Gold and stocks - in harmony?



Gold is a hedge, not a speculation. But investors can also earn returns with gold if they bet on the right gold stocks.

In the latest market report of the gold dealer Degussa the relationship of the gold price to share prices is examined. It was considered where the gold price stood at which index level of a broad US stock market index including dividends reinvested. On the basis of a coordinate system, it is recognizable that the tendency goes to the right upward. This means that when the index rises (plotted horizontally), the gold price (vertically) also goes higher. The past 50 years were chosen as the time period. So, the conclusion is that there is a positive correlation between stocks and gold. Is this surprising? To some who always hype gold as the ultimate hedge against crises, certainly. But one thing must not be forgotten: Gold, just like stocks, i.e. shares in companies, are real assets and thus vehicles that defy inflationary tendencies. This is especially important in today's world. After all, inflation rates have risen to heights that have not been reached for 40 years.

But what happens if you back shares with gold, physical gold in the ground? Shouldn't such a real investment be doubly good? It depends on the management and of course on the projects that such a company is working on. But if it is a company with fundamentally good gold projects and the management can be trusted to work on them sensibly, then such gold shares should be doubly good in times like today. Examples of such gold companies that can serve as an admixture in a risky portfolio are Victoria Gold and Calibre Mining.

Victoria Gold - https://www.youtube.com/watch?v=8RJs1mZ1ics - is among the producers, this due to its Dublin Gulch property in the Yukon.

Calibre Mining - https://www.youtube.com/watch?v=bDYx1XbEphA - is also already a producer and specializes in North and South America.

Current corporate information and press releases from Victoria Gold (-https://www.resource-capital.ch/en/companies/victoria-gold-corp/ -) and Calibre Mining (-https://www.resource-capital.ch/en/companies/calibre-mining-corp/ -).

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