

SPDR GOLD TRUST  
Form 10-K  
November 27, 2018  
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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**For the fiscal year ended September 30, 2018**

**or**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
Commission File Number 001-32356

**SPDR® GOLD TRUST**

**SPONSORED BY WORLD GOLD TRUST SERVICES, LLC**

(Exact name of registrant as specified in its charter)

**New York**  
(State or other jurisdiction of  
incorporation or organization)

**81-6124035**  
(I.R.S. Employer  
Identification No.)

**c/o World Gold Trust Services, LLC**

**685 Third Avenue, 27th Floor**

**New York, New York 10017**

**(212) 317-3800**

(Address of principal executive offices, telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

(Title of each class)	Name of each exchange on which registered
<b>SPDR® GOLD Shares</b>	<b>NYSE Arca, Inc.</b>

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**Securities registered pursuant to Section 12(g) of the Act: None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer                      Accelerated filer                      Non-Accelerated filer                      Smaller reporting company  
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Aggregate market value of registrant's common stock held by non-affiliates of the registrant, based upon the closing price of a share of the registrant's common stock on March 31, 2018 as reported by the NYSE Arca, Inc. on that date: \$36,076,572,000.

Number of shares of the registrant's common stock outstanding as of November 23, 2018: 259,300,000.

**DOCUMENTS INCORPORATED BY REFERENCE: None**

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**FORWARD LOOKING STATEMENTS**

This Annual Report on Form 10-K contains various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and within the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements usually include the verbs anticipates, believes, estimates, expects, intends, plans, understands, and other verbs suggesting uncertainty. We remind readers that forward-looking statements are merely predictions and therefore inherently subject to uncertainties and other factors and involve known and unknown risks that could cause the actual results, performance, levels of activity, or our achievements, or industry results, to be materially different from any future results, performance, levels of activity, or our achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Trust undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Additional significant uncertainties and other factors affecting forward-looking statements are presented in Item 1A. Risk Factors .

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WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL S&P HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

ALL REFERENCES TO LBMA GOLD PRICE PM ARE USED WITH THE PERMISSION OF ICE BENCHMARK ADMINISTRATION LIMITED AND HAVE BEEN PROVIDED FOR INFORMATIONAL PURPOSES ONLY. ICE BENCHMARK ADMINISTRATION LIMITED ACCEPTS NO LIABILITY OR RESPONSIBILITY FOR THE ACCURACY OF THE PRICES OR THE UNDERLYING PRODUCT TO WHICH THE PRICES MAY BE REFERENCED.

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**PART I**

**Item 1. Business**

SPDR® Gold Trust, or the Trust, is an investment trust, formed on November 12, 2004 under New York law pursuant to a trust indenture, or the Trust Indenture. The Trust holds gold and from time to time issues SPDR® Gold Shares, or Shares, in Baskets in exchange for deposits of gold and distributes gold in connection with redemptions of Baskets. A Basket equals a block of 100,000 Shares. The investment objective of the Trust is for the Shares to reflect the performance of the price of gold bullion, less the Trust's expenses. World Gold Trust Services, LLC, or WGTS, is the sponsor of the Trust, or the Sponsor. BNY Mellon Asset Servicing, a division of The Bank of New York Mellon, or BNYM, is the trustee of the Trust, or the Trustee. State Street Global Advisors Funds Distributors, LLC, or SSGA, is the marketing agent of the Trust, or the Marketing Agent. HSBC Bank plc, or HSBC, is the custodian of the Trust, or the Custodian.

The Sponsor of the registrant maintains an Internet website at [www.spdrgoldshares.com](http://www.spdrgoldshares.com), through which the registrant's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, are made available free of charge after they have been filed or furnished to the Securities and Exchange Commission, or the SEC. Additional information regarding the Trust may also be found on the SEC's EDGAR database at [www.sec.gov](http://www.sec.gov).

**Investment Objective**

The Shares are intended to offer investors an opportunity to participate in the gold market through an investment in securities. Historically, the logistics of buying, storing and insuring gold have constituted a barrier to entry for some institutional and retail investors. The ownership of the Shares is intended to overcome these barriers to entry. The logistics of storing and insuring gold are dealt with by the Custodian, and the related expenses are built into the price of the Shares. Therefore, the investor does not have any additional tasks or costs over and above those associated with investing in any other publicly traded security.

The Shares are intended to provide institutional and retail investors with a simple and cost-efficient means of gaining investment benefits similar to those of holding allocated gold bullion. The Shares offer an investment that is:

*Easily Accessible.* Investors can access the gold market through a traditional brokerage account. The Sponsor believes that investors will be able to more effectively implement strategic and tactical asset allocation strategies that use gold by using the Shares instead of using the traditional means of purchasing, trading and holding gold.

*Relatively Cost Efficient.* The Sponsor believes that, for many investors, transaction costs related to the Shares will be lower than those associated with the purchase, storage and insurance of allocated gold.

*Exchange Traded.* The Shares trade on NYSE Arca, Inc., or NYSE Arca, providing investors with an efficient means to buy, sell, or sell short in order to implement a variety of investment strategies. The Shares are eligible for margin accounts. The Shares are also listed on the Mexican Stock Exchange (Bolsa Mexicana de Valores), the Singapore Exchange Limited, the Hong Kong Exchanges and Clearing Limited and the Tokyo Stock Exchange.

*Backed by Gold Held by the Custodian on Behalf of the Trust.* The Shares are backed by the assets of the Trust and the Trust does not hold or employ any derivative securities. Further, the Trust's holdings and their value based on current market prices are reported on the Trust's website each business day. The Trustee's arrangements with the Custodian provide that at the end of each business day there can be in the Trust account maintained by the Custodian no gold in an

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unallocated form. Accordingly, the Trust's gold holdings are identified on the Custodian's books as the property of the Trust and held in London.

**Overview**

The Shares represent units of fractional undivided beneficial interest in and ownership of the Trust. The Trust is not managed like a corporation or an active investment vehicle. The gold held by the Trust will only be sold: (1) on an as-needed basis to pay Trust expenses, (2) in the event the Trust terminates and liquidates its assets, or (3) as otherwise required by law or regulation. The sale of gold by the Trust is a taxable event to shareholders of the Trust, or Shareholders. See United States Federal Tax Consequences Taxation of U.S. Shareholders.

The Trust is not registered as an investment company under the Investment Company Act of 1940 and is not required to register under such act. The Trust will not hold or trade in commodity futures contracts regulated by the Commodity Exchange Act of 1936, or the CEA, as administered by the Commodity Futures Trading Commission, or the CFTC. The Trust is not a commodity pool for purposes of the CEA, and none of the Sponsor, the Trustee or the Marketing Agent is subject to regulation as a commodity pool operator or a commodity trading advisor in connection with the Shares.

The Trust creates and redeems Shares from time to time, but only in Baskets. The number of outstanding Shares changes from time to time as a result of the creation and redemption of Baskets. The creation and redemption of Baskets requires the delivery to the Trust or the distribution by the Trust of the amount of gold and any cash represented by the Baskets being created or redeemed. The total amount of gold and any cash required for the creation of Baskets is based on the combined net asset value, or NAV, of the number of Baskets being created or redeemed. The number of ounces of gold required to create a Basket or to be delivered upon the redemption of a Basket will continue to gradually decrease over time. This is because the Shares comprising a Basket will represent a decreasing amount of gold due to the sale of the Trust's gold to pay the Trust's expenses.

Baskets may be created or redeemed only by Authorized Participants. An Authorized Participant is a person who: (1) is a registered broker-dealer or other securities market participant such as a bank or other financial institution which is not required to register as a broker-dealer to engage in securities transactions; (2) is a participant in the Depository Trust Company system, or DTC; (3) has entered into an agreement with the Sponsor and the Trustee which provides the procedures for the creation and redemption of Baskets and for the delivery of the gold and any cash required for such creations and redemptions, or a Participant Agreement; and (4) has established an unallocated gold account with the Custodian, or an Authorized Participant Unallocated Account. Authorized Participants pay a transaction fee of \$2,000 for each order to create or redeem Baskets. Authorized Participants may sell to other investors all or part of the Shares included in the Baskets they purchase from the Trust.

On March 20, 2015, the LBMA Gold Price replaced the London Gold Fix. The ICE Benchmark Administration Limited, or the IBA, provides the auction platform and methodology as well as the overall independent administration and governance for the LBMA Gold Price. In determining the NAV of the Trust, the Trustee values the gold held by the Trust on the basis of the price of an ounce of gold determined by the IBA 3:00 PM auction process, or LBMA Gold Price PM, which is an electronic auction, with the imbalance calculated, and the price adjusted in rounds (30 seconds in duration). The auction runs twice daily at 10:30 AM and 3:00 PM London time. Prior to March 20, 2015, the Trustee valued the gold held by the Trust on the basis of the price of an ounce of gold set by the afternoon session of the twice daily fix of the price of an ounce of gold which started at 3:00 PM London time and was performed by the four members of the London Gold Fix. Since March 20, 2015, the Trustee determines the NAV of the Trust on each day the NYSE Arca is open for regular trading, at the earlier of the LBMA Gold Price PM for the day or 12:00 PM New York time. If no LBMA Gold Price PM is announced on a particular evaluation day or if the LBMA Gold Price PM has not been announced by 12:00 PM New York time on a particular evaluation day, the next most recent LBMA Gold Price (AM or PM) is used in the determination of the NAV of the Trust, unless the Trustee, in consultation with the Sponsor, determines that such price is inappropriate to use as the basis for such determination.

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As of (i) the LBMA Gold Price PM on each day that the NYSE Arca is open for regular trading or (ii) if there is no LBMA Gold Price PM on such day or the LBMA Gold Price PM has not been announced by 12:00 PM New York time on such day, as of 12:00 PM New York time on such day, or Valuation Time, the Trustee values the gold held by the Trust and determines the NAV of the Trust.

At the Valuation Time, the Trustee values the Trust's gold on the basis of that day's LBMA Gold Price PM or, if no LBMA Gold Price PM is made on such day or has not been announced by the Valuation Time, the next most recent LBMA Gold Price (AM or PM) determined prior to the Valuation Time will be used, unless the Trustee, in consultation with the Sponsor, determines that such price is inappropriate as a basis for valuation. In the event the Trustee and the Sponsor determine that the LBMA Gold Price PM or last prior LBMA Gold Price (AM or PM) is not an appropriate basis for valuation of the Trust's gold, they will identify an alternative basis for such valuation to be employed by the Trustee. While we believe that the LBMA Gold Price is an appropriate indicator of the value of gold, there are other indicators that are available that could be different than the LBMA Gold Price. The use of such an alternative indicator could result in materially different fair value pricing of the gold in the Trust which could result in different market value adjustments of our outstanding redeemable Shares.

To determine the Trust's NAV, the Trustee subtracts all estimated accrued fees, expenses and other liabilities of the Trust from the total value of the gold and all other assets of the Trust.

The Trust's only recurring fixed expense is the Sponsor's fee which accrues daily at an annual rate equal to 0.40% of the daily NAV. In exchange for the Sponsor's fee, the Sponsor has agreed to pay all ordinary fees and expenses of the Trust which include the fees and expenses of the Trustee, the fees and expenses of the Custodian for the custody of the Trust's gold bars, the fees and expenses of the Sponsor, certain taxes, the fees of the Marketing Agent, printing and mailing costs, legal and audit fees, registration fees, NYSE Arca listing fees and other marketing costs and expenses.

The Trust's assets only consist of allocated gold bullion and gold receivable when recorded; representing gold covered by contractually binding orders for the creation of Shares where the gold has not yet been transferred to the Trust's account and, from time to time, cash, which will be used to pay expenses. Cash held by the Trust will not generate any income. The Trust does not hold any derivative instruments. Each Share represents a proportional interest, based on the total number of Shares outstanding, in the gold and any cash held by the Trust, less the Trust's liabilities (which include accrued expenses). While the secondary market trading price of the Shares has fluctuated in response to the price of gold, the Sponsor believes that the trading price of the Shares reflects the estimated accrued expenses of the Trust.

*Sales of Gold*

The Trustee, at the direction of the Sponsor or in its own discretion, sells the Trust's gold as necessary to pay the Trust's expenses. As a result, the amount of gold sold will vary from time to time depending on the level of the Trust's expenses and the market price of gold. Unless otherwise directed by the Sponsor, the Trustee will sell gold to the Custodian at the next LBMA Gold Price PM following the sale order. Neither the Trustee nor the Sponsor is liable for depreciation or loss incurred by reason of any sale. See "United States Federal Tax Consequences Taxation of U.S. Shareholders" for information on the tax treatment of gold sales.

The Trustee may also sell the Trust's gold if the Sponsor notifies the Trustee that the sale of gold is required by applicable law or regulation or in connection with the termination and liquidation of the Trust. The Trustee will not be liable or responsible in any way for depreciation or loss incurred by reason of any sale of gold directed by the Sponsor. Any property received by the Trust other than gold, cash or an amount receivable in cash (such as, for example, an insurance claim) will be promptly sold or otherwise disposed of by the Trustee.

*Gold Price Information*

Investors may obtain on a 24-hour basis gold pricing information based on the spot price for an ounce of gold from various financial information service providers. Current spot prices are also generally available



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with bid/ask spreads from gold bullion dealers. In addition, the Trust's website provides ongoing pricing information for gold spot prices and the Shares. Market prices for the Shares are available from a variety of sources including brokerage firms, information websites and other information service providers. The NAV of the Trust is published by the Sponsor on each day that NYSE Arca is open for regular trading and is posted on the Trust's website at [www.spdrgoldshares.com](http://www.spdrgoldshares.com).

**The Gold Industry***Gold Supply and Demand*

Gold is a physical asset that is accumulated rather than consumed. As a result, virtually all the gold that has ever been mined still exists today in one form or another. *Gold Focus 2018* estimates that existing above-ground stocks of gold totalled approximately 187,000 tonnes (approximately 6 billion ounces) at the end of 2017.<sup>(1)</sup>

*World Gold Supply and Demand (2013-2017)*

The following table is a summary of the world gold supply and demand for the past 5 years. It is based on information reported in the *Gold Focus 2018*.

**World Gold Supply and Demand, 2013-2017****Global Gold Summary/Demand Summary<sup>(2),(3)</sup>**

Tonnes	2013	2014	2015	2016	2017
<b>SUPPLY</b>					
Mine Production	3,075	3,150	3,216	3,275	3,292
Old Scrap	1,255	1,194	1,129	1,291	1,167
Net Hedging Supply		105	13	33	
<b>Total Supply</b>	<b>4,330</b>	<b>4,448</b>	<b>4,358</b>	<b>4,599</b>	<b>4,458</b>
<b>DEMAND</b>					
Jewellery Fabrication	2,749	2,526	2,460	1,999	2,143
Industrial Demand	350	349	332	323	333
Net Physical Investment	1,717	1,058	1,072	1,063	1,035
Net Hedging Demand	25				26
Net Central Bank Buying	646	584	577	390	374
<b>Total Demand</b>	<b>5,487</b>	<b>4,517</b>	<b>4,440</b>	<b>3,775</b>	<b>3,911</b>
Market Balance	(1,157)	(68)	(83)	824	548
Net Investment in ETPs	(912)	(184)	(125)	547	203
Market Balance less ETPs	(245)	116	42	277	345
Gold Price (US\$/oz, London)	1,411	1,266	1,160	1,251	1,257

Source: *Metals Focus Gold Focus 2018*

*Sources of Gold Supply*

Based on data from *Gold Focus 2018*, gold supply averaged 4,439 tonnes (t) per year between 2013 and 2017. Sources of gold supply include both mine production and recycled above-ground stocks and, to a lesser extent, producer net hedging. The largest portion of gold supplied to the market is from mine

<sup>(1)</sup> *Gold Focus 2018* is published by Metals Focus, Ltd. which is a precious metals research consultancy based in London. Metals Focus Data Ltd., an affiliate of the Sponsor, provides the supply and demand data to Metals Focus, Ltd. When used in this annual report tonne refers to one metric tonne, which is equivalent to 1,000 kilograms or 32,151 troy ounces.

<sup>(2)</sup> *Gold Focus 2018*.

<sup>(3)</sup> Totals may vary due to rounding.



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production, which averaged approximately 3,202t per year from 2013 through 2017. The second largest source of annual gold supply is recycling gold, which is gold that has been recovered from jewelry and other fabricated products and converted back into marketable gold. Recycled gold averaged approximately 1,207t annually between 2013 through 2017.

### *Sources of Gold Demand*

Based on data from *Gold Focus 2018*, gold demand averaged 4,426t per year between 2013 and 2017. Gold demand generally comes from four sources: jewelry, industry (including medical applications), investment and the official sector (including central banks and supranational organizations). The largest source of demand comes from jewelry fabrication, which accounted for approximately 54% of the identifiable demand from 2013 through 2017 followed by net physical investment, which represents identifiable investment demand, which accounted for approximately 27%.

Gold demand is widely dispersed throughout the world with significant contributions from India and China. In many countries there are seasonal fluctuations in the levels of demand for gold especially jewelry. However, as a result of variations in the timing of seasons throughout the world, seasonal fluctuations in demand do not appear to have a significant impact on the global gold price.

Between 2013 and 2017, according to *Gold Focus 2018*, central bank purchases averaged 514t. The prominence given by market commentators to this activity coupled with the total amount of gold held by the official sector has resulted in this area being one of the more visible shifts in the gold market.

### *Operation of the Gold Bullion Market*

The global trade in gold consists of over-the-counter, or OTC, transactions in spot, forwards, and options and other derivatives, together with exchange-traded futures and options.

### *Global Over-the-Counter Market*

The OTC market trades on a continuous basis and accounts for most global gold trading. Market makers and participants in the OTC market trade with each other and their clients on a principal-to-principal basis. All risks and issues of credit are between the parties directly involved in the transaction. The three products relevant to London Bullion Market Association, or LBMA, market making are Spot (S), Forwards (F) and Options (O). There are thirteen LBMA Market Makers who provide the service in one, two or all three products. Of the thirteen LBMA Market Makers, there are six Full Market Makers and seven Market Makers. The six Full Market Makers quoting prices in all three products are: Citibank N.A., Goldman Sachs International, HSBC, JP Morgan Chase Bank, Morgan Stanley and Co. International Plc and UBS AG. The seven LBMA Market Makers who provide two-way pricing in either one or two products are: ICBC Standard Bank (S), Merrill Lynch International Plc (S, O), Societe Generale (S), Standard Chartered Bank (S, O), Bank of Nova Scotia -ScotiaMocatta (S, F), Toronto-Dominion Bank (F) and BNP Paribas SA (F).

The OTC market provides a relatively flexible market in term of quotes, price, size, destinations for delivery and other factors. Bullion dealers customize transactions to meet their clients requirements. The OTC market has no formal structure and no open-outcry meeting place.

The main centers of the OTC market are London, New York and Zurich. Mining companies, central banks, manufacturers of jewelry and industrial products, together with investors and speculators, tend to transact their business through one of these centers. Centers such as Dubai and several cities in the Far East also transact substantial OTC market business. Bullion dealers have offices around the world and most of the world's major bullion dealers are either members or associate members of the LBMA.

In the OTC market, the standard size of gold trades ranges between 5,000 and 10,000 ounces. Bid-offer spreads are typically \$0.50 per ounce. Transaction costs in the OTC market are negotiable between the parties and therefore vary widely, with some dealers willing to offer clients competitive prices for larger volumes, although this will vary according to the dealer, the client and market conditions. Cost indicators can be obtained from various information service providers as well as dealers.

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Liquidity in the OTC market can vary from time to time during the course of the 24-hour trading day. Fluctuations in liquidity are reflected in adjustments to dealing spreads the difference between a dealer's buy and sell prices. The period of greatest liquidity in the gold market generally occurs at the time of day when trading in the European time zones overlaps with trading in the United States, which is when OTC market trading in London, New York and other centers coincides with futures and options trading on the Commodity Exchange Inc., or the COMEX.

### *The London Bullion Market*

Although the market for physical gold is global, most OTC market trades are cleared through London. In addition to coordinating market activities, the LBMA acts as the principal point of contact between the market and its regulators. A primary function of the LBMA is its involvement in the promotion of refining standards by maintenance of the London Good Delivery Lists, which are the lists of LBMA accredited melters and assayers of gold. The LBMA also coordinates market clearing and vaulting, promotes good trading practices and develops standard documentation.

The term *loco London* refers to gold bars physically held in London that meet the specifications for weight, dimensions, fineness (or purity), identifying marks (including the assay stamp of an LBMA acceptable refiner) and appearance set forth in *The Good Delivery Rules for Gold and Silver Bars* published by the LBMA. Gold bars meeting these requirements are known as *London Good Delivery Bars*. The unit of trade in London is the troy ounce, whose conversion between grams is: 1,000 grams = 32.1507465 troy ounces and 1 troy ounce = 31.1034768 grams. A London Good Delivery Bar is acceptable for delivery in settlement of a transaction on the OTC market. Typically referred to as 400-ounce bars, a London Good Delivery Bar must contain between 350 and 430 fine troy ounces of gold, with a minimum fineness (or purity) of 995 parts per 1,000 (99.5%), be of good appearance and be easy to handle and stack. The fine gold content of a gold bar is calculated by multiplying the gross weight of the bar (expressed in units of 0.025 troy ounces) by the fineness of the bar.

### *LBMA Gold Price*

The LBMA Gold Price is determined twice daily during London trading hours through an auction which provides reference gold prices for that day's trading. The LBMA Gold Price was initiated on March 20, 2015 and replaced the London PM Gold Fix. The auction that determines the LBMA Gold Price is a physically settled, electronic and tradeable auction, with the ability to settle trades in U.S. dollars, euros or British pounds. The IBA provides the auction platform and methodology as well as the overall administration and governance for the LBMA Gold Price. Many long-term contracts are expected to be priced on the basis of either the morning (AM) or afternoon (PM) LBMA Gold Price, and many market participants are expected to refer to one or the other of these prices when looking for a basis for valuations.

The Financial Conduct Authority, or FCA, in the U.K. regulates the LBMA Gold Price.

### *Futures Exchanges*

The most significant gold futures exchange is the COMEX, part of the CME Group. It began to offer trading in gold futures contracts in 1974, and for most of the period since that date, it has been the largest exchange in the world for trading precious metals futures and options. The Tokyo Commodity Exchange, or the TOCOM, is another significant futures exchange and has been trading gold since 1982. Trading on these exchanges is based on fixed delivery dates and transaction sizes for the futures and options contracts traded. Trading costs are negotiable. As a matter of practice, only a small percentage of the futures market turnover ever comes to physical delivery of the gold represented by the contracts traded. Both exchanges permit trading on margin. Margin trading can add to the speculative risk involved given the potential for margin calls if the price moves against the contract holder. Both the COMEX and the TOCOM operate through a central clearance system, and in each case, the exchange acts as a counterparty for each member for clearing purposes.

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Over recent years China has become an important source of gold demand, and its futures markets have grown. Gold futures contracts are traded on the Shanghai Gold Exchange and the Shanghai Futures Exchange.

*Market Regulation*

The global gold markets are overseen and regulated by both governmental and self-regulatory organizations. In addition, certain trade associations have established rules and protocols for market practices and participants.

