



Gold Market Manipulation Update

Chris Powell, Secretary/Treasurer
Gold Anti-Trust Action Committee Inc.
CPowell@GATA.org

*New Orleans Investment Conference
November 2025*



Exchange Stabilization Fund

The Exchange Stabilization Fund (ESF) consists of three types of assets: U.S. dollars, foreign currencies, and Special Drawing Rights (SDRs), which is an international reserve asset created by the International Monetary Fund.

The ESF can be used to purchase or sell foreign currencies, to hold U.S. foreign exchange and Special Drawing Rights (SDR) assets, and to provide financing to foreign governments. All operations of the ESF require the explicit authorization of the Secretary of the Treasury ("the Secretary").

The Secretary is responsible for the formulation and implementation of U.S. international monetary and financial policy, including exchange market intervention policy. The ESF helps the Secretary to carry out these responsibilities. By law, the Secretary has considerable discretion in the use of ESF resources.

The legal basis of the ESF is the Gold Reserve Act of 1934. As amended in the late 1970s, the Act provides in part that "the Department of the Treasury has a stabilization fund ... Consistent with the obligations of the Government in the International Monetary Fund (IMF) on orderly exchange arrangements and an orderly system of exchange rates, the Secretary ..., with the approval of the President, may deal in gold, foreign exchange, and other instruments of credit and securities.



The Federal Reserve Board

Testimony of Chairman Alan Greenspan

The regulation of OTC derivatives

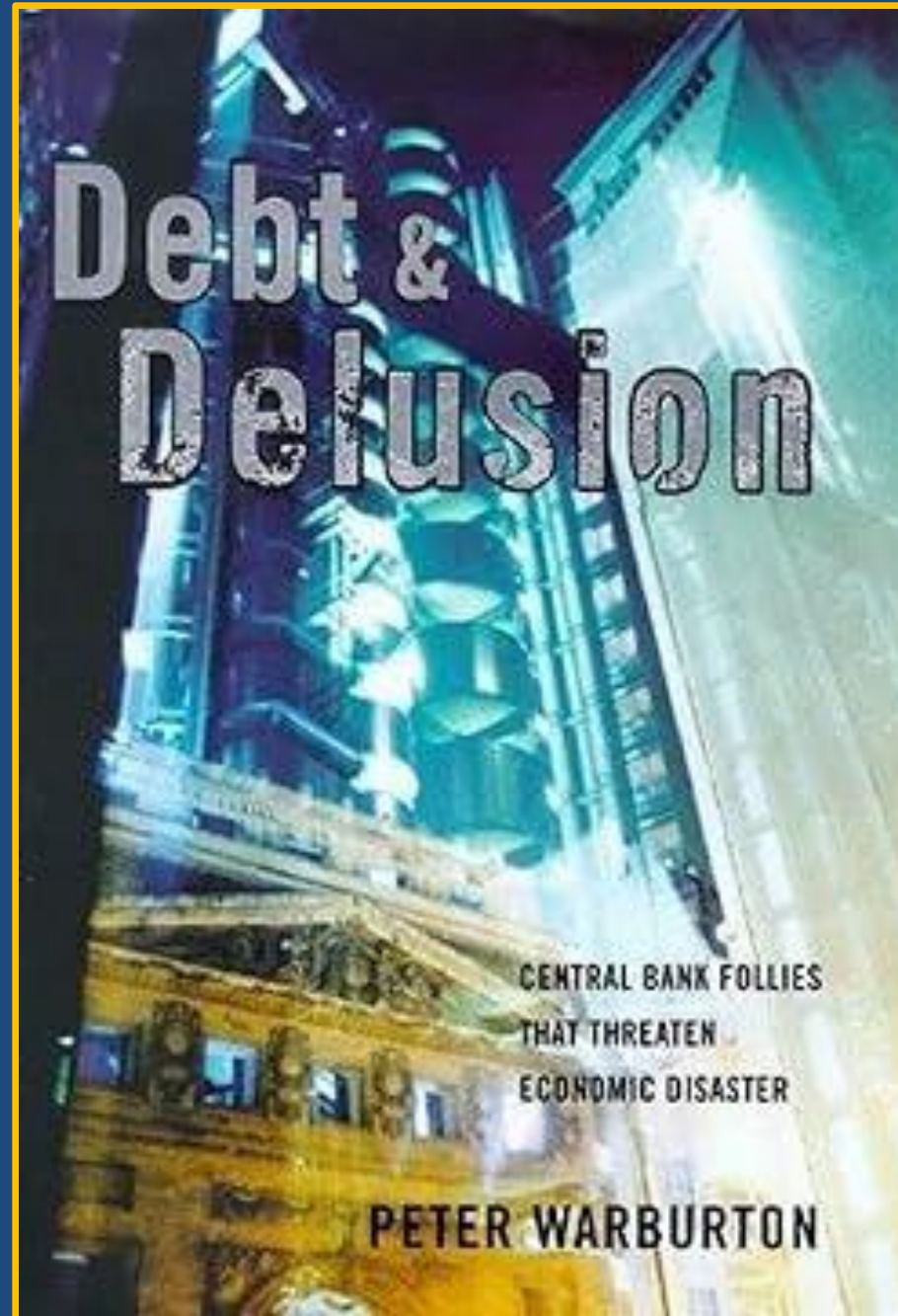
Before the Committee on Banking and Financial Services, U.S. House of Representatives

