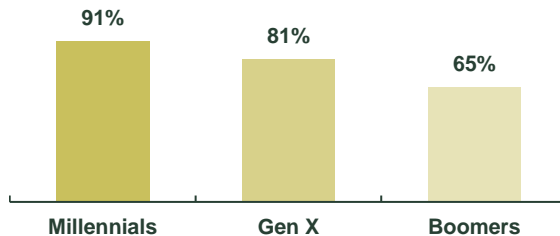
Average Household Income (in Thousands)



Work With a Financial Advisor



Have a Self-directed or Robo Account



KEY INSIGHTS

Emerging Affluent Investors

\$50-249K in Investable Assets

Emerging Themes

Key Takeaways

Gold Investment Trends: Behaviors, Preferences, and Influences

Gold ETFs: Familiarity, Preferences, and Behaviors

Key Takeaways

- Roughly one-third of emerging affluent investors have gold in their portfolios.
- Right now, gold bullion and gold collectibles are more popular than gold ETFs among this segment.
- Gold as a safe haven during times of market volatility is seen as a top benefit of having gold in one's investment portfolio.
- Storage and insurance costs are seen as the top two downsides to investing in gold — both of which can be addressed with gold ETFs.
- Investors who haven't yet invested in gold cite a lack of knowledge ("I don't know about the ways I can invest in gold") as their top barrier.
- Few emerging affluent investors who are not currently investing in gold plan to do so in the next 6-12 months.*
- 77% of investors who hold gold ETFs believe that gold ETFs have improved the overall performance of their investment portfolio.
- Among investors who hold gold ETFs or are familiar with the investment vehicle, the majority prefer physically backed gold ETFs.

* From July and August 2024, when study was conducted.

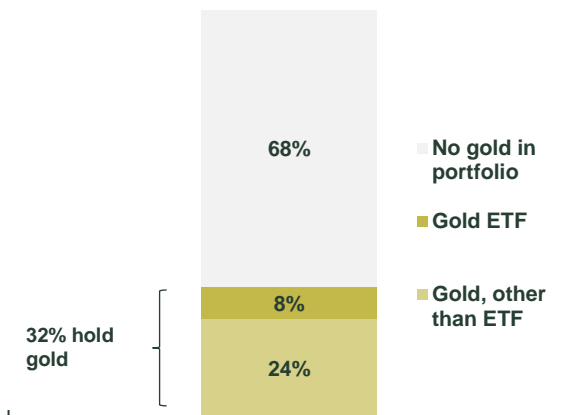
Gold Investing

Behaviors, Preferences, and Influences

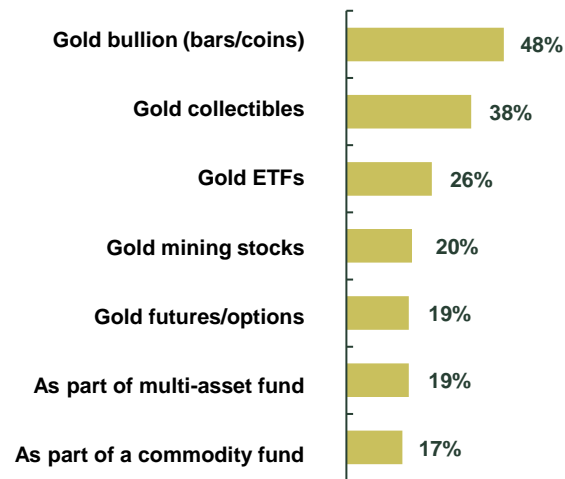
Gold Adoption Lags — Still Room for 68% to Join In

On average, close to one-third of emerging affluent investors have gold in their portfolios. These investors are most likely to own gold via gold bullion (48%), gold collectibles (38%), and gold ETFs (26%). Very few (5%) plan to decrease their gold investment in the next 6-12 months.*

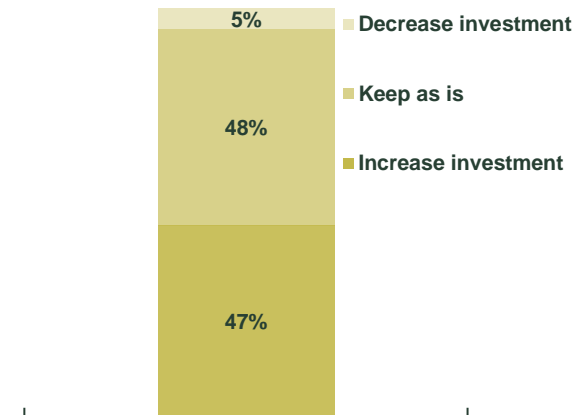
Percentage of Investors Who Hold Gold in Their Portfolios and How



How Gold Investors Invest in Gold



Intentions for Gold Investment in the Next 6-12 Months



* From July and August 2024, when study was conducted.

Questions asked:

Do you currently have the following in your investment portfolio? (Yes, No or Don't Know) Base size: \$50-\$249K. Total = 1,504

Which of the following ways do you currently have gold in your investment portfolio? (Please select all that apply) Base size:\$50-\$249K. Total = 481

What are you likely to do with your investment in gold over the next 6-12 months? Base size: \$50-\$249K. Total = 564

Investors' Reasons for Owning Gold

Among emerging affluent investors, 18% first invested in gold as a safe-haven investment and 14% first invested to preserve wealth. And these investors continue to hold gold for similar reasons.

Reasons for First Investing in Gold



Reasons to Continue Investing in Gold



* Full statement: Due to a market event (e.g., inflation spike, financial crisis)

Questions asked:

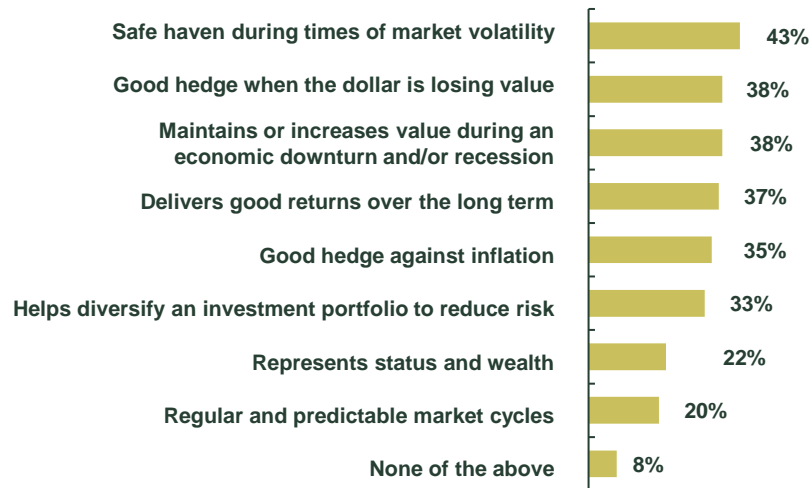
Which of the following best describes why you first started investing in gold? (Please select one) Base size: \$50-\$249K who invest in gold. Total = 481

Which of the following best describes why you continue to invest in gold? (Please select one) Base size: \$50-\$249K who invest in gold. Total = 481

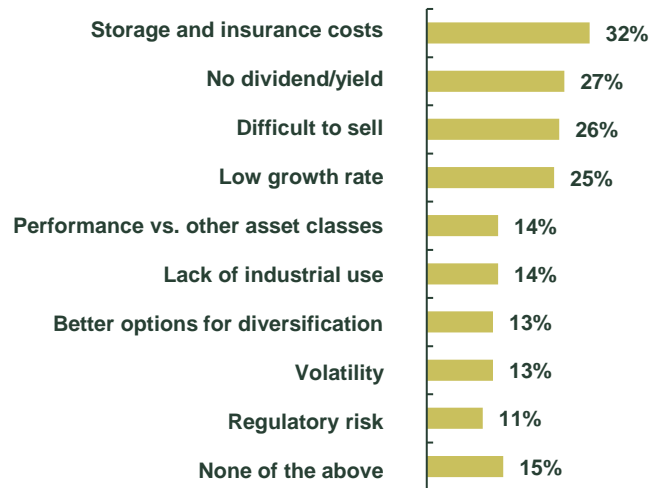
Weighing Gold's Pros and Cons

A third or more of emerging affluent investors perceive multiple benefits to having gold in their portfolio, with a safe haven during times of market volatility as the most common (43%). Among these same investors, storage and insurance costs ranked as the top disadvantage (32%).

Perceived Benefits of Gold



Perceived Disadvantages of Gold



Questions asked:

Which, if any, of the following do you perceive as a benefit to having gold in an investment portfolio? (Please select all that apply) Base size: \$50-\$249K. Total = 1,504

Which, if any, of the following do you perceive as a disadvantage to having gold in an investment portfolio? (Please select all that apply) Base size: \$50-\$249K. Total = 1,504

What Stops Investors From Going for Gold?

The number one reason why emerging affluent investors do not invest in gold is because they don't know enough about the ways to invest in gold (36%) — **highlighting the need for additional education on the topic**.

Other reasons include the price of gold is too high (30%) or they avoid investing in any commodities (27%).

Barriers to Investing in Gold



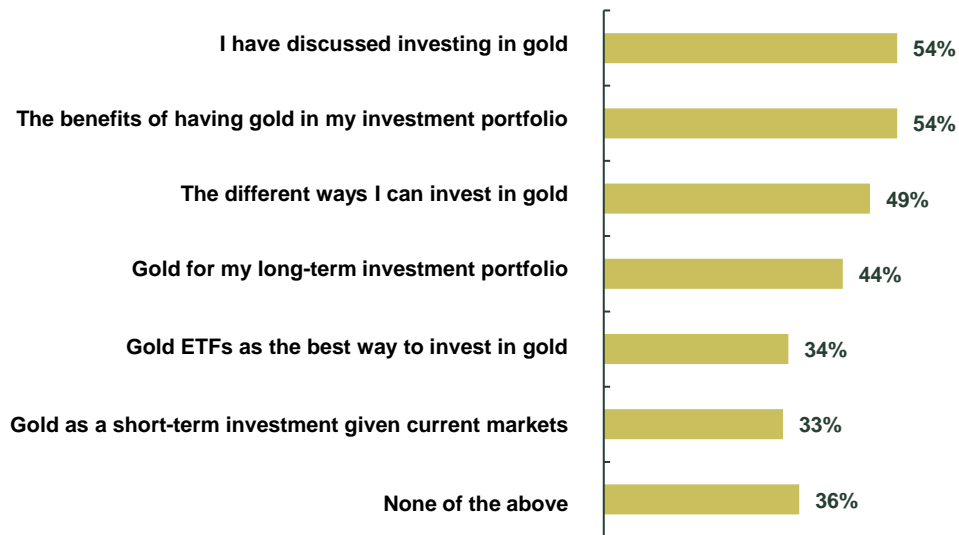
* Next 12 months

Question asked: Which of the following are reasons why you do not currently have gold in your investment portfolio? (Please select all that apply) Base size: \$50-\$249K who do NOT invest in gold. Total = 938

Advisors Play a Vital Role in Discussions About Gold

Among emerging affluent investors who work with an advisor, 36% say their advisor has not addressed the topic of gold at all.