*Movements in the Price of Gold Since the Inception of the Trust*

The following chart provides historical background on the price of gold. The chart illustrates movements in the price of gold in U.S. dollars per ounce over the period from the day the Shares began trading on the NYSE on November 18, 2004 to September 30, 2018, and is based on the LBMA Gold Price PM when available from March 20, 2015 and previously the London PM Fix.

**Daily Gold Price November 18, 2004 to September 30, 2018**

**Business of the Trust**

The investment objective of the Trust is for the Shares to reflect the performance of the price of gold bullion, less the Trust's expenses. The Sponsor believes that, for many investors, the Shares represent a cost-effective investment relative to traditional means of investing in gold. The Trust has no fixed termination date and will terminate upon the occurrence of a termination event listed in the Trust Indenture.

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### **Creation and Redemption of Shares**

The Trust creates and redeems Shares from time to time, but only in one or more Baskets (a Basket equals a block of 100,000 Shares). The creation and redemption of Baskets is only made in exchange for the delivery to the Trust or the distribution by the Trust of the amount of gold and any cash represented by the Baskets being created or redeemed, the amount of which is based on the combined NAV of the number of Shares included in the Baskets being created or redeemed determined on the day the order to create or redeem Baskets is properly received. Creations of Baskets may only be settled after the requisite gold is deposited in the allocated account of the Trust.

Authorized Participants are the only persons that may place orders to create and redeem Baskets. To become an Authorized Participant, a person must enter into a Participant Agreement with the Sponsor and the Trustee. The Participant Agreement and the related procedures attached thereto may be amended by the Trustee and the Sponsor without the consent of any Shareholder or Authorized Participant. Authorized Participants who make deposits with the Trust in exchange for Baskets receive no fees, commissions or other form of compensation or inducement of any kind from either the Sponsor or the Trust, and no such person has any obligation or responsibility to the Sponsor or the Trust to effect any sale or resale of Shares.

Some of the activities of Authorized Participants will result in their being deemed participants in a distribution in a manner which would render them statutory underwriters and subject them to the prospectus-delivery and liability provisions of the Securities Act of 1933, as amended, or the Securities Act. As of the date of this annual report, Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co., Goldman Sachs Execution & Clearing, L.P., HSBC Securities (USA) Inc., J.P. Morgan Securities LLC, Merrill Lynch Professional Clearing Corp., Morgan Stanley & Co. LLC, RBC Capital Markets LLC, Scotia Capital (USA) Inc., UBS Securities LLC and Virtu Financial BD LLC are our Authorized Participants. An updated list of Authorized Participants can be obtained from the Trustee or the Sponsor.

Prior to initiating any creation or redemption order, an Authorized Participant must have entered into an agreement with the Custodian to establish an Authorized Participant Unallocated Account in London, or a Participant Unallocated Bullion Account Agreement. Authorized Participant Unallocated Accounts may only be used for transactions with the Trust. An unallocated account is an account with a bullion dealer, which may also be a bank, to which a fine weight amount of gold is credited. Transfers to or from an unallocated account are made by crediting or debiting the number of ounces of gold being deposited or withdrawn. The account holder is entitled to direct the bullion dealer to deliver an amount of physical gold equal to the amount of gold standing to the credit of the account holder. Gold held in an unallocated account is not segregated from the Custodian's assets. The account holder therefore has no ownership interest in any specific bars of gold that the bullion dealer holds or owns. The account holder is an unsecured creditor of the bullion dealer, and credits to an unallocated account are at risk of the bullion dealer's insolvency, in which event it may not be possible for a liquidator to identify any gold held in an unallocated account as belonging to the account holder rather than to the bullion dealer.

Certain Authorized Participants are able to participate directly in the gold bullion market and the gold futures market. In some cases, an Authorized Participant may from time to time acquire gold from or sell gold to its affiliated gold trading desk, which may profit in these instances. The Sponsor believes that the size and operation of the gold bullion market make it unlikely that an Authorized Participant's direct activities in the gold or securities markets will impact the price of gold or the price of the Shares. Authorized Participants must be: (1) a DTC Participant; (2) registered as a broker-dealer under the Exchange Act, and regulated by FINRA, or some other self-regulatory organization or will be exempt from being or otherwise not be required to be so regulated or registered; and (3) qualified to act as a broker or dealer in the states or other jurisdictions where the nature of its business so requires. Each Authorized Participant will have its own set of rules and procedures, internal controls and information barriers as it determines is appropriate in light of its own regulatory regime.

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Authorized Participants may act for their own accounts or as agents for broker-dealers, custodians and other securities market participants that wish to create or redeem Baskets. An order for one or more Baskets may be placed by an Authorized Participant on behalf of multiple clients. Persons interested in purchasing Baskets should contact the Sponsor or the Trustee to obtain the contact information for the Authorized Participants. Shareholders who are not Authorized Participants will only be able to redeem their Shares through an Authorized Participant.

All gold bullion must be delivered to the Trust and distributed by the Trust in unallocated form through credits and debits between Authorized Participant Unallocated Accounts and the Trust Unallocated Account.

All gold bullion must be of at least a minimum fineness (or purity) of 995 parts per 1,000 (99.5%) and otherwise conform to the rules, regulations, practices and customs of the LBMA, including the specifications for a London Good Delivery Bar.

Under the Participant Agreement, the Sponsor has agreed to indemnify the Authorized Participants against certain liabilities, including liabilities under the Securities Act, and to contribute to the payments the Authorized Participants may be required to make in respect of those liabilities. The Trustee has agreed to reimburse the Authorized Participants, solely from and to the extent of the Trust's assets, for indemnification and contribution amounts due from the Sponsor to the extent the Sponsor has not paid such amounts when due.

The following description of the procedures for the creation and redemption of Baskets is only a summary and investors should review the description of the procedures for the creation and redemption of Baskets set forth in the Trust Indenture, the form of Participant Agreement and the form of Participant Unallocated Bullion Account Agreement, each of which has been filed as an exhibit to this report.

### *Creation Procedures*

On any business day, an Authorized Participant may place an order with the Trustee to create one or more Baskets. Purchase orders must be placed by 4:00 PM or the close of regular trading on NYSE Arca, whichever is earlier. The day on which the Trustee receives a valid purchase order is the purchase order date.

By placing a purchase order, an Authorized Participant agrees to deposit gold with the Trust, or a combination of gold and cash, as described below. Prior to the delivery of Baskets for a purchase order, the Authorized Participant must also have wired to the Trustee the non-refundable transaction fee due for the purchase order.

### *Determination of Required Deposits*

The total deposit required to create each Basket, or a Creation Basket Deposit, is an amount of gold and cash, if any, that is in the same proportion to the total assets of the Trust (net of estimated accrued expenses and other liabilities) on the date the order to purchase is properly received as the number of Shares to be created under the purchase order is in proportion to the total number of Shares outstanding on the date the order is received.

### *Delivery of Required Deposits*

An Authorized Participant who places a purchase order is responsible for crediting its Authorized Participant Unallocated Account with the required gold deposit amount by the end of the second business day in London following the purchase order date. The Custodian, after receiving appropriate instructions from the Authorized Participant and the Trustee, will transfer on the second business day following the purchase order date the gold deposit amount by debiting such amount from the Authorized Participant Unallocated Account and by crediting such amount to the Trust Unallocated Account and by delivery of the gold to the Trust Allocated Account. The expense and risk of delivery, ownership and

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safekeeping of gold until such gold has been received by the Trust will be borne solely by the Authorized Participant. If gold is to be delivered other than as described above, the Sponsor is authorized to establish such procedures and to appoint such custodians and establish such custody accounts as the Sponsor determines to be desirable.

Acting on standing instructions given by the Trustee, the Custodian will transfer the gold deposit amount from the Trust Unallocated Account to the Trust Allocated Account on the second business day following the purchase order date by allocating to the Trust Allocated Account specific bars of gold from unallocated bars which the Custodian holds or instructing a subcustodian to allocate specific bars of gold from unallocated bars held by or for the subcustodian. The gold bars in an allocated gold account are specific to that account and are identified by a list which shows, for each gold bar, the refiner, assay or fineness, serial number and gross and fine weight. Gold held in the Trust's allocated account is the property of the Trust and is not traded, leased or loaned under any circumstances.

The Custodian will transfer the gold deposit amount from the Trust Unallocated Account to the Trust Allocated Account by 2:00 PM (London time) unless the Custodian is required to use a subcustodian in the allocation process, in which event the Custodian will use its best efforts to complete the transfer by 2:00 PM (London time). Upon Trustee's receipt of confirmation from the Custodian that the gold deposit amount has been transferred from the Trust Unallocated Account to the Trust Allocated Account, the Trustee will direct DTC to credit the number of Baskets ordered by the Authorized Participant to the Authorized Participant's DTC account. During the period of the transfer, all Shareholders will be exposed to the risks of unallocated gold to the extent of that gold deposit amount until the Custodian completes the allocation process.

### *Redemption Procedures*

The procedures by which an Authorized Participant can redeem one or more Baskets mirror the procedures for the creation of Baskets. On any business day, an Authorized Participant may place an order with the Trustee to redeem one or more Baskets. Redemption orders must be placed by 4:00 PM or the close of regular trading on NYSE Arca, whichever is earlier. A redemption order so received is effective on the date it is received in satisfactory form by the Trustee.

### *Determination of Redemption Distribution*

The redemption distribution from the Trust consists of a credit to the redeeming Authorized Participant's Authorized Participant Unallocated Account representing the amount of the gold held by the Trust evidenced by the Shares being redeemed plus, or minus, the cash redemption amount. The cash redemption amount is equal to the value of all assets of the Trust other than gold less all estimated accrued expenses and other liabilities, divided by the number of Baskets outstanding and multiplied by the number of Baskets included in the Authorized Participant's redemption order. The Sponsor anticipates that in the ordinary course of the Trust's operations there will be no cash distributions made to Authorized Participants upon redemptions. Fractions of a fine ounce of gold included in the redemption distribution smaller than 0.001 of a fine ounce are disregarded. Redemption distributions are subject to the deduction of any applicable tax or other governmental charges which may be due.

### *Delivery of Redemption Distribution*

The redemption distribution due from the Trust is delivered to the Authorized Participant on the second business day following the redemption order date if, by 9:00 AM New York time on such second business day, the Trustee's DTC account has been credited with the Baskets to be redeemed. If the Trustee's DTC account has not been credited with all of the Baskets to be redeemed by such time, the redemption distribution is delivered to the extent of whole Baskets received. Any remainder of the redemption distribution is delivered on the next business day to the extent of remaining whole Baskets received if the Trustee receives the fee applicable to the extension of the redemption distribution date which the Trustee may, from time to time, determine and the remaining Baskets to be redeemed are credited to the



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Trustee's DTC account by 9:00 AM New York time on such next business day. Any further outstanding amount of the redemption order may be cancelled. The Trustee is also authorized to deliver the redemption distribution notwithstanding that the Baskets to be redeemed are not credited to the Trustee's DTC account by 9:00 AM New York time on the second business day following the redemption order date if the Authorized Participant has collateralized its obligation to deliver the Baskets through DTC's book entry system on such terms as the Sponsor and the Trustee may from time to time agree upon.

The Custodian transfers the redemption gold amount from the Trust Allocated Account to the Trust Unallocated Account and, thereafter, to the redeeming Authorized Participant's Authorized Participant Unallocated Account. The Authorized Participant and the Trust are each at risk in respect of gold credited to their respective unallocated accounts in the event of the Custodian's insolvency. See Risk Factors Gold held in the Trust's unallocated gold account and any Authorized Participant's unallocated gold account will not be segregated from the Custodian's assets.

### *Suspension or Rejection of Redemption Orders*

The Trustee may, in its discretion, and will when directed by the Sponsor, suspend the right of redemption, or postpone the redemption settlement date for: (1) any period during which NYSE Arca is closed other than customary weekend or holiday closings, or trading on NYSE Arca is suspended or restricted; (2) any period during which an emergency exists as a result of which delivery, disposal or evaluation of gold is not reasonably practicable; or (3) such other period as the Sponsor determines to be necessary for the protection of the Shareholders.

The Trustee will reject a redemption order if: (1) the order is not in proper form as described in the Participant Agreement; (2) the fulfillment of the order, in the opinion of its counsel, might be unlawful; (3) the order would have adverse tax consequences to the Trust or its Shareholders; or (4) circumstances outside the control of the Trustee, the Sponsor or the Custodian make the redemption, for all practical purposes, not feasible to process.

None of the Sponsor, the Trustee or the Custodian will be liable to any person or in any way for any loss or damages that may result from any such suspension, postponement or rejection.

### *Creation and Redemption Transaction Fee*

An Authorized Participant is required to pay a transaction fee to the Trustee of \$2,000 per order to create or redeem Baskets. An order may include multiple Baskets. The transaction fee may be changed by the Trustee with the consent of the Sponsor. The Trustee shall notify DTC of any agreement to change the transaction fee and will not implement any increase in the fee for the redemption of Baskets until 30 days after the date of the notice. A transaction fee may not exceed 0.10% of the value of a Basket at the time the creation and redemption order is accepted.

### *Tax Responsibility*

Authorized Participants are responsible for any transfer tax, sales or use tax, recording tax, value added tax or similar tax or governmental charge applicable to the creation or redemption of Baskets, regardless of whether or not such tax or charge is imposed directly on the Authorized Participant, and agree to indemnify the Sponsor, the Trustee and the Trust if they are required by law to pay any such tax, together with any applicable penalties, additions to tax or interest thereon.

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### **Trust Expenses**

The Trustee sells gold as needed to pay the expenses of the Trust. As a result, the amount of gold sold will vary from time to time depending on the level of the Trust's expenses and the market price of gold. Cash held by the Trustee does not bear any interest. The Trust's estimated ordinary operating expenses are accrued daily and reflected in the NAV of the Trust.

The Trust's only recurring fixed expense is the Sponsor's fee which accrues daily at an annual rate equal to 0.40% of the daily NAV. In exchange for the Sponsor's fee, the Sponsor agreed to pay all ordinary fees and expenses of the Trust which include fees and expenses of the Trustee, the fees and expenses of the Custodian for the custody of the Trust's gold bars, the fees and expenses of the Sponsor, certain taxes, the fees of the Marketing Agent, printing and mailing costs, legal and audit fees, registration fees, NYSE Arca listing fees and other marketing costs and expenses. The Sponsor's fees were \$136,300,485 for the year ended September 30, 2018.

In addition, the following expenses may be accrued and paid by the Trust:

Expenses and other charges of the Custodian payable by the Trustee on behalf of the Trust under the Allocated Bullion Account Agreement and the Unallocated Bullion Account Agreement (including (1) any relevant taxes, duties and governmental charges; and (2) the obligation to indemnify the Custodian) and, subject to the prior written approval of the Sponsor, (A) other expenses and charges for the custody, deposit or delivery of gold and services related to the custody and safekeeping of gold; and (B) expenses and charges charged by other custodians pursuant to a Custody Agreement;

Expenses of the Trustee for uncustomary and extraordinary out-of-pocket expenses and fees of the Trustee for extraordinary services performed under the Trust Indenture;

Certain taxes and various other governmental charges;

Various taxes and governmental charges and any taxes, fees and charges payable by the Trustee with respect to the creation or redemption of Baskets;

Any taxes or other governmental charges imposed on the Sponsor in respect of the Trust, its assets, including gold, or the SPDR® Gold Shares;

Expenses and costs of any action taken by the Trustee or the Sponsor to protect the Trust and the rights and interests of Shareholders;

Amounts for indemnification of the Trustee or the Sponsor as permitted under the Trust Indenture;

Expenses incurred in contacting Shareholders exceeding an aggregate amount for any fiscal year of \$500,000;

Amounts for reimbursement in respect of certain claims described under Risk Factors The Trust's obligation to reimburse the Marketing Agent and the Authorized Participants for certain liabilities;

The amount of any legal fees and expenses (including the costs of any litigation) of (i) the Sponsor and the Trust, (ii) the Custodian and (iii) the Trustee in excess of an aggregate amount for any fiscal year of \$500,000; and

All other expenses of the Trust not otherwise assumed by the Sponsor under the Trust Indenture.

**The Sponsor**

The Sponsor is a Delaware limited liability company formed on July 17, 2002. The Sponsor was responsible for establishing the Trust and for the registration of the Shares. The Sponsor generally oversees the performance of the Trustee and the Trust's principal service providers, but does not

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exercise day-to-day oversight over the Trustee or such service providers. The Sponsor regularly communicates with the Trustee to monitor the overall performance of the Trust. The Sponsor may direct the Trustee, but only as provided in the Trust Indenture. The Sponsor, with assistance and support from the Trustee, is responsible for preparing and filing periodic reports on behalf of the Trust with the SEC and will provide any required certification for such reports. The Sponsor will designate the independent registered public accounting firm of the Trust and may from time to time employ legal counsel for the Trust. To assist the Sponsor in marketing the Shares, the Sponsor has entered into the Marketing Agent Agreement with the Marketing Agent and the Trust. See [The Marketing Agent](#) for more information about the Marketing Agent. The Sponsor maintains a public website on behalf of the Trust ([www.spdrgoldshares.com](http://www.spdrgoldshares.com)), which contains information about the Trust and the Shares.

The Sponsor will not be liable to the Trustee or any Shareholder for any action taken or for refraining from taking any action in good faith, or for errors in judgment or for depreciation or loss incurred by reason of the sale of any gold or other assets of the Trust. However, the preceding liability exclusion will not protect the Sponsor against any liability resulting from its own gross negligence, bad faith, willful misconduct or willful malfeasance in the performance of its duties or the reckless disregard of its obligations and duties to the Trust.

The Sponsor and its shareholders, members, directors, officers, employees, affiliates and subsidiaries are indemnified from the Trust and held harmless against certain losses, liabilities or expenses incurred in the performance of its duties under the Trust Indenture without gross negligence, bad faith, willful misconduct, willful malfeasance or reckless disregard of the indemnified party's obligations and duties under the Trust Indenture. Such indemnity includes payment from the Trust of the costs and expenses incurred in defending against any claim or liability under the Trust Indenture. Under the Trust Indenture, the Sponsor may be able to seek indemnification from the Trust for payments it makes in connection with the Sponsor's activities under the Trust Indenture to the extent its conduct does not disqualify it from receiving such indemnification under the terms of the Trust Indenture. The Sponsor will also be indemnified from the Trust and held harmless against any loss, liability or expense arising under the Marketing Agent Agreement or any Participant Agreement insofar as such loss, liability or expense arises from any untrue statement or alleged untrue statement of a material fact contained in any written statement provided to the Sponsor by the Trustee. Any amounts payable to the Sponsor are secured by a lien on the Trust.

## **The Trustee**

BNYM, a banking corporation organized under the laws of the State of New York with trust powers, serves as the Trustee. BNYM has a trust office at 2 Hanson Place, Brooklyn, New York 11217. BNYM is subject to supervision by the New York State Department of Financial Services and the Board of Governors of the Federal Reserve System. Information regarding creation and redemption Basket composition, NAV of the Trust, transaction fees and the names of the parties that have each executed a Participant Agreement may be obtained from BNYM. A copy of the Trust Indenture is linked as an exhibit to this report and is available at BNYM's trust office identified above. Under the Trust Indenture, the Trustee is required to maintain an aggregate capital, surplus and undivided profits of not less than \$500 million.

The Trustee is generally responsible for the day-to-day administration of the Trust, including keeping the Trust's operational records. The Trustee's principal responsibilities include: (1) selling the Trust's gold as needed to pay the Trust's expenses (gold sales occur monthly in the ordinary course); (2) calculating the NAV of the Trust and the NAV per Share; (3) receiving and processing orders from Authorized Participants to create and redeem Baskets and coordinating the processing of such orders with the Custodian and DTC; and (4) monitoring the Custodian. If the Trustee determines that maintaining gold with the Custodian is not in the best interest of the Trust, the Trustee must so advise the Sponsor, who may direct the Trustee to take certain actions in respect of the Custodian. In the absence of such instructions, the Trustee may initiate action to remove the gold from the Custodian. The ability of the Trustee to monitor the performance of the Custodian may be limited because under the Custody

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Agreements the Trustee may, only up to twice a year, visit the premises of the Custodian for the purpose of examining the Trust's gold and certain related records maintained by the Custodian. Inspectorate International Limited conducts two counts each year of the gold bullion stock held on behalf of the Trust at the vaults of the Custodian. A complete bar count is conducted once per year and coincides with the Trust's financial year end at September 30<sup>th</sup>. The second count is a random sample count and is conducted at a date which falls within the same financial year and was conducted most recently on February 9, 2018. The Trustee has no right to visit the premises of any subcustodian for the purposes of examining the Trust's gold or any records maintained by the subcustodian, and no subcustodian is obligated to cooperate in any review the Trustee may wish to conduct of the facilities, procedures, records or creditworthiness of such subcustodian. The Trustee regularly communicates with the Sponsor to monitor the overall performance of the Trust. The Trustee, along with the Sponsor, liaises with the Trust's legal, accounting and other professional service providers as needed. The Trustee assists and supports the Sponsor with the preparation of all periodic reports required to be filed with the SEC on behalf of the Trust.

Affiliates of the Trustee may from time to time act as Authorized Participants or purchase or sell gold or Shares for their own account, as agent for their customers and for accounts over which they exercise investment discretion.

### **The Marketing Agent**

State Street Global Advisors Funds Distributors, LLC (formerly State Street Global Markets, LLC), or SSGA, a wholly-owned subsidiary of State Street Corporation, acts as the Marketing Agent. The Marketing Agent is a registered broker-dealer with the SEC and is a member of FINRA. The Marketing Agent's principal place of business is located at One Iron Street, Boston, Massachusetts 02210.

#### *The Marketing Agent's Role and the Marketing Agent Agreement*

The Marketing Agent assists the Sponsor in: (1) developing a marketing plan for the Trust on an ongoing basis; (2) preparing marketing materials regarding the Shares, including the content of the Trust's website; (3) executing the marketing plan for the Trust; (4) incorporating gold into its strategic and tactical exchange-traded fund research; (5) sublicensing the SPDR® trademark; and (6) assisting with certain shareholder services, such as a call center and prospectus fulfillment.

The Marketing Agent and its affiliates may from time to time become Authorized Participants or purchase or sell gold or Shares for their own account, as agent for their customers and for accounts over which they exercise investment discretion.

The Sponsor and the Marketing Agent entered into an Amended and Restated Marketing Agent Agreement effective July 17, 2015 which contains customary representations, warranties and covenants. In addition, the Sponsor has agreed to indemnify the Marketing Agent from and against certain liabilities, including liabilities under the Securities Act and to contribute to payments that the Marketing Agent may be required to make in respect thereof. The Trustee has agreed to reimburse the Marketing Agent, solely from and to the extent of the Trust's assets, for indemnification and contribution amounts due from the Sponsor in respect of such liabilities to the extent the Sponsor has not paid such amounts when due.

The Amended and Restated Marketing Agent Agreement will expire on July 17, 2022 and thereafter automatically renews for successive two year periods unless terminated in accordance with that agreement by either party twelve months prior to the end of the then-current term. If the Sponsor or Marketing Agent terminates that agreement for certain reasons specified in it, the Sponsor is required to pay the Marketing Agent the present market value of the future payments the Marketing Agent would otherwise receive under that agreement over the subsequent five year period.

