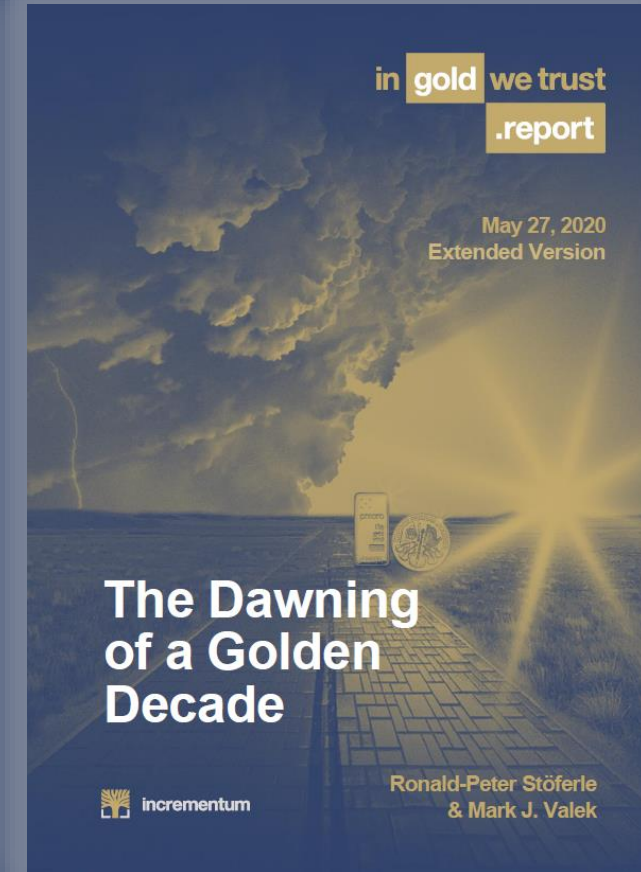


In Gold We Trust report 2020:

The Dawning of a Golden Decade

Ronald-Peter Stöferle
Mark Valek

May, 27th 2020
Press Conference



In Our Partners We Trust



About the *In Gold We Trust* report

- The annually published Gold report has been written by Ronald-Peter Stöferle **since 2007**, for the eighth time together with Mark Valek and under the umbrella of Incrementum AG.
- It provides a **"holistic" assessment of the gold sector** and the most important influencing factors, such as real interest rate development, debt, inflation, etc.
- The *In Gold We Trust* report is one of the **most read gold analysis** worldwide and was downloaded and shared almost 2 million times last year.
- Since 2019 the report has also been **published in China**. The Mandarin version will be published this year in autumn.
- All information can be found at **www.ingoldwetrust.report**.



Executive Summary – *In Gold We Trust* report 2020



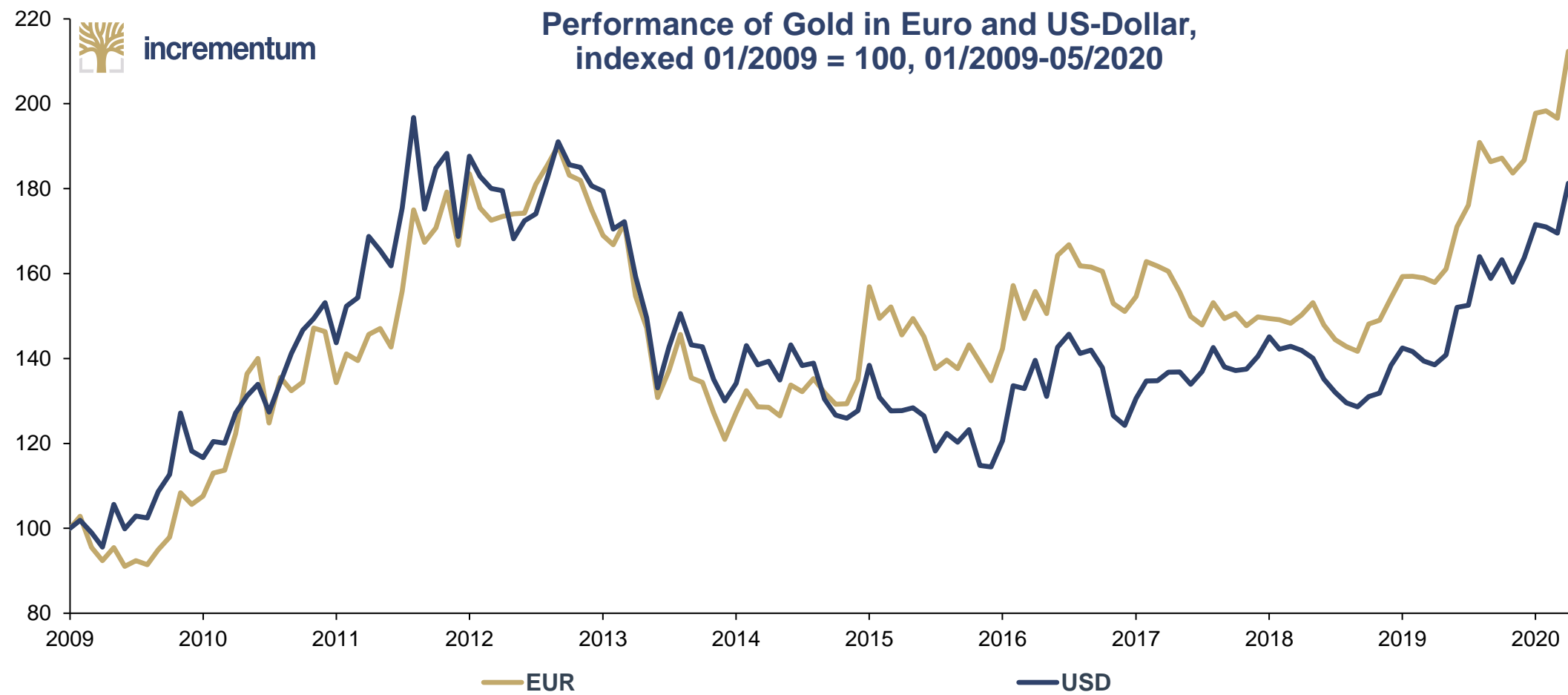
- Monetary policy normalization has failed.
- The coronavirus is the accelerant of the overdue recession.
- Deflationary forces are currently strong.
- Debt-bearing capacity is reaching its limits.
- Central banks are in a quandary when it comes to combating future inflation.
- Dawn of a new monetary world order.
- New gold all-time highs are only a matter of time.
- The authors' proprietary valuation model shows a gold price of USD 4,800 at the end of this decade, even with conservative calibration.

Gold Performance Since 2003 In Various Currencies

	EUR	USD	GBP	AUD	CAD	CNY	JPY	CHF	INR
2003	-0.5%	19.6%	7.9%	-10.5%	-2.2%	19.5%	7.9%	7.0%	13.5%
2004	-2.7%	5.3%	-2.3%	1.8%	-1.9%	5.3%	0.7%	-3.4%	0.6%
2005	36.8%	20.0%	33.0%	28.9%	15.4%	17.0%	37.6%	37.8%	24.2%
2006	10.6%	23.0%	8.1%	13.7%	23.0%	19.1%	24.3%	14.1%	20.9%
2007	18.4%	30.9%	29.2%	18.3%	12.1%	22.3%	22.9%	21.7%	16.5%
2008	10.5%	5.6%	43.2%	31.3%	30.1%	-2.4%	-14.4%	-0.1%	28.8%
2009	20.7%	23.4%	12.7%	-3.0%	5.9%	23.6%	26.8%	20.1%	19.3%
2010	38.8%	29.5%	34.3%	13.5%	22.3%	24.9%	13.0%	16.7%	23.7%
2011	14.2%	10.1%	10.5%	10.2%	13.5%	5.9%	4.5%	11.2%	31.1%
2012	4.9%	7.0%	2.2%	5.4%	4.3%	6.2%	20.7%	4.2%	10.3%
2013	-31.2%	-28.3%	-29.4%	-16.2%	-23.0%	-30.2%	-12.8%	-30.1%	-18.7%
2014	12.1%	-1.5%	5.0%	7.7%	7.9%	1.2%	12.3%	9.9%	0.8%
2015	-0.3%	-10.4%	-5.2%	0.4%	7.5%	-6.2%	-10.1%	-9.9%	-5.9%
2016	12.4%	9.1%	30.2%	10.5%	5.9%	16.8%	5.8%	10.8%	11.9%
2017	-1.0%	13.6%	3.2%	4.6%	6.0%	6.4%	8.9%	8.1%	6.4%
2018	2.7%	-2.1%	3.8%	8.5%	6.3%	3.5%	-4.7%	-1.2%	6.6%
2019	22.7%	18.9%	14.2%	19.3%	13.0%	20.3%	17.7%	17.1%	21.6%
2020 ytd	18.4%	14.9%	24.5%	24.2%	24.0%	16.1%	13.8%	14.3%	22.5%
Average	9.7%	10.7%	12.0%	9.5%	10.0%	9.7%	10.1%	7.8%	13.0%

