

USD per ounce of gold



USD per ounce of silver



EURUSD



Source: Refinitiv; graphs by Degussa.

Precious metals prices				
	Actual (spot)	Change against (in percent):		
		2 W	3 M	12 M
I. In US-dollar				
Gold	1.726.1	0.0	8.5	24.7
Silver	17.5	-1.9	4.6	15.6
Platinum	819.6	-2.2	-4.7	-1.3
Palladium	1.916.5	-1.4	-24.0	23.9
II. In euro				
Gold	1.538.1	-1.3	7.8	25.4
Silver	15.6	-3.0	3.9	16.4
Platinum	730.4	-3.4	-5.6	-0.7
Palladium	1.708.0	-2.5	-24.7	24.6
III. Gold price in other currencies				
JPY	185.142.0	-0.7	7.6	23.4
CNY	12.227.7	-0.9	10.5	29.0
GBP	1.377.8	-1.6	10.6	25.8
INR	131.580.7	1.9	13.6	38.0
RUB	120.408.5	-0.7	14.5	38.1

Source: Refinitiv; calculations by Degussa.

OUR TOP ISSUES

*This is a short summary of our fortnightly **Degussa Marktreport**.*

WHY WE MUST DEFEND CASH

The forces that want to get rid of cash aren't embarrassed to use the opportunity presented by the pandemic to further their cause.

Worried and scared as they are, close to collective hysteria, people keep asking themselves: if coins and notes are passed on from hand to hand on a daily basis – isn't that going to foster the spread of the virus? Wouldn't it make sense to simply stop using cash, or even better, simply abolish it?

Sadly, the infectious disease experts don't play along. In fact, they have given the clean bill of health. A virus of the corona type is spread through the microdroplets that emerge when you cough and sneeze. There is no specific risk of infection in using coins and notes for payments. Of course, there is no certainty to it. But the evidence from experience is clear-cut: cash doesn't transmit the coronavirus, otherwise, the number of cases would be much higher.

«The European Commission has plans to abolish the 1 euro cent and 2 euro cent coins»

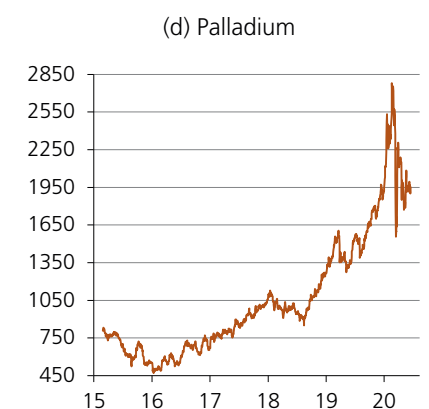
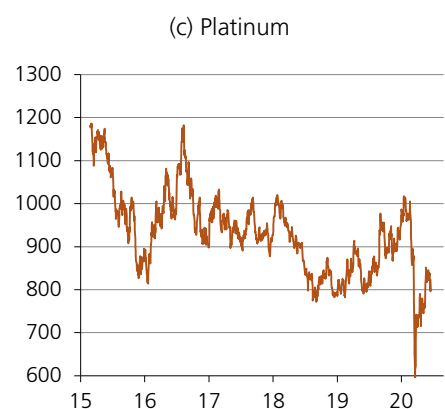
Which doesn't stop the opponents of cash. They stick to the strategy of the many pinpricks to put people off cash. They claim for instance that cash is being used for drugs and terrorism. Or, as has happened in the eurozone, they put a stigma on large denomination notes: the European Central Bank (ECB) decided to withdraw the 500-euro-note from circulation. It doesn't issue any new such notes and keeps back those it receives in the regular transaction business.

The European Commission has plans to abolish the 1 euro cent and 2 euro cent coins. Brussels says they are expendable and abolishing them will save unnecessary expenses for retailers and consumers alike. But stop: the logic used in favor of abolishing euro small coins, means that all euro coins will have to be abolished, one after another – after all, the ECB is making sure there is inflation that makes everything more expensive and the use of euro coins more «costly».

