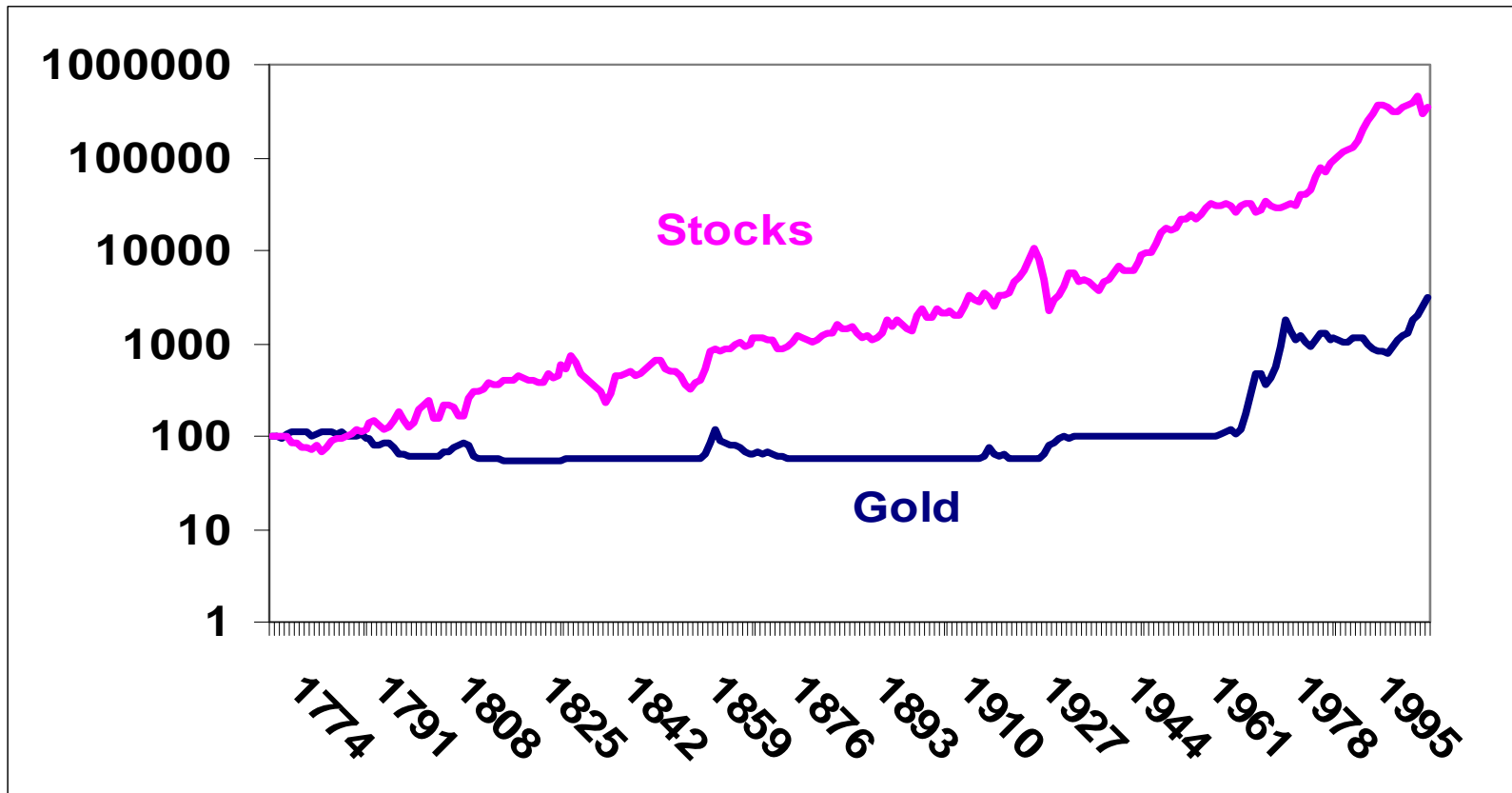


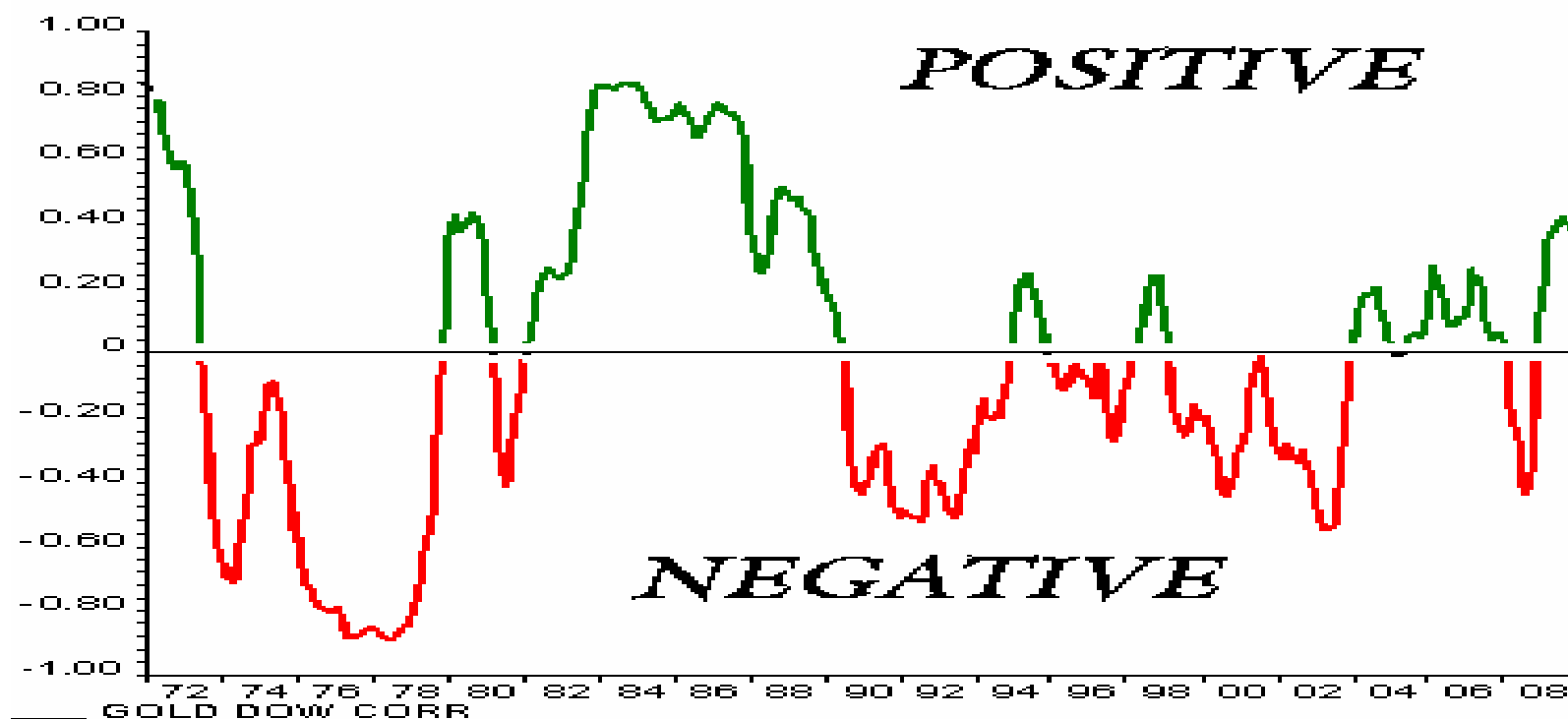
GOLDEN TIMES

Dominic Picarda CFA
Associate Editor

Gold for the long term??

