



# Gold's reign, Bitcoin's rise

The future of central bank reserves by 2030

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**Marion Laboure** is a Senior Economist at Deutsche Bank in London and Lecturer at Harvard University. She has extensive private sector, public policy, and monetary policy experience, including at the European Commission, the IMF, the Luxembourg Central Bank, and Barclays.

She received first prize from the American Society of Actuaries, Revue Banque nominated her as a rising star in finance, she is part of the 45 standout women in fintech, and *Business Insider* named her a cryptocurrency mastermind.

She is the author of [\*Democratising Finance\*](#) published by Harvard University Press.



**Camilla Siazon** is an Analyst on Deutsche Bank's Macro and Thematic team in London.

She focuses on digital assets, geopolitics, and global macroeconomic trends, and previously worked at geopolitical advisory firms Eurasia Group and Greenmantle.

She holds a dual MA/MSc in International History from Columbia University and the London School of Economics, and a BA in History from Barnard College, Columbia University.



Bitcoin is having a record-breaking year in 2025. The crypto surged past \$123,500 in August and then ~\$125,000 in October. Gold, meanwhile, has also hit new highs, up ~50% YTD, and is on track to reach [\\$4,000 by year-end](#), thanks to lingering macroeconomic and geopolitical uncertainty.

As the dollar weakens, central banks face a defining question: can Bitcoin serve as a credible reserve asset alongside – or even in place of – gold? A strategic Bitcoin allocation could emerge as a modern cornerstone of financial security, echoing gold's role in the 20<sup>th</sup> century.

This chartbook builds on our recent research paper ([here](#)), comparing Bitcoin and gold across adoption trends, asset characteristics and macroeconomic performance. Assessing volatility, liquidity, strategic value and trust, we find that both assets will likely feature on central bank balance sheets by 2030.

**Gold rallies to record high on US government shutdown and Fed rate cut bets**

**Bitcoin hits new high above \$125,000 as investors seek safety**

*The Dollar Keeps Falling as Its 'Safe Haven' Status Is Questioned*

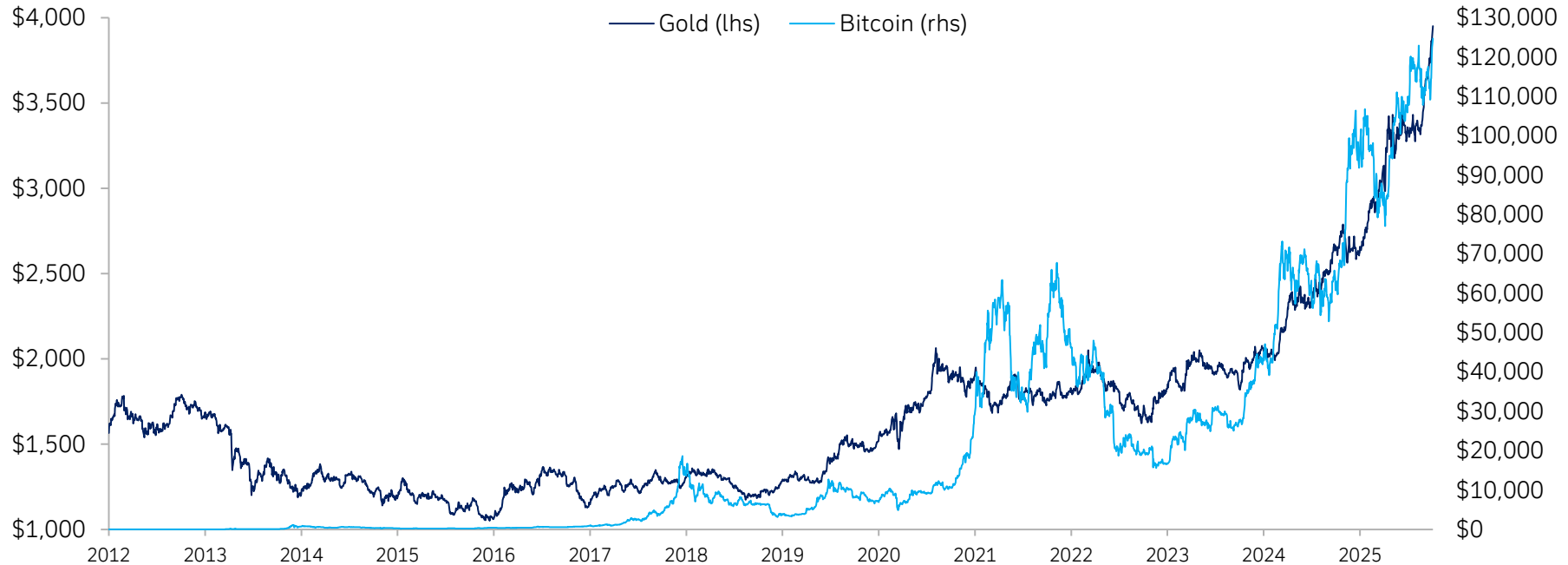
**Trump's policies to spur further central bank gold buying**

Source: NYT, FT, Reuters, Bloomberg, Marketwatch.

Both gold and Bitcoin have rallied sharply in recent months, each setting new all-time highs.



