

Martin Place Securities

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- ▶ Knowledge
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Gold

The Metal of Prosperity

Reconciling Gold Bulls and Gold Bugs

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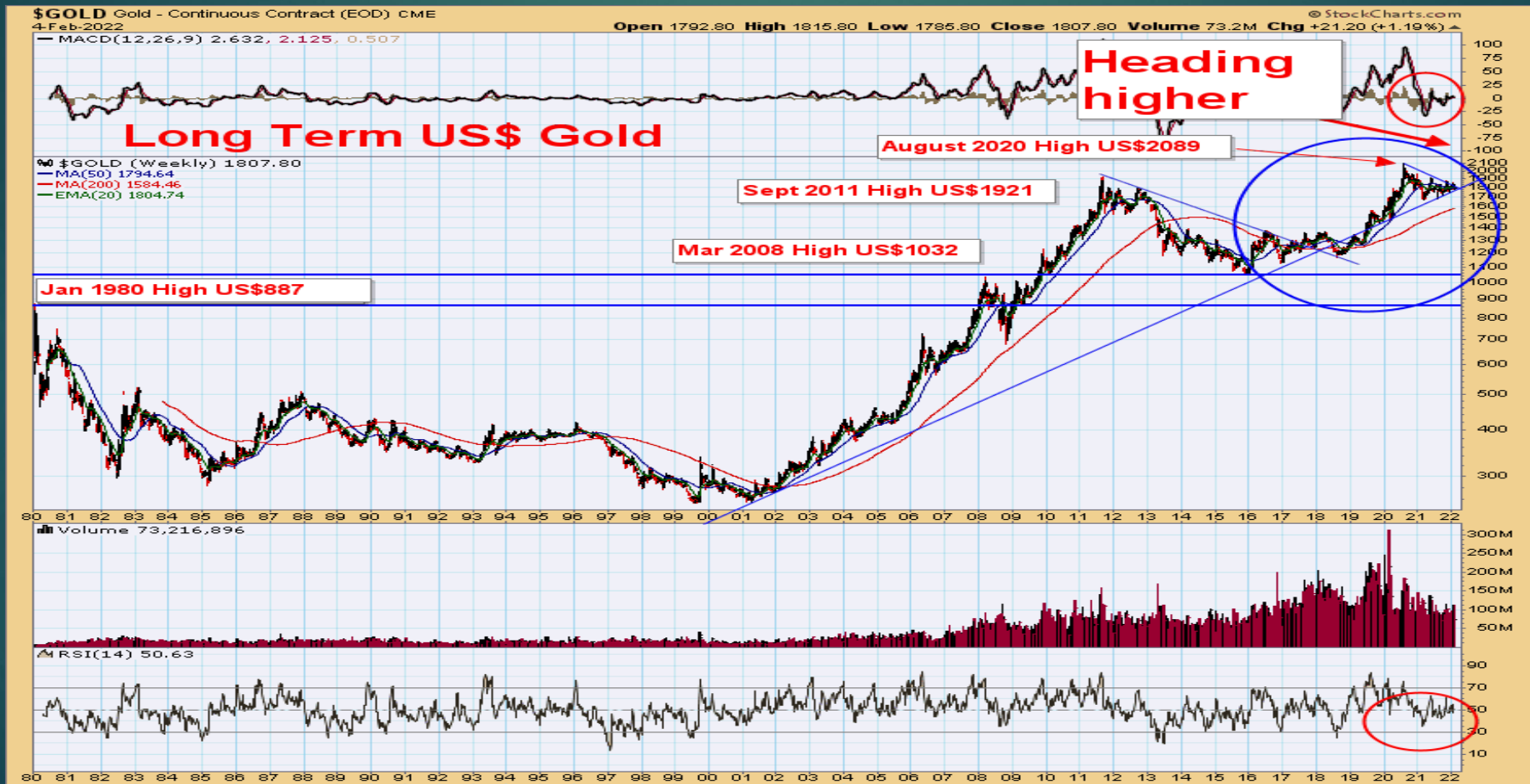
Key features for gold

- ▶ Consumer demand for jewellery, bars and coin is base
- ▶ Rising Asian living standards – growing demand
- ▶ Renaissance of US economy now a driver
- ▶ Massive increase in sovereign debt and inflation of money supply
- ▶ Debasement of currencies
- ▶ But growing prosperity

Long term Bull Market

- ▶ First Leg 2000-2011
 - ▶ Correction 2011-2016
- ▶ Second Leg Part 1 2016-2020
 - ▶ Correction 2020-2021
- ▶ Second Leg Part 2 2021- ??