July 24, 1998

I am pleased to be here today to present the Federal Reserve Board's views on the regulation of over-the-counter (OTC) derivatives. Under Secretary Hawke has already addressed the specific questions raised in your letter of invitation. The Board generally agrees with the Treasury Department's views on these issues. In particular, the Board supports a standstill of attempts by the Commodity Futures Trading Commission (CFTC) to impose new regulations on OTC derivatives as a minimalist approach to our longstanding concerns about CFTC assertions of authority in this area.¹ In my testimony I shall step back from these issues of immediate concern and address the fundamental underlying issue, that is, whether it is appropriate to apply the Commodity Exchange Act (CEA) to over-the-counter derivatives (and, indeed, to financial derivatives generally) in order to achieve the CEA's objectives--deterring market manipulation and protecting investors.

THE 1998
GOLD
BOOK
ANNUAL

Frank Venaroso



London Gold Pool

From Wikipedia, the free encyclopedia



WIKIPEDIA
The Free Encyclopedia

The **London Gold Pool** was the pooling of [gold reserves](#) by a group of eight [central banks](#) in the United States and seven European countries that agreed on 1 November 1961 to cooperate in maintaining the [Bretton Woods System](#) of fixed-rate convertible currencies and defending a gold price of US\$35 per [troy ounce](#) by interventions in the [London gold market](#).

The central banks coordinated concerted methods of gold sales to balance spikes in the market price of gold as determined by the London morning [gold fixing](#) while buying gold on price weaknesses. The United States provided 50% of the required gold supply for sale. The price controls were successful for six years until the system became no longer workable. The pegged price of gold was too low, and after runs on [gold](#), the British pound, and the US dollar occurred, France decided to withdraw from the pool. The London Gold Pool collapsed in March 1968.

The London Gold Pool controls were followed with an effort to suppress the gold price with a two-tier system of official exchange and open market transactions, but this *gold window* collapsed in 1971 with the



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

KEVIN M. WARSH
MEMBER OF THE BOARD

September 17, 2009

Mr. William J. Olson
William J. Olson, P.C.
370 Maple Avenue West
Suite 4
Vienna, VA 22180-5615

Dear Mr. Olson:

This is in response to your letter dated and received by the Board's Freedom of Information office on August 20, 2009, in which you appeal, on behalf of the Gold Anti-Trust Action Committee ("GATA"), pursuant to 12 CFR 261.13(i), the determination of the Secretary of the Board ("Secretary") on your request under the Freedom of Information Act ("the Act" or "FOIA"), 5 U.S.C. § 552. By letter dated April 14, 2009, you requested documents from January 1, 1990, to the date of your letter, "relating to, explaining, denying or otherwise mentioning: 'gold swap'; 'gold swaps'; 'gold swapped'; 'proposed gold swap'; 'proposed gold swaps'; or 'proposed gold swapped', either involving the

Gold and Foreign Exchange Committee
Discussion on Gold Market
April 7, 1997

Dino Kos

Plenderleith (Chairman, United Kingdom), welcomed everyone and asked Smeeton to start off the discussion on recent developments in the gold market.

Smeeton (United Kingdom) noted that the gold market is not as depressed as the price would suggest. Gold itself is not in a bear market. Physical demand is high. Mining activity is also quite high. The Bank of England recently released, for the first time, statistics that it has collected for many years, on trading volume in the London market. In May 1996, the market traded the equivalent of \$3 billion of gold daily. Swap deals accounted for 75 percent of the volume. London also serves as a settlement point for gold. Last year London settled 950 tonnes of gold daily -- or roughly \$10 billion -- giving some scope for the volume of trading outside of London as well. He noted that gold had traditionally been a secretive market and some dealers had even resisted releasing this information, but most thought release was helpful in demonstrating the market's resilience even though the price has been sluggish.

