Strategic Wealth Preservation

Inside the Vault

A Quarterly Newsletter Featuring Precious Metal Insights

April 2024

Gold and Silver Continue to Climb!

Welcome to our latest ITV newsletter. In this edition, we delve into the strategy of safeguarding your wealth by diversifying internationally, while also spotlighting the remarkable performance of gold and silver in today's bullish market.

Analysts are reassessing their forecasts for 2024, as the demand for gold has exceeded expectations, especially in the Asian market, driven by Central Bank purchases and geopolitical risks. What a ride this is. See my full report entitled Thoughts on March.

Stay tuned as we uncover the latest trends, share our experts' perspectives, and provide practical tips to help you make informed decisions about your precious metals investments. And don't forget to subscribe to our YouTube Channel, where we share our latest videos and weekly podcasts, interviewing the some of the most knowledgable minds in wealth preservation.

Let's embark on this journey together!

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 and Silver Technical Analysis

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

You can follow Chris on Twitter @TheTechTraders

Gold in Q1: Lift Off!

By Jeff Clark, Paydirt Prospector

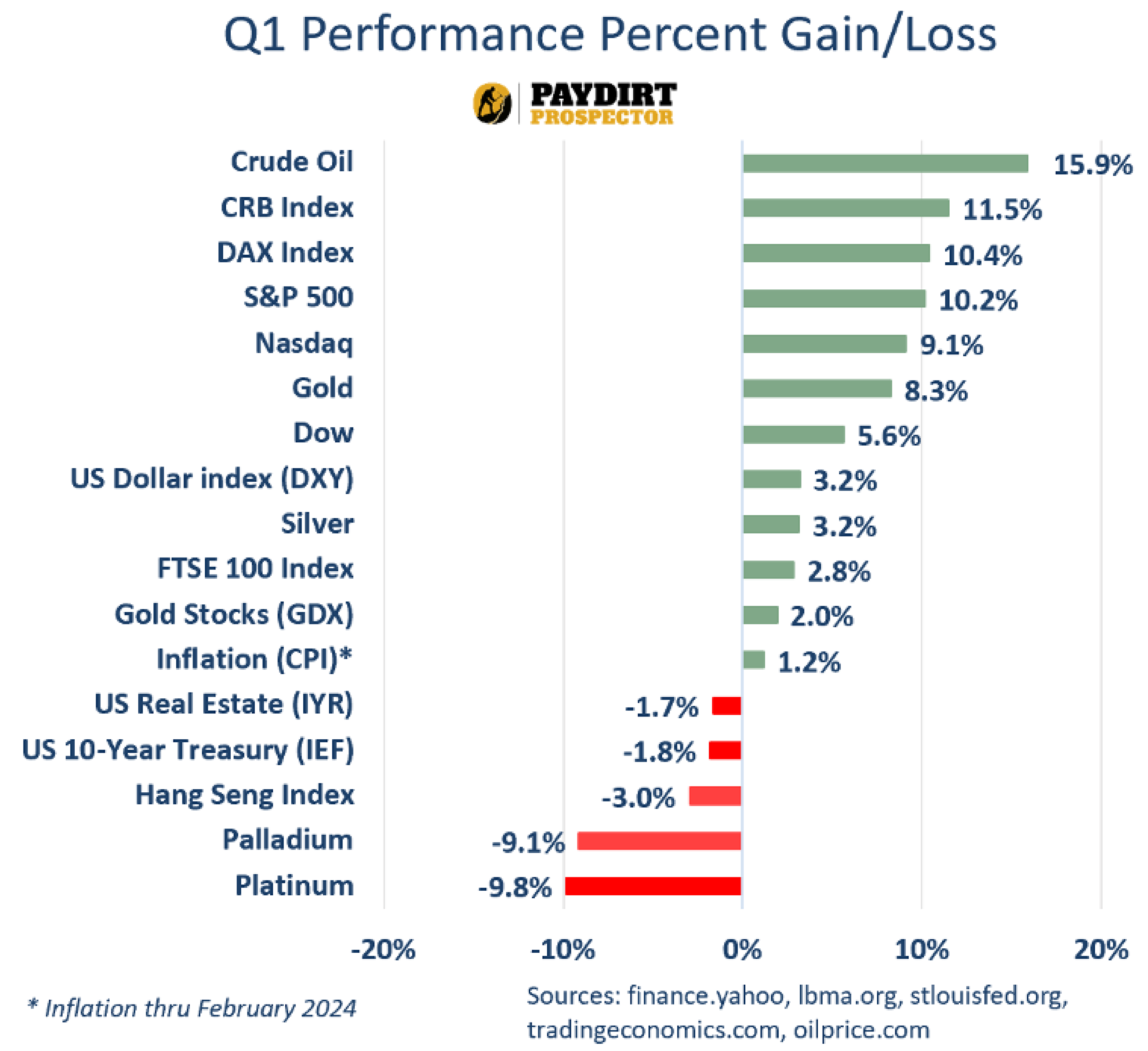
After the Fed announced it expected to lower interest rates three times this year, investors jumped into gold. The price took off and ended the quarter at breakout highs.

