

# Inside the Vault

A Quarterly Newsletter Featuring  
Precious Metal Insights

July 2024

## Some Good News

Firstly, thank you to everyone who reached out to our Cayman Islands office regarding Hurricane Beryl, which passed through our islands last Thursday morning. I am pleased to report that, as expected, the SWP facility remained unaffected. Designed and built to be one of the most solid and secure structures in the entire Caribbean, SWP stood impenetrable against the storm.

Additionally, all stored metals are fully insured against any catastrophe, including hurricanes, and our back office operations based in Canada ensure that there will never be any interruption to client services.

In other positive news this quarter, ITV highlights the repeal of the 4% tariff on gold coins entering the Cayman Islands, with all gold bars expected to follow very soon. We are also excited to announce a new minimum on borrowing with SWP Capital!

Also, special thanks to Jeff Thomas, who shares his insights on the best options for keeping your investments safe, and to Chris Vermeulen, who provides his big picture analysis on where the markets are heading next and why.

Wishing you a great weekend!



Mark Yaxley, CEO for Strategic Wealth Preservation (SWP). He has been focusing on the diverse needs of retail and commercial precious metal investors since 2006.

Follow Mark on Twitter @YaxleyYax

## Gold & Silver Technical Analysis

Technical Analysis Video by Chris Vermeulen, Chief Market Strategist for [TheTechnicalTraders.com](https://www.thetechnicaltraders.com)



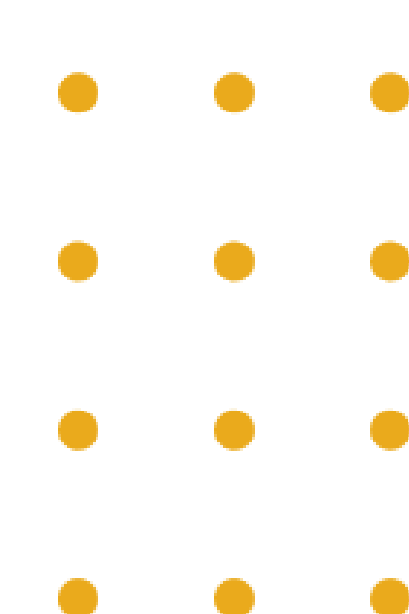
You can follow Chris on Twitter @TheTechTraders

## Your Gold is Only as Good as Where You Store It

By Jeff Thomas







The image above shows a Credit Suisse one-kilo bar of gold (worth roughly \$82,000 at present). Although my associate was joking when he placed it in his back pocket for the above photo, the gesture serves as a reminder of a basic principle of gold ownership:

“Keep your bullion in a place where you maximise your control over your ownership of it, whilst minimising the control others (such as banks and governments) have over it.”

At one time, banks were a primary choice for the storage of gold, but that’s changing rapidly. Why should that be? After all, the very idea of modern banking grew out of the storage of gold by goldsmiths.

### Coming Cash Controls

For quite some time, I’ve been predicting the coming of cash controls in the EU, US and other countries that are awash in debt and, for all practical purposes, are insolvent.

Any country is likely to suffer from periodic negative monetary trends, even those whose governments are fiscally responsible. However, in the above jurisdictions, the problem has gone far beyond that. The problem is systemic, which means that a recovery can only come with a collapse and re-set of the system.

Historically, when governments find themselves in this fix, they do the exact opposite of the right thing. They prolong the existing situation as long as possible, kicking the can down the road, assuring that the final collapse will be the worse for it. The government in question will print money, raise taxes, impose protective tariffs and implement capital controls.

All of these measures are harmful to the populace, particularly to those who have made the effort to save – to store their wealth (however large or small) in cash, precious metals, real estate, etc.

The big question for every responsible saver is, “What tricks will my government come up with to take my wealth away?”

Governments today are very sophisticated and it’s getting much harder to safeguard wealth. It’s become not only advisable but nearly essential to internationalise – to remove wealth from those jurisdictions that are on the ropes and squeezing their citizens for all they can get.

A good general assumption to make is to regard any wealth that’s in a troubled jurisdiction as sacrificial – that it’s in danger of regulation and / or confiscation. (The EU, US and Canada all now have bail-in laws – they just haven’t been implemented yet.)

