8 PAGES ABOUT...

Investing in Gold

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ABOUT OUR '8 PAGES' SERIES:

The Librarium Associates monthly '8 Pages About..' series is a publication created by our team focused on topical current issues that we feel warrants a deep dive were we can distill the key developments and provide an alternative view on such topics.

We are constantly engaged in active horizon scanning while adhering to our belief that students of the lessons of history and permanent features such as geographic realities can provide superior insights.

From these broad scenarios we work to identify investable trends and specific opportunities. We find that such a broad approach provides an 'early alarm' system for risk management and an indicator of attractive price/value situations across asset classes.

The intention of our research and the basic premise of this publication is to present rational perspectives based upon a diligent analysis of historical data. Through organizing the data logically, information is created. Through understanding and developing perspectives on the information, knowledge is generated. With knowledge, one can then start to make informed decisions.

The most practical way to imagine the future is to question the expected, this is best done making use of what we call 'critical thinking' – Critical thinking is the careful, deliberate determination of whether one should accept, reject or suspend judgment about a claim and the degree of confidence with which one accepts or rejects it. Critical thinking employs not only logic but a broad intellectual criteria such as the one outlined above. Critical thinking requires extensive experience in identifying the extent of one's own ignorance in a wide variety of subjects which is often captured in the following sentence; I thought I knew, but I merely believed.

As J.F. Kennedy put it; "Belief in myths allows the comfort of opinion without the discomfort of thought." Our aim is always to avoid this trap of the mind, when one attempts to look into the future one is better of exhibiting a more intellectually humble approach and challenge one's beliefs and opinions by asking the question; What if we took the opposite view? This leads to a more balanced set of insights in our view.

The insights and opinions offered in this document are meant as a summary of events and our views – not a conclusive or exhaustive overview or for that matter a specific investment recommendation.

We hope it will offer some food for thought and that it can form the basis of conversations between our clients, interested parties and ourselves.

Sincerely yours,

Mr. S.H. Sorensen
Senior Associate

Exploring the case for gold...

During my time spent on the magnificent Cape I often visited the illuminating Gold of Africa Museum in Cape Town, It is a treasure trove of both gold and insights. I kept a guide from one of my visits in the introduction it poetically states;

"Gold glitters. Gold endures. Gold can be transformed into a thousand shapes without diminishing or losing its essential nature."

These facts and the related value mankind has inferred upon it, means gold holds a special place in the human psyche and in our collective history. When European explorers initially arrived in the "New World" they met the native South Americans. The representative from these two cultures that had been separated by a vast ocean, they spoke different languages and lived entirely different lives. Yet they had one thing in common – they both held gold in the highest esteem and used it to make their most prestigious objects.

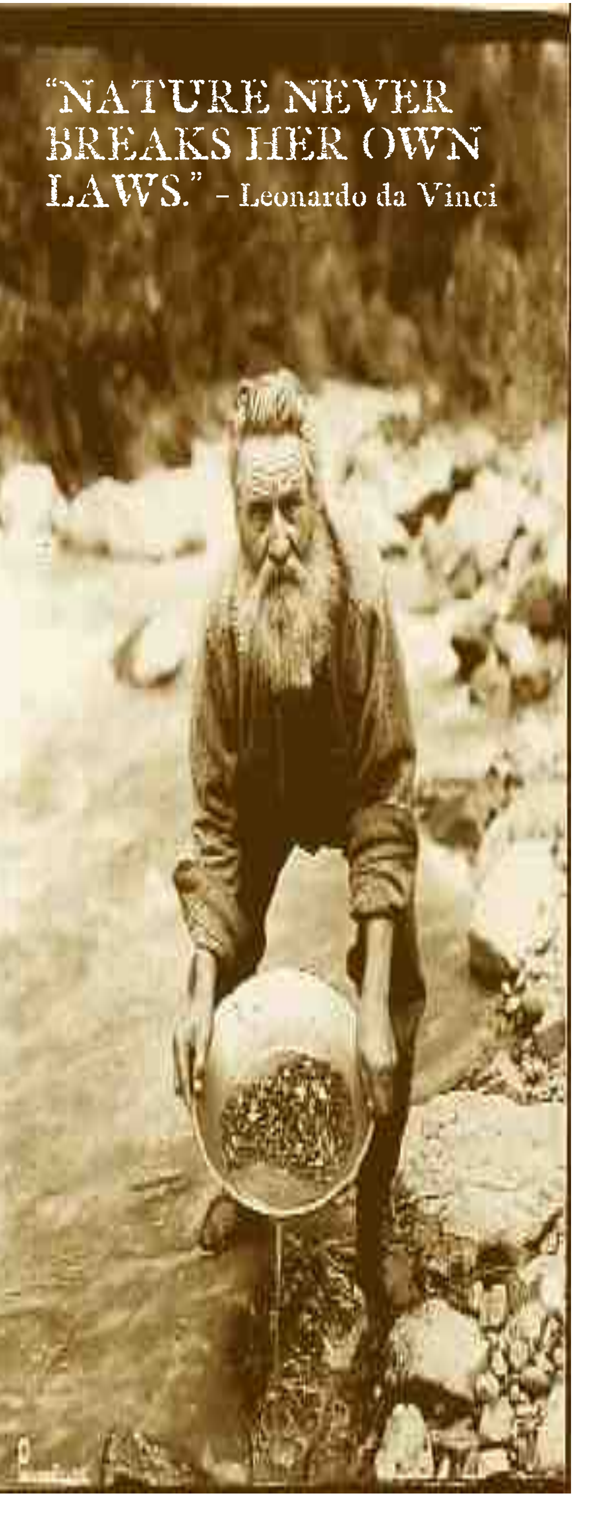
Throughout history, almost every established culture has used gold to symbolize power, beauty and accomplishment. This quickly translated into a central role in our financial history, with inherent benefits that made it a comparatively practical means of exchange, an honest measure of account and a great store of value.

