

# Equity Investment Advisers Gold Report



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## Gold tops \$1,300, posts highest finish in over 7 weeks on fresh tariff tensions

Gold futures rallied on Friday, posting their highest finish in over seven weeks, as investors fled to the perceived safety of havens like precious metals amid fresh signs of escalation in tariff tensions between the U.S. and its global trade partners.

“Washington’s threat of tariffs on Mexico exacerbated fears of a global trade war and recession, which saw a ‘flight to quality’ and gains for safe haven gold,” said Mark O’Byrne, research director at GoldCore. Gold for August delivery on Comex rallied by \$18.70, or 1.5%, to settle at \$1,311.0 an ounce. The metal saw its highest finish for a most-active contract since April 10, FactSet data show. The gains lifted prices, based on the most-active contracts, up 2.1% for the week, and up 2% for the month, after three-consecutive monthly losses.

President Donald Trump announced in a tweet that the U.S. would impose a 5% tariff on all goods from Mexico until that country stops the flow of illegal immigrants into the country. He said the tariffs will rise to 10% on July 1 if the crisis persists, and by another 5% for every successive month, up to 25% by Oct. 1. Trump’s tariff announcement comes amid reports from Chinese state-owned media threatening fresh retaliatory measures in Beijing’s tariff spat with the U.S. That action comes as data from the second-largest economy in the world showed manufacturing activity slipped into contraction. China’s manufacturing purchasing managers index dropped to 49.4, with any reading below 50 reflecting contracting conditions.

Worries about intensifying trade clashes have been a key support for gold prices over the past few weeks, driving demand for gold and government debt alike.

## Gold climbs as global recession fears boost safe-haven demand

Gold prices rose on Monday beyond their highest level in more than two months, as persisting trade tensions between the US and China and Washington’s threat to slap Mexican imports with tariffs fanned fears of a global economic recession, prompting investors to seek the safe-haven metal, Reuters reported.

Equities appeared to be a little “complacent,” according to SPI Asset Management managing partner Stephen Innes.

“What caught them off-guard was Trump doubled down, signalling that [dealings between countries] on the trade war front is going to be quite aggressive,” Innes was quoted by Reuters.

US stock futures, Asian equities and oil markets dipped to their lowest levels in many months, amid the mounting trade worries.

“[Gold] markets are under-positioned and that’s why we are seeing investors aggressively chasing prices,” Innes said.

## Gold Price



## Silver Price



## Gold To Silver Price Ratio

1 Year Gold/Silver



## Gold extends win streak to fourth day, ending at more than 3-month high

Gold futures on Monday tallied a fourth straight session climb, settling at their highest in more than three months, as investors fled to the perceived safety of havens like precious metals and bonds amid persistent tariff tensions between the U.S. and its global trade partners.

“Gold is looking good here—responding to the rise in economic wars via tariffs to the global economic slowdown,” said Peter Spina, president and chief executive officer of GoldSeek.com. “Bonds are surging and gold should too.”

“There are good reasons to believe the breakout in gold is developing as we speak and by the end of this year we will see it explode towards \$1,400-\$1,500,” he told MarketWatch.

Gold for August delivery on Comex gained \$16.80, or 1.3%, to settle at \$1,327.90 an ounce, after rising 1.5% on Friday. The settlement was the highest since Feb. 26, when the most-active contract finished at \$1,328.50, according to FactSet data.

Last week, the most-active contract rose 2.1% for the week, and up 2% for the month, after three-consecutive monthly losses.

July silver, meanwhile, rose 17.3 cents, or 1.2%, to \$14.74 an ounce, after rising 0.5% Friday. The precious metal on Friday saw a weekly rise of nearly 0.1%, but settled down 2.9% for May.

Meanwhile, the Dow Jones Industrial Average and the S&P 500 index were trading lower Monday just as gold futures settled. Stocks had seen rough trading in May with all of the main benchmarks down sharply on heighten tariff tensions.

## The Quick Rundown: Swiss Investing Gold Boom

- A new report shows that gold is now the second-most popular way to invest in Switzerland, being mentioned by 48% of those questioned. Almost one fifth of Swiss nationals are even planning to invest in the precious metal within the next twelve months.
- The report, published by the University of St Gallen in Switzerland, questioned 2,300 Swiss nationals over their intentions regarding precious metals and investment. The results showed the impressive interest for gold amongst the people of Switzerland.
- Switzerland is currently 5th in the world for gold reserves, with 1,040 tonnes as of 2019, most of which is held by the Swiss National Bank in Bern.. Two of the world’s biggest gold refiners, PAMP Suisse and Metalor, are both based in Switzerland.
- Gold has performed well in Swiss Francs recently – gaining 10.84% in two and a half years, and 15.4% in the past five years.

You may also be interested in:

<https://www.bullionbypost.co.uk/gold-news/2019/may/22/gold-reserves-and-production-both-russia-q1/>

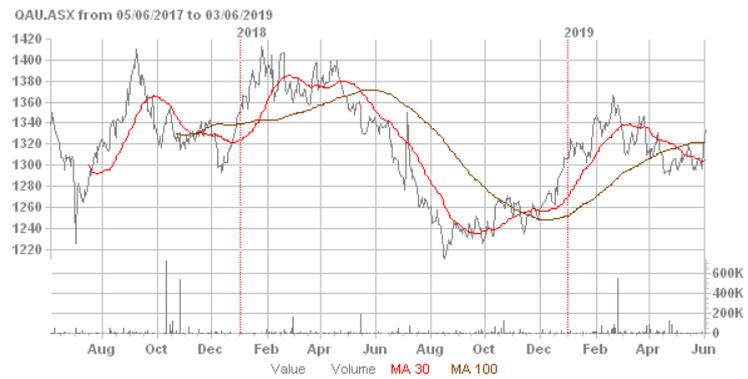
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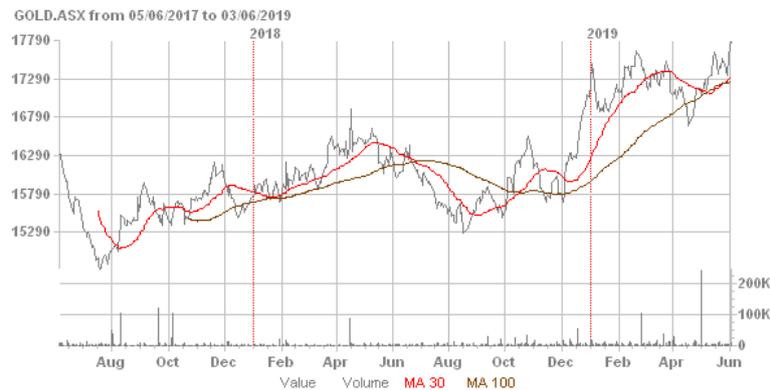
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## ETF – Betashares Gold



## ETF – Physical Gold



## ETF – Physical Silver



Listing (ASX)	Points	Percent.	Price
Evolution Mining	0.080	1.995%	\$4.090
Newcrest Mining	0.160	0.567%	\$28.370
Northern Star	0.055	0.552%	\$10.015
Rio Tinto	1.600	1.648%	\$98.710
South32	0.030	0.917%	\$3.240

As at 5:15 pm NZT, 04 June