

Precious metals investors should have a little patience



According to Bank of America, there should still be some headwinds for gold and silver, but then things will start to look up.

As the renowned bank predicts, there is still a chance that the price of gold will be at 2,000 US dollars per ounce by the end of the year. The Bank of America commodity strategist does not expect prices to be significantly higher than they are today until around the second quarter of 2023. It will be the move away from aggressive interest rate hikes that will multiply the number of gold buyers again. Physical gold demand is currently on extremely healthy footing. But it is investment demand that is causing movement in the gold price in the short term, he said. Nonetheless, Bank of America expects a dramatic turnaround if the Fed decides to end interest rate hikes. As a result, the gold price is expected to average \$2,000 per ounce in the third and fourth quarters of 2023.

At the same time, the factors that lifted the price of the precious metal to more than US\$2,000 at the beginning of the year are still present today. These are the geopolitical tensions, inflation and its threat to the economy, the energy crisis and the threat of recession. Interest rate hikes are expected to stop when the rate will be between 5 and 5.25 percent. At the same time, interest rate cuts by the Federal Reserve are expected until around December 2023. Bank of America is also optimistic about the price of silver. For mid-2023, the bank expects 25 US dollars per fine ounce of silver. The price of silver should then also be high in 2024, according to the bank experts. It could be worthwhile to invest now, for example in gold companies such as Maple Gold Mines or Trillium Gold Mines.

Maple Gold Mines operates two gold projects in Quebec in the Abitibi Greenstone Belt with partner Agnico Eagle.

Trillium Gold Mines is active in the Red Lake mining district in Ontario, where it owns one of the largest property packages. In addition, properties in Larder Lake, Ontario are added.

Current corporate information and press releases from Maple Gold Mines (- <https://www.resource-capital.ch/en/companies/maple-gold-mines-ltd/> -) and Trillium Gold Mines (- <https://www.resource-capital.ch/en/companies/trillium-gold-mines-inc/> -).

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