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### *License Agreement with the Marketing Agent*

The Sponsor and the World Gold Council, or the WGC, entered into a license agreement, dated as of November 16, 2004, with the Marketing Agent. Under the license agreement, the Sponsor and the WGC granted the Marketing Agent a royalty-free, worldwide, non-exclusive, non-transferable: (1) sublicense under the license agreement among the Sponsor, the WGC and BNYM, to BNYM's patents and patent applications that cover securitized gold products in connection with the Marketing Agent's performance of its services under the Marketing Agent Agreement; and (2) a license to the Sponsor's and the WGC's patents, patent applications and intellectual property and trade name and trademark rights in connection with the Marketing Agent's performance of its services under the Marketing Agent Agreement and for the purpose of establishing, operating and marketing financial products involving the securitization of gold.

The license agreement will expire upon the expiration or termination of the Marketing Agent Agreement. Either party may terminate the license agreement prior to such term if the other party materially breaches the license agreement and fails to cure such breach within 30 days following written notice of such breach from the non-breaching party. The license agreement contains customary representations, warranties and covenants. In addition, the Sponsor, the WGC and the Marketing Agent have agreed to indemnify each other for breaches of their respective representations and warranties and the Sponsor and the WGC have agreed to indemnify the Marketing Agent for violations of the intellectual property rights of others as a result of the Marketing Agent's use of the licensed intellectual property.

### *SPDR Sublicense Agreement*

SPDR is a trademark of SPDI and has been licensed for use by the SPDR® Gold Trust pursuant to a SPDR Sublicense Agreement, dated May 20, 2008, between the Sponsor, the WGC, the Marketing Agent and State Street Corporation, pursuant to which the Marketing Agent and State Street Corporation granted the Sponsor and the WGC a royalty-free, worldwide, non-exclusive, non-transferable sublicense to use the SPDR® trademark (in accordance with the SPDR Trademark License Agreement dated as of November 29, 2006, as amended, between State Street Global Advisors, a division of State Street Bank and Trust Company, and S&P), for the purpose of establishing and operating the Trust, issuing and distributing the Shares, as part of the name of the Shares, and listing the Shares on exchanges.

The sublicense agreement will expire upon the expiration or termination of the earlier of (i) the Marketing Agent Agreement or (ii) the SPDR® Trademark License Agreement. Either party may terminate the sublicense agreement prior to such term if the other party materially breaches the license agreement and fails to cure such breach within 30 days following written notice of such breach from the non-breaching party. The sublicense agreement contains customary representations, warranties and covenants. In addition, the Sponsor, the WGC, the Marketing Agent and State Street Corporation have agreed to indemnify each other for breaches of their respective representations, warranties and covenants.

### **The Custodian**

The Custodian is HSBC Bank plc, or HSBC. HSBC's London custodian office is located at 8 Canada Square, London, E14 5HQ, United Kingdom. HSBC's London custodian operations are subject to supervision by the FCA. HSBC is authorized by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the FCA in the U.K.

The global parent company of HSBC is HSBC Holdings plc, or HSBC Group, a public limited company incorporated in England. HSBC Group had \$171 billion in regulatory capital resources according to HSBC Holdings plc's Interim Report as of June 30, 2018.

The Custodian is responsible for safekeeping of the Trust gold deposited with it by Authorized Participants in connection with the creation of Baskets. The Custodian facilitates the transfer of gold in

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and out of the Trust through the unallocated gold accounts it maintains for each Authorized Participant and the unallocated and allocated gold accounts it maintains for the Trust. The Custodian is responsible for allocating specific bars of gold bullion to the Trust Allocated Account. The Custodian provides the Trustee with regular reports detailing the gold transfers in and out of the Trust Unallocated Account and the Trust Allocated Account and identifying the gold bars held in the Trust Allocated Account.

The Custodian and its affiliates may from time to time act as Authorized Participants or purchase or sell gold or Shares for their own account, as agent for their customers and for accounts over which they exercise investment discretion.

### **Custody of the Trust's Gold**

Custody of the gold bullion deposited with and held by the Trust is provided by the Custodian at its London, England vaults. The Custodian will hold all of the Trust's gold in its own vault premises except when the gold has been allocated in the vault of a subcustodian, and in such cases the Custodian has agreed that it will use commercially reasonable efforts promptly to transport the gold from the subcustodian's vault to the Custodian's vault, at the Custodian's cost and risk. The Custodian is a market maker, clearer and approved weigher under the rules of the LBMA.

The Custodian, as instructed by the Trustee, is authorized to accept, on behalf of the Trust, deposits of gold in unallocated form. Acting on standing instructions given by the Trustee, the Custodian allocates gold deposited in unallocated form with the Trust by selecting bars of gold bullion for deposit to the Trust Allocated Account from unallocated bars which the Custodian holds or by instructing a subcustodian to allocate bars from unallocated bars held by the subcustodian. All gold bullion allocated to the Trust must conform to the rules, regulations, practices and customs of the LBMA and the Custodian must replace any non-conforming gold bullion with conforming bullion as soon as practical.

The Trustee and the Custodian have entered into the Custody Agreements which establish the Trust Unallocated Account and the Trust Allocated Account. The Trust Unallocated Account is used to facilitate the transfer of gold deposits and gold redemption distributions between Authorized Participants and the Trust in connection with the creation and redemption of Baskets and the sales of gold made by the Trustee for the Trust. Except when gold is transferred in and out of the Trust, all gold deposited with the Trust is held in the Trust Allocated Account.

The Custodian is authorized to appoint from time to time one or more subcustodians to hold the Trust's gold until it can be transported to the Custodian's vault. The subcustodians that the Custodian currently uses are the Bank of England, The Bank of Nova Scotia-ScotiaMocatta, ICBC Standard Bank London, JPMorgan Chase Bank and UBS AG. In accordance with LBMA practices and customs, the Custodian does not have written custody agreements with the subcustodians it selects. The Custodian's selected subcustodians may appoint further subcustodians. These further subcustodians are not expected to have written custody agreements with the Custodian's subcustodians that selected them. The lack of such written contracts could affect the recourse of the Trust and the Custodian against any subcustodian in the event a subcustodian does not use due care in the safekeeping of the Trust's gold. See Risk Factors The ability of the Trustee and the Custodian to take legal action against subcustodians may be limited.

The Custodian is required to use reasonable care in selecting subcustodians, but otherwise has limited responsibility in relation to the subcustodians appointed by it. The Custodian is obliged under the Allocated Bullion Account Agreement to use commercially reasonable efforts to obtain delivery of gold from those subcustodians appointed by it. However, the Custodian may not have the right to, and does not have the obligation to, seek recovery of the gold from any subcustodian appointed by a subcustodian. Otherwise, the Custodian does not undertake to monitor the performance by subcustodians of their custody functions or their selection of additional subcustodians and is not responsible for the actions or inactions of subcustodians. During the year ended September 30, 2016, the only time that gold was held by a subcustodian (the Bank of England) was during the period January through March 2016, and the greatest amount of gold held during such period was approximately 29 tonnes, or approximately 3.8% of the Trust's gold. During the two years ended September 30, 2018 and 2017, the Custodian did not utilize any subcustodians on behalf of the Trust.

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Under the customs and practices of the London bullion market, allocated gold is held by custodians and, on their behalf, by subcustodians under arrangements that permit each entity for which gold is being held: (1) to request from the entity's custodian (and a custodian or subcustodian to request from its subcustodian) a list identifying each gold bar being held and the identity of the particular custodian or subcustodian holding the gold bar and (2) to request the entity's custodian to release the entity's gold within two business days following demand for release. Each custodian or subcustodian is obligated under the customs and practices of the London bullion market to provide the bar list and the identification of custodians and subcustodians referred to in (1) above, and each custodian is obligated to release gold as requested. Under English law, unless otherwise provided in any applicable custody agreement, a custodian generally is liable to its customer for failing to take reasonable care of the customer's gold and for failing to release the customer's gold upon demand. The Custodian will not be liable for the acts or omissions, or for the solvency, of any subcustodian that it selects unless the selection of that subcustodian was made negligently or in bad faith.

The Custodian and the Trustee do not require any direct or indirect subcustodians to be insured or bonded with respect to their custodial activities. The Custodian maintains insurance with regard to its business on such terms and conditions as it considers appropriate. The Trustee and the Sponsor (so long as the Sponsor is WGTS) may, subject to confidentiality restrictions, review this insurance coverage. The Trust will not be a beneficiary of any such insurance and does not have the ability to dictate the existence, nature or amount of the coverage. Therefore, Shareholders cannot be assured that the Custodian maintains adequate insurance or any insurance with respect to the gold held by the Custodian on behalf of the Trust.

### **Description of the Custody Agreements**

The Allocated Bullion Account Agreement and the Unallocated Bullion Account Agreement between the Trustee and the Custodian establish the Trust Allocated Account and the Trust Unallocated Account, respectively. These agreements, as amended, restated, supplemented or otherwise modified from time to time, are sometimes referred to together as the Custody Agreements in this report. The following is a description of the material terms of the Custody Agreements. As the Custody Agreements are similar in form, they are discussed together, with material distinctions between the agreements noted.

#### *Reports*

The Custodian provides the Trustee with reports for each business day, identifying the movements of gold in and out of the Trust Allocated Account and the credits and debits of gold to the Trust Unallocated Account. The Custodian also provides the Trustee with monthly statements of account for the Trust Allocated Account and the Trust Unallocated Account as of the last business day of each month. The monthly statements contain sufficient information to identify each bar of gold held in the Trust Allocated Account and, if the bar is being held temporarily by a subcustodian, the identity of the subcustodian having custody.

#### *Transfers into the Trust Unallocated Account*

The Custodian credits to the Trust Unallocated Account the amount of gold it receives from the Trust Allocated Account, an Authorized Participant Unallocated Account or from other third party unallocated accounts for credit to the Trust Unallocated Account. Unless otherwise agreed by the Custodian in writing, the only gold the Custodian will accept in physical form for credit to the Trust Unallocated Account is gold the Trustee has transferred from the Trust Allocated Account. No interest will be paid by the Custodian on any credit balance to the Trust Unallocated Account.

#### *Transfers from the Trust Unallocated Account*

The Custodian transfers gold from the Trust Unallocated Account only in accordance with the Trustee's instructions to the Custodian. A transfer of gold from the Trust Unallocated Account may only be made,



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(1) by transferring gold to a third party unallocated account; (2) by transferring gold to the Trust Allocated Account; or (3) by either (A) making gold available for collection at the Custodian's vault premises or at such other location as the Custodian may specify; or (B), if separately agreed, delivering the gold to such location as the Custodian and the Trustee agree at the Trust's expense and risk. Any gold made available in physical form will be in a form which complies with the rules, regulations, practices and customs of the LBMA, the Bank of England or any applicable regulatory body, or Custody Rules, or in such other form as may be agreed between the Trustee and the Custodian, and in all cases will comprise one or more whole gold bars selected by the Custodian.

The Custody Agreements provide for, among other things, the full allocation of all gold credited to the Trust Unallocated Account at the end of each business day. The Sponsor established an overdraft facility with the Custodian under which the Custodian will make available to the Trust Unallocated Account up to 430 fine ounces of gold in order to allow the Custodian to fully allocate all gold credited to the Trust Unallocated Account to the Trust Allocated Account at the end of each business day.

*Transfers into the Trust Allocated Account*

The Custodian receives transfers of gold into the Trust Allocated Account only at the Trustee's instructions by debiting gold from the Trust Unallocated Account and crediting such gold to the Trust Allocated Account.

*Transfers from the Trust Allocated Account*

The Custodian transfers gold from the Trust Allocated Account only in accordance with the Trustee's instructions. Generally, the Custodian transfers gold from the Trust Allocated Account only by debiting gold from the Trust Allocated Account and crediting the gold to the Trust Unallocated Account.

*Withdrawals of Gold Directly from the Trust Allocated Account*

Upon the Trustee's instruction, the Custodian debits gold from the Trust Allocated Account and makes the gold available for collection by the Trustee or, if separately agreed, for delivery by the Custodian in accordance with its usual practices at the Trust's expense and risk. The Trustee and the Custodian expect that the Trustee will withdraw gold physically from the Trust Allocated Account (rather than by crediting it to the Trust Unallocated Account and instructing a further transfer from that account) only in exceptional circumstances, such as if, for some unforeseen reason, it was not possible to transfer gold in unallocated form. The Custodian is not obliged to effect any requested delivery if, in its reasonable opinion, (1) this would cause the Custodian or its agents to be in breach of the Custody Rules or other applicable law, court order or regulation; (2) the costs incurred would be excessive; or (3) delivery is impracticable for any reason. When gold is physically withdrawn from the Trust Allocated Account pursuant to the Trustee's instruction, all right, title, risk and interest in and to the gold withdrawn shall pass to the person to whom or to or for whose account such gold is transferred, delivered or collected at the time the recipient or its agent acknowledges in writing its receipt of gold. Unless the Trustee specifies the bars of gold to be debited from the Trust Allocated Account, the Custodian is entitled to select the gold bars.

*Exclusion of Liability*

The Custodian will use reasonable care in the performance of its duties under the Custody Agreements and is only responsible for any loss or damage suffered by the Trust as a direct result of any negligence, fraud or willful default in the performance of its duties. The Custodian's liability under the Allocated Bullion Account Agreement is further limited to the market value of the gold held in the Trust Allocated Account at the time such negligence, fraud or willful default is discovered by the Custodian, provided that the Custodian promptly notifies the Trustee of its discovery. The Custodian's liability under the Unallocated Bullion Account Agreement is further limited to the amount of the gold credited to the Trust Unallocated Account at the time such negligence, fraud or willful default is discovered by the Custodian, provided that the Custodian promptly notifies the Trustee of its discovery.

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Furthermore, the Custodian has no duty to make or take or to require any subcustodian selected by it to make or take any special arrangements or precautions beyond those required by the Custody Rules or as specifically set forth in the Custody Agreements.

In the event of a loss caused by the failure of the Custodian or a subcustodian to exercise reasonable care, the Trustee, on behalf of the Trust, has the right to seek recovery from the Custodian or subcustodian in breach. The Custodian is not liable for any delay in performance or any non-performance of any of its obligations under the Custody Agreements by reason of any cause beyond its reasonable control, including, acts of God, war or terrorism.

### *Indemnity*

Solely out of the Trust's assets, the Trust will indemnify the Custodian and each of its officers, directors, employees and affiliates on demand against all costs and expenses, damages, liabilities and losses which the Custodian or any such officer, director, employee or affiliate may suffer or incur in connection with the Custody Agreements, except to the extent that such sums are due directly to the Custodian's negligence, willful default or fraud.

### *Termination*

The Trustee and the Custodian may each terminate any Custody Agreement upon 90 business days' prior notice. The Custody Agreements will also terminate 90 business days after the resignation or removal of the Trustee except as otherwise provided in the Custody Agreements. If either the Allocated Bullion Account Agreement or the Unallocated Bullion Account Agreement is terminated, the other agreement automatically terminates.

### *Governing Law*

The Custody Agreements are governed by English law. The Trustee and the Custodian both consent to the non-exclusive jurisdiction of the courts of the State of New York and the federal courts located in the borough of Manhattan in New York City. Such consent is not required for any person to assert a claim of New York jurisdiction over the Trustee or the Custodian.

## **Description of the Shares**

### *General*

The Trustee is authorized under the Trust Indenture to create and issue an unlimited number of Shares. The Shares represent units of fractional undivided beneficial interest in and ownership of the Trust and have no par value. Any creation and issuance of Shares above the amount registered on the registration statement of which this report is a part will require the registration of such additional Shares.

### *Description of Limited Rights*

The Shares do not represent a traditional investment and Shareholders should not view them as similar to shares of a corporation operating a business enterprise with management and a board of directors. As a Shareholder, you do not have the statutory rights normally associated with the ownership of shares of a corporation, including, for example, the right to bring oppression or derivative actions. All Shares are of the same class with equal rights and privileges. Each Share is transferable, is fully paid and non-assessable and entitles the holder to vote on the limited matters upon which Shareholders may vote under the Trust Indenture. The Shares do not entitle their holders to any conversion or pre-emptive rights, or, except as provided below, any redemption rights or rights to distributions.

### *Distributions*

The Trust Indenture provides for distributions to Shareholders in only two circumstances. First, if the Trustee and the Sponsor determine that the Trust's cash account balance exceeds the anticipated

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expenses of the Trust for the next 12 months and the excess amount is more than \$0.01 per Share outstanding, they shall direct the excess amount to be distributed to the Shareholders. Second, if the Trust is terminated and liquidated, the Trustee will distribute to the Shareholders any amounts remaining after the satisfaction of all outstanding liabilities of the Trust and the establishment of such reserves for applicable taxes, other governmental charges and contingent or future liabilities as the Trustee shall determine. Shareholders of record on the record date fixed by the Trustee for a distribution will be entitled to receive their pro rata portion of any distribution.

### *Voting and Approvals*

Under the Trust Indenture, Shareholders have no voting rights, except in limited circumstances. Shareholders holding at least  $66\frac{2}{3}\%$  of the Shares outstanding may vote to remove the Trustee. The Trustee may terminate the Trust upon the agreement of Shareholders owning at least  $66\frac{2}{3}\%$  of the outstanding Shares. In addition, certain amendments to the Trust Indenture require 51% or unanimous consent of the Shareholders.

### *Book-Entry Form*

Individual certificates will not be issued for the Shares. Instead, global certificates are deposited by the Trustee with DTC and registered in the name of Cede & Co., as nominee for DTC. The global certificates evidence all of the Shares outstanding at any time. Under the Trust Indenture, Shareholders are limited to: (1) DTC Participants; (2) those who maintain, either directly or indirectly, a custodial relationship with a DTC Participant, or Indirect Participants; and (3) those banks, brokers, dealers, trust companies and others who hold interests in the Shares through DTC Participants or Indirect Participants. The Shares are only transferable through the book-entry system of DTC. Shareholders who are not DTC Participants may transfer their Shares through DTC by instructing the DTC Participant holding their Shares (or by instructing the Indirect Participant or other entity through which their Shares are held) to transfer the Shares. Transfers are made in accordance with standard securities industry practice.

## **United States Federal Tax Consequences**

The following discussion of the material U.S. federal income tax consequences that generally apply to the purchase, ownership and disposition of Shares and gold held by the Trust by a U.S. Shareholder (as defined below), and certain U.S. federal income, gift and estate tax consequences that may apply to an investment in Shares by a Non-U.S. Shareholder (as defined below), represents, insofar as it describes conclusions as to U.S. federal tax law and subject to the limitations and qualifications described therein, the opinion of Carter Ledyard & Milburn LLP, special U.S. federal tax counsel to the Sponsor. The discussion below is based on the U.S. Internal Revenue Code of 1986, as amended (the Code), Treasury Regulations promulgated under the Code and judicial and administrative interpretations of the Code, all as in effect on the date of this annual report and all of which are subject to changes either prospectively or retroactively. The tax treatment of Shareholders may vary depending upon their own particular circumstances. Certain Shareholders (including broker-dealers, traders or other investors with special circumstances) may be subject to special rules not discussed herein. In addition, the following discussion applies only to investors who hold Shares as capital assets within the meaning of Code section 1221. Moreover, the discussion herein does not address the effect of any state, local or foreign tax law on the disposition of Shares. Purchasers of Shares are urged to consult their own tax advisors with respect to all U.S. federal, state, local and foreign tax law considerations potentially applicable to their investment in Shares.

For purposes of this discussion, a U.S. Shareholder is a Shareholder that is:

An individual who is a U.S. citizen or resident of the United States for U.S. federal income tax purposes;

An entity treated as a corporation for U.S. federal income tax purposes that is created or organized in or under the laws of the United States or any political subdivision thereof;

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An estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or

A trust, if (1) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust; or (2) the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

A Shareholder (other than a partnership or other entity subject to tax as a partnership) that is not a U.S. Shareholder as defined above is generally considered a Non-U.S. Shareholder for purposes of this discussion. For U.S. federal income tax purposes, the treatment of any beneficial owner of an interest in a partnership, including any entity treated as a partnership for U.S. federal income tax purposes, will generally depend upon the status of the partner and upon the activities of the partnership. Partnerships and partners in partnerships should consult their tax advisors about the U.S. federal income tax consequences of purchasing, owning and disposing of Shares.

*Taxation of The Trust*

The Trust is treated as a grantor trust for U.S. federal income tax purposes. As a result, the Trust itself is not subject to U.S. federal income tax. Instead, the Trust's income and expenses flow through to the Shareholders, and the Trustee will report the Trust's income, gains, losses and deductions to the Internal Revenue Service, or the IRS, on that basis.

*Taxation of U.S. Shareholders*

U.S. Shareholders generally will be treated, for U.S. federal income tax purposes, as if they directly owned a pro rata share of the underlying assets held by the Trust. U.S. Shareholders also will be treated as if they directly received their respective pro rata shares of the Trust's income, if any, and as if they directly incurred their respective pro rata shares of the Trust's expenses. In the case of a U.S. Shareholder that purchases Shares for cash, its initial tax basis in its pro rata share of the assets held in the Trust at the time it acquires its Shares will be equal to its cost of acquiring the Shares. In the case of a U.S. Shareholder that acquires its Shares by delivering gold to the Trust, the delivery of gold to the Trust in exchange for the underlying gold represented by the Shares will not be a taxable event to the U.S. Shareholder, and the U.S. Shareholder's tax basis and holding period for the Shareholder's pro rata share of the gold held in the Trust will be the same as its tax basis and holding period for the gold delivered in exchange therefor. For purposes of this discussion, it is assumed that all of a U.S. Shareholder's Shares are acquired on the same date, at the same price per Share and, except where otherwise noted, that the sole asset of the Trust is gold.

When the Trust sells gold, for example to pay expenses, a U.S. Shareholder generally will recognize gain or loss in an amount equal to the difference between (1) the U.S. Shareholder's pro rata share of the amount realized by the Trust upon the sale; and (2) the U.S. Shareholder's tax basis for its pro rata share of the gold that was sold, which gain or loss will generally be long-term or short-term capital gain or loss, depending upon whether the U.S. Shareholder has held its Shares for more than one year (see discussion below on the applicable tax rates with respect to such capital gain or loss). A U.S. Shareholder's tax basis for its share of any gold sold by the Trust generally will be determined by multiplying the U.S. Shareholder's total basis for its share of all of the gold held in the Trust immediately prior to the sale, by a fraction the numerator of which is the amount of gold sold and the denominator of which is the total amount of the gold held in the Trust immediately prior to the sale. Immediately after any such sale, a U.S. Shareholder's tax basis for its pro rata share of the gold remaining in the Trust will equal its tax basis for its share of the total amount of the gold held in the Trust immediately prior to the sale, less the portion of such basis allocable to its share of the gold that was sold.

