

Investments - Flash

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IT MAY BE TIME TO TAKE PROFITS ON GOLD

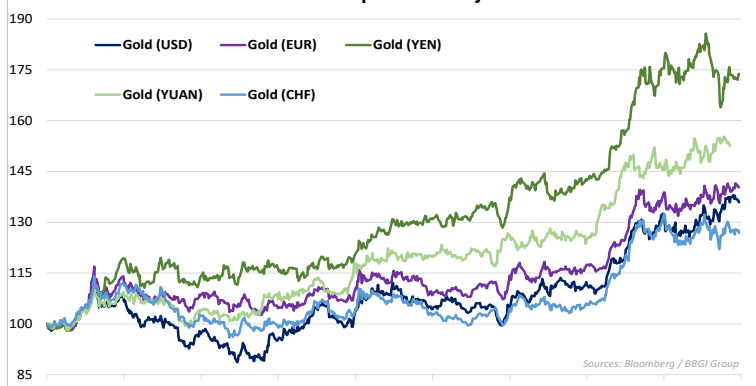
But demand is likely to remain very strong

An ounce of gold has passed the \$2,500 mark, while a 400-ounce gold bar has now touched the historic \$1 million mark. With only two weeks to go before a likely change in US monetary policy launches a new cycle of rate cuts that is expected to extend into 2025, gold prices are up +21% in dollar terms. Since our positive stance on the price of the yellow metal in 2024 has been amply rewarded by this increase, it's legitimate to wonder whether this already exceptional rise will continue. All the more so as this rise has been relatively similar in different currencies such as the euro (+21.1%), the Swiss franc (+22.66%), the yen (+25.35%) or the yuan (+21.31%). Gold's current rise is therefore not directly linked to the dollar's weakness, but probably more to other factors. Anticipation of the rate cut is one of these factors, and it's not out of the question that we may see some profit-taking on the Fed's

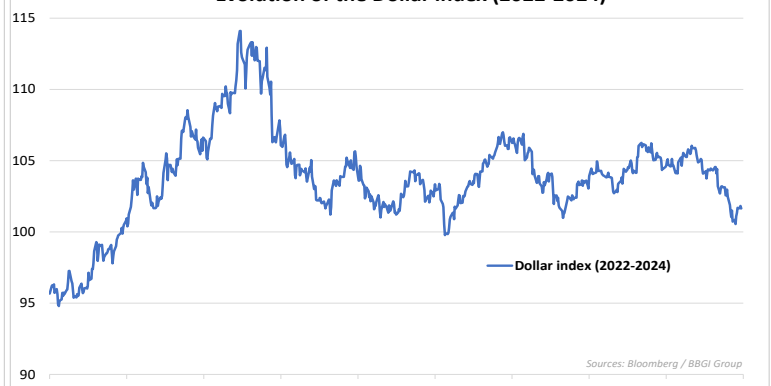
announcement, expected on September 18. In addition, central bank demand in connection with the ongoing de-dollarization process, supported by the BRICS and their satellites, seems to us to be no stranger to rising prices, whereas investment demand measured, for example, by the total ounces of gold held by physical gold ETFs, has barely risen for three months. In previous analyses, we pointed out that investment demand was absent from the trend, and that it would have to be part of the trend if it were to be complete. This is finally the case, even if the current level corresponds to only 75% of the level observed in 2020. Since 2000, gold prices have risen six times by more than +20%, and 2024 could be another one of those times, but after such a surge some profit-taking seems perfectly reasonable.



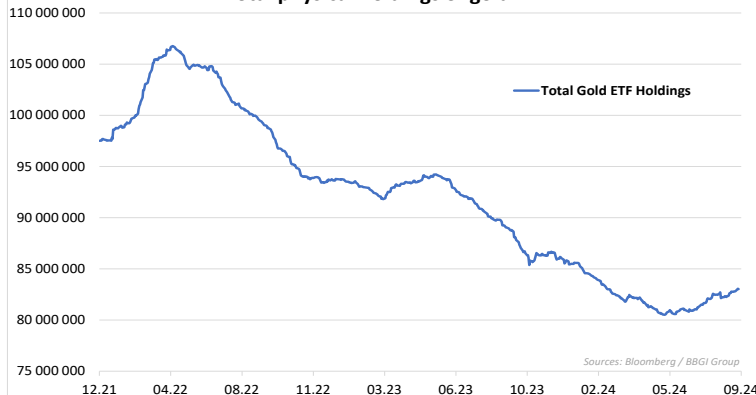
Evolution of Gold prices in major currencies



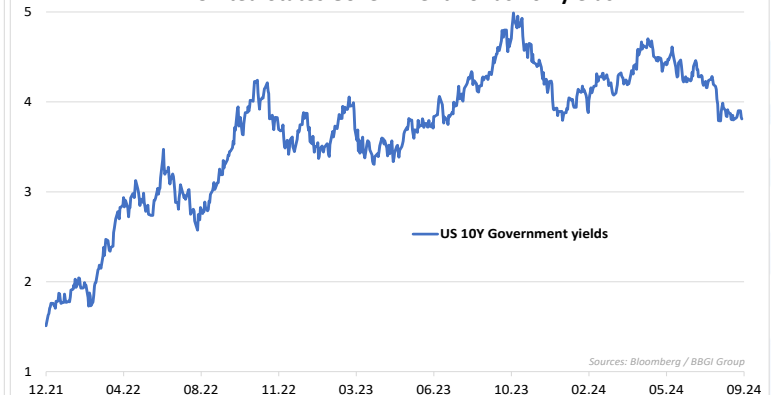
Evolution of the Dollar index (2022-2024)



Total physical holdings of gold ETF



United-States Government Bonds 10Y yields



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