

## I want a commodity supercycle for Christmas!



Gold is nibbling away at \$1,800 and copper is consolidating above four dollars. The big breakouts failed to materialize in 2021. This may change in 2022.

Well, many commodity fans are lamenting a bit. They had expected 2021 to be the start of a new commodity supercycle. But seriously, that's complaining at a high level. After all, the prices of most commodities have climbed sharply in some cases. Coffee drinkers will have been the first to notice: Arabica beans increased in price by almost 90 percent within a year. Car drivers can sing a song of the gas station attendance anyway. Even after the recent slump in oil prices and a ten percent reduction in the price of gasoline, the price of gasoline and diesel is still about 50 percent higher than in the previous year. Metals such as nickel, up twelve percent, lead (13%), copper (20%) and zinc (20%), but above all aluminum (31%) have also become more expensive.

Only the gold fans and especially silver fans may rightly complain a bit. Silver gave up a good tenth, gold was a little less hard hit, and in the euro zone there is even a small positive return due to the strong U.S. dollar. But now 2022 is coming - will everything change? Looking at the central banks, one might think so. But the feigned restrictive monetary policy only means that less money is coming into the system at first. Only in a second step would interest rates be really raised. But does this come at all whether the next Corona wave. Let's see. In any case, interest rates are unlikely to rise enough to choke off the economy. This means that demand for commodities will remain high. Especially in particularly cyclical sectors. Copper could therefore become a major beneficiary. Possibly, this also means the fulfillment of the Christmas wish: the commodity supercycle.

Gold should also benefit. After all, even a small interest rate hike would hardly stop inflation. Real yields, to which gold reacts above all, will remain low, rather still strongly negative. A nice Christmas present to oneself could therefore also be shares in

companies with gold and copper projects. This is because these also have a leverage effect on commodity prices, which makes the shares riskier, but also more promising.

One example would be **Osisko Gold Royalties** - <https://www.youtube.com/watch?v=c349qOGn1KM> -, which, as a royalty company (more than 160 royalties and precious metal sales) with a focus on gold and copper, also offers diversification.

**Aurania Resources** - <https://www.youtube.com/watch?v=sabYEJvU89Y> - is looking for precious metals and copper in South America. Among other things, the development of The Lost Cities project is exciting.

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

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