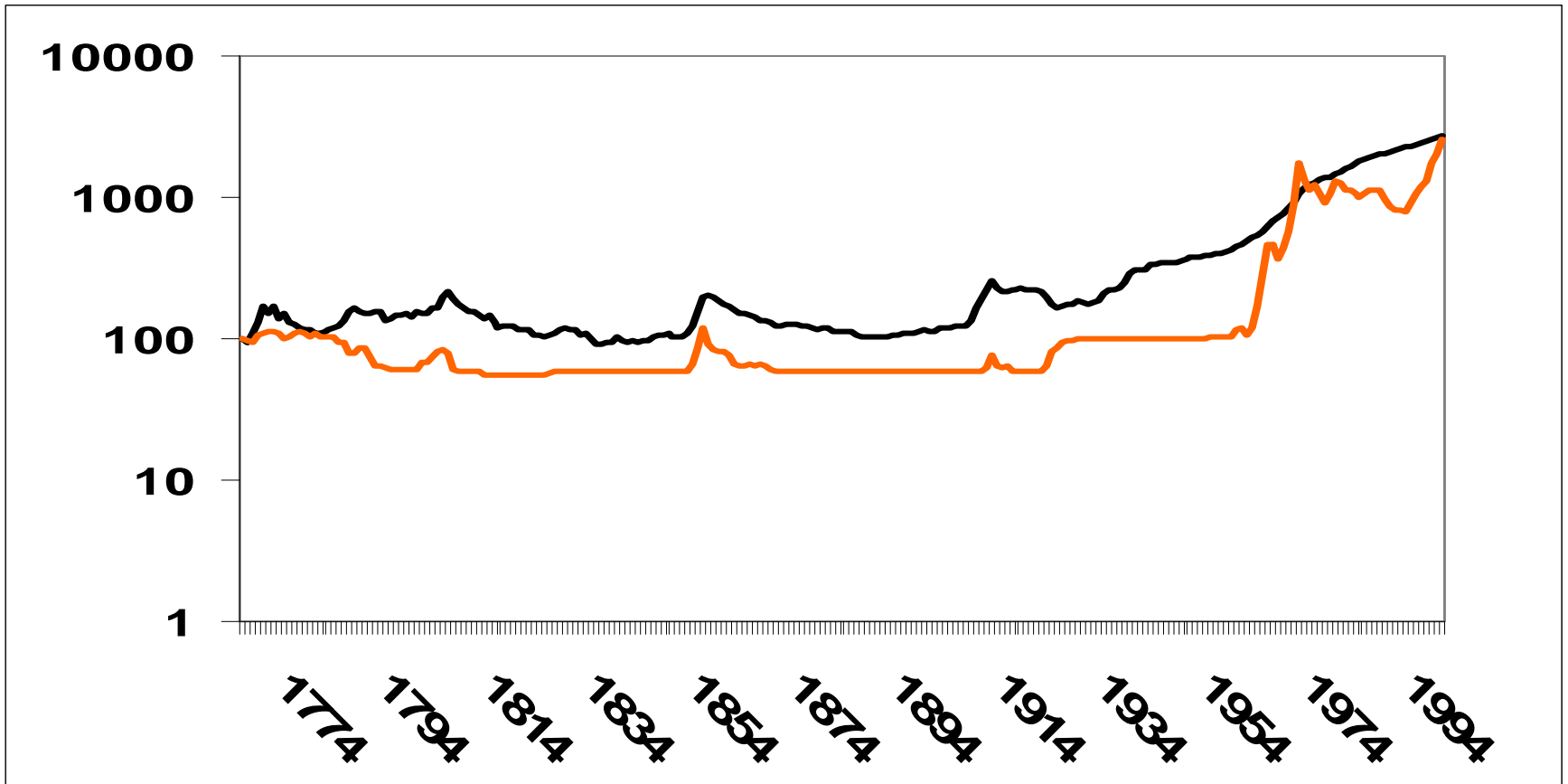


Gold and stocks: a negative relationship

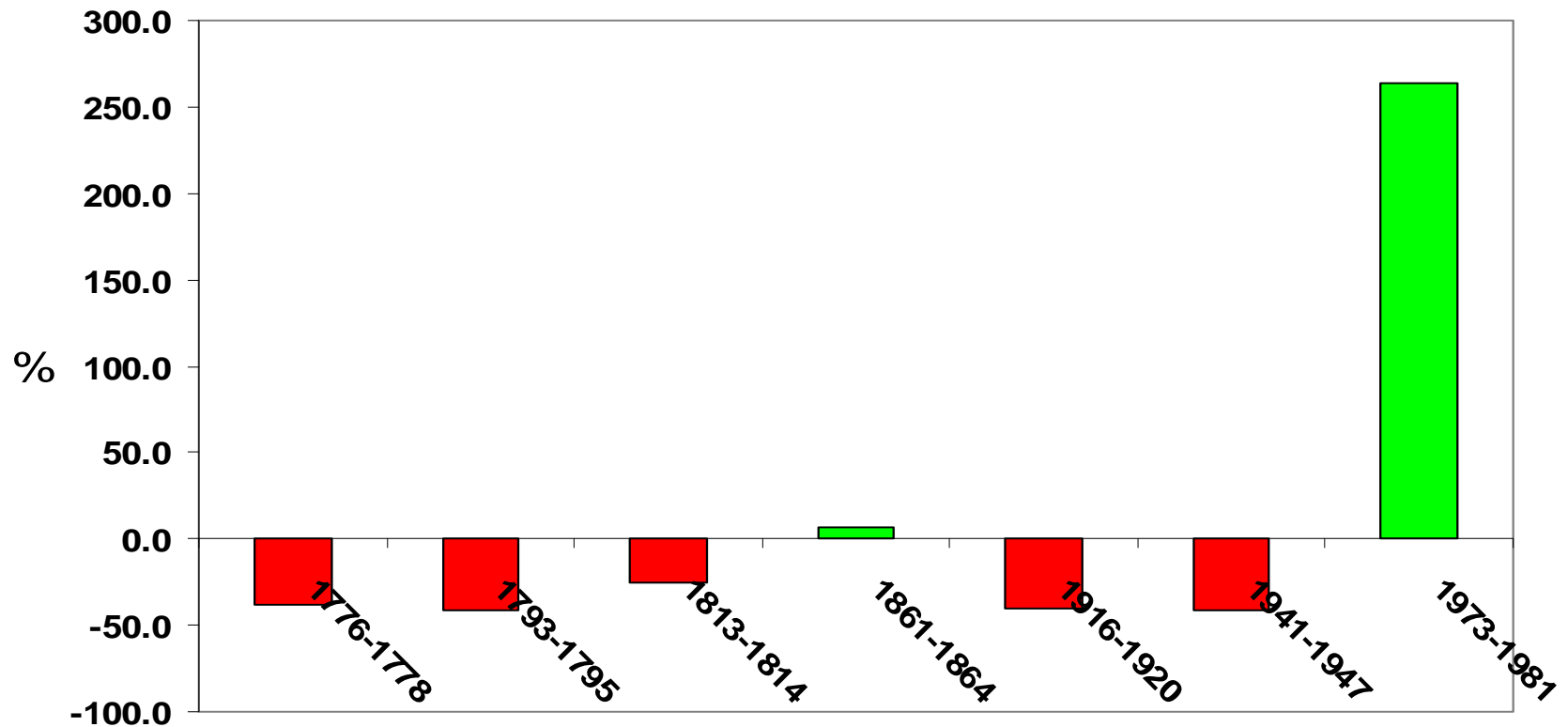


Source: DATASTREAM

