

The Outlook for Precious Metals, Including Gold

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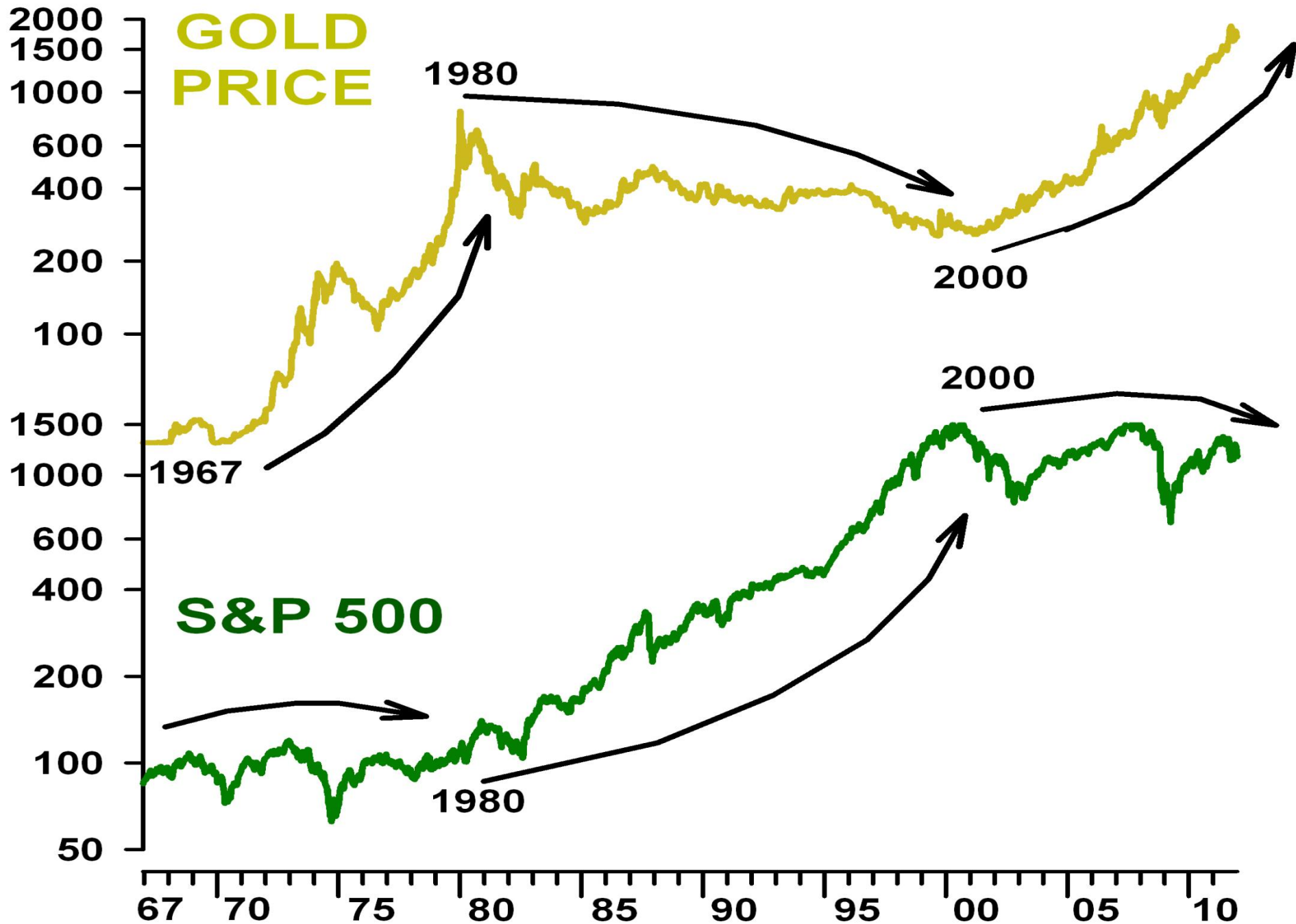
Mary Anne & Pamela Aden, *Panelists*
Co-Editors
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CEO & Chief Global Strategist
Euro Pacific Capital, Inc.

Jason Toussaint, *Panelist*
Managing Director, US & Investments
World Gold Council

GOLD: READY FOR TAKE OFF?