While we appreciate artistic expression in ornaments and jewelry, good dentist work and high quality electronics, our interest is in gold as money – as the ultimate global currency.

From an investment perspective it should be considered in that context – an important long-term component of the 'Cash' segment of any diversified portfolio. Let's start with defining what money is:

"Money is any item or verifiable record that is generally accepted as payment for goods and services and repayment of debts in a particular country or socio-economic context. The main functions of money are distinguished as: a medium of exchange; a unit of account; a store of value. Any item or verifiable record that fulfills these functions can be considered as money." – Wikipedia

With a clear definition in place let's take a look at what history can teach us about gold and its competitors as money.



When exploring the cavernous library of texts describing mankind's tempestuous interactions with finance, in order to map out the many streams and rivers that led us to a world of fiat, the key source appears to be our eternal pursuit of the wealth of tomorrow today or in other words; credit or debt. In our November 2017 '8 Pages About Global Debt' report we wrote the following ,which gets to the kernel of this;

"Government Debt – The National Purse; From Gold to I.O.U.'s.

"The public has two hopes, and government makes two promises - many benefits and no taxes. Hopes and promises, which being contradictory, can never be realized." - Bastiat 1848. This conundrum has been the stone in the shoe of many regents, emperors and governments throughout history. Debt has inevitably been the choice for bringing the riches of the future into the hands of people today, in times of inelastic currencies it was more of a serious commitment with the lender very much in control, as when the bankers of Genoa laid claim to most of the Spanish regent's gold and silver from its American adventure. Once such cumbersome barriers could be negated with temporary suspension of specie payments and eventually fiat paper currencies, relatively unlimited credit expansion could take root for better and for worse."

Undoubtedly much folly, disaster and destruction has been the result of these experiments with alchemy 2.0 (Fiat) – get a sense of the history of this with our samples in the 'Letting history be the guide…' segment starting on section 4 - and as for 3.0 (QE) the results are still to be assessed in full.

However as we also note in our 'Global Debt' report much of humanity's achievements has been underpinned by innovative developments in finance. As recently as the 1960's (Just before we gave up the last vestiges of the gold standard – a rule based monetary system with defined limitations) the majority of humans had always been illiterate and lived in extreme poverty. Today fewer than 15% are illiterate and fewer than 10% live in extreme poverty, a smaller share of the world's people are hungry, impoverished or illiterate than at any time before according to Our World in Data. Human ingenuity has been enhanced and sped up during the last 100 years and much has been achieved, it would be hard to argue that finance and monetary developments has not played a positive role in this.

If we go back to our initial definition from Wikipedia of what money is; for the 'means of exchange'– perhaps it makes sense to consider a disciplined yet somewhat elastic 'long term greedy' fiat format (Blockchain 4.0 to the rescue?). It's not perfect and it will get messy on occasions but it's probably the 'least bad' solution when tinkering with the inexact formula of the modern economy. For optimal economic growth with all its benefits, velocity of money and the credit mechanism appears to need to be more fluid than what a traditional gold standard can provide. As for an honest 'unit of account' we would lean towards the undoubted benefits of gold for long term accounting of ones wealth and accessing valuations in a historical context, when it comes to a true 'store of wealth' we see gold as a crucial and uniquely qualified part of the solution.

In essence: play the game, but understand the rules, do not be fooled by inflated fiat valuations when you take stock of your wealth and make sure you take profits in the game and convert them into a real store of wealth - such as physical gold – at regular intervals.