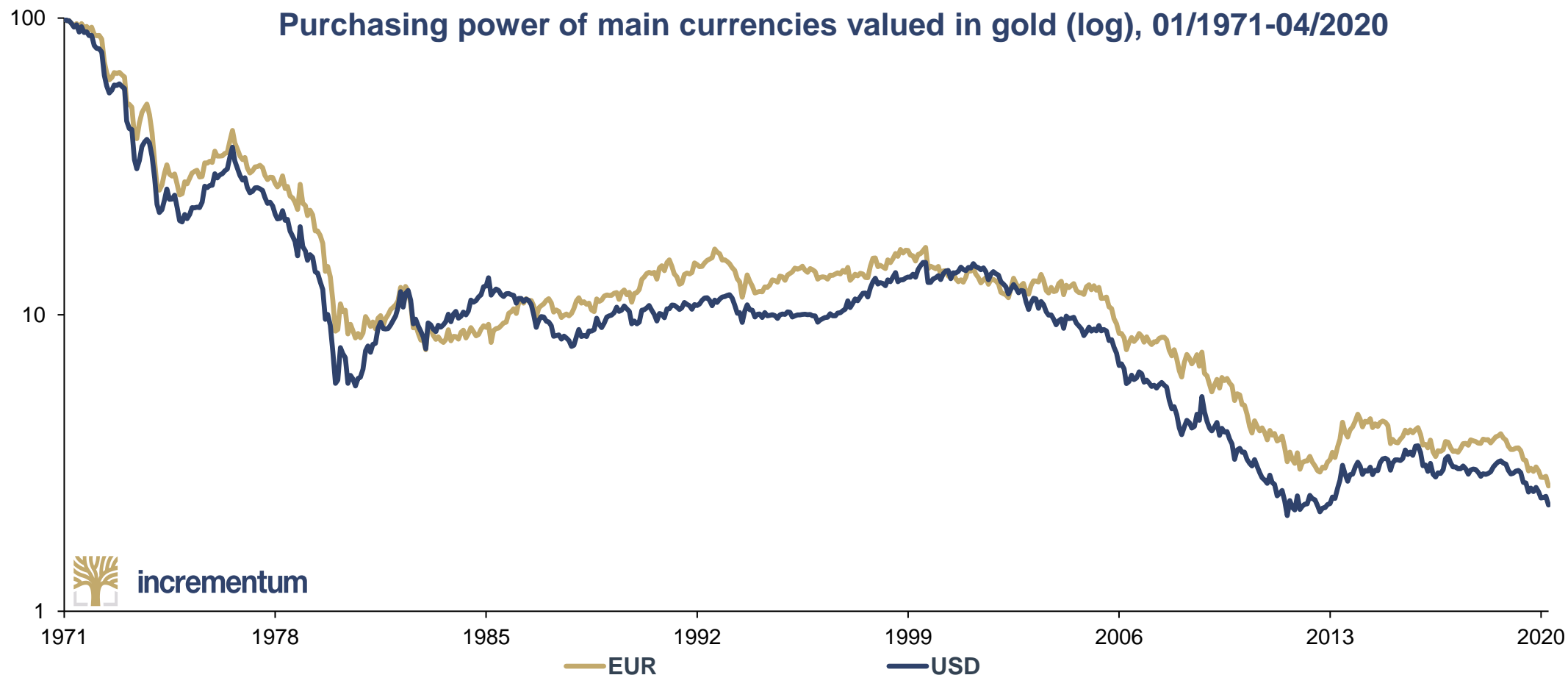
Source: goldprice.org, Incrementum AG, as of May 21, 2020

