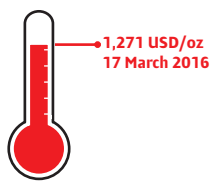


Gold fever

#visualizingthecrisis



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19 March 2016
Issue 03

Stairway to safe haven

1 Brexit

Investors most likely are carefully watching the Brexit, which could happen in June 2016. With concerns over whether Britain will leave the European Union, gold prices in pounds have risen about 20% since the beginning of 2016.

In February major bullion dealers have seen an increase in the number of new customers, higher transaction values as well as younger customers than the norm in the long term. Clearly, age is a factor in Brexit vote next.

A recent survey YouGov showed the voters of age between 30 and continues under the accession supported EU of nearly two to one.

Over sixty pro Brexit



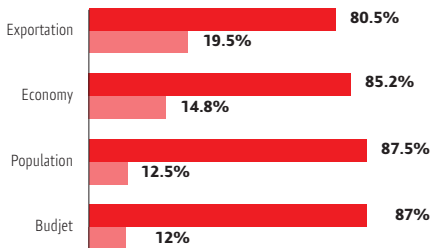
Under thirty versus Brexit



What represents England for EU

A Brexit would be an important event for EU, because UK is one of the bigger European economy.

LEGEND
European Union
United Kingdom



Gold investors before Brexit issue

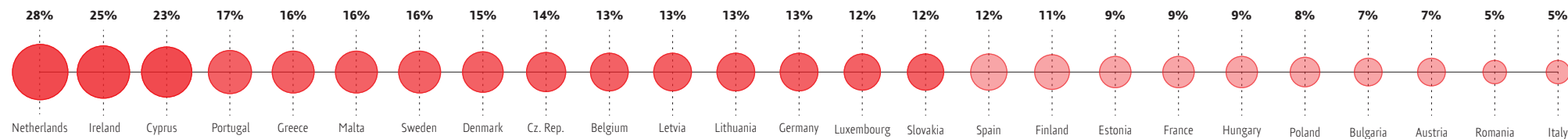


