

Insights Unwrapped

A Look at Gold, Silver, and Equities in 2025



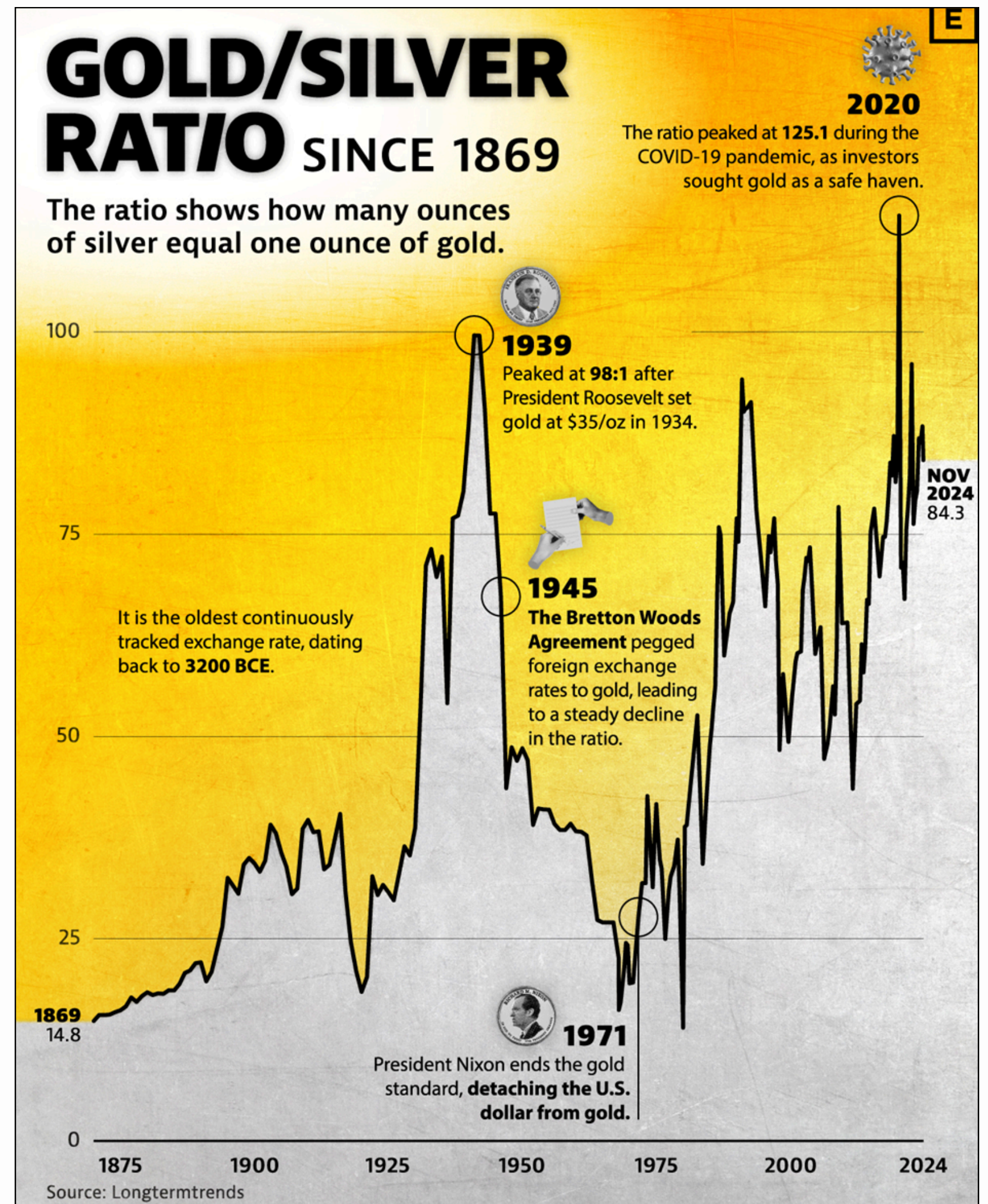
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High Gold-Silver Ratio

Today, the gold-to-silver ratio stands at 94:1—significantly above the 50-year average of 62:1. In simple terms, gold is currently priced at 94 times the value of silver compared to an average of 62 times over the past five decades.

