Gold hits record high on broader uncertainty, rate cut bets

By Anmol Choubey, Reuters, October 7, 2025

Gold prices touched another record high on Tuesday, driven by strong investment demand amid broader geopolitical and economic uncertainty, with additional support from expectations of further U.S. interest rate cuts. Spot gold held its ground at $3,959.82 per ounce by 1111 GMT, after hitting an all-time high of $3,977.19 earlier in the session. U.S. gold futures for December delivery were up 0.2% at $3,983.10."Strong ETF demand remains key, driven by 'FOMO' and eroding trust in traditional safe havens," said Ole Hansen, head of commodity strategy at Saxo Bank, adding that ongoing central bank demand and lower funding costs were also supporting bullion.

The White House on Monday eased back on President Donald Trump's claim that layoffs of government employees were underway due to the ongoing shutdown but warned that job losses could occur as the impasse entered its seventh day. The shutdown has postponed the release of key economic indicators, forcing investors to rely on secondary, non-government data to gauge the timing and extent of Fed rate cuts. Markets continue to price in a 25 basis-point cut at this month's meeting and a similar-sized reduction in the December meeting. Non-yielding gold thrives in a low interest rate environment and during economic uncertainty.

Gold has climbed 51% so far this year on sizable central bank buying, increased demand for gold-backed exchange-traded funds, a weaker dollar and growing interest from retail investors seeking to hedge amid rising trade and geopolitical tensions. "I see gold reaching $4,300/oz over the next 6 months. As the USD is expected to continue to depreciate," with the overall macro and geopolitical scenario positive for gold price appreciation, said Michael Langford, chief investment officer at Scorpion Minerals. Goldman Sachs on Monday raised its December 2026 price forecast for gold to $4,900 per ounce from $4,300. China's central bank added gold to its reserves in September for the 11th straight month, data from the People's Bank of China showed.

Meanwhile, political upheaval in Japan and France gripped currency and bond markets for a second day running on Tuesday. Elsewhere, spot silver was down 0.2% at $48.43 per ounce, platinum fell 1% to $1,611.56 and palladium was steady at $1,320.06.

Here’s why the housing slowdown isn’t lowering home prices

By Samantha Delouya, Vanessa Yurkevich, CNN Money, October 7, 2025

Yasmin Asberry thought selling her home in a Dallas suburb would be simple. Instead, after months of little interest, she dropped the price twice and was on the verge of pulling the listing when she finally got an offer she liked. “When we first listed it, we were under the impression that people were still excited to buy homes and that they were getting snapped up pretty quickly,” she said. “But we didn’t get very many hits.” Asberry’s experience reflects a housing market caught in a stalemate. Just a few years out from the pandemic-era housing boom, the market is stumbling. Many homeowners, anchored to pandemic-era expectations even as the housing market tilts in favor of buyers, would rather pull their listings or let deals fall through than cut asking prices too far or agree to costly concessions. Buyers, meanwhile, are now increasingly willing to walk away. The result: Sales are stalling, while home prices keep climbing.

In September, 80% of markets saw price increases, the highest share in nine months, led by cities in the Northeast and Midwest, according to data released Monday by financial services company Intercontinental Exchange. Borrowing costs play a role. Millions of Americans secured ultra-low pandemic-era mortgage rates, which they don’t want to exchange for current, higher rates, said Daryl Fairweather, chief economist at Redfin. “For sellers, their option besides selling their home is to stay in their home with really cheap mortgages,” Fairweather said. “A lot of sellers who aren’t getting the prices they were hoping for are choosing to delist their homes, or they’re just keeping their homes on the market for a really long time, hoping that the market changes or a buyer comes along who is willing to pay the high price.”

“That strategy doesn’t really work, because buyers are facing these high mortgage rates, and they increasingly can’t afford to pay both high prices and high rates,” she added. After recognizing how slow the market had become, Asberry compromised. She initially listed her home in a Dallas suburb for $400,000, based on comparable homes in her area. After adding new furniture and retaking her listing photos, she dropped the price to $385,000 — and then again to $365,000 — before she finally received an offer. “That was it,” Asberry said. “We would have just gone off the market if they didn’t agree to $365,000,” adding that she would have planned to relist her home in the spring with the hope of a more favorable market.

Not on the same page?

Recent housing market data points to a "disconnect" between home buyers and sellers, Fairweather said. More listings were pulled off the US market this summer than last, according to Redfin data. In fact, delistings have been higher all year compared to last year. Angie Guillette, a southwest Florida real estate agent, said sellers who are more willing to slash their list price are the ones making the sales lately. "We have quite a few sellers who, when they're not getting the number they had in their head — sometimes it's a number they saw during the pandemic — will take their home off the market, and they will wait," Guillette said. These sellers would rather leave the market than lower their prices, which helps keep overall prices elevated, she added.