Gold at a New All Time High In Euro



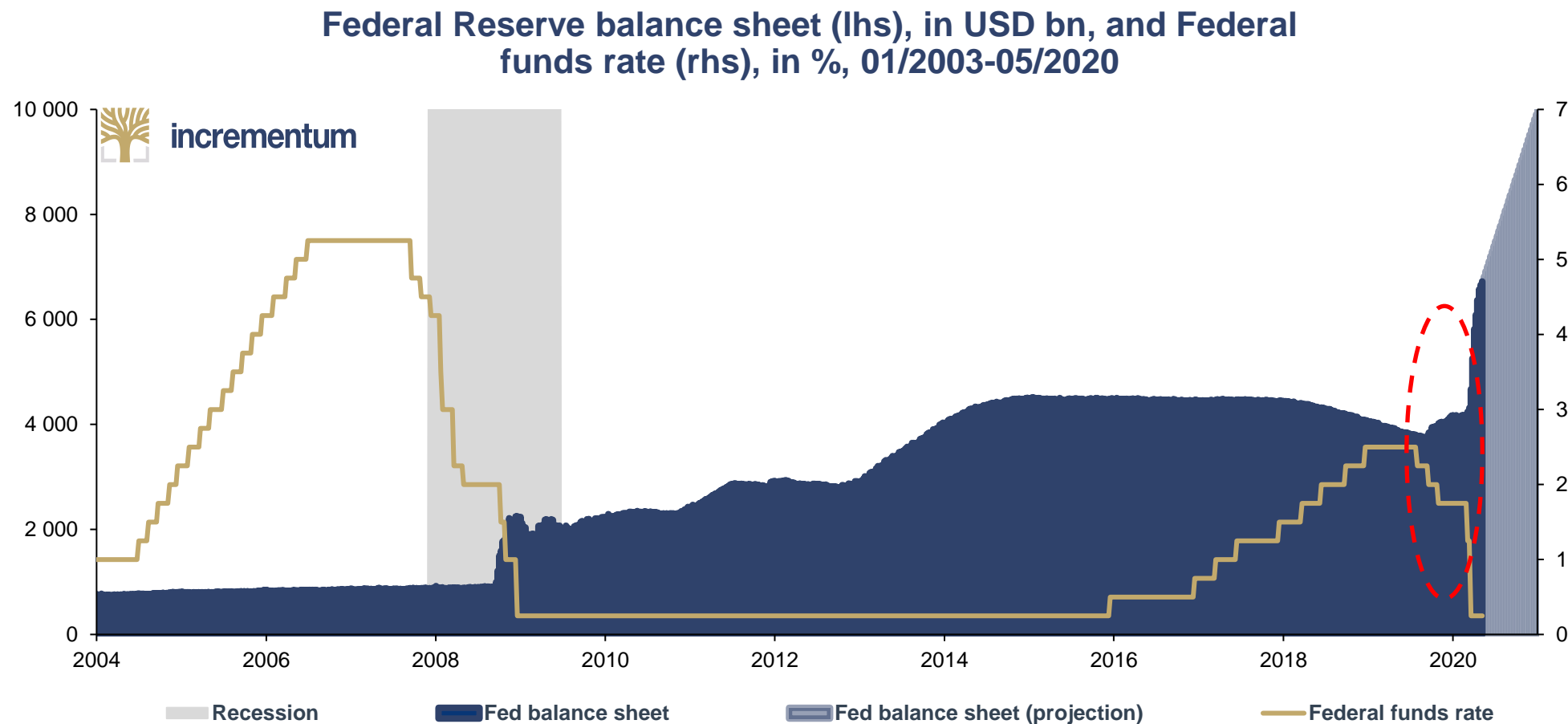
Source: Reuters Eikon, Incrementum AG

Long Term Decline In Purchasing Power of Fiat Currencies Measured In Gold



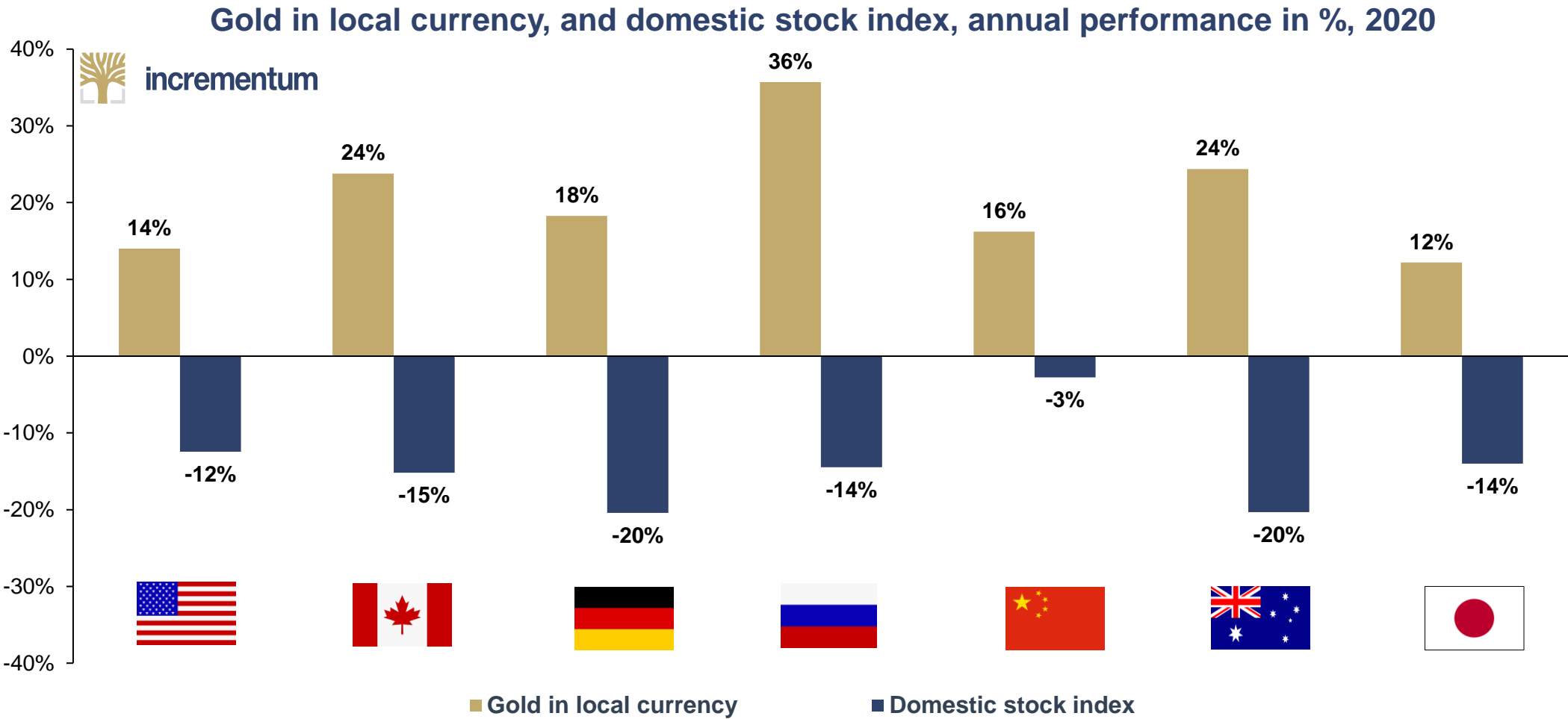
Source: Reuters Eikon, Nick Laird, goldchartsrus.com, Incrementum AG

Normalization of Monetary Policy Failed, Already In 2019!



