

## The development of the gold price under scrutiny



Fears of a severe recession are off the table. Economic growth will be subdued. What will the gold price do?

Inflation is continuing, albeit at a comparatively low level and with stable prices. A decline is not expected until the second half of the year. Inflation in the emerging markets is trending upwards. In terms of global economic growth, real GDP growth of 2.3% is forecast. The forecast for 2025 is 2.6 percent. Key interest rates are unlikely to change until (at least) May.

The Fed is expected to cut rates in the second half of the year. The CME Group's FedWatch tool does not see the first rate cut until the Fed meeting in June. Geopolitical tensions will remain for a while, including the conflicts between the USA and China. According to calculations by the World Gold Council, the price of gold will rise by 4.3% this year. This is because investment demand is expected to improve. Central banks are also expected to buy a lot of gold this year.

Demand for jewelry is also expected to remain stable, despite high gold prices. In the emerging markets, demand for gold coins and bars is expected to increase due to high uncertainty factors. Overall, an average gold yield of 4.7 percent is expected for 2025 to 2028. All in all, the gold price should be well supported, and investors should be happy. Gold company stocks give investors additional leverage on the gold price. Collective Mining or Karora Resources, for example, are recommended.

**Collective Mining** - <https://www.commodity-tv.com/ondemand/companies/profil/collective-mining/> - has two extremely promising gold and copper projects in Colombia. We look forward to further drilling results.

**Karora Resources** - <https://www.commodity-tv.com/ondemand/companies/profil/karora-resources-inc/> - has achieved record production of more than 160,000 ounces of gold in the full year 2023 at its mines in Western Australia.

Current company information and press releases from Karora Resources (- <https://www.resource-capital.ch/en/companies/karora-resources-inc/> -) and Collective Mining (- <https://www.resource-capital.ch/en/companies/collective-mining-ltd/> -).

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