

# Equity Investment Advisers Gold Report



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Tuesday, 27 February 2018

## Gold Is Behaving Exactly 'As Advertised' — BlackRock

Gold investors should not be disappointed this year, as the yellow metal is doing exactly what it is supposed to, which is to serve as a portfolio hedge, said BlackRock's investment strategist.

"Gold as a portfolio hedge and as hedge in terms of signs of stress is doing exactly as advertised. It's delivering that diversification benefit, and it has done that, especially through the volatility over the last couple of weeks," Tushar Yadava, investment strategist for U.S. iShares at BlackRock, told AP.

"When you're in an environment where equities sold off, in part, because of a shock to real rates or interest rates or the inflation outlook as a whole, typically that's not the best environment for gold overall. But it's working as a great diversification benefit at the moment," he noted.

The inevitable rate increases this year could impact gold in a negative way, but the yellow metal's long-term purpose in a portfolio will not be affected, Yadava added.

The investment strategist pointed out that inflation is looking to make a comeback and the economy is expected to grow in 2018, but noted that gold has a role to play in this scenario as well.

"With all these factors as you're weighing them, gold is the hedge, it is the strategic holding to be a diversifier in your portfolio. And we are not viewing gold as some sort of tactical asset allocation bet. I would say, if you have this tactical view of gold, you probably have a darker view on the world," Yadava said.

## Tyranna Resources set to explore Eureka Gold Project after oversubscribed placement

Tyranna Resources Ltd (ASX:TYX) has concluded a heavily oversubscribed \$2.55 million share placement at \$0.017 each to advance the newly acquired Eureka Gold Project in Western Australia.

The company received strong market and shareholder support for the capital raising with four company directors intending to subscribe for \$10,000 worth of shares each.

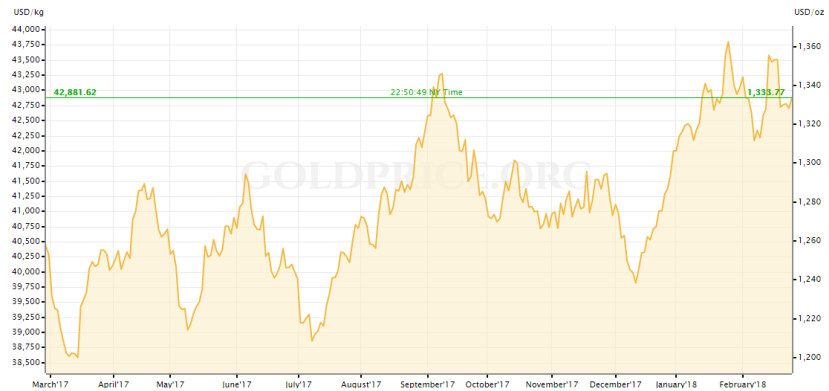
The funds will be directed towards exploration at Eureka, acquisition costs for the project, new opportunities and working capital.

Tyranna is planning a drilling program at Eureka to follow-up historical bonanza gold hits 600 metres to the north of the Eureka pit. These historical intersections include 4 metres at 134 g/t gold from 53 metres, 4 metres at 33.7 g/t from 42 metres and 1 metre at 25.5 g/t from 58 metres.

Tyranna has identified several high priority targets after a comprehensive review of available geological and geophysical data.

The drilling is planned to confirm the historical results, the orientation and continuity of the mineralisation.