"GOLD IS MONEY; EVERYTHING ELSE IS CREDIT."
– Mr. J.P. Morgan

FIAT HISTORY

During the 13th century, Marco Polo describes the fiat money of the Yuan Dynasty with some measure of bedazzlement in his 'The Travels of Marco Polo';

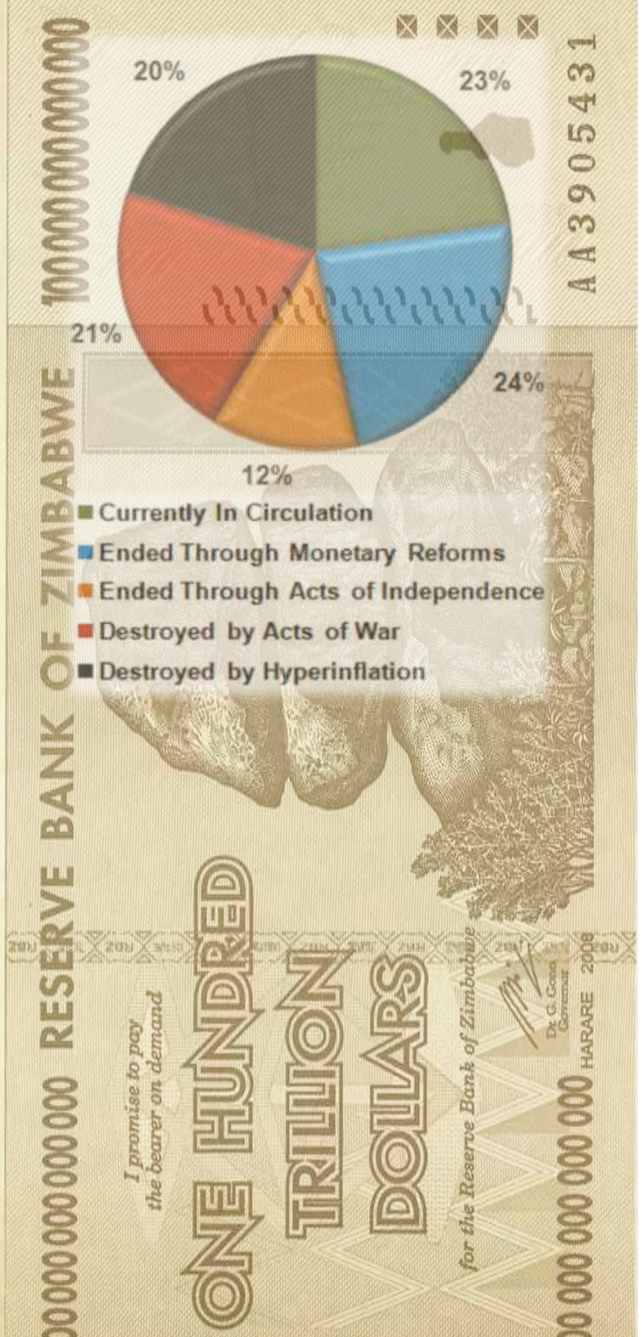
"All these pieces of paper are issued with as much solemnity and authority as if they were of pure gold and silver (...) and indeed everybody takes them readily, for where-so-ever a person may go throughout the Great Kaan's dominions he shall find these pieces of paper current, and shall be able to transact and make purchases of goods by means of them just as well as if they were coins of pure gold."

The first well-known widespread use of paper money was in China around 800 A.D. The notes spread to the city Tabriz, Persia in 1294 and to parts of India and Japan between 1319 and 1331. However, its use was very short-lived in these regions. In Persia, the merchants refused to recognize the new money and brought trade to a standstill. By 1455, after over 600 years, the Chinese abandoned paper money due to the normal problems of over issuance and its good friend hyperinflation.

Paper money arrived in Europe in the 1630s with goldsmith certificates being used not only as receipts for reclaiming deposits but also as evidence of ability to pay. By 1660 these receipts had become trusted and a convenient alternative to handling coins or bullion. In England the realization by goldsmiths that borrowers would find them just as convenient as depositors marks the start of the use of banknotes in England. The rest of Europe came to similar conclusions and the great experiment really got underway. In 1661 the Bank of Sweden became the first chartered bank in Europe to issue notes known as the paper daler.

Excluding the early currencies of China up until the 15th century there has been 609 currencies that no longer is in circulation. Of these 153 were destroyed as a result of hyperinflation caused by over issuance. The remainder were revalued, destroyed by military occupation/liberation, renamed for political reasons or were converted to another currency. The median age of these currencies was only 17 years. At present there are 176 currencies in circulation. The median age for all existing currencies in circulation is only 39 years and two is in various stages of hyperinflation – the Zimbabwe dollar and Venezuelan bolívar according to work by Mr. M. Hewitt & Wikipedia.

The Fates of 785 Currencies*.