Our ITV quarterly report summarizes how gold and silver performed in the first quarter of 2024 vs. other major asset classes, plus the major catalysts that could continue to push them higher this year.

Gold in Q1: Breakout

Gold was below $2,000 on February 14, then promptly went on a tear when investors believed the Fed would likely lower rates sooner than previously stated.

Here's the performance of major asset classes last quarter.



The biggest winners were commodities, stocks, and gold. But the significance of how gold ended the quarter cannot be overstated:

- **The gold price ended Q1 at new daily, weekly, monthly, and quarterly all-time highs.**

The momentum behind gold's move has carried into Q2. Prior breakouts were small and always ended up deflating, but these new highs represent significant breakout levels.

The Fed kickstarted this run, but other reasons include simple risk aversion, especially given the current political and economic uncertainties; and probably some short covering and some momentum traders jumping in.

The biggest losers were platinum and palladium, followed by US Treasuries and real estate.

Bitcoin (not shown) rose 68.8% in Q1, as investors favored risk-on assets.

The Watch List:

What will gold and other asset classes do for the rest of the year? Numerous risks abound in the economy, markets, and geopolitics. This list highlights the need to maintain our strong position in gold...

The US Federal Reserve publicly stated that interest rates will be cut by "three-quarters of a percentage point by the end of 2024." As real yields decrease, the appeal of gold, which doesn't bear interest, naturally grows, particularly to mainstream investors.
The Swiss National Bank has already cut its interest rate by 25 basis points, to 1.50%. It is the first major central bank to tighten monetary policy.

The US National Debt now exceeds $34 trillion. Notable investors are raising alarm bells, including BlackRock CEO Larry Fink, Jamie Dimon of JP Morgan, and even Jerome Powell himself.
Based on a recent Conference Board survey, CEOs see the U.S. national debt as the "top geopolitical threat." This will likely not end well.

Mortgage Rates, while not directly set by the Fed, are naturally higher when the fed funds rate is elevated. The average mortgage rate in the US has fluctuated between 6.5% and 7.5% since last fall. These rates make housing less affordable, especially when you add in stubbornly high real estate prices. Most analysts say it is "unlikely we'll see rates in the 2% range again."

US Elections may also be influenced by interest rates. Cuts in rates tend to help the incumbent, in this case President Joe Biden. A reduction in interest rates can lower concerns about inflation and housing. This would certainly attract criticism from the Republicans, including Donald Trump who's already argued that the Fed's actions could unfairly influence the election outcome.

Inflation Rates have fallen significantly, from a peak of 9.1% in June 2022 to 3.2% in February. However, even a 3% rate erodes the purchasing power of our cash; 3% inflation diminishes it by about a third over ten years. Since January 2020, inflation has risen a cumulative 20%.

US Interest Payments may not be as easy to make as some think. In 2023, the Federal Reserve reported an unprecedented operating loss of $114.3 billion and actually halted its payments to the Treasury, all due to high interest rates. Typically, profits from the Fed's securities go to the Treasury, reducing the federal deficit.