«The wisdom of 'look after the pennies and the pounds will look after themselves' is ridden roughshod over»

And that's not all: if the small coins are gone, people's understanding of the «history of buying power» gets eradicated. The chronic inflation of prices of goods, which the ECB is creating with its monetary policy, renders higher nominal values of coins and notes necessary. With the disappearance of small coin

Precious metal prices (USD/oz) in the last 7 years



Source: Refinitiv; graphs by Degussa.

units, the inflationary track of an inflationary monetary policy is removed and the ability to criticize the perpetual inflation policy weakened.

Furthermore, lest we forget: the popular wisdom of «look after the pennies and the pounds will look after themselves» is ridden roughshod over. Small coins are symbolic of the appreciation of small services and businesses, and they teach people to use money with care and conscious to achieve financial success. Small coins have something to do with an enlightened and mature culture of money.

«In fact, there are two main reasons for why they want to get rid of cash»

Of course, banks, credit card firms and providers of electronic payment systems have an intrinsic interest in fewer cash payments. They are lobbying politicians accordingly. But they aren't the decisive factor for why governments want to get rid of cash. There are two main reasons for why they want to get rid of cash.

The first reason is the global debt overload getting out of hand. To reduce the liabilities of states and banks, central banks must keep negative interest. States thereby can take out loans at negative interest and reduce their debt load. But as long as cash exists, the policy of negative interest remains constrained. Citizens escape paying interest on cash by withdrawing assets. Hence cash has to go.

«Once cash is gone, the state will no longer need to hold back in its dealings with the subordinates»

The second reason is cash being in the way of the total surveillance state; the state that we know today wants to know everything, wants to steer everything and won't cease pushing until it has reached that goal. And once cash has been abolished, people are completely transparent beings, and their financial privacy will have gone. There will be no way to escape the demands of the state. Once cash is gone, the state will no longer need to hold back in its dealings with the subordinates and become all-powerful.

The evils that are used as pretenses for abolishing cash will be replaced by even much bigger evils. The attempt to accelerate the fight against cash using the coronavirus pandemic shows just how serious the enemies of cash are – and how comprehensive the opposition has to be by those who want to preserve or regain what is left of freedoms of citizens and business: cash has to be defended and retained.

PRECIOUS METALS PRICES

In US-Dollar per ounce

	Gold		Silver		Platinum		Palladium	
I. Actual	1725.8		17.5		820.2		1917.6	
II. Gliding averages								
10 days	1714.1		17.6		825.3		1942.2	
20 days	1721.0		17.5		829.5		1951.1	
50 days	1712.6		16.3		790.5		1963.8	
100 days	1654.6		16.2		819.9		2127.2	
200 days	1577.6		16.9		874.2		1992.7	
III. Estimates, end 2020	2040		25		1256		1536	
(1)	18		42		53		-20	
<i>Band width</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>
	1710	2230	19.8	28.8	1020	1492	1300	1772
(1)	-1	29	13	65	24	82	-32	-8
V. Annual averages								
2017	1253		17.1		947		857	
2018	1268		15.8		880		1019	
2019	1382		16.1		862		1511	