## Bitcoin vs. gold performance (in \$) since 2012

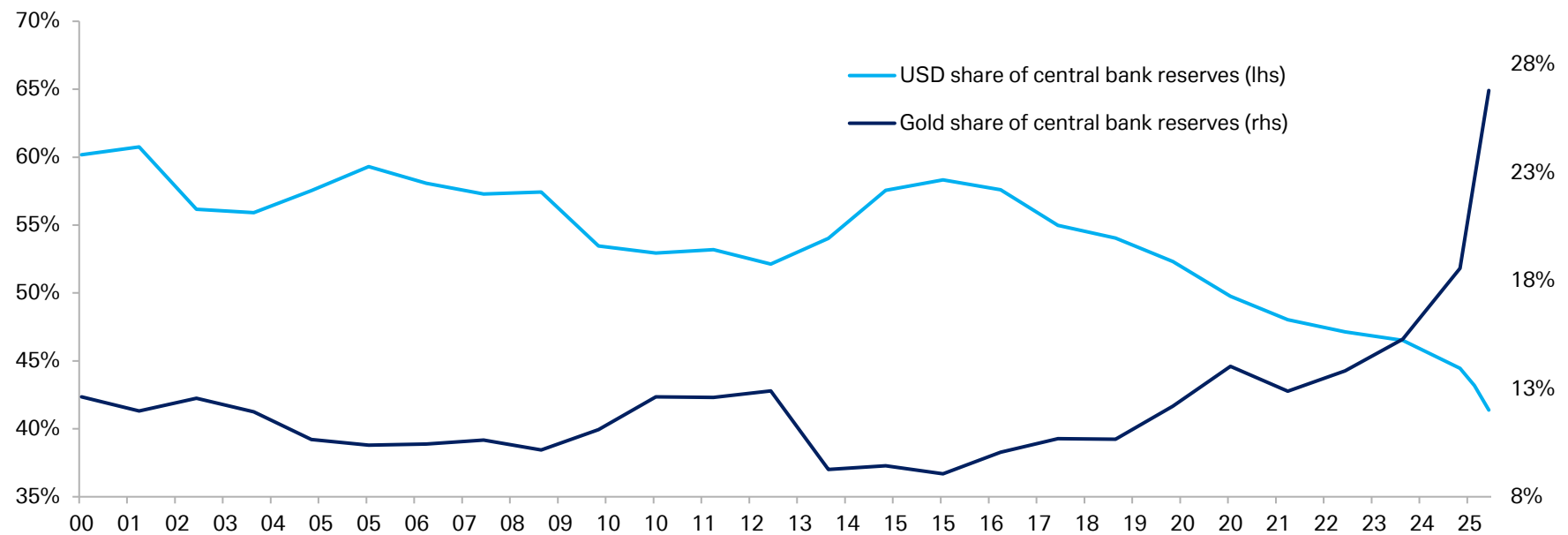


Source: Deutsche Bank Research, Bloomberg Finance LP. Updated October 6, 2025.

The dollar's share in global reserves slid from 60% in 2000 to 41% in 2025. Meanwhile, Gold has hit record highs on central bank buying.



## What will the composition of central bank reserves look like by 2030?



Source: Deutsche Bank Research, Haver Analytics, World Gold Council. Central Bank reserves include gold at market prices.

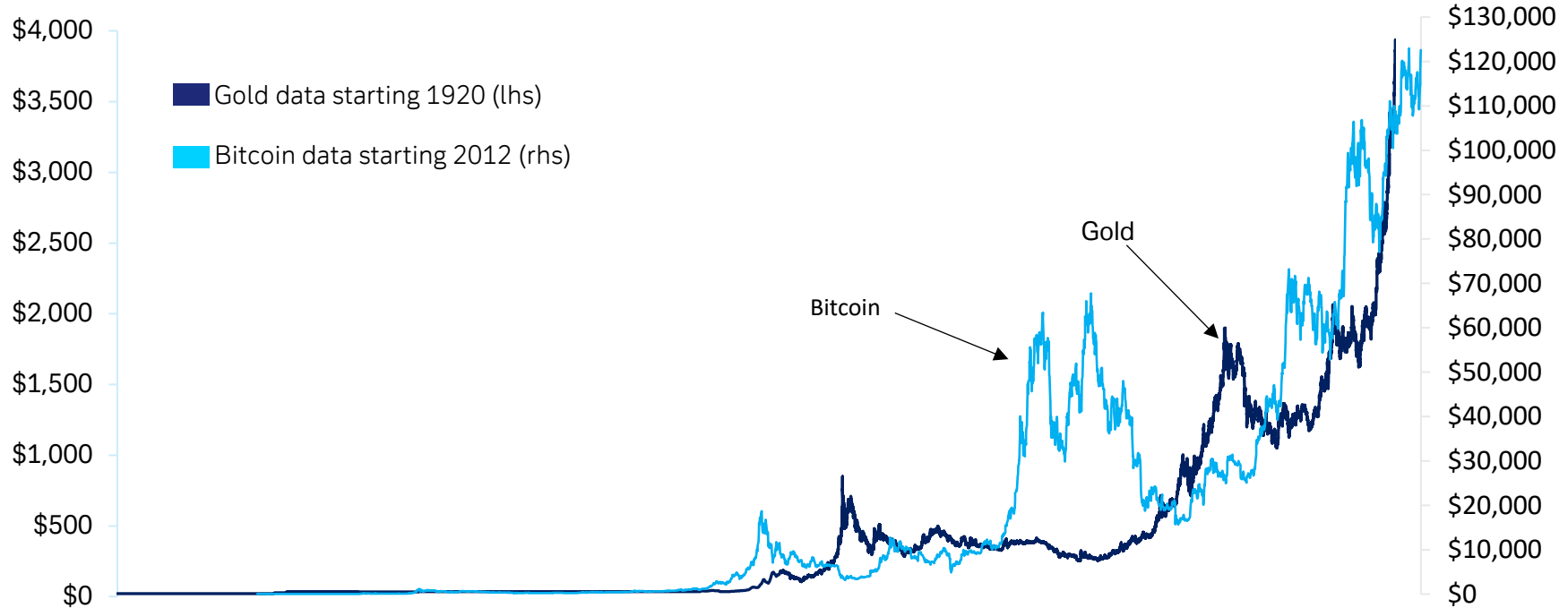


# Part 1: History of Gold

Tracing gold's journey to safe-haven status — and Bitcoin's similar path we see that the two assets have had strikingly similar trajectories.



