GoldSquawk

SPECIAL REPORT · NOVEMBER 2026

Gold's rates beta is back, but not unchallenged

GoldSquawk Research

Key takeaways

- The November drawdown coincided with a sharp rise in US real yields and firmer Fed tightening expectations, restoring gold's short-term sensitivity to rates. The 10-year real yield reached 2.92% on 16 November and was still 2.88% on 18-19 November, while FedWatch moved from 85.3% odds of a December hike on 10 November to 98% by 24 November[1,2,3].
- The move looks more rates-led than many earlier 2026 pullbacks because it followed a hot October CPI release and explicit hawkish Fed communication. Governor Waller said on 10 November he leaned towards a 25bp December hike and that 50bp should be considered if inflation kept accelerating[4,5].
- Futures positioning reinforced the selloff. COMEX non-commercial longs fell by 16,183 contracts in the week to 17 November, shorts rose by 7,792, and the net speculative position fell to 166.1K contracts, down 24.0K on the week[6,7].
- This still does not look like a purely rates-only gold market. World Gold Council data showed Q3 total demand at 1,368.6-1,369t, down 1% y/y, with central-bank buying and ETF inflows supporting demand earlier in the quarter[8,9,10].

Figure 1: Gold fell as yields repriced higher



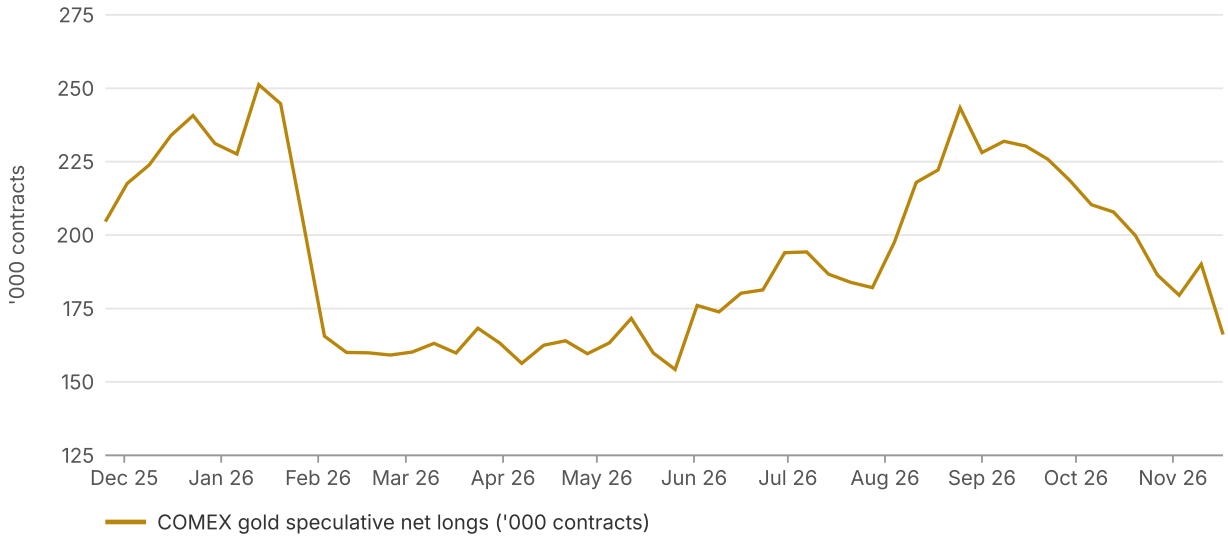
Source: COMEX gold futures and CBOE 10-year yield index via Yahoo Finance, as of 24 November 2026.

Why the selloff looks rates-first

- The macro sequence was classic bearish for gold: October CPI came in firm on 10 November, Fed rhetoric turned more hawkish, and markets priced a December hike as close to fully locked in. FedWatch odds rose from 85.3% on 10 November to 97% on 18 November and 98% on 24 November[2].

- The rates move was large enough to matter on its own. The US 10-year nominal yield rose from 4.88% on 9 November to 5.15% on 13 November before easing to 4.92% on 20 November, while the 10-year real yield climbed from 2.63% on 6 November to 2.92% on 16 November and remained 2.88% on 18-19 November[11,3].
- That left the opportunity cost of holding gold unusually high. GoldSquawk's real-yield measure stood at 2.79% on 23 November, only 16bp below its 1-year high of 2.95%, placing it at 87% of its 1-year range[12].
- Fed communication amplified the repricing. After holding rates at 3.75%-4.00% on 28 October, the FOMC statement said inflation remained elevated, while the minutes released on 18 November said some participants saw market pricing for December tightening as broadly aligned with their own views[13,14].