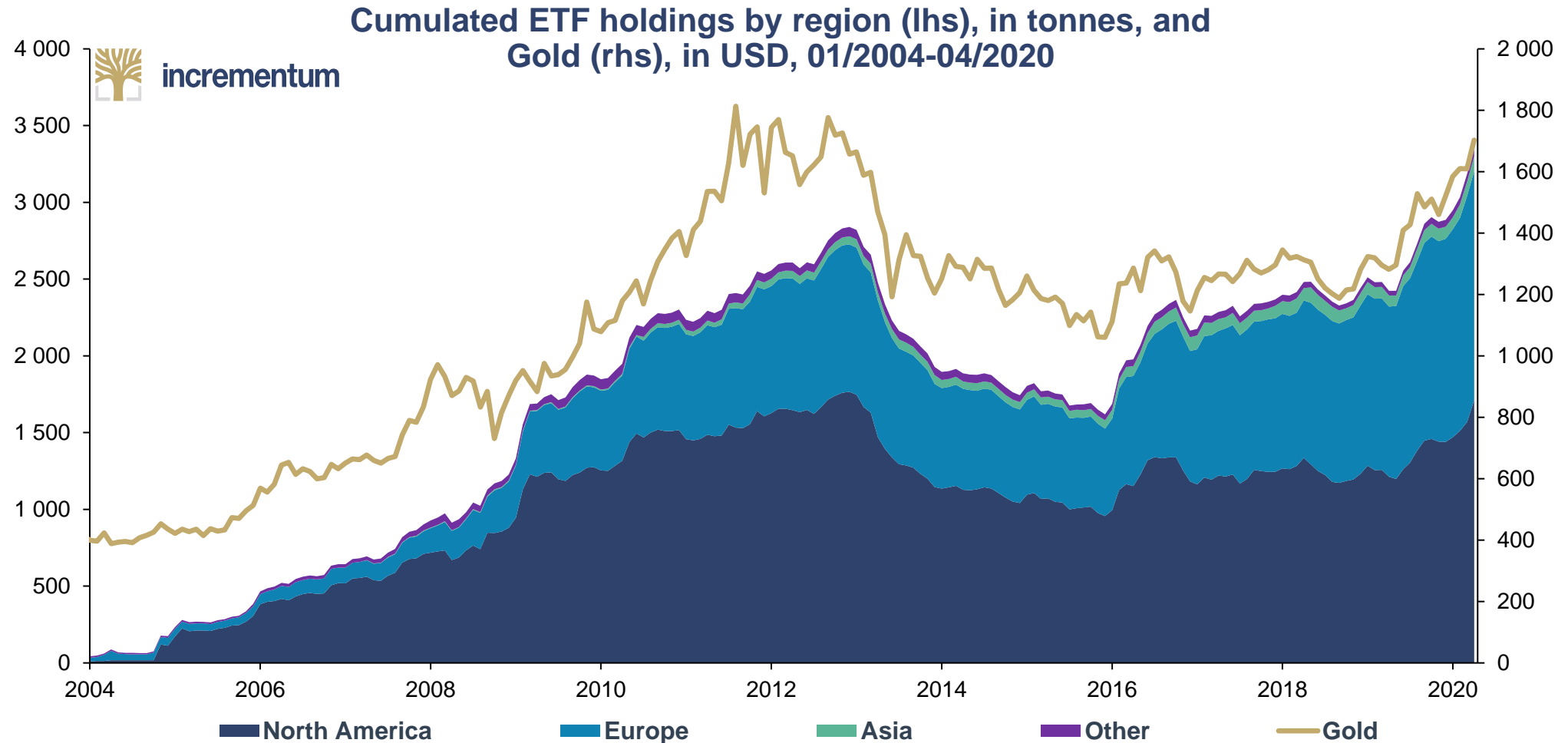
Source: Reuters Eikon, Incrementum AG

Once More, Gold As Effective Portfolio Diversifier During Recession



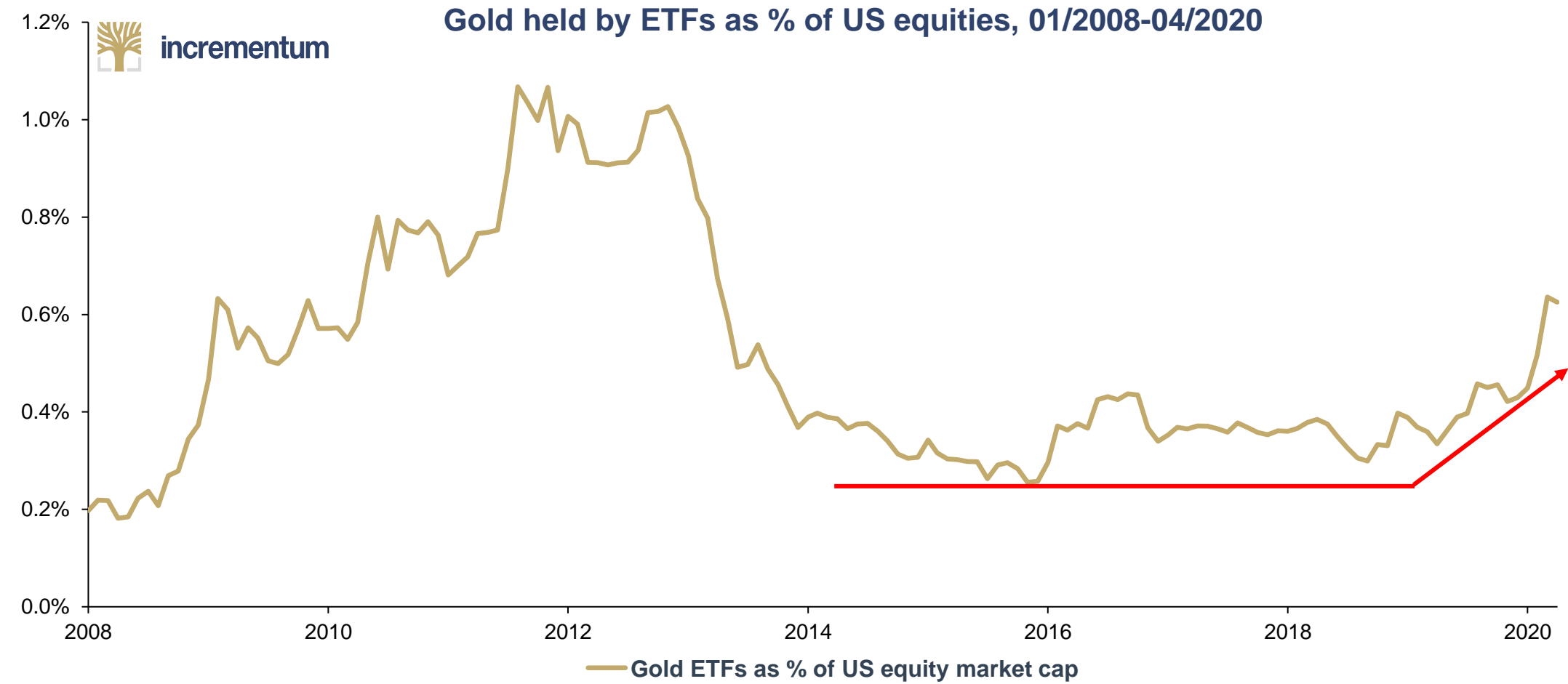
Source: Reuters Eikon (as of 14th of May 2020), Incrementum AG

Gold Is Being Rediscovered by Portfolio Managers



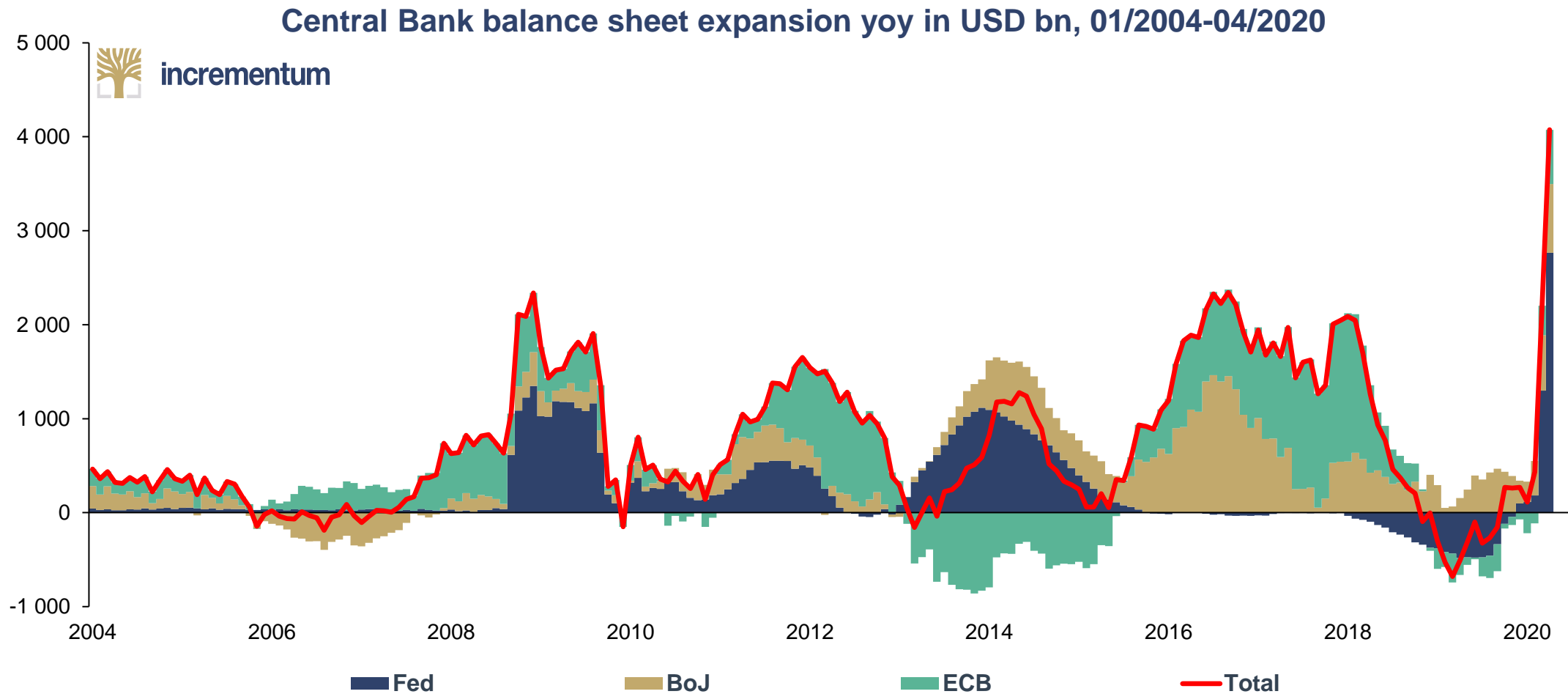
Source: World Gold Council, Incrementum AG

Gold Exposure of Portfolios Still Low



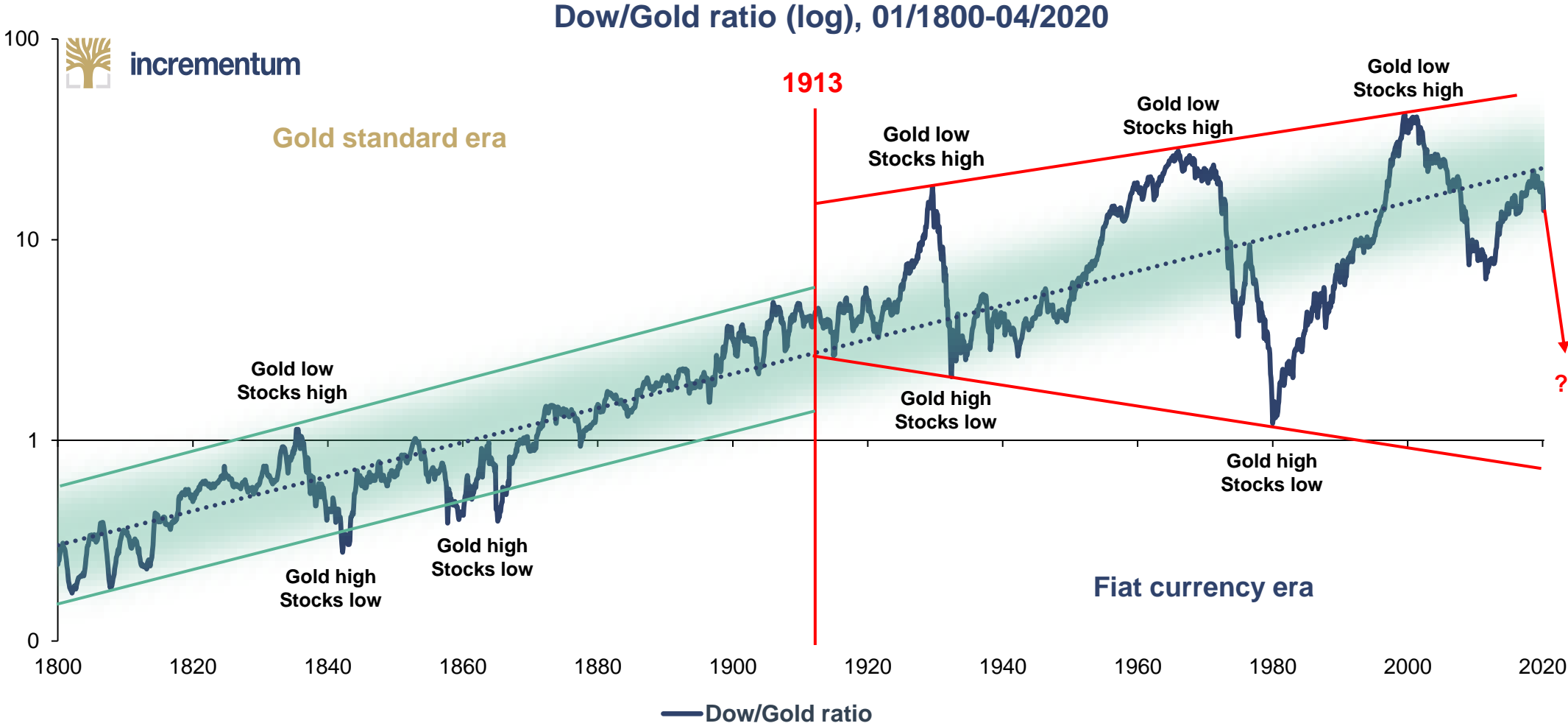
Source: Atlas Pulse, Reuters Eikon, World Gold Council, Incrementum AG