## Gold vs Bitcoin performance since inception

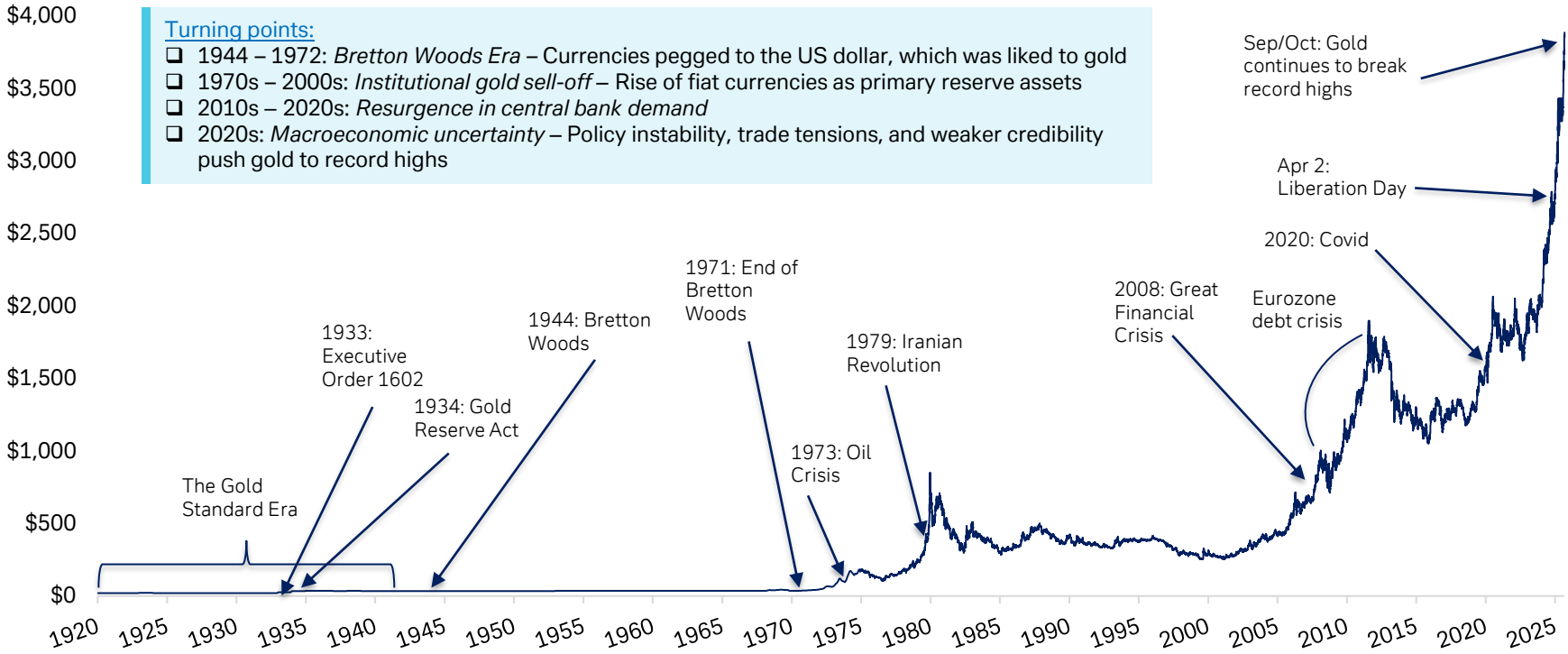


Source: Deutsche Bank Research, Bloomberg Finance LP. Updated October 6 2025.

Gold has long anchored central bank balance sheets. But until the 2000s, it was valued for stabilizing payments than for its safe-haven properties.