Figure 2: Speculators cut gold exposure sharply

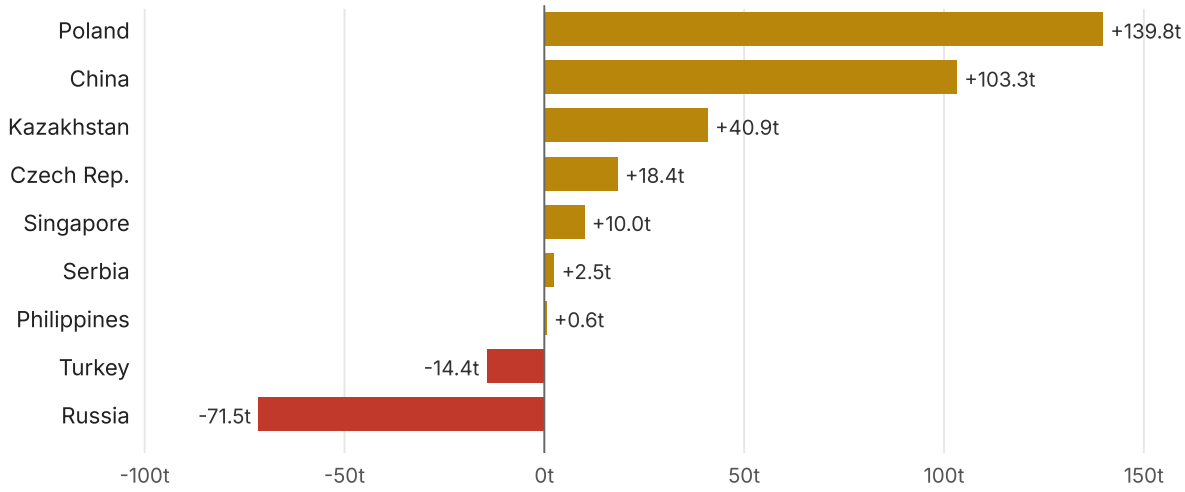


Source: CFTC Commitments of Traders (futures only), as of 17 November 2026.

Positioning and cross-market signals support the rates story

- CFTC data show the selloff was not just passive price weakness. In COMEX gold futures, non-commercial longs fell to 210,051 contracts in the week to 17 November, shorts rose to 43,919, and total open interest was 407,834[6].
- The week-on-week changes point to both long liquidation and renewed short-building: non-commercial longs fell by 16,183 contracts, shorts rose by 7,792, and spreading increased by 11,785[6]. Managed money showed the same direction, with longs down 5,412 and shorts up 3,987 on the week[15].
- GoldSquawk's net speculative position measure fell to 166.1K contracts on 17 November, down 24.0K on the week and sitting at just 12% of its 1-year range, consistent with a fast macro de-risking move[7].
- The current rates signal is stronger than the broad cross-asset correlations alone would imply. GoldSquawk's 3-month correlation with the US 10-year yield was only -0.09 as of 24 November, versus -0.23 with DXY and +0.89 with silver, suggesting the latest move reflects a recent reassertion of rates sensitivity rather than a fully settled medium-term regime[16].

Figure 3: Official demand remains a structural anchor



Source: IMF International Reserves and Foreign Currency Liquidity data; GoldSquawk calculations, as of 24 November 2026.

Why this is not yet a full regime reset

- Structural demand is still visible underneath the tactical selloff. World Gold Council data put Q3 2026 total gold demand at 1,369t, down 1% y/y, while the value of demand rose 22% y/y to $188bn at an average Q3 price of $4,262/oz[9].
- WGC explicitly said central-bank buying and ETF inflows supported Q3 demand, which argues against viewing gold as a simple inverse of real yields[8]. GoldSquawk's supply-demand series shows the same quarterly total at 1,368.6t[10].
- Official-sector buying remains significant in country data available this year, including Poland at +139.8t to October, China at +103.3t to September and Kazakhstan at +40.9t to September[17].
- The counterpoint is that some supportive flow channels are no longer unequivocally positive at the margin. GoldSquawk shows GLD and GLDM flows at -15.2t in the latest week and -6.1t over four weeks, while GLD holdings stood at 1,031.3t on 23 November, down 10.4t over one month[18]. Retail physical demand was also softer in Q3, with global bar and coin demand down 19% y/y to 268t[19].

