Strategic Wealth Preservation

Inside the Vault

A Quarterly Newsletter Featuring Precious Metal Insights

January 2024

Happy New Year!

And let's hope it is. We may have dodged a recession last year, but the lingering question is at what cost? In this edition of ITV, Jeff Clark guides us through the incurred impact and sounds a warning about the potential challenges ahead.

We also receive some sage advice from Jeff Thomas, who shows us exactly why anyone solely dependent on the American financial system should take immediate stock of the sustainability of their investments. Using gold to hedge against inflation is smart, but it may be time to look deeper into the overall vulnerability of your portfolio.

And lastly, take some time to digest Chris Vermeulen's comprehensive report as he walks us through his 2024 market predictions and sums up 2023 in a technical nutshell.

We continue our commitment to deliver expert insights and opinions to the SWP community. As investors ourselves, we know the importance of making informed decisions through trusted sources. Stay up-to-date by subscribing to our YouTube Channel, where we share our latest videos and weekly podcasts, featuring perspectives from a diverse array of industry experts. We will also be unveiling our new website early this year, which will include a number of new and useful features. Watch this space!

Mark Yaxley, CEO for Strategic Wealth Preservation (SWP). He has been focusing on the diverse needs of retail and commercial precious metal investors since 2006.

Follow Mark on Twitter @YaxleyYax

Gold & Silver Technical Analysis

Technical Analysis Video by Chris Vermeulen, Chief Market Strategist for **TheTechnicalTraders.com**

