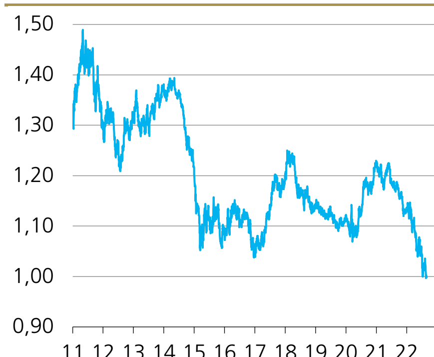
Degussa Market Report

1 September 2022 Economics · Finance · Precious Metals

USD per ounce of gold

USD per ounce of silver

EURUSD



Source: Refinitiv; graphs by Degussa.

Precious metals prices	Actual (spot)	Change against (in percent): 2 W	3 M	12 M
I. In US-dollar				
Gold	1.713,1	-4,9	-9,7	-5,5
Silver	18,2	-12,6	-20,0	-23,8
Platinum	843,6	-12,4	-9,4	-16,7
Palladium	2.090,0	-6,0	-9,9	-15,3
II. In euro				
Gold	1.716,2	-2,3	-4,6	11,8
Silver	18,2	-10,1	-15,6	-9,8
Platinum	845,1	-9,9	-4,8	-1,6
Palladium	2.092,0	-3,5	-5,0	0,0
III. Gold price in other currencies				
JPY	237.504,0	-1,2	-3,5	19,1
CNY	11.819,7	-2,7	-5,7	0,9
GBP	1.471,6	-0,9	-2,4	11,7
INR	136.244,6	1,9	-6,1	3,0
RUB	103.128,6	-5,4	-22,5	-22,2

Source: Refinitiv; calculations by Degussa.

OUR TOP ISSUES

*This is a short summary of our fortnightly **Degussa Marktreport**.*

EVERYTHING YOU ALWAYS WANTED TO KNOW ABOUT … MONEY (BUT WERE AFRAID TO ASK)

ELECTRONIC CASH CONFERENCE | Prague, 27 August 2022 | A talk held by Thorsten Polleit

Introduction

With my talk, I would like to accomplish three goals:

First, I want to explain some sound and time-tested basics of monetary theory.

Second, I would like to point out why it is important to have a free market in money; that the battlefront of our time is not between, say, bitcoin, stable coins, gold, and silver, but between government-monopolised fiat monies and a free market in money.

And third, I hope to strengthen your conviction that we need a free market in money! Unless we succeed in ending governments' money monopolies, I fear we might end up in the most sinister tyranny the world has ever seen.

On the subject of money

Let me ask you: What is money? The answer is: Money is the universally accepted means of exchange.

As such, money is a good like any other.

What makes it really special is that money is the most marketable, the most liquid of all goods in the economy.

Money is no consumer good and no producer good. It is the exchange good; it is a good sui generis.

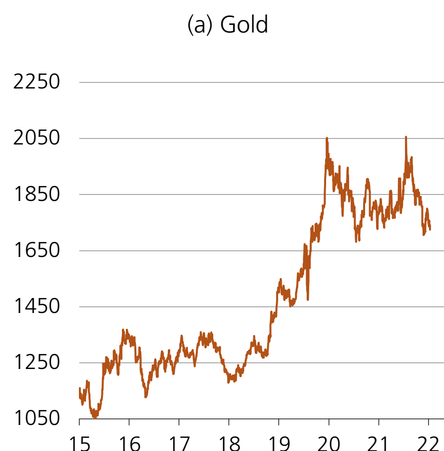
What functions does money have? According to most economics textbooks, the answer is that money has three functions: it is means of exchange, unit of account, and store of value.

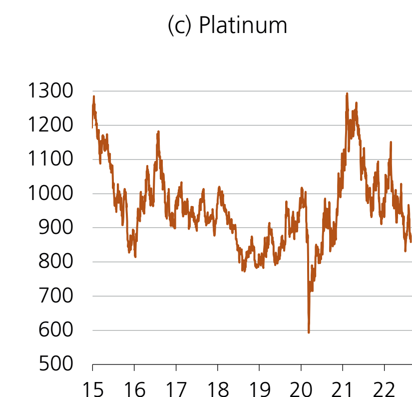
Upon closer examination, however, we realise that money has just one function, and that is as a means of exchange.

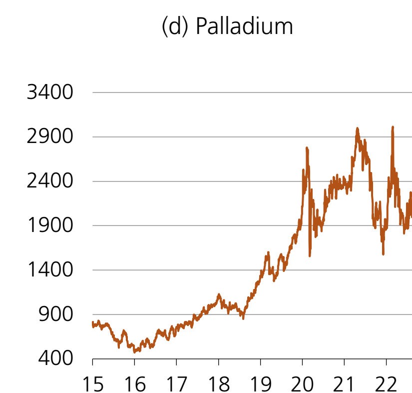
The unit of account function and the store of value function are merely sub-functions of the means of exchange function of money.

This is easy to understand: The unit of account function expresses the exchange ratios of goods and services in money; for example, 1 apple costs 1 euro.

Precious metal prices (USD/oz), last seven years







Source: Refinitiv; graphs Degussa.

The store of value function (which can also be termed as the means of deferred payment function) indicates that people hold money to exchange in the future rather than today.

Money is an indispensable tool in an advanced economy characterised by the division of labour and trade.

It serves as a common denominator, a numeraire for all goods prices. It thus allows for the calculation of the returns on the various alternatives of economic activity.