## Gold/USD spot price since 1920

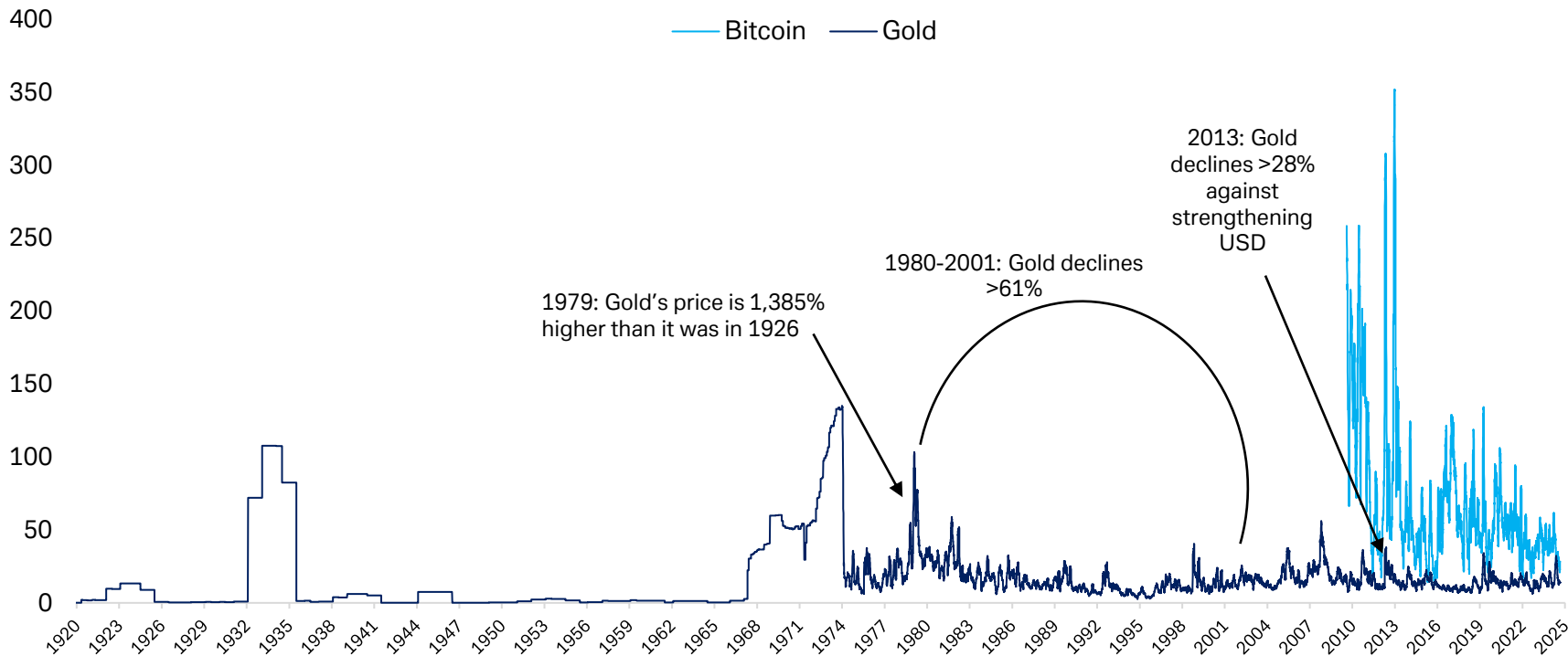


Source: Bloomberg Finance LP, Deutsche Bank Research. Updated October 6 2025.

Although gold behaves differently from equities and bonds, like Bitcoin, it underwent periods of volatility and underperformance. Yet as the metal matured, its price and volatility began to decouple.



## Bitcoin vs. gold 30-day volatility



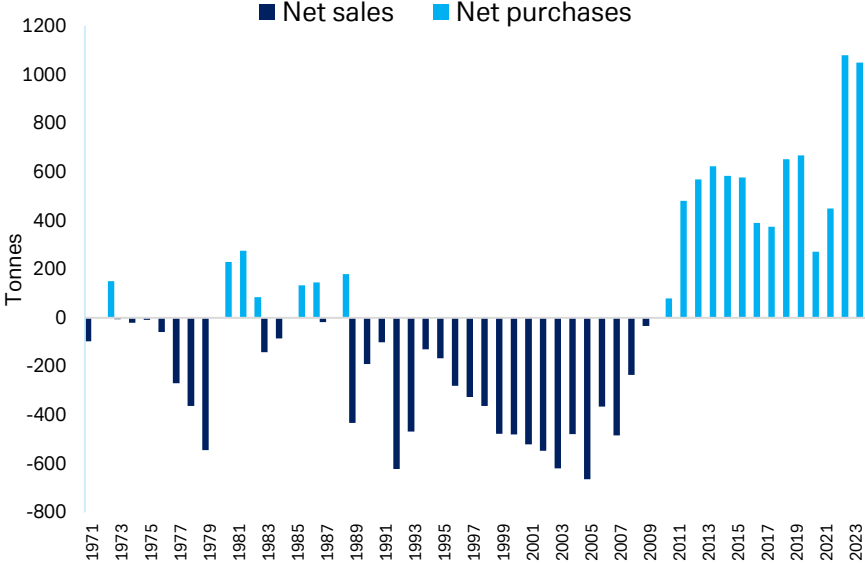
Source: Bloomberg Finance LP, Deutsche Bank Research. Updated October 6 2025.

Today, gold is back with an estimated ~36,000 tonnes held in central bank reserves as geopolitical tensions, dollar weakness and trade uncertainty drive record buying.



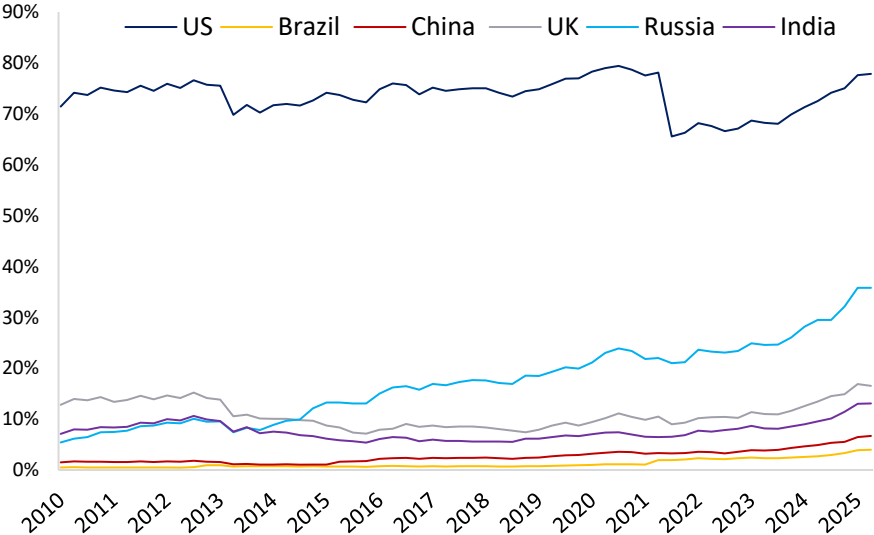
- ❑ The US holds the world's largest gold reserves at 8,133 tonnes – ~78% of its total reserves.
- ❑ China and Poland have been the most active buyers over the past two years.

