

Note: The gold supply and demand balance and other demand data in this document have been compiled by GFMS for the World Gold Council (WGC). GFMS is publishing the data for the fourth quarter. The figures here are those that were released in February 2004. A revised set of statistics will appear in *Gold Survey 2004* to be published on 15th April.

Summary Table - World Gold Supply & Demand

tonnes			Change						Change
	2002	2003*	change	Q402	Q103	Q203	Q303	Q403*	y-o-y
Supply									
Mine production	2,592	2,601	0.4%	682	593	643	713	653	-4.3%
Official sector sales	559	591	5.8%	190	159	141	142	149	-21.5%
Net producer hedging	-	-	n/a	-	-	-	1	-	n/a
Old gold scrap	834	940	12.7%	230	272	230	209	228	-0.7%
Total Supply	3,984	4,133	3.7%	1,102	1,024	1,014	1,065	1,030	5.9%
Demand									
Fabrication									
Jewellery	2,689	2,547	-5.3%	737	581	664	654	648	-12.1%
Other	483	507	4.9%	125	135	127	126	119	-5.2%
Total Fabrication	3,172	3,054	-3.7%	862	716	792	779	767	-11.1%
Bar hoarding	252	178	-29.6%	58	24	56	42	56	-3.6%
Net producer de-hedging	423	310	-26.7%	158	125	126	-	60	-61.7%
Implied net investment	137	591	330.3%	24	160	40	244	147	520.2%
Total Demand	3,984	4,133	3.7%	1,102	1,024	1,014	1,065	1,030	-6.5%
London PM fix (US\$/oz)	309.68	363.32	17.3%	321.87	352.09	346.90	363.16	391.06	21.5%

Totals may not add due to independent rounding. Net producer hedging is the change in the physical market impact of mining companies' gold loans, forwards and options positions. Implied net investment is the residual from combining all of the other GFMS data on gold supply/demand as shown in the Summary Table. As such, it captures the net physical impact of all transactions not covered by the other supply/demand variables. * Provisional.

Consumption & Retail Investment

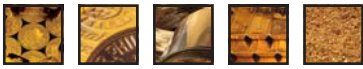
tonnes			Change						Change
	2002	2003	y-o-y	02.Q4	03.Q1	03.Q2	03.Q3	03.Q4*	y-o-y
Total	3,026.4	2,848.4	-5.9%	961.2	637.9	702.7	677.3	830.5	-13.6%
Jewellery	2,688.9	2,546.8	-5.3%	870.6	566.3	627.1	604.8	748.7	-14.0%
Retail investment	337.4	301.6	-10.6%	90.6	71.6	75.6	72.5	81.8	-9.7%

* provisional

Definitions:

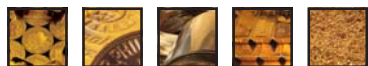
Jewellery is measured in the upper of the above two tables on a fabrication basis whereas in the lower table it is measured on a consumption basis. As a reminder to the reader, fabrication is measured at the point where pure gold is first transformed into another product. Consumption is measured at the point of purchase by the final user or customer. The latter therefore in practice represents domestic fabrication plus imports less exports adjusted for retail stock movements.

Retail investment comprises individuals' purchases of coins and bars defined according to the standard adopted by the European Union for investment gold. Medallions of at least 99% purity, wires and lumps sold in small quantities are also included. In practice this includes the initial sale of many coins destined ultimately to be considered as numismatic rather than bullion. It excludes second hand coins and is measured as net purchases.



