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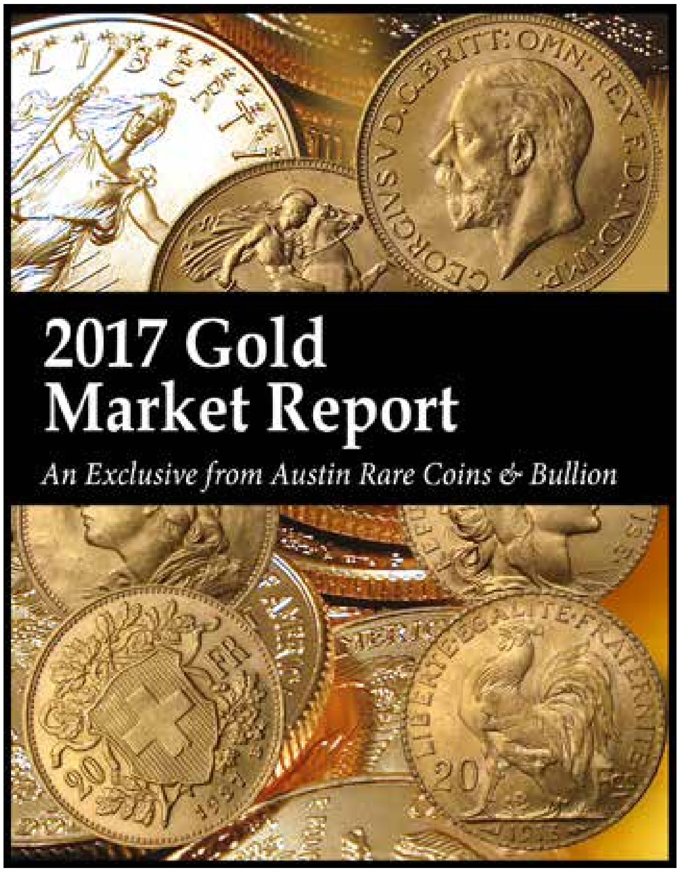

Gold Rises 10% Amidst Stock Market Rally

As we enter the fourth quarter of 2017, it's important to realize that gold has not only held up remarkably well in the face of record high stock markets, but it has actually rallied over 10% YTD as of October 1st, outpacing returns on the DOW and S&P 500.

This quiet, stealthy rally comes as a surprise to many of our readers and makes us wonder what will happen to gold prices when the stock market finally does experience a long-overdue correction. If gold has the ability to push higher amidst a bull market in equities, then it stands to reason that it should really flourish when the stock market heads lower. Timing, of course, is the most difficult thing to pinpoint, so we remain convinced that steady accumulation at current levels makes the most sense.

As you can see in the chart below, there have been several times over the past year when breaking news headlines have immediately affected the stock market, which in turn had an immediate impact on the price of gold.

These days, news headlines change sporadically and there is no doubt that we live in a world where financial markets are directly impacted by these temporary headlines. Then, the next day the story changes and everybody seems to forget about the prior day's news. More than ever before we live in a world with very short memories but the real problem in our mind is the undeniable elephant in the room: the $20+Trillion national debt that we can't seem to get under control. Long-term, we feel this is the real issue that needs to be addressed, but for now, it doesn't seem to matter at all. History has shown, however, that one day it will matter, and that is the day you'll be glad you protected a portion of your wealth in physical precious metals.

Trump Should Be Great for Gold

For President Trump to get American trade going, long-term, he must get the value of the dollar down from its lofty perch. A consensus is growing that the new President will become the "Inflation President," and we can't think of anything better for gold than old-fashioned, Carter-style inflation.

"Trump is about to make inflation great again."
---Bloomberg

Trump: The Inflation President?

Money created out of thin air historically creates inflation. In fact, it's the very definition of inflation. Last year alone, the federal deficit rose by $1.4 Trillion. The inflation and the growing money supply created has without a doubt flowed into the U.S. Stock Market and driven the dollar through the roof.

