

Equity Investment Advisers Gold Report



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Gold convention at Kochi focusses on streamlining bullion industry

The 15th India International Gold Convention was held in Kochi on Friday with palpable optimism following the release of NITI Aayog's report on Transforming Indian Gold Markets this February.

Over 400 delegates representing different limbs of gold industry from India and abroad, trade organisations, financial institutions and policy experts attended the deliberations on the newer opportunities and future plans in view of the changing face of gold industry in India.

The gathering included 11 bullion banks, 6 nominated banks, 6 international refiners, leading jewellery manufacturers from India, official/trade representatives from Canada, Peru, Ghana, Liberia, Myanmar and Singapore.

Inaugurating the conference, Senthil Nathan S, Deputy Secretary, Commerce Ministry, emphasised the need to capitalise on the country's intrinsic capability to manufacture value-added gold jewellery for the global market with craftsmanship, technology and design capabilities.

GOP Congressman Investigates Undisclosed Gold Market Intervention by China and the Exchange Stabilization Fund

A member of the U.S. House Financial Services Committee is calling out the Federal Reserve and the U.S. Treasury for dodging questions about their activities involving America's gold reserves.

In a letter dated July 27, Representative Alex Mooney (R-WV) wrote to Jerome Powell, Chairman of the Federal Reserve, and Steven Mnuchin, Secretary of the U.S. Treasury, after receiving perfunctory responses to his April 24th letter, noting "a few questions were either not addressed at all or not fully addressed."

In particular, the Fed and Treasury would not articulate any U.S. policy toward gold and refused to comment on historical U.S. State Department documents pointing to a U.S. policy of "driving gold out of the world financial system in favor of the Federal Reserve Note or Special Drawing Rights issued by the International Monetary Fund."

In his follow-up letter, Rep. Mooney provided evidence of involvement by the Exchange Stabilization Fund in the gold market and called attention to "the recent correlation of the gold price with the price of the Chinese yuan and the valuation of the IMF's Special Drawing Rights."

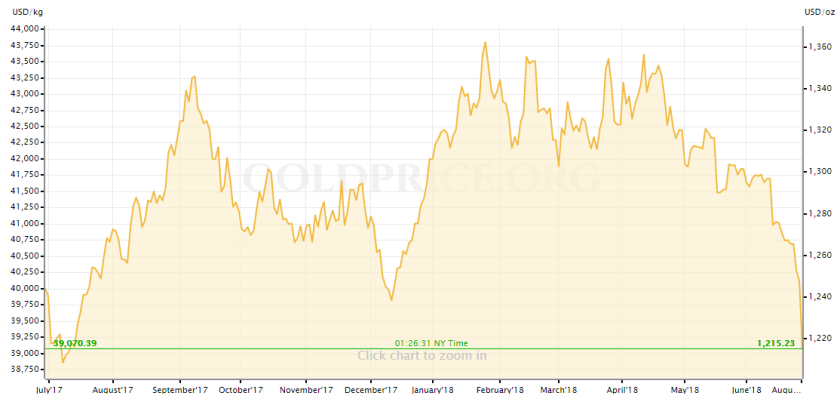
"Do these correlations reflect surreptitious intervention in the U.S. currency markets by China and currency manipulation by China?" Mooney asked.

Mooney also provided a 2009 letter from then Fed Governor Kevin M. Warsh acknowledging the existence of Fed documents on gold swaps (while simultaneously refusing to provide them in response to a Freedom of Information Act request filed by the Gold Anti-Trust Action Committee).