Gold vs. Miners

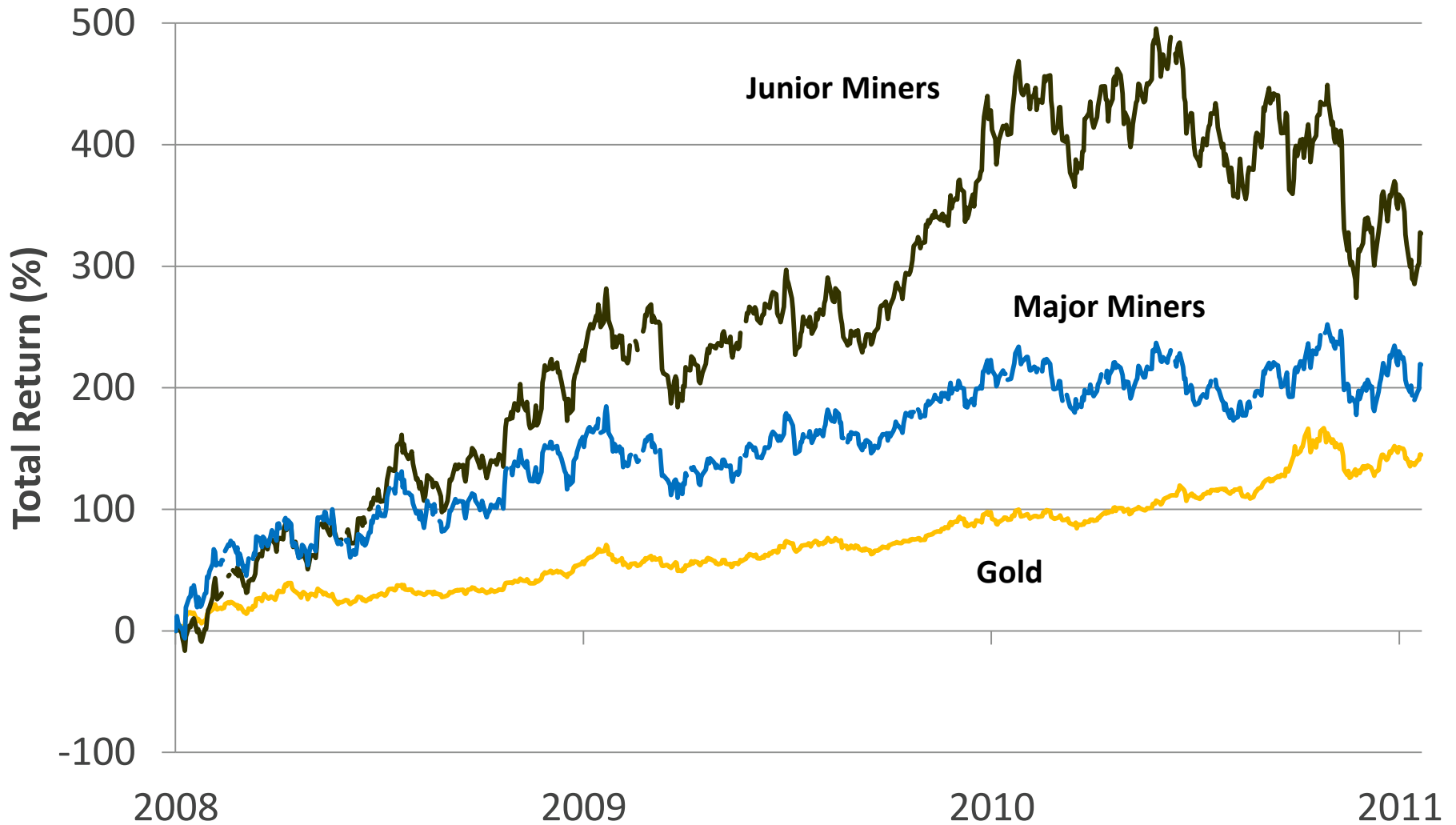
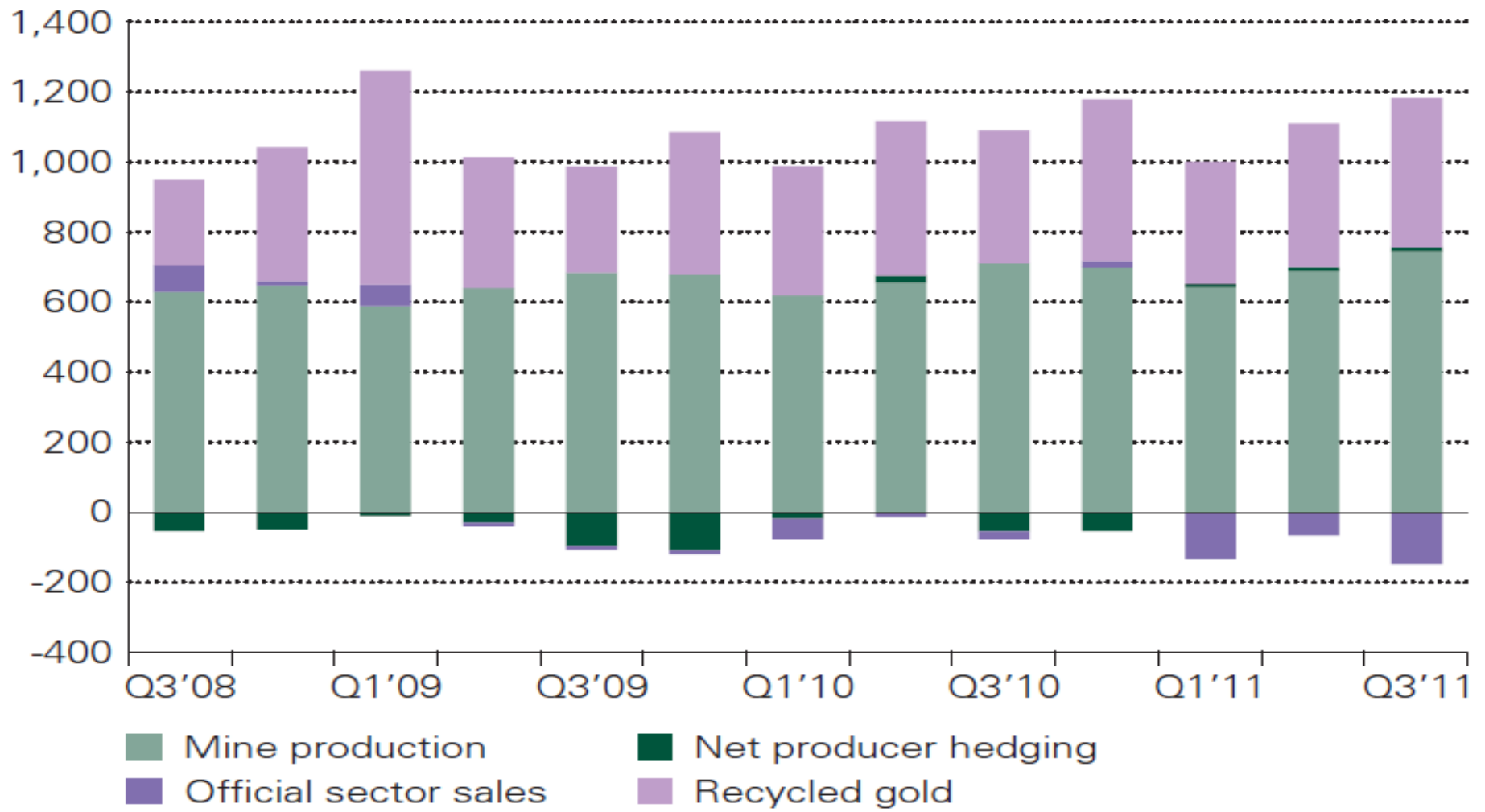