### Central Bank sales (1971 – 2024)



Source: Deutsche Bank, Bloomberg Finance LP, World Gold Council.

### % of Central Bank gold holdings (2010 – 2025)





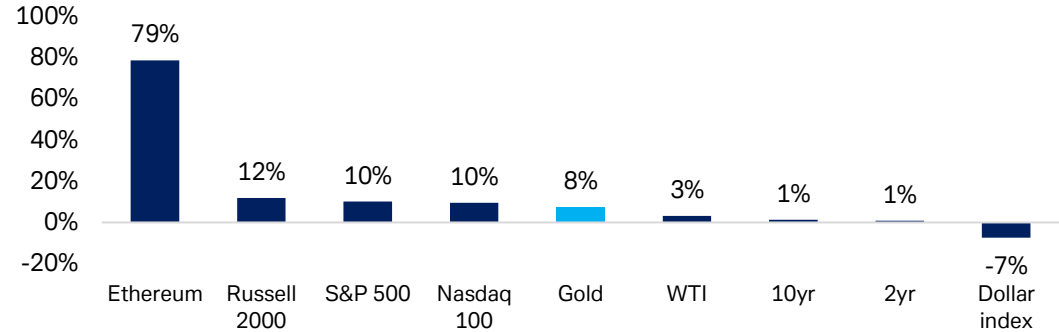
## Part 2: Bitcoin, an emerging reserve candidate?



## Bitcoin core features

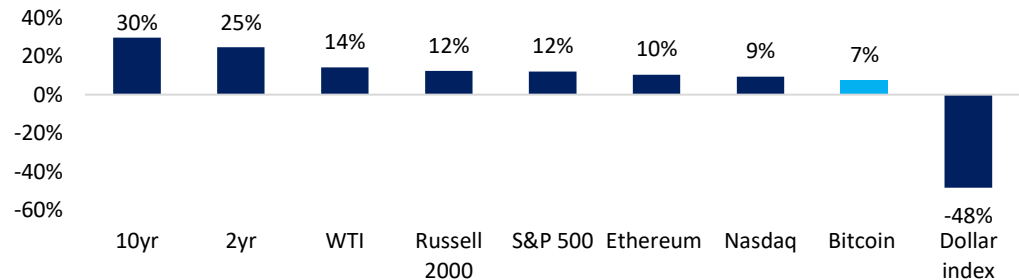
- ❑ **Fixed supply (21mn):** Creates disinflationary benefits & long-term scarcity value.
- ❑ **Decentralized:** Independent from any government or central authority.
- ❑ **Portable & accessible:** Increasingly valuable in times of conflict.
- ❑ **Liquidity:** Boosted by the 2024 Bitcoin ETF approval, with a market cap now >\$2.2trn.
- ❑ **Low correlation:** Offer diversification benefits vs. traditional asset classes.
- ❑ **Psychological momentum:** Propelled by wishful thinking that becomes self-fulfilling, i.e., “the Tinkerbell effect” (see [here](#)).

## Bitcoin correlations since 2011



Source: Bloomberg Finance LP, Deutsche Bank Research. Updated October 2025.

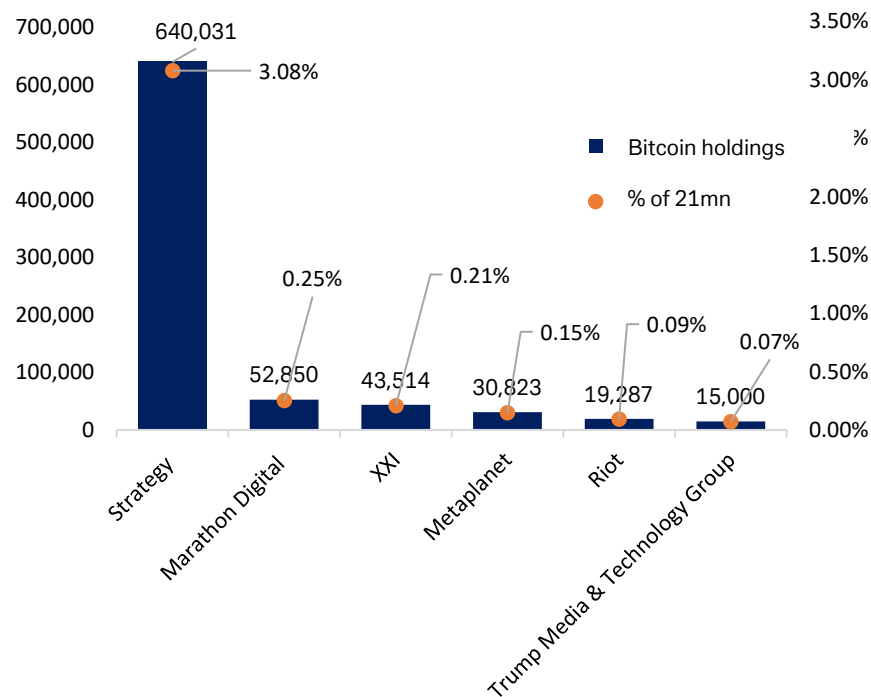
## Gold correlations since 2011



Source: Deutsche Bank, Bloomberg Finance LP. Updated October 2025.