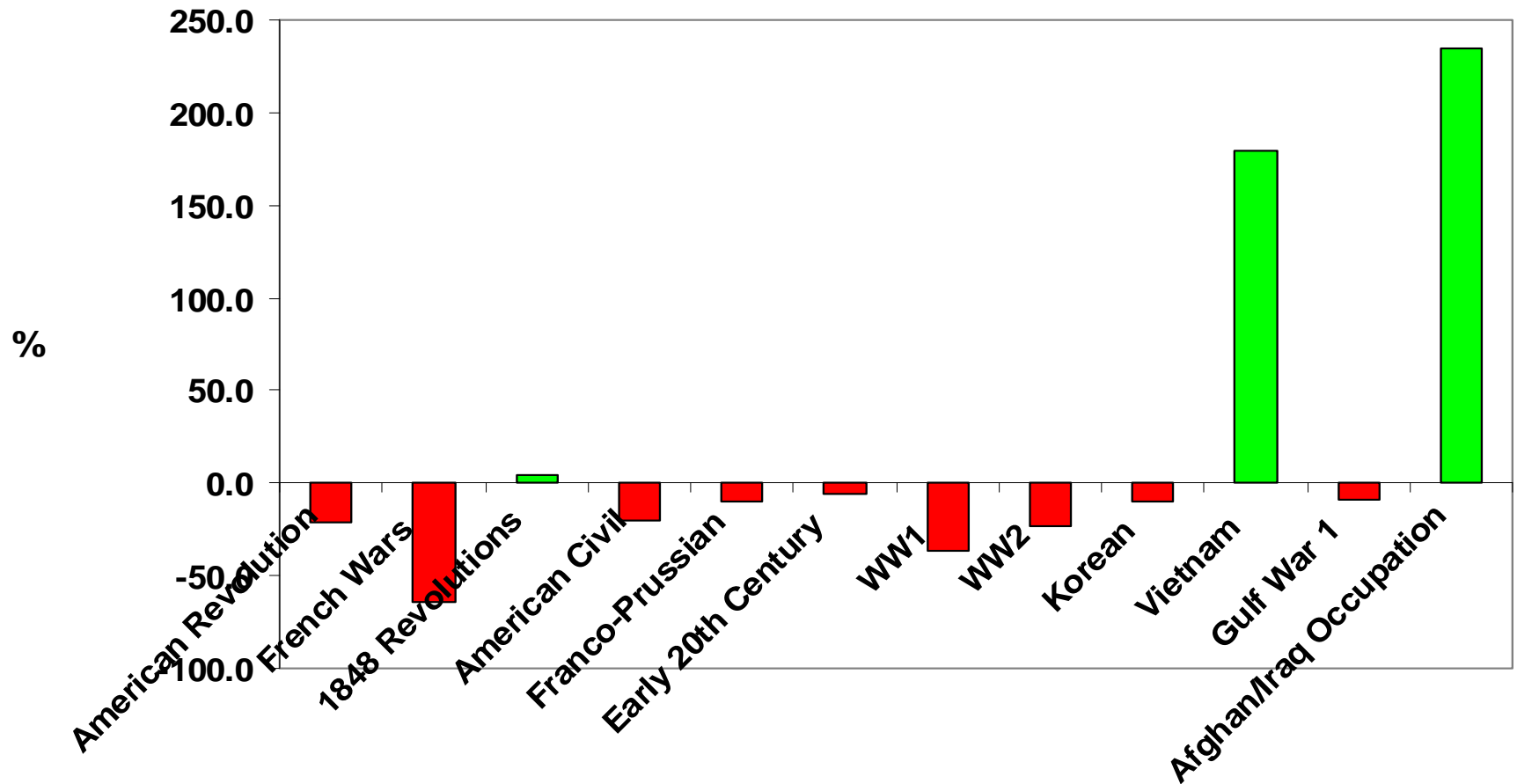
Gold and inflation over time



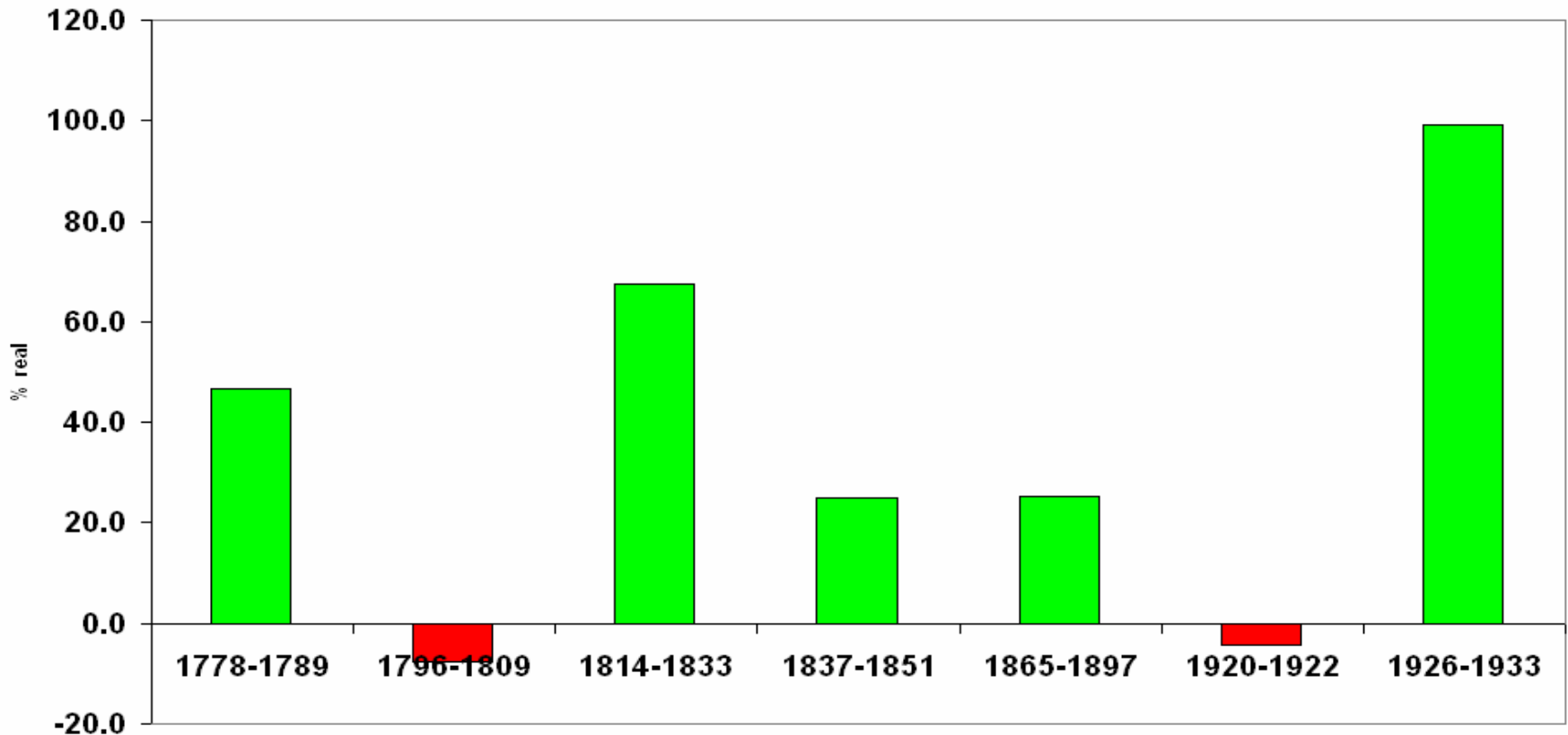
Gold during inflationary shocks



Gold during times of conflict