Chart 25: Quarterly supply in tonnes

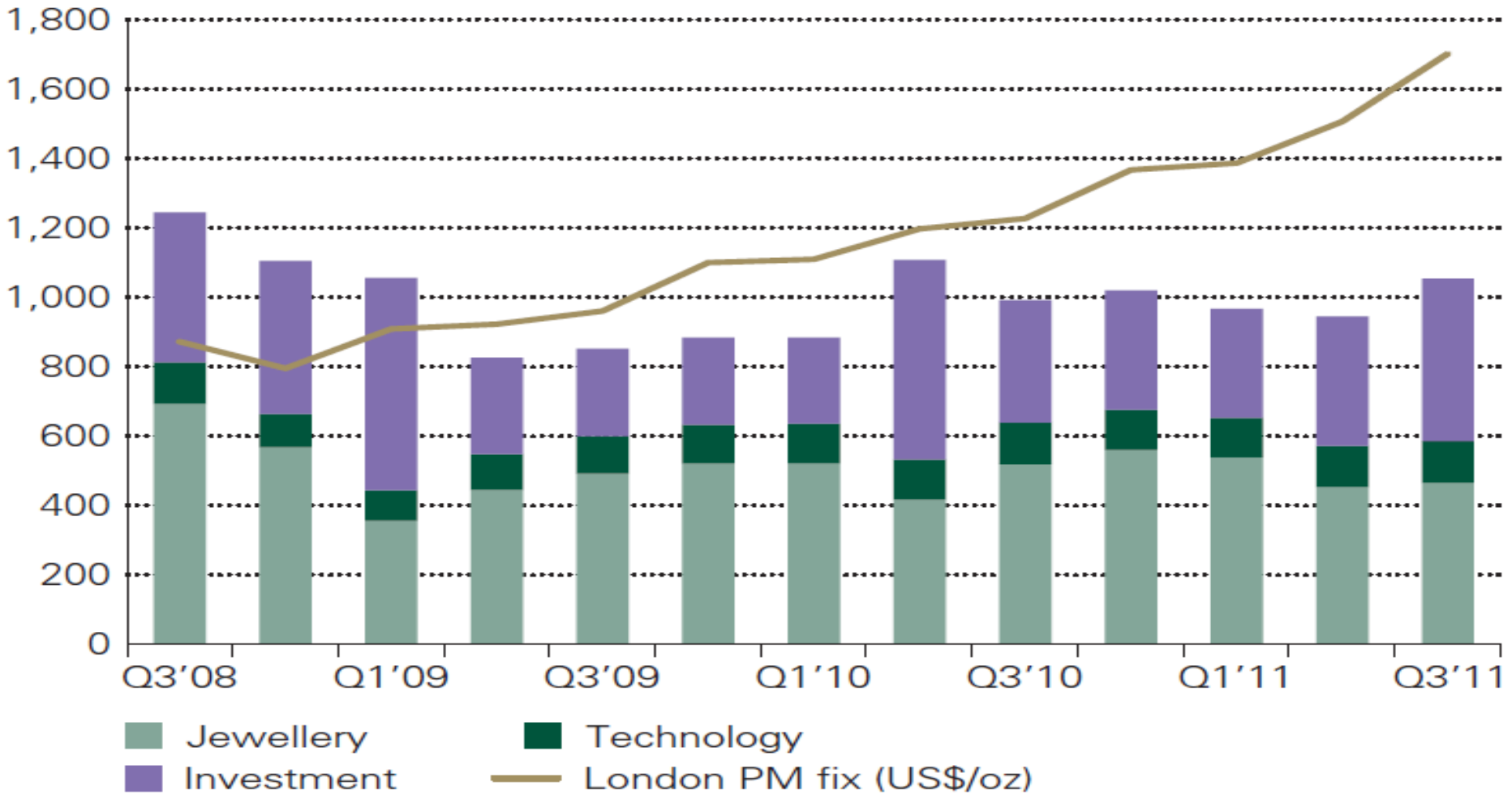
Tonnes



Source: Thomson Reuters GFMS, World Gold Council

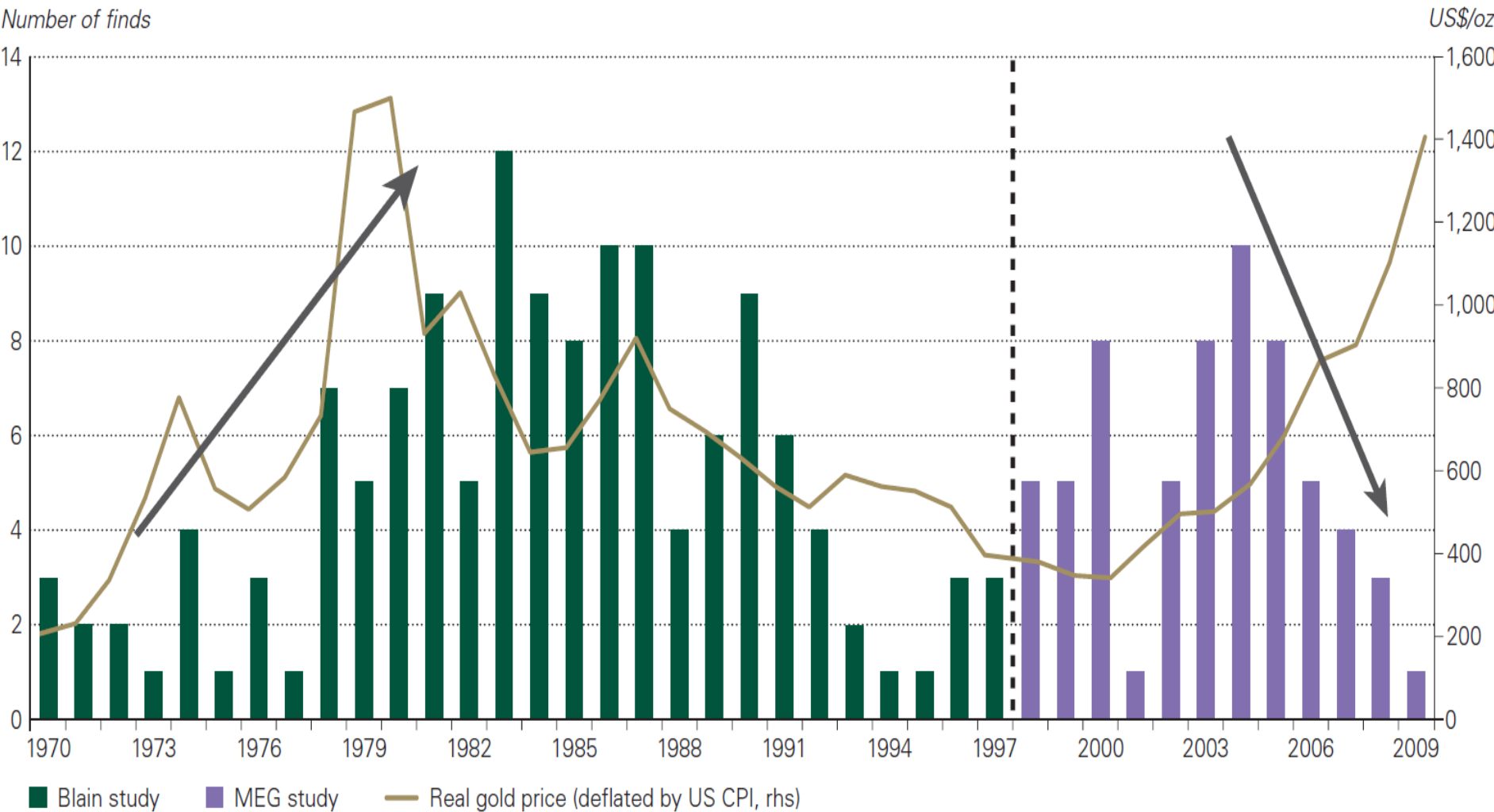
Chart 12: Gold demand by category in tonnes and the gold price (US\$/oz)

