World Gold Council Deception – Palladium Ready to Surge?

- The World Gold Council deceives gold market participants by promoting gold as jewelry and by vastly underestimating physical gold demand in China.
- Palladium Ready to Explode Higher as Russian supplies no longer fill production gap and Russia is set to become a net importer of the metal.
- HSBC is suddenly and quietly closing seven of its London gold vaults. Is the bank looking cover a physical shortage?

Here is the outline for Jay Taylor's March 11, 2015 discussion with David Jensen which you are encouraged to follow along with the audio discussion.

1. World Gold Council - Gold Market Data Distortion

Harry Oppenheimer: "...People bought gold, he said, because they were "too stupid to think of any other monetary system that will work"..."

http://www.economist.com/node/342433

Anti-gold money advocate Oppenheimer provided founding funds to the World Gold Council of $25M grant from Anglo American Gold in 1987.

Dues of $70M p.a. drawn from mining industry depleting already stretched coffers.

WGC has primarily promoted gold as jewellry and has published what are viewed as dis-informative statistics on gold consumption despite a $30M p.a. research budget pulled from the mining industry.

Gold ownership of 200M oz per day traded in London on the LBMA spot market vs global above ground stock of 5.5 billion oz.

WGC has greatly understated analysis of Chinese gold demand with $30M annual research budget vs Koos Jansen's analysis generated with next to no budget.

https://www.bullionstar.com/blogs/koos-jansen/how-the-world-is-being-fooled-about-chinese-gold-demand/

WGC gives total global annual bar and coin demand of 1,063 tonnes p.a. despite > 2,000 tonnes p.a. bullion withdrawn from Shanghai Gold Exchange vaults alone in each of years 2013 and 2014

The gold price has declined since 2011 as demand for gold has surged worldwide. WGC statistics obscure the true level of global physical gold demand while the paper price drops.

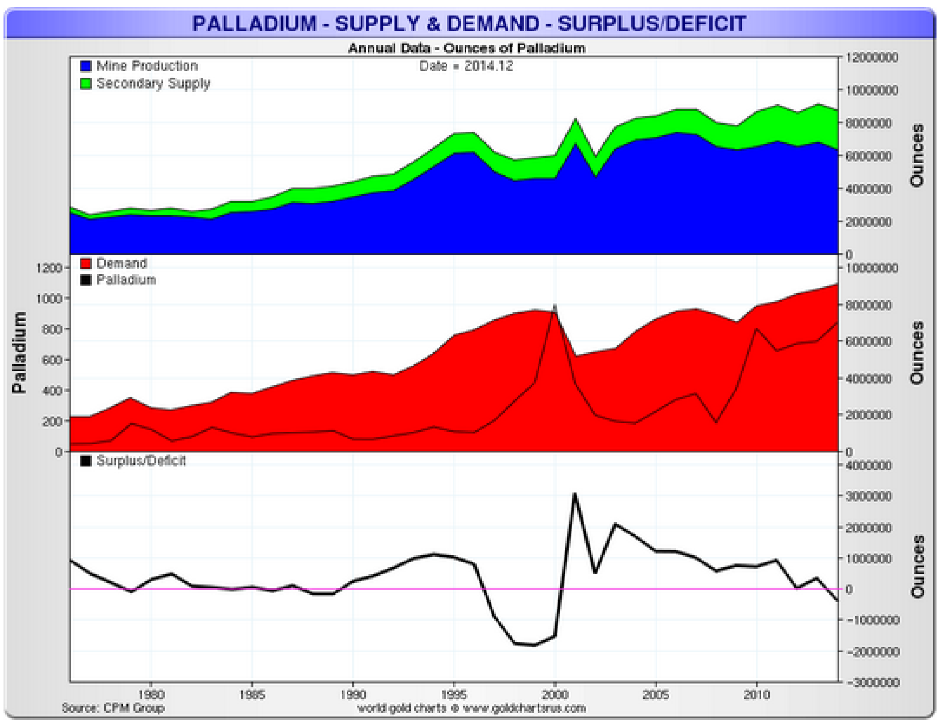
2. Palladium

In 1997 with roughly 2M oz supply deficit in palladium, lease rates of 300% were reported (think about that).

Russia stepped-in with stockpiles estimated at 20M oz that were dishorded since to meet supply deficit.

Russian stockpiles are depleted and Russian state metals agency Gokhran have announce they are likely to be buyers in 2015.

http://news.goldseek.com/GoldSeek/1411995288.php



2015 supply deficit is estimated at 1.4M oz by Sharps Pixley in an 8M oz p.a. market.

http://www.metal.com/newscontent/70013_palladium-deficit-to-continue-through-2015

Russia provides 40% of global mine supply of palladium (South Africa produces another 40% from its mines).

<u>In summary:</u>

Russian stockpiles that hid palladium mine production deficit are gone, Russians entering market as buyers, large annual palladium supply deficits are back. Watch physical market for delivery default on

LPPM.

3. HSBC Rapidly and Quietly Shuts its 7 London Vaults - Shock Metal Clients

Initially identified by Ned Naylor Leyland, HSBC has quietly announced to customers that it is shutting London vaulting facilities with 60 days notice.

Stealth and shock announcement with no public admission by HSBC until approached by Ned Naylor Leyland, Alasdair Macleod.

HSBC is the custodian for GLD - no clarity on GLD status (remember also the fiasco with CNBC's Bob Pisani picking up a GLD bar in HSBC's vault that did not belong to GLD: http://www.silverdoctors.com/ned-naylor-leyland-reveals-actual-owner-of-bob-pisanis-gld-gold-bar/).

Troubling because of the nature of HSBC's actions which appear to force holders of physical metal out of their holdings by giving too little time to move assets.