*Above chart excludes many of the currencies of medieval Asia & Chinese banknotes prior to 1935. Source: Hewitt Study.

Letting history be the guide...

Reading books from different eras on the matters of finance and the speculative follies and monetary misadventures through the ages, all describing the same human instincts & reactions at play, is illustrative and a somewhat chilling and intellectually humbling experience. Over the next couple of pages we will share some of the most illuminating examples, much rings true to our current experiences. There really appear to be nothing new under the sun. **We commence with a segment from the illuminating and transcendent: 'Fiat Money Inflation in France' by Andrew D. White first published in 1896**

First, in the economic department from the early reluctant and careful issues of paper we saw, as an immediate result, improvement and activity in business. Then arose the clamor for more paper money. At first, new issues were made with great difficulty; but the dyke once broken, the current of irredeemable currency poured through; and the breach thus enlarging, this currency was soon swollen beyond control. It was urged on by speculators for a rise in values; by demagogues who persuaded the mob that a nation, by its simple fiat, could stamp real value to any amount upon valueless objects. As a natural consequence a great debtors class grew rapidly, and this class gave its influence to depreciate more and more the currency in which its debts were to be paid. The government now began and continued by spasms to grind out still more paper; commerce was at first stimulated by the difference in exchange; but this cause soon ceased to operate, and commerce, having been stimulated unhealthfully, wasted away.

Manufactures at first received a great impulse; but before long this overproduction and over-stimulus proved as fatal to them as to commerce. From time to time there was a revival of hope caused by an apparent revival of business, but this revival was at last seen to be caused more and more by the desire of far-seeing and cunning men of affairs to exchange paper money for objects of permanent value. As to the people at large, the classes living on fixed incomes and small salaries felt the pressure first, as soon as the purchasing power of their fixed incomes was reduced. Soon the great class living on wages felt it even more sadly. Prices of the necessities of life increased, merchants were obliged to increase them, not only to cover depreciation of their merchandise, but to also cover their risk of loss from fluctuation and while the prices of products thus rose, wages, which had at first gone up, under the great stimulus, lagged behind. Under the universal doubt and discouragement, commerce and manufactures were checked or destroyed. As a consequence the demand for labor was diminished, laboring men were thrown out of employment and under the operation of the simplest law of supply and demand, the price of labor – the daily wages of the laboring class – went down until, at a time when prices of food, clothing and various articles of consumption were enormous, wages were nearly as low as at the time preceding the first issue of irredeemable currency. The mercantile classes at first thought themselves exempt from the general misfortune. They were delighted at the apparent advance in the value of the goods upon their shelves. But they soon found that, as they increased prices to cover the inflation of currency and the risk from fluctuation and uncertainty, purchases became less in amount and payments less sure, a feeling of insecurity spread throughout the country, enterprise was deadend and stagnation followed.

New issues of paper were then clamored for as more drams are demanded by a drunkard. New issues only increased the evil, capitalists were all the more reluctant to embark their money on such a sea of doubt. Workmen of all sorts were more and more thrown out of employment. Issue after issue of currency came, but no relief resulted save a momentary stimulus, which aggravated the disease. The most ingenious evasions of natural laws in finance which the subtle theorists could contrive were tried – all in vain, the most brilliant substitutes for the laws were tried, "self-regulating schemes, "interconverting" schemes - all equally vain. All thoughtful men had lost confidence. All men were waiting, stagnation became worse and worse. At last came the collapse and then a return, by a fearful shock, to a state of things which presented something like certainty of remuneration to capital and labor. Then and not till then, came the beginning of a new era of prosperity.

Just as dependent on the law of cause and effect was the moral development. Out of the inflation of prices grew a speculating class, and in the complete uncertainty as to the future, all business became a game of chance and all business men gamblers. In city centers came a quick growth of stock-jobbers and speculators and these set a debasing fashion in business which spread to the remotest parts of the country. Instead of satisfaction with legitimate profits, came a passion for inordinate gains. Then, too, as values became more and more uncertain, there was no longer any motive for care or economy, but every motive for immediate expenditure and present enjoyment. So came upon the nation the obliteration of thrift. In the mania for yielding to present enjoyment rather than providing for future comfort were the seeds of new growths of wretchedness, luxury, senseless and extravagant, set in, this too spread as a fashion.

To feed it, there came cheatery in the nation at large and corruption among officials and persons holding trusts. While men set such fashions in private and official business, women set fashions of extravagance in dress and living that added to the incentives to corruption. Faith in moral consideration, or even in good impulses, yielded to general distrust. National honor was thought a fiction cherished only by hypocrites. Patriotism was eaten out by cynicism.