Scenarios

- **Rates-pressure case:** If upcoming inflation data keep December tightening fully priced and real yields stay near recent highs, gold is likely to remain highly sensitive to the opportunity-cost channel. Further long liquidation or ETF outflows would reinforce that rates-first behaviour[2,18,12].
- **Stabilisation case:** If nominal and real yields continue to ease from mid-November highs, the recent selloff could lose momentum. The 10-year nominal yield already fell from 5.15% on 13 November to 4.92% on 20 November, showing how quickly the rates backdrop can soften[11].
- **Structural-support case:** Even if short-term trading remains macro-driven, continued central-bank buying and resilient strategic demand could limit the depth of rates-led weakness. Q3 demand remained high in both tonnage and value terms, and official-sector buying stayed prominent in the latest country data[17,9].

Levels to watch

- Gold last close $3,555.1/oz on 24 Nov 2026
- 52-week low $3,515.4/oz on 20 Nov 2026

- 50-day moving average $4,081.3/oz
- 200-day moving average $4,430.4/oz
- 52-week high $5,318.4/oz on 29 Jan 2026

References

1. Market Yield on U.S. Treasury Securities at 10-Year Constant Maturity, Quoted on an Investment Basis, Inflation-Indexed. https://fred.stlouisfed.org/series/DFII10
2. Hot CPI knocks stock futures as rate hike odds climb. - CME Group. https://www.cmegroup.com/videos/2026/11/10/hot-cpi-knocks-stock-futures-as-rate-hike-odds-climb-11-10-26.html
3. Data Download Program - Preview. https://www.federalreserve.gov/datadownload/Preview.aspx?pi=400&preview=H15%2FH15%2FRIFLGFCY10_XII_N.B&rel=H15
4. Speech by Governor Waller on the economic outlook. https://www.federalreserve.gov/newsevents/speech/files/waller20261110a.pdf
5. Consumer Price Index News Release - 2026 M10 Results. https://www.bls.gov/news.release/cpi.htm
6. CFTC Commitments of Traders Report - CMX (Futures Only). https://www.cftc.gov/dea/futures/deacmxlf.htm
7. CFTC Commitments of Traders, via GoldSquawk data: Speculative positioning. https://goldsquawk.com/data#positioning
8. Central bank buying and ETF inflows support gold demand in Q3 | World Gold Council. https://www.gold.org/news-and-events/press-releases/central-bank-buying-and-etf-inflows-support-gold-demand-q3
9. Gold Demand Trends: Q3 2026 | World Gold Council. https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-q3-2026
10. World Gold Council, via GoldSquawk data: Gold supply and demand: latest quarter. https://goldsquawk.com/data#sd-overview
11. Data Download Program - Preview. https://www.federalreserve.gov/datadownload/Preview.aspx?pi=400&preview=H15%2FH15%2FRIFLGFCY10_N.B&rel=H15
12. Federal Reserve Bank of St, via GoldSquawk data: Opportunity cost of gold. https://goldsquawk.com/data#opportunity-cost
13. The Fed - Monetary Policy:. https://www.federalreserve.gov/monetarypolicy/fomcminutes20261028.htm
14. Federal Reserve Board - Federal Reserve issues FOMC statement. https://www.federalreserve.gov/newsevents/pressreleases/monetary20261028a.htm
15. CFTC Commitments of Traders Long Report - Other (Combined). https://www.cftc.gov/dea/futures/other_sf.htm
16. GoldSquawk data: Intermarket correlations. https://goldsquawk.com/data#correlations
17. Central Bank Gold Statistics: September 2026 | Post by Marissa Salim | Insights | World Gold Council. https://www.gold.org/goldhub/gold-focus/2026/11/central-bank-gold-statistics-september-2026
18. SPDR Gold Shares, via GoldSquawk data: Gold ETF flows. https://goldsquawk.com/data#etf-flows
19. Gold Demand Trends:. https://www.gold.org/sites/default/files/downloads/2026-11/Gold-Demand-Trends-Q3-2026.pdf

Glossary

Real yield: A bond yield adjusted for inflation. For gold, it is often treated as the opportunity cost of holding a non-yielding asset [1][32].

FedWatch: A market-based gauge of expected Federal Reserve rate outcomes derived from futures pricing [5].

Non-commercial positioning: CFTC category covering speculative futures traders rather than commercial hedgers [4].

Spreading: Futures positions that offset one contract against another, often used for relative-value strategies rather than outright direction [4].

This report is for information only and is not investment advice or a recommendation to buy or sell any asset. It was researched and written with the help of AI from the sources cited and reviewed before publication. Prices and data can change quickly; past performance is not a guide to future results.