Tonnes, US\$/oz



Source: LBMA, Thomson Reuters GFMS, World Gold Council

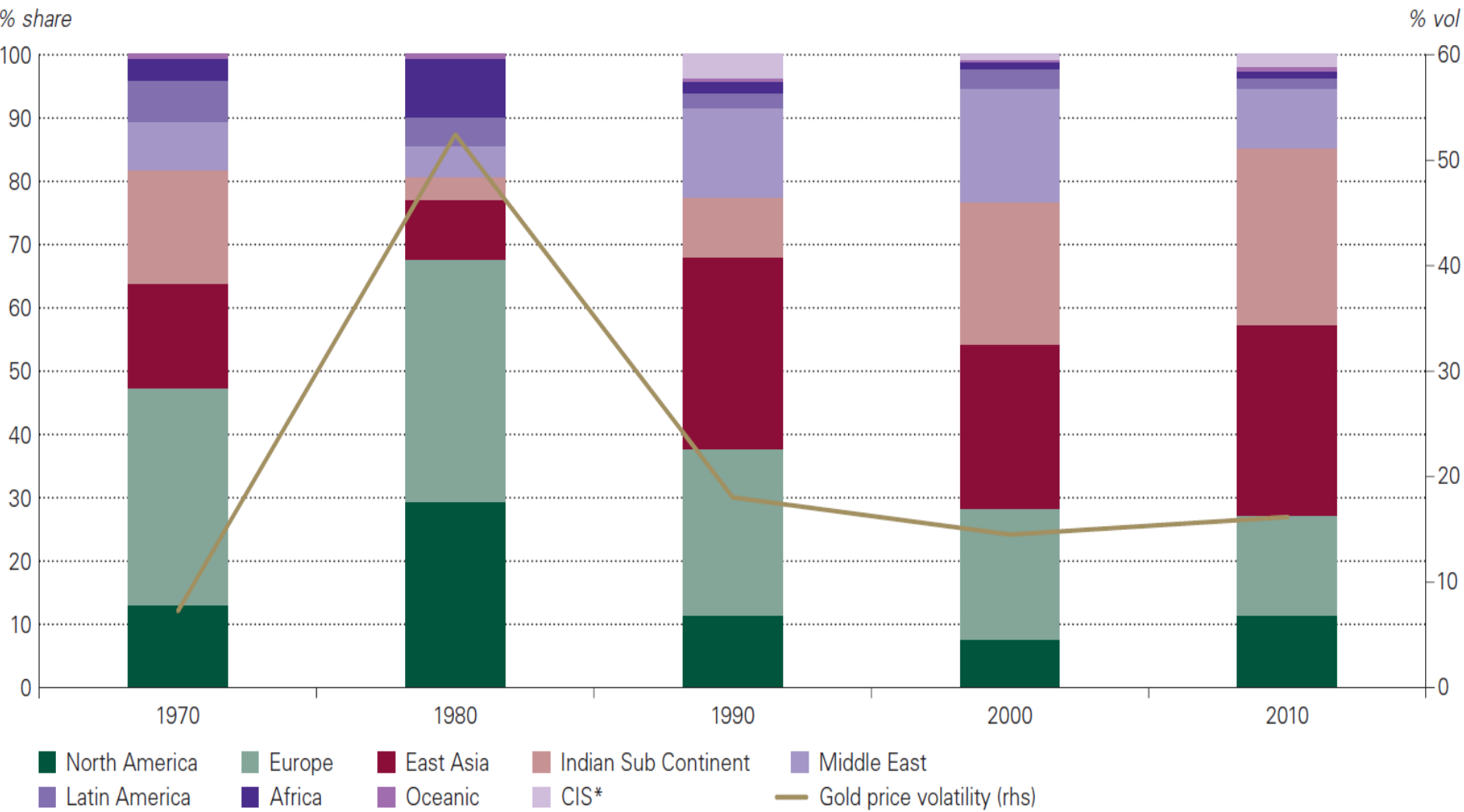
Chart 9: Number of new gold finds



Please note that methodologies for each study may not be comparable.