Long Term View



Medium Term View

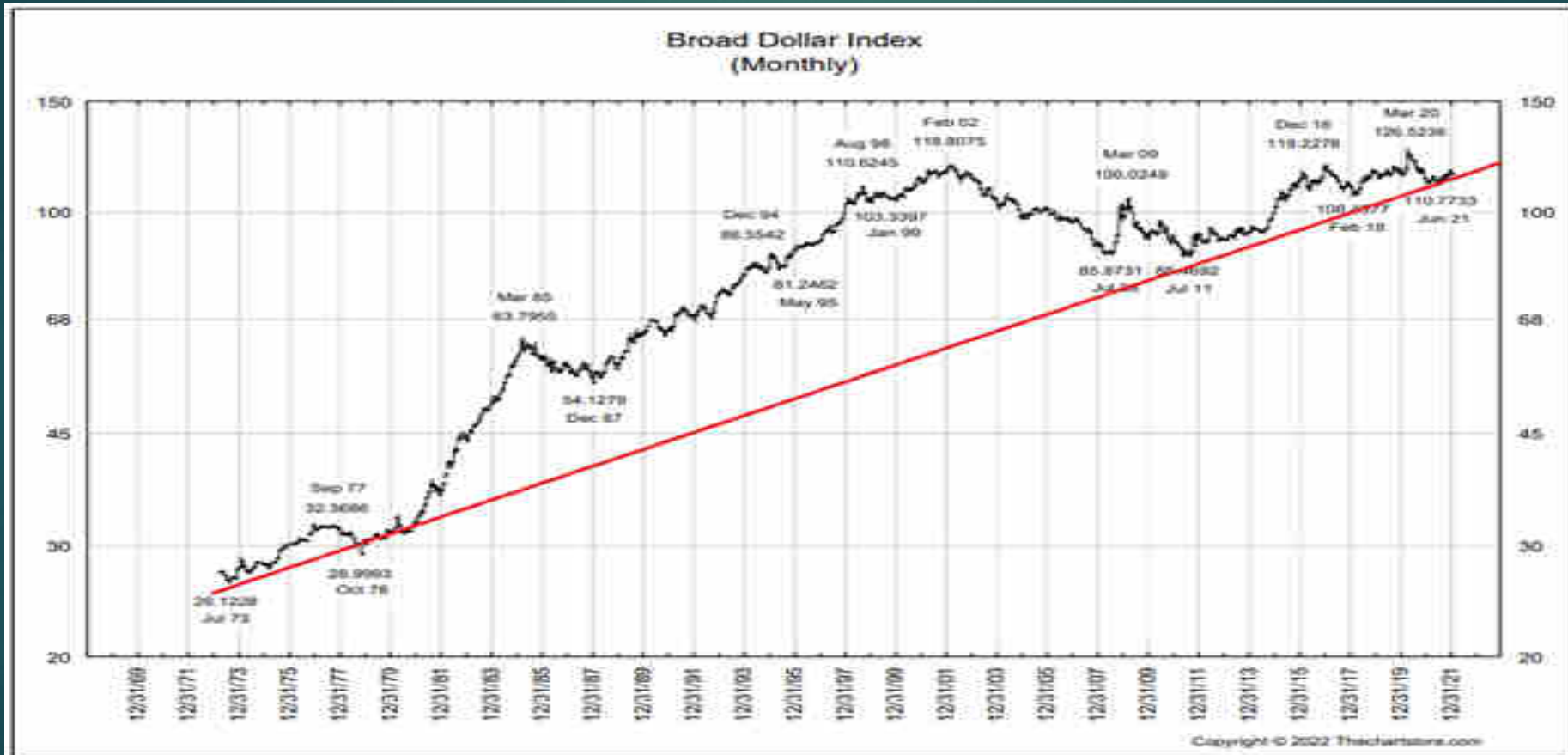


US\$ and Gold

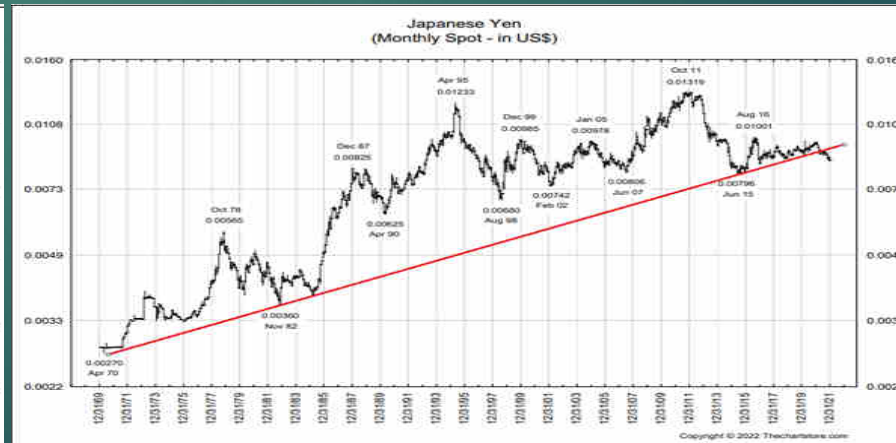
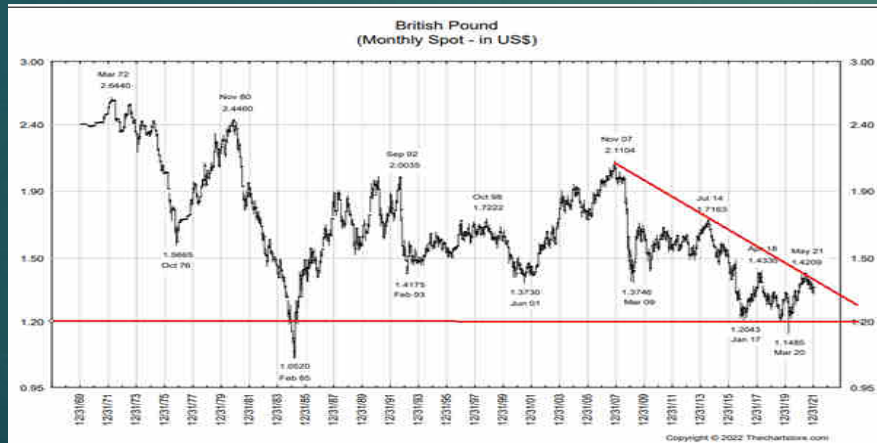
US\$ – Bear Market or Bull Market?

- ▶ Debt and unfunded liabilities
- ▶ Corrupt bureaucracies
- ▶ Reawakening underway
- ▶ US economy – powerhouse or basket case?
- ▶ Interest rates rising
- ▶ But what about the competition?
- ▶ Smaller currencies stressed