In a complex economy, only monetary calculation can allocate resources to their most productive uses – that is, uses that satisfy consumer demand best.

Today's modern, advanced economies could not exist without using money for economic calculation.

The value of money

An economy becomes richer if more producer and consumer goods are available. However, this does not apply to money. Why?

Money, which has only use value, derived from its purchasing power, is a good, and as such, determining its value falls under the law of diminishing marginal utility.

What does this law say? It says (1) a large supply of goods is preferable to a smaller supply of goods, and (2) the marginal utility of any additional unit of a good decreases.

So an increase in the money supply in the economy reduces the marginal utility of the money unit compared to other goods. As people exchange their additional money holdings for other goods, money prices increase.

Therefore, it actually makes sense to equate inflation with an increase in the quantity of money; the increase in the quantity of money is the cause, and rising goods prices are its symptom.

The "optimal" money stock

If money has only one function, which is as a means of exchange, it does not matter how small or large the money supply is.

Whether the money stock is 1 million US$, 1 billion US$, or 100 billion US$ does not matter.

Regardless of the actual size of the money stock, any transaction volume in goods and services can be conducted with a given supply of money.

A large money stock of, say 10 billion US$, would lead to high goods prices, while a small money stock of, say 1 billion US$, would lead to low goods prices.

We come to the conclusion:

No increase in the money supply can improve the monetary function of money. An increase in the money supply will merely dilute the effectiveness of each unit of money as a medium of exchange.

In other words: An increase in the quantity of money brings no social benefit; any quantity of money that exists at any given time is optimal.

"Cantillon effect"

Now you may ask: Why is the (fiat) money supply increasing in today's monetary regime (be it in the US, Europe, Asia, or Latin America)?

The answer is that an increase in the quantity of money leads to a redistribution of income and wealth among people; it makes some richer at the expense of many others. Why?

The first recipients of the new money benefit because they can purchase goods at unchanged prices with their newly received money.

As the new money makes its way through the economy, it drives up goods prices. As a result, the late recipients of the new money can only purchase at already elevated prices.

The early recipients of the new money benefit at the expense of the late recipients. This is the so-called "Cantillon effect".

Origin of money

Where does money come from? There are several theories about the origin of money.

Most people today believe in the "State theory of money", put forward by the German economist Georg Friedrich Knapp (1842 – 1926) – published in his book Staatliche Theorie des Geldes (The State Theory of Money, 1891).

According to Knapp, it was the state that brought money to the people; in fact, a state is required to provide people with money. This theory has many flaws, and I think it's wrong, but I will not go into further detail here.

There is also the theory by the US anthropologist and anarchist activist David Graeber (1961–2020) on the invention of money. It says that money originated from barter-based credit-transactions. I will not go into further details on this theory either.

I would like to draw your attention to the theory about the origin of money put forward by Carl Menger in 1871. Menger argues that money originated in the free market, voluntarily adopted by self-interested people, from barter and from a commodity.

Menger's theory was later given a rigorous logical foundation by Ludwig von Mises with his so-called regression theorem.

More recently, a discussion has erupted as to whether bitcoin, cryptos or stable coins could become money from a regression theorem perspective.

As far as I know, quite a few responses have emerged. I, for my part, conclude that the regression theorem does by no means rule out that bitcoin and other cryptocurrencies could become money (I say could, for I would not want to make a prediction at this stage).

I may only add here that the regression theorem holds a priori, which means it cannot be verified or refuted by experience. If something becomes money, it means it conforms with the regression theorem.

Constant or increasing money stock?

May I ask you: Would you prefer to have money that loses its purchasing power over time? Or would you rather hold money that keeps, or even increases, its purchasing power over time?

I think most people (in their right mind) would opt for money with stable purchasing power or money that gains in purchasing power.

This would imply deflating goods prices over time.

But wait: What would happen if goods prices didn't rise or even fell over time? If that were the case, wouldn't that cause a significant problem for the economy as a whole?

Let us assume people opt for money that has a constant supply. You may think of people using bitcoin as money, and the total amount of bitcoin is a constant 21 million units.

An increase in the economic output would then (other things being equal) lead to deflation in goods prices.

Wouldn't it drive the economy over the cliff? Wouldn't it destroy firms' profits? Wouldn't consumers stop consuming? The answer to all of these questions is "no".

A firm's profit is simply the spread between revenue and costs.

In an economy where the prices of goods are rising (which is the case in today's "inflation regime"), the successful entrepreneur must ensure that revenues grow faster than costs.

Likewise, in a price deflation regime the firm must ensure that its costs fall faster than its revenues.

A firm that produces goods and services per market demand can flourish in a price inflation and price deflation regime.

This also means that there is no need for a chronically rising money supply; a constant or even shrinking money supply would be just fine.

Time preference

What would price deflation do to consumer demand? Wouldn't people refrain from buying goods today because they can expect to buy them at lower prices in the future?

The answer is no; we cannot come to such a conclusion, and with good reason.

First, there are goods and services, the consumption of which cannot be postponed. Think of food, clothes, shelter, etc. Whatever their price tomorrow, next week, or next month, we must purchase them today.

Second, there is a phenomenon in the realm of human action called time preference.

Time preference means that people value a good available today higher than the same good (under the same conditions) at a later time.

Time preference manifests as the originary interest rate: the discount the value of a future good suffers compared to the value of a present good.

Time preference and the originary interest rate are always positive and can never disappear – as they are categories of human action.