In Euro per ounce

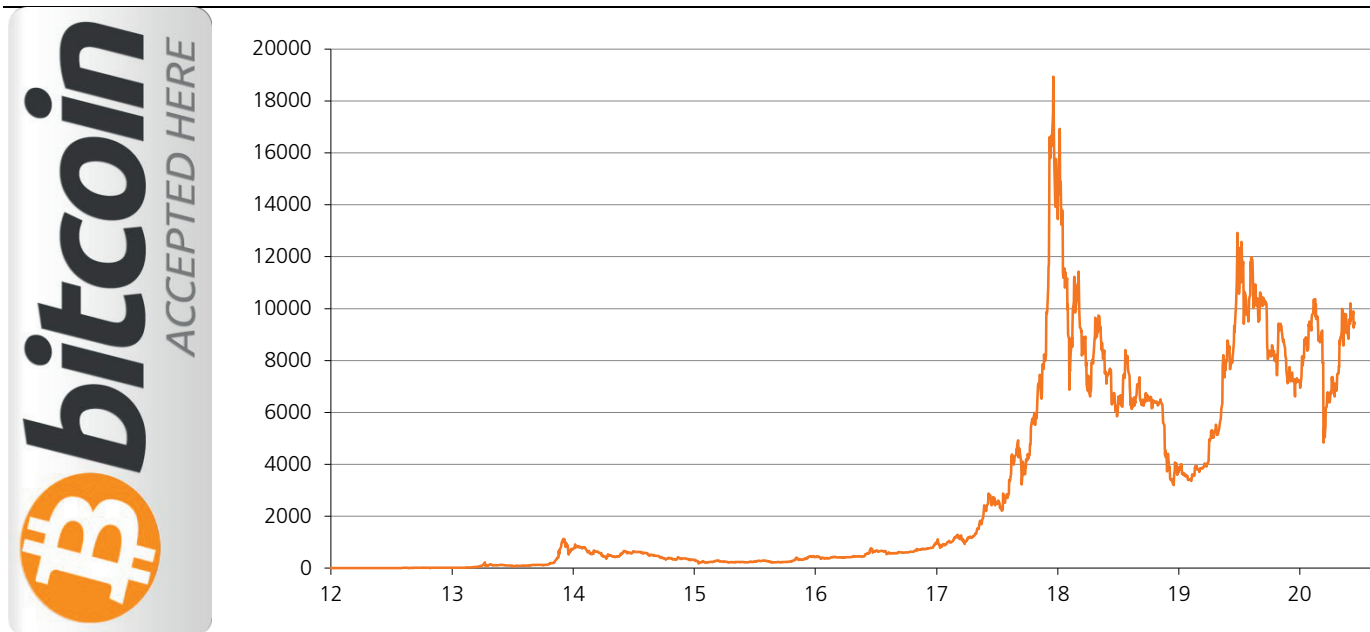
	Gold		Silver		Platinum		Palladium	
I. Actual	1538.0		15.6		730.9		1709.0	
II. Gliding averages								
10 days	1516.6		15.6		730.2		1718.4	
20 days	1542.5		15.7		743.5		1748.8	
50 days	1559.2		14.8		719.3		1787.9	
100 days	1507.4		14.8		746.7		1937.8	
200 days	1431.4		15.3		792.7		1808.0	
III. Estimates, end 2020	1910		23		1180		1440	
(1)	24		50		61		-16	
<i>Band width</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>
	1600	2090	18.6	27.1	950	1400	1220	1660
(1)	4	36	20	74	30	92	-29	-3
V. Annual averages								
2017	1116		15		844		760	
2018	1072		13		743		863	
2019	1235		14		770		1350	

Source: Thomson Financial; calculations and estimates Degussa. Numbers are rounded.

(1) On the basis of actual prices.

