



Issue 30 | September 16, 2014

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## FROM THE DESK OF [WORLDWIDE PRECIOUS METALS](#)

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### **Recent Gold Strength | DXY 84.19 (US dollar Index)**

***BY Rob McInerney, Bullion Dealer***

In light of comments made by the main stream media regarding the “strengthening US dollar”, I’d like to take a moment to clarify the reality of the US dollar. The US dollar index provides investors with a number, quantifying the US dollar’s performance on the world stage against a “basket of currencies” (Euro 57.6%, Japanese Yen 13.6%, UK Pound 11.9%, Canadian dollar 9.1%, Swedish Krona 4.2% and the Swiss Franc 3.6%)

At the last ECB meeting on Sept 4<sup>th</sup>, Mario Draghi announced it would lower its benchmark lending rate to 0.15% from 0.25%. In June it became the first bank to introduce negative interest rates. Mr. Dragi also announced a potential asset purchase programme (QE) coming as soon as October should conditions dictate. All of these actions had a negative effect on the Euro and any **currency pegged**.

*The Definition of 'Currency Peg': A country or government's exchange-rate policy of pegging the central bank's rate of exchange to another country's **currency**.*

**Currency** has sometimes, also been **pegged** to the price of gold (Gold standard). Also known as a "fixed exchange rate" or "**pegged** exchange rate) to the Euro. That leads us to the Swiss Franc and the fall out of Mario Draghi’s actions; how those actions influences the “pegged” currencies such as the Swiss Franc (now that the Swiss National Bank must also follow suit with the ECB’s actions to maintain its peg); ultimately hurting the value of the Swiss Franc.

Next, the Japanese Yen, Abenomics (economic policies advocated by Shinzo Abe, Japan’s Prime Minister), the excessive money printing in Japan is rearing its ugly head. Streams of disappointing economic data is coming out of Japan further damaging Japan’s fragile economy and weak currency.

Finally, the UK Pound, as Scotland moves closer to independence the Pound continues its decline \$1.62 from \$1.72/USD in the middle of July.

Conclusion, the US dollar is not out performing everything. The currencies that determine the US dollar value are collapsing.

This Keynesian monetary experiment is a failure and will be overhauled sooner than later.

Are you ready?

[Contact Us](#) today Toll Free: **1- 866-623-2002** or via Email at: [info@wwpmc.com](mailto:info@wwpmc.com)



## CHART(S) OF THE WEEK

*[For a detailed explanation of the charts below- Call Worldwide!](#)*

### Sentiment Shifting for Gold Bugs





## MARKET PRICE PROJECTIONS

### Friday to Friday Close (New York Closing Prices)

	Sept. 5 <sup>th</sup> 2014	Sept. 12 <sup>th</sup> 2014	Net Change
Gold	\$1267.00	\$1231.50	(35.50) – 2.80%
Silver	\$ 19.12	\$ 18.61	(0.51) – 2.67%
Platinum	\$1408.00	\$1370.50	(37.50) – 2.66%
Palladium	\$ 888.00	\$ 836.00	(52.00) – 5.86%
Dow Jones	17137.36	16954.32*	(183.04) – 1.07%

### Previous year Comparisons

	Sep 13 <sup>th</sup> 2013	Sept. 12 <sup>th</sup> 2014	Net Change
Gold	\$1310.00	\$1231.50	(78.50) – 5.99%
Silver	\$ 21.80	\$ 18.61	(3.19) – 14.63%
Platinum	\$1442.00	\$1370.50	(71.50) – 4.96%
Palladium	\$ 698.00	\$ 836.00	138.00 + 19.77%
Dow Jones	15376.06	16954.32*	1578.26 + 10.26%

\*Current at time of writing

This is not a solicitation to purchase or sell.

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## HOT OFF THE PRESS...

Asia's effort to take over price discovery control and corner the price market ~ WWPMC

### Gold Trading to Begin in FTZ as CME Plans Futures in Hong Kong



Gold trading in the Shanghai free-trade zone will begin at the end of the month, while CME Group Inc. is planning a gold futures contract in Hong Kong, underscoring a push for new price benchmarks in the biggest consuming region as demand moves east.

Investors can initially trade eight existing bullion contracts on the Shanghai Gold Exchange together with three new ones in the zone through the platform when trading begins Sept. 29.

Read more on Bloomberg: <http://goo.gl/GS52x3>



**"Gold and silver becoming tax exempt in the USA...are we next?" ~John Downes**

### Transacting In Gold Can Shaft The IRS

In 2011, the state of Utah passed a law banning taxes on the use of gold and silver coins as currency and permitting residents to remit state taxes in these coins. Big deal, you might say. That's already in the Constitution: "No state shall...make anything but gold and silver coin a tender in payment of debts."

Oklahoma has done something similar, confirming that transactions taking place in gold and silver are free from state taxes on the exchange medium.