As these jurisdictions decline, a corresponding flight of capital has been taking place. Wise investors have been moving their wealth offshore and, as, increasingly, offshore bank deposits have been targeted by these governments, investors have been moving their cash into the harder-to-confiscate forms of real estate and precious metals. These two solutions have proven in the past to be the most secure and continue to be.

So let’s look at precious metals in particular. At one time, some savers held their bullion in ETF’s – promissory notes, generally issued by banks, assuring that the saver could demand his bullion (or an equal value in cash) from the bank whenever he chose to do so. However, it’s becoming common knowledge that banks (even some of the more trusted ones, such as those in Switzerland) have sold far more bullion than there is in existence in the world. One day, there will be a run on ETF’s and those savers will find that they’re holding worthless paper.

As a result, savers are turning more and more to physical gold, held in a vault somewhere. But the banks are closing in further. Recently, JPMorgan advised its depositors that they may no longer hold cash or coinage in safe deposit boxes. Could it be that they’re hoping to force customers to cash in the bullion and place the proceeds in a deposit account – one that’s subject to confiscation by the bank?

Not surprisingly, the wiser customers are moving their bullion to private storage facilities, not connected to any bank. In North America, some of the foremost independent storage facilities are located in Delaware, Toronto and British Columbia.

But, again, both the US and Canada are putting the squeeze on, through capital controls. Therefore, the best storage companies are those that offer additional storage services offshore. One of North America’s top facility owners and crisis economic advisors, Eric Sprott, Chairman of Sprott Money Ltd., says,

*“I firmly believe people should have various storage sources as I do and storing offshore is one of the most prudent decisions that a smart investor can make.”*



Quite so. Like other leaders in the field, Eric offers alternative facilities in Hong Kong, Switzerland, Singapore and the Cayman Islands.

Of these four, Switzerland is the most traditional, but in recent years, the other three jurisdictions have become more attractive to many investors, as they have more modern, customer-friendly laws and have held their own against the US more successfully. To my mind, the very best facilities are located in these jurisdictions.

So, the big question is, if I had to make a choice, which one would I pick? Well, if I wanted to diversify, I would establish deposits in all three. However, if I were to choose only one, I'd choose the one closest to where I would be likely to be residing as the crisis unfolds. As each of my homes is in countries in the Western Hemisphere, my primary choice of a jurisdiction would be the Cayman Islands. And my choice of facility in the Cayman Islands would be Strategic Wealth Preservation (SWP)

SWP is a company in which I hold no shares, but did provide considerable guidance in its formation, years ago. Since that time, SWP has gone far beyond my expectations to become what I consider to be the preferred depository for the Western Hemisphere. END



### Introducing our newest storage location for SWP clients.

#### Services Offered

Secure Segregated Storage | Visitations Permitted | Comprehensive Insurance | Ability to Buy and Sell | Annual Audits

## Have you thought about becoming an SWP Affiliate?

[Email Here](#)



## Gold and Silver Market Update

By Mark Yaxley

Gold climbed another 3.4% in Q2, but was overshadowed by silver, which surged an impressive 16% from April through the end of June. While continued Central Bank buying and strong retail demand in China drove the gold price in Q1 of 2024, a new trend emerged in Q2: North American investors have joined the fray.

The latest figures from gold and silver ETFs indicate that the North American market, which has been largely absent for the past nine months despite rising metal prices, is finally participating.

Assets under management in all precious metal ETFs now total \$217 billion, nearing the top end of the historical range. Assets under management in net COT/Futures is \$90 billion, also at the top end of its respective historical range.



"Gold ownership is on the rise among North American professional investors," - World Gold Council  
Collectively, Western positioning (net COT + ETF) of over \$300 billion accounts for approximately 0.7% of the US equities market value. This allocation has increased from the historical low of around 0.5% but remains underweight compared to the COVID peak (~1%) and the bull market era of 2010-2012 (1.5 – 2%). Despite recent gains and additional market participants, these figures suggest that more demand may well exist.