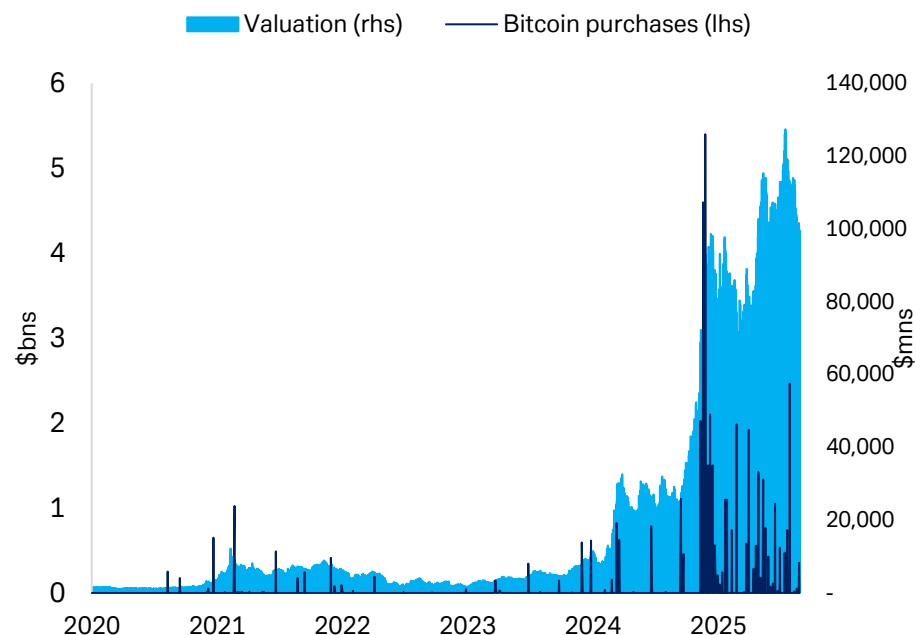


## Company holdings of Bitcoin



Source: Deutsche Bank Research, Bloomberg Finance LP, Bitcoin Treasuries. Updated October 6, 2025.

## (Micro) Strategy valuation and Bitcoin purchases



# The US Executive Order to establish a Strategic Bitcoin Reserve could signal confidence in crypto's future and set international financial standards, much as gold reserves do today.



## Early adopters

- ❑ El Salvador (2021), Bhutan (2025), United States (2025).
- ❑ Governments own 517,296 BTC, ~2.463% of the total 21mn BTC available.

## Against a strategic reserve

- ❑ The ECB [rejected](#) storing Bitcoin as a reserve asset, saying central bank reserves must be “liquid, secure and safe.”
- ❑ Federal Reserve has also [said](#) the bank will not own Bitcoin.

## BTC held by governments (September 2025)

Country	# of BTC	Value in USD	% of 21mn
United States	198,021	\$24.77bn	0.943%
China	190,000	\$23.77bn	0.905%
United Kingdom	61,245	\$7.66bn	0.292%
Ukraine	46,351	\$5.78bn	0.221%
Bhutan	6,371	\$798mn	0.030%
El Salvador	6,340	\$794mn	0.030%
Finland	90	\$11mn	0.0%

Source: Deutsche Bank Research, BitcoinTreasures.

## Case study: US Strategic Bitcoin Reserve

State-level adoption already underway (Texas, Arizona, New Hampshire).

Trump [Executive Order](#): To contain BTC seized via criminal and civil actions.

Treasury and Commerce Secretaries can devise budget neutral plans to acquire additional Bitcoin.

[US BITCOIN ACT](#) separately proposes 1mn-unit Bitcoin purchase program to acquire total stake of ~5% of Bitcoin supply.

Trump has reportedly [endorsed](#) the act.

Criticism: poses [potential conflicts of interest](#) with the Trump administration; constitutes unsound fiscal policy; second crypto reserve plans less clear.

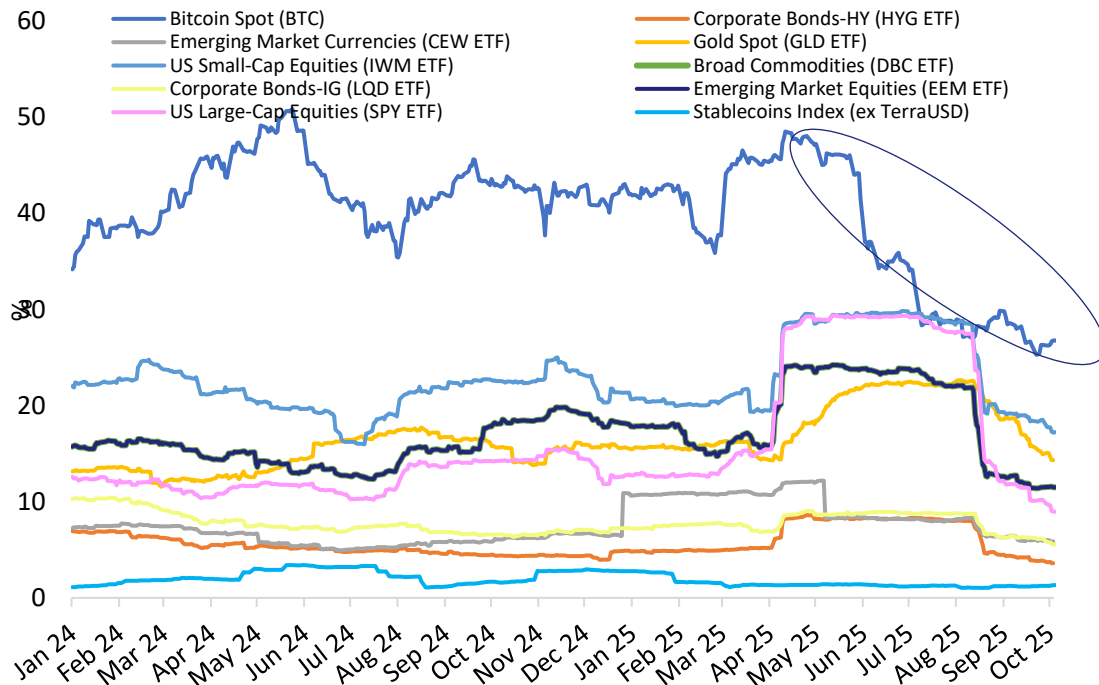
The main counter-argument is that Bitcoin – backed by nothing – is too volatile for long-term value growth. Yet, its volatility has now fallen to historic lows.