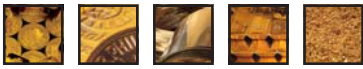
Jewellery Consumption													
tonnes	1999	2000	2001	2002	2003	02.Q1	02.Q2	02.Q3	02.Q4	03.Q1	03.Q2	03.Q3	*03.Q4
India	629.7	620.0	597.7	459.3	479.0	101.8	116.2	97.6	143.7	98.0	166.0	107.5	107.5
USA	373.9	387.3	389.3	385.6	348.0	80.2	66.1	87.7	151.7	67.3	56.0	77.5	147.2
China	215.3	205.6	203.2	199.6	201.1	55.6	44.0	46.0	54.0	55.6	38.0	50.5	57.0
Turkey	91.9	147.7	91.4	96.7	155.8	18.0	20.7	34.7	23.4	30.0	36.8	63.4	25.6
Saudi Arabia	168.7	169.8	163.4	139.3	128.2	40.4	34.5	30.0	34.4	33.5	37.3	29.4	28.0
UAE	80.8	94.3	94.9	87.9	84.2	27.1	22.7	16.3	21.8	24.5	24.3	17.6	17.8
Italy	100.7	92.1	91.2	87.6	82.3	14.3	17.4	13.0	42.9	13.3	16.1	12.3	40.6
Indonesia	109.8	86.7	97.8	92.9	82.0	23.5	22.9	25.2	21.3	17.9	22.2	23.0	18.9
UK	65.0	75.0	81.9	79.0	73.1	12.1	10.8	14.0	42.1	10.9	9.6	13.3	39.3
Egypt	137.6	128.1	115.9	82.0	66.0	19.3	18.5	23.7	20.5	17.3	14.6	18.1	16.0
Pakistan	64.0	54.1	47.0	48.1	56.0	14.6	10.3	11.0	12.2	15.6	17.2	11.2	12.0
South Korea	55.7	61.8	63.5	60.7	47.0	13.8	13.7	15.6	17.5	11.7	9.0	12.4	13.9
France	57.4	54.0	52.4	47.2	44.8	8.5	8.6	7.1	22.9	7.9	7.9	6.7	22.3
Mexico	48.6	57.8	53.7	47.8	41.7	8.1	14.7	6.7	18.3	9.6	13.3	9.3	9.5
Japan	51.9	49.8	50.6	48.6	41.3	12.5	12.2	13.0	10.9	11.3	10.7	10.3	9.0
Thailand	42.5	56.3	53.3	46.3	36.2	14.6	7.2	8.0	16.5	10.8	7.8	6.2	11.4
Brazil	42.7	48.0	40.1	36.3	28.9	8.1	10.0	8.5	9.7	7.3	7.3	7.6	6.7
Germany	48.9	43.6	39.3	34.6	28.9	5.9	6.3	5.1	17.3	4.9	5.2	4.3	14.5
Kuwait	29.6	28.5	27.1	23.1	23.7	5.7	7.2	4.8	5.4	5.1	7.8	5.2	5.6
Vietnam	18.3	21.0	23.8	24.7	22.8	7.0	4.8	5.9	7.0	5.6	4.3	5.3	7.5
Taiwan	65.6	52.5	41.0	18.9	18.8	5.3	4.0	4.3	5.3	4.4	4.5	4.6	5.4
Malaysia	18.6	19.8	19.4	19.3	17.2	4.8	3.4	4.5	6.6	4.2	3.3	3.8	5.9
Bahrain	13.5	12.3	12.7	12.0	10.8	3.1	2.8	3.1	3.0	2.1	3.0	3.2	2.5
Singapore	10.3	11.7	11.7	11.1	10.2	2.9	2.7	2.3	3.2	2.6	2.0	2.3	3.3
Hong Kong	25.2	22.8	21.5	16.9	10.0	5.0	4.5	3.7	3.7	3.5	2.5	2.0	2.0
Oman	8.1	7.8	8.0	7.5	7.1	2.0	1.8	2.1	1.7	1.8	1.6	2.3	1.5
Qatar	7.6	7.4	7.3	6.0	5.5	1.6	1.6	1.4	1.4	1.5	1.4	1.4	1.2
Total above	2,581.9	2,615.7	2,499.0	2,219.2	2,150.4	515.8	489.6	495.3	718.5	478.1	529.5	510.6	632.1
Other**	571.7	615.9	538.8	469.7	396.4	109.2	103.6	104.8	152.1	88.1	97.6	94.1	116.5
World Total	3,153.5	3,231.6	3,037.9	2,688.9	2,546.8	625.0	593.2	600.1	870.6	566.3	627.1	604.8	748.7

