

Equity Investment Advisers Gold Report



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Gold Market Sees Best Week In Two Years, Driven By Neutral Fed And Geopolitical Risks

With the Federal Reserve's latest monetary policy decision out of the way, geopolitical uncertainty and the threat of a global trade war will drive gold prices in the near-term, according to analysts.

Not only did the Federal Reserve disappoint U.S. dollar bulls -- driving gold prices higher -- as it signalled only three rate hikes this year, but tit-for-tat tariffs threats between China and the U.S. has created safe-haven for the yellow metal.

Up more than \$30 this week, the market is seeing its best weekly gains in nearly two years. April gold futures last traded at \$1,348.80 an ounce, up 2.78% from the previous week.

Despite gold's strong performance, silver prices continue to lag with the market expected to see only a modestly positive close on the week. May silver futures last traded at \$16.58 an ounce, up 1.9% from the previous week.

With the Federal Reserve monetary policy decision firmly in the rear-view mirror, analysts are now expecting geopolitical worries to dominate investment flows in the gold market.

Not only does geopolitical uncertainty support gold prices, but analysts expect to see prices benefit from a weaker U.S. dollar because the government continues to spend recklessly, driving up the deficit.

U.S., South Korea on verge of trade deal: Trump

The United States and South Korea could announce a trade deal next week that would cover an exemption from U.S. steel and aluminium tariffs and other trade issues, President Donald Trump and his commerce secretary said on Friday.

Trump said the agreement "would be a wonderful deal with a wonderful ally. We're getting very close to it."

It was not immediately clear whether the deal would encompass a revamp of the 2012 U.S.-South Korea Free Trade Agreement, known as KORUS, which has been under negotiation for several months.

Spokesmen and spokeswoman for the U.S. Trade Representatives Office and the Commerce Department could not be immediately reached for more details on the announcement, which Trump made while speaking at an event to say he would sign a \$1.3 trillion U.S. budget deal.

Commerce Secretary Wilbur Ross, at Trump's prompting, said: "We believe we are relatively close to a pretty comprehensive resolution with the South Korean government."

Ross said if the deal goes through, it would encompass exemptions under the U.S. steel and aluminum tariffs that went into effect on Friday, as well as "broader trade issues."

Gold Price



Silver Price



Gold To Silver Price Ratio

1 Year Gold/Silver



Time to Buy Gold and Head for the Hills?

Amid the threat of a trade war breaking out between the U.S. and China, Wall Street and Main Street alike look for gold prices to continue their rally next week.

The yellow metal rose sharply this week and by late Friday morning was up some \$40 from the lows of Tuesday. The first leg higher came when the Federal Reserve did not appear to be signalling any increase in policymakers' pace of monetary tightening in 2018. The second came on renewed worries about a trade war, particularly between the U.S. and China.

"Briefly cresting the important \$1,350 level this morning, the yellow metal made substantial advances in U.S. dollar price as well as value compared to equities, commodities and major currencies," said Richard Baker, editor of the Eureka Miner Report. "Only oil outpaced the lustrous one on a percentage basis." For the trading week now winding down, there was not a majority vote in either survey. The largest voting blocs were 42% bearish for Wall Street and 44% bullish for Main Street.

Charlie Nedoss, senior market strategist with LaSalle Futures Group, is among the heavy Wall Street majority looking for continued strength in gold, citing potential for more weakness in the U.S. dollar and worries about a trade war that knocked equities sharply lower on Thursday.

Ken Morrison, editor of the newsletter Morrison on the Markets, pointed out that new-money inflows dominated gold this week, as reflected by a 10% rise in the number of open futures positions during a time when the market was rising.

The Quick Rundown: Colliding Stars & Alchemy

- The collision of two stars in far away space have resulted in something that medieval alchemists had long aspired to accomplish: the creation of gold.
- A team of over 3,000 scientists and researchers took part in a project covering the extra-terrestrial phenomenon.
- The event was noted in the obscure galaxy 'NGC 4993', in the form of a colossal explosion.
- The explosion was the result of two neutron stars colliding with each other, in what would have been an earth-shattering impact (quite literally).
- However, the reaction that resulted acted as a kind of 'forge', creating and expelling into space numerous metals, including gold.
- The exact nature of the stars would influence the kind of metals formed, Professor Andrew Levan, estimated that enough gold had resulted to be equivalent to the mass of the Earth. The gold is currently believed to be drifting through space and is unlikely to impact global markets.

You may also be interested in:

<https://www.moneymetals.com/news/2018/03/22/gold-silver-possession-constitutional-right-001442>

<http://www.kitco.com/news/2018-03-25/Mnuchin-Trump-Not-Afraid-Of-A-Trade-War-With-China-Fox-News.html>

ETF – Singapore Gold



ETF – Betashares Gold



ETF – Physical Gold



Evolution Mining	0.060	1.967%	\$3.110
Newcrest Mining	0.315	1.586%	\$20.175
Northern Star	0.170	2.507%	\$6.950
Rio Tinto	0.010	0.014%	\$73.430
South32	0.025	0.781%	\$3.175
As at 5:05 pm New Zealand Time			

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