Carlsquare/Vontobel weekly trading note: Is it time for a break in the gold rush?

This week, we ask ourselves: is it time to halt the parabolic growth of the gold price? There are signs that this may be the case, ranging from central banks reducing their gold purchases at the current high price to technical analysis suggesting that gold is overvalued. Meanwhile, the focus of the stock market has now turned to the Q3 reporting season. While 86% of Q3 earnings have exceeded market consensus expectations for S&P 500 companies, the corresponding figure for OMX companies is currently just 63%.

Gold has been a top-performing asset class in 2025, surpassing equities for the second consecutive year. Key drivers have included concerns regarding trade policy and geopolitics, such as the wars in Ukraine and Gaza, which have dimmed global growth prospects. In recent years, central banks and investors have also been active buyers of gold. This is probably due to a reduced appetite for US government bonds. While the main macroeconomic factors influencing the gold price are likely to remain relevant in the foreseeable future, there is a risk that the increase in the gold price has been excessive in the short term. According to S&P Capital IQ/World Gold Council, central banks have already slowed their gold purchases compared to 2023 and 2024. From a technical perspective, gold is overbought, and a pullback seems likely. It appears likely.

By Friday 17 October, approximately 60 companies in the S&P 500 had reported their results for the third quarter of 2025. According to Earnings Insight, 86% of these companies reported positive earnings surprises, while 84% reported positive revenue surprises.

By Tuesday, 21 October, 19 Swedish OMX companies had reported their Q3 results. 63% exceeded the market's consensus earnings expectations by a median of 3%. Meanwhile, 53% of the Q3 reports were better than expected in terms of revenue.

Please find out more in our weekly letter on certificates Vontobel.com: **Read the weekly newsletter here**

Link to the Swedish-translated version

Read more

About Vontobel:

As a globally operating financial expert with Swiss roots, Vontobel specializes in wealth management, active asset management and investment solutions. Structured Solutions & Treasury bundles different investment solutions for private investors either directly or via ecosystems. Read more

About Carlsquare

Carlsquare is a global research firm and financial advisor, focusing on M&A, Equity Research and Growth Equity. Carlsquare has 150 employees with deep sector knowledge in all 11 GICS sectors. The senior equity research team has extensive experience about the stock environment and several business sectors. The team produces company research reports, independent valuations and trading notes. The group have offices in Canada, Denmark, France, Germany, Poland, Sweden, United Kingdom and United States. Read more

Attachments

Carlsquare/Vontobel weekly trading note: Is it time for a break in the gold rush?