Gold investors after Brexit issue



Countries' vulnerability for their trades with UK

High vulnerability Average vulnerability Low vulnerability



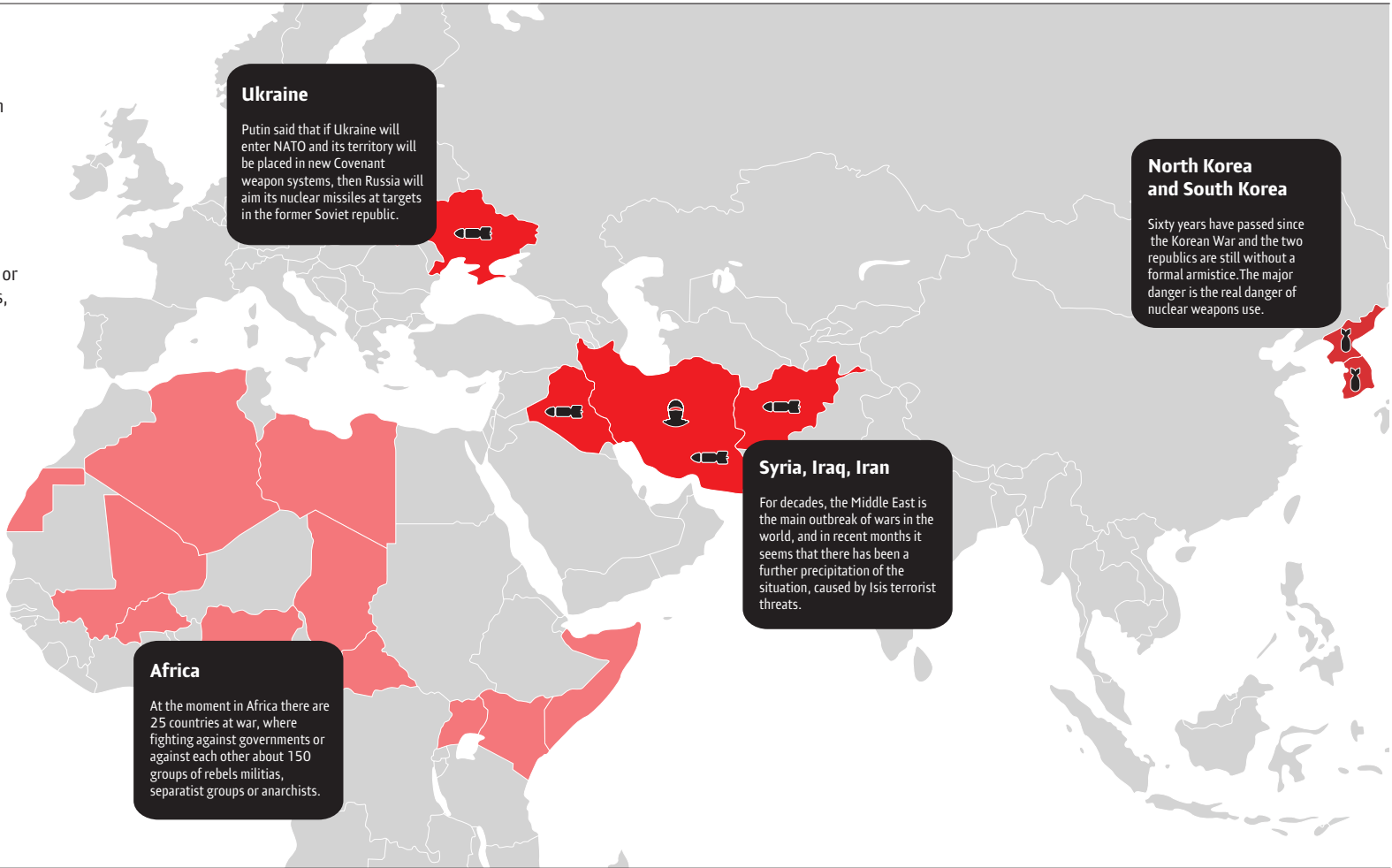
2 Geopolitical conflicts

Gold is considered by the experts, and has been proven in history, as a shield against any kind economic and geopolitical storms of all kinds. Amid the global crisis of any kind, only gold maintains or increases its value.

The category of "hard asset" includes all investments (tangible assets) that retain their value over time, despite periods of uncertainty or high inflation, offering protection against wars, cataclysms currency and economic crisis.

LEGEND

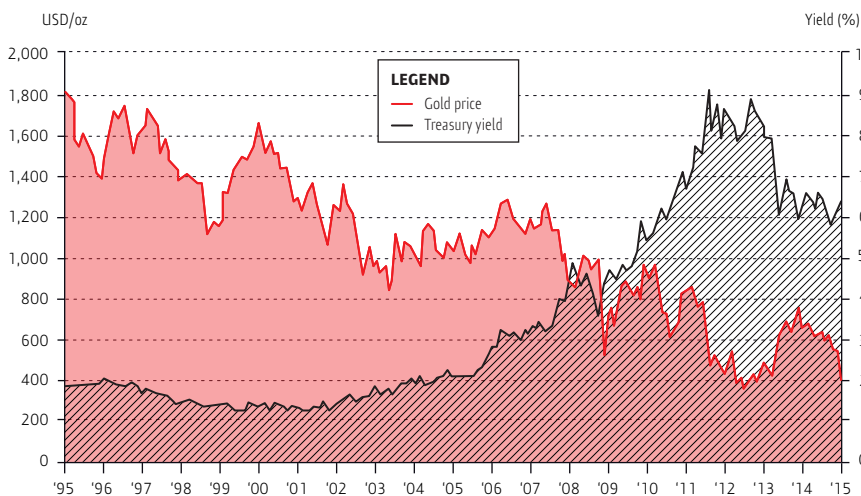
Terrorist threat
Atomic threat
Missilistic threat
Danger
High danger



3 Interest rates

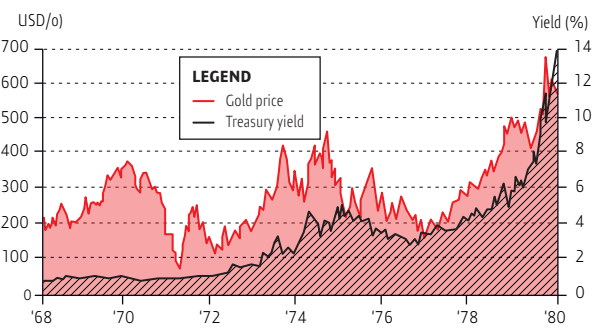
When interest rates are negative gold price rise up and it goes down when they are positive. Generally, real interest rates have a negative correlation with the price of gold, that is, the rising interest rates have a negative effect on the yellow metal.