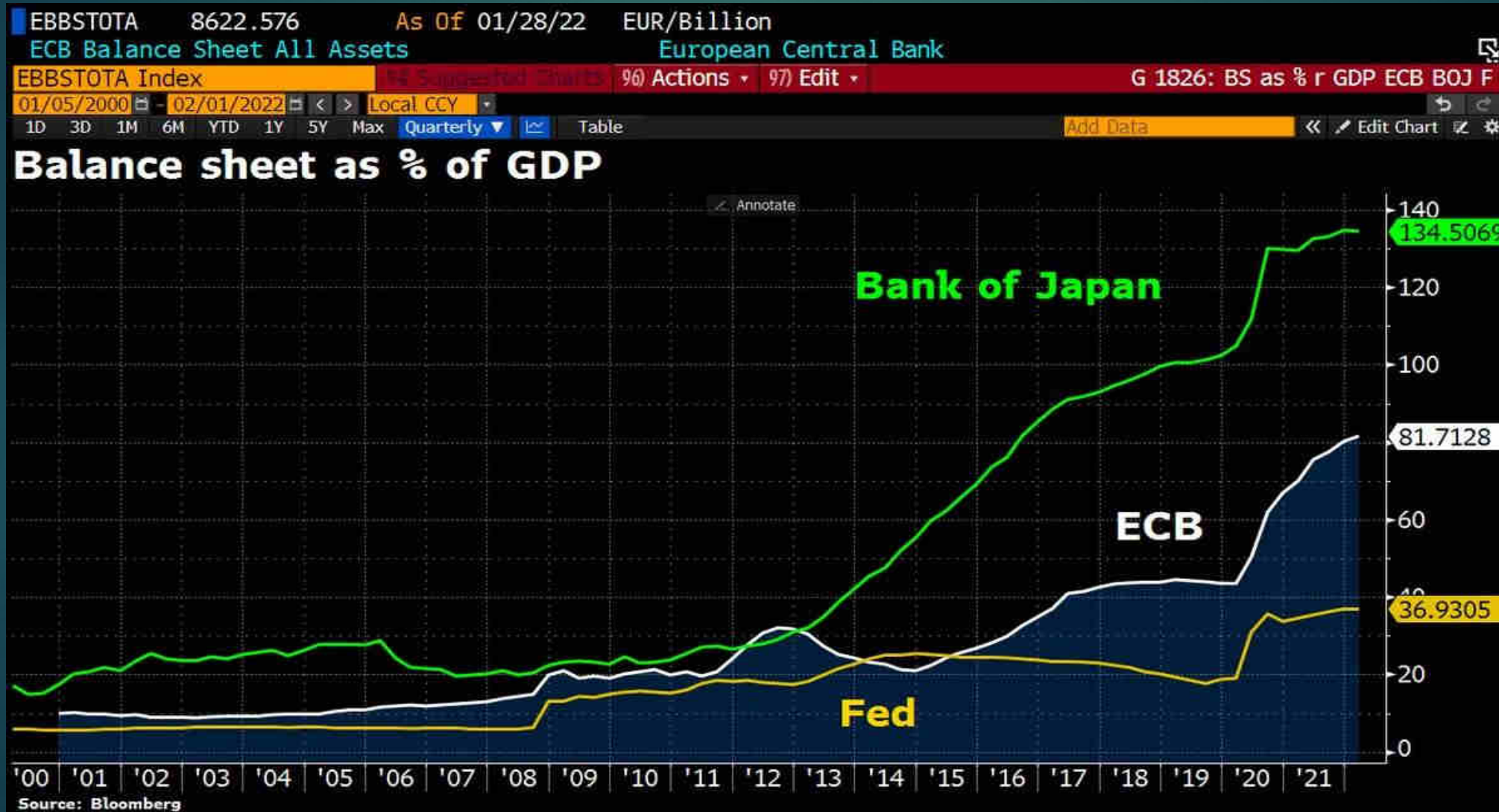
US\$ Bear Market or Bull Market?