Thus was the history of France logically developed in obedience to natural laws, such has, to a greater or less degree, always been the result of irredeemable paper, created according to the whim and interest of legislative assemblies rather than based upon standards of value permanent in their nature and agreed upon throughout the entire world. Such, we may fairly expect, will always be the result of them until the fiat of the Almighty shall evolve laws in the universe radically different from those which at present we obtain.

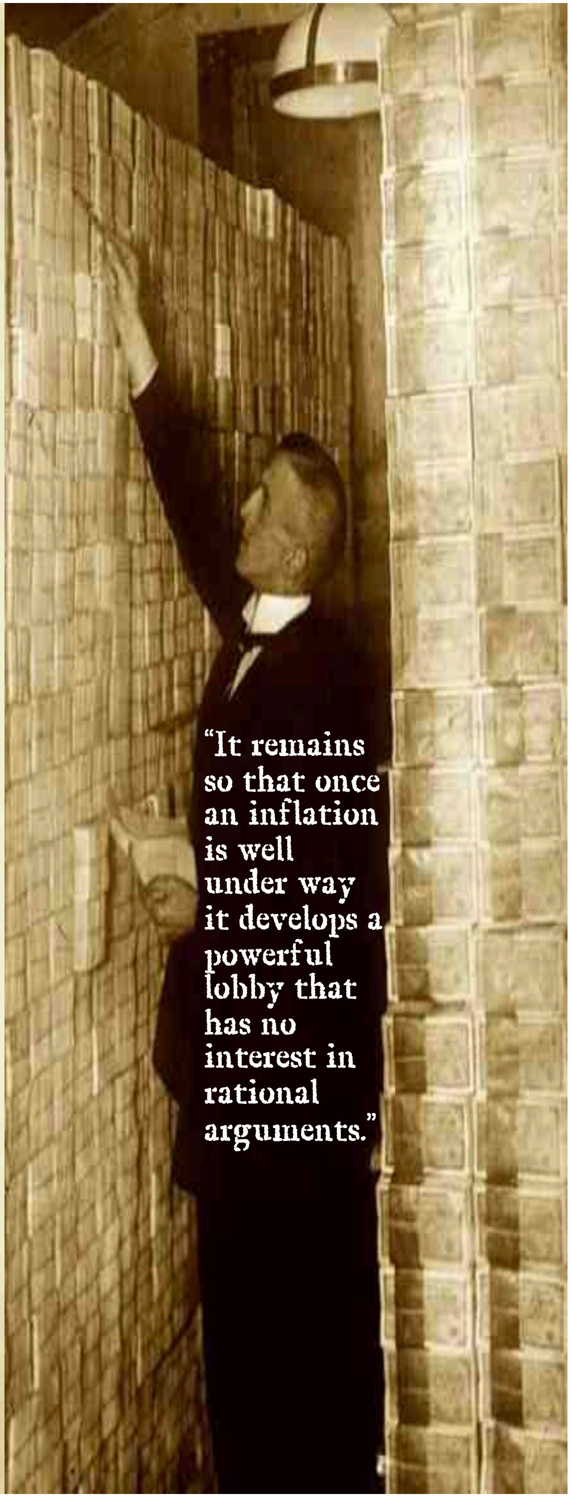
And finally, as to the general development of the theory and practice which all this history records, my subject has been Fiat Money in France, how it came, what it brought and how it ended. It came by seeking a remedy for a comparatively small evil in an evil infinitely more dangerous. To cure a disease temporary in its character, a corrosive poison was administered, which ate out the vitals of French prosperity. There is a lesson in all this which it behooves every thinking man to ponder"

The following is from the epilogue of the seminal book 'When money dies - The nightmare of deficit spending, devaluation and hyperinflation in Weimar Germany' written by Mr. Adam Fergusson and first published in 1975;

"In war, boots; in flight, a place in a boat or a seat on a lorry may be the most vital thing in the world, more desirable than untold millions. In hyperinflation, a kilo of potatoes was worth, to some, more than the family silver; a side of pork more than the grand piano. A prostitute in the family was better than an infant corpse; theft was preferable to starvation; warmth was finer than honor, clothing more essential than democracy, food more needed than freedom.

How great does inflation have to be before a government can no longer control it?

Most economists accept that mild inflation has certain therapeutic advantages for a nation which must deal with the social and economic problems to which industrial democracies are usually subject. Most electorates still accept the statements of their politicians' pious intentions in regard to controlling ever rising prices and yet the Deutchmark, the currency of the country which had most reason to fear inflation, lost two-thirds of its purchasing power between 1948 and 1975. The pound lost almost half its purchasing power between 1970 and 1975. In neither instance, however, did such depreciation represent a deliberate, cynical policy, which no doubt, would also have been claimed by the German central bankers and governments of the early 1920s, who looked for causes of their monetary difficulties beyond their own printing press and tax system – and found them, without difficulty and to their complete intellectual satisfaction. It remains so that once an inflation is well under way it develops a powerful lobby that has no interest in rational arguments. This was as true for Austria and Hungary as for Germany."



