
THE GOLD TIMES

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The South African
Gold Coin Exchange
— THE MARKET LEADERS —

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GOLD BUGS FINDING COMFORT IN CHAOS

For the past several years, gold has been hiding on the fringes as the stock markets have committed attention by virtue of there being “cheap money”. Known as the ‘barbarous relic’ by gold bears for over 100 years, there is a surge in demand for the yellow metal at the moment, especially as a Rand hedge. All the gold bears have turned into bulls. Fear and greed rule in all markets.

Gold (in Dollar terms) has climbed to a 7-year high of over \$1,650/oz, with trade war tensions, global and economic unrest and more significantly the Covid-19 virus that has gripped the entire world. The gold price multiplied by the treacherous Rand/Dollar exchange rate and propelled by the junk-status rating, have taken gold to extraordinary levels of over R30,000/oz. On April 1st 2019, one ounce of gold was R17,900. That’s almost 100% increase in 1 year.

Rael Demby, COO of The South African Gold Coin Exchange, says ‘there has been a tremendous demand for the ultimate store of value. Due to the disastrous Covid-19 virus that is crippling the world

both socially and economically, many

people feel that gold is needed to stabilize one’s portfolio and thereby manage their risk.’ ‘Gold provides piece of mind as a world hedge in momentous moments like this.’

Some believe there are easier ways of hedging against uncertainty, like derivatives, art, watches or other alternative assets, however we are witnessing a pandemic that is immobilizing the world, that has already wiped off \$17Tn off global stock markets. Sceptics might have shunned gold “apocalypse hoarders” last year, but it is the doomsdayers of the world who are drawing gold to the edge of darkness.

Gold has ruled for over 6000 years, and continues

