

## The US dollar and the gold price



The so-called safe havens include the U.S. dollar and, above all, gold.

The U.S. dollar has gained around ten percent this year; these were times of uncertainty, and they are still continuing. Gold is the safe haven par excellence and should again get the honor it deserves in the new year, i.e. attract investors. The U.S. dollar owes its strength to higher interest rates set by the Federal Reserve. In addition, many other countries have weakened their currencies. Even though the price of gold has fallen about four percent over the course of 2022, it should not be overlooked that gold has held up well compared to other assets. That's because stocks and bonds have fallen not just in the U.S., but around the world. The S&P 500 index has also lost significantly over the year, as has the NASDAQ. Gold demand leaves nothing to be desired, investors are staying loyal to gold, especially when it comes to bars and coins. The central banks have also, as is well known, ever been strong in increasing their gold reserves (all-time high in the third quarter). And these account for around ten to 15 percent of global gold demand. Not all countries report their gold purchases promptly and accurately. So, China and Russia could also be among the gold buyers. If a country keeps gold reserves in its treasury, they do not have to be reported to the International Monetary Fund. This includes Japan and Saudi Arabia, for example.

In the long term, the chances for the gold price are good. Incidentally, from a seasonal perspective, the price of the precious metal has made a profit in December in recent years. This is because it is the time when jewelry manufacturers and traders in particular stock up. After gold has been down four times in a row in November, the last November reached a plus of two percent. Comparing the end of November 2021 with the end of November 2022, the gold price gained 6.4 percent, so not a bad result. So,

before gold switches into rally mode, you could add a few gold mining stocks to the portfolio. There's Karora Resources or Gold Terra Resource, for example.

**Karora Resources** - <https://www.youtube.com/watch?v=peKICBAqj44> - owns the Beta Hunt gold mine and the Higginsville Gold Operations in Western Australia. The third quarter brought new records in production and processing.

**Gold Terra Resource's** - <https://www.youtube.com/watch?v=KehewUd5rVg> - Yellowknife City Project is located in the Northwest Territories in the prolific Yellowknife Greenstone Belt.

Current corporate information and press releases from Gold Terra Resource (- <https://www.resource-capital.ch/en/companies/gold-terra-resource-corp/> -) and Karora Resources (- <https://www.resource-capital.ch/en/companies/karora-resources-inc/> -).

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