Smeeton, however, was bearish on the near-term prospects for the price of gold. Central banks were running low inflation policies that made gold less attractive to investors. A second worry surrounded the EMU process, and the expectation that European central banks would sell gold to help meet Maastricht debt targets. The recent Dutch sale had only aggravated this worry. The ongoing rumors of selling by the Dutch and Belgian central banks, and the change in attitude toward gold by the Swiss National Bank, had created an environment where hedge funds and others found it attractive to play gold from the short side.

Gold leasing was also a prominent piece of the market, whose growth central banks were very much a part of. The central banks, in turn, had been responding to pressures that they turn a non-earning asset into one that generates at least some positive return. Smeeton estimated that roughly one year's worth of production had already been sold forward. Central banks mostly lent gold at maturities of 3-6 months, but some central banks sought to enhance returns by lending at longer tenors. Smeeton noted that central banks had some responsibility for the gold leasing market since it was their activity which made that market



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Federal Reserve System
Washington, DC 20551

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Federal Reserve Bank of Richmond
Richmond, VA

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Craig J. Detany
Authorized Signature

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SM/99/65

March 10, 1999

To: Members of the Executive Board

From: The Secretary

Subject: **Second Review of the Special Data Dissemination Standard—
Further Considerations**

Attached for consideration by the Executive Directors is a paper on further considerations relating to the second review of the Special Data Dissemination Standard, which is tentatively scheduled for discussion on Tuesday, March 23, 1999. Issues for discussion appear on pages 12 and 13.

It is intended to release this document to the Bank for International Settlements (BIS), the Organization for Economic Cooperation and Development (OECD), the African Development

Past and future of central bank cooperation

Opening remarks

W R White¹

Let me begin this meeting by welcoming all of you, both central bankers and academics, to this conference on the "Past and future of central bank cooperation". This is the fourth in a series of annual conferences, all of which have been based on the premise that these two communities have a great deal to learn from each other. In particular, we feel that the central bankers, who are on the firing line of public policy, have some comparative advantage in identifying the issues that need analysis. The academics, in turn, have a similar advantage with respect to analytical tools, rigour and sometimes, quite simply, the time to do the thinking required.

In this spirit, **participation** in the conference this year does mark a further step forward. Whereas in the past we primarily invited academic economists and economic historians, this year we have extended the writ to a number of political scientists interested in political and other processes, and the development of institutions to support such processes. I am pleased about this, in part because I have felt for a long time (and I think there is evidence to back this up) that the multidisciplinary approach often leads to big breakthroughs in terms of understanding. But, more particularly, I am also pleased because it responds to a specific concern that I have had for many years here at the BIS. Namely that, as we were trying over the years to make the BIS more relevant and useful to the global community, we were relying too much on the views of economists, like myself, with no real training in such organisational matters. As I mentioned to Ethan Kapstein a number of years ago, I thought we needed help and this conference might be the first step down that path.

As to the choice of the **particular topic** for this conference, it was in a way a "no brainer" given that this year marks the 75th anniversary of the founding of the BIS. Since the BIS has been in the central bank cooperation business since its start, the idea of a conference to look back at past successes and failures, and what we could learn from them, had an obvious appeal. Looking forward, there was also a sense that changes in the structure of international financial markets had likely made the issue of international cooperation among central banks of even greater interest than in the past. On the one hand, it could be argued that virtually everything has an international flavour in today's "globalised" world. This might imply even more work for central banks and regulatory agencies to resolve problems of mutual interest. On the other hand, however, with deregulated markets playing a bigger role than ever, and floating exchange rates increasingly the rule, one could also argue that the need for international cooperation has now been much reduced. In a nutshell, if central banks are focussed on domestic price stability, and if domestic financial stability is assured by adequate governance and regulatory standards (albeit likely to be internationally negotiated), what further role is there for international cooperation? Moreover, it could also be posited that the narrower domestic mandate of central banks will further reduce the scope for international central bank cooperation as well.

Before turning briefly to an assessment of past efforts and likely future challenges, it is perhaps worth spending a minute on what is meant by **central bank cooperation**. I think that the terminology developed for domestic monetary policy might have some uses here; namely, the ultimate objectives, the intermediate objectives and the operational instruments. The ultimate objectives have always been monetary and financial stability, though clearly the focus of attention has often shifted over the years. The intermediate objectives of central bank cooperation are more varied. First, better joint decisions, in the relatively rare circumstances where such coordinated action is called for. Second, a clear understanding of the policy issues as they affect central banks. Hopefully, this would reflect common beliefs, but even a clear understanding of differences of views can sometimes be useful. Third, the

¹ Economic Adviser, Head of Monetary and Economic Department, BIS.