Quantitative Easing More Extreme Than 2008



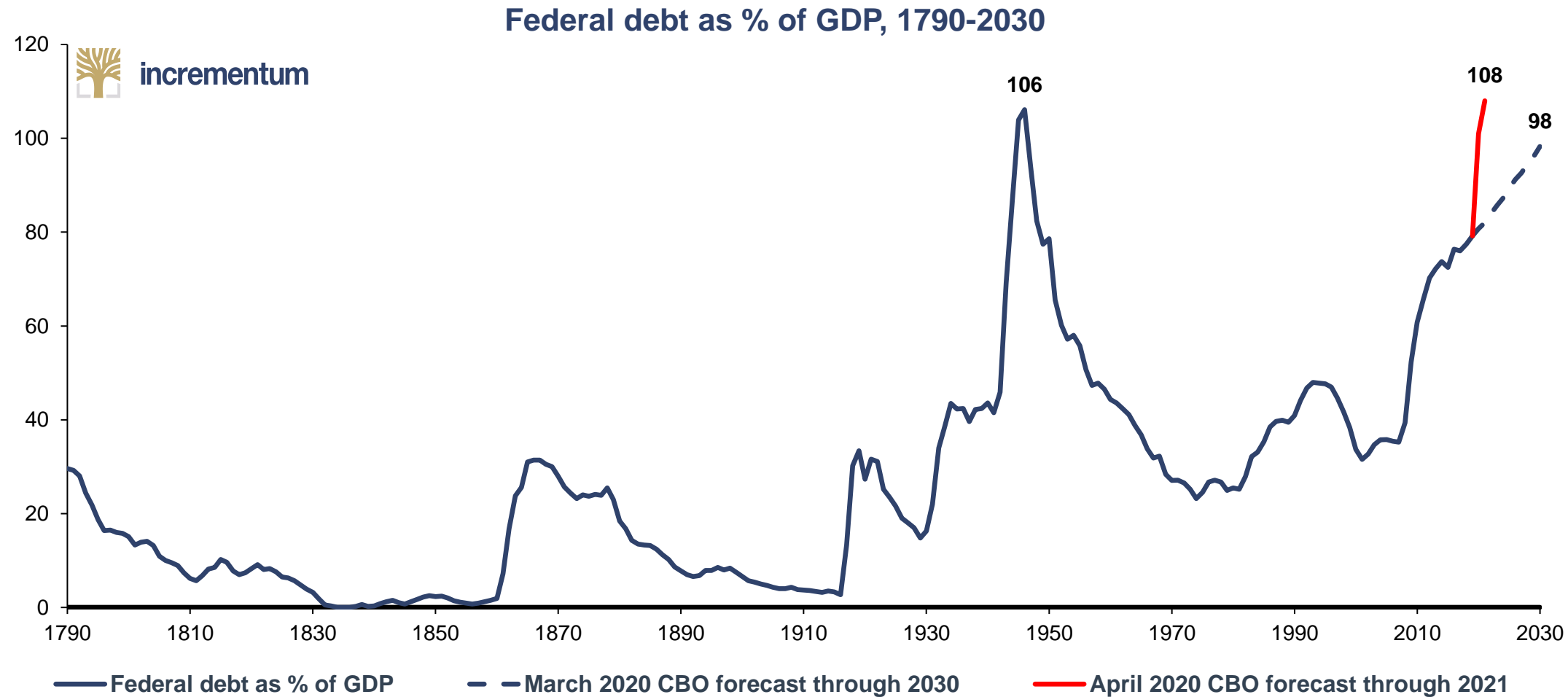
Source: Reuters Eikon, Incrementum AG

Equity Markets Priced In Gold Are Falling Since Q4 2018



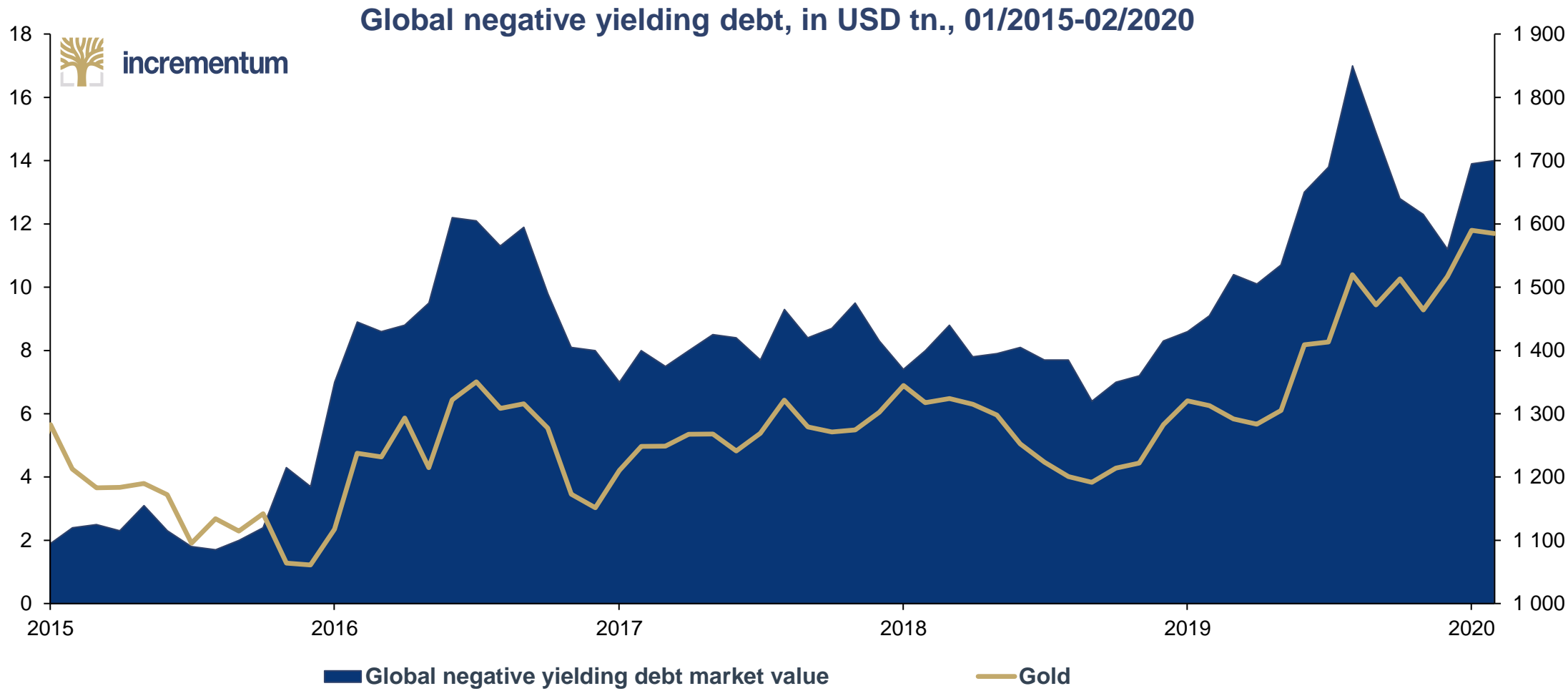
Source: Nick Laird, goldchartsrus.com, Reuters Eikon, Incrementum AG