### Arguments against Bitcoin:

- ❑ Lack of intrinsic value.
- ❑ **High volatility:** Still seen as too unstable for sustained long-term value growth.
- ❑ **Limited usage:** Only ~30% of activity is transactional.
- ❑ **Perceived risk:** 44% of US respondents view cryptocurrencies as too risky for wider adoption.
- ❑ **Speculative nature:** Treated more as a “risk-on” asset than a “safe haven”.
- ❑ **Cyber vulnerability:** Exposed to hacking and security risks.
- ❑ **Liquidity concerns:** Less liquid than traditional assets.

### Bitcoin’s 90-day volatility is creeping to record lows



Source: Bloomberg Finance LP, Deutsche Bank Research. Updated October 6 2025.

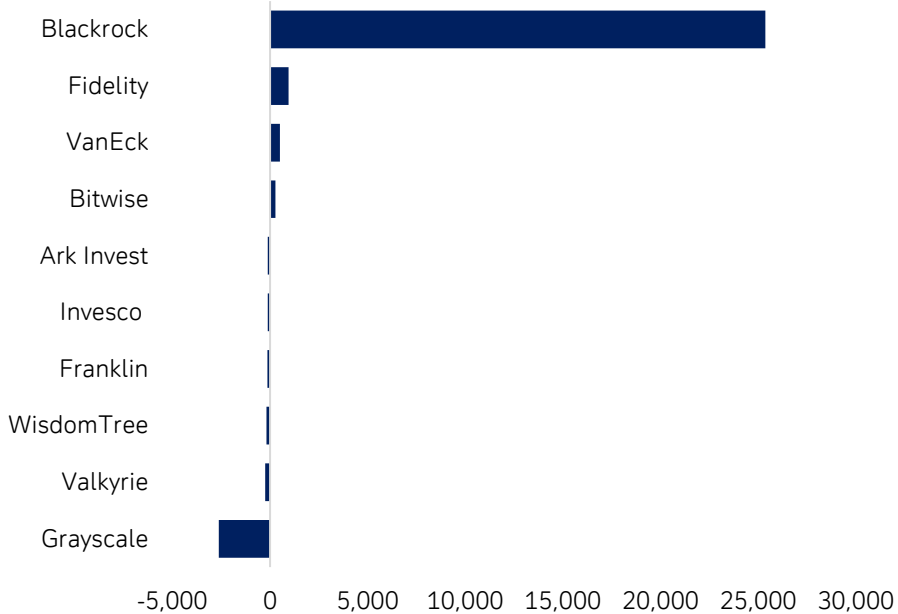


**Part 3: What would make Bitcoin a reserve asset? Almost there...**

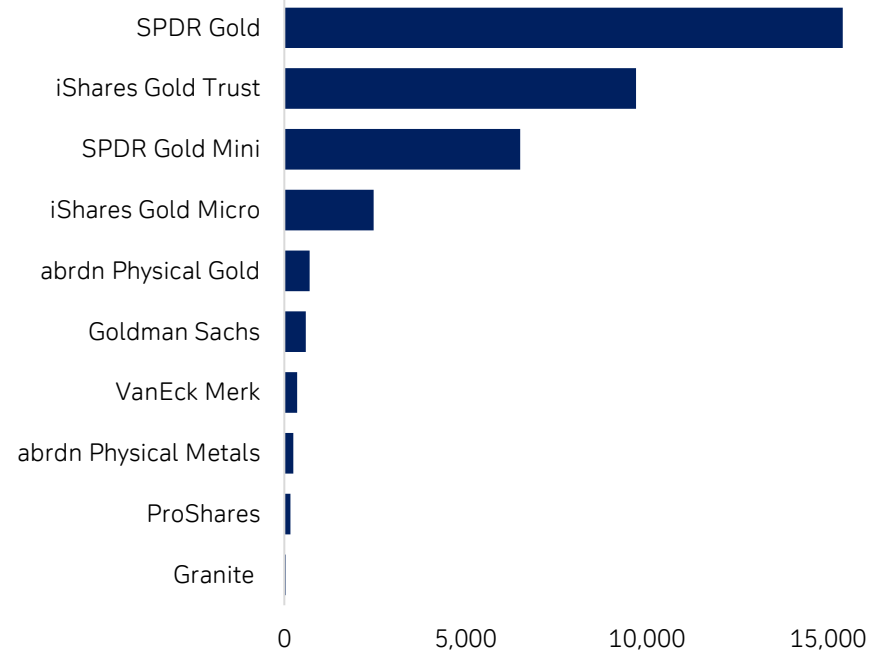
Bitcoin's rise in 2025 highlights its growing institutional adoption and emerging status as a potential macro hedge. Both Bitcoin and Gold have seen record flows this year.