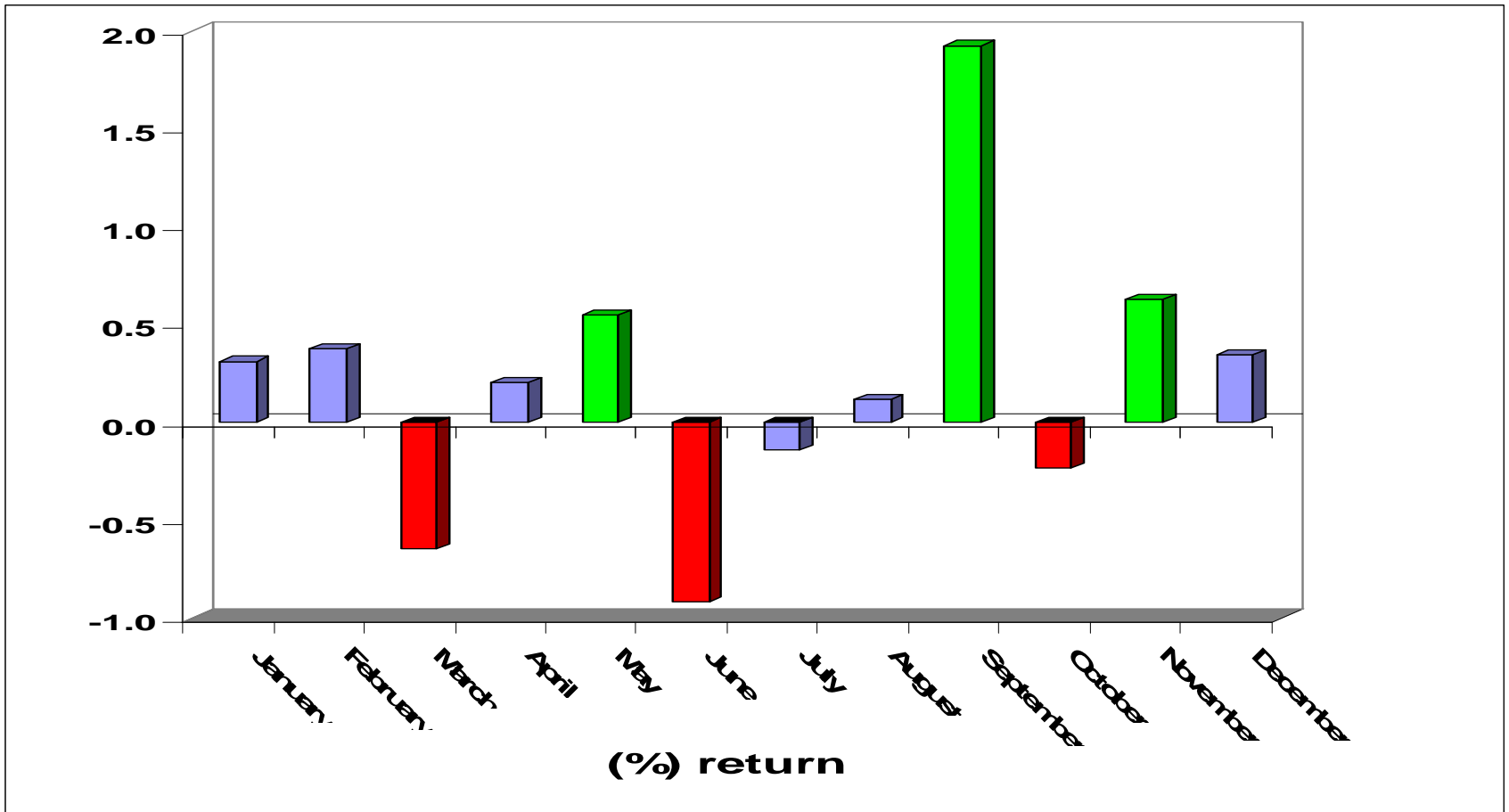
Gold shines in deflationary eras



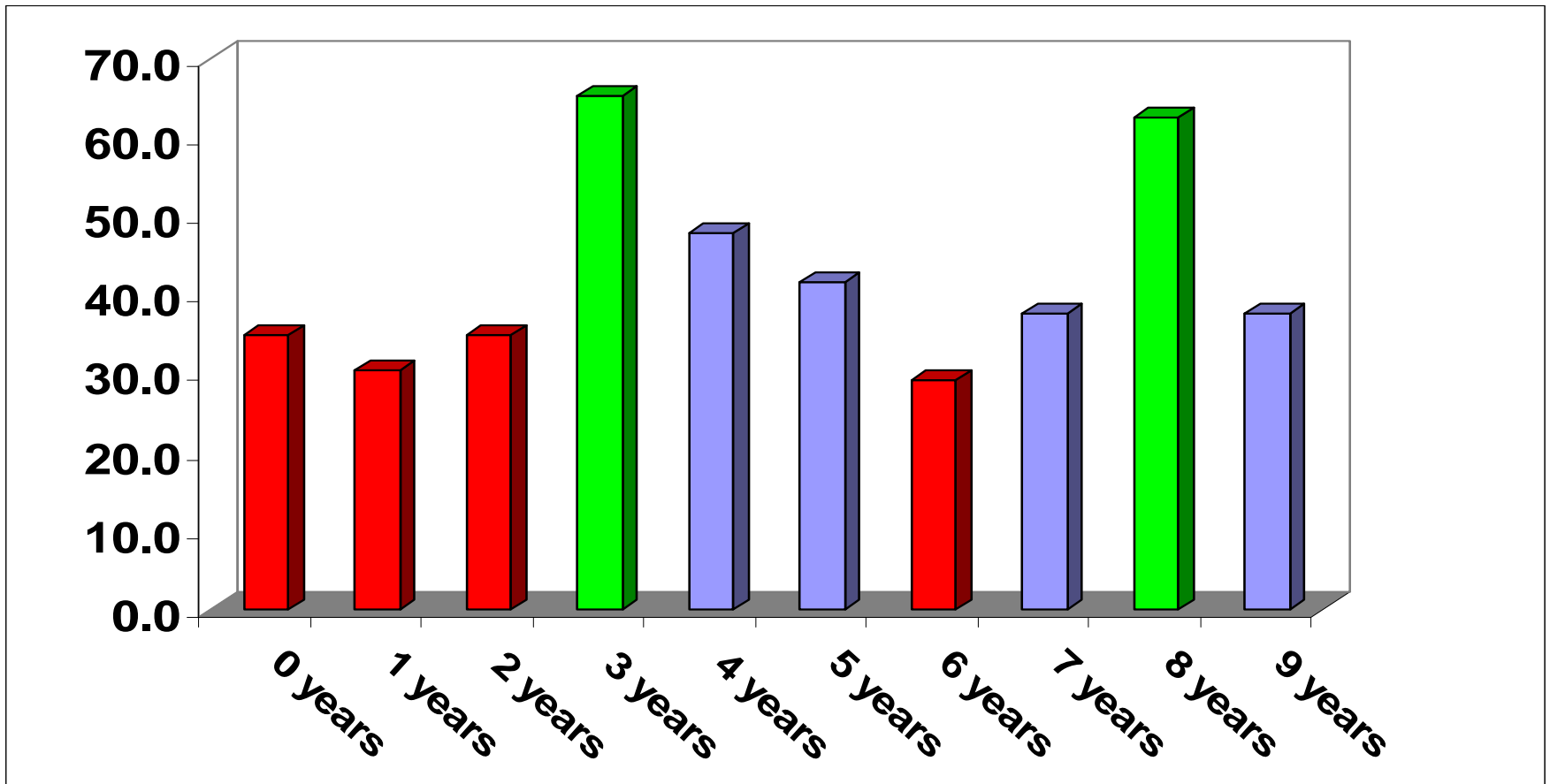
Today's gold bull market in context