Source: Chris Blain, Bloomberg, LBMA, Metals Economics Group, World Gold Council

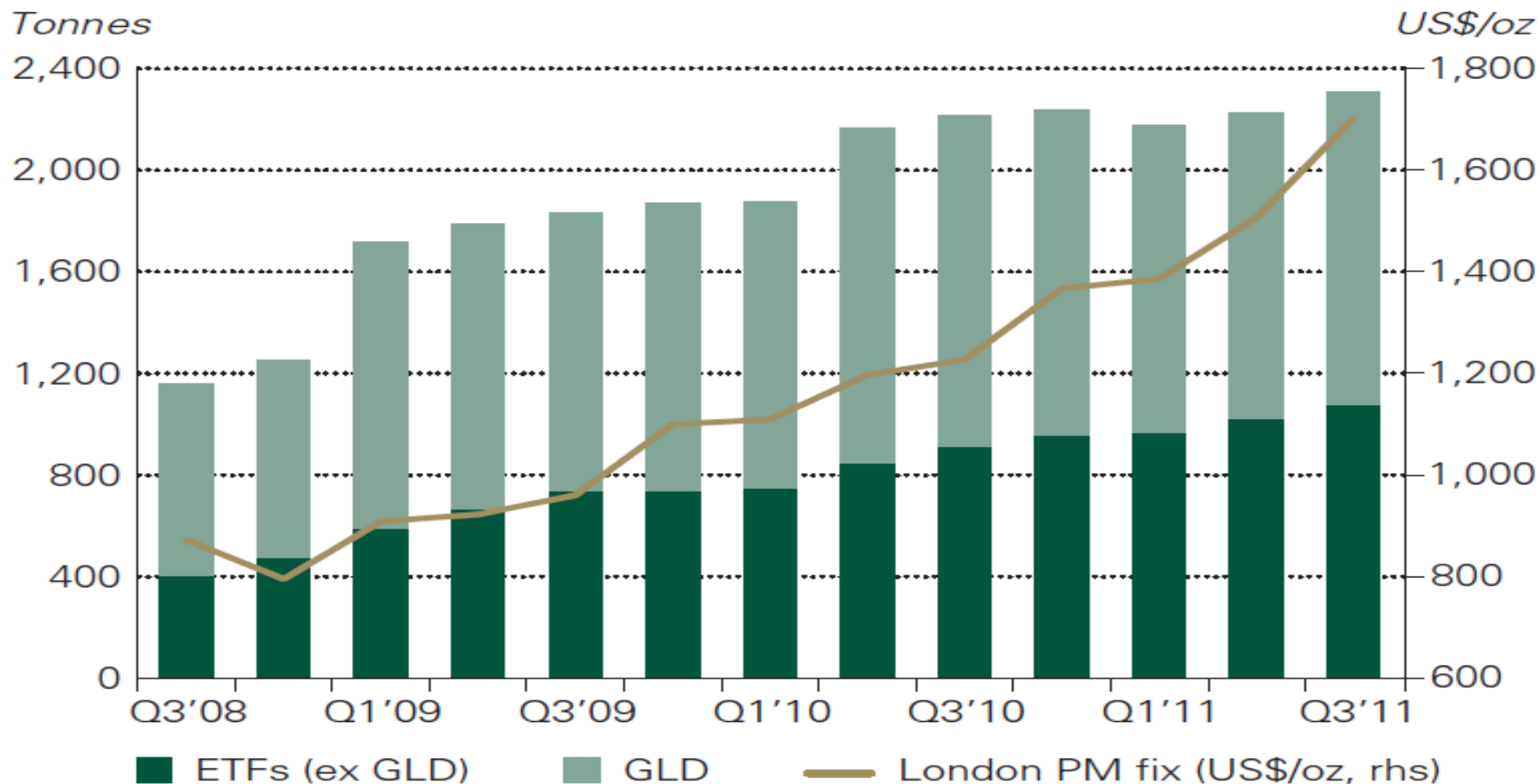
Chart 1: Distribution of gold demand by region



Gold price volatility = average daily volatility of London PM fix for reference year.
 *CIS: Commonwealth of Independent States.

Source: Bloomberg, LBMA, Thomson Reuters GFMS, World Gold Council

Chart 14: Holdings in Exchange Traded Funds (tonnes) and the gold price (US\$/oz)

