Of all the [precious metals](https://en.wikipedia.org/wiki/Precious_metal), [gold](https://en.wikipedia.org/wiki/Gold) is the most popular as an [investment](https://en.wikipedia.org/wiki/Investment). Investors generally buy gold as a way of diversifying risk, especially through the use of [futures contracts](https://en.wikipedia.org/wiki/Futures_contract) and [derivatives](https://en.wikipedia.org/wiki/Derivative_(finance)). The gold market is subject to [speculation](https://en.wikipedia.org/wiki/Speculation) and volatility as are other markets. Compared to other precious metals used for investment, gold has been the most effective safe haven across a number of countries.[[1]](https://en.wikipedia.org/wiki/Gold_as_an_investment#cite_note-1)

## Gold price

Gold has been used throughout history as [money](https://en.wikipedia.org/wiki/Money) and has been a relative standard for currency equivalents specific to economic regions or countries, until recent times. Many European countries implemented [gold standards](https://en.wikipedia.org/wiki/Gold_standard) in the latter part of the 19th century until these were temporarily suspended in the financial crises involving [World War I](https://en.wikipedia.org/wiki/World_War_I).[[2]](https://en.wikipedia.org/wiki/Gold_as_an_investment#cite_note-2) After [World War II](https://en.wikipedia.org/wiki/World_War_II), the [Bretton Woods system](https://en.wikipedia.org/wiki/Bretton_Woods_system) pegged the United States dollar to gold at a rate of US$35 per [troy ounce](https://en.wikipedia.org/wiki/Troy_ounce). The system existed until the 1971 [Nixon Shock](https://en.wikipedia.org/wiki/Nixon_Shock), when the US unilaterally suspended the direct convertibility of the United States dollar to gold and made the transition to a [fiat currency](https://en.wikipedia.org/wiki/Fiat_currency) system. The last major currency to be divorced from gold was the [Swiss Franc](https://en.wikipedia.org/wiki/Swiss_Franc) in 2000.[[3]](https://en.wikipedia.org/wiki/Gold_as_an_investment#cite_note-3)

Since 1919 the most common benchmark for the price of gold has been the [London gold fixing](https://en.wikipedia.org/wiki/London_gold_fixing), a twice-daily telephone meeting of representatives from five [bullion](https://en.wikipedia.org/wiki/Bullion)-trading firms of the [London bullion market](https://en.wikipedia.org/wiki/London_bullion_market). Furthermore, gold is traded continuously throughout the world based on the intra-day [spot price](https://en.wikipedia.org/wiki/Spot_price), derived from [over-the-counter](https://en.wikipedia.org/wiki/Over-the-counter_(finance)) gold-trading markets around the world ([code](https://en.wikipedia.org/wiki/ISO_4217) "XAU").