Our products

On
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sheet

Money Markets

- Fixed and floating rate deposits
- Call/notice accounts

Tradable Instruments

- FIXBIS (up to 1 year)
- MTI & Callable MTI (1 - 10 years)

Forex & Gold Services

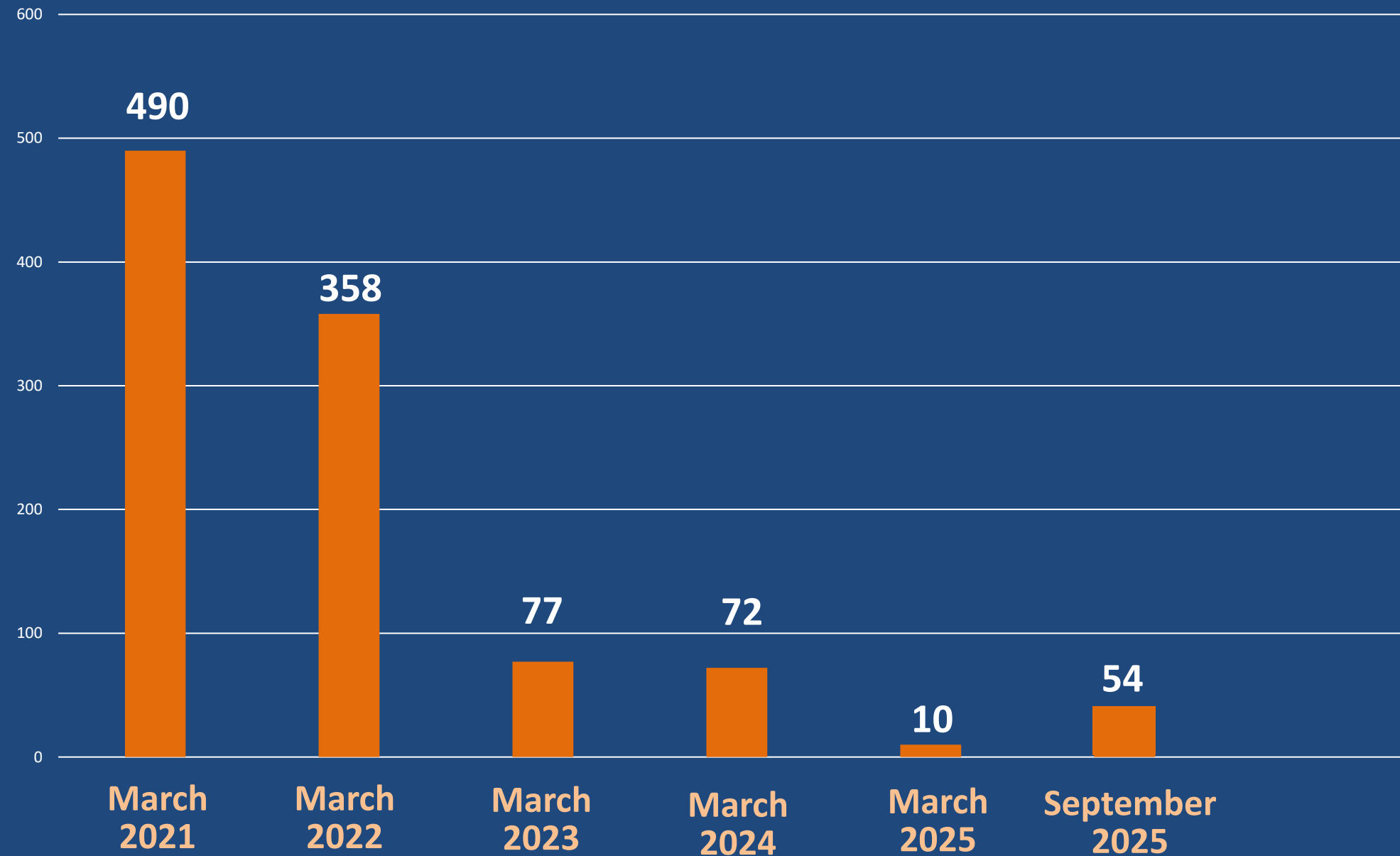
- Interventions
- Commercial orders
- Currency allocation
- Dual currency deposits

Off
balance
sheet

Asset Management

- Dedicated portfolios
- BIS Investment Pool (BISIP)

BIS gold swaps from March 2021-2025 annual statements plus September 2025 monthly statement (in tonnes)





THE WALL STREET JOURNAL.