Federal Debt Exploding



Source: CBO, Incrementum AG

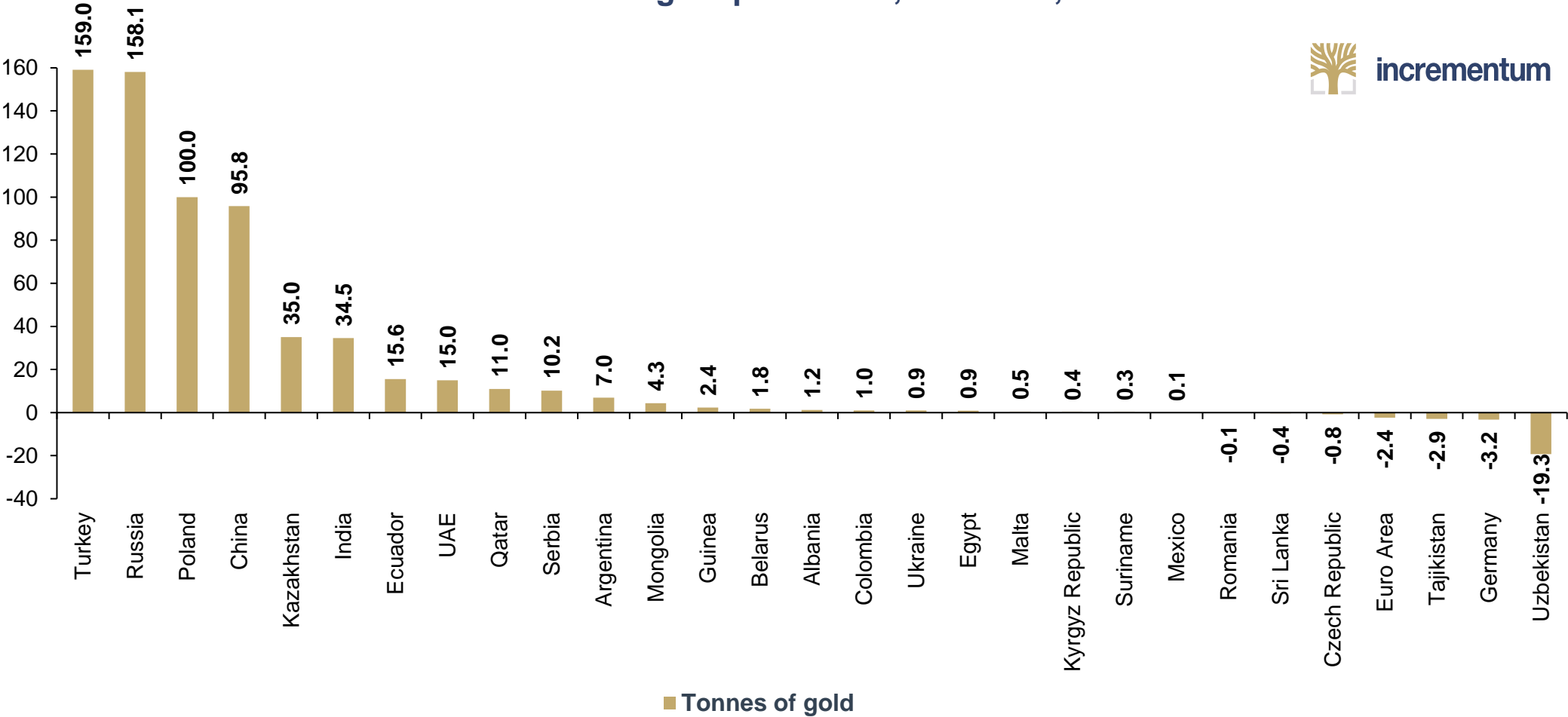
Gold Rises In Attractiveness Due To Negative Yields On Bonds



Source: Bloomberg, Reuters Eikon, Incrementum AG

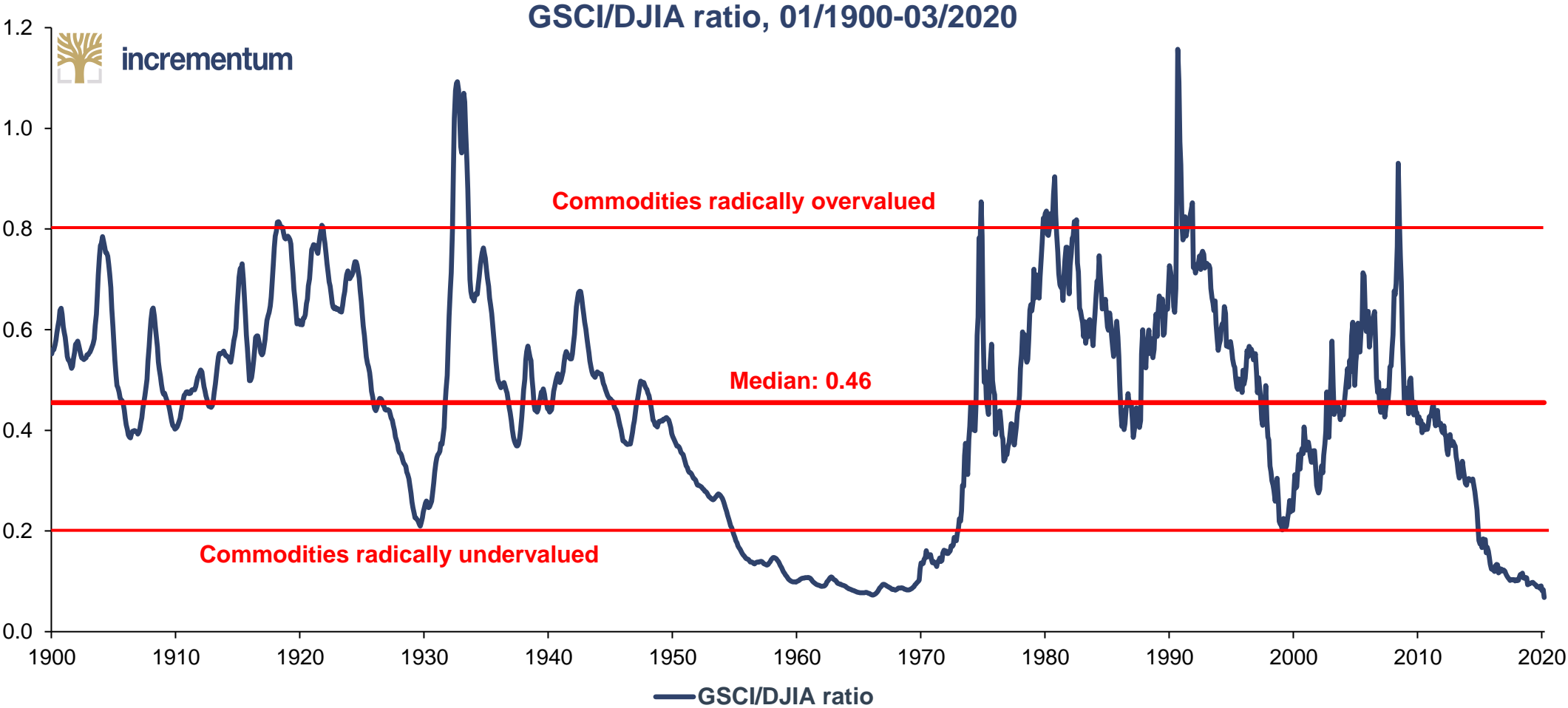
Central Banks Continue To Be Net Buyers of Gold