What a delicious opportunity this presents when it comes to taxation. **Read more on Forbes:**

<http://goo.gl/Il5pkq>



### Britain to include China's RMB as foreign currency reserve

[English.news.cn](http://English.news.cn) 2014-09-13

LONDON, Sept. 12 (Xinhua) -- British Chancellor of the Exchequer George Osborne announced Friday that the British government intend to issue a Renminbi denominated bond and to use the proceeds to finance the government's reserves of foreign currency.

"I can now announce that the UK government intend to be the first national government outside of China to issue a bond in China's currency. We issued bonds in U.S. dollar before, now we will be issuing a bond in RMB," said Osborne in the press release of the Sixth China-UK Economic and Financial Dialogue (EFD).

Chinese Vice Premier Ma Kai and Osborne concluded the meeting of the Sixth China-UK Economic and Financial Dialogue in London.

Osborne described this dialogue outcome as "a historic moment" and a statement of British confidence in the potential of the RMB to become "the main global reserves currency".

"And let me be clear, as China becomes a bigger and bigger part of the world economy, their currency is going to be used around the world. We here in Britain understand that, and we want us to be the first country in the west to seize the opportunities that it will bring," declared Osborne.

Meanwhile, the issuance of Chinese currency bond means jobs and investment in Britain, which the government's long-term economic plan is all about, noted Osborne.

*Editor: Mu Xuequan*



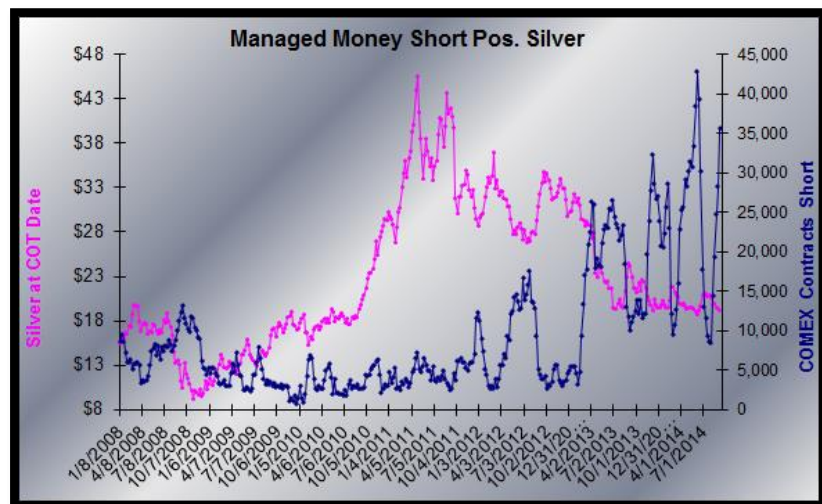
## SILVER



**For September/ October We Suggest Watching Traders The CFTC Classes As Other Reportables In Silver Futures**

**Who to watch for as silver prices edge...**

**Read more on Gotgold Report:**  
<http://goo.gl/qcQCOE>



### Heavy Precious Metal Shorting Is Bullish

That 65.2k contracts is truly extreme, and in this latest Commitments of Traders week speculators' shorts surged back up to 54.4k contracts! Such excessive selling is self-limiting, as soon everyone who is willing to sell silver low has already done so and only buyers remain. All it will take is a decent gold up day to ignite some gold-futures short-covering, and silver-futures traders will scramble to cover as well.

Silver acts as a sentiment gauge for gold, maybe its premier one. So the terribly-weak silver prices over the past 15 months reflect the exceedingly-bearish gold sentiment. Yet despite this, silver hasn't fallen below its original mid-2013 lows!

**Read more on Mining:** <http://goo.gl/u52UuN>





## Silver Is Fashionable...

### Silver Weaves Its Way Into A New World Of Wearable Technology

*Woven Into Biometric Athletic Shirts, Silver Fibers Help Measure Real Time Vital Statistics*

(Washington, D.C. – September 10, 2014) – Silver is playing an important, if not critical role in the growing world of wearable technology.

At the new intersection where fashion and biometrics meet, silver provides the conduit in innovative athletic clothing that transmits sought-after biometric data, such as the wearer's real time heartbeat, to a sensor that displays the data. **Read more on Silverseek:** <http://goo.gl/5DlaeE>

## GOLD



### Goldcorp Inc CEO Says Gold Price Plunge To \$900 Would Be An Opportunity, Not A Disaster

TORONTO — The chief executive of Goldcorp Inc. is not fretting over lower gold prices this year and says he would view any price declines as an opportunity to buy assets. **Read more on Financial Post:** <http://goo.gl/Lv8wdk>