Upon a U.S. Shareholder's sale of some or all of its Shares, the U.S. Shareholder will be treated as having sold the portion of its pro rata share of the gold held in the Trust at the time of the sale that is attributable to the Shares sold. Accordingly, the U.S. Shareholder generally will recognize gain or loss on

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the sale of the Shares in an amount equal to the difference between (1) the amount realized pursuant to the sale of the Shares; and (2) the U.S. Shareholder's tax basis for the portion of its pro rata share of the gold held in the Trust at the time of sale that is attributable to the Shares sold, determined by multiplying the U.S. Shareholder's tax basis for its pro rata share of the gold held in the Trust immediately prior to the sale by a fraction, the numerator of which is the number of Shares sold and the denominator of which is the number of Shares held by the U.S. Shareholder immediately prior to the sale.

A redemption of some or all of a U.S. Shareholder's Shares in exchange for the underlying gold represented by the Shares redeemed generally will not be a taxable event to the U.S. Shareholder. The U.S. Shareholder's tax basis for the gold received in the redemption generally will be the same as the U.S. Shareholder's tax basis for the portion of its pro rata share of the gold held in the Trust immediately prior to the redemption that is attributable to the Shares redeemed. The U.S. Shareholder's holding period with respect to the gold received should include the period during which the U.S. Shareholder held the Shares redeemed. A subsequent sale of the gold received by the U.S. Shareholder will be a taxable event.

Immediately after any sale or redemption of less than all of a U.S. Shareholder's Shares, the U.S. Shareholder's tax basis for its pro rata share of the gold held in the Trust immediately after such sale or redemption generally will equal its tax basis for its share of the total amount of the gold held in the Trust immediately prior to the sale or redemption, less the portion of such basis that is taken into account in determining the amount of gain or loss recognized by the U.S. Shareholder upon such sale or, in the case of a redemption, that is treated as the basis of the gold received by the U.S. Shareholder in the redemption.

As noted above, the foregoing discussion assumes that all of a U.S. Shareholder's Shares were acquired on the same date and at the same price per Share. If a U.S. Shareholder owns multiple lots of Shares (i.e., Shares acquired on different dates and/or at different prices), it is uncertain whether the U.S. Shareholder may use the specific identification rules that apply under Treasury regulations section 1.1012-1(c) with respect to sales of shares of stock, in determining the amount, and the long-term or short-term character, of any gain or loss recognized by the U.S. Shareholder upon the sale of gold by the Trust, upon the sale of any Shares by the U.S. Shareholder, or upon the sale by the U.S. Shareholder of any gold received by it upon the redemption of any of its Shares. The IRS could take the position that a U.S. Shareholder has a blended tax basis and holding period for its pro rata share of the underlying gold in the Trust. However, there is no Code section, Regulation or other guidance on this point. U.S. Shareholders that hold multiple lots of Shares, or that are contemplating acquiring multiple lots of Shares, should consult their own tax advisors as to the determination of the tax basis and holding period for the underlying gold related to such Shares.

*Maximum 28% Long-Term Capital Gains Tax Rate for U.S. Shareholders Who are Individuals*

Under current law, gains recognized by individuals from the sale of collectibles, including gold bullion, held for more than one year are taxed at a maximum rate of 28%, rather than the 20% rate applicable to most other long-term capital gains. However, if a U.S. Shareholder is otherwise subject to a rate lower than 28%, the 28% rate does not apply and such lower rate will apply. For these purposes, a gain recognized by an individual upon the sale of an interest (such as the Shares) in a trust that holds collectibles is treated as gain recognized on the sale of collectibles, to the extent that such gain is attributable to unrealized appreciation in the value of the collectibles held by the trust. Therefore, any gain recognized by an individual U.S. Shareholder attributable to a sale of Shares held for more than one year, or attributable to the Trust's sale of any gold bullion that the U.S. Shareholder is treated (through its ownership of Shares) as having held for more than one year, generally will be taxed at a maximum rate of 28%. The tax rates for capital gains recognized upon the sale of assets held by an individual U.S. Shareholder for one year or less or by a taxpayer other than an individual U.S. taxpayer are generally the same as those at which ordinary income is taxed. The deductibility of capital losses by a U.S. Shareholder is subject to limitations.

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*3.8% Tax on Net Investment Income*

Under current law, U.S. Shareholders that are individuals, estates or trusts, whose income exceeds certain thresholds, are subject to a 3.8% Medicare contribution tax on their net investment income, which generally includes capital gains from the disposition of property. This tax is in addition to any capital gains taxes due on such investment income (discussed above).

*Brokerage Fees and Trust Expenses*

Any brokerage or other transaction fee incurred by a U.S. Shareholder in connection with purchasing Shares will be treated as part of the U.S. Shareholder's tax basis in the underlying assets of the Trust. Similarly, any brokerage fee incurred by a U.S. Shareholder in selling Shares will reduce the amount realized by the U.S. Shareholder with respect to the sale.

U.S. Shareholders will be required to recognize gain or loss upon a sale of gold by the Trust (as discussed above), even though some or all of the proceeds of such sale are used by the Trustee to pay Trust expenses. U.S. Shareholders may deduct their respective pro rata shares of each expense incurred by the Trust to the same extent as if they directly incurred such an expense. U.S. Shareholders who are individuals, estates or trusts, however, may be required to treat some or all of the expenses of the Trust as miscellaneous itemized deductions. An individual may not deduct miscellaneous itemized deductions for tax years beginning after December 31, 2017 and before January 1, 2026. For tax years beginning before January 1, 2018 and after December 31, 2025, individuals may deduct certain miscellaneous itemized deductions only to the extent they exceed 2% of adjusted gross income. In addition, such deductions may be subject to phase-outs and other limitations under applicable provisions of the Code and regulations thereunder and, if the U.S. Shareholder is an individual subject to the alternative minimum tax, may not be deductible at all.

*Investment by Tax-Exempt U.S. Shareholders*

Tax-exempt U.S. Shareholders are generally subject to U.S. federal income tax only on their unrelated business taxable income, or UBTI. In addition, a tax-exempt U.S. Shareholder that is a private foundation is also subject to certain U.S. federal excise taxes, including a 2% (or 1%) excise tax under Section 4940 of the Code on its net investment income, which would include any gain recognized on the sale of any of its Shares or its share of any gain recognized on the Trust's sale of gold, provided such gain did not constitute UBTI. Unless a tax-exempt U.S. Shareholder incurs debt in order to purchase Shares, it is expected that tax-exempt U.S. Shareholders should not realize UBTI in respect of income or gains from the Shares. Tax-exempt U.S. Shareholders should consult their own tax advisors about the U.S. federal income and excise tax consequences of purchasing, owning and disposing of Shares in light of their particular circumstances.

*Investment by Regulated Investment Companies*

Mutual funds and other investment vehicles that are regulated investment companies within the meaning of Code section 851 should consult with their own tax advisors concerning (1) the likelihood that an investment in Shares, although the Shares are securities within the meaning of the Investment Company Act of 1940, may be considered an investment in the underlying gold for purposes of Code section 851(b), and (2) the extent to which an investment in Shares might nevertheless be consistent with preservation of their qualification under Code section 851.

*Investment by Certain Retirement Plans*

Code section 408(m) provides that the acquisition of a collectible by an individual retirement account, or IRA, or a participant-directed account maintained under any plan that is tax-qualified under Code section 401(a), is treated as a taxable distribution from the account to the owner of the IRA, or to the participant for whom the plan account is maintained, of an amount equal to the cost to the account of acquiring the collectible. The Sponsor has received a private letter ruling from the IRS concluding that a

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purchase of Shares by an IRA, or by a participant-directed account under a Code section 401(a) plan, will not be treated as resulting in a taxable distribution to the IRA owner or plan participant under Code section 408(m). However, if any of the Shares so purchased are distributed from the IRA or plan account to the IRA owner or plan participant, or if any gold received by such IRA or plan account upon the redemption of any of the Shares purchased by it is distributed (or treated as distributed under Code section 408(m)), to the IRA owner or plan participant, the Shares or gold so distributed will be subject to federal income tax in the year of distribution, to the extent provided under the applicable provisions of Code sections 408(d), 408(m) or 402. See also ERISA and Related Considerations.

*U.S. Information Reporting and Backup Withholding for U.S. and Non-U.S. Shareholders*

The Trustee will file certain information returns with the IRS, and provide certain tax-related information to Shareholders, in connection with the Trust. Each Shareholder will be provided with information regarding its allocable portion of the Trust's annual income/gains (if any) and expenses.

A U.S. Shareholder may be subject to U.S. backup withholding tax in certain circumstances unless it provides its taxpayer identification number, or TIN, and complies with certain certification procedures. Non-U.S. Shareholders may have to comply with certification procedures to establish that they are not U.S. persons in order to avoid the information reporting and backup withholding tax requirements.

The amount of any backup withholding will be allowed as a credit against a Shareholder's U.S. federal income tax liability and may entitle such a Shareholder to a refund, provided that the required information is furnished to the IRS.

*Income Taxation of Non-U.S. Shareholders*

The Trust does not expect to generate taxable income except for gain (if any) upon the sale of gold. A Non-U.S. Shareholder generally will not be subject to U.S. federal income tax with respect to gain recognized upon the sale or other disposition of Shares, or upon the sale of gold by the Trust, unless (1) the Non-U.S. Shareholder is an individual and is present in the United States for 183 days or more during the taxable year of the sale or other disposition, and certain other conditions are met; or (2) the gain is effectively connected with the conduct by the Non-U.S. Shareholder of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment). If clause (1) of the preceding sentence applies, the Non-U.S. Shareholder generally will be subject to a flat 30% U.S. federal income tax on any gain recognized, which may be offset by certain U.S. source losses. If clause (2) of the preceding sentence applies, the Non-U.S. Shareholder will generally be required to pay U.S. federal income tax on the net gain derived from the sale in the same manner as a U.S. Shareholder, as described above. In addition, corporate Non-U.S. Shareholders may be subject to a 30% branch profits tax on their effectively connected earnings and profits attributable to such gain (subject to adjustments). If a Non-U.S. Shareholder is eligible for the benefits of a tax treaty between the United States and its country of residence, the tax treatment of any such gain may be modified in the manner specified by the treaty.

*Estate and Gift Tax Considerations for Non-U.S. Shareholders*

Under the U.S. federal tax law, individuals who are neither citizens nor residents (as determined for estate and gift tax purposes) of the United States are subject to estate tax on all property that is situated in the U.S. at the time of death. Shares may well be considered to be situated in the U.S. for these purposes. If they are, then Shares would be includible in the U.S. gross estate of a non-resident alien Shareholder. Currently, U.S. estate tax is imposed at rates of up to 40% of the fair market value of the taxable estate. The U.S. estate tax rate is subject to change in future years. In addition, the U.S. federal generation-skipping transfer tax may apply in certain circumstances. The estate of a non-resident alien Shareholder who was resident in a country which has an estate tax treaty with the United States may be entitled to benefit from such treaty.

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For non-citizens and non-residents of the United States, the U.S. federal gift tax generally applies only to gifts of tangible personal property or real property that is situated in the U.S. Tangible personal property (including gold) is situated in the U.S. if it is physically located in the United States. Although the matter is not settled, it appears that ownership of Shares should not be considered ownership of the underlying gold for this purpose, even if that gold were held in custody in the United States. Instead, Shares should be considered intangible property, and therefore they should not be subject to U.S. gift tax if transferred during the Non-U.S. Shareholder's lifetime.

### *Taxation in Jurisdictions Other than the United States*

Prospective purchasers of Shares that are based in or acting out of a jurisdiction other than the United States are advised to consult their own tax advisors as to the tax consequences, under the laws of such jurisdiction (or any other jurisdiction not being the United States to which they are subject), of their purchase, holding, sale and redemption of or any other dealing in Shares and, in particular, as to whether any value added tax, other consumption tax or transfer tax is payable in relation to such purchase, holding, sale, redemption or other dealing in Shares.

### **ERISA and Related Considerations**

The Employee Retirement Income Security Act of 1974, as amended, or ERISA, and/or Code section 4975 impose certain requirements on employee benefit plans and certain other plans and arrangements that are subject to ERISA or the Code, including individual retirement accounts and annuities, retirement plans for self-employed individuals, and certain collective investment funds or insurance company general or separate accounts in which such plans or arrangements are invested, collectively the Plans, and on persons who are fiduciaries with respect to the investment of assets treated as plan assets of a Plan. Government plans and some church plans are not subject to the fiduciary responsibility provisions of ERISA or the provisions of section 4975 of the Code, but may be subject to substantially similar rules under state or other federal law.

In contemplating an investment of a portion of Plan assets in Shares, the Plan fiduciary responsible for making such investment should carefully consider, taking into account the facts and circumstances of the Plan, the Risk Factors discussed below and whether such investment is consistent with its fiduciary responsibilities, including, but not limited to: (1) whether the fiduciary has the authority to make the investment under the appropriate governing plan instrument; (2) whether the investment would constitute a direct or indirect prohibited transaction with a party in interest or disqualified person, as described in section 406 of ERISA or Section 4975 of the Code, as applicable, that is not otherwise subject to a statutory exemption or prohibited transaction exemption issued by the Department of Labor; (3) the Plan's funding objectives; and (4) whether under the general fiduciary standards of investment prudence and diversification such investment is appropriate for the Plan, taking into account the overall investment policy of the Plan, the composition of the Plan's investment portfolio and the Plan's need for sufficient liquidity to pay benefits when due.

The Shares constitute publicly-offered securities as defined in Department of Labor Regulations § 2510.3-101(b)(2). Accordingly, Shares purchased by a Plan, and not an interest in the underlying gold bullion held in the Trust represented by the Shares, should be treated as assets of the Plan, for purposes of applying the fiduciary responsibility and prohibited transaction rules of ERISA and the Code. See also United States Federal Tax Consequences Investment by Certain Retirement Plans.

### **Item 1A. Risk Factors**

*You should consider carefully the risks described below before making an investment decision. You should also refer to the other information included in this report, including the Trust's financial statements and the related notes.*

***The value of the Shares relates directly to the value of the gold held by the Trust and fluctuations in the price of gold could materially adversely affect an investment in the Shares.***

The Shares are designed to mirror as closely as possible the performance of the price of gold, and the value of the Shares relates directly to the value of the gold held by the Trust, less the Trust's liabilities



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(including estimated accrued expenses). The price of gold has fluctuated widely over the past several years. Several factors may affect the price of gold, including:

Global gold supply and demand, which is influenced by such factors as gold's uses in jewelry, technology and industrial applications, purchases made by investors in the form of bars, coins and other gold products, forward selling by gold producers, purchases made by gold producers to unwind gold hedge positions, central bank purchases and sales, and production and cost levels in major gold-producing countries such as China, the United States and Australia;

Global or regional political, economic or financial events and situations, especially those unexpected in nature;

Investors' expectations with respect to the rate of inflation;

Currency exchange rates;

Interest rates;

Investment and trading activities of hedge funds and commodity funds; and

Other economic variables such as income growth, economic output, and monetary policies.

The Shares have experienced significant price fluctuations. If gold markets continue to be subject to sharp fluctuations, this may result in potential losses if you need to sell your Shares at a time when the price of gold is lower than it was when you made your investment. Even if you are able to hold Shares for the long-term, you may never experience a profit, since gold markets have historically experienced extended periods of flat or declining prices, in addition to sharp fluctuations.

In addition, investors should be aware that while gold is used to preserve wealth by investors around the world, there is no assurance that gold will maintain its long-term value in terms of purchasing power in the future. In the event that the price of gold declines, the Sponsor expects the value of an investment in the Shares to decline proportionately.

***The value of the gold held by the Trust is determined using LBMA Gold Price PM. Potential discrepancies in the calculation of the LBMA Gold Price PM, as well as any future changes to the LBMA Gold Price PM, could impact the value of the gold held by the Trust and could have an adverse effect on the value of an investment in the Shares.***

The LBMA Gold Price is determined twice each business day (10:30 a.m. and 3:00 p.m. London time) by the participants in a physically settled, electronic and tradable auction administered by the IBA using a bidding process that determines the price of gold by matching buy and sell orders submitted by the participants for the applicable auction time. The net asset value of the Trust is determined each day the Trust's principal market, the NYSE Arca, is open for regular trading, using the LBMA Gold Price PM. If the LBMA Gold Price PM has not been announced by 12:00 PM New York time on a particular evaluation day, the next most recent LBMA Gold Price (AM or PM) is used in the determination of the net asset value of the Trust. The Trust, the Sponsor, and the Trustee do not participate in establishing the LBMA Gold Price. Other trusts backed by physical gold also use the LBMA Gold Price to determine their asset value. The LBMA Gold Price replaced the London Gold Fix on March 20, 2015 and has become a widely used benchmark for daily gold prices.

In the event that the LBMA Gold Price PM does not prove to be an accurate benchmark, and the LBMA Gold Price PM varies materially from the price determined by other mechanisms, the Net Asset Value of the Trust and the value of an investment in the Shares could be adversely impacted. Any future developments in the benchmark, to the extent they have a material impact on the LBMA Gold Price PM, could adversely impact the Net Asset Value of the Trust and the value of an investment in the Shares. Further, the calculation of the LBMA Gold Price PM is not an exact process. Rather it is based upon a procedure of matching orders from participants in the auction process and their customers to sell gold

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with orders from participants in the auction process and their customers to buy gold at particular prices. The LBMA Gold Price PM does not therefore purport to reflect each buyer or seller of gold in

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the market, nor does it purport to set a definitive price for gold at which all orders for sale or purchase will take place on that particular day or time. All orders placed into the auction process by the participants will be executed on the basis of the price determined pursuant to the LBMA Gold Price PM auction process (provided that orders may be cancelled, increased or decreased while the auction is in progress). It is possible that electronic failures or other unanticipated events may occur that could result in delays in the announcement of, or the inability of the system to produce, an LBMA Gold Price PM on any given date.

***If concerns about the integrity or reliability of the LBMA Gold Price PM arise, even if eventually shown to be without merit, such concerns could adversely affect investor interest in gold and therefore adversely affect the price of gold and the value of an investment in the Shares.***

Because the net asset value of the Trust is determined using the LBMA Gold Price PM, discrepancies in, or manipulation of the calculation of the LBMA Gold Price PM could have an adverse impact on the value of an investment in the Shares. Furthermore, any concern about the integrity or reliability of the pricing mechanism could disrupt trading in gold and products using the LBMA Gold Price PM, such as the Shares. In addition, these concerns could potentially lead to changes in the manner in which the LBMA Gold Price PM is calculated and/or the discontinuance of the LBMA Gold Price PM altogether. Each of these factors could lead to less liquidity or greater price volatility for gold and products using the LBMA Gold Price PM, such as the Shares, or otherwise could have an adverse impact on the trading price of the Shares.

***The amount of gold represented by the Shares will continue to be reduced during the life of the Trust due to the sales of gold necessary to pay the Trust's expenses irrespective of whether the trading price of the Shares rises or falls in response to changes in the price of gold.***

Each outstanding Share represents a fractional, undivided interest in the gold held by the Trust. The Trust does not generate any income and regularly sells gold to pay for its ongoing expenses. Therefore, the amount of gold represented by each Share has gradually declined over time. This is also true with respect to Shares that are issued in exchange for additional deposits of gold into the Trust, as the amount of gold required to create Shares proportionately reflects the amount of gold represented by the Shares outstanding at the time of creation. Assuming a constant gold price, the trading price of the Shares is expected to gradually decline relative to the price of gold as the amount of gold represented by the Shares gradually declines.

Investors should be aware that the gradual decline in the amount of gold represented by the Shares will occur regardless of whether the trading price of the Shares rises or falls in response to changes in the price of gold. The estimated ordinary operating expenses of the Trust, which accrue daily commencing after the first day of trading of the Shares, are described in *Business of the Trust* *Trust Expenses*.

***The Trust is a passive investment vehicle. This means that the value of the Shares may be adversely affected by Trust losses that, if the Trust had been actively managed, it might have been possible to avoid.***

The Trustee does not actively manage the gold held by the Trust. This means that the Trustee does not sell gold at times when its price is high, or acquire gold at low prices in the expectation of future price increases. It also means that the Trustee does not make use of any of the hedging techniques available to professional gold investors to attempt to reduce the risks of losses resulting from price decreases. Any losses sustained by the Trust will adversely affect the value of the Shares.

***The Shares may trade at a price which is at, above or below the NAV per Share and any discount or premium in the trading price relative to the NAV per Share may widen as a result of non-concurrent trading hours between the COMEX and NYSE Arca.***

The Shares may trade at, above or below the NAV per Share. The NAV per Share fluctuates with changes in the market value of the Trust's assets. The trading price of the Shares fluctuates in accordance with changes in the NAV per Share as well as market supply and demand. The amount of the discount or

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premium in the trading price relative to the NAV per Share may be influenced by non-concurrent trading hours between the COMEX and NYSE Arca. While the Shares trade on NYSE Arca until 8:00 PM New York time, liquidity in the global gold market may be reduced after the close of the COMEX at 1:30 PM New York time. As a result, during this time, trading spreads, and the resulting premium or discount, on the Shares may widen.

***The sale of the Trust's gold to pay expenses at a time of low gold prices could adversely affect the value of the Shares.***

The Trustee sells gold held by the Trust to pay Trust expenses on an as-needed basis irrespective of then-current gold prices. The Trust is not actively managed and no attempt will be made to buy or sell gold to protect against or to take advantage of fluctuations in the price of gold. Consequently, the Trust's gold may be sold at a time when the gold price is low, resulting in a negative effect on the value of the Shares.

***Crises may motivate large-scale sales of gold which could decrease the price of gold and adversely affect an investment in the Shares.***

The possibility of large-scale distress sales of gold in times of crisis may have a negative impact on the price of gold and adversely affect an investment in the Shares. For example, the 1998 Asian financial crisis resulted in significant sales of gold by individuals which depressed the price of gold. Crises in the future may impair gold's price performance which would, in turn, adversely affect an investment in the Shares.

***Shareholders do not have the protections associated with ownership of shares in an investment company registered under the Investment Company Act of 1940 or the protections afforded by the Commodity Exchange Act.***

The Trust is not registered as an investment company under the Investment Company Act of 1940 and is not required to register under such act. Consequently, Shareholders do not have the regulatory protections provided to investors in registered investment companies. The Trust will not hold or trade in commodity futures contracts regulated by the Commodity Exchange Act, or CEA, as administered by the Commodity Futures Trading Commission, or CFTC. Furthermore, the Trust is not a commodity pool for purposes of the CEA, and none of the Sponsor, the Trustee or the Marketing Agent is subject to regulation by the CFTC as a commodity pool operator or a commodity trading advisor in connection with the Shares. Consequently, Shareholders do not have the regulatory protections provided to investors in CEA-regulated instruments or commodity pools.

***The Trust may be required to terminate and liquidate at a time that is disadvantageous to Shareholders.***

If the Trust is required to terminate and liquidate, such termination and liquidation could occur at a time which is disadvantageous to Shareholders, such as when gold prices are lower than the gold prices at the time when Shareholders purchased their Shares. In such a case, when the Trust's gold is sold as part of the Trust's liquidation, the resulting proceeds distributed to Shareholders will be less than if gold prices were higher at the time of sale.

***The liquidity of the Shares may be affected by the withdrawal of Authorized Participants.***

In the event that one of more Authorized Participants which has substantial interests in the Shares withdraws from participation, the liquidity of the Shares will likely decrease, which could adversely affect the market price of the Shares.