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What's News

Business & Finance

Benchmark sued Uber Ex-CEO Kalanick in an effort to oust him from the board, in a clash between two of the company's most powerful shareholders. **A1**

Cher's final bid said he would step aside from his daily role as senior vice president of operations. **B1**

Trump's loss nearly quadrupled amid slowing sales and user growth, spurred by competition from Facebook. Shares slid 17% after hours. **B1**

Google canceled a companywide meeting about diversity just before it was set to begin Thursday, citing safety concerns. **B1**

Wells Fargo's board plans a shake-up that is likely to include Stephen Stanger stepping down as nonexecutive chairman. **B1**

Blackstone's Invitation Homes and Diamond View point, two of the country's largest retail home owners, have agreed to merge. **B1**

Realities in U.S. stocks accelerated, with the Dow shedding 204.69 points, or 0.9%, to 23,448.02. **B1**

The CBO's VIX, an index known as Wall Street's "fear gauge," rose to its highest level of the year. **B1**

Mary's and Kelly's union



President Donald Trump and Vice President Mike Pence spoke Thursday at Mr. Trump's golf club in Bedminster, N.J., before a security briefing.

Trump Steps Up Rhetoric

President says his fire and fury threat to North Korea wasn't tough enough

"They've been using this to our country for a long time, for many years, and it's about time that somebody stood up for the people of this country and for the people of other countries."

By Paul Sommer in Washington and Louise Boudreau in Bridgewater, N.J.

"Final answer" if it persisted in threatening the country—lets have the U.S.'s chestnuts.

Some argue the U.S. at this stage must tolerate North Korea as a nuclear power and try to manage it, as the U.S. did with the Soviet Union and China before it, because a war would be catastrophic, others argue that would be a dangerous approach, leaving the U.S.

Mr. Trump pledged to ease his stance on trade with China, North Korea, he said the U.S. won't be tough enough.

Asked what statement would

President Donald Trump, facing defiance from North Korea and resistance from China, after his threat to unleash "fire and fury" at Pyongyang, said

Fed Has 6,200 Tons of Gold in New York Basement—Or Does It?

Central bank's parsimony with details feeds endless conspiracy among gold bugs

By KATY BURNIE

Eighty feet below the streets of lower Manhattan, a Federal Reserve vault protected by armed guards contains about 6,200 tons of gold.

Or doesn't.

The Fed tells visitors its basement vault holds the world's biggest official gold stash and values it at \$240 billion to \$260 billion.

But "no one at all can be sure the gold is really there except Fed employees with access," said Roman

Manly, a precious-metals analyst at gold dealer BullionStar in Singapore. If it is all there, he said, the central bank has "never in its history provided any proof."

Mr. Manly is among gold aficionados who wonder if the bank is hiding something about what it is hiding.

Other theorists suspect the gold beneath the New York Fed's headquarters at 33 Liberty St. may be gold-plated fakes. Some conspiracy-minded investors think the Fed has been secretly leasing out the gold to manipulate prices.

"There has to have been a central bank spewing their gold into the market," said John Embry, an investment strategist for Sprott Asset Management in Toronto until 2014 who once managed its gold fund.

"The gold price didn't act
Please see GOLD page A7



A gold bar

Eric Sprott



China Courts Foreign Gold Reserves to Boost Global Clout

By Bloomberg News

September 23, 2025 at 4:15 AM EDT

Updated on September 23, 2025 at 9:43 AM EDT

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✦ Takeaways by Bloomberg AI

Hide ^

- China aims to become custodian of foreign sovereign gold reserves to strengthen its standing in the global bullion market, according to people familiar with the matter.
- The People's Bank of China is using the Shanghai Gold Exchange to court central banks in friendly countries to buy bullion and store it within the country's borders.
- The move would enhance Beijing's role in the global financial system, furthering its goal of establishing a world that's less dependent on the dollar and Western centers.

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**FOREIGN RELATIONS OF THE UNITED STATES, 1969–1976, VOLUME
XXXI, FOREIGN ECONOMIC POLICY, 1973–1976**

**63. Minutes of Secretary of State Kissinger's
Principals and Regionals Staff Meeting¹**

Washington, April 25, 1974, 3:13–4:16 p.m.

[Omitted here is discussion unrelated to international
monetary policy.]

Secretary Kissinger: Now we've got Enders, Lord and Hartman.
They'll speak separately or together. (Laughter.)



For More Information

www.GATA.org

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Thank you