Then, Trump enters the scene unexpectedly. His campaign promises are to increase the near $20 Trillion debt today by another $10 Trillion projected over the next ten years.

The massive increase in fiscal spending to rebuild roads, bridges, airports and the military is unquestionably inflationary. He will use his philosophy of using cheap borrowed money, to build, create jobs, and attempt to inflate away many of America's overwhelming debt issues.

The Promise of Tax Cuts

The waves of promised tax cuts for big business and the middle class will also add swirling dollars to the economy. Like Reagan, Trump believes cutting taxes will produce levels of growth that will eventually pay off in better tax revenue to the Feds. Tax cuts are also great for retail, home, and automobile sales– but decidedly inflationary over the long-term.

Even though it isn't accurately reported by the mainstream media, there is already massive inflation being created by the Federal Reserve's near-zero interest rate policies---anyone with a family to provide for or a kid in college can attest to that statement.

The U.S. Dollar Must be Devalued

Our economy is dependent upon international trade and a competitive U.S. Dollar. For President Trump to be successful in putting Americans back to work in 2017, he must also suppress the value of the U.S. Dollar so we can sell goods competitively overseas. China has rigged the game by devaluing their currency time and again. Currently, the U.S. Dollar sits at 14 year highs– that's bad news for international trade.

For a variety of reasons, the dollar cannot trade at ever-higher prices; it must go down in value. **When the dollar declines, the gold price rises automatically. It's a sure thing.**

The good news is that today it's a little cheaper for us Americans to buy physical gold at today's lower prices, however, we feel this opportunity could change quickly as the year goes on.

Putting Gold Into Perspective

You shouldn't think of buying gold as a "trade" or a "get rich quick" scheme, rather, we view gold as an inter-generational wealth investment. Wealth preservation and privacy is the primary strategy of owning hard assets, and history has proven its true worth and purpose during inflationary times.

We believe that gold, silver, and other precious metals, also serve as an alternative form of preserving and growing wealth. We don't consider them as speculative investments, despite the volatility of the 21st century. Gold has always served to preserve long-term buying power.

This is not true about the U.S. Dollar. A dollar depends on confidence to sustain its value and we are currently in uncharted territory when it comes to the unsustainable government debt.

The fragility of the fiat U.S. Dollar worries all of us. To "Make American Great Again," Trump knows the value of the dollar must go down to make U.S. goods competitive overseas. **This is why we love gold at current levels.**

To the surprise of many, **gold has been the best performing asset class since 2000**, which coincides perfectly with the start of radical monetary policy this century.

The Importance Of Owning Gold

In the words of legendary gold investor John Hathaway, once stocks falter there will be "Hell to Pay." While it appears that nobody seems to care now, in time investors will quickly take notice once they start to lose their hard-earned money.

Remember, gold is not correlated to traditional assets. In other words, if stocks, bonds and real estate values fall, gold will rise. This is why gold makes sense in any proper portfolio allocation, *why wouldn't you own some?*

Lastly, we cannot emphasize enough that the most important aspect is owning physical gold, not an ETF. The reason for this line of thinking is that there is nowhere near enough physical gold in the world today relative to potential demand. In fact, there is 325 times more paper gold traded daily versus physical trading! In other words, if the investment world decides that they want to allocate just 1% of their portfolio to physical gold, there isn't enough to go around.

What nobody knows is that most of the above-ground gold today is quietly making its way to China, India, and Russia. They're quietly draining the cupboard and no one is paying attention!

Meanwhile, new gold discoveries are falling—since 2000 there have been **no new major finds**. So, we have a situation where gold demand is rising around the world, particularly in Europe, where the Brexit has caused many to trade their fiat currency for hard assets. As a result of the economic instability regarding the Brexit, Europe has now become the largest bar and coin marketplace in the world.

Gold coins like the American Eagle shown above are a perfect way to own physical gold.