US\$ Weak against what?



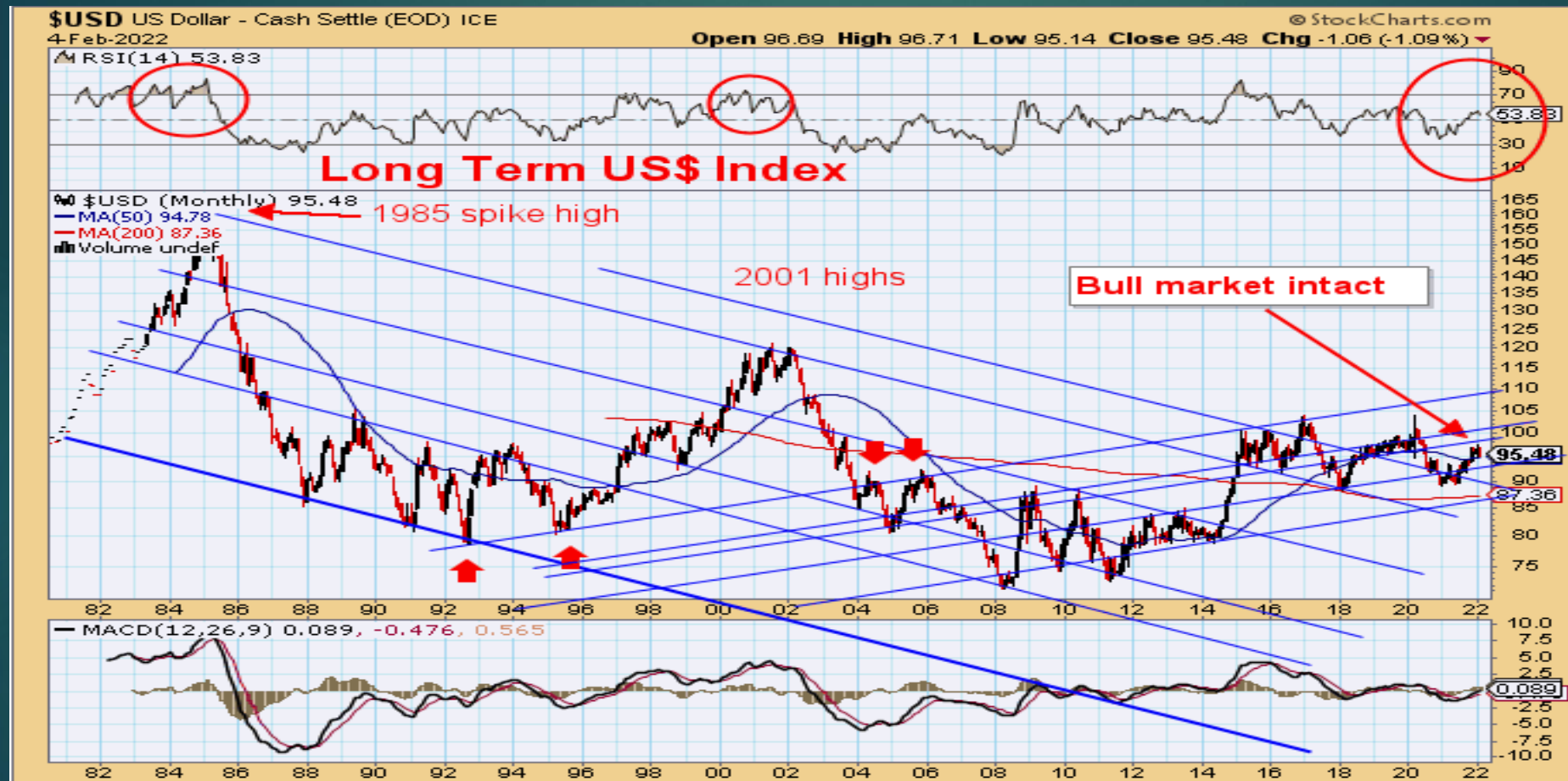
Which is the worst?



