

Equity Investment Advisers Gold Report



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Gold is 'Invaluable' to Tech Sector, Higher Metal Demand is Inevitable

There is a significant recovery in gold demand happening within the technology sector, according to a study released by the World Gold Council (WGC), which notes that gold has a big role to play in the electrification of vehicles.

Gold's technology demand accounted for more than 380 tonnes of the yellow metal used annually over the past decade, which is nearly 13% more than the central bank net purchases, the WGC said in its Gold & Tech research report. "Gold's role in this vibrant and growing industry is broadly unrecognized and often misunderstood," the WGC CEO Aram Shishmanian wrote on Thursday.

Main uses of gold in the tech sector include phones, cars, TVs and hospital monitors. The yellow metal does not corrode and is known for its conductive qualities, especially when it comes to coatings for connectors and gold bonding wire, noted Metals Focus consultant Elvis Chou.

"[Gold] is a soft, pliable material, which can be easily drawn out into narrow wires or plated into thin coatings. These physical properties make gold the ideal material for a wide range of electronic applications," Chou said. The tech sector demand for gold tumbled in the first part of the decade, but is now seeing a substantial rebound, the study pointed out.

"Gold has an invaluable role to play in the industry," said the WGC consultant Trevor Keel. "In 2017, the amount of gold used in technology rose by 3% to 332.8 tonnes, the first year-on-year increase since 2010. The last quarter was particularly strong, with demand rising to 88.2 tonnes, the highest for three years."

Duelling Tariffs Raise Fears of Long U.S.-China Trade Battle

A U.S.-China trade fight resulting in duties on \$34 billion worth of each other's imports was seen dragging on for a potentially prolonged period, as Washington and Beijing flexed their muscles with no sign of negotiations to ease tensions.

Friday marked the start of the U.S. duties that were promptly met with retribution by China, as Beijing accused the United States of triggering the "largest-scale trade war."

The escalating fight between the world's two biggest economies meant that it could "take economic and political pain to get these two parties to the (negotiating) table," said Scott Kennedy, head of China studies at the Center for Strategic and International Studies in Washington.

President Donald Trump already is threatening additional rounds of tariffs, possibly targeting over \$500 billion worth of Chinese goods, or roughly the total amount of U.S. imports from China last year.

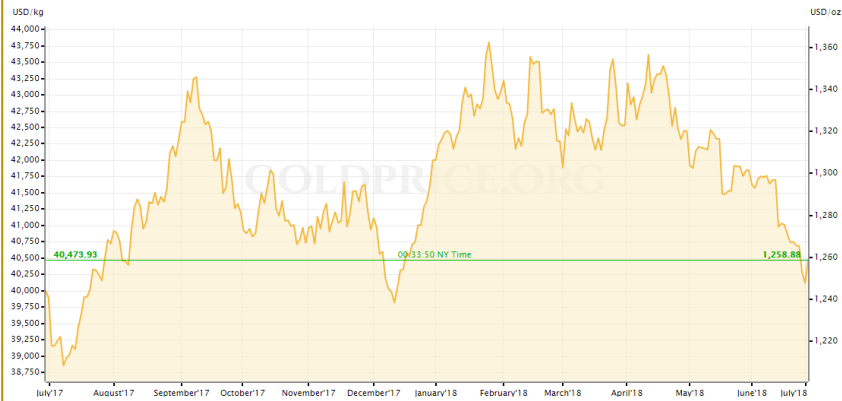
It will take weeks to months for the U.S. Trade Representative to review and possibly activate any new rounds of punishment.

Erin Ennis, senior vice president of the U.S. China Business Council, said there was a danger the two sides will dig in on trade sanctions, without a clear strategy for resuming negotiations.

While U.S. companies doing business in China agree with Trump's complaint about Chinese intellectual property practices, Ennis said they do not see tariffs pushing China into submission.

China's commerce ministry said it was forced to retaliate, meaning imported U.S. goods including cars, soybeans, and lobsters also faced 25 percent tariffs.

Gold Price



Silver Price



Gold To Silver Price Ratio



Condor Gold a step closer to begin building Mines in Nicaragua

Shares in Condor Gold (LON:CNR) jumped Friday after the Nicaragua-focused miner submitted further technical studies to the country's Ministry of Environmental and Natural Resources (MARENA) for permitting approval at its La India project.

The submission of additional documents comes after the environmental regulator requested a reply to formal questions following a site visit inspection to the company's re-designed mine site in March, the company said.

Condor Gold shares climbed on the news and were trading 8.14% higher to 37.85p by 3:16 p.m. London time.

Chairman and chief executive, Mark Child, said he remained confident the company would soon receive permitting approval for La India mine, which is expected to produce approximately 80,000 ounces gold a year from a single open pit.

An environmental permit would allow Condor Gold to construct and operate a processing plant with capacity to process up to 2,800 tonnes per day, without the need to resettle approximately 330 houses or 1,000 people.

Condor Gold initially staked concessions in Nicaragua, Central America's largest country, in 2006. Since then, mining has significantly taken off in the country thanks to the arrival of foreign companies with the money and knowledge to tap into its reserves.

According to an independent study published last year, by exploiting just 0.3% of Nicaragua's land area, the mining sector has been able to double gold production and increase silver output by up to seven times in the last 11 years.

The Quick Rundown: Mining in Space? Not Impossible

- Asteroids in space containing millions or even billions of tonnes of precious and rare earth minerals may be accessible by humanity sooner than expected.
- Goldman Sachs recently released a report indicating that an asteroid with a deposit of platinum the size of a football field could be worth \$50 billion.
- Private companies and Governments are already interested.
- California-based Deep Space Industries and Washington-based Planetary Resources are two private firms that want to make space mining a very real operation.
- The Government of Luxemburg has also been globetrotting, speaking with entities about making space mining a lucrative future operation.
- Decreasing costs and improvements in engineering allow for satellites, like the Hayabusa2, to advance the hopes that these projects may be reality sooner than expected.

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ETF – Singapore Gold

ZGOL.ASX from 06/07/2017 to 06/07/2018



ETF – Betashares Gold

GAU.ASX from 06/07/2017 to 06/07/2018



ETF – Physical Gold

GOLD.ASX from 06/07/2017 to 06/07/2018



Listing (ASX)	Points	Percent.	Price
Evolution Mining	0.060	1.719%	\$3.430
Newcrest Mining	0.130	0.586%	\$22.320
Northern Star	0.050	0.704%	\$7.050
Rio Tinto	1.100	1.379%	\$80.860
South32	0.010	0.276%	\$3.630

As at 4:55 pm NZT, 09 July

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