- Average length 16 years
- Last bull market lasted 10 years, travelled 822% in real terms
- Current bull market 8 years old, up 250%
- Still well below 1980 real-terms high of \$1798

The best & worst months for gold



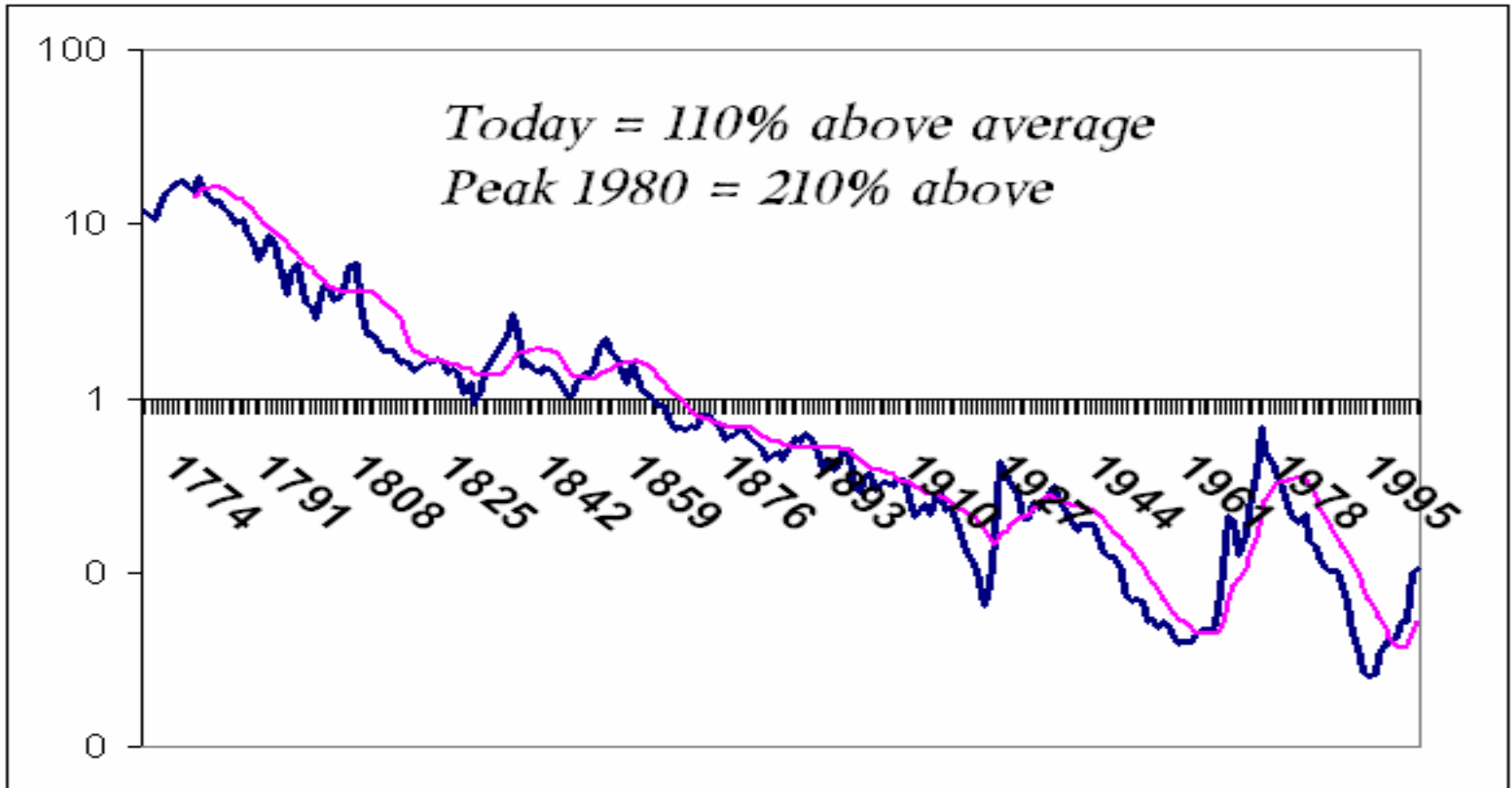
Early years of the decade are weaker for gold



