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The Bank of England's gold vault operations

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Introduction

- Our role in London gold market
- Services we provide
- What makes us unique amongst central bank custodians?
- Our vault operations and the challenges we face



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Our role in the London gold market

- Long historical association with gold
- Provides safety of a central bank vault with allocated gold
- Facilitate settlement of trades between central banks and commercial firms



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What services do we provide?

- Allocated accounts to central banks and certain commercial firms active in the London gold market
- Storage
- Physical movements in/out
- Book Entry Transfers (BETs)



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What makes us unique

- Scale of holdings – more than 400,000 bars
- Allocated gold accounts and BETs
- Long term storage and working vault (inflows and outflows)



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Our vault operations

- Long term storage facilities for gold and banknotes are interchangeable
- Currently using around 3,000 square metres floor-space for gold
- Floor loading restrictions due to the Bank being built on clay



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Our vault operations – challenges

- Both long term storage vault and a working vault
- Significant volume of gold traded via BETs
- Workload challenges



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Allocated gold + BETs



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Allocated gold + BETs



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