Dollarization remains a hot topic. Lisa Shalett, the Chief Investment Officer at Morgan Stanley Wealth Management, says the US dollar's dominance in global trade and its status as a primary reserve currency are being challenged, which puts structural pressure on the dollar—which she says could negatively impact US equities. Shalett advises investors to "brace for a shift in the US dollar regime."

Recession Fears Are Mixed. A recent survey reveals a significant shift in investor sentiment regarding the future of the U.S. economy. Last year a majority of investment banks and Wall Street investors were bracing for a recession, but a recent Deutsche Bank survey shows almost half of all investors believe in a 'no landing' scenario, where inflation may persist but with no official recession.

Citigroup analysts believe the likelihood of a global recession is currently about 50%. Barclays says the global economy is fragile, and projects just 1% growth for developed economies in 2023. They think Europe will slip into recession by the end of the year.

The S&P 500 made 20 new record highs last quarter, the risk appetite among investors clearly evident. The Nasdaq 100 also hit a new peak. Reddit Inc logged a notable surge in its market debut. A stock market reversal typically pushes investors into gold.

The First Tokenized Gold Product has been launched by HSBC in Hong Kong. The move is part of both the bank and the government's initiative to make it digitally accessible for retail customers. Tokenized gold is basically physical gold ownership recorded on a blockchain. Could this idea spread to other countries?

Gold Predictions are mostly higher. Goldman Sachs says gold's recent rally is "just the beginning." JP Morgan named gold as their "top commodity pick" this year and forecast it will reach $2,500, arguing for its inclusion in diversified portfolios to protect against short-term risks, serve as a long-term store of value, and diversify portfolio risk. Bank of America Securities also highlighted gold as a "prime investment" for 2024.

Carley Garner from TheStreet Pro accurately predicted gold's impressive rally last summer, saying it would surpass the $2,100 resistance level to reach new highs, which it did. Now she says a similar upward movement could propel gold prices to as high as $2,600.

The Gold-Silver Ratio was 88 at the end of the quarter, in stark contrast to its 30-year average of 67. Combine that with the fact that silver is roughly half its 1980 high while gold is almost triple its 1980 high and the bargain for silver is clearly evident.

We'll leave you with this quote from the Wall Street Journal, one we believe nicely sums up the case for gold right now.

"When confidence in society and political institutions erodes, the appeal of gold rises as alternative store of value that isn't contingent on societal arrangements. It can also be transported in an emergency. Of course, as an investor, an actual catastrophe isn't necessary to profit, with prices getting bid up as concerns grow. Bitcoin and other cryptocurrencies hold a similar appeal, but they are far less tested, less understood, and still subject to big regulatory risks."

END

Where Do I Store My Wealth?

By Jeff Thomas

International diversification of wealth (no matter how large or small) can save your economic freedom. Although most of our readers thoroughly understand this concept, one of the most oft-heard concerns is that, by offshoring assets, one may not be able to get to them as easily as they now can. Here's the response to that, and some practical advice on what you can do to protect yourself.

Let's say you presently regard yourself as being economically diversified. You own stocks and bonds, you have some cash, you have a retirement fund and you have a bit of gold stuffed away at home. On the surface, it would seem that you're covered.

Trouble is, you have all your wealth in one jurisdiction and, should that jurisdiction find itself in an economic crisis, all that "diversification" will be seriously at risk.

Of course, it's human nature for us to want to keep our wealth close at hand. It feels more secure than having it miles away from us. We tend to follow this concept even though we're well aware that to have our wealth really close (i.e., on our person) we would be asking to have someone with a gun take it away.

Although we understand this, we somehow manage to convince ourselves that our own government less of a threat to us than some thief, should they decide that they wish to get their hands on our wealth. If we're being really truthful with ourselves, governments pose a greater threat that the average thief, as they can steal legally. They never even need to bring out their guns.

In recent years, the governments of the US (in 2010), Canada (in 2013) and the EU (in 2014) have passed bail-in legislation, allowing the confiscation of deposits in bank accounts. When confiscation does occur, I believe it will happen without warning, as it did in Cyprus. One day, you wake up and your money is gone. What can you do? Nothing. It's legal.