You can follow Chris on Twitter @TheTechTraders

Gold in 2023: Second Place and Going Higher

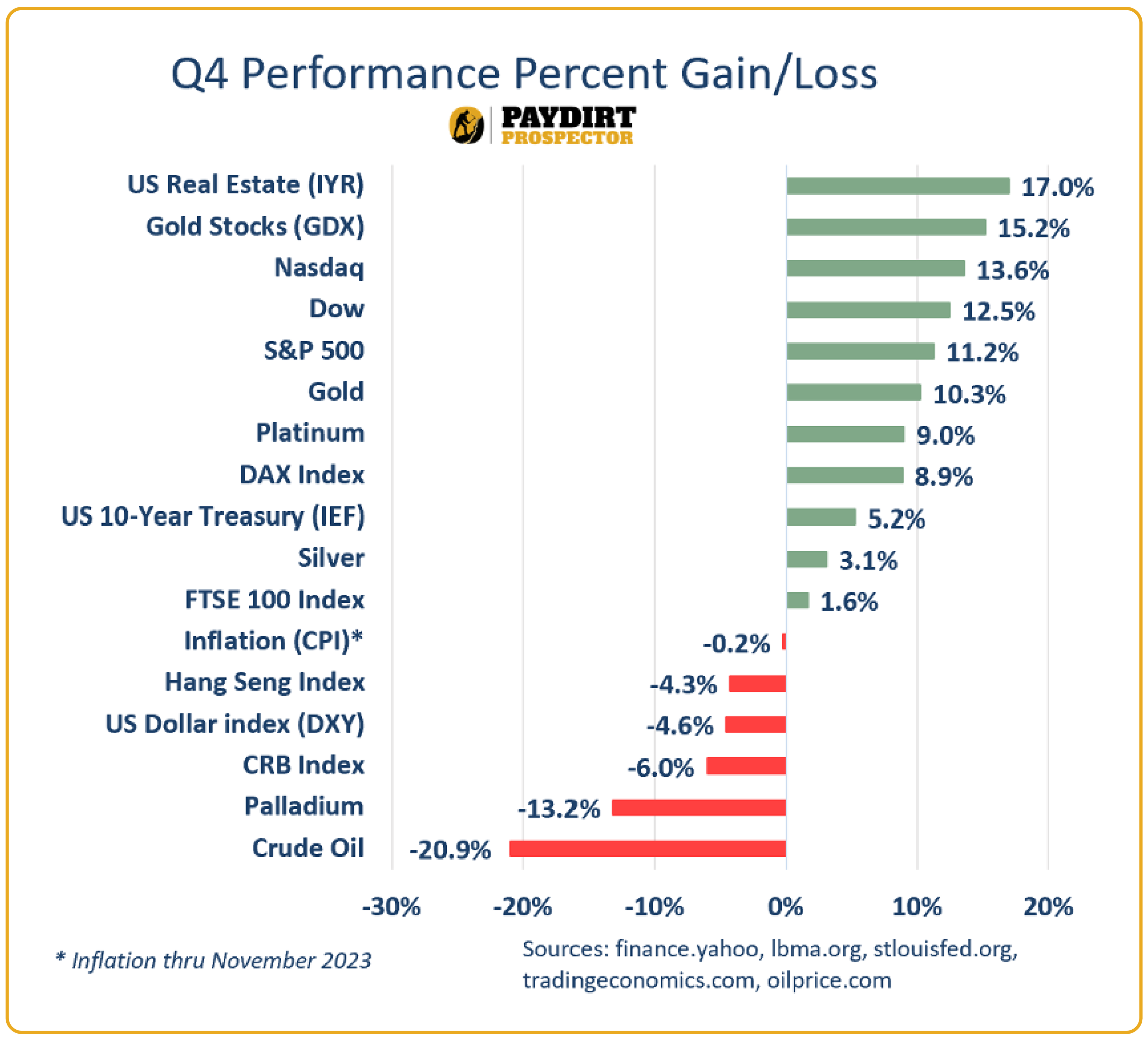
By Jeff Clark, Paydirt Prospector

After the Fed hinted it may be done raising rates, markets began to price in rate cuts, pushing gold higher last quarter. It also ended 2023 higher, beating all asset classes except stock markets.

Our ITV quarterly report summarizes how gold and silver and other major asset classes performed in the fourth quarter and full year 2023, plus the major catalysts that could catapult it higher this year.

Gold in Q4: Thank you, Fed

Gold got a boost last quarter when the US Federal Reserve suggested they were done raising rates. Investors began placing bets rates would be cut this year, the idea of easing pushing the gold price higher.



Gold was up 10.3% last quarter. Silver rose 3.1%.

Real estate in particular bounced on the idea that rates might fall and make housing more affordable.

Oil, palladium, and the US dollar all fell.