To illustrate what time preference means for peoples' actions, let me give you a simple example.

Imagine a car costs $50,000 today and $25,000 in a year. Whether people will buy today or postpone their purchase depends on the concept of marginal utility.

Of course, the marginal utility of buying the car for $25,000 ranks higher on people's value scale than paying $50,000 for the car.

However, when it comes to deciding to buy now or later, people compare the discounted marginal utility of purchasing the good for $25,000 in a year from now to the marginal utility of buying it for $50,000 today.

If the discounted marginal utility of buying the car for $25,000 in a year is lower than the marginal utility of buying it for $50,000 now, people will buy it now. If it is higher, they will postpone their purchase.

Since people's time preference can never be zero for logical reasons, let alone be negative, we cannot conclude that people will postpone their purchases only because of lower goods prices in the future.

This little illustration tells us this: There would be nothing wrong with goods prices falling (instead of rising); the economy may very well thrive when goods prices decline.

And so again, the quantity of money in an economy doesn't have to grow; it can also be constant or even shrink over time, and so can be goods prices.

Credit markets

But what about credit markets when goods prices decline, you might wonder?

If, for instance, prices fall by three per cent per year, the purchasing power of money increases by three per cent.

In that case, I wouldn't trade my money for a T-Bill that yields only, say, two per cent per year.

To entice me to part with my money, a borrower would have to offer a return on the investment greater than the increase in the purchasing power of money (say, 3 ½ per cent).

With declining goods prices over time, market lending rates would approach zero in nominal terms: the price component would become negative, corresponding (grosso modo) with the positive real interest rate component.

It may well be that under such conditions, borrowing would become more expensive than in today's fiat money world.

Firms could fund their expenditures by retaining earnings and rights issues – rather than taking on new debt, and people would invest a higher portion of their savings in company stocks than bonds.

So in a world of goods price deflation, credit markets can be expected to function just fine.

But they certainly wouldn't be as overblown as they have become in today's fiat money regime.

The issue of price volatility

Bitcoin fans may know the following phrase all too well: The bitcoin price is too volatile, and therefore it cannot be money. This is, of course, not a convincing argument.

At the beginning of its life cycle, the demand for an innovation is typically relatively low. This applies to bitcoin as well as to crypto units and stable coins.

However, once bitcoin becomes more widely accepted, its demand will grow broader and less volatile; its market price (its exchange rate against sales items) will show fewer fluctuations.

The finding that the bitcoin price is relatively volatile right now would not rule out the possibility that bitcoin could eventually become money.

Another interesting question is: Would people like to have money that causes goods prices to fluctuate wildly, or would they prefer money that keeps goods prices a bit more stable?

Take, for instance, gold. The yellow metal has use value as money and as a non-monetary good (resulting from, for example, industrial applications). Bitcoin, in contrast, has only one purpose: to serve as a means of exchange.

Suppose people use bitcoin as money. Then, for whatever reason, people suddenly prefer to hold less money. They exchange their bitcoins for goods, and so the prices of goods in terms of bitcoins increase. As bitcoin is solely held for monetary purposes, there are no counteracting market forces to support its value.

When gold is used as money, and people decide to reduce their gold holdings for whatever reason, this would also drive up goods prices in gold terms. At the same time, however, the demand for gold for non-monetary purposes would increase – counteracting the rise in goods prices.

In other words: In an economy where bitcoin is used as money, goods price volatility would most likely be (much) higher than in an economy where gold is used as money.

However, I cannot say whether bitcoin (higher goods price volatility) or gold (lower goods price volatility) would be better money from people's perspective. Only a free market in money (where the demand for and the supply of money are truly free) could give us an answer.

Intermediation

When we think about money, present and future, there is an issue which we should not overlook, and that is the intermediation issue.

We have pretty good reason to believe that not all money users will want to or can rely on peer-to-peer transactions.

In a modern, highly developed economy, people demand settlement, storage, and safeguarding services for their money, provided by intermediaries, such as deposit banks or payment processors.

This also applies to the crypto space – just think of the large number of people holding their cryptos with trading platforms rather than in their personal wallets.

Developed credit markets cannot function without specialised intermediaries who channel money from savers to investors.

Borrowing and lending decisions require personal judgement – and such judgment is difficult, if not impossible, to make in an anonymous and trustless environment where automatic computer algorithms prevail. Also, the deposit business cannot function without clear designations.

Money that does not, or cannot, provide for some kind of intermediation services would severely hamper economic development and would likely be overtaken by alternative money that allows for intermediation services.

This conclusion does not speak against bitcoin. However, it does pour a bucket of iced water on the idea that anonymous and trustless money would emerge out of necessity or naturally.

Without complete anonymity, bitcoin & Co would lose an attractive competitive advantage over, for example, digital gold or silver-backed money and payment system.

Unfortunately, however, without complete anonymity, the government will be breathing down peoples' necks in all money matters – be it bitcoin money, gold and silver money, or any other form of money. I will come back to this issue.

Today's fiat money regime

It is now time to take a critical look at today's worldwide paper or "fiat" money regime – as it is an economically and socially problematic system with far-reaching and seriously challenging economic and societal consequences, implications that go well beyond what most people can imagine.

Fiat money is inflationary – it loses its purchasing power over time.

Fiat money benefits a few at the expense of many others – so we can say that fiat money is socially unjust.

Fiat money causes boom-and-bust cycles – it sets in motion an artificial economic upswing followed by a crash.

