

If inflation eases, the Fed will rethink, and gold will benefit



The development of the gold price in the last two weeks has surprised many positively. How do you think it will continue?

Now some fear that after the steep rise, a fall to the bottom could come. This would be a danger if the gold price were to fall below the 1,725 U.S. dollars per ounce. The currently high gold price is likely to lead to some profit-taking, this is not disputed. Thus, the precious metal seems to be taking a kind of breather in terms of price right now, which in turn provides entry opportunities. The role of inflation is important, because if interest rates fall, the gold price will visibly recover and set its sights on targets above 1,800 US dollars per ounce. And while Fed rate hikes to perhaps 5.25 percent are still assumed now, the Fed is known for quick changes of mind. In fact, many are forecasting that inflation will continue to fall. At that point, interest rates could also be at 4.5 to 4.75 percent and thus have peaked. This could then also be a turning point for the gold price.

For investors and those interested in gold, the year was characterized by two completed trends, a rally lasting several months and a correction lasting several months. Whereas the gold price was at US\$1,827 per ounce at the beginning of January, it reached US\$2,078 per ounce on March 8, the highest value so far this year. The gold price marked its low at around 1,620 U.S. dollars per ounce. Should a correction actually take place at the moment, this at a higher low than the last low, then from the point of view of chart technicians it can be assumed that the correction of several months is really completed, and higher prices will be seen. Here, the focus is on gold companies such as Osisko Development or CanaGold Resources.

Osisko Development is developing the Cariboo project in British Columbia. This is very promising and scores with very good drilling results. Further projects in the USA and Mexico are in Osisko Development's portfolio.

CanaGold Resources - <https://www.youtube.com/watch?v=TbIYs0Iuh4A> - also owns the New Polaris project in British Columbia, which has produced up to just over 20 grams of gold per tonne of rock in drilling.

Current corporate information and press releases from Osisko Development (- <https://www.resource-capital.ch/de/unternehmen/osisko-development-corp/> -).

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