Gold-related Topics Addressed With Financial Advisor



Question asked: Please indicate “yes” or “no” for each of the following. (Please select one response per row) Base size: \$50-\$249K who work with a financial advisor. Total = 563

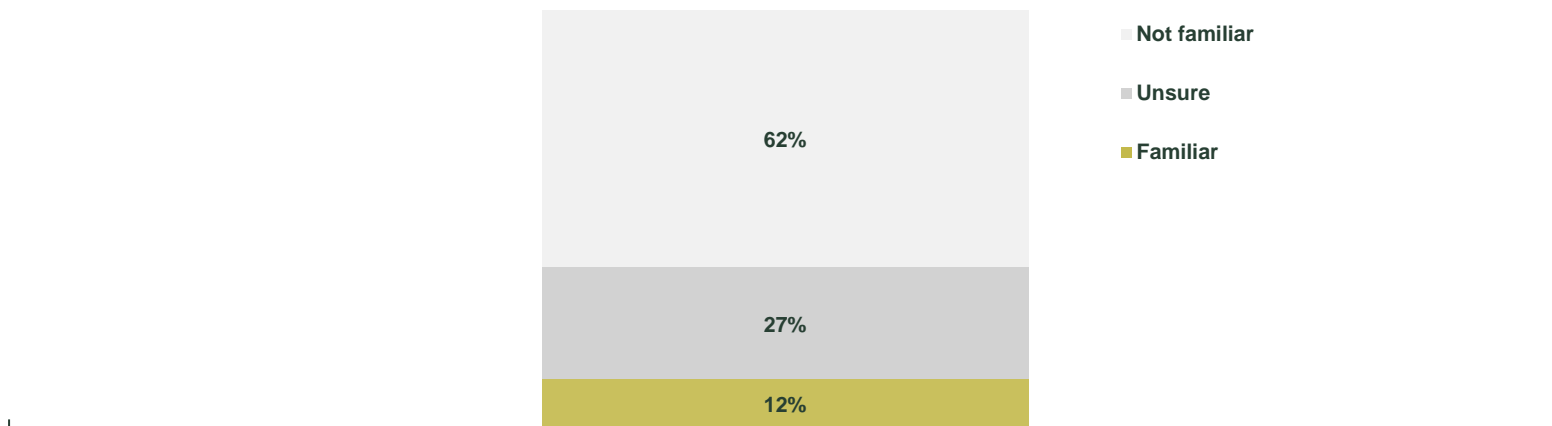
Gold ETFs

Familiarity, Preferences, and Behaviors

Investors Who Don't Hold Gold ETFs Show Limited Familiarity With Them

Among emerging affluent investors who do not have gold ETFs in their portfolios, only 12% are familiar with them — highlighting that these investors may welcome more education about [investing in gold ETFs](#).

Familiarity With Gold ETFs Among Non-holding Emerging Affluent Investors

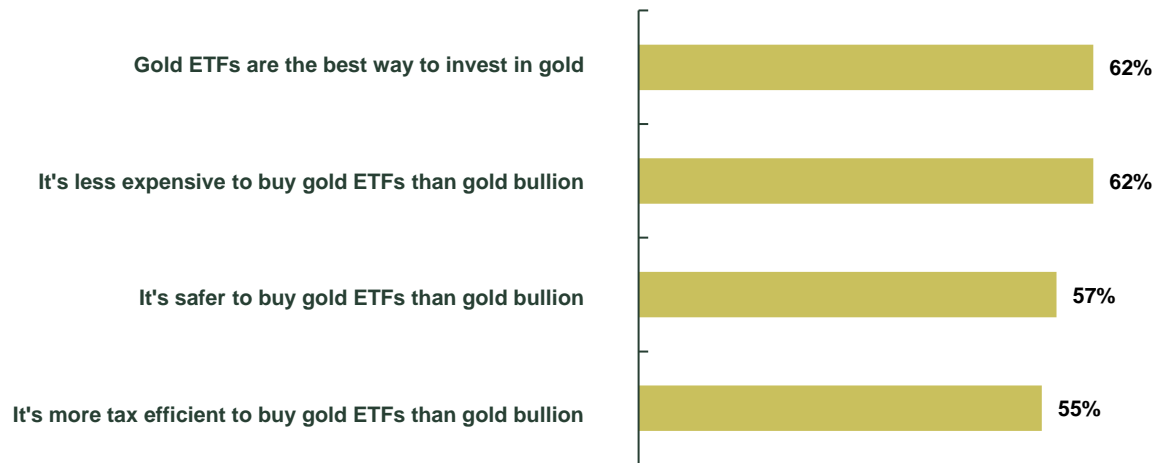


Question asked: How familiar are you with gold ETFs (exchange traded funds)? (Please select one) Base size: \$50-\$249K who do NOT hold gold ETFs. Total = 1,253

Gold ETFs Are Less Expensive, Safer, and More Tax Efficient

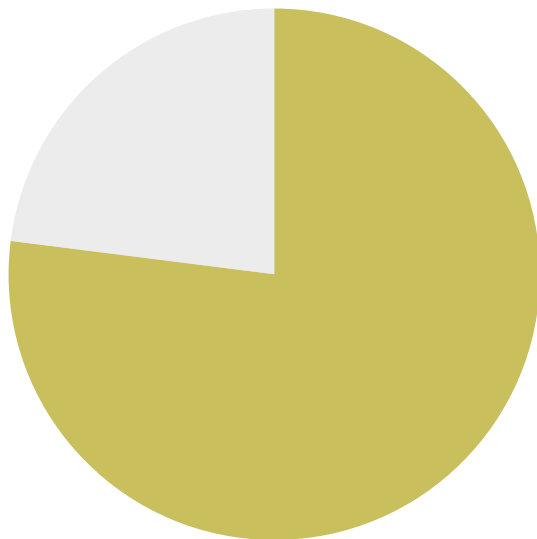
More than half of emerging affluent investors who invest in or are familiar with gold ETFs regard them positively. A majority agree gold ETFs are the best way to invest in gold (62%), less expensive (62%), safer (57%), and more tax efficient (55%) than gold bullion.

Percentage of Emerging Affluent Investors Who Agree With the Following Statements



Question asked: How much do you agree or disagree with each of the following statements about **gold ETFs**? Base size: \$50-\$249K who hold gold ETFs or are familiar with gold ETFs. Total = 284.
Note: Advised excluded due to base size.

Gold ETFs Have a Positive Impact on Portfolios



77%

of emerging affluent investors who currently hold gold ETFs agree that gold ETFs have improved their portfolio's performance.

Question asked: How much do you agree or disagree with "Gold ETFs have improved the overall performance of my investment portfolio?" Base size: \$50-\$249K who hold gold ETFs. Total = 124

Top Decision Criterion When Selecting a Gold ETF

Among this segment of gold ETF investors, the most important factors when selecting a gold ETF are cost/expense ratio (61%), five-year returns (52%), longevity in the market (47%), and to a slightly lesser degree, the issuer's reputation (44%).

Ranked in Top 3 Most Important Gold ETF Selection Criteria



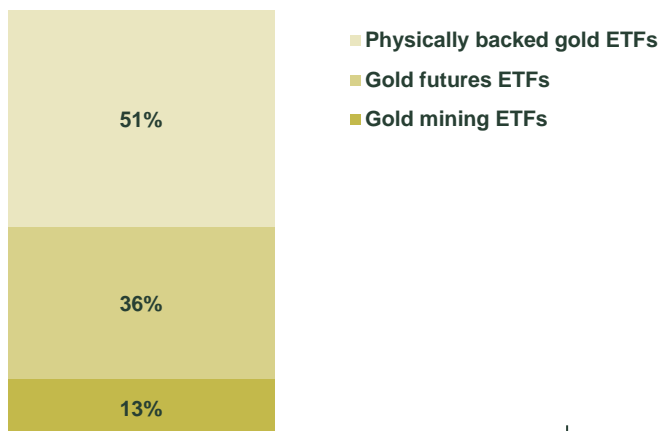
Listed reasons ranked 1st, 2nd, 3rd by at least 35%

Question asked: Please rank order the following in terms of importance when selecting a gold ETF. Base size: \$50-\$249K who hold gold ETFs. Total = 124

Emerging Affluent Investors Prefer Physically Backed Gold ETFs

When we asked emerging affluent investors who hold gold ETFs about their product preferences, significantly more ranked physically backed gold ETFs as their top preference (51%) over gold futures ETFs (36%) and gold mining ETFs (13%).