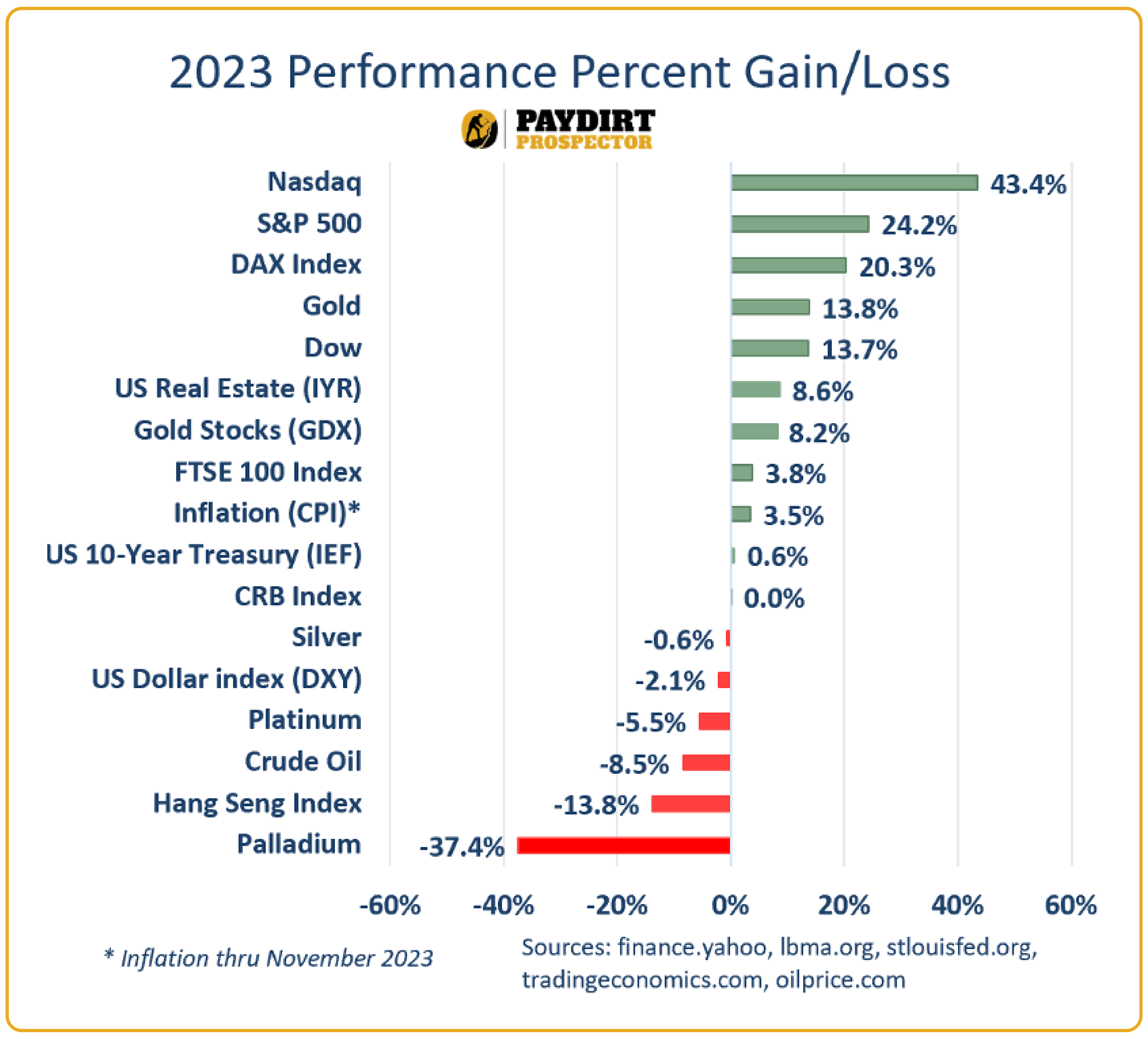
Gold in 2023: The 'Place' Winner

In the horse race of asset classes last year, gold finished second, behind general stock markets in the US and Germany.

Gold rose 13.8% last year. Silver was basically flat, down 0.6%. Platinum fell 5.5%, and palladium lost over a third of its value, down 37.4%.

The US dollar and oil lost ground, while the 10-year Treasury returned a meaningless 0.6%. Any interest an investor earned from sovereign bonds was far less than what gold returned.

Bitcoin (not shown) jumped 155.4% last year.



2024 Watch List: What Does Gold Do This Year?

Where will gold and other asset classes be this time next year? There are numerous issues that could impact the economy, markets, and geopolitics. The water in the pot indeed seems to be getting hotter—and much of it is interconnected, as this list shows...

The US National Debt just hit a record $34 trillion. And almost unbelievably, $1 trillion of debt was accrued in just 15 weeks at the end of the year. The options to handle such a debt load are few and signal there will likely be political and economic fallout.

Interest Payments on US Debt are now $1.1 trillion. Capital Group estimates that within five years, the US government's interest payments on its debt will outpace defense spending. This spike underscores the urgent need to address the country's debt, as the longer it goes the harder the challenge.

Falling Interest Rates are bullish for gold. The shift towards a more dovish US monetary policy bodes well for our favorite investment.

Real estate buyers will welcome lower rates, but Fitch Ratings anticipates home prices to increase by as much as 3% in 2024 and an additional 2%-4% in 2025.

