The purchasing power of money is dwindling - bet on gold and silver



The money supply is increasing, which holds the potential of rising prices for consumer goods.

In the US, the money supply has been greatly expanded since the beginning of 2020. The resulting money supply overhang is an estimated 20 percent. This makes it seem more likely that inflation will remain and not just be temporary. The money supply has continued to expand in 2021. Costs are rising, especially in the energy, transportation, and building materials sectors. This is true not only in the US, but also in Europe and other economies. Here, prices for goods are rising and the purchasing power of the euro is declining.

All this is happening because the central banks had the intention to devalue debts and to support states and banks. Investors seek to fight this devaluation of money, which is not easy. Long-term investors would do well to bet on values such as gold and silver. Their value preservation function is undisputed and proven. Gold ETFs have therefore also seen inflows again. That the signs for a strong gold price are good can also be seen in the fact that the reductions in bond purchases announced by the Fed should now already be priced into gold.

Should economically conditions in the USA change, then according to Fed Chairman Powell, bond purchases will increase again. This in turn would result in more inflation and thus rising prices for precious metals. These possibilities apply to other countries as well. The prudent and long-term thinking investor should therefore always own shares of gold and silver companies in his portfolio.

**Gran Colombia Gold** - <u>https://www.youtube.com/watch?v=tjQ1f\_OVjiE</u> - would come into mind. The dividend-paying gold producer owns the Segovia mine in Colombia (gold and silver production) as well as the large undeveloped Toroparu project in Guyana.

**Chesapeake Gold** - <u>https://www.youtube.com/watch?v=QVVXRhMOosl</u> - is focused on its Metates gold-silver-zinc project in Mexico. It is scheduled to have a pre-feasibility study in the third quarter of 2022.

Current corporate information and press releases from Gran Colombia Gold (-<u>https://www.resource-capital.ch/en/companies/gran-colombia-gold-corp/</u>-).

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