BITCOIN, PERFORMANCE OF VARIOUS ASSET CLASSES

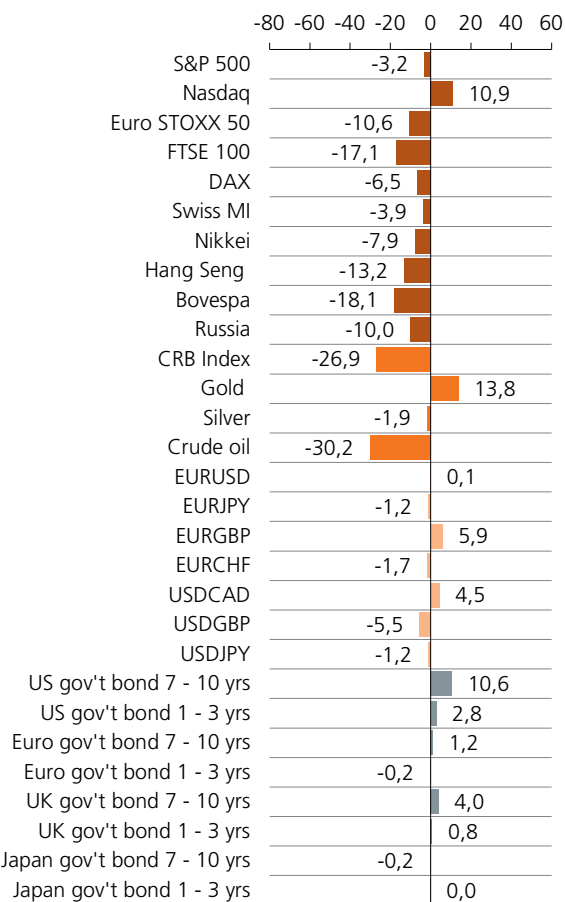
Bitcoin in US dollars



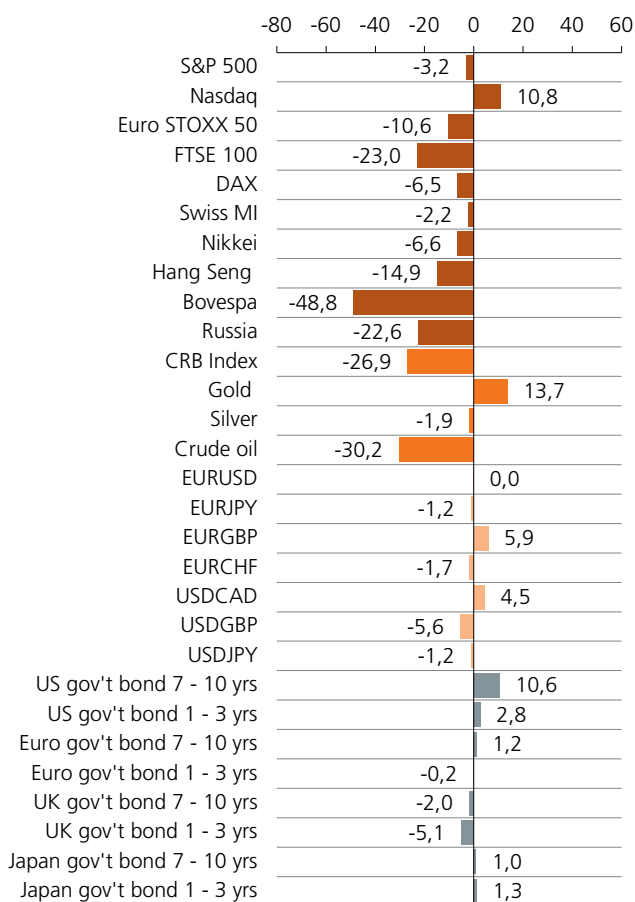
Source: Refinitiv; graph by Degussa.

Performance of stocks, commodities, FX and bonds

(a) In national currencies



(b) In Euro



Source: Refinitiv; calculations by Degussa.