But, you may still be all right, since you're diversified. How about your retirement fund? Well, both the US and EU have announced that, should the investments of your fund be deemed to be at risk, the government will assure that you will not lose your money, by requiring that your fund be heavily invested in government treasuries, which are guaranteed. However, should there be an economic crisis, that guarantee will quickly go south. Again, when this happens, it will happen suddenly, without warning.

Well, how about those stocks and bonds? You broker assures you that he has wisely invested your money in a variety of stocks and bonds and he declares that your investment is therefor diversified. Trouble is, the bond and stock markets are presently in the greatest bubble the world has ever seen. Even a minor crisis can put a pin to those bubbles without warning.

In actual fact, the only investment you have that's not at risk from a financial crisis is the gold you have at home. It will actually benefit from a crisis. Precious metals have been described as the only investment today that is not concurrently someone else's liability, and this is quite true. In actual fact, your bank accounts, retirement fund, stocks and bonds are not diversified at all. They are, in fact, totally at risk, should you reside in one of the above jurisdictions.

But that, of course hinges entirely on whether a crisis may occur in the future. Unfortunately, those jurisdictions are all experiencing major debt problems. The US in particular is in the greatest level of debt the world has ever seen. The EU owes less, but is also more economically fragile and is already popping its buttons. The US will follow and its neighbour, Canada, will be pulled down with it. That's why they've all passed bail-in legislation, so that they can use your wealth in a last ditch effort to buy a bit of time on the way down.

Not a very promising situation. So, will everyone go down with the ship? Not at all. There will be those who recognise that "keeping the wealth close" is not the most important aspect of retaining wealth.

Internationalisation: *The practice of spreading one's self both physically and economically over several jurisdictions in order to avoid being controlled or victimised by any one jurisdiction.*

So, is the "keeping the wealth close" idea valueless? Not strictly, no. Someone in Aus-tralia might very sensibly choose Singapore or Hong Kong as his first choice for internationalising. Someone in Europe would be likely to make Switzerland his first pick. In the western hemisphere, the BVI, the Cayman Islands and the Bahamas are top choices. A one hour flight from Miami provides a far less rapacious government, in addition to true diversification.

The greater the level of wealth, the more diversified the investor will want to be. (Those who diversify into Switzerland, Singapore and BVI will increase their safety level beyond those who have utilised only one or two locations.

Today, those who are living in a jurisdiction that may, in the near future, be looking at a national economic crisis at home, should regard any wealth in banks to be sacrificial, i.e., that it might very well be swallowed up soon.

So, the first concern is to get the wealth out. But what then? Aren't overseas banks being threatened as well? Well, yes, they are. Although they're subject to local laws, rather than the laws of the EU, US, or Canada, many of those banks are being threatened by those countries and are under pressure. So, whilst they represent a very definite step away from risk, they cannot maximise that safety. Therefore, the second step is, as much as possible, to transfer the wealth into a form that is difficult (or impossible) for other governments to confiscate.

The two ideals are precious metals and real estate. For any government, even a powerful one, to attempt to confiscate real estate in another country is an act of war. Hence, if the EU were to attempt to confiscate land in, say, Hong Kong, it would be an act of war against China. If the US were to attempt to confiscate land in, say, the Cayman Islands, it would be an act of war against its closest ally, the UK. Possible? Yes. Likely? Very far from it.

The other investment, precious metals, tends to be off the radar from reporting requirements for tax purposes. It additionally has the advantage of being liquid. Bullion can be sold quickly and is therefore the ideal for emergency purposes.
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The ideal, of course, is to diversify, so a balance of bullion and real estate are advised. Cash, privately held, (again offshore) should be part of the mix. If you have the expertise to diversify further into fine art and other collectibles, so much the better.

Much of the world has gone on a massive spending spree and has, in effect, used a credit card to do so. Soon, that bill will need to be paid and the jurisdictions that are in debt will unquestionably be revealed to be insolvent. The economic crisis, when it hits, will be sudden and will be devastating. Everyone in those jurisdictions will be negatively impacted, but those who have internationalised their wealth will fare best. When the dust settles, they will be the ones who are in place to recover and rebuild. **END**

Could You Be a Paid Affiliate for SWP?