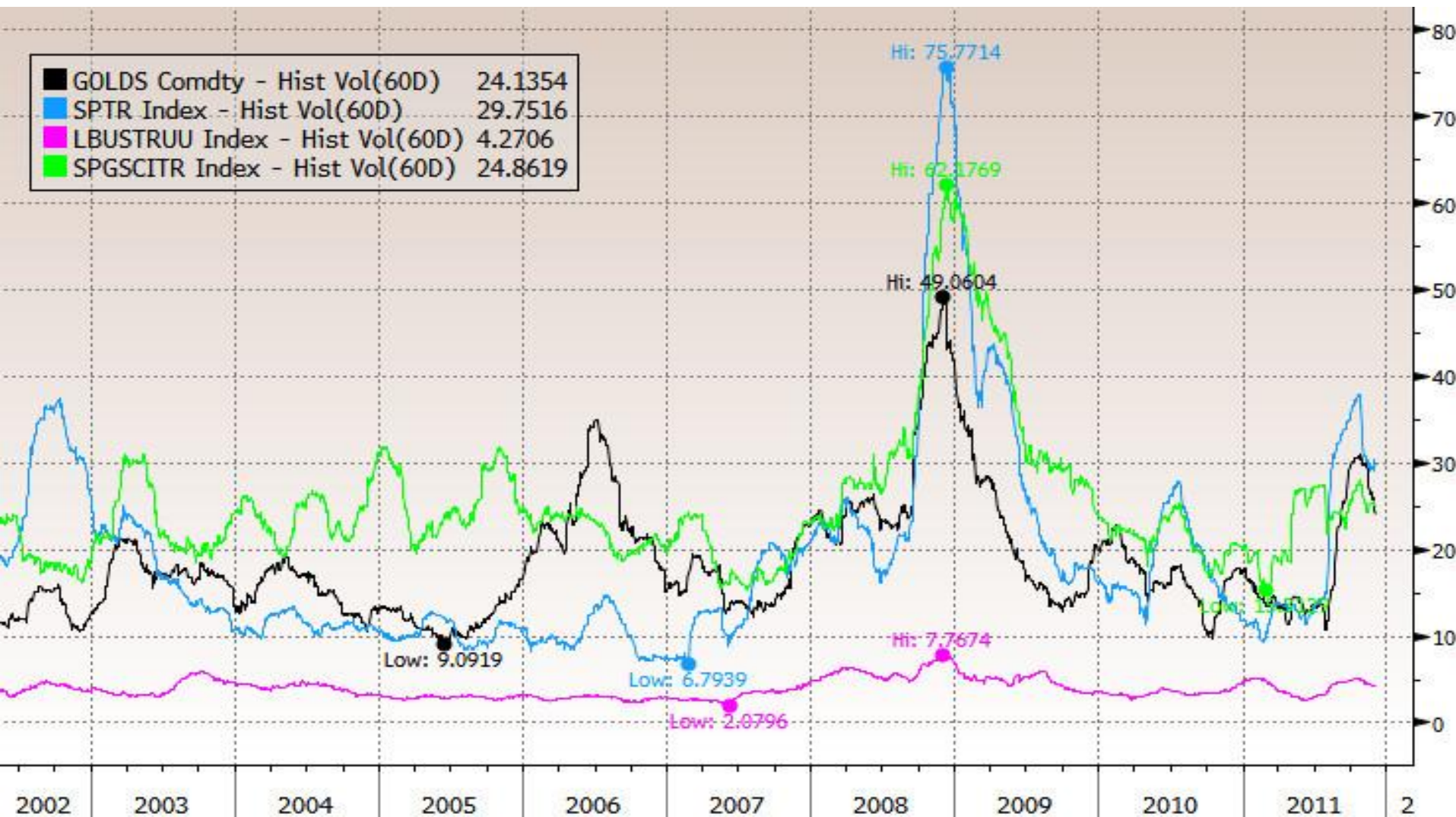


Source: LBMA, Thomson Reuters GFMS, www.exchangetradedgold.com, World Gold Council

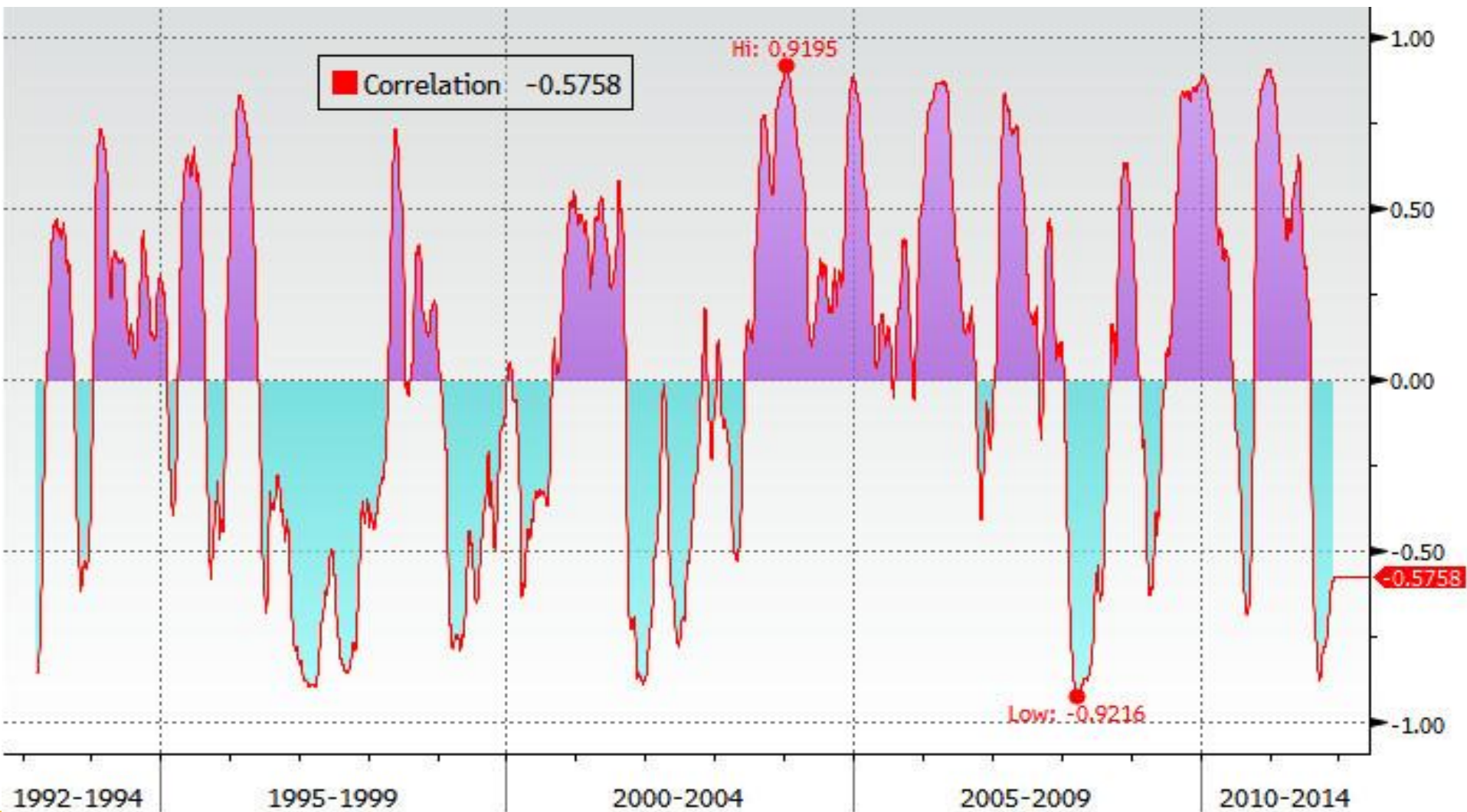
Gold:Silver



Volatile Gold?