This could further strain affordability and thus dampen demand, especially if the Fed's "higher for longer" mantra plays out.

US Credit Users are Strained. LendingTree reports only half of American credit card users believe they can fully pay off their December balances. Ccard balances have soared to a record $1.08 trillion, with average interest rates reaching a 30-year high of 21%. A Bankrate survey shows an increase in cardholders carrying month-to-month debt, with the average credit card debt per customer now $6,088.

Meanwhile, only 60% of those with federal student loans due last October have made payments. US student loan debt now exceeds $1.7 trillion, surpassing credit card and auto loan debts. The average loan balance at graduation is about $30,000.

Where's the Recession? To the surprise of many, a recession did not materialize in 2023. Has the Fed achieved a "soft landing?" Those who think so point to lower inflation and stable unemployment, with the likelihood of lower interest rates that would further help economic activity.

Meanwhile, the homelessness problem continues to grow, up 12% in the US last year. Approximately 653,000 people were found homeless in the latest survey, the highest since records started in 2007. A significant part of the surge is attributed to the first-time homeless.

Geopolitical Tensions just won't go away. The Red Sea region has seen increased attacks by Iran-backed Yemeni militants. Some shippers are thus taking longer routes, which could lengthen delivery times and raise prices, and impact the global supply chain.

Russia and Iran have entered into an agreement to avoid using the dollar in bilateral trade, relying instead on their own currencies. The central bank governors of the two nations reportedly sealed the pact at a recent meeting. If accurate, Russian and Iranian banks and companies can now use non-SWIFT platforms for transactions in the ruble and rial.

Election Year jitters seem to get worse every election season, and this one is no exception. Gold tends to rise when there's uncertainty around elections—and sometimes who wins.

Gold Demand Remains High. Walmart didn't want to be left behind so started selling gold bars after Costco made headlines offering them last quarter. You can't get any more mainstream than that.

The Royal Mint reported a 7% increase from investors last year. Vietnam reported it saw investors flock to gold jewelry stores in 2023. Lawmakers in both Oklahoma and Missouri are pushing for legislation to abolish state capital gains taxes on gold and silver bullion sales.

Wells Fargo and many other banks forecast higher gold prices for 2024, the bank expecting $2,200. This forecast aligns with a growing consensus among analysts who see gold as one of the top investment assets for the year, based largely on expected rate cuts by the Federal Reserve.

Silver will hit $30 this year, predicts Commerzbank. This is mostly based on growing industrial demand, particularly in "green" sectors. This falls in line with the Silver Institute's report that industrial demand will end 2023 up 8%, to a new high of 632 million ounces. This surge is primarily fueled by silver demand in photovoltaics, electric vehicles, power grids, 5G networks, and consumer electronics.

The need for a crisis buffer remains high. The shift to monetary easing is bullish for gold, and risks in debt, geopolitics and elections are high. History shows gold is a strong choice to shield against any fallout. END

Welcome to Ameritina

By Jeff Thomas

When in my home in Uruguay, I've long been accustomed to seeing the flood of Argentines coming across the river on the ferry from Argentina, seeking relief from the serial crises there.

Periodically, Argentina takes an economic nosedive, as the political class at turns create a freer market in order to create wealth, then they create capital controls that allow them to sweep the earnings off the table.

Typically, the political class take away hundreds of millions for themselves with each boom-and-bust cycle, and it's been that way since the 1940s.
Of course, Argentines did not invent the looting of wealth from those who have earned it. This has existed since time immemorial.

At one time, it was straightforward looting by warring tribes. In modern times, it's been the creation of massive debt by governments, followed by crashes. Indeed, over the last century, some twenty countries have seen their political leaders commit them to unpayable debt, then crash the system. In each case, a very few people walk away with a whole lot of money, while the hoi polloi are trashed. In most cases, the middle class is decimated, and the economy takes years or decades to recover.