***The lack of an active trading market or a halt in trading of the Shares may result in losses on investment at the time of disposition of the Shares.***

Although Shares are listed for trading on NYSE Arca, it cannot be assumed that an active trading market for the Shares will be maintained. If an investor needs to sell Shares at a time when no active market for Shares exists, or there is a halt in trading of securities generally or of the Shares, this will most likely adversely affect the price the investor receives for the Shares (assuming the investor is able to sell them).

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***The price of gold may be affected by the sale of gold by ETFs or other exchange traded vehicles tracking gold markets.***

To the extent existing exchange traded funds, or ETFs, or other exchange traded vehicles tracking gold markets represent a significant proportion of demand for physical gold bullion, large redemptions of the securities of these ETFs or other exchange traded vehicles could negatively affect physical gold bullion prices and the price and NAV of the Shares.

***Redemption orders are subject to postponement, suspension or rejection by the Trustee under certain circumstances.***

The Trustee may, in its discretion, and will when directed by the Sponsor, suspend the right of redemption or postpone the redemption settlement date, (1) for any period during which NYSE Arca is closed other than customary weekend or holiday closings, or trading on NYSE Arca is suspended or restricted, (2) for any period during which an emergency exists as a result of which the delivery, disposal or evaluation of gold is not reasonably practicable, or (3) for such other period as the Sponsor determines to be necessary for the protection of Shareholders. In addition, the Trustee will reject a redemption order if the order is not in proper form as described in the Participant Agreement or if the fulfillment of the order, in the opinion of its counsel, might be unlawful. Any such postponement, suspension or rejection could adversely affect a redeeming Shareholder. For example, the resulting delay may adversely affect the value of the Shareholder's redemption distribution if the price of the Shares declines during the period of the delay. See [Creation and Redemption of Shares](#) [Redemption Procedures](#). Under the Trust Indenture, the Sponsor and the Trustee disclaim any liability for any loss or damage that may result from any such suspension or postponement.

***Shareholders do not have the rights enjoyed by investors in certain other vehicles.***

As interests in an investment trust, the Shares have none of the statutory rights normally associated with the ownership of shares of a corporation (including, for example, the right to bring oppression or derivative actions). In addition, the Shares have limited voting and distribution rights (for example, Shareholders do not have the right to elect directors and will not receive dividends). See [Description of the Shares](#) for a description of the limited rights of holders of Shares.

***An investment in the Shares may be adversely affected by competition from other methods of investing in gold.***

The Trust competes with other financial vehicles, including traditional debt and equity securities issued by companies in the gold industry and other securities backed by or linked to gold, direct investments in gold and investment vehicles similar to the Trust. Market and financial conditions, and other conditions beyond the Sponsor's control, may make it more attractive to invest in other financial vehicles or to invest in gold directly, which could limit the market for the Shares and reduce the liquidity of the Shares.

***Substantial sales of gold by the official sector could adversely affect an investment in the Shares.***

The official sector consists of central banks, other governmental agencies and international organizations that buy, sell and hold gold as part of their reserve assets. The official sector holds a significant amount of gold, most of which is static, meaning that it is held in vaults and is not bought, sold, leased or swapped or otherwise mobilized in the open market. Since 1999, most sales have been made in a coordinated manner under the terms of the Central Bank Gold Agreement, as amended, under which 21 of the world's major central banks (including the European Central Bank) agree to limit the level of their gold sales and lending to the market. See [The Gold Industry](#) [Sources of Gold Supply](#) and [Movements in the Price of Gold Since the Inception of the Trust](#) for more details. In the event that future economic, political or social conditions or pressures require members of the official sector to liquidate their gold assets all at once or in an uncoordinated manner, the demand for gold might not be sufficient to accommodate the sudden increase in the supply of gold to the market. Consequently, the price of gold could decline significantly, which would adversely affect an investment in the Shares.

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*The Trust's gold may be subject to loss, damage, theft or restriction on access.*

There is a risk that some or all of the Trust's gold bars held by the Custodian or any subcustodian on behalf of the Trust could be lost, damaged or stolen. Access to the Trust's gold bars could also be restricted by natural events (such as an earthquake) or human actions (such as a terrorist attack). Any of these events may adversely affect the operations of the Trust and, consequently, an investment in the Shares.

*The Trust may not have adequate sources of recovery if its gold is lost, damaged, stolen or destroyed and recovery may be limited, even in the event of fraud, to the market value of the gold at the time the fraud is discovered.*

Shareholders' recourse against the Trust, the Trustee and the Sponsor, under New York law, the Custodian, under English law, and any subcustodians under the law governing their custody operations is limited. The Trust does not insure its gold. The Custodian maintains insurance with regard to its business on such terms and conditions as it considers appropriate which does not cover the full amount of gold. The Trust is not a beneficiary of any such insurance and does not have the ability to dictate the existence, nature or amount of coverage. Therefore, Shareholders cannot be assured that the Custodian will maintain adequate insurance or any insurance with respect to the gold held by the Custodian on behalf of the Trust. In addition, the Custodian and the Trustee do not require any direct or indirect subcustodians to be insured or bonded with respect to their custodial activities or in respect of the gold held by them on behalf of the Trust. Consequently, a loss may be suffered with respect to the Trust's gold which is not covered by insurance and for which no person is liable in damages.

The liability of the Custodian is limited under the Custody Agreements. Under the Custody Agreements, the Custodian is only liable for losses that are the direct result of its own negligence, fraud or willful default in the performance of its duties. Any such liability is further limited, in the case of the Allocated Bullion Account Agreement, to the market value of the gold bars held in the Trust's allocated gold account (Trust Allocated Account) at the time such negligence, fraud or willful default is discovered by the Custodian and, in the case of the Unallocated Bullion Account Agreement, to the amount of gold credited to the Trust's unallocated gold account (Trust Unallocated Account) at the time such negligence, fraud or willful default is discovered by the Custodian. The Custodian is not contractually or otherwise liable for any losses suffered by any Authorized Participant or Shareholder that are not the direct result of its own negligence, fraud or willful default in the performance of its duties under such agreement, and in no event will its liability exceed the market value of the balance in the Authorized Participant Unallocated Account at the time such gross negligence, fraud or willful default is discovered by the Custodian.

In addition, the Custodian will not be liable for any delay in performance or any non-performance of any of its obligations under the Custody Agreements by reason of any cause beyond its reasonable control, including acts of God, war or terrorism. As a result, the recourse of the Trustee or the investor, under English law, is limited. Furthermore, under English common law, the Custodian or any subcustodian will not be liable for any delay in the performance or any non-performance of its custodial obligations by reason of any cause beyond its reasonable control.

Gold bars may be held by one or more subcustodians appointed by the Custodian, or employed by the subcustodians appointed by the Custodian, until it is transported to the Custodian's London vault premises. Under the Allocated Bullion Account Agreement, except for an obligation on the part of the Custodian to use commercially reasonable efforts to obtain delivery of the Trust's gold bars from any subcustodians appointed by the Custodian, the Custodian is not liable for the acts or omissions of its subcustodians unless the selection of such subcustodians was made negligently or in bad faith. There are expected to be no written contractual arrangements between subcustodians that hold the Trust's gold bars and the Trustee or the Custodian, because traditionally such arrangements are based on the LBMA's rules and on the customs and practices of the London bullion market. In the event of a legal dispute with respect to or arising from such arrangements, it may be difficult to define such customs and practices. The LBMA's rules may be subject to change outside the control of the Trust. Under English law, neither the Trustee, nor the Custodian would have a supportable breach of contract claim against a

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subcustodian for losses relating to the safekeeping of gold. If the Trust's gold bars are lost or damaged while in the custody of a subcustodian, the Trust may not be able to recover damages from the Custodian or the subcustodian.

The obligations of the Custodian under the Allocated Bullion Account Agreement, the Unallocated Bullion Account Agreement and the Participant Unallocated Bullion Account Agreement are governed by English law. The Custodian may enter into arrangements with English subcustodians, which arrangements may also be governed by English law. The Trust is a New York investment trust. Any federal, New York, or other court situated in the United States may have difficulty interpreting English law (which, insofar as it relates to custody arrangements, is largely derived from court rulings rather than statute), LBMA rules or the customs and practices in the London custody market. It may be difficult or impossible for the Trust to sue a subcustodian in a United States, New York or other court situated in the United States. In addition, it may be difficult, time consuming and/or expensive for the Trust to enforce in a foreign court a judgment rendered by a federal, New York, or other court situated in the United States.

If the Trust's gold bars are lost, damaged, stolen or destroyed under circumstances rendering a party liable to the Trust, the responsible party may not have the financial resources sufficient to satisfy the Trust's claim. For example, as to a particular event of loss, the only source of recovery for the Trust might be limited to the Custodian, as currently it is the sole custodian holding all of the Trust's gold; or one or more subcustodians, if appointed; or, to the extent identifiable, other responsible third parties (e.g., a thief or terrorist), any of which may not have the financial resources (including liability insurance coverage) to satisfy a valid claim of the Trust.

Neither the Shareholders nor any Authorized Participant has a right under the Custody Agreements to assert a claim of the Trustee against the Custodian or any subcustodian; claims under the Custody Agreements may only be asserted by the Trustee on behalf of the Trust.

***Because neither the Trustee nor the Custodian oversees or monitors the activities of subcustodians who may temporarily hold the Trust's gold bars until transported to the Custodian's London vault, failure by the subcustodians to exercise due care in the safekeeping of the Trust's gold bars could result in a loss to the Trust.***

Under the Allocated Bullion Account Agreement, the Custodian agreed that it will hold all of the Trust's gold bars in its own vault premises except when the gold bars have been allocated in a vault other than the Custodian's vault premises, and in such cases the Custodian agreed that it will use commercially reasonable efforts promptly to transport the gold bars to the Custodian's vault, at the Custodian's cost and risk. Nevertheless, there will be periods of time when some portion of the Trust's gold bars may be held by one or more subcustodians appointed by the Custodian or by a subcustodian of such subcustodian. The Allocated Bullion Account Agreement is described in Description of the Custody Agreements.

The Custodian is required under the Allocated Bullion Account Agreement to use reasonable care in appointing its subcustodians but otherwise has no other responsibility in relation to the subcustodians appointed by it. These subcustodians may in turn appoint further subcustodians, but the Custodian is not responsible for the appointment of these further subcustodians. The Custodian does not undertake to monitor the performance by subcustodians of their custody functions or their selection of further subcustodians. The Trustee does not undertake to monitor the performance of any subcustodian. Furthermore, the Trustee may have no right to visit the premises of any subcustodian for the purposes of examining the Trust's gold bars or any records maintained by the subcustodian, and no subcustodian will be obligated to cooperate in any review the Trustee may wish to conduct of the facilities, procedures, records or creditworthiness of such subcustodian. See Custody of the Trust's Gold for more information about subcustodians that may hold the Trust's gold.

In addition, the ability of the Trustee to monitor the performance of the Custodian may be limited because under the Custody Agreements the Trustee has only limited rights to visit the premises of the

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Custodian for the purpose of examining the Trust's gold bars and certain related records maintained by the Custodian.

***The ability of the Trustee and the Custodian to take legal action against subcustodians may be limited, which increases the possibility that the Trust may suffer a loss if a subcustodian does not use due care in the safekeeping of the Trust's gold bars.***

If any subcustodian which holds gold on a temporary basis does not exercise due care in the safekeeping of the Trust's gold bars, the ability of the Trustee or the Custodian to recover damages against such subcustodian may be limited to only such recourse, if any, as may be available under applicable English law or, if the subcustodian is not located in England, under other applicable law. This is because there are expected to be no written contractual arrangements between subcustodians who may hold the Trust's gold bars and the Trustee or the Custodian, as the case may be. If the Trustee's or the Custodian's recourse against the subcustodian is so limited, the Trust may not be adequately compensated for the loss. For more information on the Trustee's and the Custodian's ability to seek recovery against subcustodians, the use of subcustodians in the most recent fiscal year and the subcustodian's duty to safekeep the Trust's gold bars, see Custody of the Trust's Gold.

***Gold held in the Trust's unallocated gold account and any Authorized Participant's unallocated gold account will not be segregated from the Custodian's assets. If the Custodian becomes insolvent, its assets may not be adequate to satisfy a claim by the Trust or any Authorized Participant. In addition, in the event of the Custodian's insolvency, there may be a delay and costs incurred in identifying the gold bars held in the Trust's allocated gold account.***

Gold which is part of a deposit for a purchase order or part of a redemption distribution will be held for a time in the Trust Unallocated Account and, previously or subsequently, in the Authorized Participant Unallocated Account of the purchasing or redeeming Authorized Participant. During those times, the Trust and the Authorized Participant, as the case may be, will have no proprietary rights to any specific bars of gold held by the Custodian and will each be an unsecured creditor of the Custodian with respect to the amount of gold held in such unallocated accounts. In addition, if the Custodian fails to allocate the Trust's gold in a timely manner, in the proper amounts or otherwise in accordance with the terms of the Unallocated Bullion Account Agreement, or if a subcustodian fails to so segregate gold held by it on behalf of the Trust, unallocated gold will not be segregated from the Custodian's assets, and the Trust will be an unsecured creditor of the Custodian with respect to the amount so held in the event of the insolvency of the Custodian. In the event the Custodian becomes insolvent, the Custodian's assets might not be adequate to satisfy a claim by the Trust or the Authorized Participant for the amount of gold held in their respective unallocated gold accounts.

In the event of the insolvency of the Custodian, a liquidator may seek to freeze access to the gold held in all of the accounts held by the Custodian, including the Trust Allocated Account. Although the Trust would retain legal title to the allocated gold bars, the Trust could incur expenses in connection with obtaining control of the allocated gold bars, and the assertion of a claim by such liquidator for unpaid fees due to the Custodian could delay creations and redemptions of Baskets.

***The gold bullion custody operations of the Custodian are not subject to specific governmental regulatory supervision.***

The Custodian is responsible for the safekeeping of the Trust's gold bullion that the Custodian allocates to the Trust in connection with the creation of Baskets by Authorized Participants. The Custodian also facilitates the transfer of gold in and out of the Trust through unallocated gold accounts it maintains for Authorized Participants and the Trust. Although the Custodian is a market maker, clearer and approved weigher under the rules of the LBMA (which sets out good practices for participants in the bullion market), the LBMA is not an official or governmental regulatory body. Furthermore, although the Custodian is subject to general banking regulations by U.S. regulators and is generally regulated in the U.K. by the Prudential Regulation Authority and the FCA, such regulations do not directly cover the Custodian's gold bullion custody operations in the U.K. Accordingly, the Trust is dependent on the



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Custodian to comply with the best practices of the LBMA and to implement satisfactory internal controls for its gold bullion custody operations in order to keep the Trust's gold secure.

***The Trust's obligation to reimburse the Marketing Agent and the Authorized Participants for certain liabilities in the event the Sponsor fails to indemnify such parties could adversely affect an investment in the Shares.***

The Sponsor has agreed to indemnify the Marketing Agent, its partners, directors and officers, and any person who controls the Marketing Agent, and its respective successors and assigns, against any loss, damage, expense, liability or claim that may be incurred by the Marketing Agent in connection with (1) any untrue statement or alleged untrue statement of a material fact contained in the registration statement of which this report forms a part (including this report, any preliminary prospectus, any prospectus supplement and any exhibits thereto) or any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (2) any untrue statement or alleged untrue statement of a material fact made by the Sponsor with respect to any representations and warranties or any covenants under the Marketing Agent Agreement, or failure of the Sponsor to perform any agreement or covenant therein; (3) any untrue statement or alleged untrue statement of a material fact contained in any materials used in connection with the marketing of the Shares; (4) circumstances surrounding the third party allegations relating to patent and contract disputes; or (5) the Marketing Agent's performance of its duties under the Marketing Agent Agreement, and to contribute to payments that the Marketing Agent may be required to make in respect thereof. The Trustee has agreed to reimburse the Marketing Agent, solely from and to the extent of the Trust's assets, for indemnification and contribution due under the preceding sentence to the extent the Sponsor has not paid such amounts directly when due. Under the Participant Agreement, the Sponsor also has agreed to indemnify the Authorized Participants against certain liabilities, including liabilities under the Securities Act and to contribute to payments that the Authorized Participants may be required to make in respect of such liabilities. The Trustee has agreed to reimburse the Authorized Participants, solely from and to the extent of the Trust's assets, for indemnification and contribution amounts due from the Sponsor in respect of such liabilities to the extent the Sponsor has not paid such amounts when due. In the event the Trust is required to pay any such amounts, the Trustee would be required to sell assets of the Trust to cover the amount of any such payment and the NAV of the Trust would be reduced accordingly, thus adversely affecting an investment in the Shares.

Under the Trust Indenture, the Sponsor may be able to seek indemnification from the Trust for payments it makes in connection with the Sponsor's activities under the Trust Indenture to the extent its conduct does not disqualify it from receiving such indemnification under the terms of the Trust Indenture. The Sponsor will also be indemnified from the Trust and held harmless against any loss, liability or expense arising under the Marketing Agent Agreement or any Participant Agreement insofar as such loss, liability or expense arises from any untrue statement or alleged untrue statement of a material fact contained in any written statement provided to the Sponsor by the Trustee.

***The Trust relies on the information and technology systems of the Trustee, the Custodian, the Marketing Agent and, to a lesser degree, the Sponsor, which could be adversely affected by information systems interruptions, cybersecurity attacks or other disruptions which could have a material adverse effect on our record keeping and operations.***

The Custodian, the Trustee and the Marketing Agent depend upon information technology infrastructure, including network, hardware and software systems to conduct their business as it relates to the Trust. A cybersecurity incident, or a failure to protect their computer systems, networks and information against cybersecurity threats, could result in a loss of information and adversely impact their ability to conduct their business, including their business on behalf of the Trust. Despite implementation of network and other cybersecurity measures, their security measures may not be adequate to protect against all cybersecurity threats.

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*Potential conflicts of interest may arise among the Sponsor or its affiliates and the Trust.*

Conflicts of interest may arise among the Sponsor and its affiliates, on the one hand, and the Trust and its Shareholders, on the other hand. As a result of these conflicts, the Sponsor may favor its own interests and the interests of its affiliates over the Trust and its Shareholders. As an example, the Sponsor, its affiliates and their officers and employees are not prohibited from engaging in other businesses or activities, including those that might be in direct competition with the Trust.

**Item 1B. Unresolved Staff Comments**

Not applicable.

**Item 2. Properties**

Not applicable.

**Item 3. Legal Proceedings**

Not applicable.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Table of Contents****PART II****Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

a) The Trust's Shares are listed on NYSE Arca, Inc. under the symbol "GLD" since December 13, 2007, after a transfer from the New York Stock Exchange, or NYSE, where the Shares were listed since its initial public offering on November 18, 2004. The Shares have traded on the Mexican Stock Exchange (Bolsa Mexicana de Valores) since August 10, 2006, on the Singapore Exchange Limited since October 11, 2006, on the Tokyo Stock Exchange since June 30, 2008 and on the Hong Kong Exchanges and Clearing Limited since July 31, 2008.

The following table sets forth the range of reported high and low closing prices of the Shares as reported on NYSE Arca for the fiscal years ended September 30, 2018 and 2017.

	High	Low
<b>Fiscal Year Ended September 30, 2018:</b>		
<b>Quarter Ended</b>		
December 31, 2017	\$ 123.82	\$ 118.01
March 31, 2018	\$ 128.83	\$ 124.31
June 30, 2018	\$ 128.11	\$ 118.22
September 30, 2018	\$ 119.15	\$ 111.10

	High	Low
<b>Fiscal Year Ended September 30, 2017:</b>		
<b>Quarter Ended</b>		
December 31, 2016	\$ 125.32	\$ 107.34
March 31, 2017	\$ 119.70	\$ 110.47
June 30, 2017	\$ 123.10	\$ 116.04
September 30, 2017	\$ 128.13	\$ 115.28

As of October 31, 2018, there were approximately 192 DTC participating shareholders of record of the Trust.

*Monthly Share Price*

The following table sets forth, for each of the most recent six months, the high and low closing prices of the Shares, as reported for NYSE Arca transactions.

Month	High	Low
May 2018	\$ 125.18	\$ 122.29
June 2018	\$ 123.38	\$ 118.22
July 2018	\$ 119.15	\$ 115.65
August 2018	\$ 115.14	\$ 111.10
September 2018	\$ 114.27	\$ 112.05
October 2018	\$ 116.77	\$ 112.54
November 2018 (through November 23, 2018)	\$ 116.65	\$ 113.66

b) Not applicable

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- c) Although the Trust does not purchase Shares directly from its shareholders, in connection with its redemption of Baskets, the Trust redeemed 876 Baskets (87,600,000 Shares) during the year ended September 30, 2018, including 287 Baskets (28,700,000 Shares) for the three months ended September 30, 2018 as set forth in the table below.

<b>Period</b>	<b>Total number of Shares redeemed</b>	<b>Average ounces of gold per Share</b>
7/1/18 to 7/31/18	9,200,000	0.09472
8/1/18 to 8/31/18	15,200,000	0.09467
9/1/18 to 9/30/18	4,300,000	0.09465
<b>TOTAL</b>	<b>28,700,000</b>	<b>0.09468</b>

**Table of Contents****Item 6. Selected Financial Data**

The following selected financial data should be read in conjunction with the Trust's financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations.

**Financial Highlights**

(Amounts in 000's of US\$)	Year ended Sep-30, 2018	Year ended Sep-30, 2017	Year ended Sep-30, 2016	Year ended Sep-30, 2015 <sup>(1)</sup>	Year ended Sep-30, 2014
Net income/(loss)	\$ (2,619,535)	\$ (1,893,972)	\$ 4,951,423	\$ (2,685,202)	\$ (230,386)
Net cash provided by operating activities	\$	\$	\$	\$	\$

**Statements of Operations Data:**

(Amounts, except per share, are in 000's of US\$)	Year ended Sep-30, 2018	Year ended Sep-30, 2017	Year ended Sep-30, 2016	Year ended Sep-30, 2015 <sup>(1)(2)</sup>	Year ended Sep-30, 2014 <sup>(3)</sup>
<b>REVENUES</b>					
Proceeds from sales of gold to pay expenses	\$	\$	\$	\$	\$ 135,509
Cost of gold sold to pay expenses					(129,207)
Gain on gold sold to pay expenses					6,302
Gain on gold distributed for the redemption of shares					374,322
Unrealized gain/(loss) on investment in gold					(477,254)
Total gain/(loss) on gold					(96,630)

**EXPENSES**

Custody fees				15,395	22,724
Trustee fees				1,584	2,000
Sponsor fees	136,300	136,084	127,076	53,960	50,158
Marketing agent fees				33,636	50,158
Other expenses				9,535	8,716
Total expenses	136,300	136,084	127,076	114,110	133,756
Fees reduced				(4,096)	
Net expenses	136,300	136,084	127,076	110,014	133,756
Net investment loss	(136,300)	(136,084)	(127,076)	(110,014)	

**Net realized and change in unrealized gain/(loss) on investment in gold**

Net realized gain/(loss) from investment in gold sold to pay expenses	2,987	252	614	(5,170)	
Net realized gain/(loss) from gold distributed for the redemption of shares	147,334	(222,162)	(6,601)	(447,044)	
Net change in unrealized appreciation/(depreciation) on investment in gold	(2,633,556)	(1,535,978)	5,084,486	(2,122,974)	
Net realized and change in unrealized gain/(loss) on investment in gold	(2,483,235)	(1,757,888)	5,078,499	(2,575,188)	
<b>Net income/(loss)</b>	<b>\$ (2,619,535)</b>	<b>\$ (1,893,972)</b>	<b>\$ 4,951,423</b>	<b>\$ (2,685,202)</b>	<b>\$ (230,386)</b>

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Net gain/(loss) per share	\$	(9.35)	\$	(6.59)	\$	18.36	\$	(11.10)	\$	(0.85)
Weighted average number of shares (in 000 s)		280,153		287,348		269,742		241,858		270,245

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- (1) Effective October 1, 2014, the Trust adopted the financial presentation provisions for an investment company.
- (2) Effective July 17, 2015, the Trust's only recurring expense is the Sponsor's fee which accrues daily at an annual rate equal to 0.40% of the daily NAV, in exchange for the Sponsor assuming the responsibility to pay all ordinary fees and expenses of the Trust.
- (3) Represents audited statement of operations for the year ended September 30, 2014, prior to adoption of provisions for an investment company for accounting purposes.