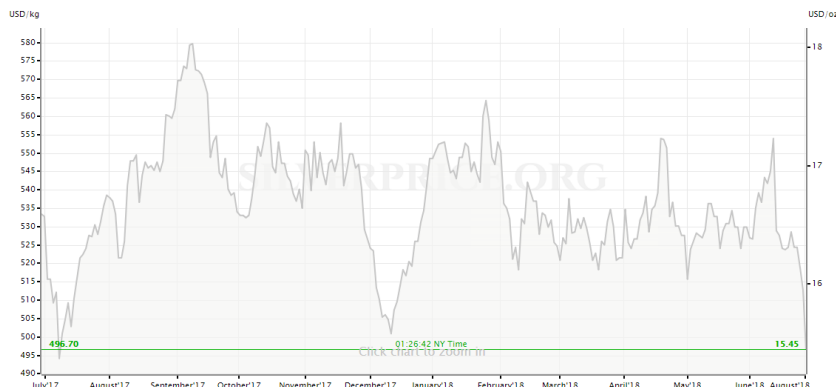
Mooney asked Chairman Powell to reconcile the Marsh acknowledgement with his July 12, 2018, letter, including Powell's assertion that "The Fed does not engage, nor has it ever engaged, in gold swaps."

Rep. Mooney noted the Treasury did not appropriately answer his question regarding prior audits of America's gold reserves. In his July 11, 2018 response, Acting Assistant Treasury Secretary Brad Bailey merely discussed audits of gold compartment seals, and Mooney responded that a cursory examination of seals is "neither an inventory nor an audit of our nation's gold."

Gold Price



Silver Price



Gold To Silver Price Ratio

1 Year Gold/Silver



Gold could be in for a monster rally, says Daryl Jackson

Gold could be about to rally according to a commodities expert in America.

Many commentators have been suggesting recently that gold has reached its bottom with prices more or less set about the \$1200 an ounce level. However, Jim Cramer of CNBC's Mad Money, has said that gold could be in for a 'monster rally'.

In the United States it's believed that precious metals could be about to make a comeback as the price of gold still hasn't reacted to the current trade war, the huge budget deficit or even the rising inflation.

The latest weekly Commodity Futures Trading Commission's (CFTC) Commitments of Traders Report, which shows how speculators are positioned, reveals that the large players have reduced their gold futures to the lowest level in years.

Indeed, the last time the CFTC numbers were this low — December 2015 — gold kicked off "a monster rally," Cramer pointed out.

It's important to point out that past performance in the precious metals market does not guarantee future results. However, Cramer argues that it is better to have seasonal patterns on your side than to fight against them. Cramer suggested buying gold to diversify any portfolio as the yellow metal is a great hedge against many market risks out there.

"Let me give you the bottom line here: for those of you who are genuinely worried about inflation and trade policy and rising rates...you don't need to dump your stocks," Cramer said.

"Instead, though, how about buying some gold as an insurance against economic chaos..."

The Quick Rundown: Equinox Brazil Gets To Work

- A Vancouver-based Company is about to celebrate a big milestone in its South America operations.
- Equinox's Aurizona gold mine in Brazil is expected to pour its first gold by the end of 2018.
- The Aurizona project has already begun ore stockpiling and expects to continue putting its \$146 million project investment to good use.
- While the construction team continues to focus on production, Equinox has a separate exploration team, targeting its efforts towards mine life extension and district-scale expansion opportunities.
- Equinox is also carrying out an initial drill project at Tatajuba, a western expansion of the Piaba Trend that Aurizona is built upon.
- The good news comes on the back of other news, that Equinox's U.S.-based Caste Mountain project has been updated with a prefeasibility study that includes a 16-year mine life and 3.6 million ounces of gold reserves.

You may also be interested in:

<https://www.moneymetals.com/news/2018/07/31/top-gold-miners-production-decline-001587>

<https://www.moneymetals.com/news/2018/07/30/facebook-twitter-crash-gold-investors-001585>

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ETF – Betashares Gold



ETF – Physical Gold



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Listing (ASX)	Points	Percent.	Price
Evolution Mining	0.005	0.175%	\$2.845
Newcrest Mining	0.160	0.757%	\$21.310
Northern Star	0.045	0.625%	\$7.245
Rio Tinto	0.495	0.647%	\$77.035
South32	0.045	1.312%	\$3.475

As at 5:00 pm NZT, 06 August