In recent years, we've seen Argentina go through a major collapse in 2001, followed by Zimbabwe in 2008 and Venezuela only a few years after that.
And these are only the more visible examples. There have been others that have not been quite so publicized. But you get the point.

In those countries where there hasn't been a major collapse, coupled with hyperinflation, it's been possible to sit back and watch the storm from afar. This has been particularly true in the US, which has been on a roll since the end of World War II. No American alive can remember the last great American economic debacle.

Not surprising, then, that Americans, more than any other nation, assume that they are immune to a major economic crisis. And yet, such a crisis has been long in the making. From the day in 1971 when the US went off the gold standard, through the subsequent period when the US went from being the world's greatest creditor nation to the world's greatest debtor nation, the US has been riding a massive wave that has only grown for over fifty years.

But all waves eventually crash and the bigger the wave, the bigger the crash. The one that we're presently looking at will be epic. To be sure, the crash is long overdue, but the US has covered itself well by first establishing the dollar as the default currency and then getting the world to accept it as the petrodollar.

However, in the last eighteen months, a dramatic shift has been underway worldwide. The majority of the world is moving decidedly away from the US and toward Asia. Hardly a week goes by that new treaties are not signed between the two new great powers – Russia and China – and some other country that wishes to divorce itself from the US and take up with a more attractive suitor.

Whether we'd like to accept it or not, those who are American, live in America or are dependent upon America for their livelihoods will be in for the jolt of a lifetime.

At present, the notion of America becoming "Ameritina" may be seen by the average American as a worrisome possibility, but not yet as an inevitability. This is nothing less than a tragedy, as those who are not prepared for this inevitability are highly likely to become casualties of it.

Anyone who's dependent upon the US or the American system would do well right now to study what happened to Argentina in the run-up to 2001, or for that matter Zimbabwe or Venezuela, as the pattern is already repeating. All of the same factors are in play, only on a much larger scale.

Economies are for the first time moving away from the US dollar and into other currencies. Worldwide, economies are dumping US bonds back into the US market due to the fear that they may soon head south. To cope, the US is buying its own Treasurys to delay a crash and, in the bargain, printing money at a rate never before seen in its 247-year history. A desperate move is underway to create a digital dollar, to trap Americans within a banking system that's beginning to collapse.

Tens of thousands of banking staff are already being laid-off – jobs that will not be returning any time soon.

The world is buying gold in preparation for the US collapse. For over fifty years, the world has been run on fiat currency alone and, when that crashes, as it inevitably will, the world will once again return to sound money. For over 5000 years, “sound money” has meant either gold or gold-backed currencies.

For anyone who’s dependent upon the American system for his financial well-being, this would be a good time to type out a personal Net Worth Statement. List everything that you consider to be a significant asset and, opposite each item, type in a value as you perceive it.

Then go down the list one item at a time with a red pen. In any economic collapse, stocks and bonds can be expected to tank early in the game. Even those that don’t go to zero can be expected to lose 50-80% of their value in a crash. Therefore, it would be wise to get out the red pen and, for the sake of argument, re-value these at zero.

Any deposits that are presently in banks can be expected to be bailed-in, as, since 2010, it’s been legal in the US for banks to confiscate any and all deposits if an emergency condition exists. Again, re-value at zero for this exercise.

Following a crash, anyone who had been in debt – bank loan, mortgage, credit card, etc. - can expect to continue to owe that debt, even if it’s to the same bank that has just confiscated his savings (Yes, believe it or not, this is legal).

After any major crash, virtually no one still has purchasing power beyond his immediate income. Therefore, assets such as cars, real estate, and toys such as motorcycles and boats, become unsaleable, as there will be no buyers. For the sake of argument, these assets, too, should be assumed to be at zero in terms of liquidity.

So, after you’ve reassessed your net worth with the red pen, the great majority of people will have no choice but to look at the Net Worth Statement in a new light.
In such an exercise, hundreds of millions of people would find that virtually any asset that’s within the American system is at risk of either being greatly diminished in value or possibly of no value in terms of its liquidity.There will be those, however, that possess, say, a vacation home in another country, or other assets that are located in a country that won’t go down along with the US.