Fiat money leads to over-indebtedness – it is created through credit expansion, and the economies' debt burden exceeds income growth.

Fiat money allows the state to grow ever bigger and more powerful, makes waging wars cheap – and all this at the expense of civil liberties and freedom, paving the way towards tyranny.

I should note here that we should not fall into the belief that the widespread use of fiat money indicates voluntary acceptance by money users.

In a world where governments have monopolised money production, currency competition is suppressed, and people are effectively coerced into using fiat money for two reasons.

First, governments have established "legal tender laws" that effectively privilege the use of government fiat money over alternative means of exchange.

Second, governments have levied capital gain taxes and/or sales taxes on goods that might compete with fiat money, such as gold, silver, or bitcoin, making them uncompetitive compared to fiat money.

Central bank digital currency

States and their central banks want to maintain their fiat money monopoly. They do not want private monies to compete with their fiat currencies.

To tighten their grip on monetary matters, central banks are even planning to issue central bank digital currencies. This is, unsurprisingly, rather problematic.

First, central bank digital currencies are not "better monies". They represent fiat monies. As such, fiat central bank digital currencies suffer from the same economic and ethical defects as physical and electronic fiat monies.

Second, central bank digital currencies will most likely replace cash or allow governments to phase out coins and notes. People would lose an important option for making anonymous payments, and what little is left of their financial privacy will be gone.

Third, without cash, your money can no longer be withdrawn from the banking system. It can be expropriated by negative interest rates imposed by the central bank.

Fourth, as acceptance grows, central bank digital currencies can easily be instrumentalised for broader political purposes. Just think of China's social credit system.

Imagine, if you will, only getting access to central bank digital currency if you comply with the government's directives (or comply with the wishes of those special interest groups that determine government orders).

If you don't obey, you suffer disadvantages: you can no longer travel, order certain newspapers and books, or buy groceries; your accounts may be frozen, and your money even confiscated if you dare dissent too much.

The list of such anti-freedom atrocities made possible in a world of central bank digital currencies is endless.

The Marxist idea of a central bank

Perhaps this is the right moment to direct your attention to the fact that the idea of central banking – and by extension, central bank money, be it in physical or in digital form – is not a capitalist but a Marxist concept.

In his "Manifesto of the Communist Party" (1848), published together with Frederick Engels, Karl Marx calls for "measures" — by which he meant "despotic encroachments on property rights" — that would be "inevitable as means of completely revolutionising the mode of production," that is, bringing about socialism-communism.

Marx's fifth measure reads: "Centralisation of credit in the hands of the state, by means of a national bank with state capital and an exclusive monopoly."

Undoubtedly, holding the money monopoly puts the monopolist in a rather powerful position. It determines who gets credit and money and who doesn't; it influences the cost of credit and capital and the distribution of income and wealth.

So it is not surprising that, especially with the monopoly over fiat money, states have become bigger and more powerful – measured in terms of their spending and debt relative to GDP, the number of regulations and laws, etc.

"Great Reset"

You may have noticed that the system of free markets, of capitalism, is by and large in disrepute.

People blame the free market and capitalism for all sorts of evils – financial and economic crises, unemployment, income and wealth disparities, environmental pollution etc.

But let me tell you that we do not have capitalism, not in Europe, not in the US, or in China.

What we do have is interventionism: an economic and social system in which the state intervenes in the functioning of the free market – for example, through orders, laws, bans, regulations, taxes, subsidies, sanctions; by meddling with education, health care, transportation, pensions, the environment, and credit and money.

From sound economic theory, we know, however, that interventionism would not work, that it either does not achieve its goals – or if it does, it causes unwanted and negative side effects.

Unfortunately, the failure of interventionism emboldens its staunch supporters to take recourse to even broader, even more aggressive interventions.

As interventionism spreads, the free market system becomes increasingly undermined and dysfunctional. The economy is transformed into a control economy (or, to use a German term, Befehls- und Lenkungswirtschaft), in which the state has the final say and producers and consumers are given orders.

Against this backdrop, it is clearly concerning that the concepts of "Great Reset", "Great Transformation", and "Green Policy" are all expressions of the idea of interventionism.

If the theory of interventionism is correct, and I fear it is, the Western world is moving away from the free economic and social order – which is ultimately a brainchild of the European Enlightenment – and towards an unfree economic and social system.

We have to be on guard: in an interventionist regime, digitisation greatly increases the chances of a power grab by governments and their bureaucracies and special interest groups, which use both for their own purposes (such as BigBuiness, BigTech, BigPharma, BigBanking).

And it is realistic to assume that all of these players want to achieve their goals by controlling money as much as possible.

For this reason, the issuance of central bank digital currencies, particularly, must raise great concerns for those who want to preserve a free, prosperous, and peaceful society.

A free market in money

The good news is: There are no convincing economic or ethical arguments why any government should monopolise money and replace the market's choice with its own fiat money.

In fact, there are very good reasons to advocate for a free market in money.

In a free market in money, people would have complete freedom to choose the kind of money they want to hold, and people would also have the freedom to offer goods that others may want to demand as money.

In a free market in money, the demand for money will determine what money is. And we should have little doubt that people would most likely demand "sound money" – that is, money that is good and fair.

How would money be chosen in a free market? Mr Miller would opt for "something" as money that his baker, for example, would accept as a means of exchange.

The baker, in turn, would willingly accept "something" that he believes his cobbler will accept as a means of exchange.

