



Precious Metal Market Report

Market Overview

Monday 13th September — Friday 17th September



Gold

Gold lower after posting heavy losses on Thursday's release of US retail sales data



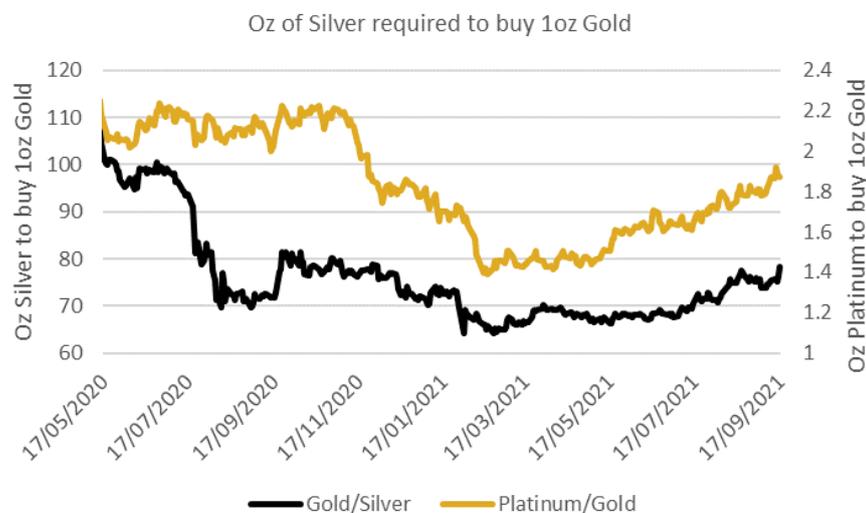
Silver

Silver close to testing the bottom of a 52-week trading range. Silver losses more ground against Gold this week



Platinum

Platinum lower, down to levels not seen since November 2020 as the US Dollar strengthens and Platinum demand dips



Guidance

Black line going up = Gold able to buy more silver

Black line going down = Gold able to buy less Silver

Gold Line going up = Gold able to buy more Platinum

Gold line going down = Gold able to buy less Platinum

Guidance

Current ratio = 78.32

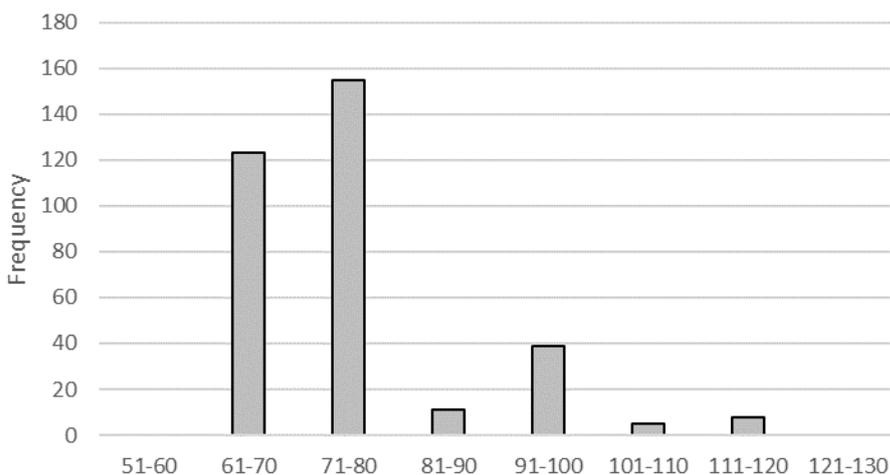
The bars show how many sessions the Gold/Silver ratio has spent in each of the ranges over the past year

We can see that most of the time the Gold Silver ratio trades in a range of **61 to 80 ounces** of Silver for each ounce of Gold

The market can reach valuations in which Gold is worth **120+** ounces of Silver but as the graph shows, the ratio does not stay at these valuations for long

A ratio of 100+ ounces of Silver for 1 Gold ounce is a good time to swap Gold for Silver

1 Year Gold/Silver Ratio Distribution



Commentary

Precious metal prices moved lower over the week after a brutal session on Thursday that saw silver down 5% and Gold close to -3% against the US Dollar. US retail sales beat estimates which spurred bids on the US Dollar

Institutions using algorithms to immediately sell Gold and buy the US Dollar when any US economic data outturns better than expected is a likely cause of the down move. The US Dollar climbed to a three-week peak with benchmark Treasury yields also gaining, putting further pressure on bullion. US 10-year Treasury Bonds opened the week at 1.343% and closed around

The above graphs represent current prices of precious metals contracts for prompt delivery, and are susceptible to change. It is important to note that the above does not represent a forecast of where Auronum expects prices to be at that specific point in time.