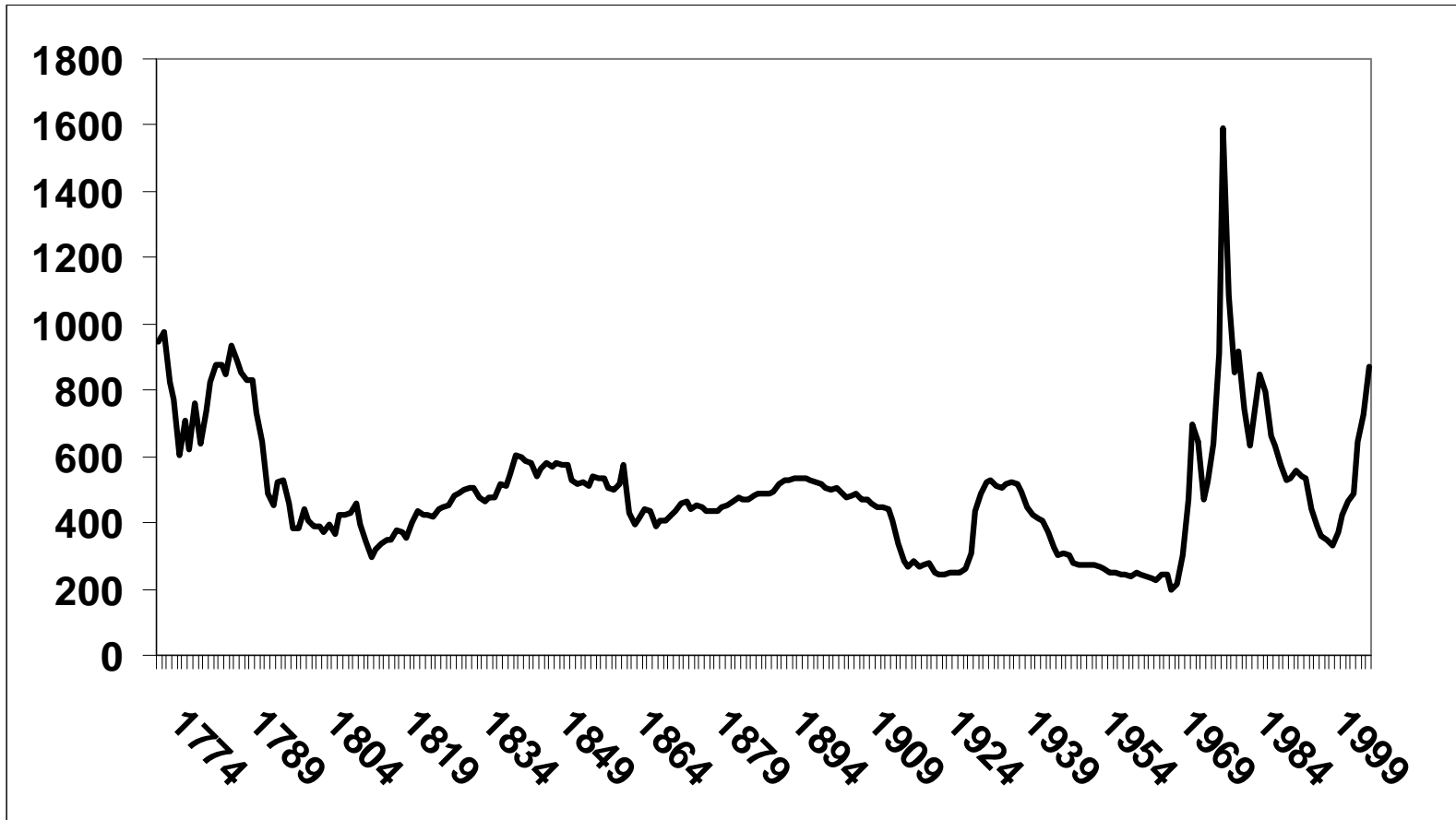
When gold beats stocks

- **Eleven periods since 1774 when gold has beaten stocks**
- **Lasting an average of 7 years, 9% annualised**
- **Longest was 1965-1980; 21.1% annualised**
- **Today: gold up for 9 years; 13.3% annualised**