Daily Correlation: Gold vs. S&P 500

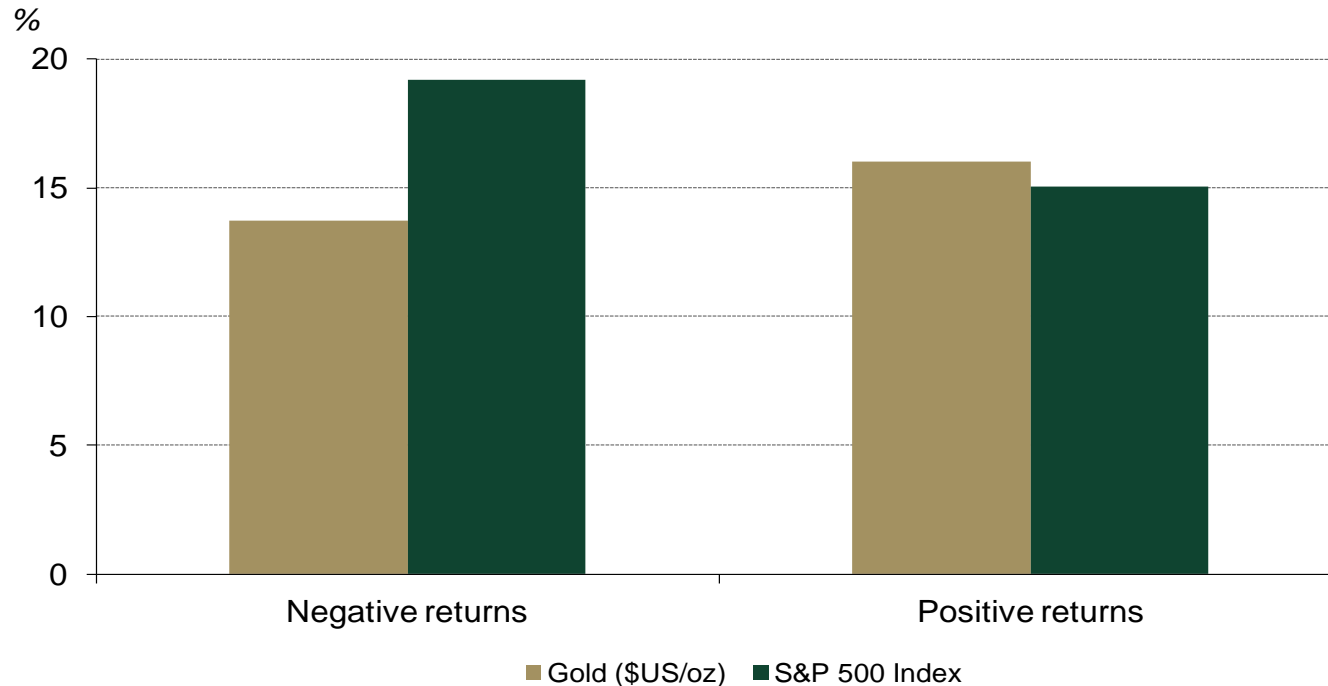


Wither White Metals?



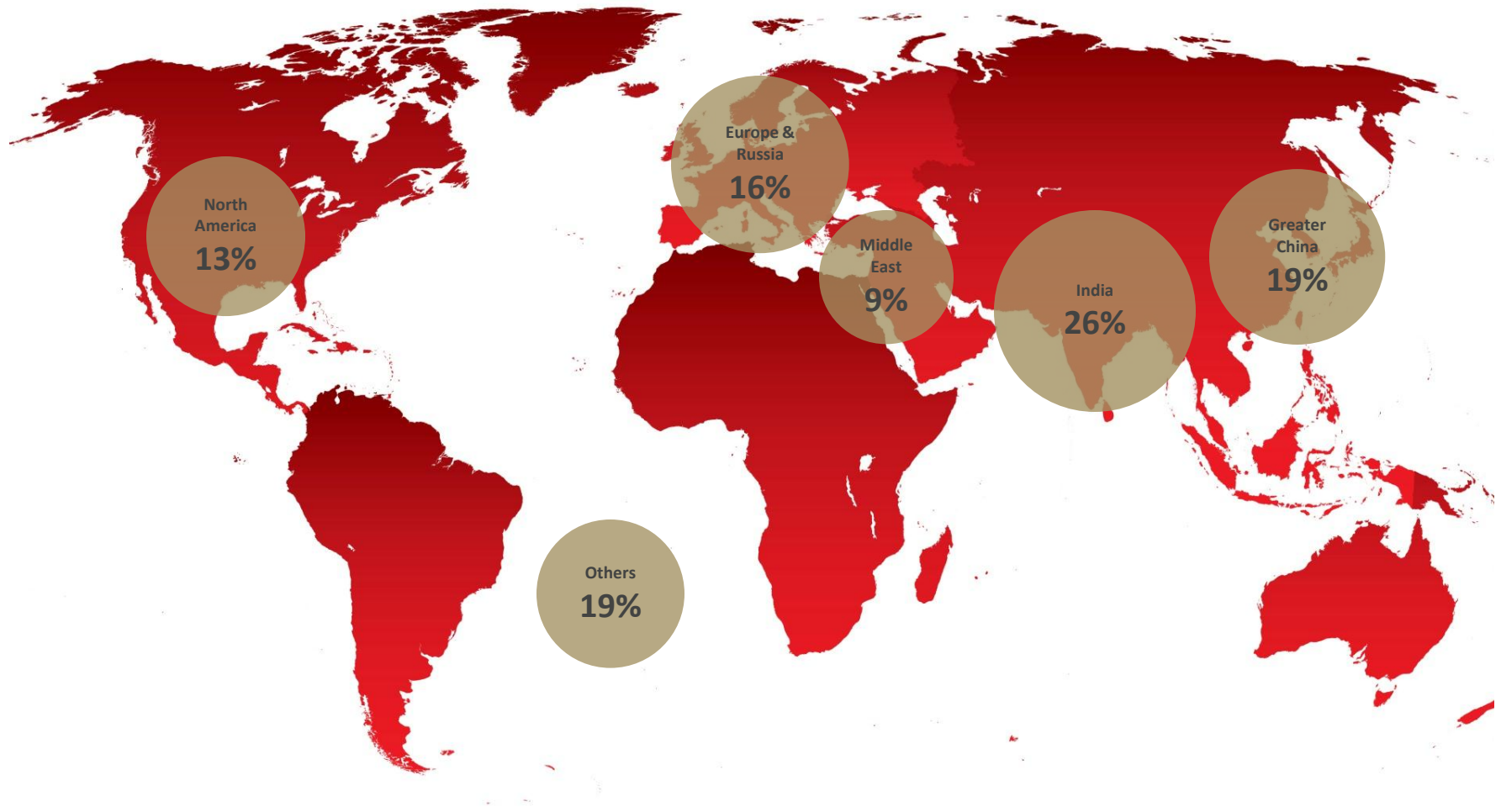
Gold Volatility

Annualized volatility of positive and negative weekly returns for gold (US\$/oz) and S&P 500; Jan '87-Jul '11



Source: Bloomberg, LBMA, World Gold Council

Gold Demand



Based on 2010 figures. It includes jewelry, technology, bars, coins and ETF demand. It includes over-the-counter transactions and central bank purchases.

