GOLD PERFORMANCE IN EURO TERMS

January 26, 2026

EXECUTIVE SUMMARY

Gold priced in euros has delivered extraordinary returns since the euro's introduction in 1999. At **€4,302/oz** today, gold has appreciated **1,656%** over 27 years – equivalent to an annual return of **11.2% per annum**. In euro terms, the single currency has lost **94.3%** of its purchasing power against gold since its launch.

SINCE EURO LAUNCH (1999–2026)

Metric	Value
Gold price January 1999	~€245/oz
Gold price January 2026	€4,302/oz
Total appreciation	**1,656% (17.6x)**
Annualised return	**11.2% per annum**
Euro purchasing power loss	**94.3%**

What this means: In 1999, €10,000 bought approximately 40.8 oz of gold. Today, €10,000 buys only 2.3 oz of gold. The euro has lost **94.3%** of its value measured against gold in just 27 years.

10-YEAR PERFORMANCE (2016–2026)

Metric	Value
Gold price January 2016	€1,065/oz
Gold price January 2026	€4,302/oz
Total appreciation	**304% (4.04x)**
Annualised return	**15.0% per annum**
Euro purchasing power loss	**75%**

In just 10 years, three-quarters of the euro's purchasing power has evaporated when measured against gold – while Irish savers earned an average of just 0.64% on their deposits.

KEY MILESTONES – GOLD IN EUROS

Year	Gold Price (EUR/oz)	Milestone
1999	€245	Euro launched
2008	€550	Global Financial Crisis begins
2011	€1,350	Eurozone debt crisis peak
2016	€1,065	Post-crisis bottom
2020	€1,700	Covid-19 pandemic
2022	€1,900	Ukraine war, inflation surge
2024	€2,400	Gold breaks €2,000 for first time
2025	€3,400	Record central bank buying
2026	**€4,302**	**Current price**

THE EURO'S DEVALUATION VISUALISED

What €1 buys in gold:

Year	Gold per €1
1999	0.127 grams
2010	0.040 grams
2020	0.018 grams
2026	**0.007 grams**

The euro now buys **94% less gold** than it did at launch.

COMPARISON: GOLD vs EURO CASH SAVINGS

€100,000 invested in January 1999:

Asset	Value January 2026	Real Return
Gold	**€1,756,000**	**+1,656%**
Euro cash (0% interest)	€100,000	0%
Euro cash (2% interest)*	€170,000	+70%
Euro (real purchasing power)	~€55,000	-45% (inflation adjusted)

Even with 2% annual interest, cash savers have been decimated compared to gold holders.

**Assumes 2% average deposit yield – significantly higher than actual Irish bank deposit rates which averaged just 0.64% from 2017-2025, with a low of 0.02% in October 2019 (Central Bank of Ireland data).*

EVEN IRISH PROPERTY HAS COLLAPSED IN GOLD TERMS

Irish property is often cited as one of the best-performing asset classes of the past generation. But measured in gold, even Irish houses have **lost 82% of their value** since 1999.

Metric	1999	2026	Change
Average Irish house price	€125,000	€390,000	+212%
House price in gold (oz)	510 oz	91 oz	**-82%**
Gold price (EUR/oz)	€245	€4,302	**+1,656%**

The bottom line: In 1999, you needed 510 ounces of gold to buy the average Irish house. Today, you need just 91 ounces. Despite Ireland's legendary property boom, houses have lost more than four-fifths of their value when measured against gold. An investor who sold a house in 1999 and bought gold would today own assets worth **€2.2 million** – compared to €390,000 for those who stayed in property.

Sources: CSO Residential Property Price Index, World Gold Council. House prices are national averages.

WHY IS THIS HAPPENING?

1. Monetary expansion – ECB balance sheet has expanded dramatically since 2008

2. Negative/low interest rates – Eroding purchasing power of euro savings

3. Inflation – Official CPI understates true cost of living increases

4. Debt monetisation – Eurozone government debt levels unsustainable

5. Central bank gold buying – Record purchases signal loss of confidence in fiat currencies†

6. Geopolitical uncertainty – Gold's safe haven status increasingly attractive

*†**Central bank buying accelerating:** Poland now holds more gold than the ECB (530+ tonnes), having increased reserves from 16.9% to 28.2% of total reserves in 2025 alone – one of the fastest reallocations globally. Poland repatriated 100 tonnes from London in 2019 and is targeting 700 tonnes (30% of reserves). Germany (3,352 tonnes – world's second largest holder) faces mounting domestic pressure to repatriate the 1,200 tonnes (~€130bn) still held at the Federal Reserve in New York. The German Taxpayers Federation has formally requested repatriation, stating: 'Trump wants to control the Fed, which would also mean controlling the German gold reserves.' India repatriated 100 tonnes from the Bank of England in 2024. 68% of central banks now store gold domestically, up from 50% in 2020.*

LOOKING FORWARD

Major investment banks are forecasting continued gold appreciation:

J.P. Morgan: $6,000/oz by 2027, $8,000/oz by 2028

Goldman Sachs: $6,000/oz by 2027

Swiss Asia Capital: $8,000–$12,000/oz by 2028

Jim Rickards: $10,000/oz by end 2026

If these forecasts materialise, gold could reach **€5,500–€8,000/oz** in euro terms within the next 2–3 years, implying a further **28–86%** appreciation.‡

*‡**ECB Financial Stability Warning (May 2025):** The ECB's Financial Stability Review flagged €1 trillion in euro area gold derivatives exposure (up 58% since November 2024) as a potential systemic risk. A significant share are traded OTC and not centrally cleared. The ECB warned that 'margin calls and the unwinding of leveraged positions could lead to liquidity stress among market participants, potentially propagating the shock through the wider financial system.' This warning underscores institutional recognition that gold market dynamics have become systemically significant. Source: ECB FSR Box, 'What does the record price of gold tell us about risk perceptions in financial markets?' May 2025.*

CONCLUSION

The euro has lost **94% of its value** against gold since 1999. This is not an anomaly – it is the predictable outcome of fiat currency debasement. Every paper currency in history has eventually lost most or all of its value. The euro is no exception; the only question is timing.

Gold has functioned as money and a store of value for over **5,000 years**. The euro has existed for just **27 years** – and has already lost nearly all its purchasing power against the ultimate monetary asset.

For European investors, the message is clear: holding fiat euros is losing euros and ultimately losing money.

Sources

World Gold Council, LBMA, GoldPrice.org, European Central Bank, Central Bank of Ireland

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