Notable high-ratio events (excluding the COVID-19 spike) include:-

- **1939:** Great Depression recovery and World War II onset push the gold-silver ratio above 90:1, as gold, fixed at \$35/oz post-1934, gains safe-haven status while silver demand weakens
- **1991:** U.S. recession recovery and Gulf War boost gold as a hedge, while silver struggles with oversupply, driving the ratio to ~100:1
- **2024:** Geopolitical tensions and U.S. sanctions on Russia spur central banks to buy 1,045 tons of gold, lifting prices to \$2,790/oz, while silver at \$30-\$33/oz lags, keeping the ratio at 80:1–90:1



Gold and Silver Trends Since 2000



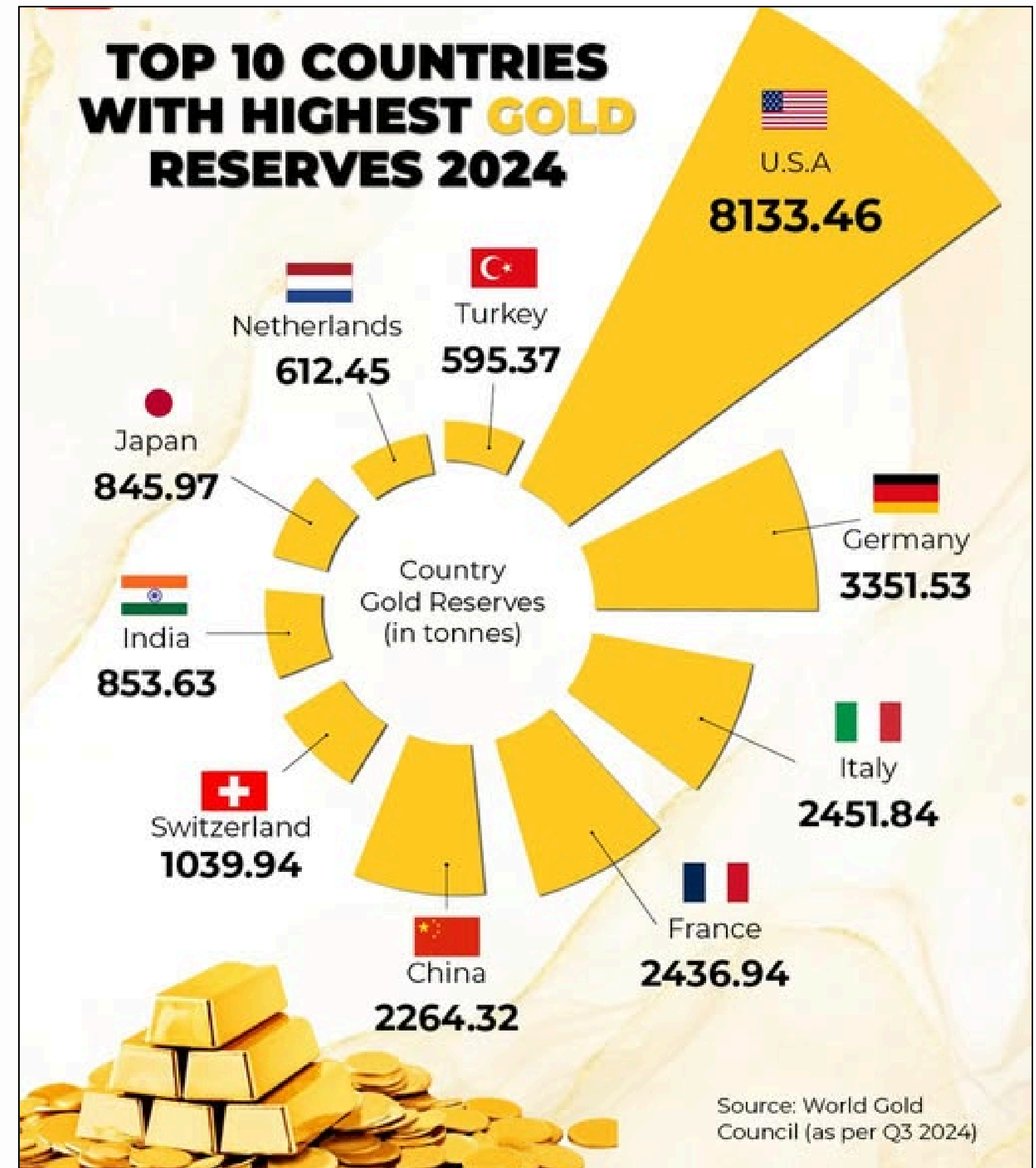
The gold-to-silver ratio has ranged between 20 and 100 over the past 50 years, **averaging around 62:1**

A lower ratio typically suggests gold is undervalued relative to silver, while a higher ratio indicates the opposite.

