BBC LEARNING ENGLISH

6 Minute English

Why do people buy gold?

This is not a word-for-word transcript.

Georgie
Hi Phil.

Phil
Hi Georgie. I've got a question for you. Do you own anything made of gold?

Georgie
Well, at the moment I'm wearing a lot of gold-coloured jewellery, but I'm not sure exactly how much of it is made of gold.

Phil
OK. I don't think I own anything made of gold. Beyond jewellery and other personal items, gold is bought and sold by investors and banks. The price of gold has always gone up and down, but in 2026 it reached its highest ever price. In this episode of 6 Minute English, we'll be talking about how gold became a valuable investment and asking the question, why do people buy gold? Let's start with our quiz question, Georgie. Gold is a metal that's extracted or dug up from under the ground in mines. But how much gold has been extracted from the earth? Is it:

a) over 50,000 tonnes,
b) over 100,000 tonnes, or
c) over 200,000 tonnes?

Georgie
Phil, I have absolutely no idea, but I'm going to go with c) 200,000 tonnes.

Phil
OK. Well, we'll give you the answer at the end of the programme.

Georgie
OK Phil. So, we've been using gold for thousands of years, but why and how did it start?

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Phil
Well, before money was paper or plastic or just numbers in your bank account, a lot of it was actually gold. And experts have discovered gold in coins that are thought to have been made in the 6th Century BC. So, gold coins were made and they were used because the metal was much easier to carry and trade than things like cattle or timber.

Georgie
OK. But now our money isn't literally made of gold, so why is gold valuable?

Phil
It's a good question, but even though it isn't money, gold is still a financial **asset**, and an **asset** is something valuable that could be sold for money. And people buy gold in times of crisis because it's thought of as a safe investment. Let's listen to expert Suki Cooper explaining more to the BBC World Service.

Suki Cooper
Gold is a **safe haven** because it's not connected to one particular government or one particular economy or one particular market, so the fact that it's neutral means it's an **asset** that's perceived to be a store of value over a longer term.

Phil
Suki describes gold as a **safe haven**, and a **safe haven** means something or somewhere that's protected from harm or danger, or in financial terms, from a fall in value.

Georgie
Yes, Suki explains that, unlike dollars or pounds for example, gold is not connected to a particular country. It's neutral.

Phil
And Georgie, because we get gold from mines, there's more or less a fixed amount. Unlike paper money, you can't just print more, as Catherine Schenk, professor of economic and social history, explains.

Catherine Schenk
It can't be created and fabricated **out of thin air** through **alchemy**, and so this, sort of, controls the supply and sustains an underlying value behind the demand for gold.

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Georgie
Catherine explains that gold can't be created **out of thin air**, an expression meaning making something from nothing.

Phil
As Catherine says, we don't make gold through **alchemy**. **Alchemy** is an ancient kind of chemistry that attempted to do impossible things, like turn ordinary metals into gold. And because we can't just magically make more gold, when lots of people want to buy gold, the price increases.

Georgie
OK. Understood. Now, Phil, at the start of this programme, you said that gold prices hit an all-time high in early 2026. So, what's going on?

Phil
Well, we mentioned that the price of gold increases in times of crisis because government banks want to buy more of it. And there has been a series of world events that have made government banks want to buy more gold, for example the wars in Ukraine and the Middle East, and in politics too, for example the US imposing tariffs on international products. But since that peak in January, the price has dropped a bit.

Georgie
OK. And does the fall in the price of gold mean that people won't want to invest in it in the future?

Phil
No. It's likely that the price will go up again. Experts believe that gold will always be an attractive investment during uncertain times. Let's hear from market strategist John Reade.

John Reade
So much of the world we live in now is **ethereal**. It's... it's virtual, it's online, it disappears, whereas gold is something solid, something dependable and, you know, maybe something a little bit old fashioned. And maybe it's **a hankering for** traditional values rather than what is super modern and super changeable.

Georgie
John says that much of the modern world is **ethereal**, meaning it doesn't seem real.

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Phil
And in this **ethereal** world, people have **a hankering for** something that's solid and real, like gold. And the expression **a hankering for** means a strong desire for something.

Georgie
OK. Phil, I think it's time for the answer to your quiz question.

Phil
OK. Well, I asked how much gold has been mined from the ground to date.

Georgie
I said 200,000 tonnes.

Phil
And that is the correct answer! OK. Let's recap the vocabulary we learnt in this programme, starting with **asset**. And an **asset** is something of financial value that can be sold for money.

Georgie
A **safe haven** is something or somewhere protected from harm or loss.

Phil
To make something **out of thin air** is an expression meaning to make something from nothing.

Georgie
Alchemy is a kind of ancient chemistry that attempted to do impossible things, like making gold from ordinary metals.

Phil
If something is **ethereal**, it doesn't seem real.

Georgie
And if you have **a hankering for** something, you have a strong desire for it.

Phil
Once again, our six minutes are up, and if you have **a hankering for** more practice, test what you've learned with the worksheet on our website. That's bbclearningenglish.com.

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Georgie
Thank you for joining us. Goodbye.

Phil
Goodbye!

VOCABULARY

asset
something of financial value that can be sold for money

safe haven
something or somewhere protected from harm or loss

out of thin air
from nothing or nowhere

alchemy
ancient study combining elements of chemistry and mysticism, which attempted to do impossible things like transforming ordinary metals into gold

ethereal
seemingly unreal

a hankering for
a strong desire for

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