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Holger Zschaepitz
@Schuldensuehner

US\$ index



Gold vs Bonds



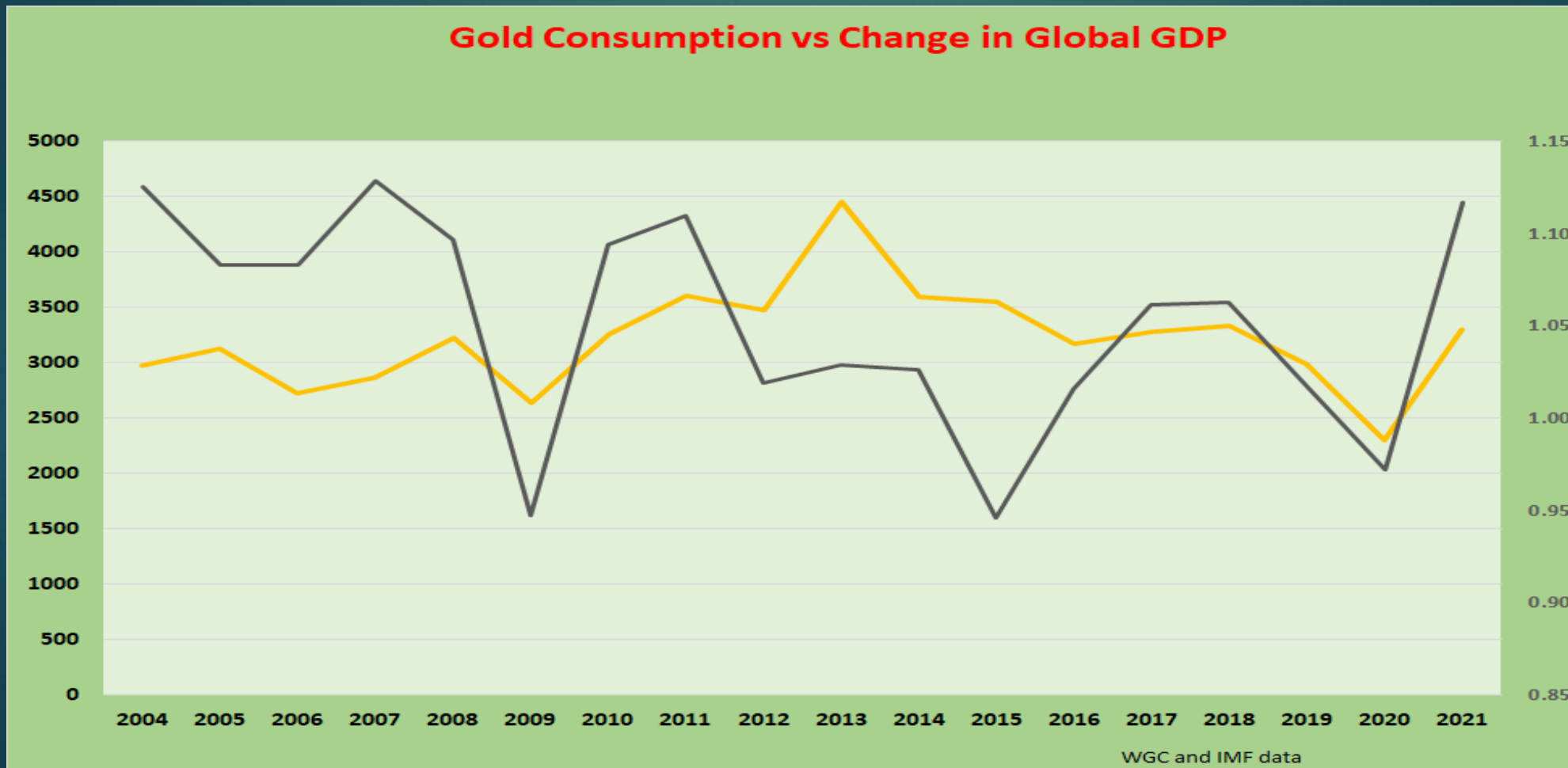
Gold demand mostly consumer investment

- ▶ Bars and Coin
 - ▶ China and India key buyers
 - ▶ US # 3
- ▶ Jewellery
 - ▶ China biggest buyer
 - ▶ India
 - ▶ US now #3 and growing – regaining wealth