* provisional ** including stock changes



Retail Investment Demand														
tonnes	1998	1999	2000	2001	2002	2003	02.Q1	02.Q2	02.Q3	02.Q4	03.Q1	03.Q2	03.Q3	*03.Q4
India	116.2	101.0	103.0	104.3	88.0	89.7	17.0	19.0	20.2	31.8	16.0	31.0	21.4	21.3
Japan	55.7	108.6	55.3	63.3	93.0	53.4	44.0	17.0	17.0	15.0	14.3	9.8	9.0	20.3
Turkey	20.8	22.0	29.7	26.7	30.6	48.1	10.8	7.0	7.0	5.8	16.7	13.6	12.9	4.9
Vietnam	26.0	31.0	34.0	33.8	34.9	36.0	8.8	7.9	9.6	8.6	6.6	8.7	9.2	11.5
USA	82.0	87.2	-18.8	23.8	25.3	25.6	2.8	4.8	8.1	9.6	10.3	2.1	4.0	9.2
Other Europe	-16.3	-31.1	-59.5	10.2	10.0	21.6	1.2	1.9	1.9	5.0	9.2	2.2	4.8	5.4
China	36.0	9.7	6.9	2.4	4.3	6.5	0.9	1.1	1.1	1.2	2.1	1.6	1.4	1.5
UAE	-0.6	3.5	4.1	4.7	5.2	6.1	1.4	1.0	1.2	1.6	1.8	1.4	1.4	1.5
Saudi Arabia	8.0	4.5	4.0	2.4	3.7	4.9	0.9	0.8	0.8	1.1	1.5	1.4	1.0	1.0
Pakistan	2.0	3.0	4.0	2.0	2.4	3.5	0.6	0.4	0.5	0.9	0.8	1.2	0.7	0.8
Other Gulf**	1.9	1.3	1.1	1.2	2.2	2.5	0.6	0.3	0.6	0.8	0.7	0.4	0.6	0.8
Kuwait	10.6	4.9	-1.3	1.5	1.7	2.2	0.5	0.3	0.4	0.5	0.6	0.5	0.5	0.6
South Korea	-33.5	10.4	8.0	4.4	3.5	2.1	0.3	1.1	1.0	1.1	0.4	0.2	0.5	1.0
Mexico	2.1	4.0	2.6	3.5	1.7	1.6	0.5	0.4	0.3	0.5	0.5	0.4	0.3	0.4
Germany	25.0	-7.0	-28.0	22.0	5.7	1.4	-4.4	-5.3	9.5	5.9	3.7	-2.0	0.2	-0.5
Thailand	-38.9	-1.6	9.2	11.8	12.4	1.1	3.8	1.9	3.1	3.7	-6.1	2.9	3.2	1.0
Egypt	1.0	1.3	1.8	1.5	0.0	1.0	0.0	-0.2	0.1	0.1	0.8	0.2	0.0	0.0
Singapore	-1.5	1.1	1.0	0.5	1.0	0.8	0.2	0.2	0.3	0.3	0.2	0.2	0.3	0.2
Indonesia	-22.5	11.0	8.5	8.5	10.0	0.7	2.5	2.0	3.1	2.4	-3.3	1.4	1.5	1.1
Malaysia	-0.9	3.0	3.4	4.1	4.2	0.5	0.9	1.2	1.5	0.8	-0.7	0.4	0.4	0.5
Taiwan	-7.5	0.5	4.6	1.5	0.1	-0.3	0.5	0.0	0.3	-0.7	-0.2	0.0	0.1	-0.2
Hong Kong	-6.5	-7.7	-2.4	1.9	-3.0	-4.9	-0.5	-0.5	-1.0	-1.0	-2.0	-1.0	-1.0	-0.9
Brazil	-1.5	-2.0	-3.8	0.3	3.7	-7.5	0.0	1.7	5.5	-3.5	-1.8	-1.4	-2.3	-2.0
France	-27.0	-25.0	-35.0	-22.1	-27.6	-21.0	-8.0	-6.9	-5.7	-7.0	-7.8	-5.5	-3.9	-3.8
Total above	230.7	333.7	132.4	314.1	312.8	275.5	85.1	57.0	86.3	84.4	64.3	69.6	66.2	75.5
Other	33.0	20.0	22.8	29.5	24.6	26.0	5.8	5.8	6.8	6.2	7.4	6.0	6.3	6.3
World Total	263.7	353.7	155.2	343.7	337.4	301.6	90.9	62.8	93.1	90.6	71.6	75.6	72.5	81.8