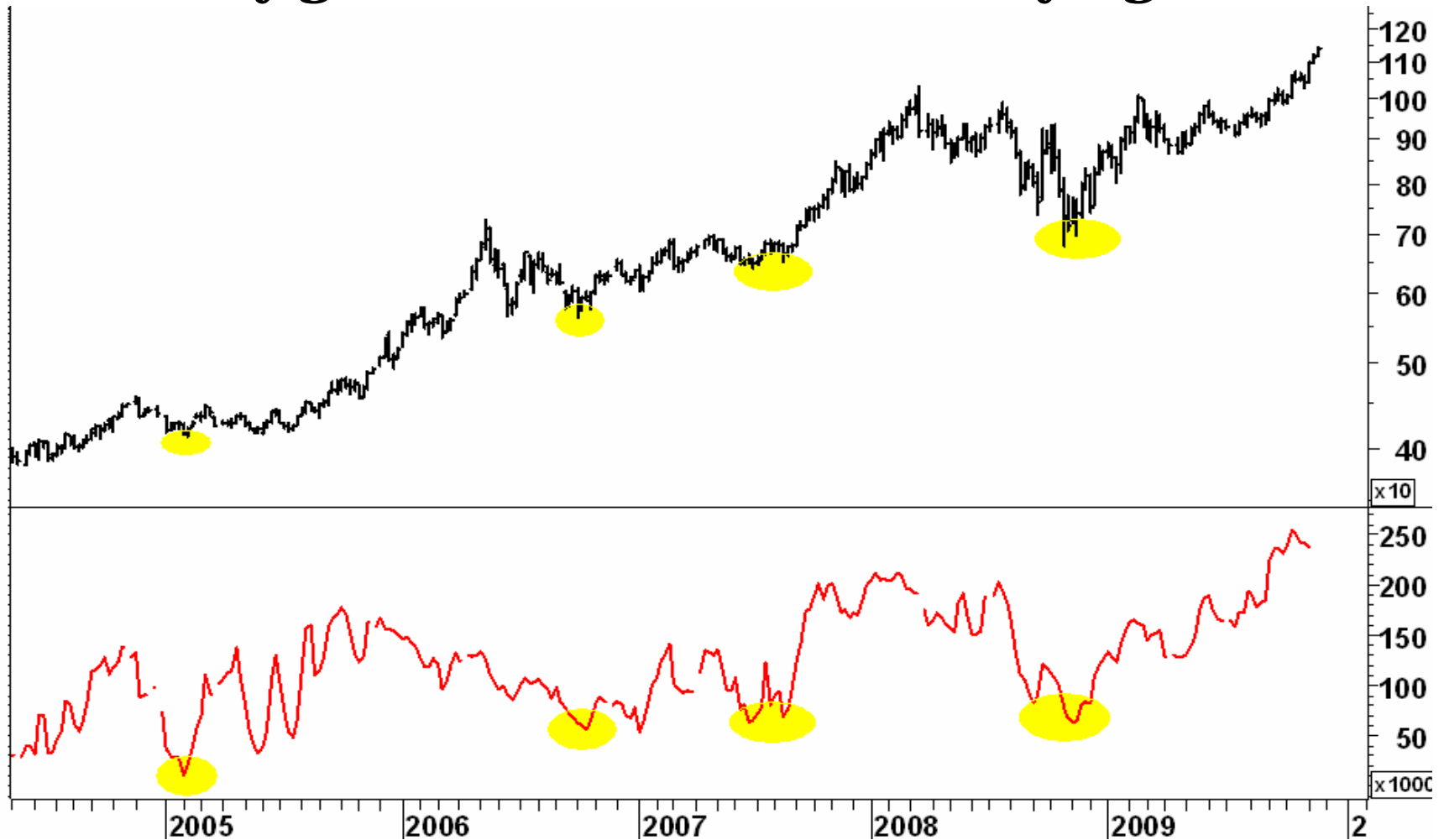
Gold v Dow – compared to its average



The real price of gold

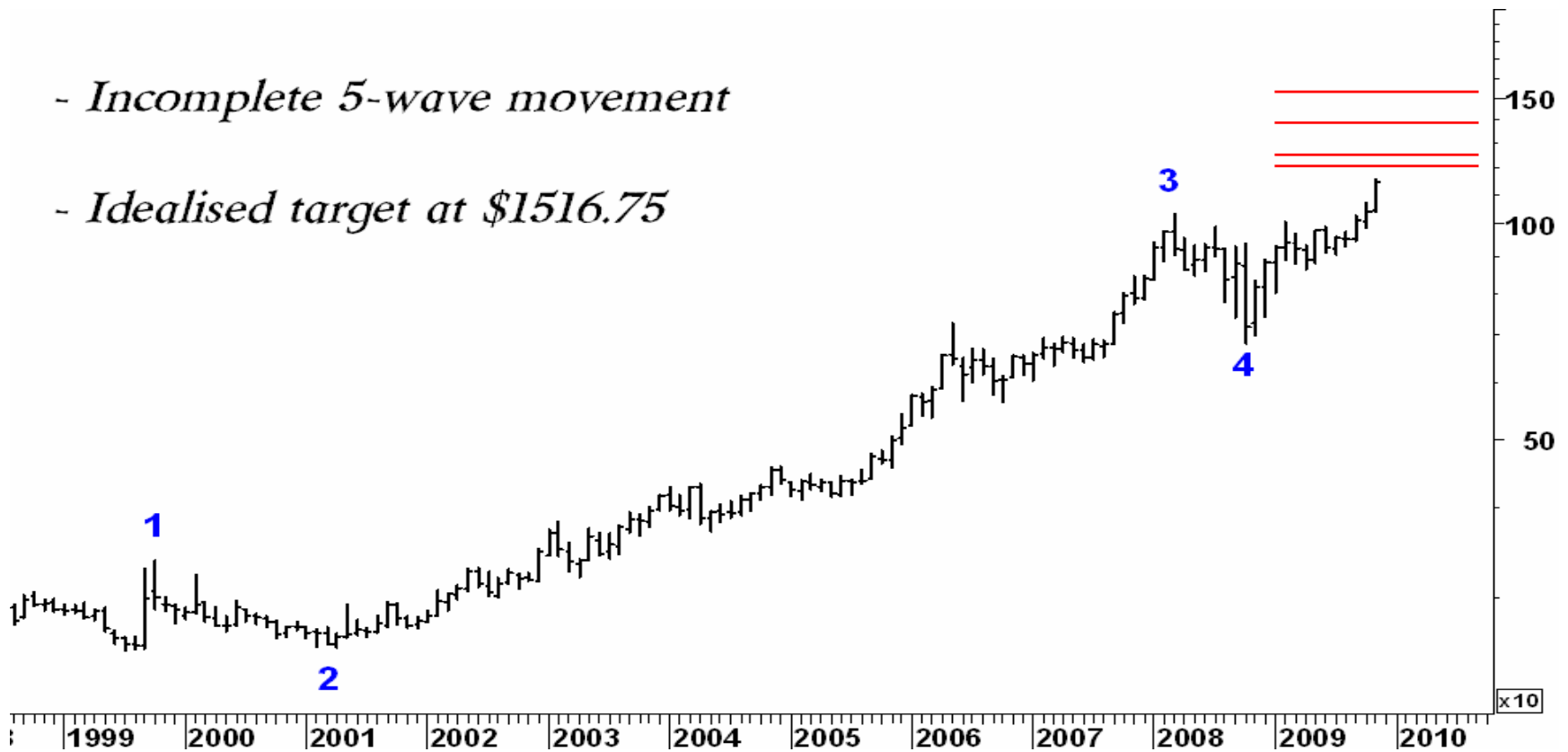


Buy gold when others aren't buying



Gold's bull market: an incomplete pattern

- *Incomplete 5-wave movement*
- *Idealised target at \$1516.75*



Major target for gold at \$1580