Whether you are a precious metals dealer, a financial adviser, an industry influencer, or someone who knows investors who are interested in precious metals, SWP's affiliate program is an excellent way to earn passive reoccurring income for referred business.

SWP pays a portion of revenue generated from persons or entities referred by affiliates:

- 1% of the value of the gold, platinum or palladium purchased by persons or entities introduced to SWP by the affiliate.
- 1.5% of the value of the silver purchased by persons or entities introduced to SWP by the affiliate.

Referral commissions are paid quarterly in arrears for a period of three years, from the date of the first transaction completed by the person or entity referred to SWP.

Contact hm@swpcayman.com
for more information

Thoughts on March

By Mark Yaxley, CEO, SWP

Gold climbed nearly USD $200/oz in March, marking a 9.5% increase. Similarly, silver gained $2.50/oz, or 11.2%, making it the biggest single month for precious metals in recent memory. Gold is trading at all-time highs around the world. In many currencies, gold's price has risen by more than 15% in 2024.

The 'Quiet Gold Rally' No Longer Quiet: This prolonged gold rally, previously dubbed the 'Quiet Gold Rally,' is now capturing news headlines worldwide, attracting more investors. Although demand for gold in Asia has been consistently strong, the notable difference now is the increasing interest from European and North American investors.

Geopolitical Risk is Back On: The rapidly escalating risk of direct conflict between Israel and Iran has been supportive of gold prices. Netanyahu recently stated at a security cabinet meeting that Israel will operate against Iran and its proxies and will harm those who seek to harm it. US President Joe Biden has informed Netanyahu that US support for his war would depend on new steps to protect civilians. Overall, geopolitics is emerging as a renewed market driving development.

Central Bank Demand: According to the World Gold Council, central banks continued to bolster their gold reserves in February, albeit at a slower pace than in previous months. Available data for February shows that reported global central bank gold reserves rose by 19 tonnes, marking the ninth consecutive month of growth. However, a combination of slower gross purchases and a higher volume of sales meant that February's buying was 58% lower than January's total of 45 tonnes.

Silver Might Be the Trade: Despite gold's strength, there's considerable attention on silver as the potential trade. One ounce of silver currently stands at $26.90, but it has yet to reach the price levels that some investors anticipated, especially considering gold's recent success. This has brought the gold/silver ratio into focus, which remains high in the 86-90 range compared to its 5-year average of 83.

Several factors support the case for silver:

1) Silver entered a structural deficit in 2021 due to increased demand from industries such as photovoltaics and automotive. This has led to deficits averaging 250 million oz annually over the past three years. Inventories at major exchanges like LBMA, COMEX, and SGE are dwindling, suggesting tightening supply conditions.

2) Production data from Mexico and Peru, the world's top silver producers, reveals a significant decline compared to 2016 levels. Mexico & Peru together are producing 25% less vs 2016 levels, helping drive the drawdown in above ground stocks as a substitute. Taken together, these factors suggest that silver may present an attractive opportunity for investors, particularly given its potential to catch up to gold's recent performance and the underlying supply-demand dynamics in the market. **END**

Golden Turtle Social Club

Strategic Wealth Preservation®

Doug Casey Q&A, May 2nd

Exciting news! Doug Casey will be attending an online Q&A session for Golden Turtle Social Club members and all SWP clients, on May 2, via Zoom. Look out for your invite to register for FREE!

Best-selling author, world-renowned speculator, and libertarian philosopher Doug Casey, has garnered a well-earned reputation for his erudite (and often controversial) insights into politics, economics, and investment markets.

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1. Get your money within 10-days.

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

6. The interest charged is competitive to most Lenders.

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

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Want to know more?

Learn more about the basics of precious metals investing through our ITV Video Series **HERE**

Something to Consider When You Need Cash

Borrowing against your precious metals can be a savvy financial move for several reasons. Firstly, precious metals like gold, silver, and platinum are known for their stability and value retention over time. By leveraging these assets through borrowing, you can access funds without having to sell your precious metals outright, allowing you to maintain exposure to potential price appreciation.