Finally for the last installment we sample the immensely important book 'The History of Banks' by Mr. Richard Hildreth and first published in 1837 and subsequently entered, according to an Act of Congress to the Library of Congress (Unfortunately it appears it has been left on its shelf for much of the time since.)

"Government Paper Money. – All schemes for issuing government paper money, have been essentially founded upon the same idea upon which Mr. Law erected his system of banking. Bank-notes, according to that idea, provided the solvency of the issuer is undoubted, are the same as coin. Now the means and the solvency of a government are only limited by the total amount of property in the country; therefore the government may safely go on issuing notes, to the total amount of that property.

Where it has been attempted to put this scheme into operation, the first effects have been such as to delight the projectors, and to confirm them in the idea that their resources are inexhaustible. For a time the notes keep perfectly at par; and on account of their superior convenience, are even preferred to coin. This state of things continues so long as the issues of paper do not exceed the amount of the currency previously circulating in the country.

But so soon as that limit is passed, and it soon is passed, a rapid depreciation soon becomes so great as to destroy the convenience of the notes for a circulating medium, to ruin their credit, and to drive them out of circulation. If the government provided the means of absorbing these notes as fast as they were issued, or of paying them in coin on demand, they would always remain at par. But after a short time, this would be receiving with one hand and paying back with the other, and would entirely defeat the object of governments in issuing such a currency, which object always is, to pay their debts not in coin but in promises.

At the commencement of the American Revolution, the circulating currency of the country, which at that time consisted entirely of coin, was estimated at about five millions of dollars. So long as the paper money issued by Congress and the States, did not exceed that sum, the notes remained at par. But five millions were spent the first year of the war, and new issues became necessary.

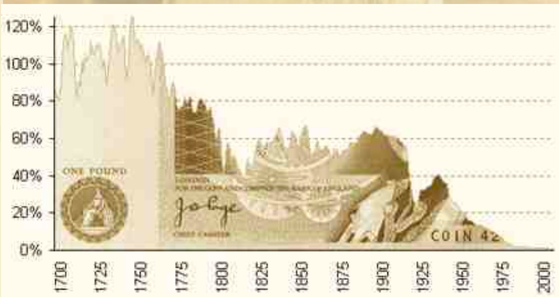
A depreciation instantly commenced and betrayed itself by a rise in prices, which soon became, if we regard only their nominal amount, extravagant and outrageous. It was in vain that Congress and the States, declared their notes to be a legal tender for all payments, and perfectly equivalent to coin. It was in vain that the States enacted the most tyrannical laws for the regulation of prices, and denounced one price in paper and another in coin, as wicked, traitorous, and a sure sign of disaffection.

These double prices soon became perfectly established. By the year 1780, the issues of paper by Congress alone, amounted to two hundred millions of dollars, and the depreciation stood at forty of paper for one of coin. It was to no purpose that Congress yielding at last to the necessity of the case, issued a new set of bills, by which the depreciation of the old ones was acknowledged. The public acknowledgement of the worthlessness of their paper, was fatal to its credit, and it fell almost at a leap, to two hundred for one, and very soon to a thousand to one. At this rate nobody would take it; and it dropped silently our of circulation.

The history of the American paper money, is the history of the French Assignats; it is the history of the government paper currencies in Austria and Russia – their history indeed in every country in which the experiment has been tried."

Purchasing Power of the GBP Since 1694.

Purchasing Power of the USD Since 1774.



Source: DollarDaze

"The government, out of tenderness for the people, or a tender regard for their own popularity, or perhaps a mixture of both, had resolved to carry on the war without the imposition of higher taxes. They relied upon loans"

In Summary...

Considering the lessons of financial history and current events one comes to the conclusion that having some of your wealth allocated to physical gold, stored in a secure and stable location, makes a lot of sense. Gold is a hedge against government and central banking miscalculations, overreach and incompetence, it's a hedge that has served people well around the world since the time mankind first started playing around with paper money and credit.

As the eloquent Mr. J.K. Galbraith states; "There can be few fields of human endeavor in which history counts for so little as in the world of finance. Past experience, to the extent that it is part of memory at all, is dismissed as the primitive refuge of those who do not have the insight to appreciate the incredible wonders of the present."