In other words, people will choose a money which will be highly preferred by his or her trading partners, that is the good with the highest marketability and liquidity of all goods.

And we tend to know which (physical) properties such a good must have: it must be, for instance, scarce, homogenous, durable, transportable, mintable, divisible, and it must represent a relatively high exchange value per unit.

This explains very well why, at least in the past, people have opted to use precious metals, especially in the form of gold and silver, as money when given a choice.

The message I want to stress (and I think most of you know very well) is that there is no reason to fear that a free market in money would not work.

In fact, it can be expected to work just fine – like any other free market, such as, say, the free market for sports shoes, books, music, cars, and mobile phones.

A free market in money would provide the best possible money at the lowest cost.

"Monetary Enlightenment"

The critical question is whether new technologies alone can bring about better money.

Recent developments in the markets for bitcoin, crypto units and stable coins are certainly promising – especially as they unmistakably show that people are already looking for better money.

The many entrepreneurial attempts to digitise the world's ultimate means of payment, namely gold, have also made exciting progress.

While technological advances offer great opportunities to improve our money, they might not be enough – as states and their central banks do whatever they can to prevent a free market in money.

What is also needed – in addition, and on top of technological advances – is Monetary Enlightenment:

Familiarising people with the insight that a government fiat money monopoly is actually destructive and harmful to them.

Especially informing people that there is better money for them, encouraging them to demand sound money – money that serves their needs better than states' fiat currencies.

This inevitably goes hand in hand with the eye-opening insight that states (as we know them today) stand in the way of people getting sound money.

Once people realise that they would be better off with free market money, the chances of ending state's monopoly of money, legal tender laws, and tax burdens imposed on potential money candidates greatly increase – and it may even result in the state (as we know it today) withering away.

People must have the freedom to choose which kind of money they want to use: gold and silver, bitcoin, or whatever else.

Let me close with a quote from Ludwig von Mises, who understood very well the importance of sound money for freedom, and prosperity:

"[T]he sound-money principle has two aspects. It is affirmative in approving the market's choice of a commonly used medium of exchange. It is negative in obstructing the government's propensity to meddle with the currency system."

And further:

"It is impossible to grasp the meaning of the idea of sound money if one does not realize that it was devised as an instrument for the protection of civil liberties against despotic inroads on the part of governments. Ideologically it belongs in the same class with political constitutions and bills of right."

A free market in money will make our world a better place.

Thank you very much for your attention!

***

*The podcast for this article can be found **here**.*

PRECIOUS METALS PRICES

In US-Dollar per ounce

	Gold		Silver		Platinum		Palladium	
I. Actual	**1713,4**		**18,2**		**844,3**		**2089,8**	
II. Gliding averages								
10 days	1747,5		19,2		887,4		2096,3	
20 days	1765,6		19,7		911,9		2133,1	
50 days	1762,4		19,7		895,3		2035,1	
100 days	1816,2		21,1		928,4		2061,3	
200 days	1837,2		22,4		965,5		2123,0	
III. Estimates for autumn 2023	**2200**		**28**		**1070**		**2261**	
(1)	*28*		*54*		*27*		*8*	
Band width	*Low*	*High*	*Low*	*High*	*Low*	*High*	*Low*	*High*
	1800	2398	21,0	31,0	830	1280	1650	2400
(1)	*5*	*40*	*16*	*71*	*-2*	*52*	*-21*	*15*
V. Annual averages								
2019	1382		16,1		862		1511	
2020	1753		20,2		878		2180	
2021	1804		25,5		1095		2422	

In Euro per ounce

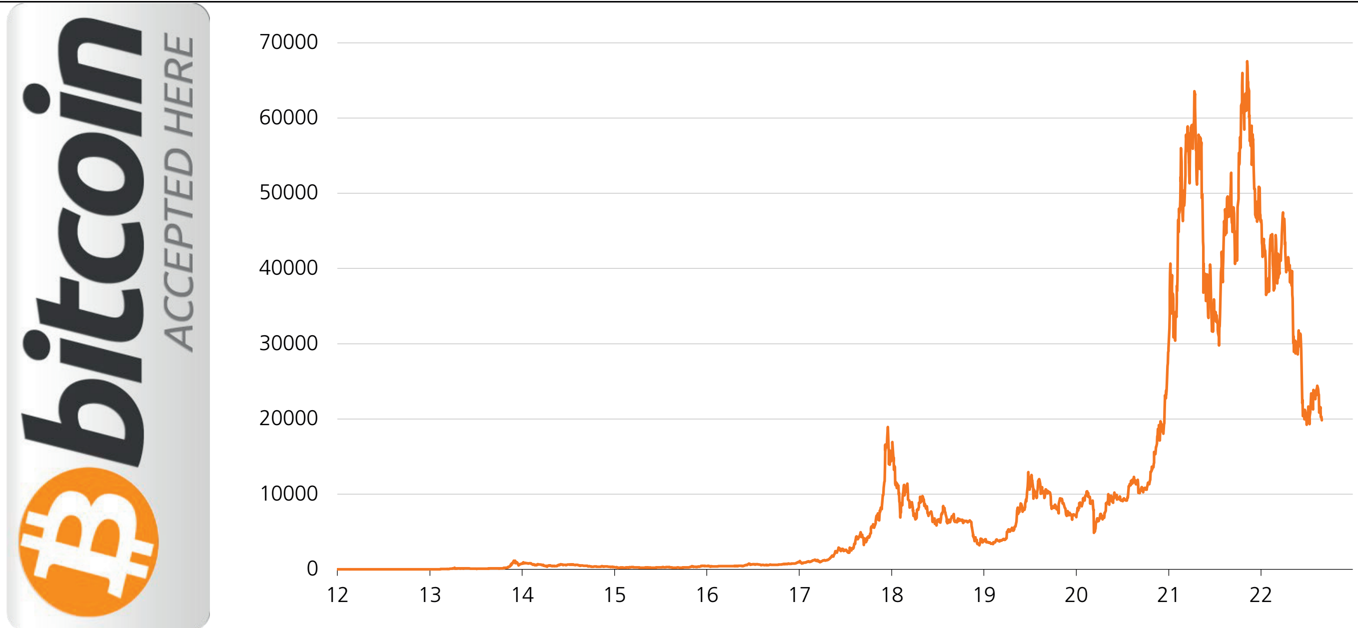
	Gold		Silver		Platinum		Palladium	
I. Actual	**1715,6**		**18,2**		**845,4**		**2092,5**	
II. Gliding averages								
10 days	1743,2		19,1		885,1		2091,0	
20 days	1743,7		19,5		900,3		2106,2	
50 days	1726,1		19,3		876,8		1994,3	
100 days	1743,5		20,3		891,2		1979,7	
200 days	1700,6		20,7		892,6		1965,3	
III. Estimates for autumn 2023	**2281**		**29**		**1110**		**2345**	
(1)	*33*		*60*		*31*		*12*	
Band width	*Low*	*High*	*Low*	*High*	*Low*	*High*	*Low*	*High*
	1867	2487	21,8	32,1	860	1320	1710	2480
(1)	*9*	*45*	*20*	*77*	*2*	*56*	*-18*	*19*
V. Annual averages								
2019	1235		14		770		1350	
2020	1535		18		769		1911	
2021	1519		21		921		2035	

