



Precious Metal Market Report

Market Overview

Monday 22nd November — Friday 26th November



Gold

Gold closes lower on Federal Reserve Chair reappointed for a second term, Gold holds solid ground during Friday's bloodbath



Silver

Silver prices take a bath, tracking losses in Gold whilst losing further ground after news of another Coronavirus variant



Platinum

Platinum dives on Federal Reserve Chairman announcement and lower manufacturing expectations from lockdowns



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 = 77.47

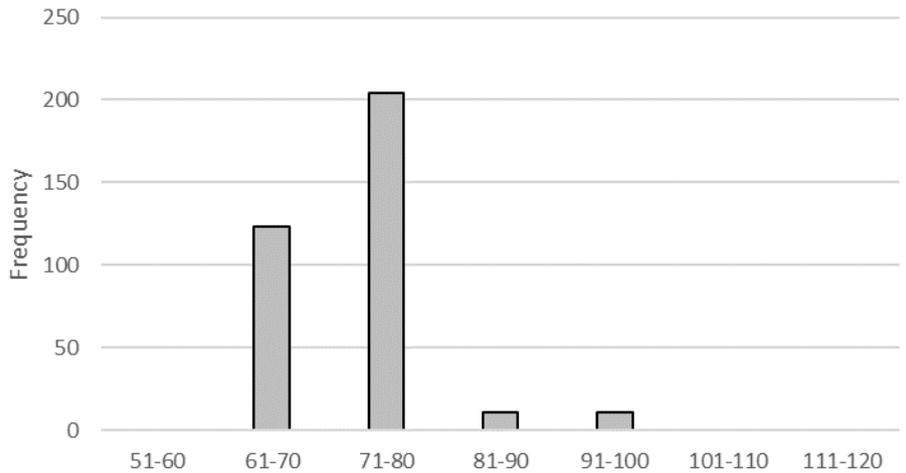
The bars show how many sessions the Gold/Silver ratio has spent in each of the ranges over the past year

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 **100+** 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

A volatile week in the markets with all precious metals closing the week lower on news that the Federal Reserve Chairman has been reappointed for a second term. Gold lost 2% on the announcement as this cemented expectations that the Federal Reserve will stick to plans to taper asset purchases to zero by Summer 2022 whereas other candidates for the job may have been more dovish. Friday saw a volatile day in all markets with crude oil down over 11%, Bitcoin losing c.8% and the FTSE 100 losing 3.64%. Gold finished little changed on a day where the US Dollar index and 10-year Treasury Bond yields took a hit as markets turned away from risk embracing assets on concerns that the new coronavirus variant will cause further lockdowns

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.

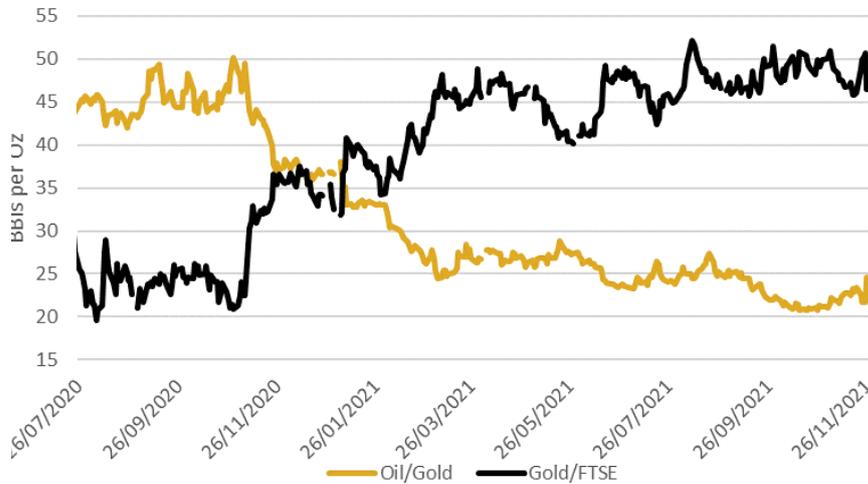


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Oil & FTSE 100 Priced in Gold