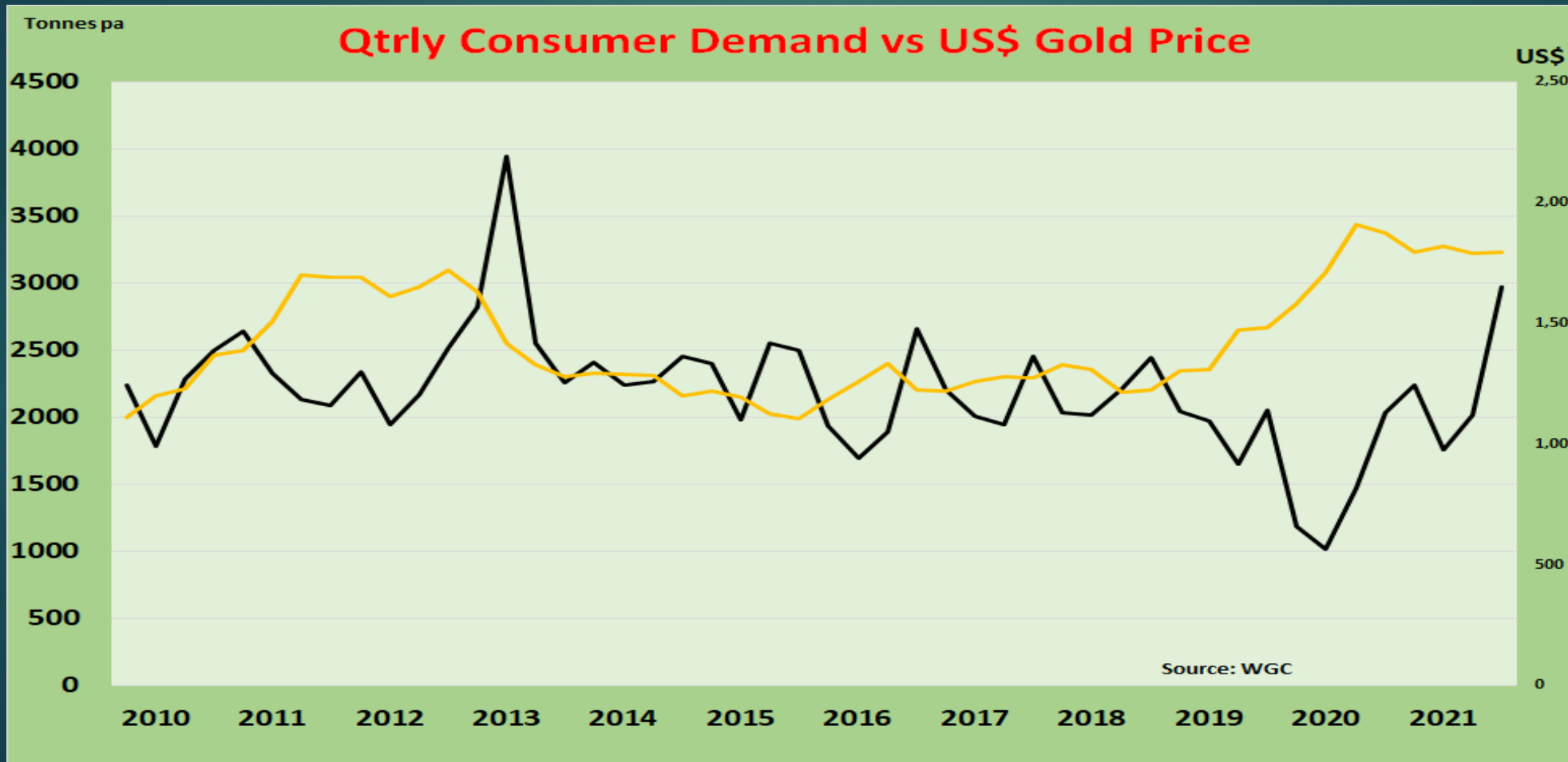
Global Gold Consumption

