

# Good News for Gold Investors

Retrieved Wednesday 20th of September 2017 09:05:43 PM

*The reaction of gold to the Fed's speech should tell us a lot about the dollar's status as a "safe haven".*

Today, the Fed has to communicate, ie to give indications to the Market as to its future orientations. The Fed could withdraw some of the counterfeit currency it has injected since the financial crisis. It will be very edifying to watch the reaction of gold.

The Fed now has more than \$ 4,500 billion in its balance sheet, a quarter of the US economy. It repurchased bonds, including \$ 2,500 billion of treasury bills, giving the sellers fresh money that it created from scratch. This operation was frozen in October 2014.

The Fed could now begin to resell some of its securities, which would take money off the market. The expected pace would be \$ 10 billion to \$ 50 billion per month. This is the plan supported by the "falcons" supposed to be for monetary rigor.





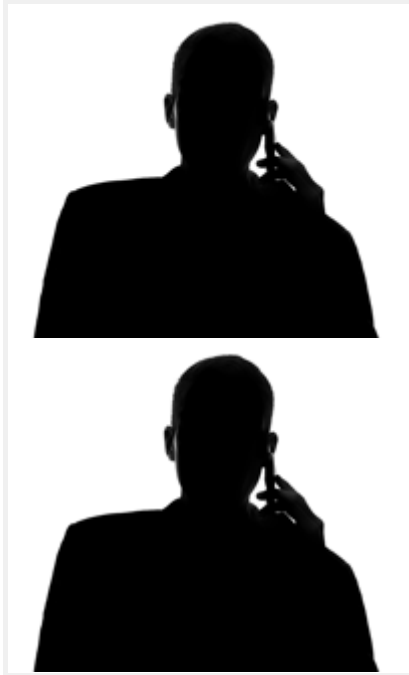
Personally, I think monetary hawks have been eradicated for a long time, either at the Fed or elsewhere ... They are useless. The gold is fine enough and does not need any official or central bank governor treatment to do the job.

But there are also doves, favorable to monetary laxity. Janet Yellen is supposed to belong to this clan, gratefully nourished by the seeds of Keynesianism and creditism.



This explains why Janet Yellen announced this operation on June 14, nothing has yet been done.

Over the past 10 years, these \$ 45,000 billion in counterfeit currency have accounted for roughly 2 percent of the US economy's average annual growth.



\*\*\* **A phone call to 27 000 €** \*\*\*Our informant, a former consultant to the CIA, made us revelationsshattering

To discover them - and the incredible opportunity that goes with it -[click here](#)

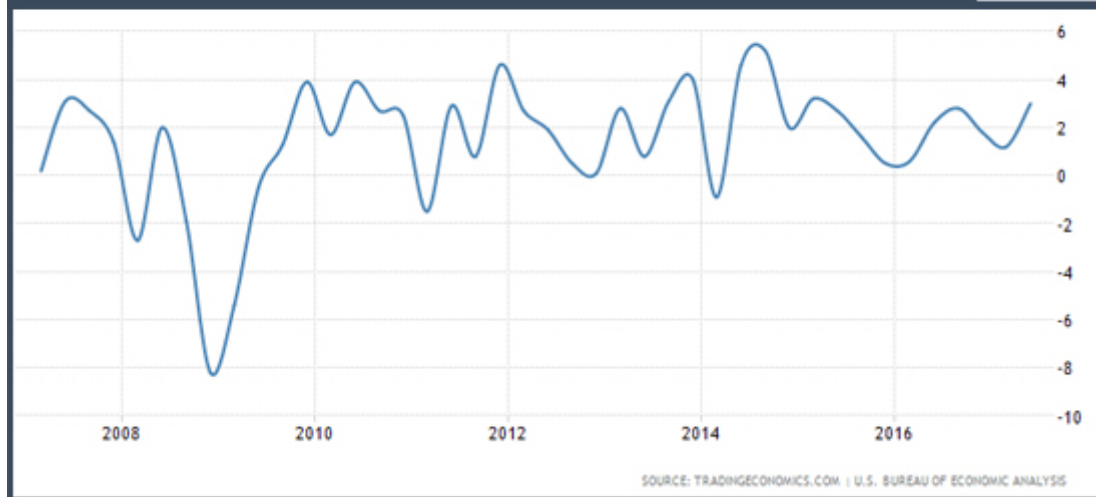
Therefore, we can consider that the US growth of the last 10 years, which fluctuates around 2%, is mainly due to this phantom money.

## Evolution du taux de croissance des Etats-Unis depuis 10 ans



## Evolution du taux de croissance des Etats-Unis depuis 10 ans

LCA



Let us return to gold. Traditionally, gold and dollar spells are linked. A fall in the dollar translates into a rise in gold and vice versa.

The doves are allergic to gold, its prices are the subject of proven manipulations by the major banks, but the barbaric relic continues to exist. When the doves multiply, the price of gold in dollars is rising.

Conversely, all hawks throw a threatening shadow on the shiny gold.

Here is where we are. The following is the chart of the gold price quoted in dollars quoted in London since 2006. A peak was reached during the summer of 2011, with gold exceeding \$ 1,900 per ounce. After a long descent into hell until February 2016, its course rebounded.





*Click on the graph to enlarge*

\$ 1,050 per ounce, the lower orange line, is what graphic analysis enthusiasts call a support, a floor course at the moment. Gold is unlikely to go below.

\$ 1,370 per ounce, the upper orange line, is a resistance. Gold has already stumbled on this ceiling but it seems that stubborn and stubborn, it jumps to try to bump into the ceiling ... or burst it.

Gold and silver prices rise

Many observers have blamed the recent rise of gold on the history of Korean missiles. Explanation by too easy with a little distance. If the Market had been afraid of a conflict, equity markets would not record record-setting and we would have seen the stock market indices fall in parallel with the rise in gold.

Certainly, the Market is drunk with adulterated liquidity and kisses the street lamps at night, but it is not yet dead. Our drunkard has his reflexes.

The dollar is falling against all other currencies. Monsieur le Marche, drunk as he is, bet on a flight of doves.

But there is much more to be said about the evolution of gold, things that are not necessarily seen on this graph, independently of the cooing of Janet Yellen.

Let us not forget that this gold price expressed in dollars is only the exchange rate of futures contracts on gold, not physical gold, the real thing.[Editor's note: Do you know what physical gold you should buy? This piece has very special characteristics that enable it to escape legally from any taxation.[Discover it here.](#)]

When certain holders of these futures contracts demand delivery, gold is not delivered but strong dollar compensation is given to them. Compensation deemed satisfactory ... as long as the dollar is accepted.

Will it still be so? That's what we'll see tomorrow ...