

## Gold mining stocks are cheap right now



According to the NYSE Arca Gold Miners Index, gold stocks fell about 18 percent since the beginning of the year.

Currently, gold stocks do not seem to have such a great appeal to investors. The last peak of these stocks in the NYSE Arca Gold Miners Index dates back to August 2020, and today it is about 42 percent lower. All the closer a trend reversal may be. After all, price-increasing factors are obvious - a looming energy and food crisis, inflation, a possible global recession and possibly worsening hostilities in Eastern Europe. These are all things that can't be so easily sidestepped. Pushing inflation down alone is likely to be more than difficult. With the loose monetary policies of central banks, consumer prices have arguably been on an upward path for some time. There was also severe inflation in the early 1980s. In response, the Federal Reserve had raised interest rates to as high as 19 percent. As a result, the price of gold soared.

Real interest rates and gold are inversely related. In the past, when inflation-adjusted interest rates turned negative, the price of gold usually went up. Gold was more attractive than, say, government bonds. The fact that gold has so far failed to reach a new all-time high is probably due to the strength of the U.S. dollar compared with other currencies. Thus gold, which is denominated in U.S. dollars, is still stuck in a narrow range. But when the trend reversal comes, it should be worthwhile to be invested in gold stocks. Aztec Minerals or GoldMining could be suitable here.

**Aztec Minerals'** flagship project - <https://youtu.be/lreIPMultfk> - is the Cervantes gold-copper project located in Mexico. In addition, Aztec Minerals' portfolio includes the historic Tombstone properties in Arizona with gold, silver, lead and zinc.

**GoldMining** - <https://youtu.be/2zzZJaWEMa0> - acquires and develops gold and gold-copper projects in North and South America and also owns more than 20 million shares of Gold Royalty.

Latest corporate information and press releases from GoldMining (- <https://www.resource-capital.ch/de/unternehmen/goldmining-inc/> -).

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