

# Investments - Flash



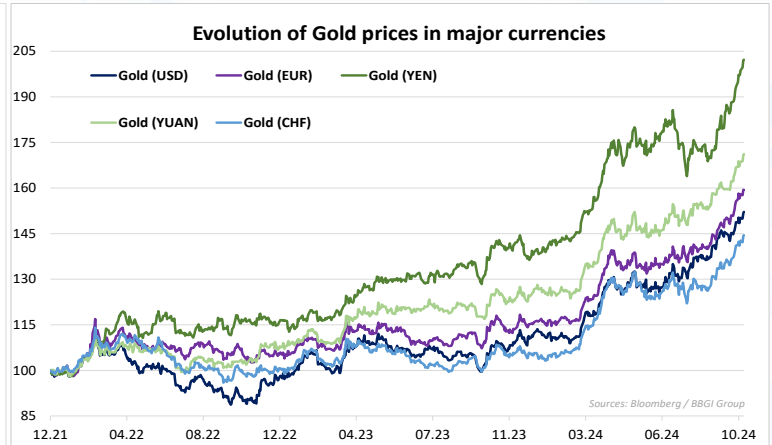
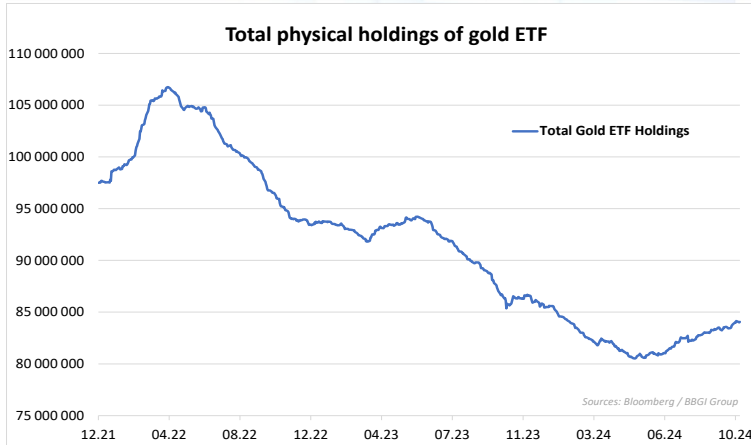
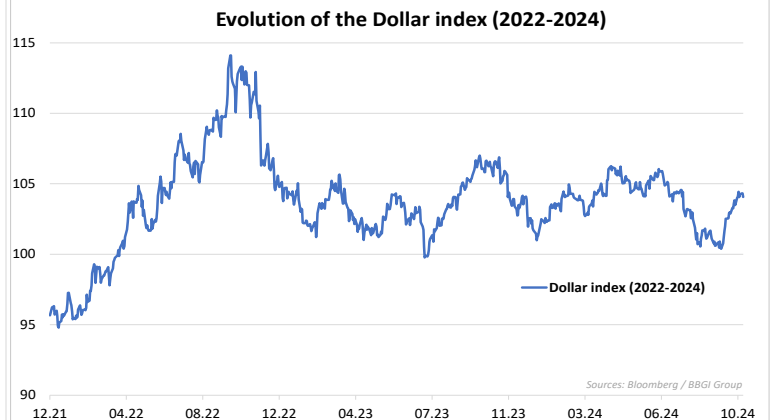
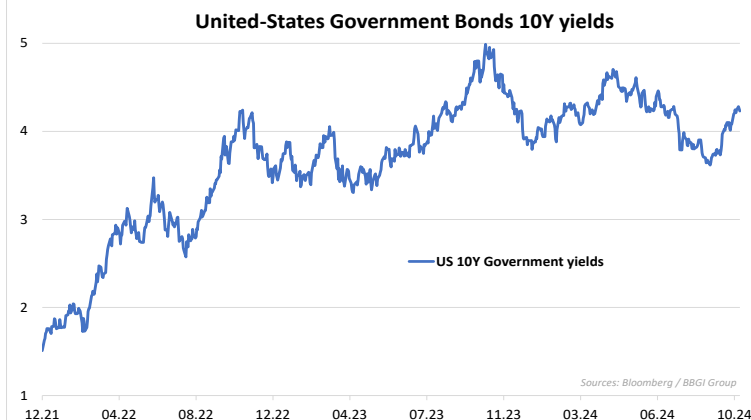
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## THE BRICS UNIT, THE DOLLAR AND GOLD

Impact for the time being rather favorable to gold

The latest BRICS summit in Russia was once again an opportunity to reinforce the project to create a BRICS currency backed by gold reserves, called the "Unit". Whereas 100% of oil transactions used to be carried out in USD, now almost 20% are in other currencies. The de-dollarization of commodity transactions, in particular, is underway, and will not be without effect on demand for dollars, the United States and the global economy. The outcome of the presidential elections will give an indication of the intensity of an American response, which could involve sharply increasing tariffs on imports from China if D. Trump is re-elected. Higher tariffs would have an impact not only on inflation and household purchasing power, but also on the outlook for monetary policy and interest rates. The presentation of the prototype of the future BRICS currency logically had no immediate concrete effect on the dollar rate,

which remained stable. The process of creating an alternative BRICS currency "backed" by gold does, however, reinforce the overall prospects of solid demand for the yellow metal. We may soon see how much physical gold the BRICS central banks and their governments will be able to muster to support the "Unit" when it is launched. Let's bet that they will try to demonstrate that their reserves will be greater than those announced for decades by the United States, by reaching 10,000 tonnes for example. In recent months, gold prices have also been buoyed by demand for ETF investments, and this trend looks set to continue.



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