Source: Refinitiv; calculations and estimates Degussa. Numbers are rounded.

(1) On the basis of actual prices.

BITCOIN, PERFORMANCE OF VARIOUS ASSET CLASSES

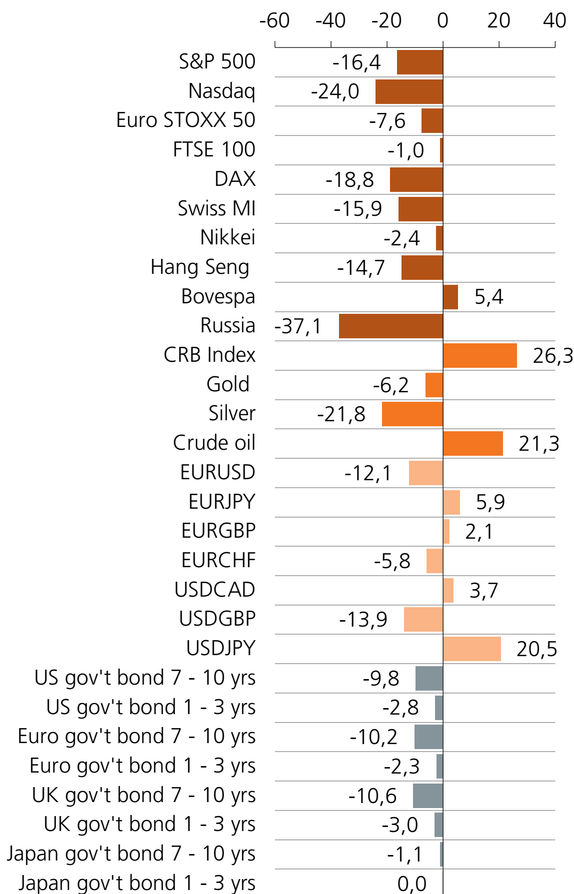
Bitcoin in US dollars



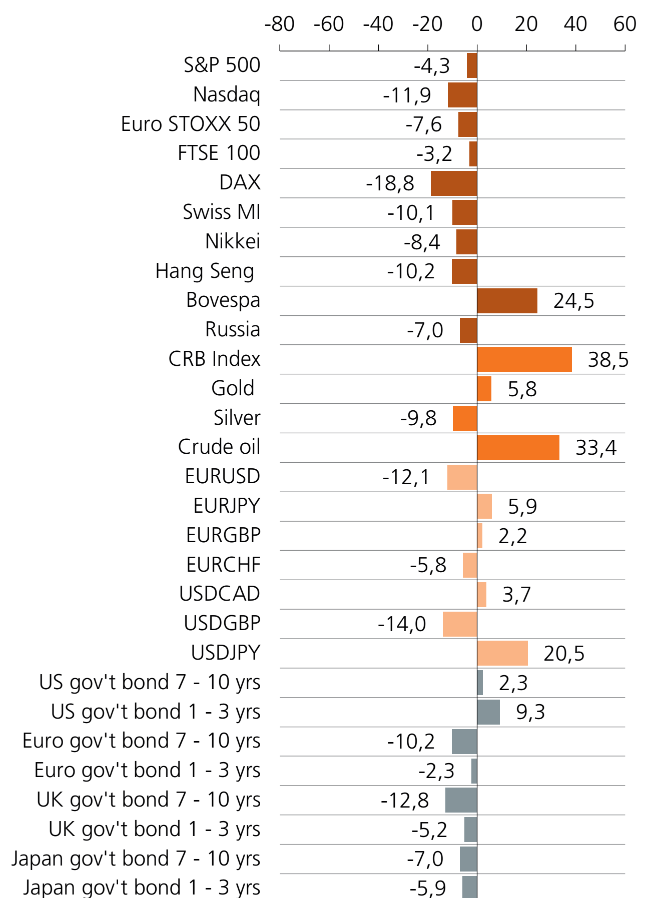
Source: Refinitiv; graph by Degussa.