Articles in earlier issues of the *Degussa Market Report*

Issue	Content
18 June 2020	Why We Must Defend Cash
4 June 2020	Gold in Times of Economic Crisis and Social Revolution
20 May 2020	First the Money Supply Shock, Then the Inflation Shock
7 May 2020	Be Aware of What Inflation Really Is
23 April 2020	The Undesirable Effects of the Corona-Virus Relief Package
9 April 2020	The Boom And Bust Theory That Does Not Crash
26 March 2020	With Mega Bail Outs, Governments Are The Big Winners
12 March 2020	The Truth About Money – Past, Present, Future
27 February 2020	Inflation Policy And Its Supporters
13 February 2020	Gold-ETFs Versus Physical Gold: Difference Matters
30 January 2020	Do Not Think The Era Of Boom And Bust Has Ended
23 January 2020	Bull Markets, No Bubble Markets: Gold And Silver In 2020
19 December 2019	The Inflation Sham
5 December 2019	Why the Feared Crash Keeps Us Waiting
21 November 2019	Asset Price Inflation and the Price of Gold
7 November 2019	ETFs Drive Gold Demand
24 October 2019	The Inflationary Supply Of Unbacked US Dollars And The Price Of Gold
10 October 2019	Let's Get Physical With Gold And Silver
26 September 2019	The US Dollar Beast
12 September 2019	The Inflationary Tide That Lifts all Boats but One
29 August 2019	The Disaster of Negative Interest Rate Policy
15 August 2019	The Gold Bull Market Is Back
1 August 2019	Gold And Silver Prices – Get Going!
19 July 2019	Facebook's Fake Money
4 July 2019	It Looks Like A Gold Bull Market, It Feels Like A Gold Bull Market – Maybe It Is A Gold Bull Market?
19 June 2019	Good Money, Bad Money—And How Bitcoin Fits In
6 June 2019	Gold Outshines The US Dollar
23 May 2019	The Boom That Will Have It Coming
9 May 2019	The Crusade Against Risk
25 April 2019	A Sound Investment Rationale for Gold
11 April 2019	Be Prepared For All Possibilities. The Case For Gold
28 March 2019	Sword of Damocles Over Asset Prices
14 March 2019	The Big Central Banks Increase the Case for Gold
28 February 2019	The Fed Takes Full Control of the Bond Market – And Raises The Value of Gold
14 February 2019	Everything You Always Wanted to Know About Karl Marx and Central Banking (*But Were Afraid To Ask)
1 February 2019	Pay Attention, Gold Investor: 'This Time is not Different'
17 January 2019	US Interest Rate Down, Price of Gold up
20 December 2018	Gold Money in a Digitalised World Economy
10 December 2018	The Fed Supports Gold

The Degussa Marktreport (German) and the Degussa Market Report (English) are available at:

www.degussa-goldhandel.de/marktreport

Disclaimer

Degussa Goldhandel GmbH, Frankfurt am Main, is responsible for creating this document. The authors of this document certify that the views expressed in it accurately reflect their personal views and that their compensation was not, is not, nor will be directly or indirectly related to the recommendations or views contained in this document. The analyst(s) named in this document are not registered / qualified as research analysts with FINRA and are therefore not subject to NASD Rule 2711.

This document serves for information purposes only and does not take into account the recipient's particular circumstances. Its contents are not intended to be and should not be construed as an offer or solicitation to acquire or dispose of precious metals or securities mentioned in this document and shall not serve as the basis or a part of any contract.

The information contained in this document was obtained from sources that Degussa Goldhandel GmbH holds to be reliable and accurate. Degussa Goldhandel GmbH makes no guarantee or warranty with regard to correctness, accuracy, completeness or fitness for a particular purpose.

All opinions and views reflect the current view of the author or authors on the date of publication and are subject to change without notice. The opinions expressed herein do not necessarily reflect the opinions of Degussa Goldhandel GmbH. Degussa Goldhandel GmbH is under no obligation to update, modify or amend this document or to otherwise notify its recipients in the event that any circumstance mentioned or statement, estimate or forecast set forth in this document changes or is subsequently rendered inaccurate.

The past performance of financial instruments is not indicative of future results. No assurance can be given that any views described herein would yield favorable returns on investments. There is the possibility that said forecasts in this document may not come to pass owing to various risk factors. These include, without limitation, market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information and/or the circumstance that underlying assumptions made by Degussa Goldhandel GmbH or by other sources relied upon in the document should prove inaccurate.

Neither Degussa Goldhandel GmbH nor any of its directors, officers or employees shall be liable for any damages arising out of or in any way connected with the use of this document and its content.

Any inclusion of hyperlinks to the websites of organizations in this document in no way implies that Degussa Goldhandel GmbH endorses, recommends or approves of any material on or accessible from the linked page. Degussa Goldhandel GmbH assumes no responsibility for the content of and information accessible from these websites, nor for any consequences arising from the use of such content or information.