Record number of buyers are willing to walk away

The mismatched expectations cut both ways. A Redfin report released Tuesday found that home buyers are canceling deals at a record rate. About 56,000 US home-purchase agreements were canceled in August, or around 15% of homes that went under contract that month. That's the highest August rate on record, according to the report. Inspections are where many deals collapse. More buyers are pushing for sellers to cover repairs or additional concessions, and sellers are refusing, according to the report. Heather Anschuetz, a real estate agent in Hendersonville, Tennessee, said she has noticed that buyers are now more willing to walk away.

"There's so much on the market they can choose from now," she said. "(And) a lot of buyers are much more hesitant to take on more than they can handle, especially if their budget is kind of maxed out at their monthly mortgage payment anyways." Asberry said she had to cut her Dallas-area home's price more than she wanted, but she negotiated with the buyers so she wouldn't have to pay for any additional repairs. Still, the price cut meant the proceeds from her sale didn't fully cover her move to Washington state. "We had to use credit for the moving costs. That was like $15,000, which is almost as much as we had to lower our asking price again by the time we got the offer," she said. Anschuetz said she often sees sellers willing to negotiate on price but not on repairs — or vice versa. "Even though my sellers are ready to sell, they're ready to sell at a reasonable price," she said. "It's not a fire sale. They're not just going to give it to anybody that wants it."

Pay Up or Move Out

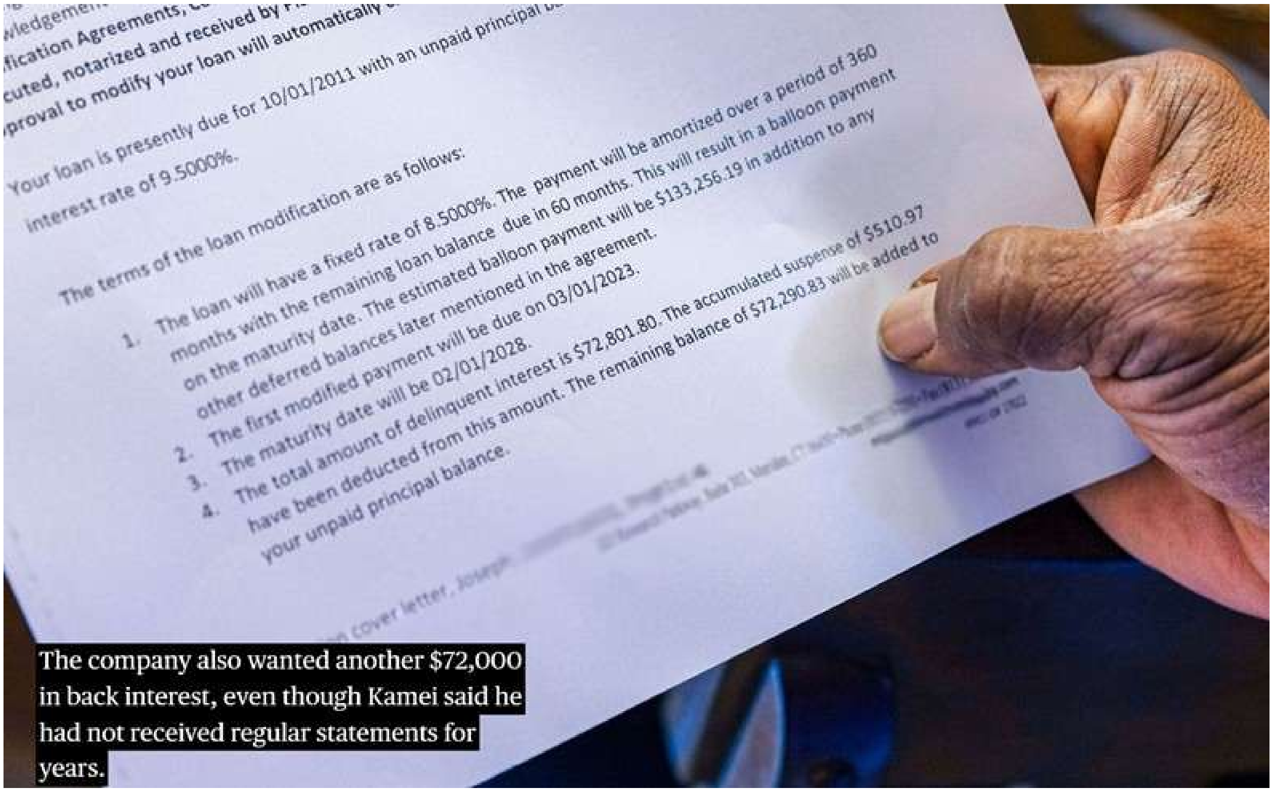
By Noah BuhayarCoulter JonesEric FanJeff KaoJeremy Diamond, Bloomberg, October 6, 2025

Scott Amable remembers answering the doorbell. A man in jeans and a plaid shirt was standing at the threshold, craning his neck to see inside. Scott's wife, Kari, looked on from the living room in disbelief as the man informed them that they were no longer homeowners. "This gentleman shows up at our door and says, 'I bought your house. You need to move out,'" Scott recalled. The Amables lost their three-bedroom rambler in Pacheco, California, to foreclosure in 2021 because they couldn't come up with roughly $200,000 that a debt collector said they owed on a second mortgage. It was a shocking amount, more than double the $98,000 they had borrowed. In many ways, the Amables' personal tragedy played out like a typical foreclosure sale in Contra Costa County, northeast of San Francisco. What wasn't normal: Their original lender had sent them each a tax document more than a decade earlier saying their debt had been canceled.