Gold ETF Product Preferences, Top Rank



Question asked: Please rank order the following in terms of preference when selecting a gold ETF? Base size: \$50-\$249K who hold gold ETFs. Total = 124 **Note: Advised excluded due to base size.**

KEY INSIGHTS

Financial Advisors

\$50M+ in AUM

Emerging Themes

Key Takeaways

Guidance on Gold Investing: Trends, Motivations, and Preferences

Gold ETFs: Sentiment, Preferences, and Behaviors

Key Takeaways

- The vast majority of advisors consistently recommend gold to their clients (41% always recommend, 35% often recommend), and 83% recommend a gold allocation of 10% or more.
- Among advisors who recommend gold ETFs, 74% agree that gold ETFs have improved the overall performance of their clients' investment portfolios.
- Advisors recommend gold primarily for diversification (49%) and a majority view it as both a tactical and strategic investment (54%) instead of one or the other.
- Many see gold as a hedge against inflation, deflation, and market volatility. Yet nearly half (46%) also recommend gold for long-term growth.
- A majority of advisors recommend gold ETFs (70%), which they see as the best way to invest in gold (62%).
- Advisors appreciate the convenience of gold ETFs — and identify longevity in the market (51%) and cost (50%) as the top two criteria when selecting gold ETFs.
- Advisors favor physically backed gold ETFs (50%), due to their perceived accuracy in tracking gold prices, over gold futures ETFs (27%) and gold mining ETFs (23%).

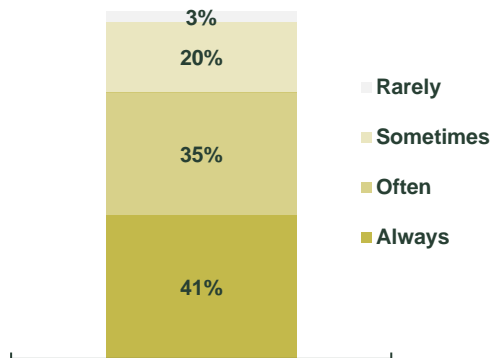
Guidance on Gold Investing

Trends, Motivations, and Preferences

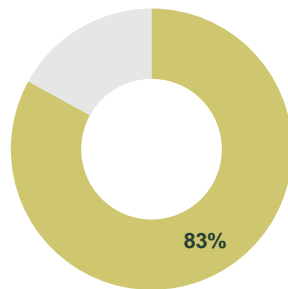
The Majority of Advisors Are Heavy Gold Recommenders

When it comes to recommending gold, 41% of advisors always do and 35% often do. Only 3% say they rarely recommend gold. Most financial advisors (83%) recommend a gold allocation of 10% or more. And 68% of advisors said they were likely to recommend clients increase their gold investment over the next 6-12 months.*

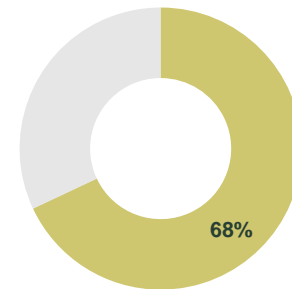
How Often Advisors Recommend Gold



Percentage of Advisors Recommending a Gold Allocation of 10% or More



Percentage of Advisors Likely† to Recommend Clients Increase Gold Investment



* From July and August 2024, when study was conducted.

† Significantly and slightly

Questions asked: How often do you recommend that clients have each of the following in their investment portfolios? (Total: 299)

Approximately what percent of a portfolio do you typically recommend is invested in gold? (Recommend Gold at Least Rarely: 298)

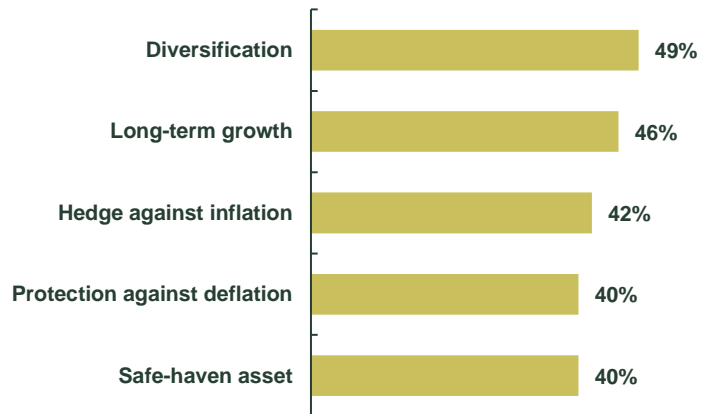
What are you likely to recommend that your clients do with their investment in gold over the next 6-12 months? (Recommend Gold at Least Rarely: 298)

Reasons for Recommending Gold

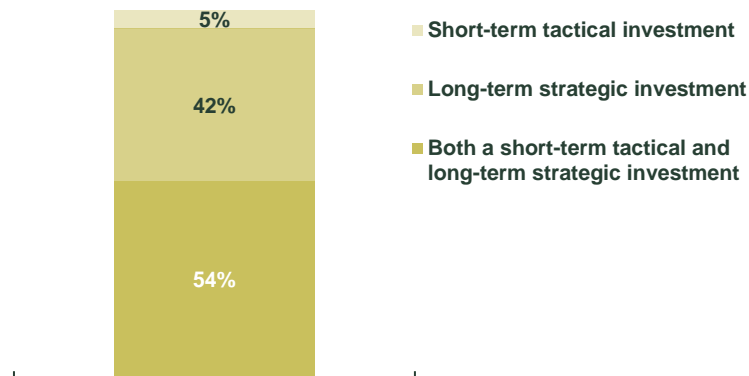
Nearly half of financial advisors say they recommend gold for diversification (49%) and/or long-term growth (46%). About four-in-ten say they recommend gold as a hedge against inflation (42%), protection against deflation (40%), and/or a safe-haven asset (40%).

More than half of advisors (54%) view gold as both a short-term tactical and a long-term strategic investment. Just 5% view it as **only** a short-term tactical investment.

Top 5 Reasons Why Recommend Gold



Gold: Tactical, Strategic, or Both?



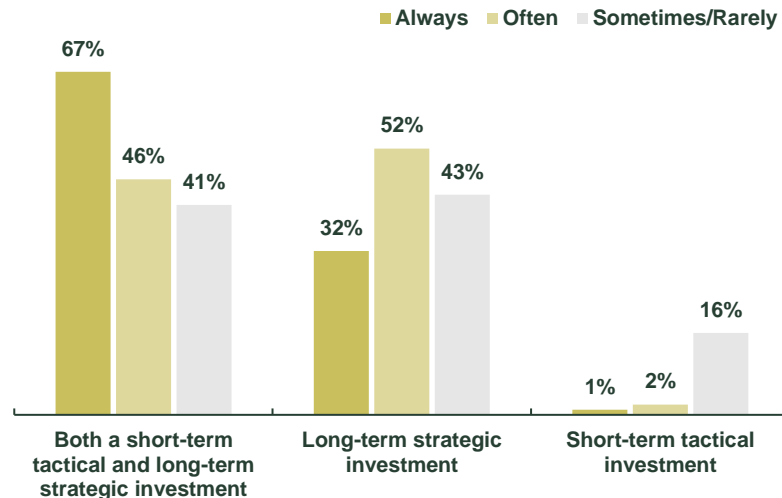
Questions asked:
 Why do you recommend investing in gold to clients? (Recommend Gold at Least Rarely: 298)
 How do you view investing in gold? (Recommend Gold at Least Rarely: 298)

Tactical or Strategic? Both Say Advisors Who *Always* Recommend Gold

Financial advisors who *always* recommend gold are more likely* to view gold as both a short-term tactical and long-term strategic investment (67%).

- Those who *often* recommend gold are more likely to view gold as a long-term strategic investment.
- Those who *sometimes/rarely* recommend gold are more likely to view gold as a short-term tactical investment.

Gold: Tactical, Strategic, or Both?
Comparing FA Frequency of Recommendation



* Than those who recommend gold less often
Question asked: How do you view investing in gold? (Recommend Gold: Always=124, Often=106, Sometimes/Rarely=68)

Gold's Benefits Outweigh the Disadvantages

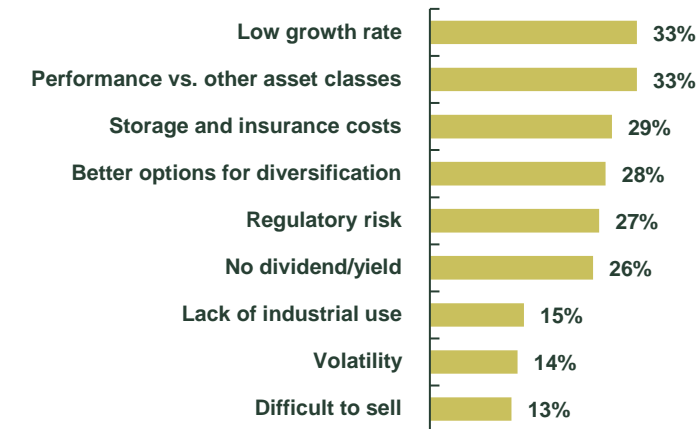
Advisors believe gold is a safe haven during times of market volatility (51%), a good hedge against inflation (49%), a good hedge when the dollar is losing value (49%), and helps diversify an investment portfolio to reduce risk (49%).

Among potential disadvantages of investing in gold, advisors say low growth rate (33%) and performance versus other asset classes (33%) are the top two.