How You Should Buy Gold and Silver

If your money manager has not recommended a core holding of gold and silver, then something is horribly wrong. Many financial advisors recommend a core holding of 10% to 20% of your liquid assets into precious metals. We also feel this is a prudent and most profitable way to preserve wealth and provide growth for future generations. The facts speak for themselves.

Let us begin with these suggestions:

- **Never let someone else hold your precious metals for you, because fraud is rampant in the storage business.**
- **Insist on holding totally private, non-reportable government gold coins.**
- **Never buy a gold ETF or as we call it, "synthetic gold."**
- **Hold your gold and silver far outside financial systems, "off the grid".**

We've been in the business of buying and selling precious metals for 27 years and we've accumulated a track record of transacting over one billion dollars during that time.

We've seen the Dot Com tech bust of 2000, the 911 Terrorist Attacks, and the Mortgage Crisis/Banking Meltdown hit in 2008. Each financial crisis gets worse as the stock markets crash and investors lose trillions of dollars. Money that took a lifetime to save simply disappeared.

Before each event, the Austin Report sounded warnings and recommended precious metals as an alternative investment. We continue to believe physical precious metals belong in everyone's portfolio. We're convinced that owning physical precious metals is the ultimate safe haven of investments over the long haul.

Until some fundamental issues are changed dramatically within our financial system, holding more gold and silver than the typical 10% to 20% of liquid assets may make good sense for many of our readers. Even if your precious metals do nothing but hold their value over the coming years, they'll have accomplished the goal of being a true safe haven investment and wealth that you have taken out of the financial system.

Recommendations for 2017

Since the markets bottomed in March of 2009, there has been an enormous amount of debt created and never-before used methods to prop up global markets. Only time will tell how effective Central Banks efforts to stimulate healthy long-term growth will be, however, it's clear to us that having a portion of your wealth anchored in private precious metals makes good sense.

Given the extraordinary run-up in stocks and other traditional asset values, we firmly believe the worst in stock volatility is yet to come. If there is one thing we've learned this century, it's that financial markets can turn on a dime and fortunes can be made and lost in an instant.

Now, more than ever before, it's important to take advantage of this rare moment in history to buy gold before the next run-up, before a correction in the stock market, and before disappointment with Trump's new economic policies set in, as they surely will.

While we can't guarantee that this price dip in gold is the bottom, it sure feels like it. For many reasons, we feel today's prices won't last long, nor will the irrational exuberance in U.S. Stocks.

We hope we've made a convincing case for gold (and other precious metals) being a suitable alternative investment, particularly as we enter the new year and a brand new administration. Now we enter the new era of a Trump presidency.

Let's not forget that the DOW fell 900 points overnight when Trump was elected and gold soared over $60 an ounce. Individual investors had no time to save themselves, and this fragile nature of markets and volatility of electronic trading multiply the risks of holding stocks today unlike any time in history.

Our intention is to leave no doubt that you should take a portion of your hard-earned wealth and convert it into physical precious metals, not "synthetic" gold, stocks, or precious metal ETF's.

Here at Austin Rare Coins & Bullion we pride ourselves in our ability to work with each client on a personal basis. Working together, we can use our decades of expertise to make recommendations that are custom-tailored to each particular client's set of goals and objectives. Getting started is much easier than you think, and we're happy to help. All you have to do to get started is give one of our Austin Advisors a call **1-800-928-6468**.

If you're interested in learning more about the precious metals markets and furthering your education, then we advise requesting a copy of our complete precious metals portfolio package. Call 1-800-928-6468 and we will send you all reports right away!

Disclaimer: Austin Rare Coins was founded in 1989 to serve collectors, investors, and rare coin dealers worldwide. Our staff is devoted to providing our clients with professional advice, the highest quality U.S. gold and silver coins & bullion at low prices. Gold and silver may not be an appropriate investment for everyone. Past performance in the precious metal market is no guarantee of future value. Gold and silver prices are historically volatile and there is downside risk.