



The Gold and Silver rally remains intact, as The ARC Bullion Account and The Silver Lining look set to post further gains.

On the 23rd of October, gold surprised some as it rallied to an all time high of \$2,758.72, this pushing The ARC Bullion Account even higher. Silver followed with a significant breakout that same day when the metal rose above previous resistance at \$34.83. I took this opportunity to sell, taking profits for those invested, doing so has certainly pushed The Silver Lining in to very positive territory as we move through what remains of the fourth quarter.

For those who may not know The Silver Lining is a physical silver investment which is valued quarterly. Throughout the year, I have often verbally underlined exactly why 2024 would be pivotal for precious metals. While this recent rally has exceeded expectations, several factors continue to support Silver and Gold's upward trend, despite emerging challenges.

The key drivers remain in place, these include concerns over fiscal instability, increasing geopolitical tensions, de-dollarization, and safe-haven demand - there's a strong demand from central banks, not to mention the uncertainties surrounding the US presidential election.

Additionally, upside will come from rate cuts from both the Fed and other central banks which in turn reduces the cost of holding non-interest-bearing assets such as gold and silver. This environment is spurring renewed interest in gold-backed investments, RIO has seen inward investment climb in recent months, while mainstream asset managers had been net sellers a few months ago, they are returning to this rallying market.

It may be of interest to note that despite rising yields and a stronger USD, gold and silver have continued their ascent. Over the past week, the 10-year US Treasury yield rose by 17 basis points to 4.20%, while the Dollar Index gained 0.6%. The timing, pace and depth of future rate cuts may have slowed, since the Federal officials have been signaling a more cautious approach. But even so, gold and silver have remained resilient, this then defying these typically negative market signals.

With the added deterioration in the Middle East, gold's strength is increasingly being seen as a hedge against a potential 'Red Sweep,' where one political party controls both the White House and Congress. This scenario raises concerns about excessive government spending, pushing the debt-to-GDP ratio higher, while fueling inflation fears. Investment institutions around the world are finally following RIO in promoting precious metals for portfolio protection and wealth preservation, even as expectations for lower rates and easier financial conditions fade.

A year-long dislocation between gold and US 10-year yields has widened further this past month, with yields showing renewed strength amid worries the November election result may fuel concerns about looser fiscal policy, which may deepen the deficit and reignite inflation.

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