In the retail bullion market in the United States and Canada, Costco (a leading indicator for retail consumption) continues to see strong demand for its gold bars and silver coins online. Wells Fargo researchers estimated in early April that the world's third-largest retailer may have been generating \$100 million to \$200 million in monthly revenue from these products after introducing them late last summer. Costco's CFO said last month, "Total e-commerce sales growth in the quarter was led by gold and silver bullion, gift cards, and appliances."

Meanwhile, here at SWP, Q2 was the strongest quarter we have experienced in terms of sales volume since late 2022, with a noticeable increase in large gold and silver transactions and deposits among our clients.

Looking ahead, the world is still dealing with two major ongoing conflicts, compounded by the fact that deficit spending remains a problem for almost all governments. Many of these governments will face divisive political elections this year, including France, the UK, and the United States. Extreme right and extreme left parties are battling for more power within these influential countries, likely resulting in a period of significant policy change and further uncertainty, at least in the short term.

As I've often said throughout my career, I firmly believe that the potential upside for precious metal prices to rise far exceeds any potential downside price risk. This is especially true as we continue to experience the effects of inflation, conflict, and questionable government actions. END

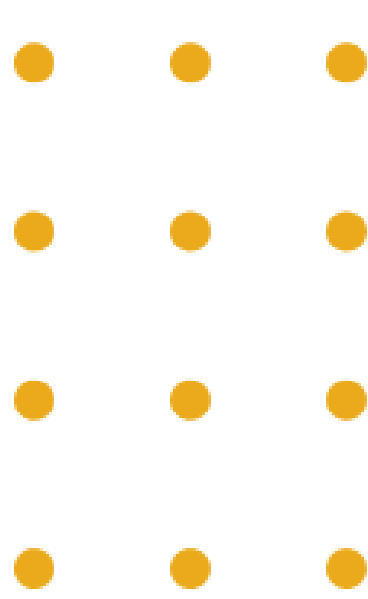
Sources: World Gold Council, MKS PAMP

## New Cayman Islands Sealife Series Coming Soon!

The Cayman Islands are a special place for many reasons, so it gives us great joy to share a first look at the Cayman Islands Sealife Series minted by Scottsdale Mint. These beautiful coins will be available later on in the year, but we are already taking pre-orders through our clients services team. These will make wonderful Christmas presents as well as investments.







## Trust the Turtle for your Self-Directed IRA



### Self-directed IRAs and Precious Metals

Most people don't realize that they can use their retirement funds to invest in alternatives. They don't know this because their financial advisors won't tell them. Asset diversification is key to having financial freedom in your retirement years.

Most traditional IRAs and 401ks limit retirement investments to traditional assets like stocks, bonds, and mutual funds. A self-directed IRA (SDIRA) empowers you to invest in alternative investments of your choosing. An Alternative Investment is anything that is NOT a publicly traded stock, bond, or security. These assets have the potential to outperform traditional assets, and with a low correlation to traditional investments, can act as a powerful buffer during market downturns. A self-directed IRA allows you to invest in assets you know and understand. In 1997, Congress passed the Taxpayer Relief Act which expanded the precious metals holdings allowable in an IRA. Precious metals invested using your IRA must be held in the physical possession of a bank or an IRS-approved nonbank trustee. You may not personally store the precious metals that are owned by your IRA.

Investment gains and income generated within the self-directed IRA can be tax-free (Roth IRA) or tax-deferred (Traditional IRA). Because a self-directed IRA claims 100% of the income generated by the investments in the account, your retirement funds can grow without restriction. Certain self-directed IRAs allow the passing of assets to beneficiaries after death, with little or no tax liability. Properly designating your beneficiary can be an important part of your lifetime plan.

Without this designation, your heirs may be subject to more income and estate taxes than necessary.

Investing in precious metals can help diversify your retirement portfolio. For more information about Self-directed IRAs, reach out to Preferred Trust. Our dedicated client advocacy team is available Monday – Friday!