And, of course, as the world returns to a gold standard, gold will not only retain its value but increase significantly. In fact, gold is the one asset that will have the greatest liquidity, as it’s portable and can be sold anywhere, worldwide, at a time when it will be in great demand. As long as it’s stored in a country that’s not likely to go down with the US, it may prove to not only be your greatest asset, but your life preserver.

At present, the financial pundits on American television (who are, in many cases, the same people who created the problem) insist that “It’s only temporary.” Yet, the majority of Americans do, at this point, feel in their gut that something is badly wrong, even if they don’t understand the depth of the problem as yet.
But even now, the notion of Ameritina seems a bit fantastical. Surely, no one would actually choose to move to Ameritina. But, in fact, no one will have to. Ameritina is coming to them. END

Strategic Wealth Preservation Capital

Here to support your 2024!

Why borrowing against your metals makes sense:

1. Get your money within 10-days.

2. No monthly payments of interest and/or principal.

3. Interest rate is fixed for the entire term of the loan.

4. Renew the loan at the end of the term.

5. Make bulk principal payments or pay the loan off at any time.

6. The interest charged is competitive to most Lenders.

SWP Capital is here to provide flexibility and convenience for our clients who prefer a loan structured using their precious metals, by a company they can trust.

We remain transparent and responsive at all times and are standing by to assist. Terms range from 3-months to 12-months (renewable) with a minimum PMML/PMBSN of $100,000.

Talk to your client representative or contact **Bruce John**, Managing Director of SWP Capital at bj@swpcapital.com for more information.

Personal Service with Convenience, Flexibility and Speed.

In 2023, SWPC approved a total of 14 Metals Margin Loans, amounting to US$3.4 million - an increase from the $3 million granted in 2022.

This occurred amidst the Federal Reserve's assertive measures to rein in inflation, exemplified by 11 successive hikes in the Fed Funds Rate, escalating from 0.25% p.a. in March 2022 to 5.5% p.a. by July 2023. Concurrently, the U.S. Prime rate ascended from 3.25% p.a. to 8.5% p.a.

Contrary to the prevailing trend of heightened interest rates, numerous SWP Clients opted to retain possession of their metals while securing a Metals Margin Loan from SWPC to generate cash. This strategic move allowed clients to maintain ownership of their metals while accessing liquid funds for real estate investments, additional metal acquisitions, equity investments, business ventures, and debt repayment.

As an SWP client, you can secure cash without liquidating your precious metal holdings, providing enhanced flexibility and the freedom to explore alternative investment opportunities while ensuring that your metals continue to work for you as intended.

Key features:

• SWP clients can borrow up to 75% of the market value of their stored precious metals while retaining ownership.

• Competitive lending rates are available for USD-denominated loans, with flexible terms extending up to 12 months (or longer upon renewal).

• The minimum loan amount has been reduced to USD $50,000 in response to increased demand.

• The application process is streamlined, with approvals granted within 48 hours and funding accessible within 10 business days.

Trust the Turtle for your Self-Directed IRA

The Power of Precious Metals:
In an economic landscape marked by market volatility, diversification serves as a prudent risk management strategy. Self-directed IRAs are a great way to diversify your investment portfolio beyond conventional options.

Precious metals such as gold, silver, platinum, and palladium have been regarded as timeless stores of value and have the unique ability to act as a hedge against economic uncertainties, inflation, and geopolitical upheavals.

By seamlessly integrating precious metals into your IRA, you can reduce your portfolio's vulnerability to the fluctuations of traditional financial markets and capitalize on potential price appreciation and secure a diversified retirement nest egg.

