Higher costs hit consumers

Inflation has started to rise again in the euro area, a multi-year high has been recorded.

At five percent, inflation data for December 2021 was at its highest level since 1985. Food and goods have become more expensive as transport costs have risen and there have been shortages. ING Bank believes that oil and gas prices, in particular, which are driving inflation, have probably peaked. However, inflation in industrial goods (excluding energy) has risen from two to 2.9 percent over the past two years. This shows that costs are now increasingly being passed on to consumers. ING Bank expects inflation to continue in the near future.

Most industry experts do not see the European Central Bank (ECB) raising interest rates for the first time until spring 2023 at the earliest. At least the course has been set for this. The further development of the economy will influence when an interest rate increase will come. The reality is currently far removed from the ECB's wish for an inflation rate of two percent. In November, the inflation rate in the euro zone was 4.9 percent. To what extent the omicron virus variant will lead to problems is still difficult to judge. German ECB Director Isabel Schnabel also expects higher inflation rates for some time to come. "We are well aware of the uncertainty in our inflation forecasts. There is an upside risk," Schnabel said.

To counter negative interest rates, inflation and custody fees, one could consider investing in solid companies that shine with gold as a value preservation vehicle.

There's **CanaGold** - https://www.youtube.com/watch?v=Hwuwh7ugpqI -, for example, with its New Polaris gold mine in British Columbia, as well as options on gold projects in Nevada, USA, and British Columbia.

Chesapeake Gold - https://www.youtube.com/watch?v=Njv4DJ24bHQ - owns the Metates gold-silver project in Durango, Mexico, one of the largest undeveloped deposits with over 20 million ounces of gold and 550 million ounces of silver.

In accordance with §34 WpHG I would like to point out that partners, authors and employees may hold shares in the respective companies addressed and thus a possible conflict of interest exists. No guarantee for the translation into English. Only the German version of this news is valid.