**Statements of Financial Condition Data:**

(Amounts in 000's of US\$)	Sep-30, 2018	Sep-30, 2017	Sep-30, 2016	Sep-30, 2015 <sup>(1)</sup>	Sep-30, 2014 <sup>(2)</sup>
<b>ASSETS</b>					
Investment in gold	\$ 28,331,953	\$ 35,669,225	\$ 40,357,092	\$ 24,503,318	\$ 30,250,898 <sup>(3)</sup>
Gold receivable				117,353	
<b>Total Assets</b>	\$ 28,331,953	\$ 35,669,225	\$ 40,357,092	\$ 24,620,671	\$ 30,250,898
<b>LIABILITIES</b>					
Gold payable	\$	\$	\$ 50,461	\$	\$ 140,368
Other liabilities	9,434	11,720	13,184	8,501	13,661
<b>Total Liabilities</b>	9,434	11,720	63,645	8,501	154,029
<b>Redeemable Shares:</b>					
Shares at redemption value to investors <sup>(4)</sup>					30,096,869
<b>Shareholders' Deficit</b>					
<b>Net Assets</b>	\$ 28,322,519	\$ 35,657,505	\$ 40,293,447	\$ 24,612,170	
<b>Total Liabilities, Redeemable Shares &amp; Shareholders' Equity</b>					
					\$ 30,250,898

- (1) Effective October 1, 2014, the Trust adopted the financial presentation provisions for an investment company.
- (2) Represents audited statement of financial condition as of September 30, 2014 prior to adoption of provisions for an investment company for accounting purposes.
- (3) Investment in gold was held at the lower of average cost or market value. The average cost of investment in gold was \$30,728,152 at September 30, 2014.
- (4) Authorized share capital is unlimited and share par value is \$0.00. Shares issued and outstanding: 252,100,000 at September 30, 2018, 292,500,000 at September 30, 2017, 319,400,000 at September 30, 2016, 230,700,000 at September 30, 2015, and 257,300,000 at

September 30, 2014.



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**Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

***Trust Overview***

SPDR® Gold Trust is an investment trust that was formed on November 12, 2004 (Date of Inception). The Trust issues baskets of Shares, or Baskets, in exchange for deposits of gold and distributes gold in connection with the redemption of Baskets. The investment objective of the Trust is for the Shares to reflect the performance of the price of gold bullion, less the expenses of the Trust's operations. The Shares are designed to provide investors with a cost effective and convenient way to invest in gold.

Investing in the Shares does not insulate the investor from certain risks, including price volatility. The following chart illustrates the movement in the price of the Shares and NAV of the Shares against the corresponding gold price (per 1/10 of an oz. of gold) since the day the Shares first began trading on the NYSE and subsequent transfer to NYSE Arca:

**Share price & NAV v. gold price - November 18, 2004 to September 30, 2018**

The divergence of the price of the Shares and NAV of the Shares from the gold price over time reflects the cumulative effect of the Trust expenses that arise if an investment had been held since inception.

***Critical Accounting Policy***

***Valuation of Gold, Definition of Net Asset Value***

As of (i) the LBMA Gold Price on each day that the NYSE Arca is open for regular trading or (ii) if there is no LBMA Gold Price on such day or the LBMA Gold Price has not been announced by 12:00 PM New York time on such day, as of 12:00 PM New York time on such day, or the Valuation Time, the Trustee values the gold held by the Trust and determines the NAV of the Trust.

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At the Valuation Time, the Trustee values the Trust's gold on the basis of that day's LBMA Gold Price PM or, if no LBMA Gold Price PM is made on such day or has not been announced by the Valuation Time, the next most recent LBMA Gold Price (AM or PM) determined prior to the Valuation Time will be used, unless the Trustee, in consultation with the Sponsor, determines that such price is inappropriate as a basis for valuation. In the event the Trustee and the Sponsor determine that the LBMA Gold Price PM or last prior LBMA Gold Price (AM or PM) is not an appropriate basis for valuation of the Trust's gold, they will identify an alternative basis for such valuation to be employed by the Trustee. While we believe that the LBMA Gold Price is an appropriate indicator of the value of gold, there are other indicators that are available that could be different than the LBMA Gold Price. The use of such an alternative indicator could result in materially different fair value pricing of the gold in the Trust which could result in different market adjustments or redemption value adjustments of our outstanding redeemable Shares.

Once the value of the gold has been determined, the Trustee subtracts all estimated accrued fees, expenses and other liabilities of the Trust from the total value of the gold and all other assets of the Trust (other than any amounts credited to the Trust's reserve account, if established). The resulting figure is the NAV of the Trust. The Trustee determines the NAV per Share by dividing the NAV of the Trust by the number of Shares outstanding as of the close of trading on NYSE Arca.

Gold acquired, or disposed of, by the Trust is recorded at average cost. The table below summarizes the impact of unrealized gains/(losses) on the Trust's gold holdings at September 30, 2018 and 2017:

(Amount in 000's of US\$)	Sep-30, 2018	Sep-30, 2017
Investment in gold - cost	\$ 30,017,229	34,720,945
Unrealized gain/(loss) on investment in gold	(1,685,276)	948,280
Investment in gold - market value	\$ 28,331,953	35,669,225

**Review of Financial Results**

*Financial Highlights*

(All amounts in the following table and the subsequent paragraphs are in 000's of US\$)	For the year ended Sep-30, 2018	For the year ended Sep-30, 2017	For the year ended Sep-30, 2016
Net realized and change in unrealized gain/(loss) on investment in gold	\$ (2,483,235)	\$ (1,757,888)	\$ 5,078,499
Net income/(loss)	\$ (2,619,535)	\$ (1,893,972)	\$ 4,951,423
Net cash provided by operating activities	\$	\$	\$

The Trust's net realized and change in unrealized loss on investment in gold for the year ended September 30, 2018 of \$2,483,235 is made up of a gain of \$2,987 on the sale of gold to pay expenses, a realized gain of \$147,334 on gold distributed for the redemption of Shares, and a change in unrealized depreciation of \$2,633,556 on investment in gold.

The Trust's net realized and change in unrealized loss on investment in gold for the year ended September 30, 2017 of \$1,757,888 is made up of a gain of \$252 on the sale of gold to pay expenses, a realized loss of \$222,162 on gold distributed for the redemption of Shares, and a change in unrealized depreciation of \$1,535,978 on investment in gold.

The Trust's net realized and change in unrealized gain on investment in gold for the year ended September 30, 2016 of \$5,078,499 is made up of a gain of \$614 on the sale of gold to pay expenses, a realized loss of \$6,601 on gold distributed for the redemption of Shares, and a change in unrealized appreciation of \$5,084,486 on investment in gold.

**Table of Contents****Selected Supplemental Data**

(Amounts, except for per ounce and per share, are in 000 s)	Sep-30, 2018	Sep-30, 2017	Sep-30, 2016
<b>Ounces of Gold:</b>			
Opening balance	27,799.3	30,515.8	21,995.8
Creations (excluding gold receivable at September 30, 2018 0, September 30, 2017 0, and at September 30, 2016 0)	4,477.1	8,803.7	16,799.7
Redemptions (excluding gold payable at September 30, 2018 0, September 30, 2017 0, and at September 30, 2016 38.2)	(8,304.8)	(11,409.7)	(8,180.5)
Sales of gold	(108.1)	(110.5)	(99.2)
Closing balance	23,863.5	27,799.3	30,515.8
Gold price per ounce LBMA Gold Price PM	\$ 1,187.25	\$ 1,283.10	\$ 1,322.50
Market value of gold holdings	\$ 28,331,953	\$ 35,669,225	\$ 40,357,092
<b>Number of Shares (in 000 s):</b>			
Opening balance	292,500	319,400	230,700
Creations	47,200	92,500	174,700
Redemptions	(87,600)	(119,400)	(86,000)
Closing balance	252,100	292,500	319,400

On November 12, 2004, the date of formation of the Trust, the Custodian received 30,000 ounces of gold on behalf of the Trust in exchange for 300,000 Shares (3 Baskets). Trading of the Trust's Shares commenced on November 18, 2004. In the year ended September 30, 2018, an additional 47,200,000 Shares (472 Baskets), were created in exchange for 4,477,136 ounces of gold, and 87,600,000 Shares (876 Baskets) were redeemed in exchange for 8,304,762 ounces of gold. For accounting purposes the Trust reflects creations and the gold receivable with respect to such creations on the date of receipt of a notification of a creation, but does not deliver Shares until the requisite amount of gold is received. Upon a redemption, the Trust delivers gold upon receipt of Shares. All references in this discussion to gold receivable and gold payable relate to creations and redemptions that had not been completed. These creations and redemptions were completed in the normal course of business, including the receipt and payment of the gold by the Custodian.

As at September 30, 2018, the amount of gold owned by the Trust was 23,863,511 ounces, with a market value of \$28,331,953,406 (cost \$30,017,228,742) based on the LBMA Gold Price PM on September 30, 2018 (in accordance with the Trust Indenture).

As at September 30, 2018, the Custodian held 23,863,511 ounces of gold in its vault, 100% of which is allocated gold in the form of London Good Delivery gold bars with a market value of \$28,331,953,406 (cost \$30,017,228,742). Subcustodians did not hold any gold in their vaults on behalf of the Trust.

As at September 30, 2017, the amount of gold owned by the Trust was 27,799,256 ounces, with a market value of \$35,669,225,374 (cost \$34,720,945,067) based on the LBMA Gold Price PM on September 30, 2017 (in accordance with the Trust Indenture).

As at September 30, 2017, the Custodian held 27,799,256 ounces of gold in its vault, 100% of which is allocated gold in the form of London Good Delivery gold bars with a market value of \$35,669,225,374 (cost \$34,720,945,067). Subcustodians did not hold any gold in their vaults on behalf of the Trust.

As at September 30, 2016, the amount of gold owned by the Trust was 30,515,760 ounces, with a market value of \$40,357,092,600 (cost \$37,872,834,300) based on the LBMA Gold Price PM on September 30, 2016 (in accordance with the Trust Indenture).



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As at September 30, 2016, the Custodian held 30,515,760 ounces of gold in its vault, 100% of which is allocated gold in the form of London Good Delivery gold bars with a market value of \$40,357,092,600 (cost \$37,872,834,300). Subcustodians did not hold any gold in their vaults on behalf of the Trust.

On September 12, 2018, Inspectorate International Limited concluded the annual full count of the Trust's gold bullion held by the Custodian. On October 1, 2018, Inspectorate International Limited concluded reconciliation procedures from September 12, 2018 through September 30, 2018. The results can be found on [www.spdrgoldshares.com](http://www.spdrgoldshares.com).

### *Cash Flow from Operations*

The Trust had no net cash flow from operations in the years ended September 30, 2018, 2017 and 2016. Cash received in respect of gold sold to pay expenses in the years ended September 30, 2018, 2017 and 2016 was the same as those expenses, resulting in a zero cash balance at September 30, 2018, 2017 and 2016.

### *Off-Balance Sheet Arrangements*

The Trust is not a party to any off-balance sheet arrangements.

### *Cash Resources and Liquidity*

At September 30, 2018 and 2017 the Trust did not have any cash balances. When selling gold to pay expenses, the Trustee endeavors to sell the exact amount of gold needed to pay expenses in order to minimize the Trust's holdings of assets other than gold. As a consequence, we expect that the Trust will not record any cash flow from its operations and that its cash balance will be zero at the end of each reporting period.

### *Analysis of Movements in the Price of Gold*

As movements in the price of gold are expected to directly affect the price of the Trust's Shares, investors should understand what the recent movements in the price of gold have been. Investors, however, should also be aware that past movements in the gold price are not indicators of future movements. This section identifies recent movements in the gold price.

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The following chart provides historical background on the price of gold. The chart illustrates movements in the price of gold in U.S. dollars per ounce over the period from October 1, 2013 to September 30, 2018 and is based on the LBMA Gold Price PM when available from March 20, 2015 and previously the London PM Fix.

**Daily Gold Price October 1, 2013 to September 30, 2018**

During the year between October 1, 2017 and September 30, 2018, the gold price based on the LBMA Gold Price PM traded between \$1,178.40 per ounce (August 17, 2018) and \$1,354.95 per ounce (January 25, 2018), and the average price was \$1,280.65.

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The average, high, low and end-of-period gold prices for the three years ended September 30, 2018, 2017 and 2016, and for the period from the Date of Inception through September 30, 2018, based on the LBMA Gold Price (formerly the London PM Fix), were:

<b>Period</b>	<b>Average</b>	<b>High</b>	<b>Date</b>	<b>Low</b>	<b>Date</b>	<b>End of period</b>	<b>Last business day<sup>(1)</sup></b>
Three months to December 31, 2015 <sup>(2)</sup>	\$ 1,105.29	\$ 1,184.25	Oct 15, 2015	\$ 1,049.40	Dec 17, 2015	\$ 1,062.25	Dec 31, 2015 <sup>(2)</sup>
Three months to March 31, 2016	\$ 1,184.30	\$ 1,277.50	Mar 04, 2016	\$ 1,077.00	Jan 05, 2016	\$ 1,237.00	Mar 31, 2016
Three months to June 30, 2016	\$ 1,260.03	\$ 1,324.55	Jun 27, 2016	\$ 1,212.10	May 31, 2016	\$ 1,320.75	Jun 30, 2016
Three months to September 30, 2016	\$ 1,323.40	\$ 1,366.25	Jul 06, 2016	\$ 1,308.35	Sep 16, 2016	\$ 1,322.50	Sep 30, 2016
Three months to December 31, 2016	\$ 1,219.13	\$ 1,313.30	Oct 03, 2016	\$ 1,125.70	Dec 20, 2016	\$ 1,159.10	Dec 30, 2016
Three months to March 31, 2017	\$ 1,219.49	\$ 1,257.55	Mar 27, 2017	\$ 1,151.00	Jan 03, 2017	\$ 1,244.85	Mar 31, 2017
Three months to June 30, 2017	\$ 1,256.59	\$ 1,293.50	Jun 06, 2017	\$ 1,220.40	May 09, 2017	\$ 1,242.25	Jun 30, 2017
Three months to September 30, 2017	\$ 1,277.91	\$ 1,346.25	Sep 08, 2017	\$ 1,211.05	Jul 11, 2017	\$ 1,283.10	Sep 29, 2017
Three months to December 31, 2017	\$ 1,275.42	\$ 1,303.30	Oct 16, 2017	\$ 1,240.90	Dec 12, 2017	\$ 1,296.50	Dec 29, 2017
Three months to March 31, 2018	\$ 1,329.29	\$ 1,354.95	Jan 25, 2018	\$ 1,307.75	Mar 01, 2018	\$ 1,323.85	Mar 29, 2018
Three months to June 30, 2018	\$ 1,305.99	\$ 1,351.45	Apr 18, 2018	\$ 1,250.45	Jun 29, 2018	\$ 1,250.45	Jun 29, 2018
Three months to September 30, 2018	\$ 1,213.19	\$ 1,262.05	Jul 9, 2018	\$ 1,178.40	Aug 17, 2018	\$ 1,187.25	Sep 28, 2018
Twelve months ended September 30, 2016	\$ 1,221.44	\$ 1,366.25	Jul 06, 2016	\$ 1,049.40	Dec 17, 2015	\$ 1,322.50	Sep 30, 2016
Twelve months ended September 30, 2017	\$ 1,243.22	\$ 1,346.25	Sep 08, 2017	\$ 1,125.70	Dec 20, 2016	\$ 1,283.10	Sep 29, 2017
Twelve months ended September 30, 2018	\$ 1,280.65	\$ 1,354.95	Jan 25, 2018	\$ 1,178.40	Aug 17, 2018	\$ 1,187.25	Sep 28, 2018
November 12, 2004 (the inception of the Trust) to September 30, 2018	\$ 1,110.77	\$ 1,895.00	Sep 05, 2011	\$ 411.10	Feb 08, 2005	\$ 1,187.25	Sep 28, 2018

- (1) The end of period gold price is the LBMA Gold Price PM on the last business day of the period. This is in accordance with the Trust Indenture and the basis used for calculating the Net Asset Value of the Trust.
- (2) There was no LBMA Gold Price PM on the last business day of December 2015. The LBMA Gold Price AM was \$1,062.25 on the last business day of December 2015. The Net Asset Value of the Trust on December 31, 2015 was calculated using the LBMA Gold Price AM, in accordance with the Trust Indenture.

**Table of Contents****Item 7A. Quantitative and Qualitative Disclosures about Market Risk**

The Trust Indenture does not authorize the Trustee to borrow for payment of the Trust's ordinary expenses. The Trust does not engage in transactions in foreign currencies which could expose the Trust or holders of Shares to any foreign currency related market risk. The Trust does not invest in any derivative financial instruments or long-term debt instruments.

**Item 8. Financial Statements and Supplementary Data****Quarterly Information****Fiscal Period Ended September 30, 2018**

(Amounts in 000's of US\$, except per share data)	Dec-31, 2017	Three Months Ended		Sep-30, 2018	Year Ended Sep-30, 2018
	Mar-31, 2018	Jun-30, 2018			
<b>EXPENSES</b>					
Sponsor fees	\$ 34,988	\$ 35,233	\$ 35,604	\$ 30,475	\$ 136,300
Total expenses	34,988	35,233	35,604	30,475	136,300
Net investment loss	(34,988)	(35,233)	(35,604)	(30,475)	(136,300)
<b>Net realized and change in unrealized gain/(loss) on investment in gold</b>					
Net realized gain/(loss) from investment in gold sold to pay expenses	590	1,918	1,533	(1,054)	2,987
Net realized gain/(loss) from gold distributed for the redemption of shares	38,391	148,686	74,938	(114,681)	147,334
Net change in unrealized appreciation/(depreciation) on investment in gold	315,759	591,410	(2,061,214)	(1,479,511)	(2,633,556)
Net realized and change in unrealized gain/(loss) on investment in gold	354,740	742,014	(1,984,743)	(1,595,246)	(2,483,235)
<b>Net income/(loss)</b>	<b>\$ 319,752</b>	<b>\$ 706,781</b>	<b>\$ (2,020,347)</b>	<b>\$ (1,625,721)</b>	<b>\$ (2,619,535)</b>
Net income/(loss) per share	\$ 1.12	\$ 2.49	\$ (7.01)	\$ (6.19)	\$ (9.35)
Weighted average number of shares (in 000's)	286,405	283,379	288,154	262,833	280,153



**Table of Contents****Fiscal Period Ended September 30, 2017**

(Amounts in 000 s of US\$, except per share data)	Dec-31, 2016	Three Months Ended		Sep-30, 2017	Year Ended Sep-30, 2017
	Mar-31, 2017	Jun-30, 2017			
<b>EXPENSES</b>					
Sponsor fees	35,918	31,847	34,325	33,994	136,084
Total expenses	35,918	31,847	34,325	33,994	136,084
Net investment loss	(35,918)	(31,847)	(34,325)	(33,994)	(136,084)
<b>Net realized and change in unrealized gain/(loss) on investment in gold</b>					
Net realized gain/(loss) from investment in gold sold to pay expenses	68	(898)	444	638	252
Net realized gain/(loss) from gold distributed for the redemption of shares	(205,896)	(71,852)	45,016	10,570	(222,162)
Net change in unrealized appreciation/(depreciation) on investment in gold	(4,679,551)	2,317,536	(145,075)	971,112	(1,535,978)
Net realized and change in unrealized gain/(loss) on investment in gold	(4,885,379)	2,244,786	(99,615)	982,320	(1,757,888)
Net income/(loss)	\$ (4,921,297)	\$ 2,212,939	\$ (133,940)	\$ 948,326	\$ (1,893,972)
Net income/(loss) per share	\$ (16.10)	\$ 7.95	\$ (0.47)	\$ 3.42	\$ (6.59)
Weighted average number of shares (in 000 s)	305,599	278,457	287,567	277,577	287,348

See Index to Financial Statements on page F-1 for a list of the financial statements being filed therein.

**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

There have been no changes in accountants and no disagreements with accountants on any matter of accounting principles or practices or financial statement disclosures during the year ended September 30, 2018.

**Item 9A. Controls and Procedures****Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures**

The Trust maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in its Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Principal Executive Officer and Chief Financial Officer of the Sponsor, and to the audit committee of the Board of Directors of the Sponsor, as appropriate, to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of the Principal Executive Officer and the Chief Financial Officer of the Sponsor, the Sponsor conducted an evaluation of the Trust's disclosure controls and procedures, as defined under Exchange Act Rule 13a-15(e). Based on this evaluation, the Principal Executive Officer and the Chief Financial Officer of the Sponsor concluded that, as of September 30, 2018, the Trust's disclosure controls and procedures were effective.

There was no change in the Trust's internal controls over financial reporting that occurred during the Trust's most recently completed fiscal quarter ended September 30, 2018 that has materially affected, or is reasonably likely to materially affect, these internal controls.



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**Management's Report on Internal Control over Financial Reporting**

The Sponsor's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined under Exchange Act Rules 13a-15(f) and 15d-15(f). The Trust's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. Internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Trust's assets, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that the Trust's receipts and expenditures are being made only in accordance with appropriate authorizations; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Trust's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become ineffective because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Principal Executive Officer and Chief Financial Officer of the Sponsor assessed the effectiveness of the Trust's internal control over financial reporting as of September 30, 2018. In making this assessment, they used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework (2013). Their assessment included an evaluation of the design of the Trust's internal control over financial reporting and testing of the operational effectiveness of its internal control over financial reporting. Based on their assessment and those criteria, the Principal Executive Officer and Chief Financial Officer of the Sponsor concluded that the Trust maintained effective internal control over financial reporting as of September 30, 2018.

KPMG LLP, the independent registered public accounting firm that audited and reported on the financial statements as of and for the year ended September 30, 2018 included in this Form 10-K, as stated in their report which is included herein, issued an attestation report on the effectiveness of the Trust's internal control over financial reporting as of September 30, 2018.