Benefits of Investing in Gold



Disadvantages of Investing in Gold



Questions asked:

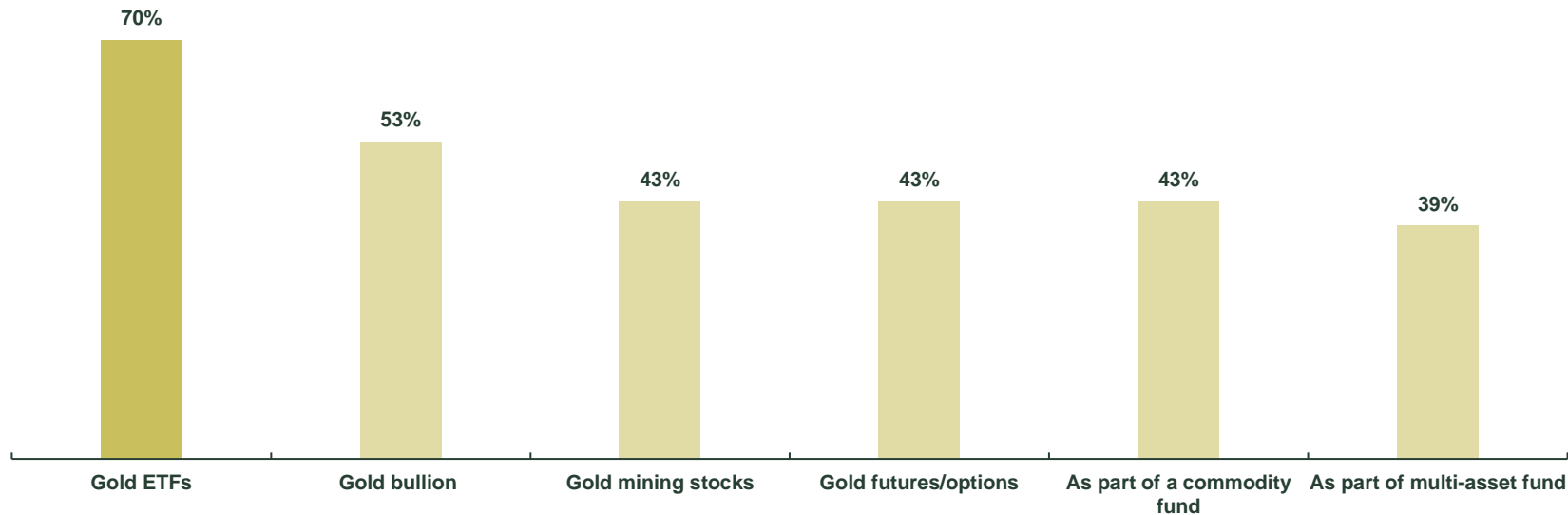
Which, if any, of the following do you perceive as a **benefit** to having gold in an investment portfolio? (Total: 299)

Which, if any, of the following do you perceive as a **disadvantage** to having gold in an investment portfolio? (Total: 299)

70% of Advisors Recommend Gold ETFs to Clients

When advising their clients to invest in gold, financial advisors recommend gold ETFs the most (70%) followed by gold bullion (53%).

How Advisors Recommend Investing in Gold



Question asked: Which of the following ways do you recommend investing in gold to clients? (Recommend Gold at Least Rarely: 298)

Gold ETFs

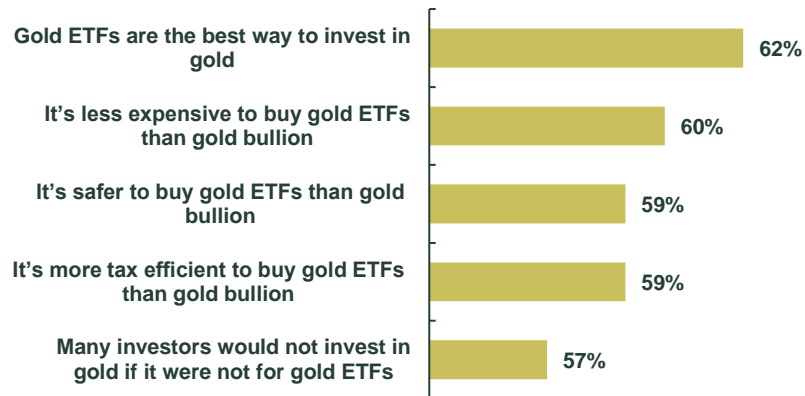
Sentiment, Preferences, and Behaviors

Advisors View Gold ETFs Positively, Especially Their Impact on Client Portfolios

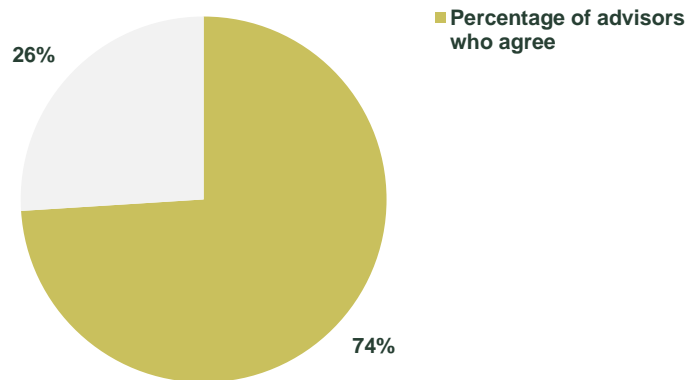
The majority of advisors agree that gold ETFs are the best way to invest in gold (62%). And more than half (57%) agree that many investors would not invest in gold were it not for gold ETFs.

Among advisors who recommend gold ETFs, three-quarters (74%) agree that gold ETFs have improved the overall performance of their clients' investment portfolios.

Percentage of Advisors Who Agree With the Following



“Gold ETFs Have Improved the Overall Performance of My Clients’ Portfolios”



Questions asked:

How much do you agree or disagree with each of the following statements about **gold ETFs**? (Total: 299)

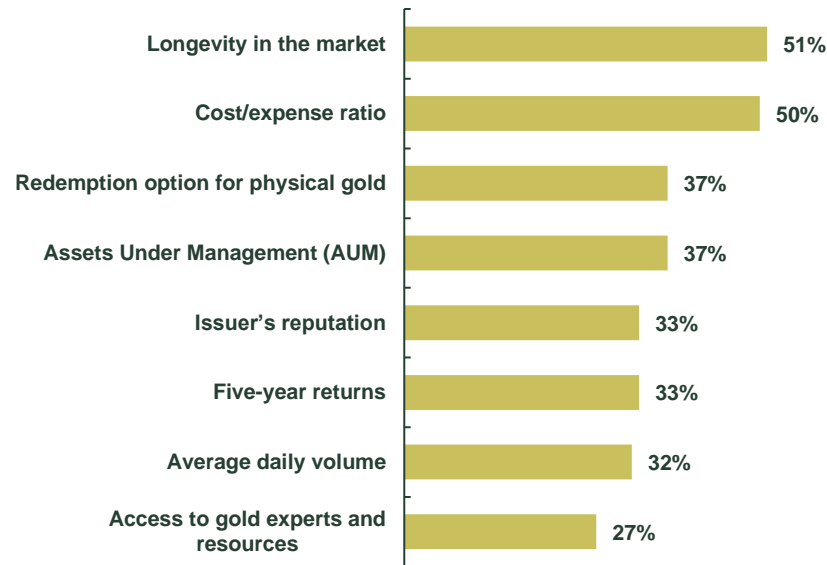
How much do you agree or disagree with “Gold ETFs have improved the overall performance of my clients’ investment portfolios?” (Recommend Gold ETFs: 209)

Top Criteria When Recommending Gold ETFs

Among financial advisors who recommend gold, roughly half rank longevity in the market (51%) and cost/expense ratio (50%) in the top three most important criteria when selecting a gold ETF.

Nearly all remaining criteria roughly tied for third place. Access to gold experts and resources was identified as the least important criterion when selecting gold ETFs (27%).

Ranked in Top 3 Most Important Gold ETF Selection Criteria

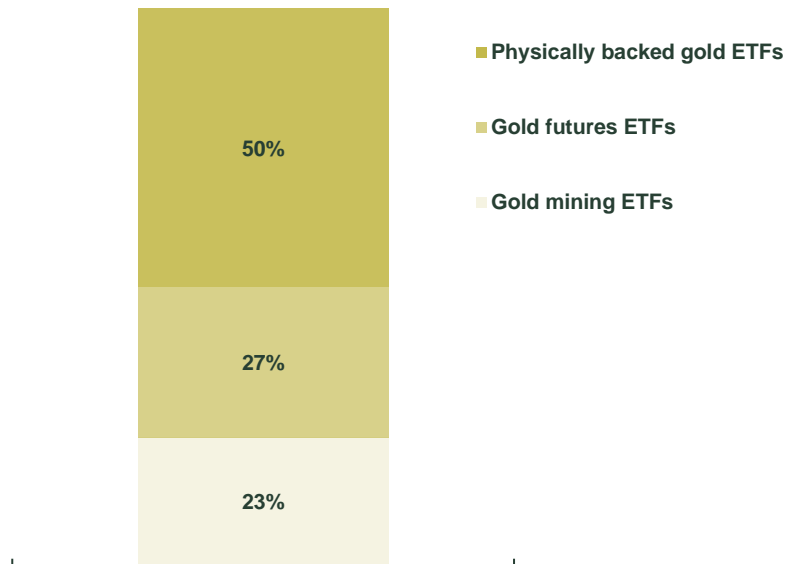


Question asked: Please rank order the following in terms of importance when selecting a gold ETF? (Recommend Gold ETFs:209)

Advisors Prefer Physically Backed Gold ETFs

Among financial advisors who recommend gold ETFs, 50% rank physically backed gold ETFs as their top choice — significantly more than gold futures ETFs (27%) or gold mining ETFs (23%).

Gold ETF Product Preferences, Top Rank



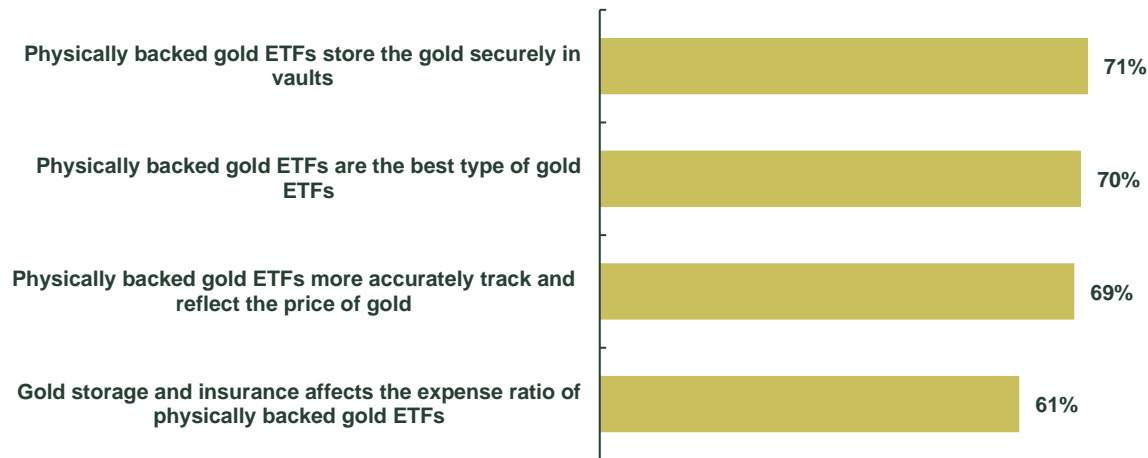
Question asked: Please rank order the following in terms of preference when selecting a gold ETF? (Recommend Gold ETFs:209)

Positive Sentiment for Physically Backed Gold ETFs

A majority of advisors who recommend gold ETFs agree that physically backed gold ETFs are the best type of gold ETFs (70%) and that they more accurately track and reflect the price of gold (69%).