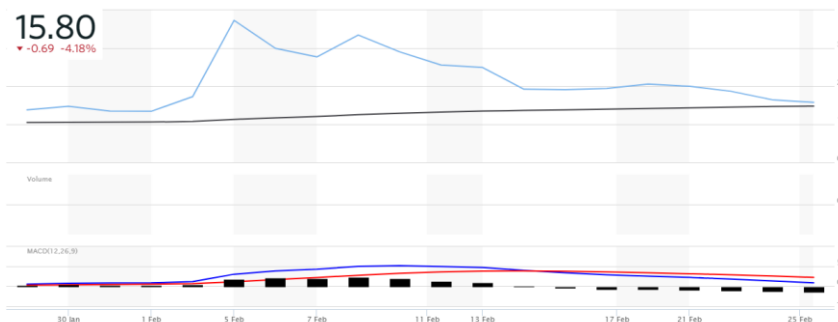
## Gold Price



## Silver Price



## CBOE VIX Volatility Index



## Hong Kong gold exchange seeks to create gold trading corridor along Belt and Road

The Chinese Gold & Silver Exchange Society (CGSE), Hong Kong's gold exchange, is in talks with Singapore, Myanmar and Dubai to establish a gold commodity corridor to promote yuan-denominated products under China's Belt and Road Initiative, according to its president Haywood Cheung Tak-hay.

The gold commodity corridor could be formed by establishing an integrated infrastructure network by using Hong Kong as a base, and connect the proposed bonded warehouse in Qianhai with commercial users and precious metals traders in countries along the Belt and Road, Cheung said on Tuesday at an event to mark the exchange's first day of trading in the Year of the Dog.

"The successful linkages of such a gold corridor could probably boost demand from users and investors for kilobar gold," Cheung said. "This may also increase the turnover of yuan-denominated products by two or three times."

Cambodia was also likely to be involved in the discussions in the future, he added.

Turnover of Hong Kong's gold market in the second half of the just concluded Year of the Rooster averaged between HK\$150 billion (US\$19.2 billion) and HK\$180 billion per day, while averaging about 30 billion yuan (US\$4.7 billion) to 40 billion yuan for yuan-denominated products, Cheung said.

## The Quick Rundown: From Johannesburg to Jupiter

- Researchers from the University of Sao Paul have developed a model to evaluate habitability on Jupiter's moon Europa, a frozen ball of ice said to contain a giant liquid ocean deep within it.
- The model is based on conditions found at the Mponeng gold mine in Johannesburg, South Africa.
- The mine itself was chosen due to its propensity to leak water filled with radioactive uranium.
- While the thought of an underground gold mine 'going nuclear' is alarming to most, scientists made a fascinating discovery.
- The uranium broke down water molecules, dissolved surrounding rock and released sulfate, creating an environment conducive to bacterial life.
- It is the first time an ecosystem has been found to survive directly on the basis of nuclear energy.
- Scientists hope that this may help them to determine whether or not life could exist on Europa today.

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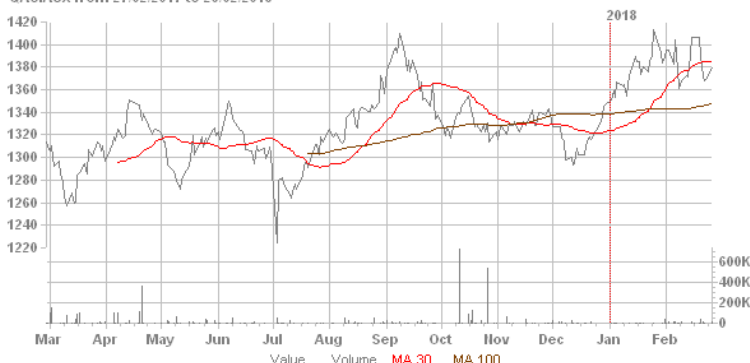
## ETF – Singapore Gold

ZGOL.ASX from 27/02/2017 to 26/02/2018



## ETF – Betashares Gold

GAU.ASX from 27/02/2017 to 26/02/2018



## ETF – Physical Gold

GOLD.ASX from 27/02/2017 to 26/02/2018



Evolution Mining	0.005	0.173%	\$2.895
Newcrest Mining	0.140	0.641%	\$21.710
Northern Star	-	-	\$6.390
Rio Tinto	1.020	1.266%	\$81.620
South32	0.055	1.642%	\$3.405
As at 5:10 pm New Zealand Time			

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