* provisional ** comprises Bahrain, Oman & Qatar


Gold Fabrication in Industrial Applications (including the use of scrap)**

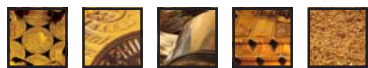
tonnes	1999	2000	2001	2002	2003	02.Q1	02.Q2	02.Q3	02.Q4	03.Q1	03.Q2	03.Q3	*03.Q4
Japan	97.4	115.6	75.2	86.2	89.4	19.5	24.7	20.8	21.2	21.6	22.2	22.6	23.0
USA	72.1	73.5	49.5	49.7	50.6	12.0	12.9	12.9	11.9	13.0	12.5	12.8	12.3
South Korea	28.3	33.1	25.0	26.8	30.5	6.8	7.4	6.2	6.4	7.5	8.7	7.2	7.3
India	23.2	26.0	31.6	23.4	22.8	3.3	3.7	7.0	9.4	4.4	7.5	5.5	5.5
Switzerland	12.8	16.4	16.6	14.6	15.3	3.6	3.7	3.7	3.6	3.6	3.8	3.9	4.0
Germany	17.7	19.4	17.0	13.9	14.7	3.6	3.5	3.4	3.4	3.9	3.6	3.5	3.7
China/HK	15.9	17.0	13.2	13.1	14.3	3.1	3.4	3.3	3.3	3.5	3.6	3.6	3.6
Taiwan	11.2	13.9	10.8	11.5	12.9	2.6	2.9	3.1	2.9	2.8	3.3	3.7	3.2
Singapore	8.3	12.0	9.5	10.0	10.4	2.0	3.0	2.3	2.7	2.4	2.5	2.6	2.9
France	13.7	13.4	11.8	9.0	8.0	2.4	2.3	2.0	2.3	2.1	2.0	2.0	1.9
Italy	7.0	6.8	6.8	6.4	6.2	1.8	1.6	1.4	1.7	1.7	1.6	1.4	1.7
UK	5.3	3.3	1.5	1.1	1.0	0.2	0.3	0.3	0.3	0.2	0.2	0.3	0.3
Total above	300.0	334.1	251.9	251.1	260.8	57.3	65.6	62.8	65.4	63.0	67.5	65.0	65.3
Other	32.7	29.3	27.4	24.9	24.7	6.0	6.5	5.8	6.5	5.7	6.0	6.1	6.9
World Total	332.7	363.3	279.3	276.0	285.4	66.9	75.9	72.3	75.5	72.2	77.3	75.0	76.2

* provisional **electronics, decorative & other industrial.

Gold Fabrication in Dentistry (including the use of scrap)

tonnes	1999	2000	2001	2002	2003	02.Q1	02.Q2	02.Q3	02.Q4	03.Q1	03.Q2	03.Q3	*03.Q4
Japan	20.0	20.8	21.2	22.7	23.4	5.5	5.6	5.8	5.8	5.9	5.9	5.9	5.9
USA	12.5	14.0	14.3	14.3	13.6	3.7	3.6	3.5	3.5	3.3	3.5	3.4	3.4
Germany	12.9	13.5	13.9	13.4	12.9	3.5	3.2	3.2	3.5	3.3	3.2	3.1	3.3
Italy	3.8	4.0	3.9	3.8	3.7	1.0	1.0	0.9	0.9	1.0	0.9	0.9	1.0
South Korea	3.1	3.7	3.6	3.7	3.5	0.9	0.9	0.9	0.9	0.9	0.8	0.9	0.9
Switzerland	3.3	3.1	2.6	2.4	3.2	0.6	0.6	0.6	0.6	0.8	0.8	0.8	0.8
Netherlands	2.8	3.0	2.9	2.7	2.6	0.7	0.7	0.6	0.6	0.7	0.7	0.6	0.6
Total above	58.4	62.1	62.4	63.0	62.9	15.9	15.7	15.6	15.9	15.9	15.8	15.5	15.8
Other	7.7	6.9	6.2	6.6	6.4	1.4	1.6	1.7	2.0	1.7	1.5	1.6	1.7
World Total	66.1	69.0	68.6	69.7	69.3	17.3	17.3	17.3	17.8	17.5	17.3	17.0	17.5

