

World economy close to stagflation



In a stagflationary environment, the gold price has responded with price increases in the past.

Rising interest rates and a strong U.S. dollar have prevented the gold price from rebounding recently, but the signs for 2023 are good that a turnaround will be seen at least in the second half of the year. There is a lot going on in the global economy as the fight against inflation is an aggressive one. This interplay between inflation and central bank intervention will affect gold prices in 2023, according to the World Gold Council. Weaker global economic growth and a possible, albeit perhaps brief, recession, at the same time falling inflation (but still high) will have an impact. From a historical perspective, such scenarios are positive for the development of the gold price. In addition, the U.S. dollar is likely to weaken, which also argues for gold price increases. If you look at history, a dollar peak led to a strong gold price after about twelve months.

If the important Chinese economic situation improves, then the demand for gold should also increase. Covid restrictions will be eased in the Middle Kingdom, so the economy will recover and that will be good for the gold price. And even if long-term bond yields remain high, this should not be a drag on the price of gold, at least not from a historical perspective. Even if it takes a few more months for the gold price to really take off, early investor positioning certainly can't hurt. Revival Gold or Osisko Gold Royalties would be a possibility here.

Revival Gold is reviving the Beartrack-Arnett gold project in Idaho. It used to be the largest producing gold mine in Idaho.

An investment in a royalty company like **Osisko Gold Royalties** - <https://www.commodity-tv.com/play/zuri-invest-mining-panel-with-osisko-gold-royalties-victoria-gold-and-mag-silver/> - comes with diversification. This is ensured by more than 165 royalties and precious metal sales. The focus is on gold and copper.

Latest corporate information and press releases from Osisko Gold Royalties (- <https://www.resource-capital.ch/en/companies/osisko-gold-royalties-ltd/> -).

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