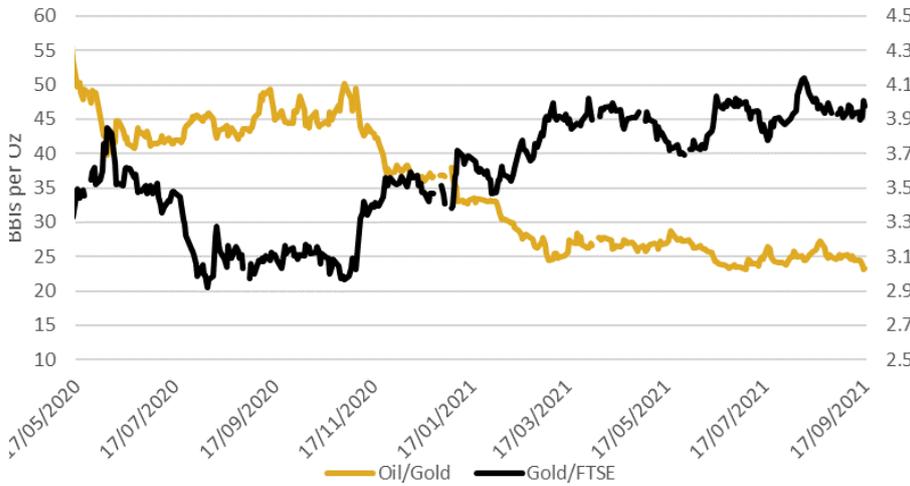


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Oil & FTSE 100 Priced in Gold



Guidance

- Black line going up** = Gold becoming cheaper relative to the FTSE 100
- Black line going down** = Gold becoming expensive relative to the FTSE 100
- Gold Line going lower** = Gold becoming cheaper relative to the oil
- Gold line going higher** = Gold becoming expensive relative to oil

Guidance

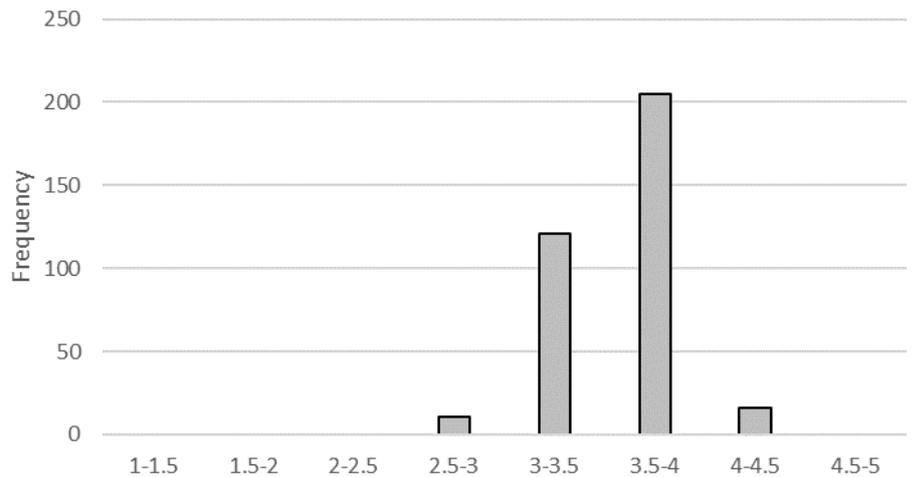
Current Ratio = 3.97

The silver bars show how many sessions the 1oz Gold to FTSE 100 ratio spent in each of the price ranges in the past year

The ratio has typically stayed within the 3 to 4 range with **sub-3** being an excellent time to sell Gold to buy FTSE 100 stocks

A ratio of **>4** has been an excellent opportunity to liquidate FTSE 100 stocks to purchase Gold

1 Year Gold/FTSE 100 Ratio Distribution



Gold Pair	13-Sep-21	17-Sep-21	△ ↓	Week-on-Week △	Week-on-Week		Year-on-Year	
					% Change	16-Jul-20	△	% Change
GBP/Gold	£1,275	£1,296	▲	20.29	1.6%	£1,498	-222.77	-17.5%
USD/Gold	\$1,752	\$1,793	▲	41.52	2.3%	\$1,943	-190.63	-10.9%
EUR/Gold	€ 1,494	€ 1,518	▲	24.40	1.6%	€ 1,641	-146.79	-9.8%
Silver/Gold Ratio	78.32	75.63	▼	-2.69	-3.6%	71.68	6.64	8.5%
Oil/Gold Ratio	23.29	24.40	▲	1.11	4.6%	44.86	-21.58	-92.7%
FTSE 100/Gold Ratio	3.97	3.94	▼	-0.03	-0.9%	3.11	0.86	21.6%

