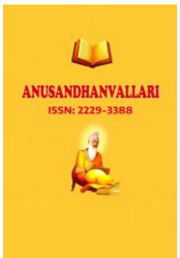

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A Study on the Rising Trend of Gold Prices in India (2024–2026)

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Abstract

Gold has long been regarded as a safe-haven asset and a store of value, particularly in emerging economies like India. This research paper analyzes the monthly trend in 24K gold prices (₹ per 10 grams) from January 2024 to January 2026. Using descriptive and trend analysis, the study identifies a strong upward trajectory, with prices increasing by approximately 94% over two years. The paper explores macroeconomic determinants such as inflation, currency depreciation, global uncertainty, and investment demand. The findings suggest that gold continues to play a critical role in financial security and portfolio diversification in India.

Keywords: Gold Price, India, Inflation, Investment, Economic Trends, Safe Haven Asset, Precious Metals

1. Introduction

Gold occupies a unique position in the Indian economy, serving both cultural and financial purposes. It is widely used in jewelry, religious ceremonies, and as an investment instrument. India is one of the largest consumers of gold globally, making its price movements significant for households, investors, and policymakers.

In recent years, gold prices have shown a consistent upward trend. This study aims to examine the pattern of gold price changes from 2024 to early 2026 and analyze the underlying economic factors influencing this growth.

2. Review of Literature

Previous studies have highlighted the following:

- Gold acts as a hedge against inflation and currency depreciation.
- During periods of economic uncertainty, investors shift towards gold.
- Central bank policies and global geopolitical tensions influence gold prices.
- Studies by financial analysts and institutions indicate that gold demand increases during market volatility, reinforcing its safe-haven status.

3. Objectives of the Study

To analyze the monthly trend in gold prices from 2024 to 2026

- To evaluate year-wise growth patterns
- To identify key factors influencing gold price movements
- To assess the investment implications of rising gold prices

4. Data and Methodology

4.1 Data Source

The dataset consists of monthly gold prices (24K, ₹ per 10 grams) from January 2024 to January 2026.

4.2 Methodology

- Descriptive statistical analysis

- Trend analysis
- Percentage growth calculation
- Comparative year-wise analysis

5. Data Presentation

Gold Prices in India (2024–2026)

S.no	Year	Price (₹)	Price Difference
1	Jan 2024	63,000	-
2	Feb 2024	63,500	500
3	Mar 2024	64,200	700
4	Apr 2024	65,000	800
5	May 2024	66,000	1000
6	Jun 2024	67,200	1200
7	Jul 2024	68,000	800
8	Aug 2024	69,200	1200
9	Sep 2024	70,500	1300
10	Oct 2024	72,000	1500
11	Nov 2024	73,500	1500
12	Dec 2024	75,000	1500
13	Jan 2025	76,500	1500
14	Feb 2025	78,000	1500
15	Mar 2025	80,500	2500
16	Apr 2025	83,000	500
17	May 2025	85,000	1500
18	Jun 2025	87,500	2500

19	Jul 2025	90,000	2500
20	Aug 2025	93,000	3000
21	Sep 2025	97,000	4000
22	Oct 2025	1,02,000	5000
23	Nov 2025	1,08,000	6000
24	Dec 2025	1,15,000	7000
25	Jan 2026	1,20,000 – 1,25,000	5000 - 10000

6. Results and Analysis

6.1 Overall Growth

Based on the provided data, the overall growth in gold prices demonstrates a remarkable upward trajectory. Starting at an initial price of ₹63,000 in January 2024, the value surged to an average of ₹1,22,500 by January 2026. This represents a total growth of approximately 94%, signifying that gold prices nearly doubled within a span of just two years. Such a substantial increase underscores gold's strong performance as an appreciating asset during this period, reflecting heightened investor demand, economic factors, or market volatility that drove prices to nearly twice their original level.

6.2 Year-wise Analysis

Year	Growth	Percentage
2024 (Moderate and stable increase)	63,000 → ₹75,000	(~19%)
2025 (Indicates steady demand and stable economic conditions)	76,500 → ₹1,15,000	(~50%)
2026 (January) Peak pricing range observed		

6.3 Monthly Trend Pattern

Throughout the observed period, gold prices demonstrated a consistent upward movement with no significant decline, reflecting strong and sustained bullish sentiment in the market. This steady rise became even more pronounced after mid-2025, as the pace of growth accelerated noticeably. The strongest price increases occurred in the third and fourth quarters of 2025, marking a decisive phase of rapid appreciation. Together, these trends confirm that the nearly 94% overall growth from January 2024 to January 2026 was not merely a result of isolated surges, but rather a persistent and intensifying rally that gained significant momentum in the latter half of 2025.