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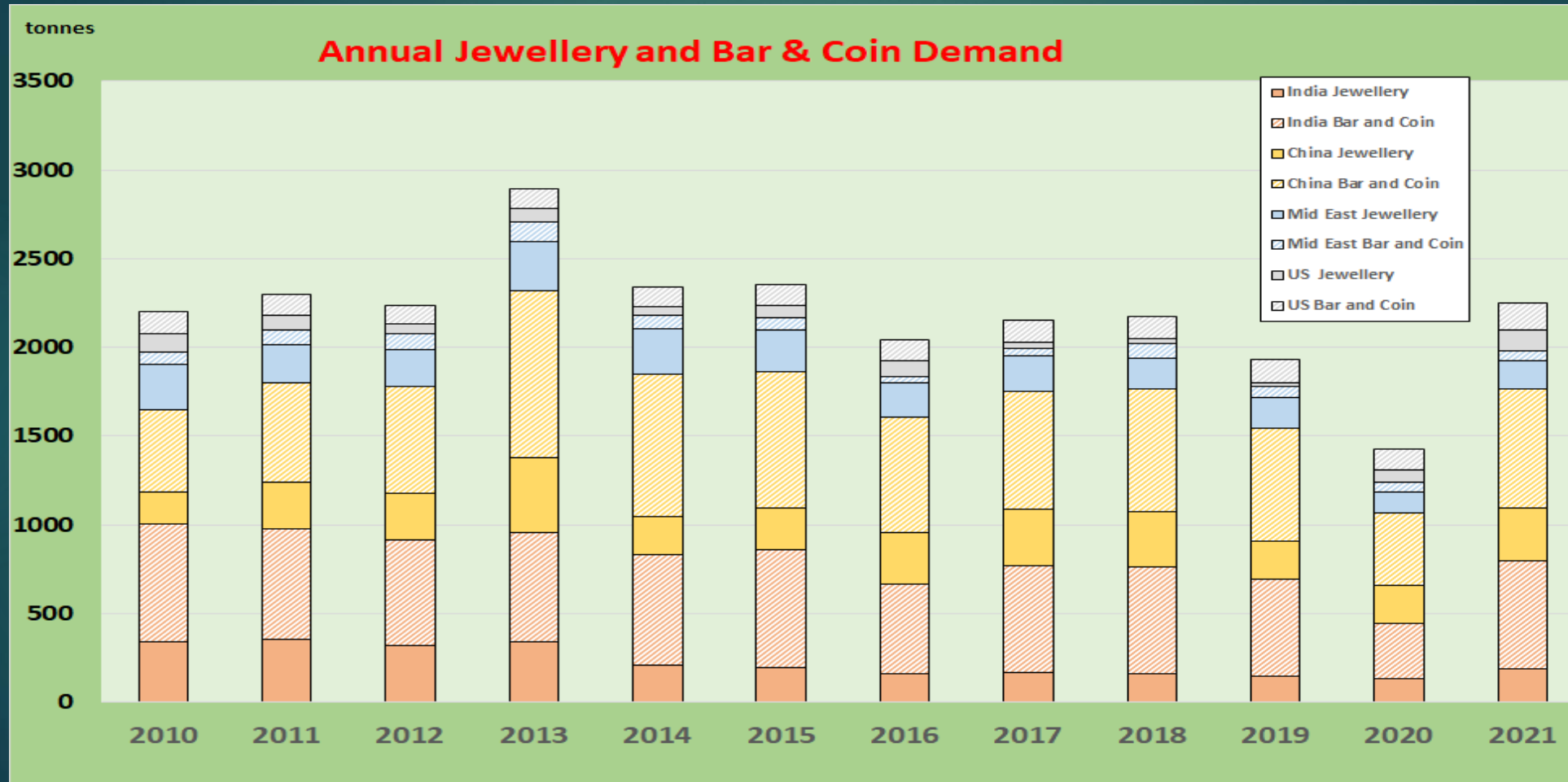


