Gold usually dips before making substantial gains in financial crises

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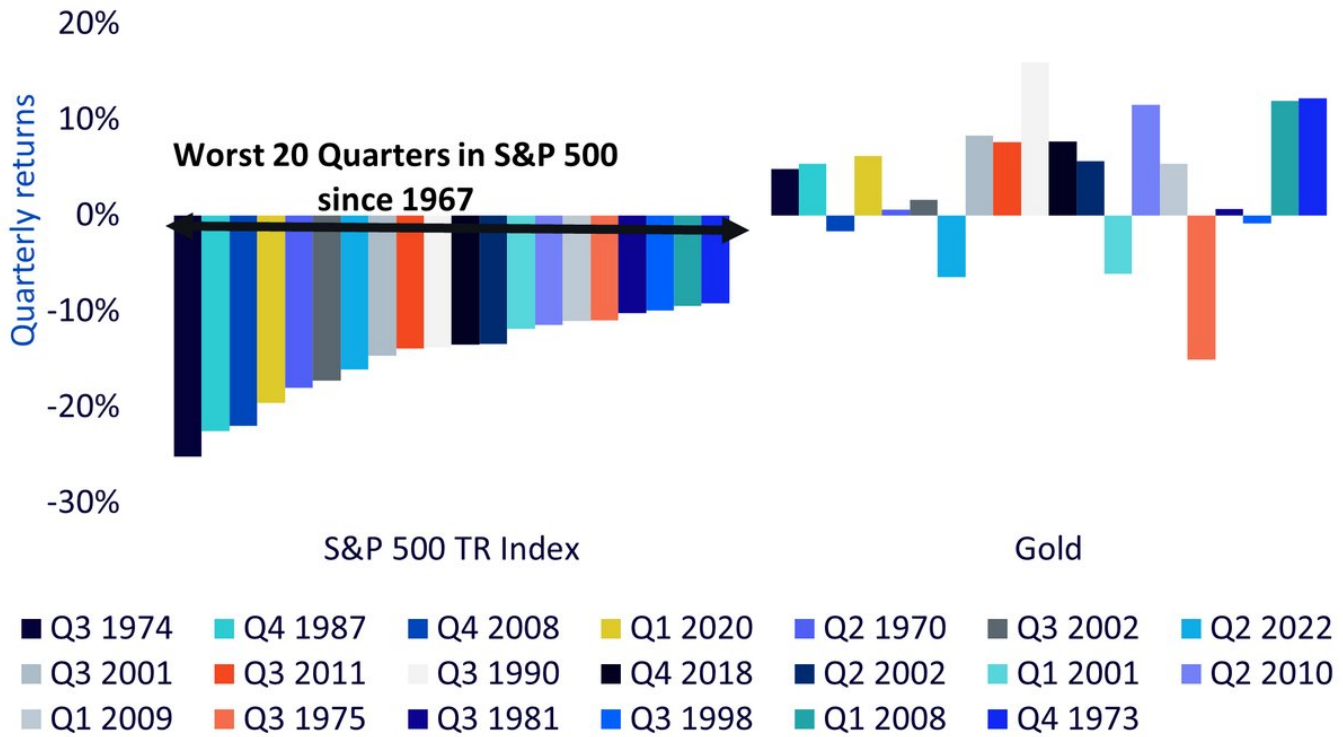
Key Takeaways

- Gold often dips before rallying in crises
- Initial declines create attractive entry points
- Rate cuts could trigger a strong gold surge

Olympians equate gold with being the best performer in an environment of high pressure. So should investors. Gold is anti-cyclical and considered a safe-haven asset, performing strongly in times of crisis. However, the results are not instant, and gold has been known to dip before sprinting to the photo finish.



Source: WisdomTree, Bloomberg. In USD. 22 May 2008 to 2 February 2009, using daily data. Gold is proxied by the LBMA Gold Price PM Index and S&P 500 is proxied by the S&P 500 Gross Total Return Index. **Past performance is not indicative of future results. You cannot invest directly in an index.**

Figure 3: Average daily trading volumes of major assets in US dollars



How can investors access the opportunity?

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