What to Look Out For, i.e. Red Flags:
While adding precious metals to your self-directed IRAs can be advantageous, it's crucial to exercise caution and be aware of potential red flags. Here are a few key points to consider:

a. **Trustworthy Custodian:** Ensure that your self-directed IRA custodian is reputable and experienced in handling precious metals transactions. Conduct thorough research and seek recommendations to avoid fraudulent or untrustworthy entities.

b. **Storage and Security:** Precious metals require secure storage to protect their value. Verify that your chosen custodian offers reliable storage options, such as insured and audited vaults, to safeguard your assets.

c. **Fees and Costs:** Understand the fees associated with adding precious metals to your self-directed IRAs. Compare custodial fees, transaction costs, and storage fees to make an informed decision that aligns with your financial goals.

Mobilizing an IRA Beyond Traditional Investment Options by Preferred Trust

Did you know your IRA can invest in gold, silver, platinum, and palladium? All it takes is a self-directed custodian like Preferred Trust and a precious metals dealer like Strategic Wealth Preservation – and you have both at your fingertips.

Founded in 2007, our mission has remained the same – allowing individuals to expand their retirement investment options outside the typical stocks, bonds, and mutual funds. We strive to educate individuals about the power of investing in alternative assets through a self-directed IRA.

We will empower, educate, and inform you with educational content through our webinars, whitepapers, podcasts, or 30-minute consultations.

You will confidently engage with a team of IRA experts to answer questions, offer guidance, and help you navigate the complexities of IRA investing. All of this while you enjoy proactive and swift transaction processing from a team that takes the time to listen, understand, and respond in ways that exceed your expectations.

If you seek to preserve your retirement funds by investing in precious metals and defer or never pay taxes on the growth of your precious metal investment for the long haul, call us today, and let's remove some of the volatility from your financial future.

The Preferred Trust team

SWP Strategic Wealth Preservation

What's New

The New SWP Client Experience

With so many of our clients based out of the US and Canada, and many other places around the world, we know that not everyone will get the opportunity to visit us at our new vault facility in the Cayman Islands. We have therefore created a cool little video to share with you.

This Class III Vault is a first-class facility that will not only keep your metals safe and secure, it also offers you the opportunity to do self-audits and visitations in a five star setting.

New Podcast - Now in Video!

We're pleased to announce that SWP has launched its new **Inside the Vault podcast live on AnCap Radio/ X/ Twitter Spaces. Tune in every Wednesday at 12 noon EST.**

Every week you can join Mark Yaxley, Jeremy Varlow, and our expert guest of the day. We'll discuss everything "Precious Metals" and have a regular Market update and Bullion Basics segment for new and old investors alike. Send in your questions or topics in advance or join us live on X/Twitter and ask your questions in real time.

Not on Twitter? We will be posting each podcast on our website and our YouTube channel for you to listen to at your leisure. All podcasts are now on video!

About AnCap Radio: The home of Anarcho-Capitalism. Live on X/Twitter Spaces every Wednesday at 12 noon EST: @AnCapRadio

Video Podcast Inside The Vault, Episode 2

SWP®

Strategic Wealth Preservation

About Us

Strategic Wealth Preservation (SWP) is an international precious metals dealer and secure storage provider headquartered in the Cayman Islands with US$1B+ assets under management. We specialize in the acquisition and secure storage of precious metals for individuals, companies, trusts and wealth management professionals on behalf of their clients.

We deliver precious metals worldwide to homes and businesses and offer secure storage in vaults located in the Cayman Islands, Canada, the United States, Switzerland, Singapore and New Zealand. We also offer corporate disaster recovery services for businesses located in the Cayman Islands.

One Account, One world

Benefit from SWP's global reach under one single account. Store with SWP in the Cayman Islands, Canada, the United States, Switzerland, Singapore, or New Zealand.

Quick Links

- Learn More About Buying Gold
- Learn More About Secure Storage
- Read More Articles
- View Our Videos
- Frequently Asked Questions
- Contact Us

SWP® Strategic Wealth Preservation

www.swpcayman.com

1 (888) 445-1977

info@swpcayman.com