November 27, 2018

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**Report of Independent Registered Public Accounting Firm**

To the Sponsor, Trustee and Shareholders

SPDR® Gold Trust:

*Opinion on Internal Control Over Financial Reporting*

We have audited SPDR® Gold Trust's (the Trust) internal control over financial reporting as of September 30, 2018, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Trust maintained, in all material respects, effective internal control over financial reporting as of September 30, 2018, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the statements of financial condition of the Trust, including the schedules of investment, as of September 30, 2018 and 2017, the related statements of operations, cash flows, and changes in net assets for each of the years in the three-year period ended September 30, 2018, and the related notes (collectively, the financial statements), and our report dated November 27, 2018 expressed an unqualified opinion on those financial statements.

*Basis for Opinion*

The management of the Trust's sponsor is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Trust's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

*Definition and Limitations of Internal Control Over Financial Reporting*

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. An entity's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management and directors of the entity; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

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Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

New York, New York

November 27, 2018

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**Item 9B. Other Information**

Not applicable.

**Table of Contents****PART III****Item 10. Directors, Executive Officers and Corporate Governance**

The Trust does not have any directors, officers or employees. The following persons, in their respective capacities as directors or executive officers of the Sponsor, a Delaware limited liability company, perform certain functions with respect to the Trust that, if the Trust had directors or executive officers, would typically be performed by them.

Joseph R. Cavatoni is the Principal Executive Officer and Laura S. Melman is the Chief Financial Officer and Treasurer of the Sponsor. The Board of Directors of the Sponsor consists of four individuals, of whom three serve on its Audit Committee. The Audit Committee has the responsibility for overseeing the financial reporting process of the Trust, including the risks and controls of that process and such other oversight functions as are typically performed by an audit committee of a public company.

*Joseph R. Cavatoni*, age 50, is the Principal Executive Officer of the Sponsor. He joined the World Gold Council as Managing Director USA and ETFs in September 2016. Prior to that, from April 2009 to December 2015 he served with BlackRock Investments, LLC, as part of BlackRock, Inc., a publicly traded investment management firm, first as the head of iShares Capital Markets in Asia Pacific (2009) and as Head of iShares Capital Markets and Product Development in the same region (2009-2011). From November 2011 to December 2015, Mr. Cavatoni served as a BlackRock Managing Director and Head of iShares Capital Markets, Americas. From August 2003 to April 2009, Mr. Cavatoni served with UBS Securities Asia Limited, first as Executive Director, Head of Swaps, Asia (2003-2006) and then as Managing Director, Head of Equity Finance APAC (2006-2009). Prior to that, he served with Merrill Lynch & Company, Inc. from June 1994 to May 2003 as Senior Credit Analyst, Credit and Risk Management Team in New York (1994-1995), Vice President, Credit and Risk Management Team, Hong Kong (1995-2000) and Director, Head of Prime Brokerage Asia, Japan and Australia (2000-2003). Mr. Cavatoni received his Bachelor of Business Administration degree from The George Washington University and his Master of Business Administration degree from Northwestern University and the Hong Kong University of Science and Technology.

*Laura S. Melman*, age 51, has served as the Treasurer and Chief Operating Officer of WGC USA, Inc., an affiliate of the Sponsor, since January 22, 2018. Ms. Melman was previously employed by PIMCO LLC, from June 2012 until January 2018. During her tenure at PIMCO, Ms. Melman was Senior Vice President responsible for taxation, accounting and analytics for PIMCO's funds and exchange traded funds (ETFs) worldwide. Ms. Melman's responsibilities included complex product development, accounting, and taxation of financial instruments and investment strategies. Ms. Melman also served as an officer for PIMCO's open-end and closed-end funds and ETFs. Prior to PIMCO, Ms. Melman served as Executive Director and Tax Director at J.P. Morgan Asset Management, managing tax, accounting and compliance issues for J.P. Morgan's registered and unregistered fund products from August 2006 to June 2012. She has also served as Vice President of product development at BNY Mellon (September 2000-August 2006), where she helped to develop and launch the first exchange-traded gold trusts. Ms. Melman is listed as co-inventor of the business method patents that support the structure of exchange-traded commodity trusts. Prior to working within product development, Ms. Melman served with BNY Mellon as Vice President of taxation and fund accounting (September 1992-September 2000). Ms. Melman has also worked at PwC as a tax consultant (September 1989-September 1992) within the firm's financial services practice. Ms. Melman earned her Bachelor of Science degree from Rutgers University and received her Master of Business Administration in Accounting from the Rutgers Graduate School of Management. She is a Certified Public Accountant.

*William J. Shea*, age 70, has served as Chairman of the Board of Directors of the Sponsor since January 2013 and is a member of the Board's Audit and Compensation Committees. Mr. Shea has served as a Director on the Board of Directors of WGC USA Asset Management Company, LLC, an affiliate of the

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sponsor, since January 2017 and is a member of that board's Audit Committee. He has more than 35 years of experience in the financial services industry and in business restructurings. He was elected to the Board of Directors of Caliber ID, Inc. in 2001 and was appointed Chairman in December 2010. Prior to his appointment to the Board of Caliber ID, he served as Executive Chairman of Royal & Sun Alliance (RSA), USA from January 2005 to December 2006, and oversaw its divestiture from RSA, a large public insurance company headquartered in the United Kingdom. From 2001 to 2004, he was Chief Executive Officer of Consec, Inc., a publicly held diversified insurance and financial services firm that he guided through the federal bankruptcy and restructuring process. From January 1997 to February 2001, he oversaw the turnaround of Centennial Technologies, Inc., a high technology manufacturing company in the flash memory business. Mr. Shea served as Vice Chairman of BankBoston Corporation from January 1993 to August 1998. He was the Vice Chairman and a Senior Partner of Coopers & Lybrand (now PriceWaterhouseCoopers), an international public accounting firm, for whom he worked from June 1974 to December 1992. Mr. Shea sits on the boards of AIG SunAmerica, a mutual funds company, and is Chairman of the Board of Demoulas Supermarkets, Inc., a privately held retail grocery store chain in New England. He was a board member of Boston Private Financial Holdings, a public bank holding company, and its related bank from June 2004 to May 2014. Mr. Shea has served on the boards of the Boston Children's Hospital, Northeastern University, NASDAQ OMXBX, and the Boston Stock Exchange. Mr. Shea holds both a Bachelor of Arts degree and a Master of Arts degree in Economics.

The Sponsor has concluded that Mr. Shea should serve as Director because of the knowledge and extensive experience he gained in a variety of leadership roles with different financial institutions and an international public accounting firm, his extensive experience in business restructurings, and the experience he has gained serving as a director of WGCAM.

*Aram Shishmanian*, age 67, is the manager and has served as a Director on the Board of Directors of the Sponsor since January 2013. Mr. Shishmanian has served as a Director on the Board of Directors of WGCAM since January 2017. He has served as Chief Executive Officer of the World Gold Council, the ultimate parent of the Sponsor, since January 2009. Mr. Shishmanian was previously employed by Accenture plc, a multinational management consulting, technology services and outsourcing company. During his 27 years at Accenture and its predecessor companies from 1975 to 2003, Mr. Shishmanian held a number of leadership roles, including Global Managing Partner of the financial markets industry practice, before becoming a senior partner. He previously served as a Non-Executive Director of Resolution plc, the Senior Non-Executive Director of Victoria plc, a Non-Executive Director of a Swiss based asset-management company and several other companies. Prior to joining the World Gold Council, from 2005 to 2010, he was an independent member of the International Executive of Hogan Lovells LLP, one of the leading global law firms. He holds a Bachelor of Arts degree in Economics and a Master of Business Administration degree.

The Sponsor has concluded that Mr. Shishmanian should serve as Director because of the knowledge and extensive experience he gained in a variety of leadership roles with different financial institutions, his extensive experience as a management consultant and as a director on other boards, and the experience he has gained serving as a director of WGCAM.

*Rocco Maggiotto*, age 68, has served as a Director on the Board of Directors of the Sponsor since January 2013, is Chairman of the Board's Audit Committee and a member of the Board's Compensation Committee. Mr. Maggiotto has served as a Director on the Board of Directors of WGCAM since January 2017 and is Chairman of that board's Audit Committee. Mr. Maggiotto is the Chief Executive Officer and Co-Founder of PWRCierge, LLC, an independent power company providing Cogeneration solutions and other energy management solutions for Continuing Care Retirement Communities and other non-profit institutions. From June 2006 to 2011, Mr. Maggiotto was Executive Vice President and Global Head of Customer and Distribution Management for Zurich Financial Services' \$35 billion



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General Insurance Business. He was responsible for the development and implementation of Zurich's customer and distribution management strategies, their global industry practices, their relationships with the global broker organizations and served as Chairman of General Insurance's Growth Agenda. Prior to joining Zurich, from 2005 to 2006, he was a Senior Executive Advisor in Booz Allen Hamilton's Management Consulting practice, and continues to consult with financial institutions through the Manchester Consulting Group which he founded in 2012. Mr. Maggiotto's previous career has included roles as Chairman of Client Development for the Parent Company of Marsh & McLennan Companies, Inc. from 2002 to 2005, as well as a Senior Partner for PricewaterhouseCoopers, where he was a member of their Global Leadership Team and was Global Markets Leader upon retiring in 2002. Mr. Maggiotto was also a Vice Chairman for the former Coopers & Lybrand, Managing Partner of its New York region and Chairman of its financial services industry practice worldwide. He also developed and managed its US Financial Services Industry Management Consulting business. Before that, he was a Partner with KPMG Management Consulting Practice in New York. Prior to joining KPMG, for sixteen years, Mr. Maggiotto held management positions with Marine Midland Bank and with HSBC covering finance, operations, management information systems and corporate services. Mr. Maggiotto serves on the boards of the Ronald McDonald House of New York, The Weston Playhouse Theatre Company, Canisius College, Canisius High School, the Council of Governing Bodies of New York State's private colleges and universities, and is President of the Board of The Green Mountain Academy for Life Long Learning Manchester, VT. He is also a member of the Board of Directors for Lucid Inc., a publicly traded medical device company which does business as Caliber I. D. providing medical equipment supporting imaging and diagnosis at the cellular level in the treatment of skin cancer and other diseases. Mr. Maggiotto holds a Bachelor of Arts degree in Political Science and a Master of Business Administration degree in Finance.

The Sponsor has concluded that Mr. Maggiotto should serve as Director because of the knowledge and extensive experience he gained in a variety of leadership roles with different financial institutions and international public accounting firms, his extensive experience as a director on other boards, and the experience he has gained serving as a director of WGCAM.

*Neal Wolkoff*, age 63, has served as a Director on the Board of Directors of the Sponsor since January 2013, and is a member of the Board's Audit Committee and Chair of the Board's Compensation Committee. Mr. Wolkoff has served as a Director on the Board of Directors of WGCAM since January 2017 and is a member of that board's Audit Committee. Mr. Wolkoff is the founder and CEO of Wolkoff Consulting Services, LLC. Previously, from October 2008 to February 2012 he served as the Chief Executive Officer of ELX Futures, L.P., founded by major dealer banks and trading firms to compete in the area of interest rate futures. From April 2005 to October 2008 Mr. Wolkoff served as Chairman and Chief Executive Officer of the American Stock Exchange (AMEX). Prior to the AMEX, for over 20 years, Mr. Wolkoff held several senior level officer positions at the New York Mercantile Exchange (NYMEX) including Acting President, Executive Vice President and Chief Operating Officer, and Senior Vice President for Regulation and Clearing, in which position Mr. Wolkoff was the exchange's chief regulatory officer. Mr. Wolkoff started his career as an Honors Program Trial Attorney in the Division of Enforcement of the Commodity Futures Trading Commission. Mr. Wolkoff is a member of the Federal Reserve Bank of Chicago Working Group on Financial Markets. He was appointed to the Board of OTC Markets Group in September 2012 and in November 2013 became the non-executive Chairman of that board. Mr. Wolkoff has also served on the Board of Directors and Executive Committee of the National Futures Association. Mr. Wolkoff was Vice Chairman of the Board and a member of the Executive Committee of the Golda Och Academy (a Solomon Schechter School) in West Orange, NJ. He received a Bachelor of Arts degree and a Juris Doctor degree and is a member of the Bar of the State of New York.

The Sponsor has concluded that Mr. Wolkoff should serve as Director because of the knowledge and extensive experience he gained in a variety of leadership roles at a major stock exchange and futures

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exchange, the experience he gained as a trial attorney, his extensive experience as a director on other boards, and the experience he has gained serving as a director of WGCAM.

The Sponsor has a code of ethics (the Code of Ethics ) that applies to its executive officers and agents, including its Principal Executive Officer and Chief Financial Officer, who perform certain functions with respect to the Trust that, if the Trust had executive officers would typically be performed by them. The Code of Ethics is available by writing the Sponsor at 685 Third Avenue, 27th Floor, New York, NY 10017 or calling the Sponsor at (212) 317-3800. The Sponsor s Code of Ethics is intended to be a codification of the business and ethical principles that guide the Sponsor, and to deter wrongdoing, to promote honest and ethical conduct, to avoid conflicts of interest, and to foster compliance with applicable governmental laws, rules and regulations, the prompt internal reporting of violations and accountability for adherence to this code.

**Item 11. Executive Compensation**

Not applicable.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

*Securities Authorized for Issuance under Equity Compensation Plans and Related Stockholder Matters*

Not applicable.

*Security Ownership of Certain Beneficial Owners and Management*

Not applicable.

**Item 13. Certain Relationships and Related Transactions and Director Independence**

Not applicable.

**Item 14. Principal Accounting Fees and Services**

Fees for services performed by KPMG LLP for the years ended September 30, 2018 and 2017 were:

	<b>Years Ended September 30,</b>	
	<b>2018</b>	<b>2017</b>
Audit fees	\$ 323,500	\$ 324,500
Audit-related fees	116,000	115,000
<b>Total</b>	<b>\$ 439,500</b>	<b>\$ 439,500</b>

In the table above, in accordance with the SEC s definitions and rules, Audit Fees are fees paid to KPMG LLP for professional services for the audit of the Trust s financial statements included in the annual report on Form 10-K and review of financial statements included in the quarterly reports on Form 10-Q, and for services that are normally provided by the accountants in connection with regulatory filings or engagements. Audit Related Fees are fees for assurance and related services that are reasonably related to the performance of the audit or review of the Trust s financial statements.

*Pre-Approved Policies and Procedures*

The Trust has no board of directors, and as a result, has no audit committee or pre-approval policy with respect to fees paid to its principal accounting firm. Such determinations, including for the fiscal year ended September 30, 2018, are made by the Sponsor s Board of Directors and Audit Committee.



**Table of Contents****PART IV****Item 15. Exhibits and Financial Statements Schedules****1. Financial Statements**

See Index to Financial Statements on Page F-1 for a list of the financial statements being filed herein.

**2. Financial Statement Schedules**

Schedules have been omitted since they are either not required, not applicable, or the information has otherwise been included.

**3. Exhibits**

Exhibit Number	Exhibit Description	Form	Incorporated by Reference	
			Exhibit	Filing Date/Period End Date
4.1	<u>Trust Indenture dated November 12, 2004.</u>	10-K	4.1	9/30/07
4.1.1	<u>Amendment No. 1 to Trust Indenture dated November 26, 2007.</u>	8-K	4.1	12/13/07
4.1.2	<u>Amendment No. 2 to Trust Indenture dated May 20, 2008.</u>	10-K	4.1.2	9/30/08
4.1.3	<u>Amendment No. 3 to Trust Indenture dated June 1, 2011.</u>	8-K	4.1	6/1/11
4.1.4	<u>Amendment No. 4 to Trust Indenture dated June 18, 2014.</u>	8-K	4.1	6/19/14
4.1.5	<u>Amendment No. 5 to Trust Indenture dated March 20, 2015.</u>	8-K	4.1.5	3/20/15
4.1.6	<u>Amendment No. 6 to Trust Indenture dated April 14, 2015.</u>	8-K	4.1.6	7/14/15
4.1.7	<u>Amendment No. 7 to Trust Indenture dated September 5, 2017.</u>	8-K	4.1.7	9/11/17
4.2	<u>Form of Participant Agreement.</u>	S-1	4.2	11/8/04
4.2.1	<u>Amendment No. 1 to Participant Agreements.</u>	8-K	4.2	12/13/07
4.2.2	<u>Amendment No. 2 to Participant Agreements dated May 20, 2008.</u>	10-K	4.2.2	9/30/08
4.2.3	<u>Amendment No. 3 to Participant Agreements dated July 18, 2014.</u>	8-K	4.2.3	7/22/14
4.2.4	<u>Amendment No. 4 to Participant Agreements dated September 5, 2017.</u>	10-K	4.2.4	9/30/17
4.3	<u>Sponsor Payment and Reimbursement Agreement dated November 12, 2004.</u>	10-K	4.3	9/30/07
10.1	<u>Second Amended and Restated Allocated Bullion Account Agreement dated July 17, 2015.</u>	8-K	10.1	7/17/15

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Exhibit Number	Exhibit Description	Incorporated by Reference		
		Form	Exhibit	Filing Date/Period End Date
10.2	<u>Second Amended and Restated Unallocated Bullion Account Agreement dated July 17, 2015.</u>	8-K	10.2	7/17/15
10.3	<u>Form of Participant Unallocated Bullion Account Agreement.</u>	S-1	4.2 (Attachment B)	11/8/04
10.3.1	<u>Form of Amendment to Participant Unallocated Bullion Account Agreement dated November 26, 2007.</u>	10-K	10.3.1	9/30/08
10.3.2	<u>Form of Amendment No. 2 to Participant Unallocated Bullion Account Agreement effective May 20, 2008.</u>	S-3	10.3.1	5/20/08
10.4	<u>Depository Agreement dated November 11, 2004.</u>	10-K	10.4	9/30/07
10.5	<u>License Agreement</u>	S-1	10.5	9/26/03
10.6	<u>Amended and Restated Marketing Agent Agreement dated July 17, 2015.</u>	8-K	10.6	7/17/15
10.6.1	<u>First Amendment to the Amended and Restated Marketing Agent Agreement dated May 4, 2018.</u>	10-Q	10.6.1	8/7/18
10.8	<u>WGC/WGTS License Agreement dated November 16, 2004.</u>	10-K	10.8	9/30/07
10.8.1	<u>Amendment No. 1 to WGC/WGTS License Agreement dated May 20, 2008.</u>	10-K	10.8.1	9/30/08
10.10	<u>Marketing Agent Reimbursement Agreement dated November 16, 2004.</u>	10-K	10.10	9/30/07
10.12	<u>SPDR Sublicense Agreement dated May 20, 2008.</u>	10-K	10.12	9/30/08
10.13	<u>Novation Agreement dated June 4, 2014.</u>	8-K	10.13	11/21/14
23.1*	<u>Consent of KPMG LLP.</u>			
23.2*	<u>Consent of Carter Ledyard &amp; Milburn LLP.</u>			
31.1*	<u>Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended.</u>			
31.2*	<u>Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended.</u>			
32.1*	<u>Certification of Principal Executive Officer Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002.</u>			

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Exhibit Number	Exhibit Description	Form	Incorporated by Reference	
			Exhibit	Filing Date/Period End Date
32.2*	<u>Certification of Chief Financial Officer Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002.</u>			
101.INS*	XBRL Instance Document.			
101.SCH*	XBRL Taxonomy Extension Schema Document.			
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document			
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document			
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.			
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document			

\* Filed herewith.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned in the capacities\* indicated thereunto duly authorized.

WORLD GOLD TRUST SERVICES, LLC

Sponsor of the SPDR® Gold Trust

(Registrant)

/s/ Joseph R. Cavatoni  
Joseph R. Cavatoni

Principal Executive Officer\*

/s/ Laura S. Melman  
Laura S. Melman

Chief Financial Officer and Treasurer\*

/s/ Aram Shishmanian  
Aram Shishmanian

Director\*

/s/ William J. Shea  
William J. Shea

Director\*

/s/ Rocco Maggiotto  
Rocco Maggiotto

Director\*

/s/ Neal Wolkoff  
Neal Wolkoff

Director\*

Date: November 27, 2018

\*

## Edgar Filing: SPDR GOLD TRUST - Form 10-K

The Registrant is a trust and the persons are signing in their capacities as officers or directors of World Gold Trust Services, LLC, the Sponsor of the Registrant.



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**SPDR® GOLD TRUST**

**FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2018**

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Sponsor, Trustee and Shareholders

SPDR® Gold Trust:

*Opinion on the Financial Statements*

We have audited the accompanying statements of financial condition of SPDR® Gold Trust (the Trust), including the schedules of investment, as of September 30, 2018 and 2017, the related statements of operations, cash flows, and changes in net assets for each of the years in the three-year period ended September 30, 2018, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust as of September 30, 2018 and 2017, and the results of its operations and its cash flows for each of the years in the three-year period ended September 30, 2018, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Trust's internal control over financial reporting as of September 30, 2018, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated November 27, 2018 expressed an unqualified opinion on the effectiveness of the Trust's internal control over financial reporting.

*Basis for Opinion*

These financial statements are the responsibility of management of the Trust's sponsor. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management of the Trust's sponsor, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Trust's auditor since 2010.

New York, New York

November 27, 2018

**Table of Contents****SPDR® GOLD TRUST****Statements of Financial Condition**

at September 30, 2018 and 2017

(Amounts in 000 s of US\$ except for share data)	Sep-30, 2018	Sep-30, 2017
<b>ASSETS</b>		
Investment in Gold, at fair value (cost \$30,017,229 and \$34,720,945 at September 30, 2018 and 2017, respectively)	\$ 28,331,953	\$ 35,669,225
<b>Total Assets</b>	<b>\$ 28,331,953</b>	<b>\$ 35,669,225</b>
<b>LIABILITIES</b>		
Accounts payable to Sponsor	\$ 9,434	\$ 11,720
<b>Total Liabilities</b>	<b>\$ 9,434</b>	<b>\$ 11,720</b>
<b>Net Assets</b>	<b>\$ 28,322,519</b>	<b>\$ 35,657,505</b>
Shares issued and outstanding <sup>(1)</sup>	252,100,000	292,500,000
Net asset value per Share	\$ 112.35	\$ 121.91

(1) Authorized share capital is unlimited and the par value of the Shares is \$0.00.  
See notes to the financial statements.

