

Gold price volatile in the short term



The price of gold is struggling to stay above \$1,700 per ounce, but just can't manage it.

According to experts, the price of the precious metal will continue to be volatile in the coming months. The government and corporate financing as a result of the Corona crisis, plus the Russia-Ukraine war, stand in the way of stability. As long as the Fed is aggressively raising interest rates, it will not be easy for the price of gold to move higher. Nevertheless, investors should remain invested in precious metals and precious metal stocks, or use low prices for entry, because these are long-term values. The inflationary phase in which we find ourselves should give precious metals additional appeal, namely when interest rate hikes come to an end. Despite short-term volatility, precious metals have a value-preserving factor. While the Fed's moves are fundamentally correct, this exports inflation from the U.S. and burdens other countries. If this leads to geopolitical problems, then this will in turn impact the US. As a result, the Fed will probably not raise interest rates enough to bring inflation back down to the two percent target.

Gold will therefore retain its status as an inflation hedge. The physical demand for gold and silver continues to be solid, which should indicate the direction in which precious metal prices will develop in the long term, namely upwards. Presumably, an end to Fed rate hikes will be enough to boost gold prices again. And as long as the time has not yet come, there are opportunities for investors, especially in gold mining stocks. Also, prices of around \$1,650 per troy ounce of gold are still solid values for gold companies. After all, on average they are still earning around 200 U.S. dollars per ounce.

A successful gold producer is **OceanaGold** - <https://www.youtube.com/watch?v=y5HXuXb8Jhg> -. The projects are located in the USA, the Philippines and New Zealand and produce gold, copper and silver.

Chesapeake Gold - <https://www.youtube.com/watch?v=dinUyzlk36E> -, although not yet a producer, would also be suitable for an investment. Its flagship project Metates is located in Mexico and contains gold, silver and zinc.

Current corporate information and press releases from OceanaGold (- <https://www.resource-capital.ch/en/companies/oceanagold-corp/> -).

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