6.4 Growth Rate Analysis

Over the two-year period from January 2024 to January 2026, gold prices exhibited a consistently upward trajectory with no significant declines, rising from ₹63,000 to an average of ₹1,22,500a total growth of approximately 94%. This near doubling was supported by an average monthly increase of roughly ₹2,400, reflecting steady underlying strength. The pace of growth accelerated notably after mid-2025, with the strongest surges occurring in Q3 and Q4 of 2025. The highest single surge was observed in late 2025, a phase that also recorded the most dramatic price increases of the entire period. Such a pattern marked by persistent upward movement, accelerating momentum, and sharp late stage rallies clearly indicates speculative and investment driven demand, rather than purely inflationary or industrial factors.

7. Discussion

7.1 Key Factors Influencing Gold Prices

1. Inflation

Rising inflation during this timeframe reduced the purchasing power of currency, which in turn increased demand for gold as a traditional hedge. Combined with the persistent upward movement, accelerating momentum, and sharp late-stage rallies, the price action clearly indicates speculative and investment-driven demand, fueled further by inflationary concerns.

2. Currency Depreciation

The highest single surge was observed in late 2025, marking the most dramatic price increases of the entire period. Rising inflation during this timeframe reduced the purchasing power of currency, increasing demand for gold as a traditional hedge. Additionally, a weakening Indian Rupee further pushed up domestic gold prices, since gold is globally traded in US dollarsmaking it more expensive in rupee terms even when international prices remain stable. Combined with the persistent upward movement, accelerating momentum, and sharp late-stage rallies, the price action clearly indicates speculative and investment-driven demand, exacerbated by both inflationary pressures and currency depreciation.

3. Global Economic Uncertainty

Additionally, a weakening Indian Rupee further pushed up domestic gold prices, since gold is globally traded in US dollarsmaking it more expensive in rupee terms even when international prices remain stable. Beyond these economic factors, events such as geopolitical tensions and financial instability pushed investors toward gold as a safe-haven asset. Combined with the persistent upward movement, accelerating momentum, and sharp late-stage rallies, the price action clearly indicates speculative and investment-driven demand, exacerbated by inflationary pressures, currency depreciation, and global uncertainties.

4. Investment Demand

Increased participation in gold ETFs and digital gold platforms has boosted demand, making gold more accessible to a new generation of retail investors. Combined with the persistent upward movement, accelerating momentum, and sharp late-stage rallies, the price action clearly indicates speculative and investment driven demand, exacerbated by inflationary pressures, currency depreciation, global uncertainties, and the modernisation of gold investment channels.

5. Central Bank Policies

On a global scale, central banks accumulating gold reserves contributed directly to rising international prices, adding a powerful institutional layer to the demand side. Combined with the persistent upward movement, accelerating momentum, and sharp late-stage rallies, the price action clearly indicates speculative and investment driven demand, exacerbated by inflationary pressures, currency depreciation, global uncertainties, the modernisation of gold investment channels, and strategic central bank buying.

7.2 Investor Behavior

The steady rise without major corrections indicates high investor confidence, a widespread long-term holding strategy, and reduced speculative selling all of which suggest that market participants viewed gold not as a short-term trading instrument but as a reliable store of value. Taken together, the price action clearly reflects sustained, multi-faceted demand driven by inflation, currency depreciation, global uncertainties, modern investment channels, central bank buying, and strong investor conviction.

7.3 Implications for Indian Economy

The steady rise without major corrections indicates high investor confidence, a long-term holding strategy, and reduced speculative selling. However, this surge in gold prices also carried significant economic consequences: it led to increased import bills for a major gold consuming country like India, directly impacting the trade deficit. For ordinary consumers, higher jewelry costs made traditional purchases more expensive, especially during wedding and festival seasons. On the other hand, the rally delivered positive returns for investors, rewarding those who held gold as part of a diversified portfolio. Thus, the near doubling of gold prices within two years represents both a boon for investors and a macroeconomic challenge, driven by a confluence of inflationary, currency, geopolitical, institutional, and behavioral factors.

8. Limitations of the Study

It is important to note that the above analysis is based on secondary data, specifically monthly or average price points rather than real-time trading figures. As such, it does not include daily price volatility, which means short-term fluctuations, intraday drops, or temporary corrections may not be captured in the observed "steady rise." Additionally, external global factors such as central bank policies, geopolitical events, and currency movements have been discussed in generalized terms without quantifying their individual contributions. Finally, regional price variations within Indiadue to local taxes, transportation costs, or state-level levieshave not been considered. Therefore, while the overall growth trend remains valid, these limitations suggest that the findings should be interpreted as directional insights rather than a precise, granular forecast or historical record.

9. Conclusion

The analysis confirms a strong and sustained upward trend in gold prices in India from 2024 to 2026. The nearly 94% increase reflects the combined influence of inflation, global uncertainty, and investor demand. Gold continues to serve as a reliable investment option and a hedge against economic instability.

Future price movements will depend on:

- Global economic recovery
- Interest rate policies
- Inflation trends
- Currency fluctuations

10. References (Sample Academic Style)

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