Central bank gold purchases, in tonnes, 2019



Source: World Gold Council, Incrementum AG

Commodities Extremely Undervalued Relative To Equities



Source: <http://blog.gorozen.com/blog/commodities-at-a-100-year-low-valuation>, Reuters Eikon, Incrementum AG

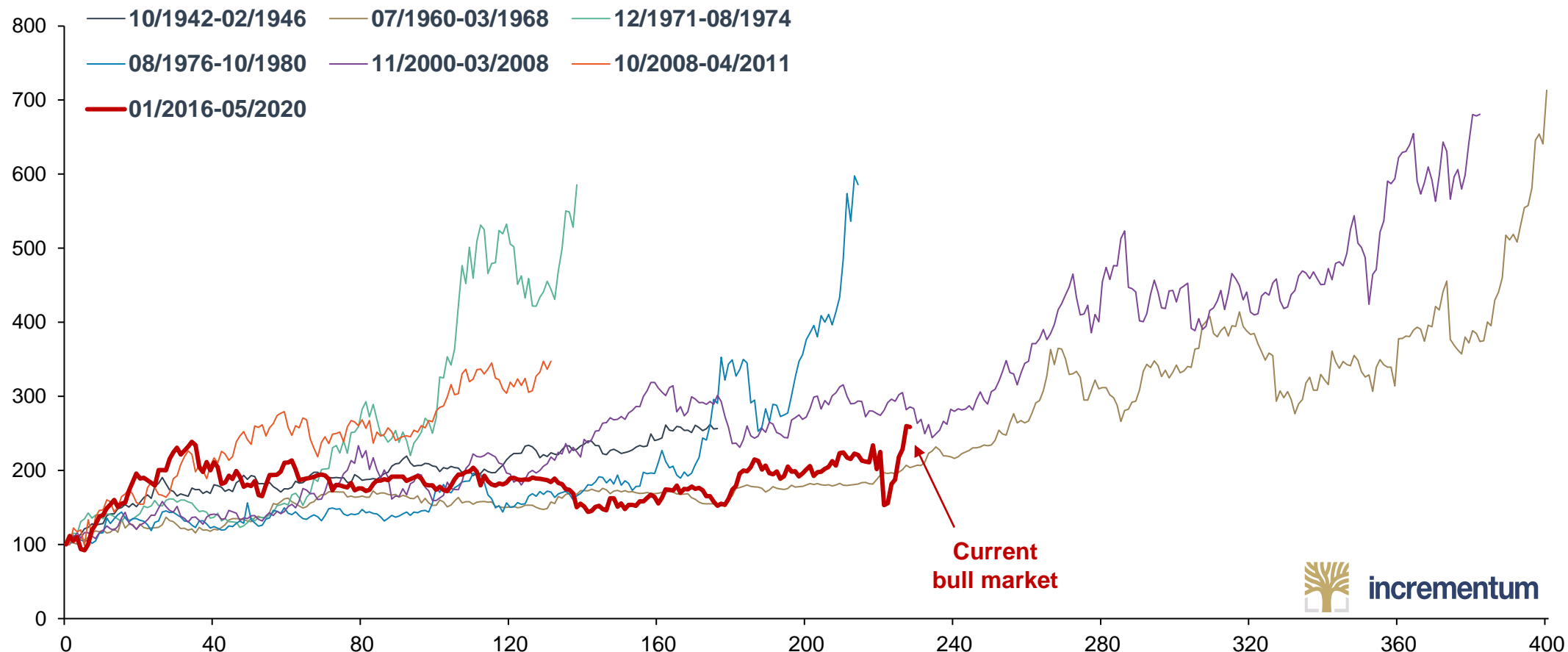
Silver Historically Cheap Relative To Gold



Source: World Bank, Wheaton Precious Metals, Incrementum AG

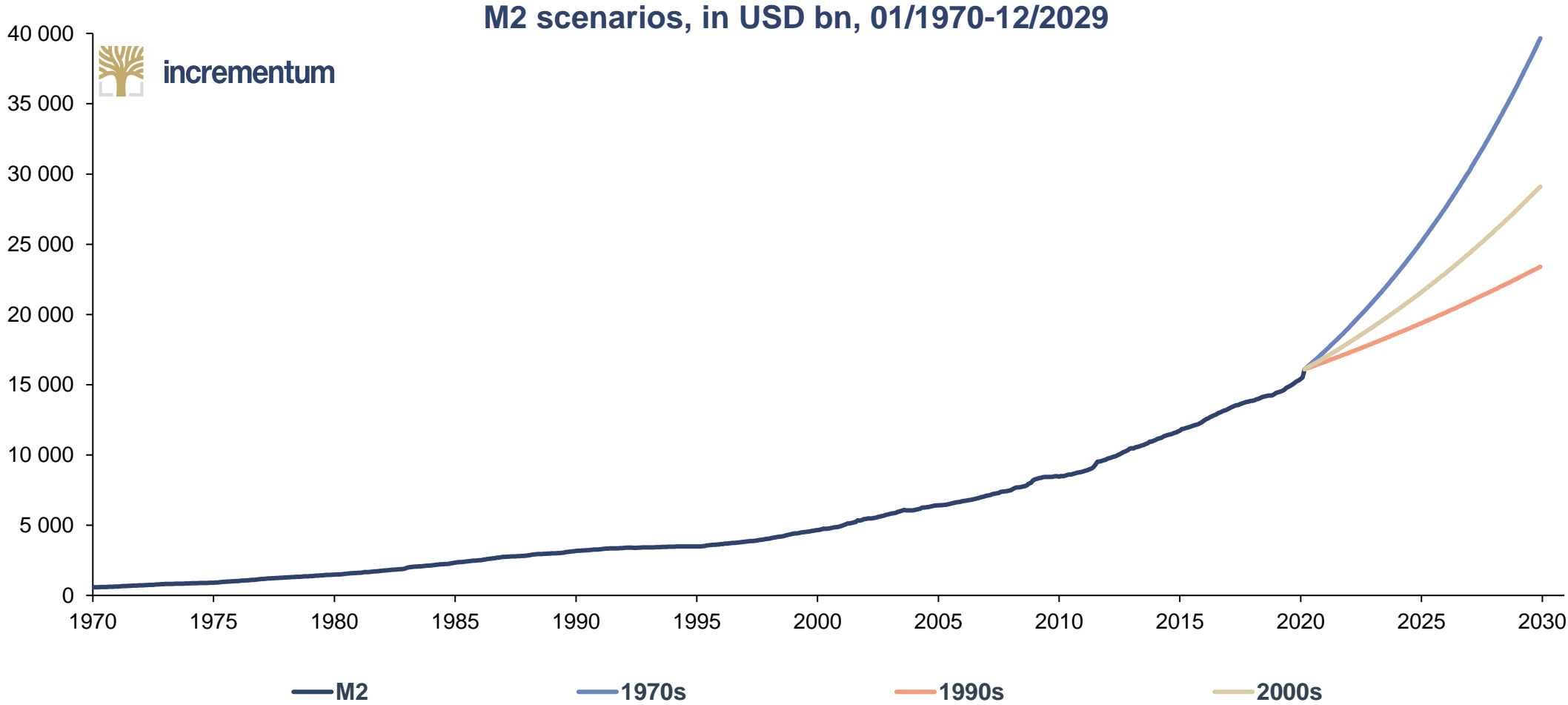
The Bull Market of Gold Miners Has A Lot More Room to Run!

