

Where do the prices go?



Inflation everywhere you look, but gold investments are cheap right now.

The so-called Big Mac Index is always of interest. This indicator compares the purchasing power of different currencies on the basis of the price of a Big Mac. Since it exists in many countries in the identical composition and quality, it is ideal for comparing purchasing power. The calculations for January 2022 see the most expensive Big Mac in Switzerland (\$6.98), followed by Norway, USA and Sweden. In eighth place is the euro zone (\$4.95). The cheapest Big Mac can be bought in Russia for the equivalent of 1.74 US dollars. If the price of the Big Mac is high in a country, the population there also has purchasing power and can afford it. And if the Big Mac is cheap, the country in question has lower purchasing power. Even long-term developments can be read from the index data.

The fact that purchasing power is shrinking in this country can be seen in the prices of many goods. The next few weeks and months will certainly bring some surprises. Shortages of paper and bottles (for beer, for example) are looming. A weak euro is also driving up inflation. On the one hand, this can have a positive effect on the economy, as competitiveness increases, but on the other hand it makes imported goods more expensive. This in turn fuels inflation. In any case, the inflation target of two percent is a long way off. Rising consumer prices are eating into the incomes of all citizens, and inflation is causing the value of savings to shrink. Investors are therefore advised to invest in gold as a means of preserving value.

For example, in **Osisko Gold Royalties** - <https://www.youtube.com/watch?v=rtYSi4SouAE> -. The dividend-paying royalty company owns in its portfolio more than 165 royalty and precious metal off-takes in North and South America.

Karora Resources - <https://www.youtube.com/watch?v=Cygvde0ucEA> - is producing gold at its gold projects in Western Australia. Full year 2022 production is expected to be between 110,000 and 135,000 ounces of gold.

Current corporate information and press releases from Osisko Gold Royalties (- <https://www.resource-capital.ch/en/companies/osisko-gold-royalties-ltd/> -) and Karora Resources (- <https://www.resource-capital.ch/en/companies/karora-resources-inc/> -).

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