Thousands of miles away, in Miami Beach, Florida, the company that foreclosed on them knew all about those documents. It had copies of them. Yet the firm, known as ARCPE or ARC, foreclosed anyway, realizing a 3,321% return on investment. ARC had bought the Amables' loan from their original lender for just $2,131. It was one of thousands of second mortgages the company had purchased in bulk from financial firms across America, and almost all of them had something in common: Other lenders had written them off and then sold them for pennies on the dollar. David Gordon, one of ARC's managing partners, defended the firm's practices in an interview with Bloomberg. "We try to work with borrowers as much as we can," he said, adding: "We're not looking to kick people out of their homes."

ARC is one of several debt collectors across the US that have specialized in buying a certain type of loan. Often called "zombie" mortgages or "sleeper seconds," these loans had lain dormant for years. Borrowers took them out before the Great Recession, as the housing bubble expanded. After home prices crashed, these second mortgages became all but worthless to lenders. Even if they seized the homes and sold them, the proceeds wouldn't be enough to cover the first mortgages, let alone the seconds. So the banks took losses on their books and stopped sending statements to borrowers. As the housing market came roaring back, however, ARC and others made it their business to bring these loans back to life, upending borrowers' lives in the process.

While these companies often brand themselves as investors, their main business is debt collection. They buy old second mortgages from banks and other financial institutions, then they hire law firms and vendors known as servicers that demand people pay unexpectedly high balances or risk losing their homes. Based out of a high-rise overlooking Biscayne Bay, ARC illustrates how some zombie-mortgage collectors operate, according to a Bloomberg investigation that drew on nearly 1 million internal company files, thousands of public records and interviews with more than 100 borrowers, attorneys, former employees and industry insiders. The internal records, which cover collections through July 2021, show that ARC routinely sought and often collected tens of thousands of dollars in back interest — leading to huge returns on loans it bought at fire-sale prices.



The company also wanted another $72,000 in back interest, even though Kamei said he had not received regular statements for years.

State and federal laws limit the back interest that debt collectors can charge if borrowers haven't received regular statements or if too much time has passed. Pinpointing exactly how much interest is actually owed can be difficult. However, in loan after loan, ARC's own files show borrowers hadn't been contacted about their debts in years. The company demanded repayment of back interest anyway, blindsiding homeowners with unexpectedly large balances and threats of foreclosure. After speaking with Gordon, Bloomberg sent detailed questions to ARC about its practices and dealings with specific borrowers, including the Amables. In a statement, Nathaniel Callahan, a lawyer for ARC, said the company hired servicers to handle collections, and the servicers' contracts required them to follow the law. ARC itself did not "process payments, engage in collection activity, or communicate with borrowers directly about their loans," he said.

Yet ARC's own records show the company often played an active role in collections. It calculated the amounts that would be demanded from borrowers and sometimes interacted directly with them. In at least one case, an internal email suggests the firm negotiated a settlement without informing its servicer: "don't let them know that we received a payoff," it said. Callahan said that even if servicers failed to send regular statements, that wouldn't "by itself invalidate interest accrual or collection." Yet since 2017, federal regulations have effectively barred lenders from demanding back interest on loans for which they've taken losses, notified borrowers and stopped sending statements. Bloomberg reviewed more than 140 lawsuits about zombie loans that alleged several companies violated these rules and other consumer-protection laws. Five involved ARC.

Callahan also said that the types of tax documents the Amables received, called 1099-Cs, do "not mean the debt was discharged, precluding interest accrual or collection." While most courts have held that 1099-Cs are not definitive proof of debt forgiveness, the forms show that at a minimum, lenders stopped collecting the debts. If borrowers report 1099-Cs on their income taxes, as the Amables did, that's strong evidence their loans have been canceled, according to the National Consumer Law Center. NCLC also said it's deceptive — and potentially unlawful — for debt collectors to threaten foreclosure over loans that people had good reason to consider canceled or forgotten. After all, borrowers weren't getting regular statements, they stopped seeing the loans on their credit reports and, in some cases, they received tax documents that said their debt was canceled. ARC's internal records provide rare insights into the kinds of profits these debt collectors can make. Bloomberg obtained the documents from Distributed Denial of Secrets. The journalistic nonprofit receives and archives hacked and leaked materials in the public interest. The most recent data in the trove, from 2021, shows ARC had yet to collect on more than 7,000 second mortgages. But it had closed the books on hundreds of others.