

Gold is a longer-term investment



Gold has proven itself as an investment over the decades. It serves as a hedge against inflation in the long term.

However, the price of gold also fluctuates. As a result, investors often only invest a small proportion of their assets in gold, which is a shame because gold has definitely paid off. In the shorter term, gold should not be seen as an investment. Even if the all-time high just reached might tempt you to do so. If interest rates are high, this should not be used to sell gold; the focus should be on the longer-term positive aspect of gold. Even if gold does not earn interest. If interest rates fall faster than the inflation rate in the coming months, this would have a positive effect on the gold price. This is particularly true if the US dollar weakens. However, if interest rates remain even higher, gold will have to compete with other forms of investment and some investors could feel pressure to sell.

The market has already priced in the expected interest rate cuts, namely for May 2024, with US data from the labor market playing an important role. If the unemployment rate rises, the Fed could react in a way that is not so conducive to the gold price. Some analysts therefore do not expect interest rates to be cut until the second half of 2024. In any case, rising gold prices are also forecast as a result. So, if the gold price fluctuates, investors should look at the big picture, which shows the longer-term positive development of the gold price. The stocks of gold companies in the portfolio can also do no harm. These include Karora Resources and Tudor Gold.

Karora Resources - <https://www.commodity-tv.com/ondemand/companies/profil/karora-resources-inc/> - produced more than 120,000 ounces of gold in the first three quarters of the current year.

Tudor Gold - <https://www.commodity-tv.com/ondemand/companies/profil/tudor-gold-corp/> - owns the promising Treaty Creek Gold Project in British Columbia's Golden Triangle.

Current company information and press releases from Karora Resources (- <https://www.resource-capital.ch/en/companies/karora-resources-inc/> -).

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