While 71% also agree that physically backed gold ETFs store the gold securely in vaults, only 61% agree gold storage and insurance affects the expense ratio of physically backed gold ETFs.

Percentage of Advisors Who Agree With the Following Statements



Question asked: How much do you agree or disagree with each of the following statements about **gold ETFs**? (Recommend Gold ETFs:209)

IN-DEPTH ANALYSIS

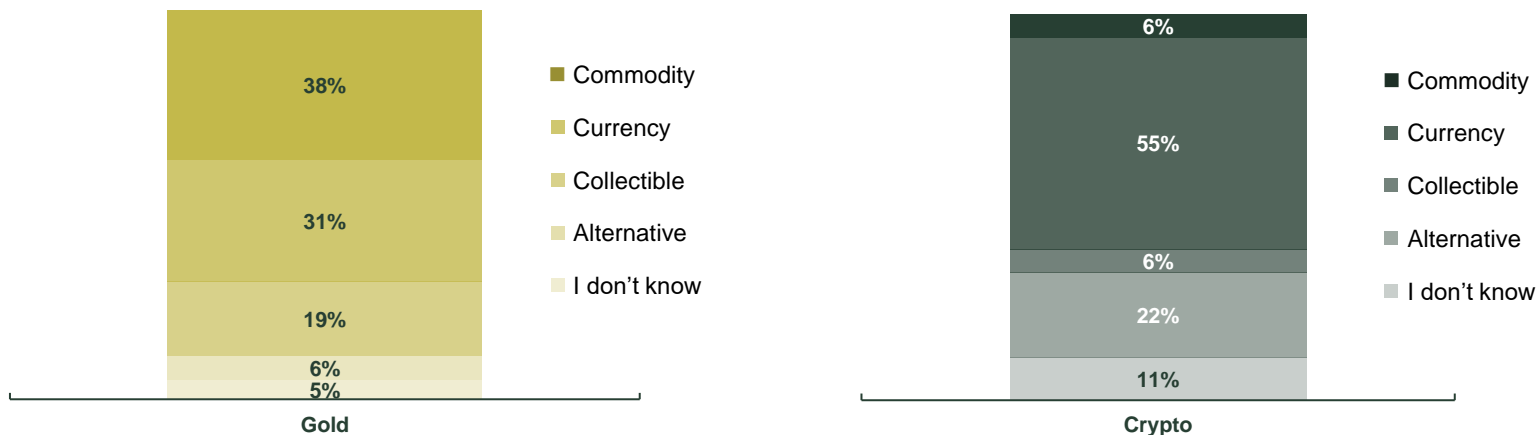
Gold Versus Crypto

Complements, Not Competitors

How Emerging Affluent Investors Categorize Gold and Crypto

38% of emerging affluent investors categorize gold as a commodity, 31% categorize it as a currency; more than half (55%) categorize crypto as a currency.

Categorization Among Emerging Affluent Investors

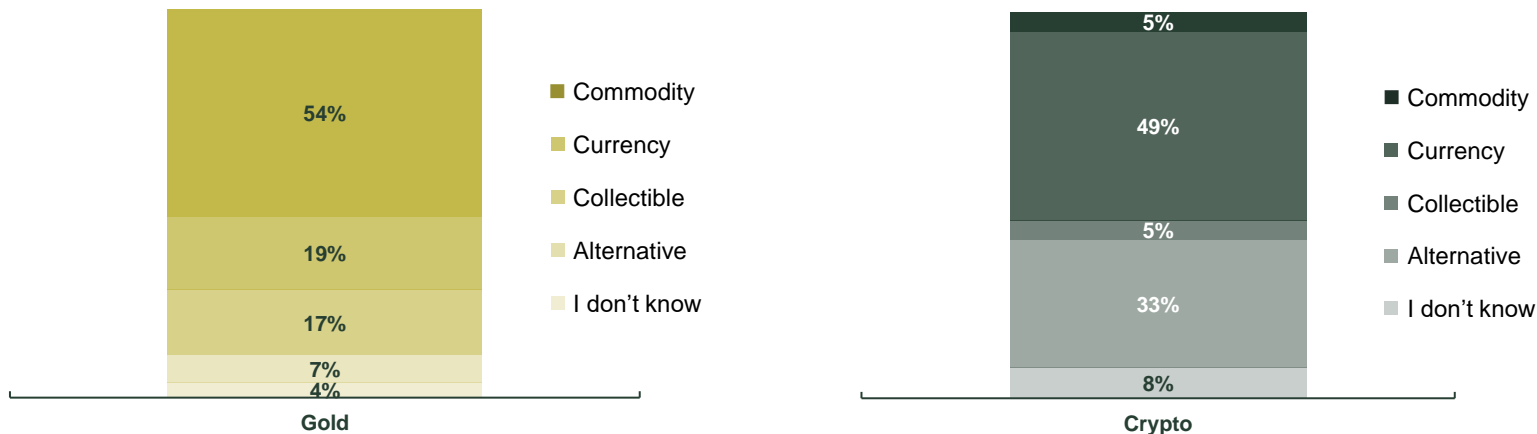


Question asked:
For each of the following investments, which category do you consider to be the best fit? Base size: \$50-249K. Total=1504

How HNW Investors Categorize Gold and Crypto

54% of HNW investors categorize gold as a commodity; 49% categorize crypto as a currency and 33% categorize it as an alternative.

Categorization Among HNW Investors



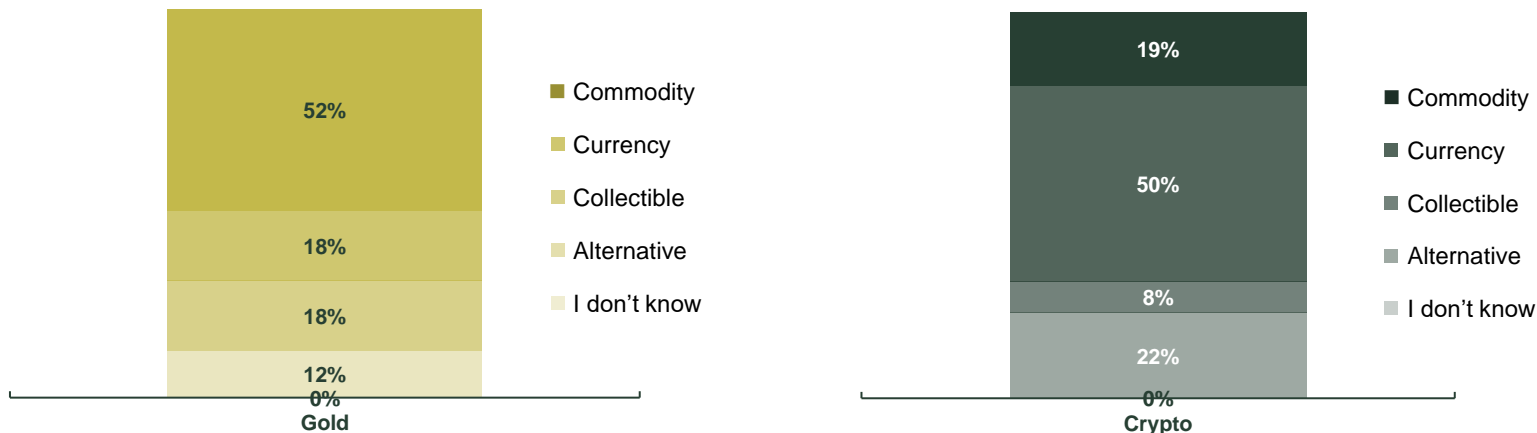
Question asked:

For each of the following investments, which category do you consider to be the best fit? Base size: \$250K+. Total=1502

How Financial Advisors Categorize Gold and Crypto

52% of financial advisors categorize gold as a commodity; 50% categorize crypto as a currency and 22% categorize it as an alternative.

Categorization Among Financial Advisors



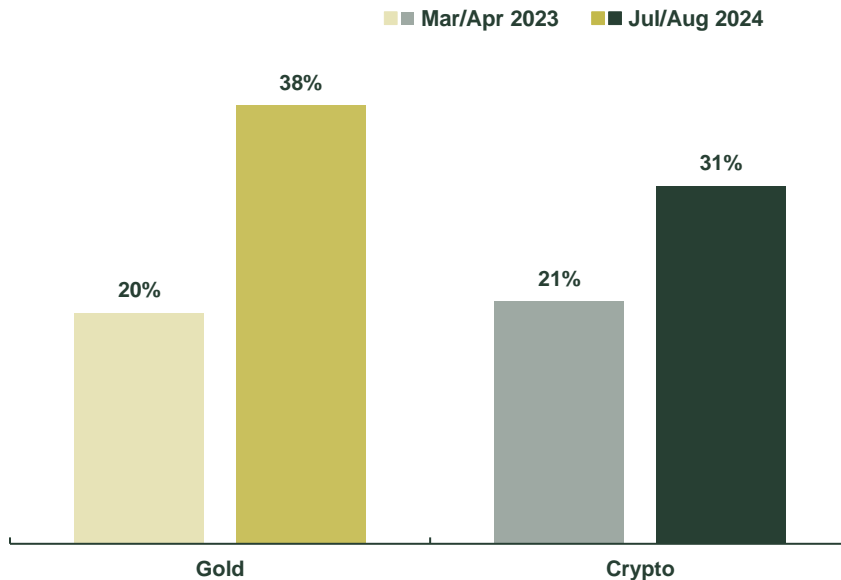
Question asked:
For each of the following investments, which category do you consider to be the best fit? Base size: 299

HNW Investors' Allocations to Gold and Crypto Increase

The percentage of HNW investors holding gold has increased 90% over 15 months — up from 20% in Mar/Apr 2023 to 38% in Jul/Aug 2024.