### Embry - Vladimir Putin, The U.S. Dollar, Gold & A Warning

© 2014 by King World News®. | September 9, 2014

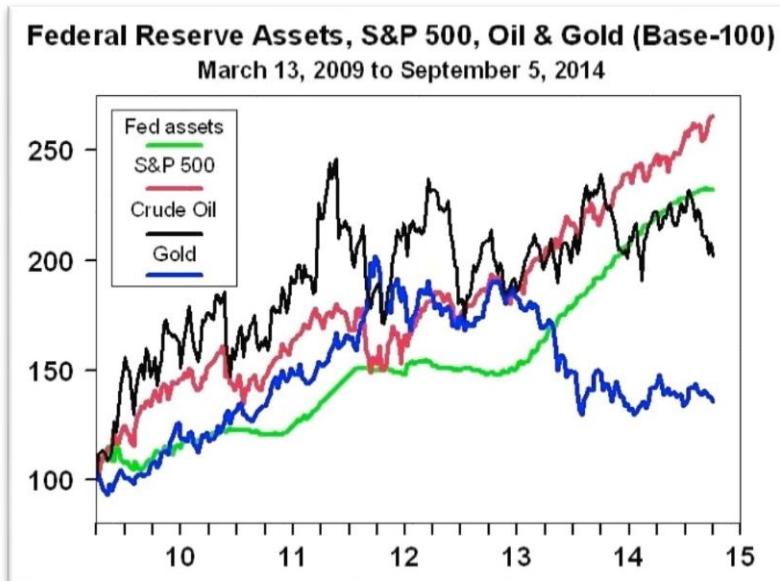
*"By John Embry...strongly believe that the reason for this takedown is because of the continued need for more and more money printing in the West as well as Japan. So they need to silence the gold market for the time being.*

*Having pressure on the gold market allows them to continue printing money without any red flags being waved. I'm disappointed by the continued manipulation in both gold and silver, but do I think it has any longer-term impact? No, except that it will exacerbate the move up in both metals. It also just makes gold and silver even better buys at this point because the upside improves with each day."*



### Despite Recent Weakness In Gold, Revaluation Spike Is Coming

The Chart below shows the correlation between the Fed's balance sheet, S&P 500, gold and crude oil. This is a base-100 chart that plots the relative movement in these assets at the close of each week from March 2009, which is when the Fed announced its first QE program.



Read James Turk's comments on KWN: <http://goo.gl/kYREtI>

### Sentiment Shifting for Gold Bugs

*"There are worse things that could happen than filling a gap and scattering the wrong kind of gold bugs back out. Then it would be up to the longer-term charts to do the heavy lifting if the daily does fulfill this downside potential."*

The gap was filled, the top end of the anticipated support zone was reached and indeed, the *wrong* [i.e. momentum players] kind of gold bugs are scattering back out. The hard sell down on Thursday was very likely due in large part to the selling by traders with a fetish about gold as a geopolitical or terror hedge.

Read more on GoldSeek: <http://goo.gl/7MuBk6>



## PALLADIUM & PLATINUM



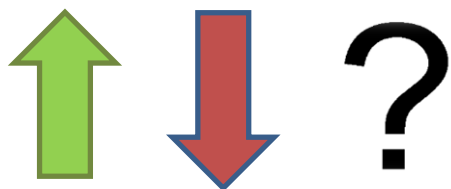
### Palladium Prices Pull Back From Record High

Danielle Leiner, Sept. 5, 2014

Following futures rising to a 13-year high of more than \$900 per ounce on Aug. 29, palladium prices recently eased on word that the political conflict between Russia and Ukraine may not be escalating to a breaking point quite as rapidly as once believed.

Frank Lesh, a broker and futures analyst for Futurepath Trading, LLC, which is based out of Chicago, told the Wall Street Journal that the platinum's sister metal was bid up by investors, assuming that Russia's involvement with Ukraine may lead to reduced production of palladium. Russia is one of the world leaders in palladium development, contributing 40 percent of the world's supply.

## HOUSING INTEREST RATES



### **Rates Rise By The Tiniest Amount, And This Happens...**

Day after day we are told, just wait for rates to rise ("which they 'have' to because economic growth is so strong") and stocks will take off into the next leg of exuberance... why else would the Fed end QE and start more hawkish discussions? (Aside from the fact they truly fear broken repo, exuberant markets, and lethargic politicians). Be careful what you wish for...Mortgage rates rose last week, back to the same level they have been at for 3-months, and refinancing activity (adjusted for holidays) collapsed to its lowest since 2008...home purchase activity tumble back towards 20-year lows.

Rates up... mortgage activity collapses...**See Charts on Zerohedge:** <http://goo.gl/p4QYxu>





## CANADIAN ECONOMY

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### Canadian Stocks Drop to Three-Week Low as Energy Shares Retreat

By Eric Lam | Sep 10, 2014 | Bloomberg News

Canadian stocks fell to the lowest level in three weeks as energy shares followed losses in oil.