BGMI Bull Markets, indexed at 100 = Begin of each Bull Market, 1942-2020



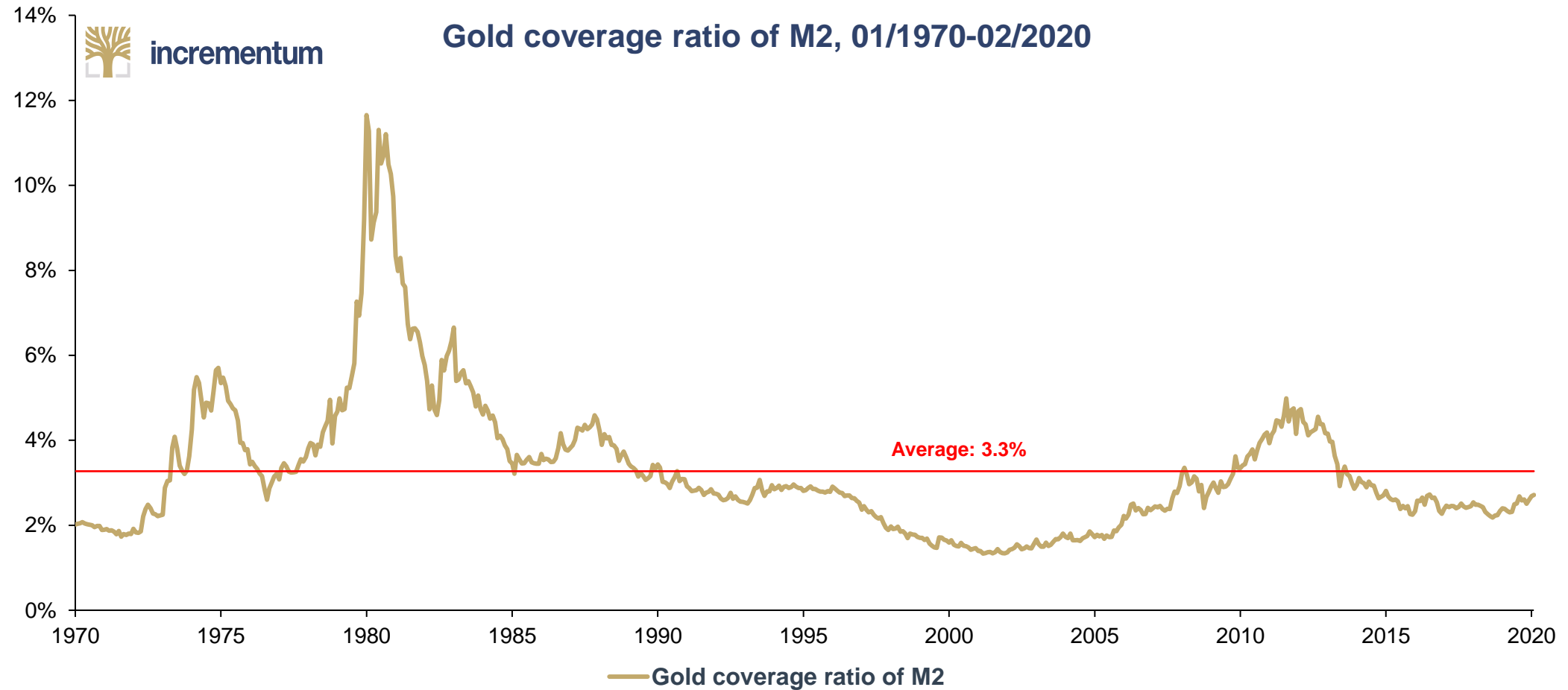
Source: Nowandfutures, TheDailyGold.com, Barrons, Nick Laird, goldchartsrus.com, Incrementum AG

Gold Price Model (I): Scenarios for M2 Monetary Inflation This Decade



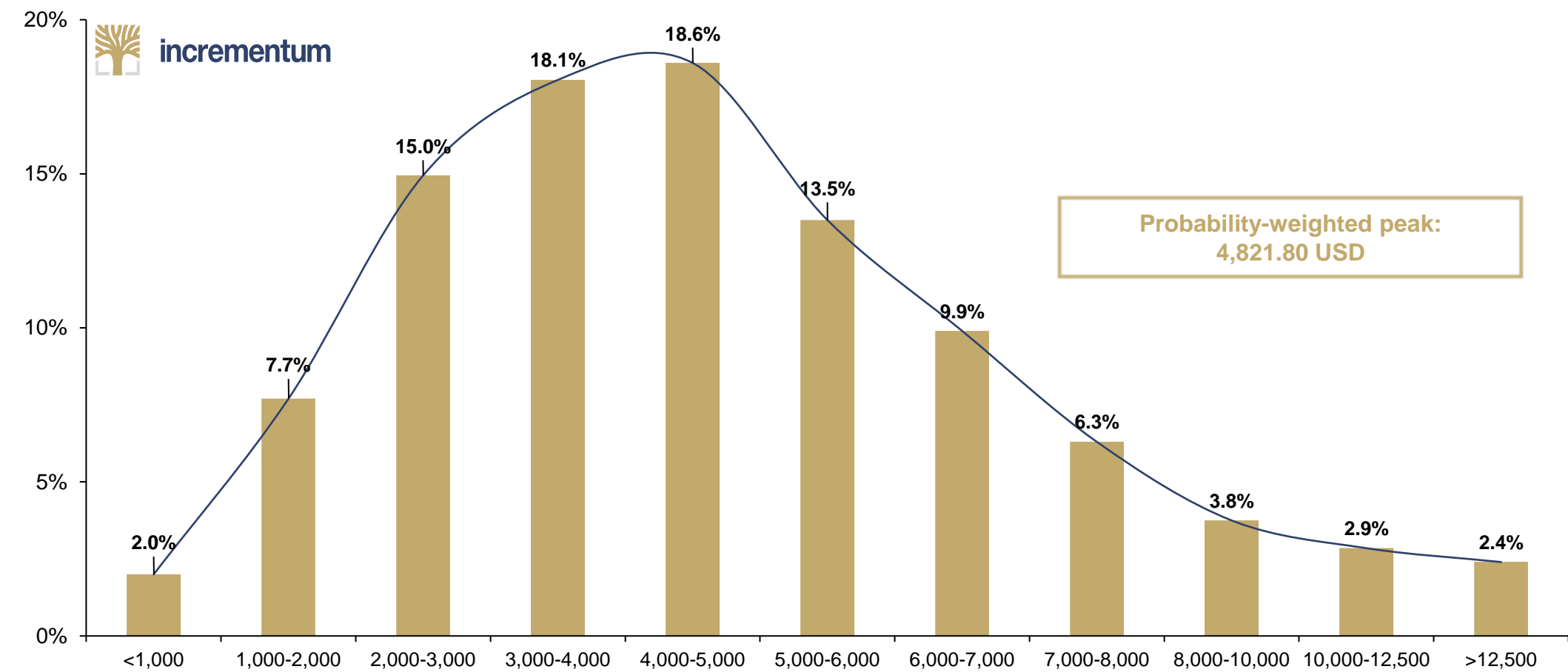
Source: Reuters Eikon, Incrementum AG

Gold Price Model (II): The Gold Price and Monetary Aggregates



Source: Reuters Eikon, Incrementum AG

Gold Price Model (III): Approximated Gold Price In 2030 By Distribution Probability, in USD



Source: Incrementum AG

Conclusion

- Monetary policy normalization has failed.
- The coronavirus is the accelerant of the overdue recession.
- Deflationary forces are currently strong.
- Debt-bearing capacity is reaching its limits.
- Central banks are in a quandary when it comes to combating future inflation.
- Dawn of a new monetary world order.
- New gold all-time highs are only a matter of time.
- The authors' proprietary valuation model shows a gold price of USD 4,800 at the end of this decade, even with conservative calibration.



Thank You For Your Attention!

About Incrementum AG

Incrementum AG is an owner-managed and fully licensed asset manager & wealth manager based in the Principality of Liechtenstein.



- Independence is the cornerstone of our philosophy. The partners own 100% of the company.
- Our goal is to offer solid and innovative investment solutions that do justice to the opportunities and risks of today's complex and fragile environment.
- **Our core competencies are in the areas of:**
 - Wealth management
 - Precious metal and commodity investments
 - Active inflation protection
 - Crypto and alternative currency exposure
 - Special mandates

Contact Us



Incrementum AG

Im alten Riet 102

9494 – Schaan/Liechtenstein

www.incrementum.li

www.ingoldwetrust.li

Email: ingoldwetrust@incrementum.li

Disclaimer

This publication is for information purposes only. It represents neither investment advice nor an investment analysis or an invitation to buy or sell financial instruments. Specifically, the document does not serve as a substitute for individual-investment or other advice. The statements contained in this publication are based on knowledge as of the time of preparation and are subject to change at any time without further notice.

The authors have exercised the greatest possible care in the selection of the information sources employed. However, they do not accept any responsibility (and neither does Incrementum AG) for the correctness, completeness, or timeliness of the information as well as any liabilities or damages, irrespective of their nature, that may result therefrom (including consequential or indirect damages, loss of prospective profits, or the accuracy of prepared forecasts).

Copyright: 2020 Incrementum AG. All rights reserved.