Global Consumer Demand (Qtly Annualised) vs US\$ Gold Price



Major Gold Buyers

- Jewellery, Bars and Coin



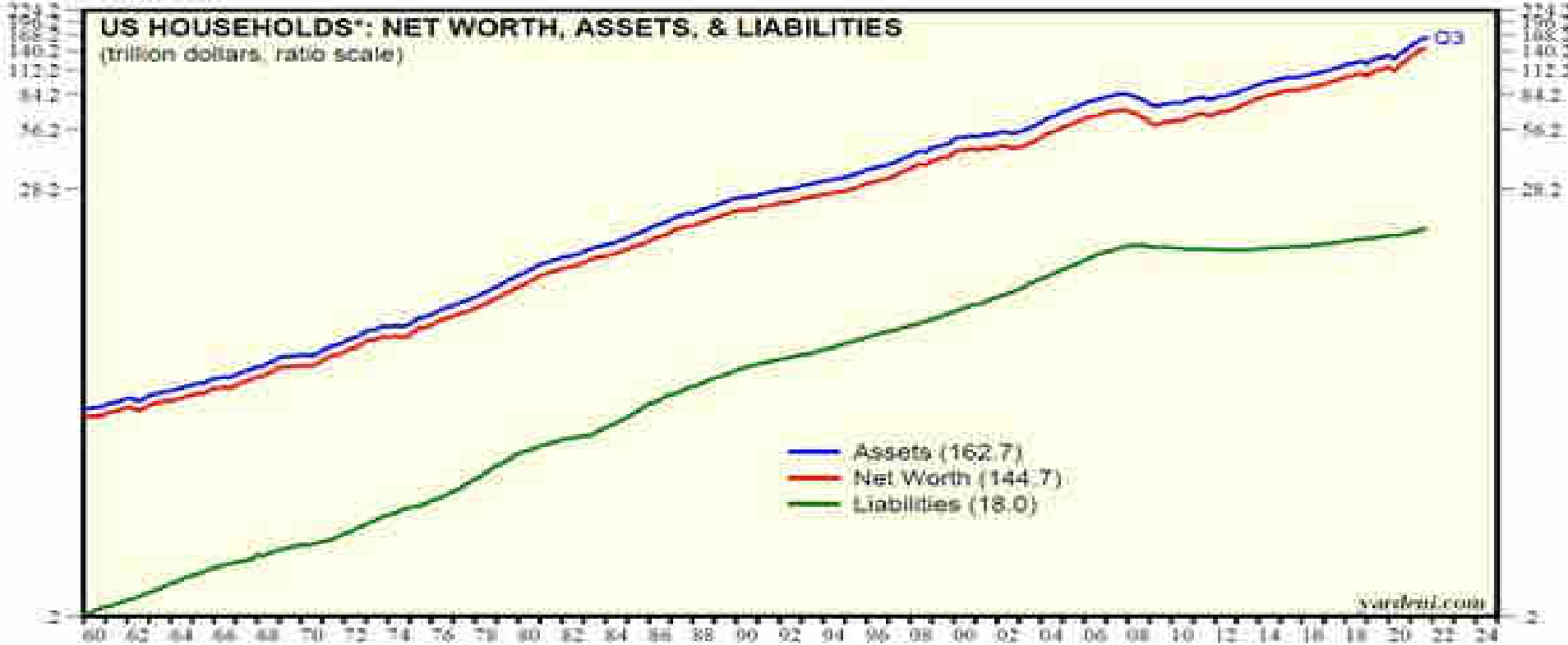
US Households have never been better

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Net Worth

Figure 3.



* Secur includes domestic hedge funds, private equity funds, and personal trusts.
Source: Federal Reserve Board Financial Accounts of the United States.

S&P 500 Index



Global Stock Markets Index



Conclusions

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- ▶ Gold taking next steps in Second leg of Bull Market
- ▶ Underlying demand to be strong for many years
- ▶ Consumer wealth growing
- ▶ Gold rising in all currencies

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