Higher rates mean higher costs of interest in holding non - interest bearing activities, such as precious metals, which makes them less attractive.



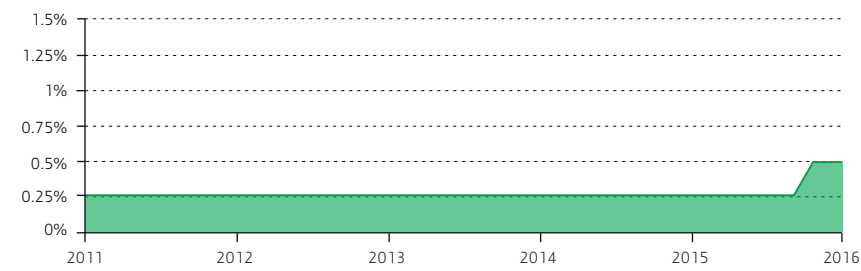
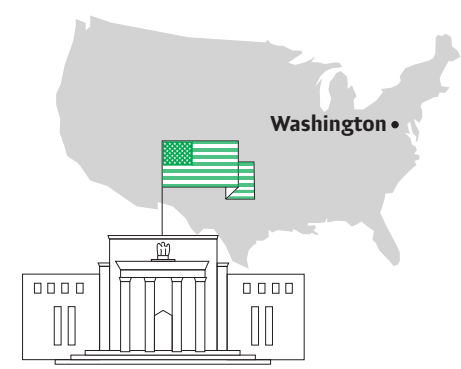
Is a rule always valid? The Gibson's paradox

The quantity theory of money assumes that the interest rates are correlated to price inflation rather than the general price level.



Central Banks' interest rates and gold price

Federal Reserve (FED)



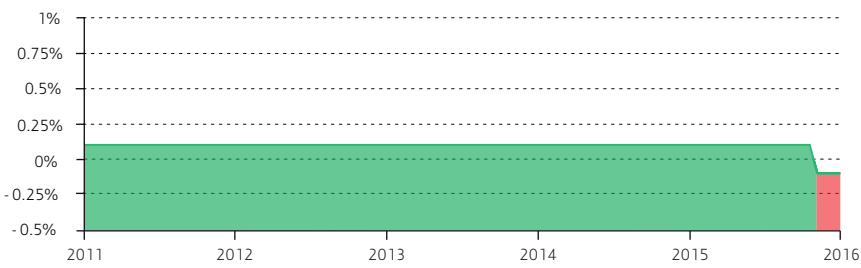
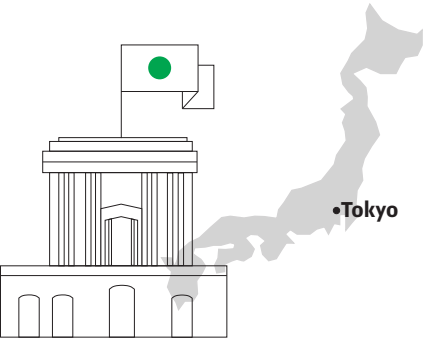
Gold snapped a three-day losing streak after Federal Reserve officials held off from raising borrowing costs and scaled back forecasts for how high interest rates will rise this year.

The Fed kept the target range for the benchmark rate at 0.25 percent to 0.5 percent, according to a statement Wednesday following a two-day meeting.

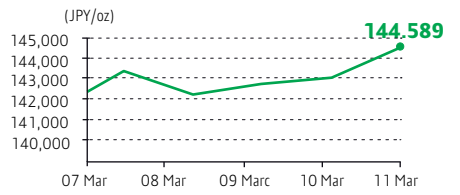
Tuesday gold funds rise + 0,1%



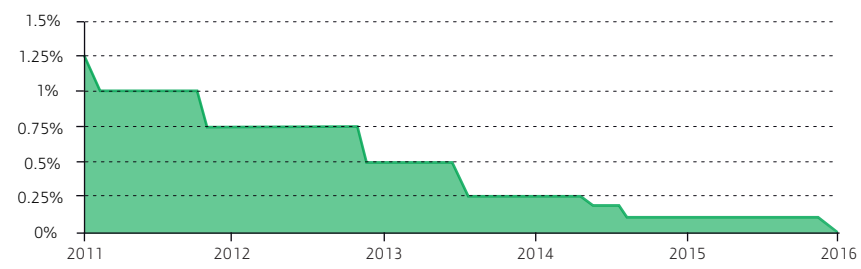
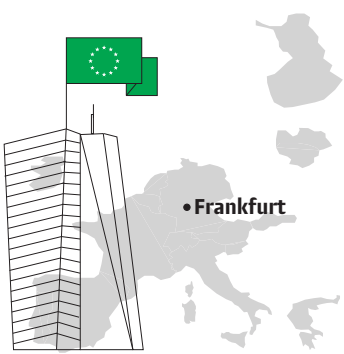
Bank Of Japan (BOJ)



