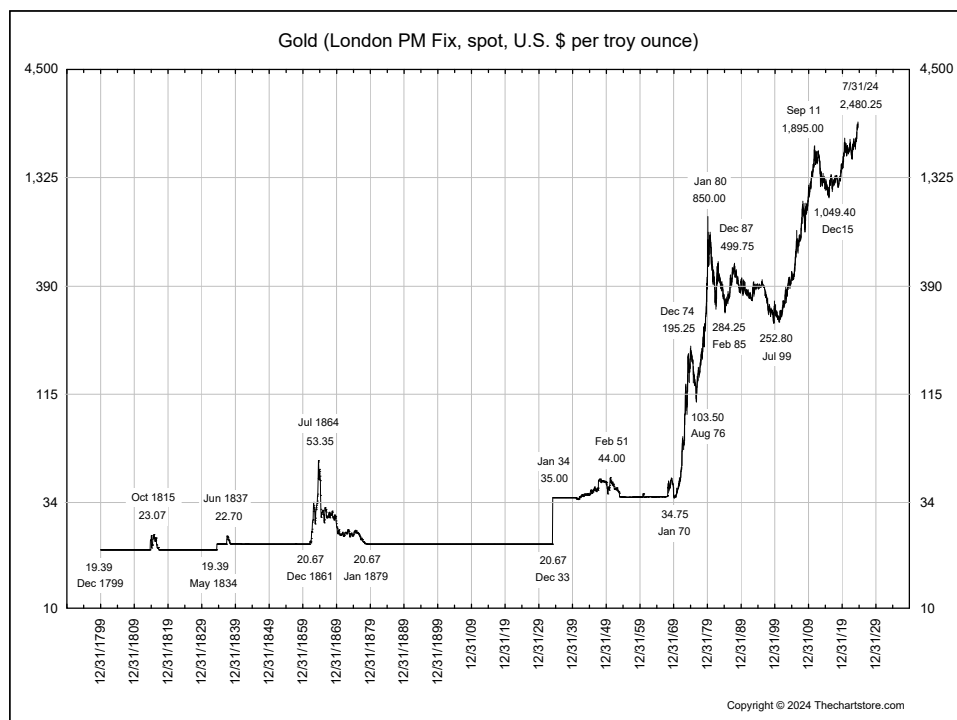


GOLD: barbaric, inert, yieldless ... made a new nominal high above \$2500/oz

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Data as of July 2024



Last Tuesday, August 27, 2024, the price of gold reached a record high of \$2,531 per troy ounce.

Is this a new gold rush?

In 1924, the renowned economist John Maynard Keynes defined the gold standard as a 'barbaric relic', as he considered both the usefulness and value of gold obsolete.

So, what in the world truly explains the rising interest from various central banks and investors across the globe?

While not discarding the usual narrative about interest rates, inflation-deflation, economic trends, global financial crises, geopolitics, and war, I believe there

Data as of July 2024

is a specific reason causing the pressing need for everyone to hedge with gold, possibly in its physical form.

There is no need to look that far back in time. Just rewind history to the moment when, in 2022, the G7 countries decided to freeze Russian foreign reserves in response to the invasion of Ukraine and the continued discussions about ultimately 'confiscating' these reserves.

Nowadays, the relic may not be 'barbaric' any longer. Instead, a new era of financial warfare might have just begun, with severe consequences for the global economic and financial system!

Historic graphs: courtesy of www.thechartstore.com