And the percentage of those invested in crypto has increased by nearly 50% over that same period — up from 21% to 31%.

Percentage of HNW Investors With Gold or Crypto Portfolio Allocations

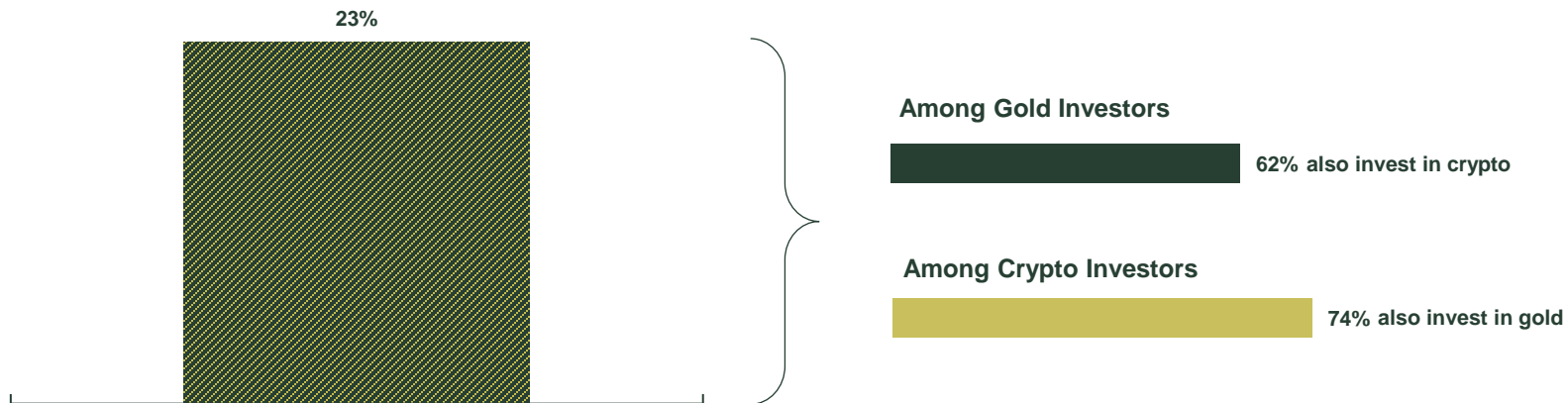


Question asked: Do you currently have the following in your investment portfolio? (Mar/Apr 2023=1,000, Jul/Aug 2024=1,502)

23% of HNW Investors Hold Gold and Crypto

Nearly one-quarter (23%) of investors have both gold and crypto in their portfolios. Those invested in crypto are more likely to have gold in their portfolios (74%) than those invested in gold are to have crypto (62%).

Percentage Who Have Both Gold and Crypto in Their Portfolios



Question asked: Do you currently have the following in your investment portfolio? (Total: 1,502)

Gold and Crypto Play Distinct Roles in HNW Investors' Portfolios

Among investors who invest in **both** gold and crypto, gold most often plays the following roles:

- 88% Safe haven
- 87% Hedge for market corrections and recessions
- 86% Inflation hedge
- 82% Hedge for market volatility

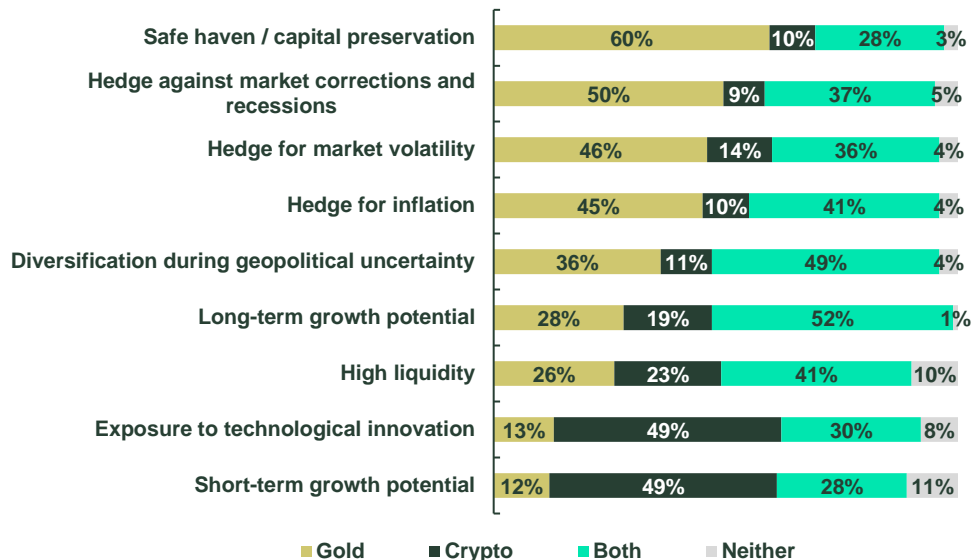
And crypto most often plays the role of:

- 79% Exposure to technological innovation
- 77% Short-term growth potential

This suggests there is room for both assets in HNW investors' portfolios.

Notably, **52%** see both asset classes offering long-term growth potential.

The Role of Each Asset Class in HNW Investors' Portfolios



Question asked: For each of the following investment strategies, please indicate whether gold, crypto/bitcoin, both or neither play that role in your portfolio? (Invested in Both: 351)

Gold and Crypto Play Distinct Roles in Emerging Affluent Investors' Portfolios

Among emerging affluent investors who invest in both gold and crypto, gold most often plays the following roles in a portfolio:

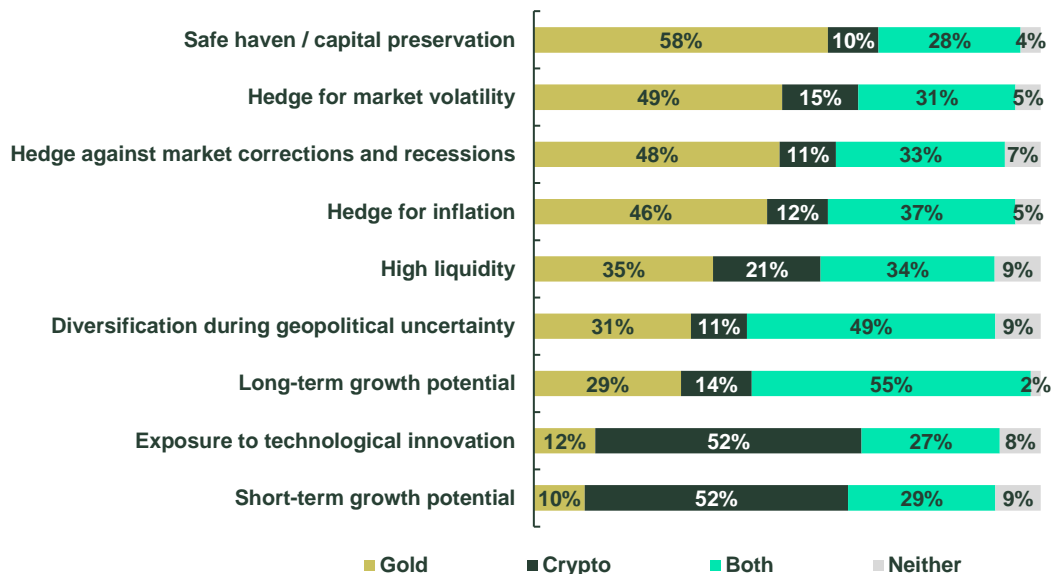
- 86% Safe haven
- 83% Inflation hedge
- 81% Hedge for market corrections and recessions
- 80% Hedge for market volatility

And crypto most often plays the role of:

- 81% Short-term growth potential
- 79% Exposure to technological innovation

More than half of emerging affluent investors see both asset classes offering long-term growth potential.

The Role of Each Asset Class in Emerging Affluent Investors' Portfolios



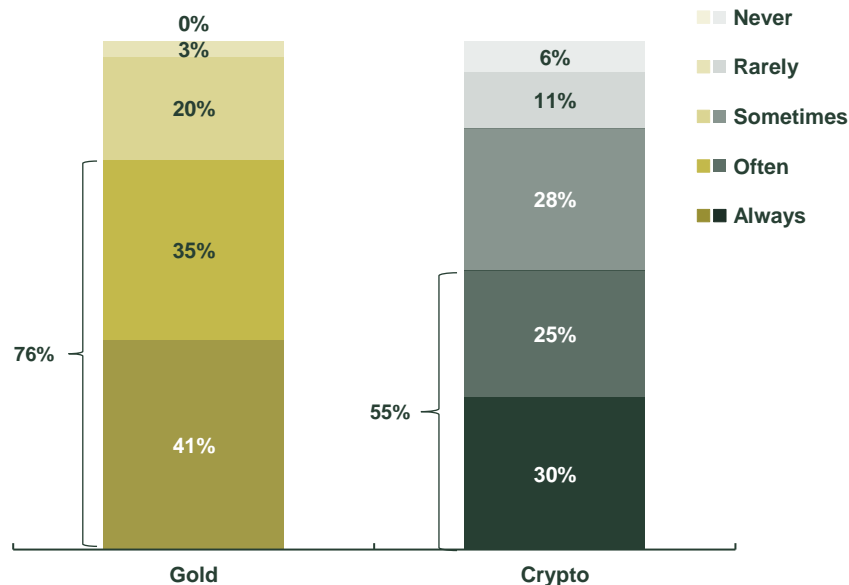
Question asked: For each of the following investment strategies, please indicate whether gold, crypto/bitcoin, both or neither play that role in your portfolio? Base size is \$50-\$249K invested in both = 241

More Advisors Recommend Gold Than Crypto

76% of advisors always or often recommend that clients have gold in their investment portfolios, while only 55% of financial advisors always or often recommend that clients own crypto.

And 17% of advisors say they rarely or never recommend crypto.

