A COMPARATIVE STUDY OF GOLD ETF WITH NATIONAL STOCK EXCHANGE INDICES IN INDIA

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ABSTRACT

Gold ETFs are traded in most of the major stock exchanges of the world, including bourses in New York, London, Paris, Zurich and Mumbai. One of the major advantages of a gold exchange traded fund is that it frees investors from the hassle of actually possessing gold in the physical form. At the same time, it gives them exposure to gold (which is a defensive investment) and fluctuations in its prices. Gold funds are used by hedgers against geopolitical instability. However, the performance of these gold funds depends upon the efficiency of the arbitrage mechanism. Moreover, they are impacted by speculation, which makes their trading risk prone. The present paper explores the price variation of gold ETF with NSE index and analyses the profitability of five type of Gold ETF.

KEYWORDS: ETF, Gold BEES, Rel Gold, Q Gold, NSE.