



Gold Is Solid Money

Gold has perpetually served as currency and continues to play a pivotal role in foreign exchange reserves.

**By Yvonne Blaszczyk
President & Chief Executive Officer,
BMG Group Inc.**

Renowned Wall Street trader and investment expert Gerald M. Loeb once stated, "The desire for gold is the most universal and deeply rooted commercial instinct of the human race."

These words resonate particularly in the realms of the value of money, wealth preservation, and portfolio diversification. Gold's applications are well beyond just the role of money for millennia. Gold is used in all facets of life and has vast industrial applications, mostly recognized in jewelry, medicine, and technology, with immense potential in space exploration and as a remarkable shield against the sun's heat and radiation. The primary benefit of this rare natural, non-corrosive metal is its role as a safe-haven asset during geopolitical crises or conflicts because it acts as an inherent store of value.

Gold's recognized role as a hedge against inflation, market volatility, and currency devaluation is well known, as evidenced by central banks worldwide buying more and more gold, with China and Russia leading the charge. In 2022, the demand for gold and the purchase of gold by central banks was the highest in the last 50 years.

Gold has perpetually served as currency and continues to play a pivotal role in foreign exchange reserves. Its enduring store value withstands the trials of time, solidifying its status as an indispensable component of any investment portfolio.

Today's world is in chaos, misinformation penetrated with danger to our very survival, with escalating global flashpoints marked by social unrest, geopolitical conflicts, and continuous US sanctions against Russia and China. The current global landscape is a fertile environment for the rise of a new economic order. The winds of change are gathering and propelling alternative



coalitions, such as BRICS, that will challenge the global financial status quo and the US dollar as a reserve currency.

The next meeting of the BRICS "block" in January is looming with the creation of a competing reserve currency backed by gold. This new paradigm will send shockwaves through current global financial systems and significantly impact every household in the Western world, contributing to a decline in the value of the US dollar as a dominant reserve currency.

As we move to a new year, 2024, with more political and economic uncertainty on the horizon and divisive trends in many societies, gold reserves provide insurance against de-dollarization and exposure to market volatility. The danger to fiat currency is eminent on many levels. Fiat money is a government-issued currency not backed by any physical commodity, like gold or silver, giving central banks more significant control over the economy and money supply while exposing the entire economy to the grave risk of currency devaluation already experienced by many countries. By contrast, a currency backed by physical gold is becoming more critical than ever

The recently elected president of Argentina, Javier Milei, proposed replacing the peso with the US dollar. This bold political move might send shockwaves through the already stressed Argentinian financial system, potentially leading to significant financial ruin and turmoil for many Argentinians. The current exchange rate of over 363 ARS to 1 USD and the outstanding previous bailout exceeding 40 billion USD could prove catastrophic for Argentina. Argentinian leaders may need to explore the possibility of a gold-backed currency. The physical gold always maintains its inherent value, acting as a form of "value" insurance, and the historical upward trajectory in the price of gold over the decades speaks volumes for its reliability.

Physical gold is not replaceable by investing in gold through paper proxies or unallocated accounts, which are cautioned against, as it exposes investors to risks. Physical gold will always remain an incorruptible and unchangeable asset, negatively correlated with traditional financial assets and enhancing portfolio returns through diversification. Purchasing physical gold and silver bullion is simple, from acquisition to storage and liquidation.



When buying physical bullion, key considerations should include the reputation of the company selling the bullion, having individual deeded ownership, the highest purity standards, and storage options.

With over twenty years of impeccable reputation, BMG Group Inc. (BMG) offers confidentiality, numbered deeds for ownership, adherence to good delivery standards, and insured, secure, and allocated custodial storage options. Today, investing in gold is an opportunity of a lifetime. Investing in pure and allocated bullion is simple, and allocation 10-20 percent of a portfolio to gold ensures that the investor safeguards personal wealth.

The problematic global economic situation, political and military conflicts, food shortages in developing countries, the recent Hamas bloody attack and resulting tragic consequences, the Armenian and Azerbaijan conflict, and lastly, Venezuela's historical claims over oil-rich current Guyana's territory have driven investor interest in safe-haven assets like gold. Additionally, expectations for Federal Reserve rate cuts in the coming year are exerting downward pressure on the US dollar, further enhancing the attractiveness of gold. Now, investing in physical gold is more critical than ever for survival in the future.



Yvonne Blaszczyk is President and Chief Executive Officer of BMG Group Inc. (BMG) and its three subsidiaries. She is an expert in corporate governance and has an extensive background in corporate management, strategy and board governance, finance, human resources, legal compliance and change management.

Yvonne has been serving as a member of the BMG Group Inc. Board of Directors for over a decade, while holding other corporate positions. She is also a member of the Board of Directors of BMG's asset management group – the registrant subsidiaries (the IFM & EMD), Chief Financial Officer for the BMG Mutual Funds, and is a Trustee for the BMG Restricted Share Holding Trust.

The information contained in this article provides a general overview of subjects covered, and the expressed personal views and opinions are not intended to be taken as advice regarding any product, organization or individual, and should not be relied upon as such. Consult your investment and legal advisors regarding specific coverage issues. Information and opinions expressed in this article are provided without warranty of any kind, either express or implied, including, without limitation, warranties of merchantability, fitness for a particular purpose, and non-infringement. BMG uses reasonable efforts to include accurate and up-to-date information from public domains and sources but does not make any warranties or representations as to its accuracy or completeness. BMG assumes no liability or responsibility for any errors or omissions in the content of this article.