Performance of stocks, commodities, FX and bonds

(a) In national currencies



(b) In euro



Asset	(a) In national currencies	(b) In euro
S&P 500	-16,4	-4,3
Nasdaq	-24,0	-11,9
Euro STOXX 50	-7,6	-7,6
FTSE 100	-1,0	-3,2
DAX	-18,8	-18,8
Swiss MI	-15,9	-10,1
Nikkei	-2,4	-8,4
Hang Seng	-14,7	-10,2
Bovespa	5,4	24,5
Russia	-37,1	-7,0
CRB Index	26,3	38,5
Gold	-6,2	5,8
Silver	-21,8	-9,8
Crude oil	21,3	33,4
EURUSD	-12,1	-12,1
EURJPY	5,9	5,9
EURGBP	2,1	2,2
EURCHF	-5,8	-5,8
USDCAD	3,7	3,7
USDGBP	-13,9	-14,0
USDJPY	20,5	20,5
US gov't bond 7 - 10 yrs	-9,8	2,3
US gov't bond 1 - 3 yrs	-2,8	9,3
Euro gov't bond 7 - 10 yrs	-10,2	-10,2
Euro gov't bond 1 - 3 yrs	-2,3	-2,3
UK gov't bond 7 - 10 yrs	-10,6	-12,8
UK gov't bond 1 - 3 yrs	-3,0	-5,2
Japan gov't bond 7 - 10 yrs	-1,1	-7,0
Japan gov't bond 1 - 3 yrs	0,0	-5,9

Source: Refinitiv; calculations by Degussa.

Articles in earlier issues of the *Degussa Market Report*

Issue	Content
1 September 2022	Everything you always wanted to know about … MONEY (but were afraid to ask)
18 August 2022	Sky-High Inflation Is Just One Reason To Hold Physical Gold
4 August 2022	Excessive Money Growth Leads To Super-High Inflation
21 July 2022	Dollar Dominance Brings Yen And Euro To Their Knees
7 July 2022	I'm Sorry To Say, But It Doesn't Look Good. Hold At Least Some Gold
23 June 2022	On The Future Of Markets And Money
9 June 2022	Interest Rates Rise. Financial Repression Continues
26 May 2022	Crisis Risk On The Rise. Gold As Insurance
12 May 2022	The Fed Makes Boom & Bust, And What It Means For Gold
28 April 2022	The Fed's Boom And Bust Cycle – And What It Means For Your Money
14 April 2022	Do You Know What Inflation Really Is? Then Hold Gold And Silver
31 March 2022	How Not To Get Battered
17 March 2022	There is no Return to Normality. The Case for Gold and Silver
3 March 2022	Gold: Too Low For Too Long
17 February 2022	The Inflation beast is bigger than you think it is
3 February 2022	The Bigger Gold Picture
20 January 2022	Outlook for Gold and Silber brighter than you think it is
16 December 2021	Welcome to a new chapter in the boom-and-bust-drama
2 December 2021	Inflation Is Not Temporary But Here To Stay
18 November 2021	The Case Against Gold And Silver. Revisited
4 November 2021	Stagflation Is Rearing Its Ugly Head
21 October 2021	At A Crossroads. It Is Time For Gold And Silver
7 October 2021	Here Comes The Inflation Beast
23 September 2021	Evergrande: China's Potential 'Lehman moment'?
8 September 2021	It All Depends On The Fed's 'Safety Net'
26 August 2021	Our Money Gets Thrown Under The Bus
12 August 2021	The Crime of 1971
29 July 2021	Gold And The Market Fear That Is Not
15 July 2021	Gold and the Monetary Policy Empire of Deception
1 July 2021	Investors believing the impossible, making the price of gold falter
17 June 2021	Gold Against Neglected Risks
2 June 2021	Gold And Inflation
20 May 2021	The Price Correction In The Crypto Space Is Not The End …
6 May 2021	The Dark Side of the Yield Curve Control Policy
22 April 2021	Bitcoin and the Golden Opportunity
8 April 2021	On Precious Metal 2021 Price Forecasts
25 March 2021	Money Matters For Gold And Silver Prices
11 March 2021	Interest Rates are to the Price of Gold What Gravity is to the Apple
25 February 2021	The Dangers Of Digital Central Bank Money

The Degussa Marktreport (German) and the Degussa Market Report (English) are available at:
www.degussa-goldhandel.de/marktreport

