Gold price soars to all time high in early European trading



Precious Metals News

The price of gold is currently at US$2033, after a positive trading session in Asia overnight has been continued in Europe this morning.

The US dollar value versus gold continues to fall as investors switch to the traditional safe haven amid the FED money printing binge, and rising concerns over the state of the US economy as the covid-19 crisis shows no signs of abating.



Gold from the RNC mine near Kalgoorlie, Australia.

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The ongoing and increasing tensions between the USA and China is also adding to the mounting crisis, and comments by a US commentator that the USA may initiate a nuclear war with North Korea were clearly not timely nor helpful.

Marc Chandler, chief market strategist at Bannockburn Global Forex, said that he expects that gold prices could easily hit $2,000 an ounce before this current rally is over.

"It is difficult to talk about resistance in never-before-seen prices, but if our view of interest rates and the turn in the dollar cycle is fair, then $2,500 might not seem unreasonable," he said in a report Sunday, reiterating his current bullish stance.

Daniel Pavilonis, senior commodities broker with RJO Futures stated *"We have printed so much money and there is so much risk on the table it is difficult to see how the U.S. dollar*

rallies from current levels.”

Jim Grant is a monetary historian and expert, financial journalist, and editor of the investment newsletter ‘Grant’s Interest Rate Observer’. He is “very bullish on gold” due to deepening concerns of a crash in sovereign debt.

In a recent Wall Street Journal interview Grant asserted that “the Fed’s zero interest rate monetary policy is hopelessly distorting the economy and policymakers, Powell in particular, should find a bit of humility.

Ground-scraping interest rates turn savers into speculators and quarantined millennials into day traders. They facilitate overborrowing, suppress market signals, misdirect investment dollars and promote the dubious business of turning well-financed public companies into heavily indebted private ones. Concerning the future and its side effects, Mr. Powell should admit how little he knows — he and the rest of us.”

A lot of experts are all speaking the same language, and the fear of inflation created by massive FED money printing is the overriding reason for some investors switching to gold, and also, to a lesser extent crypto, which is now slowly rising after a recent hiatus.

It should be remembered that in normal times the summer is normally a weak time for the gold price, and traditionally the best day to buy a gold miner is the 1st August, but with all the turmoil going on currently, nothing is acting as it should be, so we all have to be aware of the opportunities being presented to us.

I would suggest that everyone should either own some physical gold, or silver, (at home and well hidden of course), and/or own some shares in ***producing*** gold and silver miners in tier 1 jurisdictions (US, Canada, Australia etc.) as part of their portfolios.

It’s sure going to be an interesting next week or two.