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

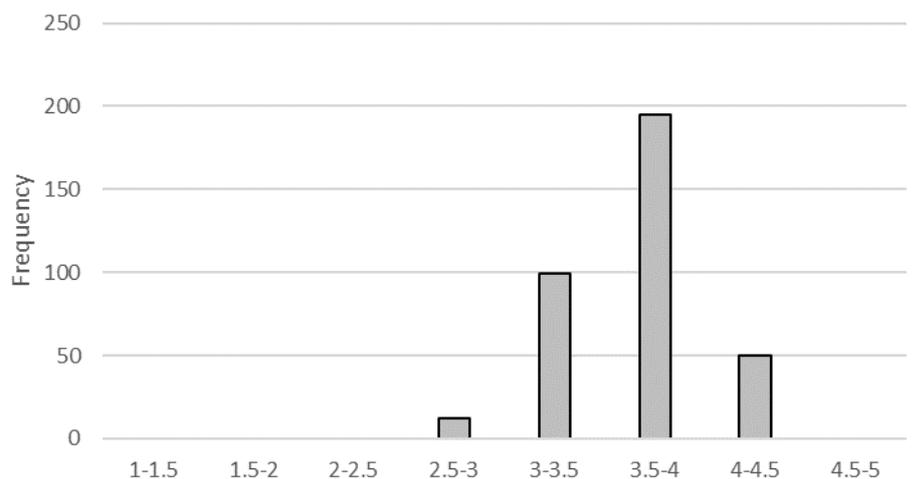
Current Ratio = 3.93

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	22-Nov-21	26-Nov-21	△ ↓	Week-on-Week △	Week-on-Week		Year-on-Year	
					% Change	24-Jul-20	△	% Change
GBP/Gold	£1,343	£1,347	▲	3.52	0.3%	£1,355	-11.92	-0.9%
USD/Gold	\$1,792	\$1,805	▲	13.23	0.7%	\$1,811	-18.76	-1.0%
EUR/Gold	€ 1,583	€ 1,605	▲	22.71	1.4%	€ 1,519	63.29	4.0%
Silver/Gold Ratio	77.47	74.69	▼	-2.77	-3.7%	77.21	0.26	0.3%
Oil/Gold Ratio	24.58	22.65	▼	-1.93	-8.5%	37.88	-13.30	-54.1%
FTSE 100/Gold Ratio	3.93	4.02	▲	0.09	2.2%	3.51	0.42	10.6%

Overview

Gold struggled in a week that saw the reappointment of Federal Reserve Chairman Jerome Powell as this signalled to the market that the Federal Reserve will stay its course in reducing asset purchases to zero by Summer 2022 rather than a more dovish candidate being appointed that could protract the tapering process. The emergence of a new Coronavirus variant with 'dramatically different' spike protein to the strands which the vaccines are based on was found in Botswana caused a sell-off in risk assets on Friday with crude oil losing over 11% on the day and the FTSE 100 down 3.64% as lockdown sensitive companies took a bath. Loses were led by companies such as Carnival down 16% and BP losing 7.8%. Gold managed to close flat when other assets collapsed. US 10-year Treasury Bond Yields opened the week at 1.56% and closed at 1.48% whilst the US Dollar index gave back early week gains after hitting highs of 96.93 but closing at 96.03. Gold's safe haven appeal meant that it held its value well during a day that saw price capitulation in many markets

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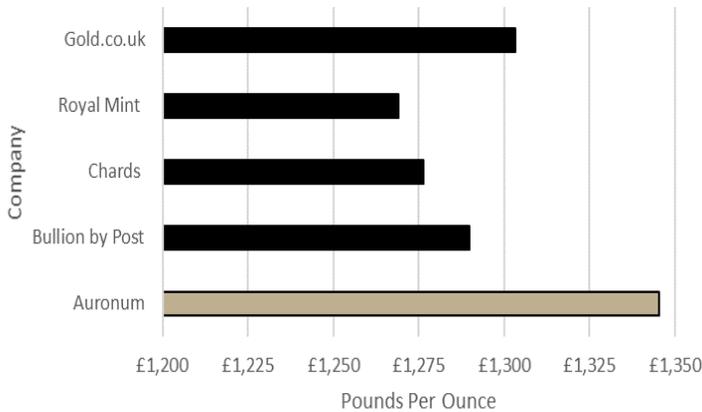