* provisional



Jewellery Consumption & Retail Investment by Country

tonnes	1999	2000	2001	2002	2003	02.Q1	02.Q2	02.Q3	02.Q4	03.Q1	03.Q2	03.Q3	*03.Q4
India	730.7	723.0	702.0	547.3	568.7	118.8	135.2	117.8	175.5	114.0	197.0	128.9	128.8
USA	461.1	368.5	413.1	410.9	373.6	83.0	70.9	95.8	161.3	77.6	58.1	81.5	156.4
China	225.0	212.5	205.6	203.9	207.6	56.5	45.1	47.1	55.2	57.7	39.6	51.9	58.5
Turkey	113.9	177.4	118.1	127.3	203.9	28.8	27.7	41.6	29.2	46.7	50.4	76.3	30.5
Saudi Arabia	173.2	173.8	165.8	143.0	133.1	41.3	35.3	30.8	35.5	35.0	38.7	30.4	29.0
Japan	160.5	105.1	113.9	141.6	94.7	56.5	29.2	30.0	25.9	25.6	20.5	19.3	29.3
UAE	84.3	98.4	99.6	93.1	90.3	28.5	23.7	17.5	23.4	26.3	25.7	19.0	19.3
Indonesia	120.8	95.2	106.3	102.9	82.7	26.0	24.9	28.3	23.7	14.6	23.6	24.5	20.0
Italy ¹	100.7	92.1	91.2	87.6	82.3	14.3	17.4	13.0	42.9	13.3	16.1	12.3	40.6
UK ¹	65.0	75.0	81.9	79.0	73.1	12.1	10.8	14.0	42.1	10.9	9.6	13.3	39.3
Egypt	138.9	129.9	117.4	82.0	67.0	19.3	18.3	23.8	20.6	18.1	14.8	18.1	16.0
Pakistan	67.0	58.1	49.0	50.5	59.5	15.2	10.7	11.5	13.1	16.4	18.4	11.9	12.8
Vietnam	49.3	55.0	57.6	59.6	58.8	15.8	12.7	15.5	15.6	12.2	13.0	14.5	19.0
South Korea	66.1	69.8	67.9	64.2	49.1	14.1	14.8	16.6	18.6	12.1	9.2	12.9	14.9
Mexico	52.6	60.4	57.2	49.5	43.3	8.6	15.1	7.0	18.8	10.1	13.7	9.6	9.9
Thailand	40.9	65.5	65.1	58.8	37.2	18.4	9.1	11.1	20.2	4.8	10.6	9.4	12.4
Germany	41.9	15.6	61.3	40.3	30.3	1.5	1.0	14.6	23.2	8.6	3.2	4.5	14.0
Other Gulf ²	30.5	28.6	29.2	27.6	25.9	7.2	6.4	7.1	6.9	6.1	6.4	7.5	6.0
Kuwait	34.5	27.2	28.6	24.8	25.8	6.2	7.5	5.2	5.9	5.7	8.3	5.7	6.2
France	32.4	19.0	30.3	19.6	23.8	0.5	1.7	1.4	15.9	0.1	2.4	2.8	18.5
Other Europe ³	-31.1	-59.5	10.2	10.0	21.6	1.2	1.9	1.9	5.0	9.2	2.2	4.8	5.4
Brazil	40.7	44.2	40.4	40.0	21.4	8.1	11.7	14.0	6.2	5.5	5.9	5.3	4.7
Taiwan	66.1	57.1	42.5	19.0	18.5	5.8	4.0	4.6	4.6	4.2	4.5	4.7	5.2
Malaysia	21.6	23.2	23.5	23.5	17.7	5.7	4.6	6.0	7.4	3.5	3.7	4.2	6.4
Singapore	11.4	12.7	12.2	12.1	11.0	3.1	2.9	2.6	3.5	2.8	2.2	2.6	3.5
Hong Kong	17.6	20.4	23.4	13.9	5.1	4.5	4.0	2.7	2.7	1.5	1.5	1.0	1.1
Total above	2,915.5	2,748.1	2,813.2	2,532.0	2,425.9	601.0	546.6	581.6	802.9	542.4	599.1	576.8	707.6
Other ⁴	591.7	638.7	568.3	494.4	422.5	115.0	109.4	111.7	158.3	95.5	103.7	100.4	122.9
World Total	3,507.2	3,386.8	3,381.5	3,026.4	2,848.4	715.9	656.0	693.2	961.2	637.9	702.7	677.3	830.5

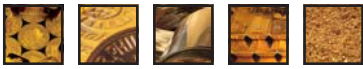
* provisional

1 jewellery only

2 comprises Bahrain, Oman & Qatar

3 retail investment only

4 including stock changes



About GFMS

GFMS Ltd is one of the world's foremost **precious metals consultancies**, specialising in research into the global gold, silver, platinum and palladium markets.

GFMS is based in London, UK, but has representation in Australia, India, China and Russia, and a vast range of contacts and associates across the world.

GFMS is credited with producing the most authoritative surveys of the gold and silver markets, the annual **Gold Survey and World Silver Survey**. Additionally this May, GFMS will publish its first edition of the **Platinum & Palladium Survey**. It also produces a range of other publications dealing with all aspects of the precious metals markets.

GFMS also provides **consultancy services** in the form of tailor-made research into selected areas of the precious metals markets. GFMS' research team of seven full-time analysts comprises qualified and experienced economists and a geologist; while four consultants contribute insights on important regional markets.

Chairman Philip Klapwijk and **CEO** Paul Walker appear regularly at internal and external conferences and seminars, and their articles have been widely published. All analysts travel regularly and extensively to stay in touch with GFMS' unrivalled network of contacts and sources of information around the world.

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