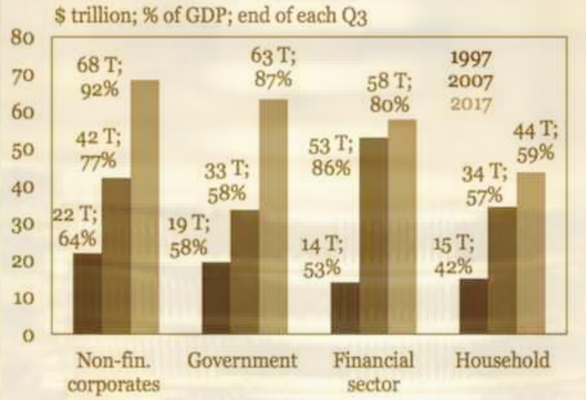
Today the people of Venezuela is going through an experience all too similar to those described in our 'Letting history be the guide' segment, Zimbabwe has been tilting a windmills in its attempts to finally reset its monetary system after a decade of self-inflicted damage by its leadership. Significant and competing currency devaluations around the world has been part of the 'solution' since the financial crisis of '07 – in places it has been overnight drops of a cliff, in others we are deploying more stealthy and measured tools, obfuscated by wonky terminology and complicated 'scientific' white papers plus a roaring chorus exalting the new market highs as the insidious effects takes hold. Recently I came across this old clipping, that I have kept in a folder with some of my initial observations and scraps of information, back when we first commenced with the great Q.E. experiment;

The Sorcerer's Apprentice - The spirits that I called.

The Sorcerer's Apprentice by Goethe (1797) is a classic German poem that begins when a powerful sorcerer retires from his workshop tasking his young apprentice with the chore of filling a large vat with water. The lazy apprentice, tired of fetching water with a bucket, uses his master's magic and enchants a broom to complete the task for him. When the broom comes alive and begins fetching the water the apprentice is delighted! Alas the boy is not fully trained in the magic he is attempting to yield and the broom will not cease filling the vat with water even after it is full. Before long the workshop is flooded and the apprentice is unable to control the spell he has cast. In desperation he takes an axe and splits the broom in two but this only makes things worse. Now the two pieces of the broom come alive and begin fetching water anew at twice the speed. The workshop is now overflowing and the apprentice has no choice but to call his master for help. When all seems lost the Sorcerer reappears...he calls off the magic spell and the broom falls lifeless to the floor. The Sorcerer's final warning to the boy is that those untrained in the art of black magic risk great danger by calling upon spirits they are not capable of controlling."

Have we called upon spirits we are not capable of controlling? Who do we call to deal with the resulting mess? Are we doomed to repeat the experiences of generations past for not heeding the lessons of history? What can you do to protect your wealth from these ravages? Only time will tell on the initial questions, as for the last one – history provides a pretty solid case for owning physical gold as part of a diversified portfolio.

Global debt soared to a record $233 trillion in Q3 2017. Up 8% since the end of 2016.



Sources: Businessinsider & 13D Global Strategy & Research

Ballooning central banks balance sheets.

Sources: Bloomberg & Global Gold

"Step back, de-financialize your assets, be your own central bank. Gold has 3 key characteristics that no other asset has: Scarcity, Permanence & Independence."
- Mr. Simon Mikhailovich.

How to own gold...

For gold to fulfill its role as an actual safe haven currency in your portfolio, you need to actually own it – title held physical gold stored in allocated format in a secure facility in a stable location that has, like gold, stood the test of time. Futures and ETFs are great for trading but not as an enduring store of wealth. For a measured comprehensive turn-key top-of-the-class solution we recommend that you take a look at our preferred partner in Switzerland, Global Gold, and take time to discuss your requirements with them for a tailor-made proposal for how you can enhance your 'sleeping comfortable' factor by building a strong foundation for you and your family in gold.

Here is Scott, the Managing Director of Global Gold, sharing some thoughts on the subject:

"While subscribing to the old adage of "hope for the best, prepare for the worst", I always try to base both my own decisions and the advice I give to clients on the facts available and to the best of my knowledge and analytical ability at the time. Using fear as a compass is not prudent nor effective when it comes to wealth management, nor is there much sense in letting emotional knee-jerk reactions dictate investment decisions. We see the consequences of such thinking just before and directly after each major crisis, when complacent greed gives way to mindless panic, leaving no room for rational assessment in the process.

These patterns are quite pronouncedly present in the precious metals arena too. We see speculators and conventional investors alike rush into gold when fear reaches a tipping point, only to sell off when the conditions normalize. Using the gold emergency parachute in this way - to be bought the very moment when you need it and to be disposed of after the crisis is over - is an emotional choice that makes very little financial sense. On the other hand, holding a percentage of one's assets in precious metals over the long haul is a decision based on reason and fact, and has a long historical record to support it.

In trying to use moderation in all things and common sense, we would not advise a client to invest 100% in precious metals, as we wouldn't do it ourselves. We would however recommend that they use gold in reasonable proportions to diversify from the rest of their assets. In the same vein of tempered, dispassionate financial planning, the reasons for choosing and for recommending precious metals as part of a diversified portfolio are indeed quite practical. While it is clear to see the countless flaws of the financial and monetary system, and it is wise to hedge against those too, it is also clear how gold makes sense in a mainstream long-term investment strategy. It provides a much-needed cushion that can protect one's assets, not just from systemic shocks, global crises and apocalyptic economic meltdowns, but also from the normal, regular fluctuations of the markets.