### Bitcoin ETF flows YTD (\$mns)



### Gold ETF flows YTD (\$mns)



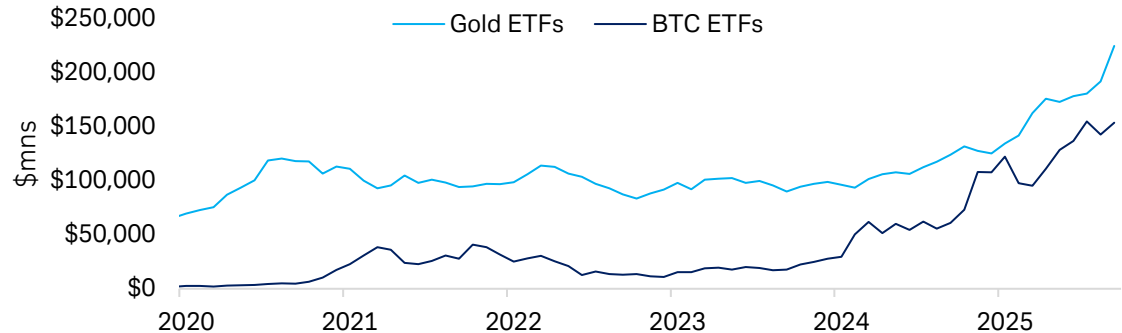
Source: Deutsche Bank Research, Bloomberg Finance LP. Updated October 6, 2025.

The case for Bitcoin as a strategic reserve asset is strengthening. As Bitcoin's liquidity deepens and regulation matures, Bitcoin is emerging as a more legitimized global asset class.

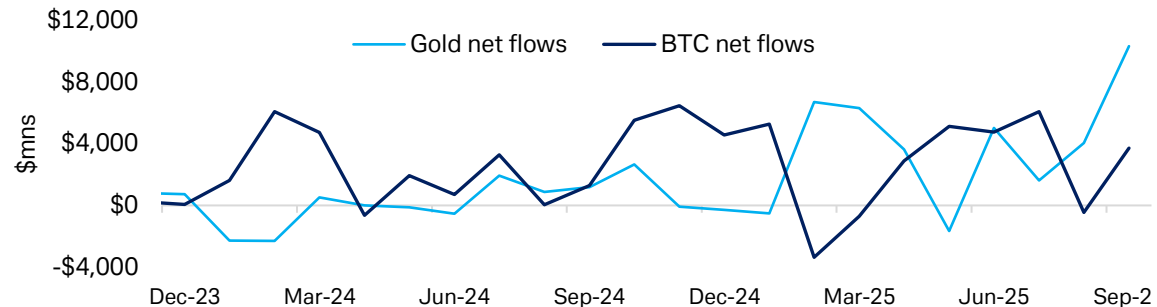


- ❑ Market cap now accounts for >58% of total crypto market cap.
- ❑ Daily transactions average ~444 thousand.
- ❑ **Deepening liquidity:** Increased participation has supported strong performance, with prices peaking that peaked past ~\$125,000 in October.
- ❑ **Regulatory momentum:** Pro-crypto policies are broadening acceptance among governments, institutions, corporations, and investors.
- ❑ **ETF milestone:** The SEC's approval of spot Bitcoin ETFs in Jan 2024 marked a turning point, accelerating Bitcoin's path toward legitimacy.

Gold vs. Bitcoin ETF AUM



Gold vs. Bitcoin monthly net flows



Source: Bloomberg Finance LP, Deutsche Bank Research. Monthly data ending in September 2025. ETF tickers: GLD US, IAU US, GLDM US, SGOL US, IAUU US, OUNZ US, AAAU US, GLTR US, BAR US, UGL US, FGDL US, IGLD US, DBP US, BGLD US, IBIT US, FBTC US, GBTC US, ARKB US, BTC US, BITB US, BITO US, HODL US, BRRR US, BTCC US, EZBC US, BTCW US

**CONCLUSION:** Ultimately, Bitcoin and gold may both feature on central bank balance sheets by 2030. Below are five key reasons why.



- 1) **Complementary diversifiers.** Both act as “safe-haven” assets with low correlation with other classes, scarce supply, and value as hedges against inflation and geopolitical volatility.
- 2) **Bitcoin’s volatility is fading.** Bitcoin’s 90-day volatility fell to 26% even as prices topped \$125,000 in October. This signals a gradual decoupling between spot price and volatility, as institutional adoption grows.
- 3) **The US dollar will endure.** Neither Bitcoin nor gold will entirely replace the US dollar; digital assets should remain complementary to national currencies.
- 4) **This time is not different.** Like gold, Bitcoin has faced scepticism and speculation – yet both evolved from doubt to mainstream acceptance.
- 5) **Bitcoin and other alternative assets will continue to compete for our attention.** US-led adoption can facilitate a longer-term transition for Bitcoin to evolve from a speculative investment into a legitimised, key component of global finance.

**Swedish Lawmakers Propose National Bitcoin Reserve**

**ECB's Lagarde slaps down Czech proposal for bitcoin reserves**

**El Salvador’s Bitcoin Portfolio Reaches \$740M Mark with Huge Profits**

**Ukraine’s central bank warns against adding virtual assets to national reserves**



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