



REPORT ON THE GLOBAL PRECIOUS METALS MARKET FOR JUNE 2019

July 1, 2019, Prague - In the last decade of June, gold recorded its highest price since 2013. The last week of the month, when the gold price strengthened to \$ 1,440 per troy ounce, was the most successful gold week in the last three years.

In the last ten days of June, gold has scored **two highs - the highest price** in the last 6 years and the **biggest boost in a short period** of one week in the last **3 years**. The statement that **2019 is a year of gold** was completed in the first half of the year.

Since the beginning of the year, the value of gold has strengthened in dollars by 10%, and this is far from over.

The main reason behind the successful June is the US central bank's statement that **interest rates will not increase** in any way, but rather **expects them to fall**. So far, we are not talking about what falls awaits us by the end of the year, but the first will probably come in July and the other by the end of the year. However, most economists expect even **three falls** - in July, September and November.

US President Donald Trump poured oil into the fire – as usual - as he said he had **withdrawn the attack on Iran** just minutes before it started. This has triggered further uncertainty and gold has subsequently risen to its highest price since 2013.

However, the price of gold is not at the maximum only in US dollars, **the same situation is in euros**. The EUR 1,250 per ounce threshold was also last reached in the first half of 2013. As British analyst Ross Norman points out, the gold price is now approaching **an absolute historic high in 72 currencies** and he encourages everyone **to buy gold now when it is relatively cheap**. **Central bank purchases** are also an important indicator of the potential for gold price growth. They have not been buying so intensively **since 1967**. Of course, none of the official leaders say that ongoing global growth, which is based on debt and uncontrollable money printing, is unsustainable in the long run, but the actions of central banks buying gold as frantic speaks clearly.

The current economic situation looks like an imaginary pattern from dominoes, and it just waits for the cube to fall first and trigger an avalanche. It is clear that **those who do not have their assets, which are in cash or securities, balanced by a sufficient amount of gold, will soon lose their earnings**.

Precious metals in June 2019

	Gold	Silver	Platinum	Palladium
Highest price USD/oz	1,439.71	15.57	844.00	1,570.50
Date	25-06-2019	20-06-2019	28-06-2019	28-06-2019
Lowest price USD/oz	1,309.00	14.58	791.00	1,310.00
Date	03-06-2019	03-06-2019	17-06-2019	03-06-2019



Gold – as mentioned above - has reached six-year highs. It was important to overcome the \$ 1,360 ounce limit. This boundary is considered the most important technical boundary at all, because overcoming it, whether up or down, has always meant long-term persistence of metal above or below this level. Subsequently, the yellow metal easily overcame another psychological limit of \$ 1,400 per troy ounce and stopped below \$ 1,450. The moment it crosses this threshold - and it can still be in July when the Fed announces a cut in interest rates - it has an open path to the border \$ 1,484, which is then a little to \$ 1,500 or more.

Silver – even in, for the gold epic, June failed to reverse the trend. Although it did not fall below \$ 14.50 per ounce, it increased its historical ratio between ounces of gold and silver at the limit of 92 ounces of silver to one ounce of gold. This low price may ultimately encourage purchases, but it is still necessary to keep in mind the trade war between the US and China, and above all the possible economic downturn that silver, as a metal used abundantly in industry, will hit more than gold.

Platinum – Still failing to break the downward trend. At the beginning of the month, relatively good news of strong demand from the glass industry came for platinum. Unfortunately, glassmaking accounts for less than 10% of the total demand for platinum. This good news was swiftly overcome by the fact that Northam Platinum will open a new mine in South Africa and is expected to start mining next year, with the mine at its maximum mining capacity of almost 3 tonnes in 2024 gray metal annually. Thus, in the market, platinum will continue to be a surplus in the coming years, because the advent of hydrogen engines that could save platinum is very slow.

Palladium – the whole June strengthened and at the end again crossed the limit of \$ 1,550 per ounce. The opening of the Northam Platinum mine will not have a significant impact on the palladium supply in the coming years, as the metal content of the mined rock is low - in 2024 1 tonne of palladium is expected to be mined annually. Such an amount does not have a chance to talk significantly into the palladium offer. The advent of purely electric cars is still slow, so the lack of this metal is still expected.



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