How Often Advisors Recommend Gold versus Crypto

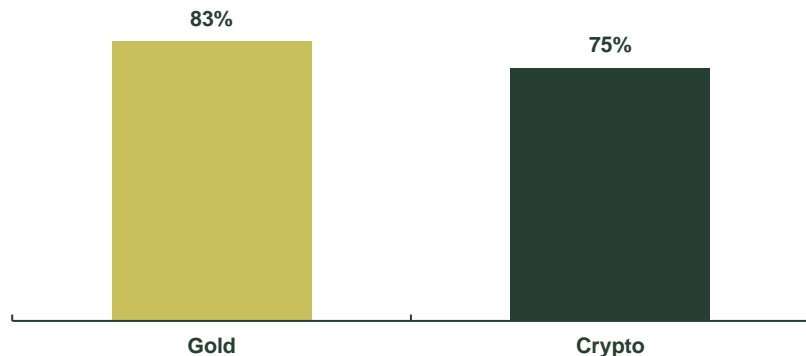


Question asked: How often do you recommend that clients have each of the following in their investment portfolios? (Total: 299)

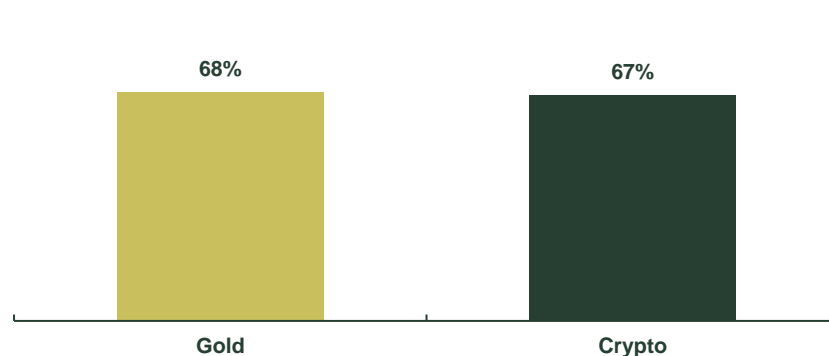
Advisors Likely to Recommend Increased Allocations to Both Gold and Crypto

Fewer advisors recommend crypto be 10% or more of clients' portfolios (83% compared to 75%, respectively). That said, an equal proportion of advisors say they are likely to recommend clients increase their investment in crypto and gold over the next 6-12 months.*

Percentage of Advisors Who Recommend 10% or More in Portfolio



Percentage of Advisors Likely† to Recommend Clients Increase Investment



* Study conducted between July and August 2024

† Significantly and slightly

Questions asked: Approximately what percent of a portfolio do you typically recommend is invested in gold? (Recommend Gold at Least Rarely: 298)

Approximately what percent of a portfolio do you typically recommend is invested in crypto/bitcoin? (Recommend Crypto/Bitcoin at Least Rarely: 298)

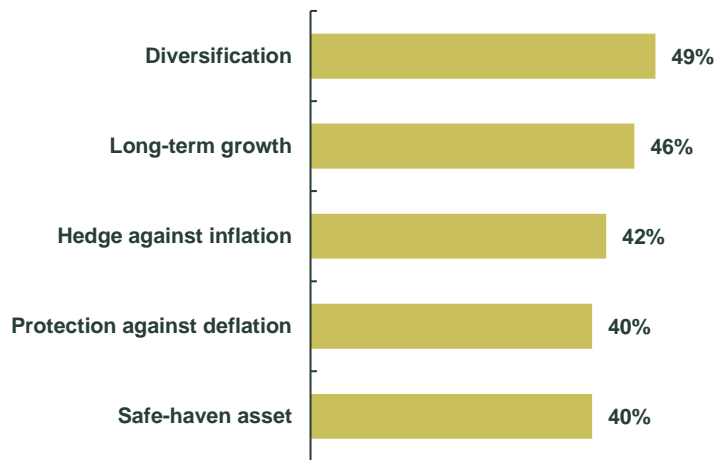
What are you likely to recommend that your clients do with their investment in gold over the next 6-12 months? (Recommend Gold at Least Rarely: 280)

What are you likely to recommend that your clients do with their investment in crypto/bitcoin over the next 6-12 months? (Recommend Crypto/Bitcoin at Least Rarely: 280)

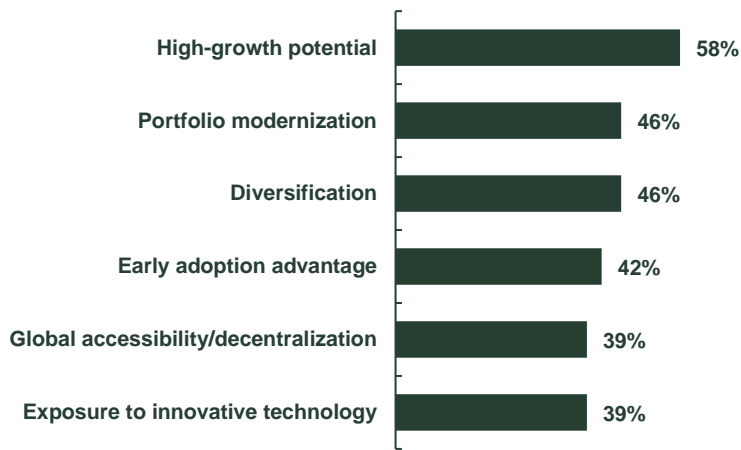
Crypto More Likely to Be Recommended for Its High Growth Potential

The greatest proportion of advisors say they recommend crypto to clients due to its high growth potential (58%), followed by portfolio modernization (46%) and diversification (46%). Diversification is the top reason why financial advisors recommend gold (49%).

Top 5 Reasons Advisors Recommend Gold



Top 5 Reasons Advisors Recommend Crypto



Questions asked:

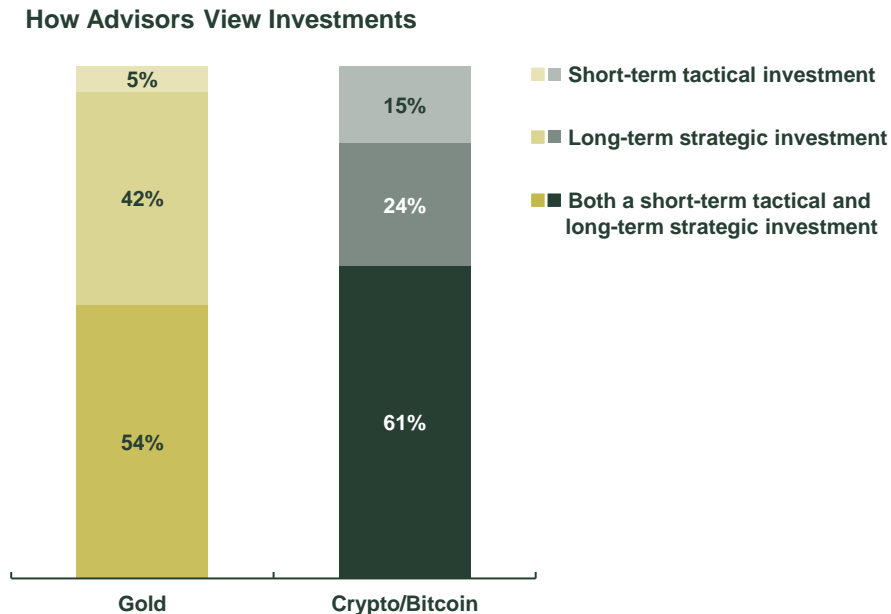
Why do you recommend investing in gold to clients? (Recommend Gold at Least Rarely: 298)

Why do you recommend investing in crypto/bitcoin to clients? (Recommend Crypto/Bitcoin at Least Rarely: 280)

Advisors More Likely to View Crypto as Both a Short- and Long-term Investment

Significantly more advisors view crypto as both a short-term tactical and long-term strategic investment than gold (61% versus 54%, respectively). However:

- Significantly more view gold as a long-term strategic investment than crypto (42% vs. 24%, respectively).
- Significantly more view crypto as a short-term tactical investment than gold (15% vs. 5%, respectively).



Questions asked:

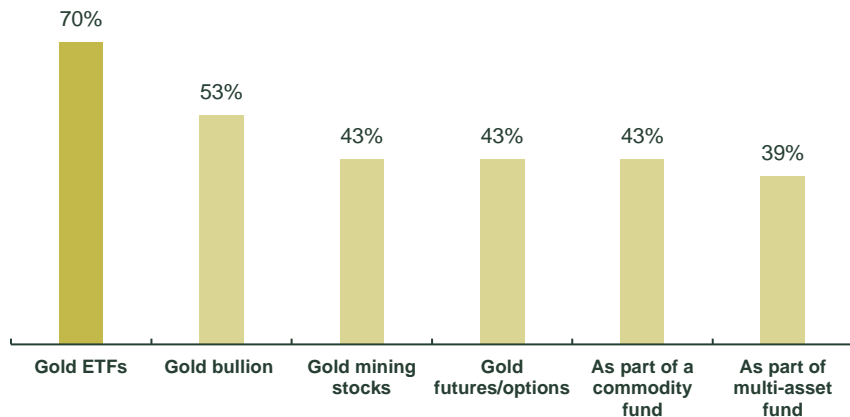
How do you view investing in gold? (Recommend Gold at Least Rarely: 298)

How do you view investing in crypto/bitcoin? (Recommend Crypto/Bitcoin at Least Rarely: 280)

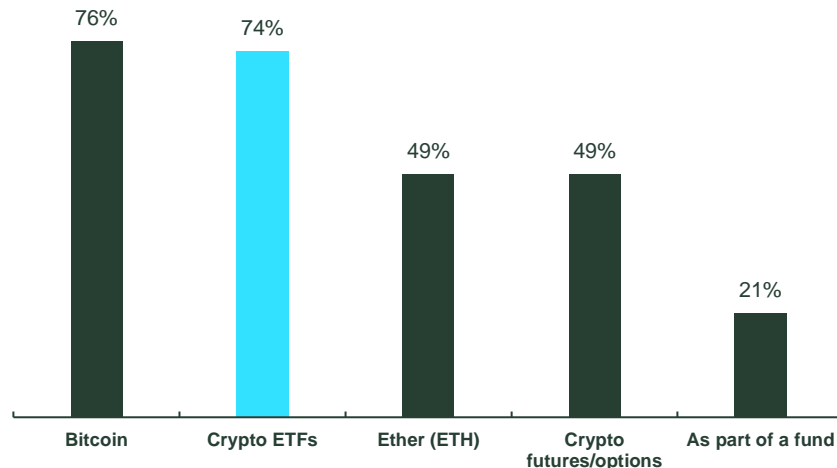
Crypto ETFs Just as Likely to Be Recommended as Gold ETFs

When recommending a crypto investment to clients, the greatest proportion of advisors suggest bitcoin (76%) and crypto ETFs (74%). Following these two crypto investment vehicles, 49% recommend Ether and crypto futures/options.