Bankers Petroleum Ltd. (BNK) and Legacy Oil & Gas Inc. declined more than 2.2 percent as crude in New York dropped to the lowest in eight months. AuRico Gold Inc dropped 5.6 percent for the biggest loss in the Standard & Poor's/TSX Composite Index. (SPTSX)

The S&P/TSX fell 64.92 points, or 0.4 percent, to 15,471.89 at 4 p.m. in Toronto. The gauge has dropped in four of the past five days and fallen 1.2 percent since a record on Sept. 3. Trading volume was 5.7 percent below the 30-day average at this time of day.

Bankers Petroleum sank 2.2 percent to C\$5.69 and Legacy Oil & Gas slumped 3.2 percent to C\$6.92 to pace declines among energy producers. Brent traded below \$100 a barrel for a third day and West Texas Intermediate fell 1.2 percent in New York to settle at \$91.67 a barrel.

OPEC cut forecasts for the amount of crude it will need to pump by the most in three years as surging U.S. output reduces reliance on the group's barrels. Crude prices are poised to drop next year as American production climbs to a 45-year high, the Energy Information Administration said yesterday.

AuRico Gold declined 5.6 percent to C\$4.20 and Torex Gold Resources Inc. tumbled 4.8 percent to C\$1.58 as gold futures for December delivery fell to a three-month low.

## COMMODITIES

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### Commodities Fall To 5-Year Low With Plenty Of Supplies

Commodities fell to a five-year low on speculation abundant supplies and slowing economic growth outside of the U.S. will curb demand for raw materials.

The Bloomberg Commodity Index declined to the lowest since July 2009. Brent oil traded at the cheapest since 2012, wheat, corn and soybeans retreated to four-year lows, and gold slumped to a seven-month low. **Read more on Bloomberg:** <http://goo.gl/VFaK0j>



## GOLD-OIL & WOES OF EUROPE

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### Gold-Oil Link Strongest Since October on Europe's Woes

The link between gold and oil is the strongest in almost a year thanks to Europe's economic woes.

Read why on Bloomberg: <http://goo.gl/U1uDsk>

## BANKING

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### Billions Withdrawn From Scotland's Banks Ahead of Independence Vote

*From Financial Times*—Asset managers, investors and pension savers are moving billions of pounds out of Scotland, according to industry executives, amid rising concerns about the financial consequences of a Yes vote in next week's independence referendum.

"The big question is, 'Is my cash safe in a Scottish bank?'," he said. Clients were "concerned that there could be some kind of controls" put on funds in Scottish banks. They were worried that "some kind of axe might come down" immediately after the referendum. He said such worries were unfounded. Read more on Thewestwire: <http://goo.gl/joMiQe>

### Swiss Franc Tumbles On Threats NIRP Coming To Bern Next

We have recently noted the increasing pressure on the Swiss National Bank (SNB) over its peg to the EUR in the midst of a capital flood from Europe. Read more on Zerohedge: <http://goo.gl/syku6x>

### Presenting The Most Pitifully Capitalized Central Bank In The West [Hint: It's NOT the Fed]

As the world's top central bankers gathered at their annual jamboree recently, the governor of Bank of Canada, Stephen Poloz, undoubtedly received envious comments from his fellow money magicians for Canada's perceived status as a global financial safe haven.

This newly found perception was perhaps best exemplified during a Bloomberg interview, when the CEO of RBC Wealth Management – the biggest financial institution in Canada said that "Canada is what Switzerland was 20 years ago, and the banks in Canada are what Swiss banks were 20 years ago." Read more on Sovereignman: <http://goo.gl/9QJPdw>



## HISTORICAL COMPARISONS

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Here are your Short Term Support and Resistance Levels for the upcoming week.

	Gold	Silver
Support	1225/1200/1185	18.50/18.30/18.10
Resistance	1240/1255/1285	18.75/18.95/19.15
	Platinum	Palladium
Support	1355/1330/1310	825/810/790
Resistance	1395/1415/1440	840/865/890

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## COMMENTARY

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*Harvey Organ and his take on gold and silver. The one word question is, When?*

### **Manipulation of Gold and Silver Definitely Ends This Year-Harvey Organ**

Read more & watch video: <http://goo.gl/z98cIF>

*Jim Rickards, author of Currency Wars, predictions coming true...*

See U-Tube Video: <http://goo.gl/PE2wsO>

*James Turk, KWN, Sept. 10, 2014*

"So what investors can expect to see is that gold will be re-valued dramatically higher, either by market forces or through the announcement of a new currency bloc in the East that is backed by physical gold. We are seeing the last legs of the desperate gold price suppression scheme at work in the West. As this suppression scheme collapses, just as it did in the 1960s, this is when you will begin to see immediate and violent moves higher in the gold market."