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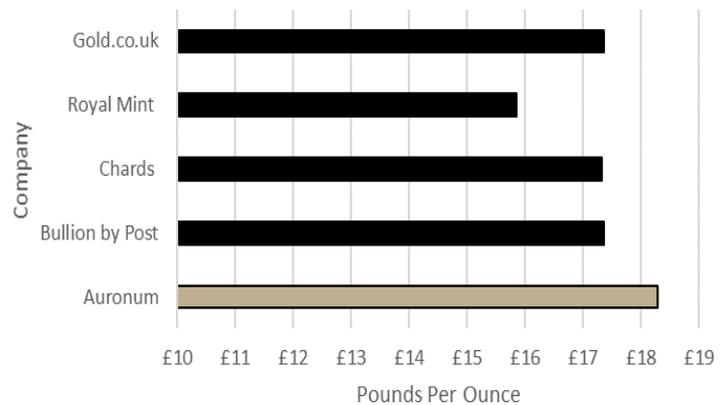
Physical Market Overview

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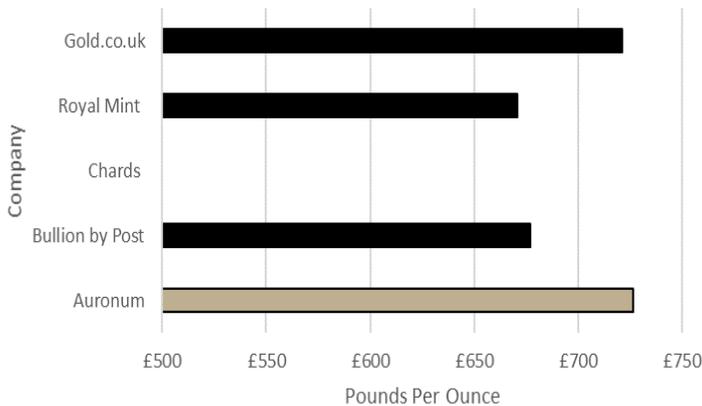
1oz Gold Bar Prices Paid



1oz Silver Bar Prices Paid



1oz Platinum Bar Prices Paid



Guidance For Investors Selling Bullion

Auronum is paying the highest rates for buying Gold bars from UK investors, offering **£1,345.55 per ounce**

Auronum is paying the highest rates for buying Silver bars from UK investors, offering **£18.29 per ounce**

Auronum is paying the highest rates for buying a Platinum bars from UK investors, offering **£726.58 per ounce**

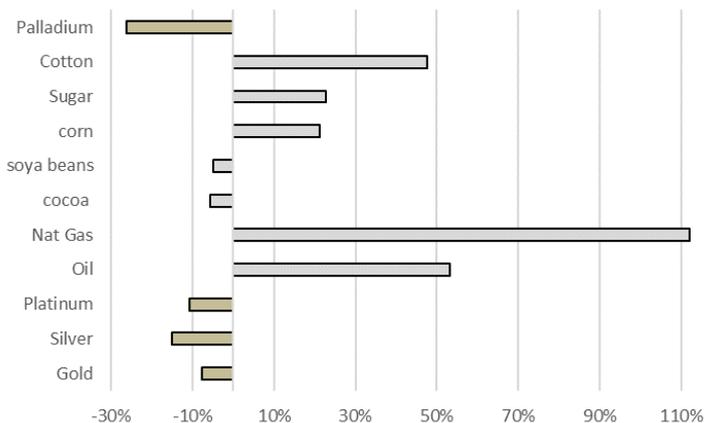
Note: All prices correct at Friday's close

Gold's Performance in 2021

Gold gained against Platinum and Crude Oil after the latter saw losses of 11% on Friday on renewed concerns of lockdowns after a new coronavirus variant was detected in Botswana which was 'dramatically different' from the strands that the vaccine is based on. Renewed lockdowns predict lower oil demand and less economic activity. Gold was initially up over 1% on the news but closed flat on Friday which meant Gold outperformed many other key markets

Platinum is now showing as down against Gold on the year due to its industrial demand link which is vulnerable to lockdowns. The expectation of further lockdowns across the developed world predicts lower Platinum demand which caused Platinum to sink over 4% on the day as Gold closes slightly above Thursday's session close

Calendar Year Performance



Gold's Performance Against Other Commodities

