

Equity Investment Advisers Gold Report



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UAE's gold buyers find much comfort at current prices

The UAE's gold shoppers seem to have been convinced now is the time to get back to buying again. The local jewellery trade recorded the highest single-day sales this year on Friday (August 17), selling between 600-700kg with the official Dubai Gold Rate at Dh133.75 a gram for 22K, the lowest so far this year.

Sales continued to be brisk on Saturday (August 18), and offering some relief for retailers who have endured an extremely challenging year, according to market sources. On average, daily sales in the trade have been around 150-200kg, and well below the 300-400kg attained during 2014-15.

"There was a lot of pent-up buying happening over the last weekend, with shoppers convinced that prices have dropped low enough," said Abdul Salam K.P., Executive Director at Malabar Group. "There was only one other day this year when UAE gold sales went above 600kg, and that was on June 29 when the rate had dropped to Dh142 after being in the Dh150 range."

"The majority of those who were buying over the last weekend did so for "gold as investment" purposes — 4/8 gram coins and 10/20 gram bars saw significant demand. On the jewellery side, it was more for machine-cut pieces where the manufacturing charges tend to be lower. Demand for designer gold jewellery or diamonds has not had any upturn.

Erdoğan accuses USA of "attempted economic coup"

President Recep Tayyip Erdoğan of Turkey has accused the United States of an "attempted economic coup" after America imposed economic sanctions against the Middle East nation.

The US introduced global economic tariffs on certain goods but has doubled these rates for Turkey, specifically targeting aluminium and steel. The move is retaliation for Turkey refusing to release Andrew Craig Brunson; an American Pastor who is accused of espionage and related terror offences.

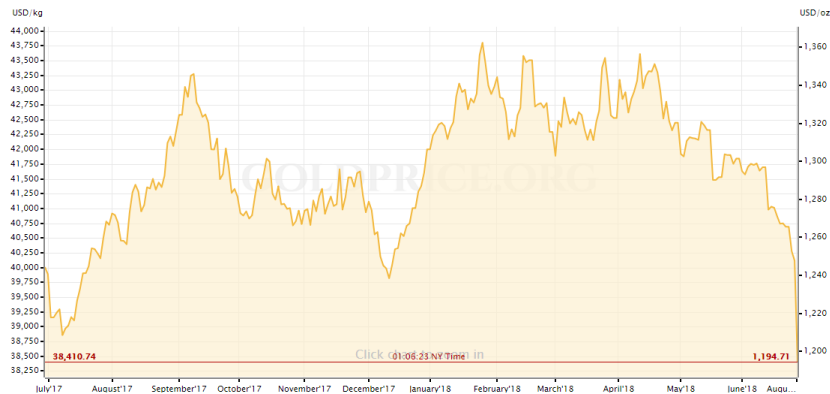
Turkey has responded by introducing tariffs of its own against US cars, rice, beauty products, and spirits, but these penalties are nothing compared to the 38% drop in value of the Lira against the US dollar that has been suffered since the start of 2018.

In a speech to supporters in Ankara, President Erdoğan said: "Today some people are trying to threaten us through the economy, through interest rates, foreign exchange, investment and inflation.

"We are telling them: we've seen your games, and we are challenging you. We did not and will not surrender to those who act like a strategic partner but make us a strategic target."

As a result of the Lira's fragility, two of the three biggest credit-rating agencies in the US – Standard & Poor's and Moody's – downgraded Turkey's credit rating on Friday.

Gold Price



Silver Price



Gold To Silver Price Ratio

1 Year Gold/Silver



Europe Is An Economic Disaster, Says Charles Wyplosz

Greece will formally turn the page on its debt saga this week, but the eurozone remains vulnerable to further crises, with economists particularly worried about the situation in Italy.

After eight long years and three austerity-heavy bailouts, Athens will on Monday formally leave the financial rescue umbrella of its creditors from the EU and International Monetary Fund.

But while both European and Greek politicians have hailed its return to the markets as “historic” good news, serious challenges remain for the 19 countries that use the single currency.

“The Greek crisis has not been solved, it has just been postponed,” said Charles Wyplosz, Professor of International Economics at the Graduate Institute of International and Development Studies in Geneva.

Athens will not even start to repay until 2032 the bulk of its huge debt, which remains at a colossal 180 percent of Greece’s gross domestic product. In the meantime it is impossible to say where the country will be politically and economically.

The IMF has in recent months issued a series of warnings about the long-term sustainability of Greek debt despite the eurozone’s latest arrangements to reduce it.

Wyplosz criticised the EU’s “spectacular cynicism” during the crisis. “The problems weren’t solved but they pretended to believe they were.”

“One way or another it will explode. Greece will be in crisis again well before 2032.”

The Quick Rundown: Golden Lightning? Lucrative!

- A gold nugget discovered in Australia has just been sold for \$162,500.
- At a weight of 1.24 kilograms and length of 10.63 inches, the nugget is an extremely rare find, not for its size, but for its shape.
- The nugget itself is an extremely rare “lightning” form, named so after its lightning-like appearance.
- Craig Kissick, a Nature and Science Director at Heritage Auctions, claimed that “lightning bolt” nuggets are rarer than diamonds.
- The nugget went to auction where it was expected to face fierce competition, expected to go for at least \$100,000 USD.
- But the bidding soon went crazy as hopeful owners duelled viciously over the final bid.
- The item eventually went for \$162,500 USD to an anonymous bidder from Texas.

You may also be interested in:

https://www.dailyfx.com/forex/fundamental/us_dollar_index/daily_dollar/2018/08/20/Gold-Rebound-Vulnerable-to-Hawkish-Fed-Rhetoric.html

http://www.lse.co.uk/AllNews.asp?code=w8mjsxrd&headline=Gold_Settles_Higher_Ahead_Of_USChina_Trade_Talks_Fed_Minutes

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ETF – Betashares Gold

QAU.ASX from 21/08/2017 to 20/08/2018



ETF – Physical Gold

GOLD.ASX from 21/08/2017 to 20/08/2018



ETF – Physical Silver

ETPMAG.ASX from 21/08/2017 to 20/08/2018



Listing (ASX)	Points	Percent.	Price
Evolution Mining	0.015	0.534%	\$2.825
Newcrest Mining	0.240	1.155%	\$20.540
Northern Star	0.010	0.143%	\$6.970
Rio Tinto	0.610	0.832%	\$72.740
South32	0.085	2.522%	\$3.285

As at 5:00 pm NZT, 21 August