Disclaimer

Degussa Goldhandel GmbH, Frankfurt am Main, is responsible for creating this document. The authors of this document certify that the views expressed in it accurately reflect their personal views and that their compensation was not, is not, nor will be directly or indirectly related to the recommendations or views contained in this document. The analyst(s) named in this document are not registered / qualified as research analysts with FINRA and are therefore not subject to NASD Rule 2711.
This document serves for information purposes only and does not take into account the recipient's particular circumstances. Its contents are not intended to be and should not be construed as an offer or solicitation to acquire or dispose of precious metals or securities mentioned in this document and shall not serve as the basis or a part of any contract.
The information contained in this document was obtained from sources that Degussa Goldhandel GmbH holds to be reliable and accurate. Degussa Goldhandel GmbH makes no guarantee or warranty with regard to correctness, accuracy, completeness or fitness for a particular purpose.
All opinions and views reflect the current view of the author or authors on the date of publication and are subject to change without notice. The opinions expressed herein do not necessarily reflect the opinions of Degussa Goldhandel GmbH. Degussa Goldhandel GmbH is under no obligation to update, modify or amend this document or to otherwise notify its recipients in the event that any circumstance mentioned or statement, estimate or forecast set forth in this document changes or is subsequently rendered inaccurate.
The past performance of financial instruments is not indicative of future results. No assurance can be given that any views described herein would yield favorable returns on investments. There is the possibility that said forecasts in this document may not come to pass owing to various risk factors. These include, without limitation, market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information and/or the circumstance that underlying assumptions made by Degussa Goldhandel GmbH or by other sources relied upon in the document should prove inaccurate.
Neither Degussa Goldhandel GmbH nor any of its directors, officers or employees shall be liable for any damages arising out of or in any way connected with the use of this document and its content.
Any inclusion of hyperlinks to the websites of organizations in this document in no way implies that Degussa Goldhandel GmbH endorses, recommends or approves of any material on or accessible from the linked page. Degussa Goldhandel GmbH assumes no responsibility for the content of and information accessible from these websites, nor for any consequences arising from the use of such content or information.
This document is intended only for use by the recipient. It may not be modified, reproduced, distributed, published or passed on to any other person, in whole or in part, without the prior, written consent of Degussa Goldhandel GmbH. The manner in which this document is distributed may be further restricted by law in certain countries, including the USA. It is incumbent upon every person who comes to possess this document to inform themselves about and observe such restrictions. By accepting this document, the recipient agrees to the foregoing provisions.

Imprint
Marktreport is published every 14 days on Thursdays and is a free service provided by Degussa Goldhandel GmbH.
Deadline for this edition: 1 September 2022
Publisher: Degussa Goldhandel GmbH, Kettenhofweg 29, 60325 Frankfurt, Tel.: (069) 860068-0, Fax: (069) 860068-222
E-Mail: info@degussa-goldhandel.de, Internet: www.degussa-goldhandel.de
Editor in chief: Dr. Thorsten Polleit
Degussa Market Report is available on the Internet at: http://www.degussa-goldhandel.de/marktreport/

Frankfurt Headquarters
Kettenhofweg 29 · 60325 Frankfurt
Phone: 069-860 068 – 0 · info@degussa-goldhandel.de

Retail buying and selling outlets in Germany:

Augsburg (shop & showroom)**:** Maximiliansstraße 53 · 86150 Augsburg
Phone: 0821-508667 – 0 · augsburg@degussa-goldhandel.de

Berlin (shop & showroom)**:** Fasanenstraße 70 · 10719 Berlin
Phone: 030-8872838 – 0 · berlin@degussa-goldhandel.de

Dusseldorf (Old Gold Centre): In der KÖ Galerie
Königsallee 60 / Eingang Steinstraße · 40212 Dusseldorf
Phone: 0211-13 06 858 – 0 · duesseldorf@degussa-goldhandel.de

Frankfurt (shop & showroom)**:** Kettenhofweg 25 · 60325 Frankfurt
Phone: 069-860 068 – 100 · frankfurt@degussa-goldhandel.de

Hamburg (shop & showroom)**:** Ballindamm 5 · 20095 Hamburg
Phone: 040-329 0872 – 0 · hamburg@degussa-goldhandel.de

Hanover (shop & showroom)**:** Theaterstraße 7 · 30159 Hanover
Phone: 0511-897338 – 0 · hannover@degussa-goldhandel.de

Cologne (shop & showroom)**:** Gereonstraße 18-32 · 50670 Cologne
Phone: 0221-120 620 – 0 · koeln@degussa-goldhandel.de

Munich (shop & showroom)**:** Promenadeplatz 12 · 80333 Munich
Phone: 089-13 92613 – 18 · muenchen@degussa-goldhandel.de

Munich (Old Gold Centre): Promenadeplatz 10 · 80333 Munich
Phone: 089-1392613 – 10 · muenchen-altgold@degussa-goldhandel.de

Nuremberg (shop & showroom)**:** Prinzregentenufer 7 · 90489 Nuremberg
Phone: 0911-669 488 – 0 · nuernberg@degussa-goldhandel.de

Pforzheim (refinery)**:** Freiburger Straße 12 · 75179 Pforzheim
Phone: 07231-58795 – 0 · pforzheim@degussa-goldhandel.de

Stuttgart (shop & showroom)**:** Kronprinzstraße 6 · 70173 Stuttgart
Phone: 0711-305893 – 6 · stuttgart@degussa-goldhandel.de

Retail buying and selling outlets around the world:

Zurich (shop & showroom)**:** Bleicherweg 41 · 8002 Zurich
Phone: 0041-44-40341 10 · zuerich@degussa-goldhandel.ch

Geneva (shop & showroom)**:** Quai du Mont-Blanc 5 · 1201 Genève
Phone: 0041-22 908 14 00 · geneve@degussa-goldhandel.ch

Madrid (shop & showroom)**:** Calle de Velázquez 2 · 28001 Madrid
Phone: 0034-911 982 900 · info@degussa-mp.es

London Sharps Pixley Ltd. (member of the Degussa Group)
Phone: 0044-207 871 0532 · info@sharpspixley.com