

Inflation will fuel attractiveness of precious metals



Precious metals still represent the safe haven that investors head for.

Not only the USA, but also Europe is highly indebted. High interest rates are hard to bear. Although printing money helps immediately and a collapse is avoided, this is not a cure for the whole thing. What can bring the economy back to a normal path is probably only a recession. Because then the economy can grow again. Inflation will remain high for the next few years, there is pretty much agreement on that by now. Further interest rate hikes are still necessary, but they reinforce the dilemma. As a result, prices for gold and also silver are likely to rise due to higher demand. The risks in terms of economic development are high and a recession is possible in the current year.

The development of the precious metal over the years shows that investors are backing the right horse by investing in the gold market, at least in the long term. Ten years ago, for example, a fine ounce of gold cost 1,576 U.S. dollars or 1,204 euros. At the beginning of March 2000, a good 290 U.S. dollars or 300 euros had to be paid for an ounce of gold. One factor that always puts pressure on the gold price is the US dollar. It is difficult to say whether it will remain strong in 2023. On the one hand, inflation and interest rate hikes have provided strength. But whether the interest rate differential between the U.S. and Europe (there are two currencies to consider) will continue to provide dollar strength is questionable. If less steeply rising interest rates are an issue with the Fed, as they have been recently, the U.S. dollar has immediately weakened significantly.

Over the long term, gold is an excellent investment, including stocks such as **Gold Terra Resource** - <https://www.commodity-tv.com/ondemand/companies/profil/gold-terra-resource-corp/> - or **Calibre Mining** - <https://www.commodity-tv.com/play/calibre-mining-2023-corporate-presentation-on-organic-growth-outlook/>. Gold Terra Resource owns the large Yellowknife City project in the Northwest Territories in the Yellowknife Greenstone Belt. Calibre Mining is a successful producer with projects in North and South America. Gold sales in 2022 marked a new record.

Latest corporate information and press releases from Gold Terra Resource (- <https://www.resource-capital.ch/de/unternehmen/gold-terra-resource-corp/> -) and Calibre Mining (- <https://www.resource-capital.ch/de/unternehmen/calibre-mining-corp/> -)

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