This document is intended only for use by the recipient. It may not be modified, reproduced, distributed, published or passed on to any other person, in whole or in part, without the prior, written consent of Degussa Goldhandel GmbH. The manner in which this document is distributed may be further restricted by law in certain countries, including the USA. It is incumbent upon every person who comes to possess this document to inform themselves about and observe such restrictions. By accepting this document, the recipient agrees to the foregoing provisions.

Imprint

Marktreport is published every 14 days on Thursdays and is a free service provided by Degussa Goldhandel GmbH.

Deadline for this edition: 18 June 2020

Publisher: Degussa Goldhandel GmbH, Kettenhofweg 29, 60325 Frankfurt, Tel.: (069) 860068-0, Fax: (069) 860068-222

E-Mail: info@degussa-goldhandel.de, Internet: www.degussa-goldhandel.de

Editor in chief: Dr. Thorsten Polleit

Degussa Market Report is available on the Internet at: <http://www.degussa-goldhandel.de/marktreport/>

Degussa 
GOLD UND SILBER.

Frankfurt Headquarters

Kettenhofweg 29 · 60325 Frankfurt

Phone: 069-860 068 – 0 · info@degussa-goldhandel.de

Retail buying and selling outlets in Germany:

Augsburg (shop & showroom): Maximiliansstraße 53 · 86150 Augsburg

Phone: 0821-508667 – 0 · augsburg@degussa-goldhandel.de

Berlin (shop & showroom): Fasanenstraße 70 · 10719 Berlin

Phone: 030-8872838 – 0 · berlin@degussa-goldhandel.de

Dusseldorf (Old Gold Centre): In der KÖ Galerie

Königsallee 60 / Eingang Steinstraße · 40212 Dusseldorf

Phone: 0211-13 06 858 – 0 · duesseldorf@degussa-goldhandel.de

Frankfurt (shop & showroom): Kettenhofweg 25 · 60325 Frankfurt

Phone: 069-860 068 – 100 · frankfurt@degussa-goldhandel.de

Hamburg (shop & showroom): Ballindamm 5 · 20095 Hamburg

Phone: 040-329 0872 – 0 · hamburg@degussa-goldhandel.de

Hanover (shop & showroom): Theaterstraße 7 · 30159 Hanover

Phone: 0511-897338 – 0 · hannover@degussa-goldhandel.de

Cologne (shop & showroom): Gereonstraße 18-32 · 50670 Cologne

Phone: 0221-120 620 – 0 · koeln@degussa-goldhandel.de

Munich (shop & showroom): Promenadeplatz 12 · 80333 Munich

Phone: 089-13 92613 – 18 · muenchen@degussa-goldhandel.de

Munich (Old Gold Centre): Promenadeplatz 10 · 80333 Munich

Phone: 089-1392613 – 10 · muenchen-altgold@degussa-goldhandel.de

Nuremberg (shop & showroom): Prinzregentenufer 7 · 90489 Nuremberg

Phone: 0911-669 488 – 0 · nuernberg@degussa-goldhandel.de

Pforzheim (refinery): Freiburger Straße 12 · 75179 Pforzheim

Phone: 07231-58795 – 0 · pforzheim@degussa-goldhandel.de

Stuttgart (shop & showroom): Kronprinzstraße 6 · 70173 Stuttgart

Phone: 0711-305893 – 6 · stuttgart@degussa-goldhandel.de

Retail buying and selling outlets around the world:

Zurich (shop & showroom): Bleicherweg 41 · 8002 Zurich

Phone: 0041-44-40341 10 · zuerich@degussa-goldhandel.ch

Geneva (shop & showroom): Quai du Mont-Blanc 5 · 1201 Genève

Phone: 0041-22 908 14 00 · geneve@degussa-goldhandel.ch

Madrid (shop & showroom): Calle de Velázquez 2 · 28001 Madrid

Phone: 0034-911 982 900 · info@degussa-mp.es

London Sharps Pixley Ltd. (member of the Degussa Group)

Phone: 0044-207 871 0532 · info@sharpspixley.com