Japan's negative interest rates are boosting demand for gold according to the nation's biggest bullion retailer. International prices have rallied 18 percent this year as investors seek a haven from financial market turmoil.



European Central Bank (BCE)

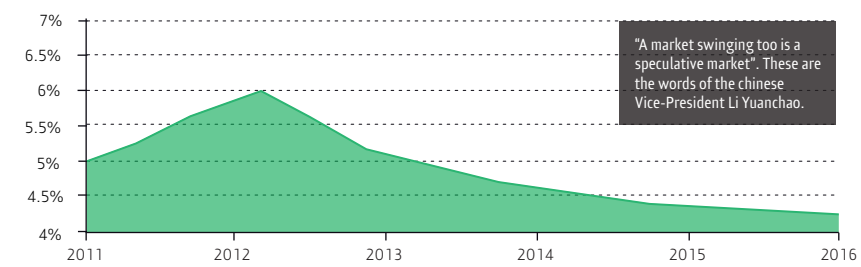
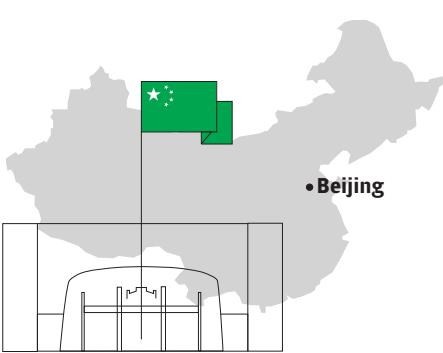


Draghi explained how the new moves are designed to "further facilitate the conditions of access to credit" and bring the eurozone closer to the goal of inflation to 2% (in February, the latest Eurostat survey, the rates were negative).

Inflation objective 2%



People's Bank of China (PBOC)



"A market swinging too is a speculative market". These are the words of the chinese Vice-President Li Yuanchao.

The storm that hit China on financial markets in starting the 2016 casts uncertainty investors, now dominated by a strong aversion to risk and fear that speculative attacks can decimate their savings.

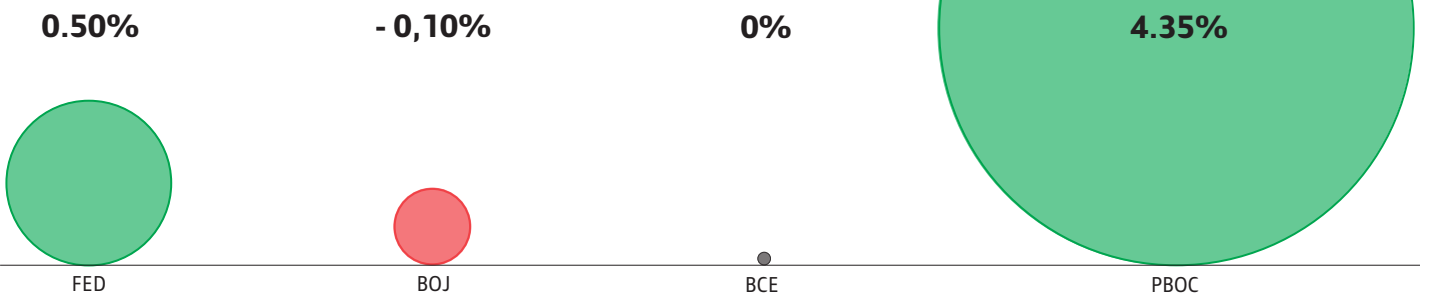
Private investors 80%



Central Banks' rate interest of these week

Central banks have a vital role in Forex trading: changes in monetary policy and decisions on interest rates have a strong impact on every currency of the concerned country.

Interest rates, set by each central bank, strongly influence the foreign exchange market. They encourage international investors to invest their money in the forex exchange in order to obtain a high yield.



Historical break