Overview

Precious metals continue to be out of favour with mainstream investors given the expectation that the Federal Reserve will slow the pace of bond purchases in Q4 this year. A two-day meeting is scheduled on Tuesday and Wednesday next week in which the market will expect further guidance on tapering from the Federal Reserve

Chinese property developer Evergrande has spooked markets on reports that it cannot meet its debt obligations and could become insolvent absent Chinese state intervention. It is becoming apparent that the US Dollar, rather than gold, is benefiting from safe-haven demand from developments in China. There are also concerns that losses linked to the Evergrande debt default could be causing investors to sell Gold positions in order to meet margin calls elsewhere

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Precious Metal Market Report

General Market Commentary

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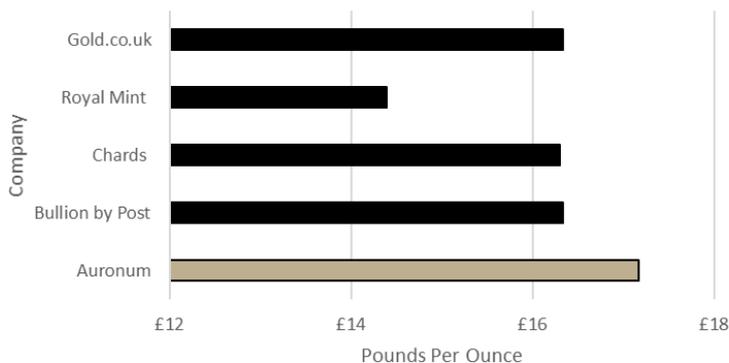
For investors looking to sell Silver bullion, Auronum currently pays 5% above the spot price for bars and 7% above spot for coins which is the highest price offered in the industry

The graph to the right shows prices offered for investors selling Silver bars and are correct at Friday's close

Auronum will pay £17.17 per ounce for Silver bars and £17.50 per ounce for Silver coins. An additional premium is offered for Silver Queen's Beast coins with 10% above spot price offered

Note: Prices correct at Friday's close

Prices Paid For Silver Bar



Ounces of Gold to buy average UK house



Guidance

Black curve trending lower = Gold rising against UK house prices

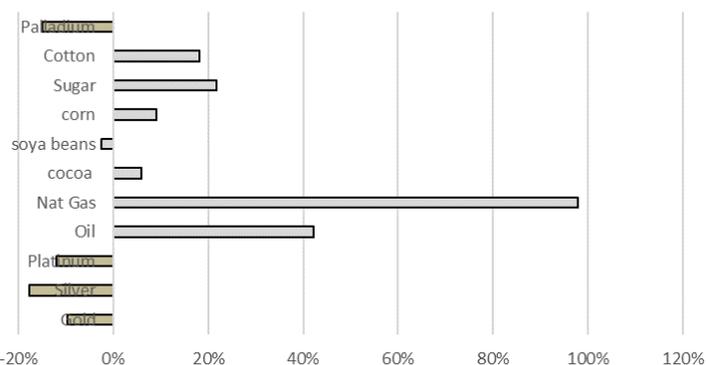
Black curve trending higher = Gold falling against UK house prices

The average UK house can be purchased with **146** ounces of Gold

Note: UK House prices based on monthly Halifax average price data

Gold's Performance in 2021

Calendar Year Performance



Gold remains the least worst performing precious metal of 2021 as the entire sector continues to be avoided by the mainstream investors

Soya beans returns turns negative whilst cocoa manages to rally having exhibited negative returns over the last few months

Silver continues to be the worst performing commodity from the ones featured in this section, making the Silver relatively undervalued

Gold remains the best performing precious metal of 2021 this week with the precious metals with industrial demand links such as Silver and Platinum falling at a faster pace than Gold

Notwithstanding the strengthening of the Us Dollar this week, some commodities such as sugar and cocoa have managed to rally during the week

Natural gas remains the standout performer of 2021 with some European energy analysts calling the high energy prices an 'energy crisis'

Gold's Performance Against Other Commodities