**Table of Contents****SPDR® GOLD TRUST****Schedules of Investment**

(Amounts in 000 s except for percentages)	Ounces of gold	Cost	Fair Value	% of Net Assets
<b><u>September 30, 2018</u></b>				
Investment in Gold	23,863.5	\$ 30,017,229	\$ 28,331,953	100.03%
Total Investment		\$ 30,017,229	\$ 28,331,953	100.03%
Liabilities in excess of other assets			(9,434)	(0.03)%
Net Assets			\$ 28,322,519	100.00%
<b><u>September 30, 2017</u></b>				
Investment in Gold	27,799.3	\$ 34,720,945	\$ 35,669,225	100.03%
Total Investment		\$ 34,720,945	\$ 35,669,225	100.03%
Liabilities in excess of other assets			(11,720)	(0.03)%
Net Assets			\$ 35,657,505	100.00%

*See notes to the financial statements.*

**Table of Contents****SPDR® GOLD TRUST****Statements of Operations**

For the years ended September 30, 2018, 2017 and 2016

(Amounts in 000 s of US\$ except per share data)	Year Ended Sep-30, 2018	Year Ended Sep-30, 2017	Year Ended Sep-30, 2016
<b>EXPENSES</b>			
Sponsor fees	\$ 136,300	\$ 136,084	\$ 127,076
Total expenses	136,300	136,084	127,076
Net investment loss	(136,300)	(136,084)	(127,076)
<b>Net realized and change in unrealized gain/(loss) on investment in gold</b>			
Net realized gain/(loss) from investment in gold sold to pay expenses	2,987	252	614
Net realized gain/(loss) from gold distributed for the redemption of shares	147,334	(222,162)	(6,601)
Net change in unrealized appreciation/(depreciation) on investment in gold	(2,633,556)	(1,535,978)	5,084,486
Net realized and change in unrealized gain/(loss) on investment in gold	(2,483,235)	(1,757,888)	5,078,499
<b>Net income/(loss)</b>	<b>\$ (2,619,535)</b>	<b>\$ (1,893,972)</b>	<b>\$ 4,951,423</b>
Net income/(loss) per share	\$ (9.35)	\$ (6.59)	\$ 18.36
Weighted average number of shares (in 000 s)	280,153	287,348	269,742

*See notes to the financial statements.*

**Table of Contents****SPDR® GOLD TRUST****Statements of Cash Flows**

For the years ended September 30, 2018, 2017 and 2016

(Amounts in 000 s of US\$)	Year Ended Sep-30, 2018	Year Ended Sep-30, 2017	Year Ended Sep-30, 2016
<b>INCREASE/DECREASE IN CASH FROM OPERATIONS:</b>			
Proceeds received from sales of gold	\$ 138,586	\$ 137,548	\$ 122,393
Expenses paid	(138,586)	(137,548)	(122,393)

Increase/(Decrease) in cash resulting from operations

Cash and cash equivalents at beginning of period

Cash and cash equivalents at end of period

**SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES:**

<i>Value of gold received for creation of shares net of gold receivable</i>	\$ 5,853,569	\$ 11,161,181	\$ 20,949,847
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<i>Value of gold distributed for redemption of shares net of gold payable</i>	\$ 10,569,020	\$ 13,953,611	\$ 10,052,178
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(Amounts in 000 s of US\$)	Year Ended Sep-30, 2018	Year Ended Sep-30, 2017	Year Ended Sep-30, 2016
<b>RECONCILIATION OF NET INCOME/(LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Net income/(loss)	\$ (2,619,535)	\$ (1,893,972)	\$ 4,951,423
Adjustments to reconcile net income/(loss) to net cash provided by operating activities			
Proceeds from sales of gold to pay expenses	138,586	137,548	122,393
Net realized (gain)/loss from investment in gold sold to pay expenses	(2,987)	(252)	(614)
Net realized (gain)/loss from gold distributed for the redemption of shares	(147,334)	222,162	6,601
Net change in unrealized (appreciation)/depreciation on investment in gold	2,633,556	1,535,978	(5,084,486)
Increase/(Decrease) in accounts payable to Sponsor	(2,286)	(1,464)	4,683
Net cash provided by operating activities	\$	\$	\$

*See notes to the financial statements.*

**Table of Contents****SPDR® GOLD TRUST****Statements of Changes in Net Assets**

For the years ended September 30, 2018, 2017 and 2016

(Amounts in 000 s of US\$)	Year Ended Sep-30, 2018	Year Ended Sep-30, 2017	Year Ended Sep-30, 2016
Net Assets Opening Balance	\$ 35,657,505	\$ 40,293,447	\$ 24,612,170
Creations	5,853,569	11,161,181	20,832,493
Redemptions	(10,569,020)	(13,903,151)	(10,102,639)
Net investment loss	(136,300)	(136,084)	(127,076)
Net realized gain/(loss) from investment in gold sold to pay expenses	2,987	252	614
Net realized gain/(loss) from gold distributed for the redemption of shares	147,334	(222,162)	(6,601)
Net change in unrealized appreciation/(depreciation) on investment in gold	(2,633,556)	(1,535,978)	5,084,486
Net Assets Closing Balance	\$ 28,322,519	\$ 35,657,505	\$ 40,293,447

*See notes to the financial statements.*

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**SPDR® GOLD TRUST**

**Notes to the Financial Statements**

**1. Organization**

The SPDR® Gold Trust (the "Trust") is an investment trust formed on November 12, 2004 ( "Date of Inception") under New York law pursuant to a trust indenture (the "Trust Indenture"). The fiscal year end for the Trust is September<sup>30</sup>. The Trust holds gold and is expected from time to time to issue shares ( "Shares") (in minimum denominations of 100,000 Shares, also referred to as "Baskets") in exchange for deposits of gold and to distribute gold in connection with redemption of Baskets. The investment objective of the Trust is for the Shares to reflect the performance of the price of gold bullion, less the Trust's expenses. World Gold Trust Services, LLC, or WGTS is the sponsor of the Trust, or Sponsor. BNY Mellon Asset Servicing, a division of The Bank of New York Mellon, or BNYM, is the trustee of the Trust, or the Trustee. State Street Global Advisors Funds Distributors, LLC, or SSGA, is the marketing agent of the Trust, or the Marketing Agent. HSBC Bank plc, or HSBC, is the custodian of the Trust, or the Custodian.

The Shares trade on the NYSE Arca, Inc. ( "NYSE Arca") under the symbol "GLD", providing investors with an efficient means to obtain market exposure to the price of gold bullion. The Shares are also listed on the Hong Kong Exchanges and Clearing Limited, the Mexican Stock Exchange (Bolsa Mexicana de Valores), the Singapore Exchange Limited, and the Tokyo Stock Exchange.

The Trustee does not actively manage the gold held by the Trust. This means that the Trustee does not sell gold at times when its price is high, or acquire gold at low prices in the expectation of future price increases. It also means that the Trustee does not make use of any of the hedging techniques available to professional gold investors to attempt to reduce the risk of losses resulting from price decreases. Any losses sustained by the Trust will adversely affect the value of the Shares.

**2. Significant Accounting Policies**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America ( "U.S. GAAP") requires those responsible for preparing financial statements to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Trust.

**2.1. Basis of Accounting**

The Trust is an investment company and, therefore, applies the specialized accounting and reporting guidance in Financial Accounting Standards Board ( "FASB") Accounting Standards Codification Topic 946, Financial Services - Investment Companies.



**Table of Contents****SPDR® GOLD TRUST****Notes to the Financial Statements****2.2. Fair Value Measurement**

FASB Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures, provides a single definition of fair value, a hierarchy for measuring fair value and expanded disclosures about fair value adjustments.

The Trust does not hold any derivative instruments, and its assets only consist of allocated gold bullion and, from time to time, (i) gold receivable, representing gold covered by contractually binding orders for the creation of Shares where the gold has not yet been transferred to the Trust's account and (ii) cash, which is used to pay expenses.

U.S. GAAP defines fair value as the price the Trust would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Trust's policy is to value its investments at fair value.

Various inputs are used in determining the fair value of assets and liabilities. Inputs may be based on independent market data ( observable inputs ) or they may be internally developed ( unobservable inputs ). These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes. The level of a value determined for an asset or liability within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are as follows:

- Level 1      Unadjusted quoted prices in active markets for identical assets or liabilities;
  
- Level 2      Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not considered to be active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
  
- Level 3      Inputs that are unobservable for the asset or liability, including the Trust's assumptions used in determining the fair value of investments.

The following table summarizes the Trust's investments at fair value:

(Amounts in 000's of US\$)

September 30, 2018	Level 1	Level 2	Level 3
Investment in Gold	\$ 28,331,953	\$	\$
Total	\$ 28,331,953	\$	\$

(Amounts in 000's of US\$)

Level 1      Level 2      Level 3

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September 30, 2017

Investment in Gold	\$ 35,669,225	\$	\$
Total	\$ 35,669,225	\$	\$

There were no transfers between Level 1 and other Levels for the years ended September 30, 2018 and 2017.

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**Table of Contents****SPDR® GOLD TRUST****Notes to the Financial Statements****2.2. Fair Value Measurement (continued)**

The Trustee values the gold held by the Trust on the basis of the price of an ounce of gold as determined by the ICE Benchmark Administration Limited ( IBA ), a benchmark administrator, which provides an independently administered auction process as well as the overall administration and governance for the London Bullion Market Association ( LBMA ). In determining the net asset value ( NAV ) of the Trust, the Trustee values the gold held by the Trust on the basis of the price of an ounce of gold determined by the IBA 3:00 PM auction process ( LBMA Gold Price PM ), which is an electronic auction, with the imbalance calculated, and the price adjusted in rounds (30 seconds in duration). The auction runs twice daily at 10:30 AM and 3:00 PM London time. The Trustee determines the NAV of the Trust on each day the NYSE Arca is open for regular trading, at the earlier of the LBMA Gold Price PM for the day or 12:00 PM New York time. If no LBMA Gold Price is made on a particular evaluation day or if the LBMA Gold Price has not been announced by 12:00 PM New York time on a particular evaluation day, the next most recent LBMA Gold Price (AM or PM) is used in the determination of the NAV of the Trust, unless the Trustee, in consultation with the Sponsor, determines that such a price is inappropriate to use as the basis for such determination.

**2.3. Custody of Gold**

Gold is held by HSBC Bank plc, on behalf of the Trust. During the years ended September 30, 2018 and 2017, no gold was held by a subcustodian.

**2.4. Gold Receivable**

Gold receivable represents the quantity of gold covered by contractually binding orders for the creation of Shares where the gold has not yet been transferred to the Trust's account. Generally, ownership of the gold is transferred within two business days of the trade date.

(Amounts in 000's of US\$)	Sep-30, 2018	Sep-30, 2017
Gold receivable	\$	\$

**2.5. Gold Payable**

Gold payable represents the quantity of gold covered by contractually binding orders for the redemption of Shares where the gold has not yet been transferred out of the Trust's account. Generally, ownership of the gold is transferred within two business days of the trade date.

(Amounts in 000's of US\$)	Sep-30, 2018	Sep-30, 2017
Gold payable	\$	\$

**Table of Contents****SPDR® GOLD TRUST****Notes to the Financial Statements****2.6. Creations and Redemptions of Shares**

The Trust creates and redeems Shares from time to time, but only in one or more Baskets (a Basket equals a block of 100,000 Shares). The Trust issues Shares in Baskets to certain authorized participants ( Authorized Participants ) on an ongoing basis. The creation and redemption of Baskets is only made in exchange for the delivery to the Trust or the distribution by the Trust of the amount of gold and any cash represented by the Baskets being created or redeemed, the amount of which will be based on the combined net asset value of the number of Shares included in the Baskets being created or redeemed determined on the day the order to create or redeem Baskets is properly received.

As the Shares of the Trust are redeemable in Baskets at the option of the Authorized Participants, the Trust has classified the Shares as Net Assets for financial reporting purposes. Activity in the number of Shares created and redeemed for the years ended September 30, 2018, 2017, and 2016 are as follows:

(All amounts are in 000 s)	Year Ended Sep-30, 2018	Year Ended Sep-30, 2017	Year Ended Sep-30, 2016
<b>Activity in Number of Shares Created and Redeemed:</b>			
Creations	47,200	92,500	174,700
Redemptions	(87,600)	(119,400)	(86,000)
Net Change in Number of Shares Created and Redeemed	(40,400)	(26,900)	88,700

(Amounts in 000 s of US\$)	Year Ended Sep-30, 2018	Year Ended Sep-30, 2017	Year Ended Sep-30, 2016
<b>Activity in Value of Shares Created and Redeemed:</b>			
Creations	\$ 5,853,569	\$ 11,161,181	\$ 20,832,493
Redemptions	(10,569,020)	(13,903,151)	(10,102,639)
Net Change in Value of Shares Created and Redeemed	\$ (4,715,451)	\$ (2,741,970)	\$ 10,729,854

**2.7. Income and Expense**

The Trustee will, at the direction of the Sponsor or in its own discretion, sell the Trust's gold as necessary to pay the Trust's expenses. When selling gold to pay expenses, the Trustee will endeavor to sell the smallest amount of gold needed to pay expenses in order to minimize the Trust's holdings of assets other than gold. Unless otherwise directed by the Sponsor, the Trustee will sell gold to the Custodian at the next LBMA Gold Price PM following the sale order. A gain or loss is recognized based on the difference between the selling price and the average cost of the gold sold, and such amounts are reported as net realized gain/(loss) from investment in gold sold to pay expenses on the Statement of Operations.

All numbers throughout the Notes to the Financial Statements are in thousands unless otherwise noted.

The Trust's net realized and change in unrealized gain/(loss) on investment in gold for the year ended September 30, 2018 of (\$2,483,235) is made up of a realized gain of \$2,987 from the sale of gold to pay expenses, a realized gain of \$147,334 from gold distributed for the redemption of Shares, and a change in unrealized depreciation of (\$2,633,556) on investment in gold.

The Trust's net realized and change in unrealized gain/(loss) on investment in gold for the year ended September 30, 2017 of (\$1,757,888) is made up of a realized gain of \$252 from the sale of gold to pay expenses, a realized loss of (\$222,162) from gold distributed for the redemption of Shares, and a change in unrealized depreciation of (\$1,535,978) on investment in gold.



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**SPDR® GOLD TRUST**

**Notes to the Financial Statements**

**2.7. Income and Expense (continued)**

The Trust's net realized and change in unrealized gain/(loss) on investment in gold for the year ended September 30, 2016 of \$5,078,499 is made up of a realized gain of \$614 from the sale of gold to pay expenses, a realized loss of (\$6,601) from gold distributed for the redemption of Shares, and a change in unrealized appreciation of \$5,084,486 on investment in gold.

**2.8. Income Taxes**

The Trust identifies its major tax jurisdiction as the United States. The Trust is classified as a grantor trust for U.S. federal income tax purposes. As a result, the Trust itself will not be subject to U.S. federal income tax. Instead, the Trust's income and expenses will flow through to the Shareholders, and the Trustee will report the Trust's proceeds, income, deductions, gains, and losses to the Internal Revenue Service on that basis. The Sponsor of the Trust has evaluated whether or not there are uncertain tax positions that require financial statement recognition and has determined that no reserves for uncertain tax positions are required as of September 30, 2018 or 2017.

The Sponsor evaluates tax positions taken or expected to be taken in the course of preparing the Trust's tax returns to determine whether the tax positions are more-likely-than-not to be sustained by the applicable tax authority. Tax positions not deemed to meet that threshold would be recorded as an expense in the current year. The Trust is required to analyze all open tax years. Open tax years are those years that are open for examination by the relevant income taxing authority. As of September 30, 2018, 2017, 2016 and 2015 tax years remain open for examination. There are no examinations in progress at period end.

**2.9. New Accounting Pronouncements**

In August 2018, the FASB issued Accounting Standards Update 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement (ASU 2018-13). The update provides guidance that eliminates, adds and modifies certain disclosure requirements for fair value measurements. ASU 2018-13 will be effective for annual periods beginning after December 15, 2019. Early adoption is permitted. Management does not currently expect these changes to have a material impact to future financial statements.

**Table of Contents****SPDR® GOLD TRUST****Notes to the Financial Statements****3. Quarterly Statements of Operations****Fiscal Period Ended September 30, 2018**

(Amounts in 000 s of US\$, except per share data)	Three Months Ended (unaudited)				Year ended
	Dec-31, 2017	Mar-31, 2018	Jun-30, 2018	Sep-30, 2018	Sep-30, 2018
<b>EXPENSES</b>					
Sponsor fees	\$ 34,988	\$ 35,233	\$ 35,604	\$ 30,475	\$ 136,300
Total expenses	34,988	35,233	35,604	30,475	136,300
Net investment loss	(34,988)	(35,233)	(35,604)	(30,475)	(136,300)
<b>Net realized and change in unrealized gain/(loss) on investment in gold</b>					
Net realized gain/(loss) from investment in gold sold to pay expenses	590	1,918	1,533	(1,054)	2,987
Net realized gain/(loss) from gold distributed for the redemption of shares	38,391	148,686	74,938	(114,681)	147,334
Net change in unrealized appreciation/(depreciation) on investment in gold	315,759	591,410	(2,061,214)	(1,479,511)	(2,633,556)
Net realized and change in unrealized gain/(loss) on investment in gold	354,740	742,014	(1,984,743)	(1,595,246)	(2,483,235)
<b>Net income/(loss)</b>	\$ 319,752	\$ 706,781	\$ (2,020,347)	\$ (1,625,721)	\$ (2,619,535)
Net income/(loss) per share	\$ 1.12	\$ 2.49	\$ (7.01)	\$ (6.19)	\$ (9.35)
Weighted average number of shares (in 000 s)	286,405	283,379	288,154	262,833	280,153

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**Table of Contents****SPDR® GOLD TRUST****Notes to the Financial Statements****3. Quarterly Statements of Operations (continued)****Fiscal Period Ended September 30, 2017**

(Amounts in 000 s of US\$, except per share data)	Three Months Ended (unaudited)				Year ended
	Dec-31, 2016	Mar-31, 2017	Jun-30, 2017	Sep-30, 2017	Sep-30, 2017
<b>EXPENSES</b>					
Sponsor fees	\$ 35,918	\$ 31,847	\$ 34,325	\$ 33,994	\$ 136,084
Total expenses	35,918	31,847	34,325	33,994	136,084
Net investment loss	(35,918)	(31,847)	(34,325)	(33,994)	(136,084)
<b>Net realized and change in unrealized gain/(loss) on investment in gold</b>					
Net realized gain/(loss) from investment in gold sold to pay expenses	68	(898)	444	638	252
Net realized gain/(loss) from gold distributed for the redemption of shares	(205,896)	(71,852)	45,016	10,570	(222,162)
Net change in unrealized appreciation/(depreciation) on investment in gold	(4,679,551)	2,317,536	(145,075)	971,112	(1,535,978)
Net realized and change in unrealized gain/(loss) on investment in gold	(4,885,379)	2,244,786	(99,615)	982,320	(1,757,888)
<b>Net income/(loss)</b>	\$ (4,921,297)	\$ 2,212,939	\$ (133,940)	\$ 948,326	\$ (1,893,972)
Net income/(loss) per share	\$ (16.10)	\$ 7.95	\$ (0.47)	\$ 3.42	\$ (6.59)
Weighted average number of shares (in 000 s)	305,599	278,457	287,567	277,577	287,348

**4. Related Parties - Sponsor and Trustee**

The Trust's only recurring fixed expense is the Sponsor's fee which accrues daily at an annual rate equal to 0.40% of the daily NAV, in exchange for the Sponsor assuming the responsibility to pay all ordinary fees and expenses of the Trust.

Affiliates of the Trustee may from time to time act as Authorized Participants or purchase or sell gold or Shares for their own account, as agent for their customers and for accounts over which they exercise investment discretion.



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**SPDR® GOLD TRUST**

**Notes to the Financial Statements**

**5. Concentration of Risk**

The Trust's sole business activity is the investment of gold. Several factors could affect the price of gold including: (i) global supply and demand, which is influenced by such factors as gold's uses in jewelry, technology and industrial applications, purchases made by investors in the form of bars, coins and other gold products, forward selling by gold producers, purchases made by gold producers to unwind gold hedge positions, central bank purchases and sales, and production and cost levels in major gold-producing countries such as China, Australia, and the United States; (ii) investors' expectations with respect to the rate of inflation; (iii) currency exchange rates; (iv) interest rates; (v) investment and trading activities of hedge funds and commodity funds; (vi) other economic variables such as income growth, economic output, and monetary policies; and (vii) global or regional political, economic or financial events and situations, especially those that are unexpected in nature. In addition, while gold is used to preserve wealth by investors around the world, there is no assurance that gold will maintain its long-term value in terms of purchasing power in the future. In the event that the price of gold declines, the Sponsor expects the value of an investment in the Shares to decline proportionately. Each of these events could have a material effect on the Trust's financial position and results of operations.

**6. Indemnification**

The Sponsor, and its shareholders, members, directors, officers, employees, affiliates and subsidiaries, are indemnified by the Trust and held harmless against certain losses, liabilities or expenses incurred in the performance of their duties under the Trust Indenture without gross negligence, bad faith, willful misconduct, willful malfeasance or reckless disregard of the indemnified party's obligations and duties under the Trust Indenture. Such indemnity includes payment by the Trust of the costs and expenses incurred in defending against any claim or liability under the Trust Indenture. Under the Trust Indenture, the Sponsor may be able to seek indemnification by the Trust for payments it makes in connection with the Sponsor's activities under the Trust Indenture to the extent its conduct does not disqualify it from receiving such indemnification under the terms of the Trust Indenture. The Sponsor is also indemnified by the Trust and held harmless against any loss, liability or expense arising under the Marketing Agent Agreement or any agreement entered into with an Authorized Participant which provides the procedures for the creation and redemption of Baskets and for the delivery of gold and any cash required for creations and redemptions insofar as such loss, liability or expense arises from any untrue statement or alleged untrue statement of a material fact contained in any written statement provided to the Sponsor by the Trustee. Any amounts payable to the Sponsor are secured by a lien on the Trust's assets.

The Sponsor has agreed to indemnify certain parties against certain liabilities and to contribute to payments that such parties may be required to make in respect of those liabilities. The Trustee has agreed to reimburse such parties, solely from and to the extent of the Trust's assets, for indemnification and contribution amounts due from the Sponsor in respect of such liabilities to the extent the Sponsor has not paid such amounts when due. The Sponsor has agreed that, to the extent the Trustee pays any amount in respect of the reimbursement obligations described in the preceding sentence, the Trustee, for the benefit of the Trust, will be subrogated to and will succeed to the rights of the party so reimbursed against the Sponsor.

**Table of Contents****SPDR® GOLD TRUST****Notes to the Financial Statements****7. Financial Highlights**

The Trust is presenting the following financial highlights related to investment performance and operations of a Share outstanding for the years ended September 30, 2018 and 2017, respectively. The total return at net asset value is based on the change in net asset value of a Share during the period and the total return at market value is based on the change in market value of a Share on the NYSE Arca during the period. An individual investor's return and ratios may vary based on the timing of capital transactions.

	<b>Year Ended Sep-30, 2018</b>	<b>Year Ended Sep-30, 2017</b>
<b>Net Asset Value</b>		
Net asset value per Share, beginning of period	\$ 121.91	\$ 126.15
Net investment income/(loss)	(0.49)	(0.47)
Net Realized and Change in Unrealized Gain (Loss)	(9.07)	(3.77)
Net Income/(Loss)	(9.56)	(4.24)
Net asset value per Share, end of period	\$ 112.35	\$ 121.91
Market value per Share, beginning of period	\$ 121.58	\$ 125.64
Market value per Share, end of period	\$ 112.76	\$ 121.58
<b>Ratio to average net assets</b>		
Net Investment Loss	(0.40)%	(0.40)%
Gross Expenses	0.40%	0.40%
Net Expenses	0.40%	0.40%
Total Return, at net asset value	(7.84)%	(3.36)%
Total Return, at market value	(7.25)%	(3.23)%