Secondly, it offers a way to hedge against inflation and economic uncertainty. In times of economic instability, the value of precious metals tends to rise, and this can help offset any potential losses associated with borrowing. This can be especially beneficial for individuals looking to protect their longterm precious metals investment.

Additionally, borrowing against your precious metals can be a flexible financing option. Unlike traditional loans that may have strict repayment terms, borrowing against your precious metals often offers more flexibility in terms of repayment schedules and loan terms, allowing you to tailor the borrowing arrangement to meet your specific financial needs and circumstances.

Overall, borrowing against your precious metals can be a smart financial strategy for accessing liquidity, diversifying your assets, and protecting your wealth against economic uncertainty.

Trust the Turtle for your Self-Directed IRA

TRUST
THE TURTLE

Top Considerations for Including Precious Metals in Your SD IRA:

- **Diversification:** Low correlation with traditional assets reduces portfolio risk.
- **Inflation Hedge:** Historically, precious metals retain value during inflation.
- **Tangible Asset:** Physical ownership adds security and control.
- **Currency Protection:** Guards against currency devaluation and geopolitical instability.
- **Tax Benefits:** Depending on IRA type, gains may be tax-advantaged.
- **Privacy and Security:** You choose where to securely store your assets.
- **Growth Potential:** Precious metals can appreciate, enhancing retirement savings.

An important reminder to you, your loved ones and friends: **please only buy metals for your Self-Directed IRA through a reputable dealer.**

SD IRA Food for Thought :

- Investment gains and income generated within the self-directed IRA can be tax-free (Roth IRA) or tax-deferred (Traditional IRA). Because a self-directed IRA claims 100% of the income generated by the investments in the account, your retirement funds can grow without restriction.
- A self-directed IRA permits tax-free withdrawals of contributions, interest, and earnings after the age of 59 ½.
- Under US Bankruptcy law, self-directed IRA assets are exempt from bankruptcy in amounts up to $1,000,000.
- Certain self-directed IRAs allow the passing of assets to beneficiaries after death, with little or no tax liability. Properly designating your beneficiary can be an important part of your lifetime plan. Without this designation, your heirs may be subject more income and estate taxes than necessary.

Beneficiary Options:

- The most common beneficiary designations are spouses, children, grandchildren, or other relatives.
- A trust, charity, or combination of individuals can also be named.
- Multiple individuals can be named as beneficiaries however additional rules apply as to how the required minimum distribution is determined.
- Name a Living Trust. When you name a living trust as either a primary or contingent beneficiary, work with a professional to ensure the trust agreement is established properly to make certain you have the most advantageous tax results.
- Name a contingent beneficiary should your primary beneficiary predecease you. Without a designated beneficiary your IRA could go into probate and produce unfavorable tax results for your loved ones.

Source: www.preferredtrustcompany.com

Strategic Wealth Preservation

What's New

New Podcasts Available

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 if you'd like them addressed.

All podcasts will be posted on our website and our YouTube channel for you to listen to at your leisure.

Also available on X/Twitter Spaces every Wednesday at 11am EST: @AnCapRadio

New Storage Location - Wyoming

We're pleased to announce a new storage location in Casper, Wyoming, for SWP clients! Wyoming is ranked #1 as a Sound Money State and is listed among the top 10 safest states in the Union according to US News & World Report.

We hold all our vaulting partners to highest standards and this particular location is no different, with Class 3 vaults, hi-tech security cameras, man traps, and a secured perimeter, this facility is under constant watch 24-hours a day by contracted security services and the Casper police force.

It should also be noted that the Wyoming Constitution imposes strict limits on government authority and the State of Wyoming does not impose a tax on silver, gold or "other coin."

SWP clients enjoy a liquid two-way marketplace within the vault, plus fully allocated, segregated and insured storage, as is the standard with all SWP locations.

For more information please contact your sales representative or email info@swpcayman.com

New Storage for Cryptocurrency and Digital Asset Devices

SWP now offers secure offshore storage for cryptocurrency, digital wallets, seed phrases, and private keys. Clients get a personalized Pelican Case with security accessories stored securely in our Cayman Islands facility for an annual fee of $1,200.
More Information

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.

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