Submitted by our trusted partner Preferred Trust 888.990.7892, OPT 2, [clientservice@ptcemail.com](mailto:clientservice@ptcemail.com)

An important reminder to you, your loved ones and friends: **please only buy metals for your Self-Directed IRA through a reputable dealer.**



## 1 oz Gold Marlin Coins

*The Official Gold Bullion Coin of the Cayman Islands*

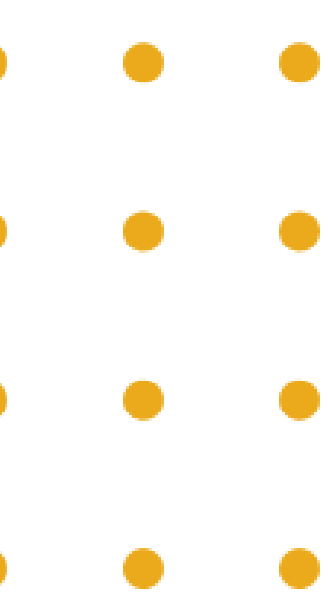
### Promotion Spot + 77/oz

### Available From July 9-19

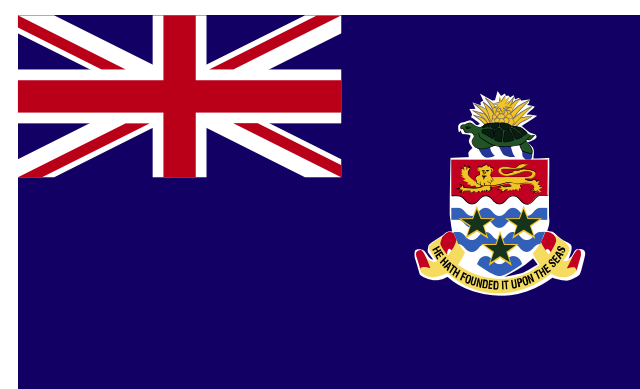








## Gold Tariff Removed by CIG



We are excited to share some important news regarding the surprise November 2022 implementation of a 4% tariff by the Cayman Islands Government on the importation of all gold bullion products.

After a thorough review by the Cayman Islands Customs and Border Control, it was determined that the tariff implementation was a misclassification error. As a result, the 4% tariff on all gold coins (excluding numismatic coins) has been fully repealed.

While this reversal currently does not apply to all gold bars, we are optimistic that a similar outcome will be achieved soon.

This positive development, along with recent productive discussions, reinforces our confidence in the Cayman Islands Government's commitment to re-establishing the Cayman Islands as the premier jurisdiction for precious metals offshore storage.

Clients who utilized our temporary storage facilities in Miami and Texas will be contacted personally to arrange the free relocation of their metals to our Cayman Islands facility.

Effective immediately, all SWP clients can move, buy, and store gold bullion coins at our Cayman Islands offshore location.

We appreciate your patience and continued support during this unusual circumstance. If you have any questions, please feel free to contact your customer service representative.



## Exciting News!

When our clients talk, we listen. And because of this **we have lowered our minimum borrowing amount to US\$50,000!**

1. Get your money within 10-days.
2. No monthly payments of interest and/or principal.
3. Interest rate is fixed for the entire term of the loan.
4. Renew the loan at the end of the term.
5. Make bulk principal payments or pay the loan off at any time.
6. The interest charged is competitive to most Lenders.

SWP Capital is here to provide flexibility and convenience for our clients who prefer a loan structured using their precious metals, by a company they can trust.

SWP clients can borrow up to 75% of the market value of their stored precious metals while retaining ownership.

We remain transparent and responsive at all times and are standing by to assist. Terms range from 3-months to 12-months (renewable) with a minimum PMML/PMBSN of \$50,000.

Talk to your client representative or contact Jeremy Varlow at [jv@swpcayman.com](mailto:jv@swpcayman.com) for more information.

**Personal Service with Convenience,  
Flexibility and Speed.**





## About Us

Strategic Wealth Preservation (SWP) is an international precious metals dealer and secure storage provider headquartered in the Cayman Islands with US\$1B+ assets under management. We specialize in the acquisition and secure storage of precious metals for individuals, companies, trusts and wealth management professionals on behalf of their clients.

We deliver precious metals worldwide to homes and businesses and offer secure storage in vaults located in the Cayman Islands, Canada, the United States, Switzerland, Singapore and New Zealand. We also offer corporate disaster recovery services for businesses located in the Cayman Islands.

## Quick Links

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### One Account, One World

Benefit from SWP's global reach under one single account. Store with SWP in the Cayman Islands, Canada, the United States, Switzerland, Singapore, or New Zealand.

### Disclaimer

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