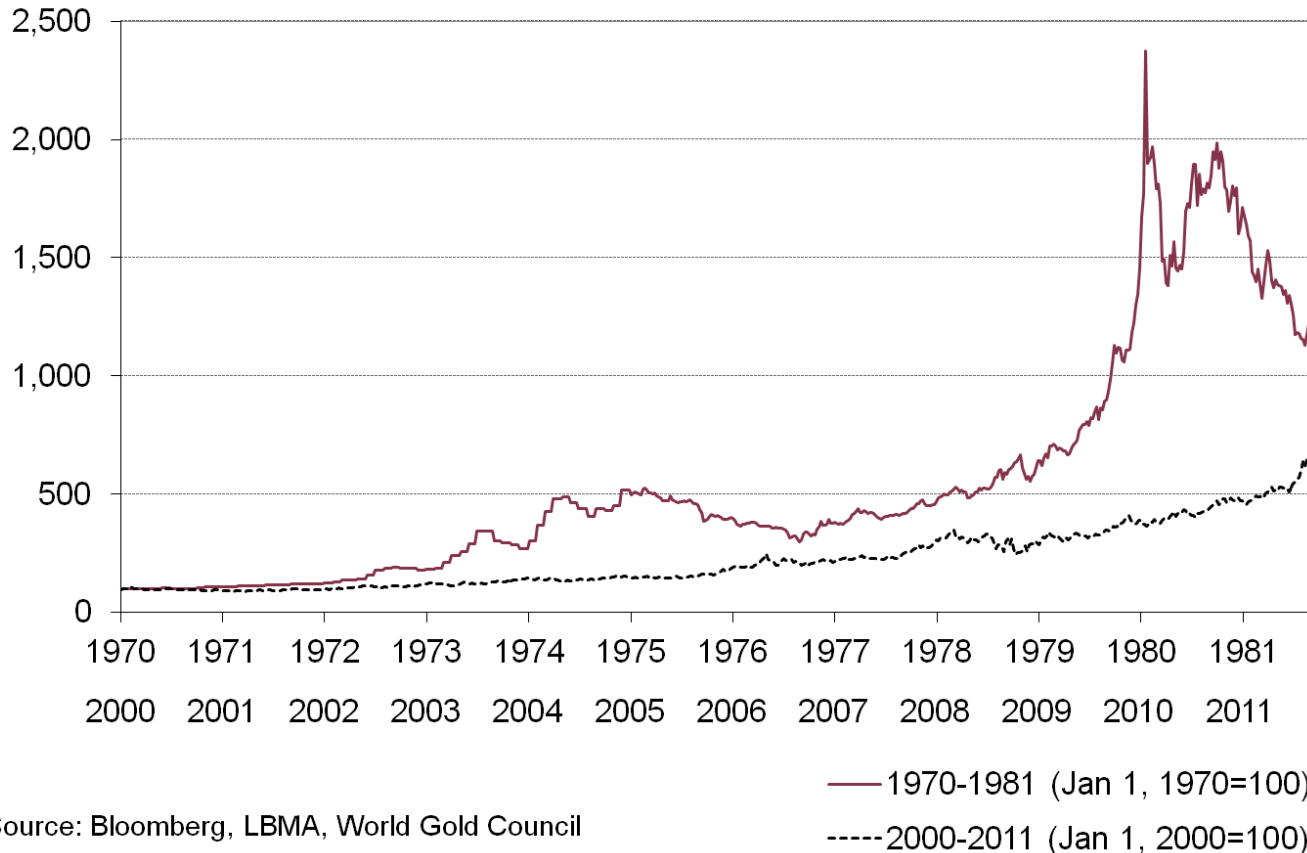
Source: Thomson Reuters GFMS, World Gold Council

World Gold Council | Gold: a unique asset class | December 2011

Gold's Measured Growth

Gold price 1970-1980 vs. 2000-2010

Index level

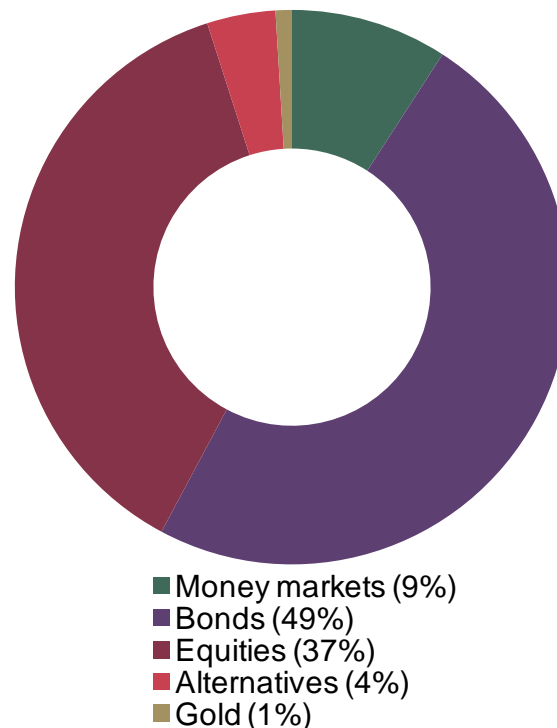


Source: Bloomberg, LBMA, World Gold Council

Global allocations

Size of financial markets (US\$ 146 trillion)*

- Total above ground stock of gold in private hands = 31,100 tonnes (US\$1.4 trillion)¹ by the end of 2010.
- Gold holdings as a % of total global assets were approximately 1% by the end of 2010.



*Figures are estimated as of december 2010 using: the global market capitalization of all publicly traded stocks and REIT; the total value of outstanding bonds & money market instruments; total open interest on commodity futures plus above ground stocks of metals in private hands; the assets under management of private equity and hedge funds; and private holdings of gold bullion. Central bank holdings of gold and bonds were excluded.

Source: BIS, Hedge Fund Research, J.P. Morgan, Prequin, World Federation of Exchanges, World Gold Council

1. Assumes the end of 2010 London PM fix price of US\$1,405.50/oz