Gold might be a simple and straightforward investment, but one size does not always fit all. A personalized approach, one that carefully examines the relevant options and offers practical solutions specific to each client, is essential to helping them protect and grow what is rightfully theirs.

An added layer of security is, of course, provided by Switzerland itself. Its long tradition of political and economic stability, as well as its sound and consistent legal system and its unparalleled respect for private property, are among the main reasons that I moved and stayed in this country (not to mention everything is on time and the chocolate's pretty good). What practically matters is that the Swiss state is still by far superior to most, if not all, of its European neighbors and it certainly functions better than our two-party system in the US, both on a political and an economic level. You know where you stand with the Swiss and there are no major surprises, legislative overhauls and policy U-turns like the ones we see when the Oval Office turns from blue to red and back."

Visit www.globalgold.ch for more information and please feel free to reach out to us or Scott for a personal appointment to discuss it all in more detail.

Final words...

I will close out this report with the person who I began my personal journey in understanding, appreciating and investing into gold with. Upon arriving in Cape Town back in 2008 my curiosity led me, by life's opportune path, to a newly established project focused on providing a turn-key solution for owning the Krugerrand. It was headed out by a man who I have come to refer to as the 'Sage of the Cape' – Mr. Hilton Davies of SA Bullion.

He has been kind enough to share his time and thoughts with me since and his work and approach to understanding the world of investments has been an invaluable source of inspiration for me.

If you are living in South Africa or have financial interests there, you should contact Hilton and the great SA Bullion team and put some 'Kruger' in front of your 'Rands' for a more stable and enduring financial reality. I have had this clipping in my office ever since I first came across it in Hilton's writings.

"Gold is at the heart of human development. For thousands of years, it has been valued as a global currency, a commodity, an investment and simply an object of beauty. We see gold as the ultimate hard currency in bad times. The 'bad times' is a period of severe credit contraction following an enormous credit expansion where solvency becomes a key issue. In such times asset prices, banking systems and government finances come under pressure and this ultimately results in deteriorating currencies. As a consequence, people are once again waking up to the power of gold."

– Hilton Davies

Visit www.sabullion.co.za

SOURCES & INSPIRATION…

In the words of Sir Isaac Newton: "If I have seen further it is by standing on the shoulders of Giants." On this page we humbly give thanks to those great individuals, source materials & books that provided us with the insights shared in this report.

Our recommended reading regarding this subject:

Fiat Money Inflation in France by Andrew D. White
The History of Banks by Richard Hildreth
When Money Dies by Adam Fergusson
Lords of Finance by Liquat Ahamed
The Power of gold – The history of an Obsession by Peter L. Bernstein
Paper Against Gold and Glory Against Prosperity by William Cobbett
A History of Money and Banking in the United States: The Colonial Era to World War II by Murray N. Rothbard
Where money comes from! By Edward Holloway
The Ascent of Money – A Financial Histroy of the World by Niall Ferguson
The Lessons of History by Will & Ariel Durant.

Get more food for thought from our quoted references in this report:

Mr. Hilton Davies AKA The Sage of the Cape. Co-founder & Managing Director SA Bullion in Cape Town. Secure access to his 'gold standard' quarterly gold market outlook letter here: www.sabullion.co.za

Mr. Simon Mikhailovich – Co-founder & Managing Partner of The Bullion Reserve in New York. Learn more about Simon's thinking via www.bullionreserve.com & watch his excellent presentation at the TEDx Talks here: https://www.youtube.com/watch?v=9rQtOLAkfLc

Mr. Scott Schamber – Managing Director Global Gold in Zurich. Secure access to the Global Gold extensive regular newsletter and other market information here: www.globalgold.ch

ABOUT LIBRARIUM:

Librarium Associates Ltd. is an independent research company focusing on global macro and geopolitical monitoring and analysis. We are committed to delivering distinctive insights on global trends enabling our partners and clients to make informed decisions in a changeable world.

We offer global accredited investors such as asset managers, family offices and institutional investors with monthly and quarterly publications providing an independent overview of global macro economic and geopolitical events and their implications on the world of investing.

We also provide intra-monthly event driven insights as a part of our constant horizon scanning services.

Our services can also be employed on a retained basis, providing the client direct & always confidential access to our team on an on-going basis allowing us to act as an independent sounding board for our clients ventures.

We prefer to work with a relatively small and select group of active clients allowing us to provide them and their projects with our full attention and as such we operate a limited amount of such partnerships.

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