How Advisors Recommend Investing in Gold



How Advisors Recommend Investing in Crypto



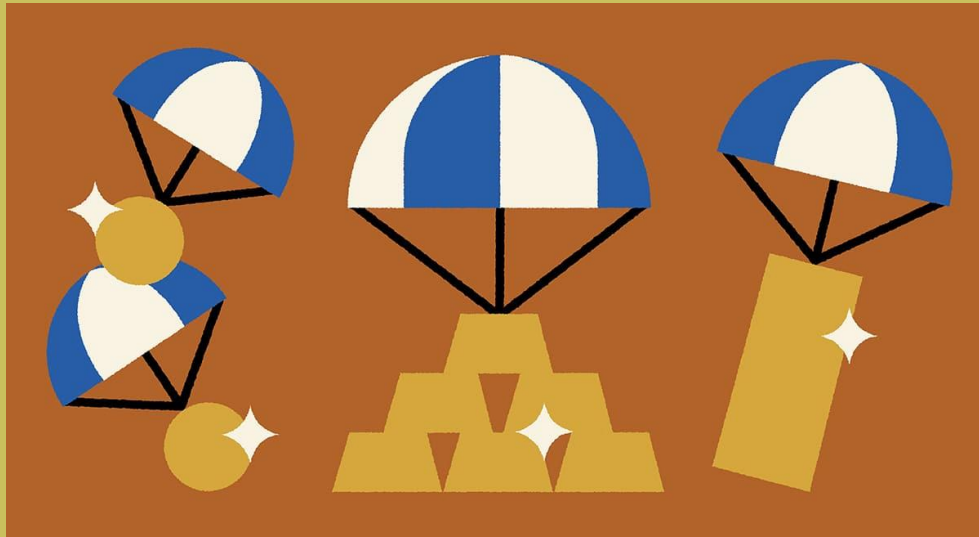
Questions asked:

Which of the following ways do you recommend investing in gold to clients? (Recommend Gold at Least Rarely: 298)

Which of the following ways do you recommend investing in crypto/bitcoin to clients? (Recommend Crypto/Bitcoin at Least Rarely: 280)

Looking to Strike Gold?

Tap Into Gold ETF Investment Opportunities



Get gold-related education and our latest insights.

Appendix

Study Methodology, Sample, and Profiling

Study Methodology and Sample

The State Street Global Advisors Research Center, in partnership with field partners A2Bplanning and Prodege, conducted a US online study in July and August 2024 among a random sample of survey participants to assess the attitudes and behaviors around investing in gold and gold ETFs.

Data was collected from the following:

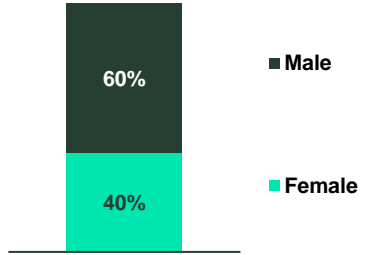
- **1,502 high net worth investors with \$250K or more in investable assets**
- **1,500 emerging affluent investors with \$49K-\$249K in investable assets**
- **299 financial advisors with \$50M or more in assets under management**

This study further builds on research conducted with individual investors in March and April 2023. For the 2024 Gold ETF Impact Study, State Street Global Advisors Research Center expanded the scope to include emerging affluent and financial professionals.

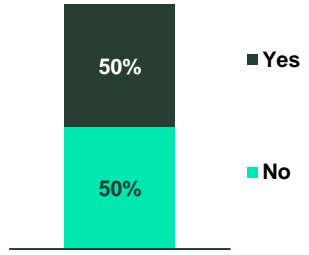
Profile of Investors in This Study

HNW Investors

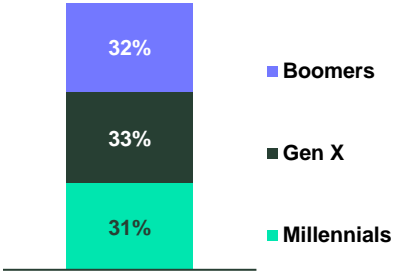
Gender Demographics



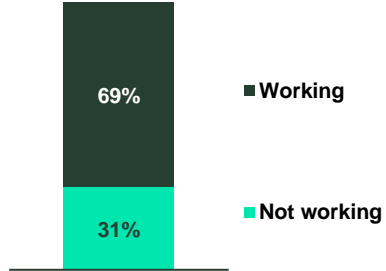
Use of Financial Advisor



Generational Demographics

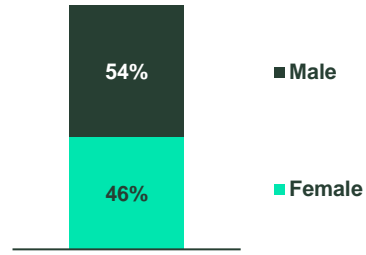


Employment

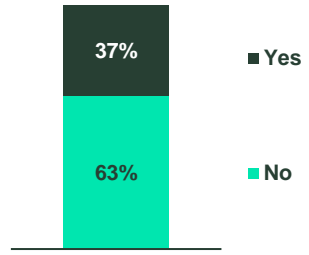


Emerging Affluent Investors

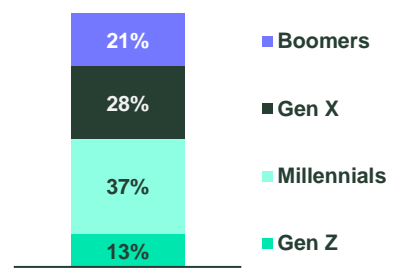
Gender Demographics



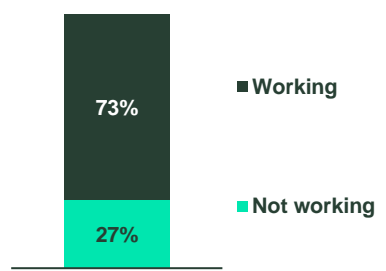
Use of Financial Advisor



Generational Demographics

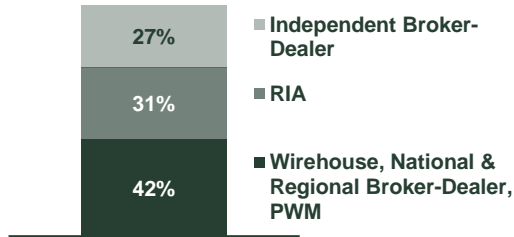


Employment

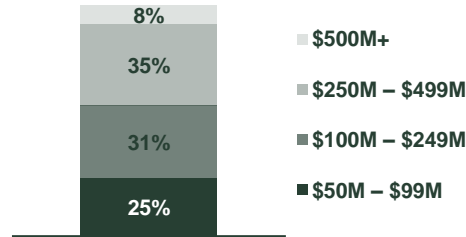


Profile of Advisors in This Study

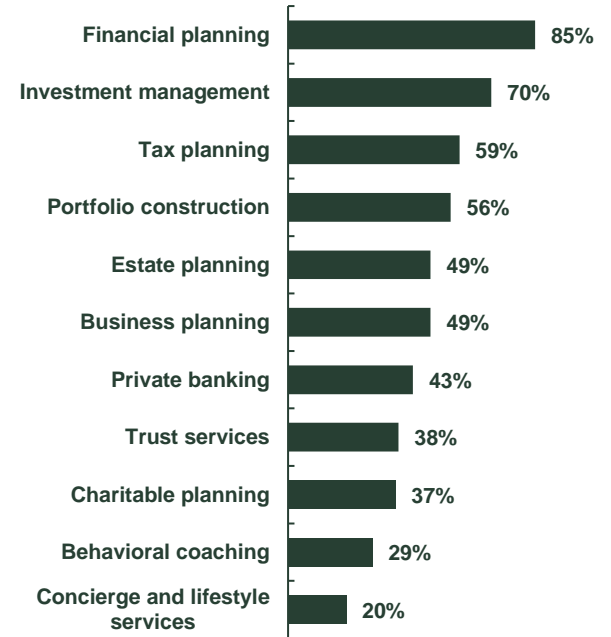
Firm Type



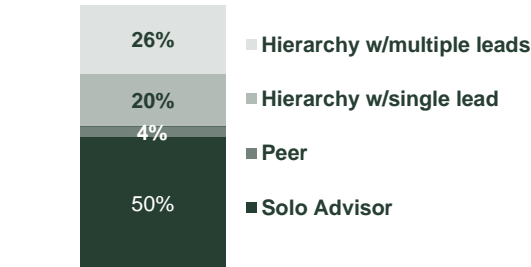
AUM



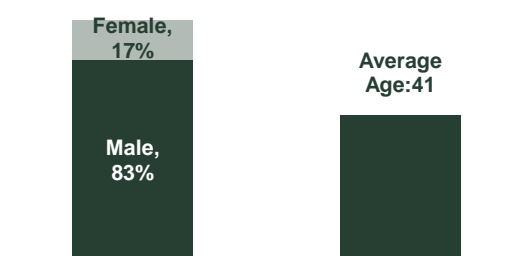
Services Offered



Structure



Demographics



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Commodities and commodity-index linked securities may be affected by changes in overall market movements, changes in interest rates, and other factors such as weather, disease, embargoes, or political and regulatory developments, as well as trading activity of speculators and arbitrageurs in the underlying commodities.

Frequent trading of ETFs could significantly increase commissions and other costs such that they may offset any savings from low fees or costs.

Diversification does not ensure a profit or guarantee against loss.

Investing in commodities entails significant risk and is not appropriate for all investors.

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