Gold Reserves

The United States holds the world's largest gold reserve—8,133 metric tons—valued at approximately USD 620 billion (as of April 2025). This surpasses the combined holdings of the next three largest reserve holders: Germany, Italy, and France.

Although the U.S. abandoned the gold standard over four decades ago, it maintains this stockpile as a safeguard during economic crises. Offloading such a large reserve could crash gold prices, disrupt markets, and trigger banking instability. As a result, retaining this gold helps support both U.S. economic resilience and global financial stability.

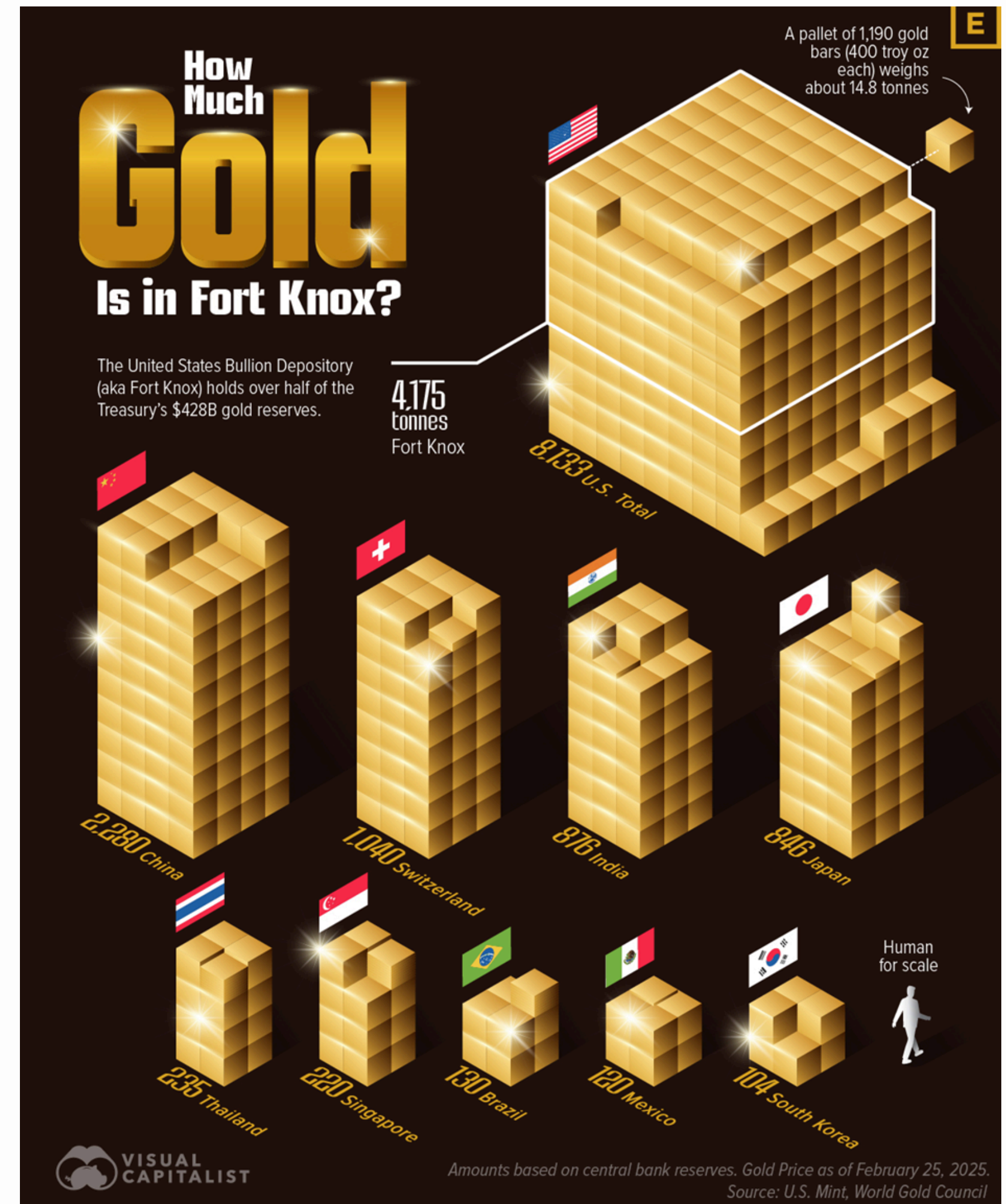


What Is Fort Knox?

Fort Knox, located in Kentucky, is a U.S. Army installation and the primary storage site for America's gold reserves. Established in the 1930s for security, it houses over half of the U.S. Treasury in gold—**about 4,175 tonnes.**

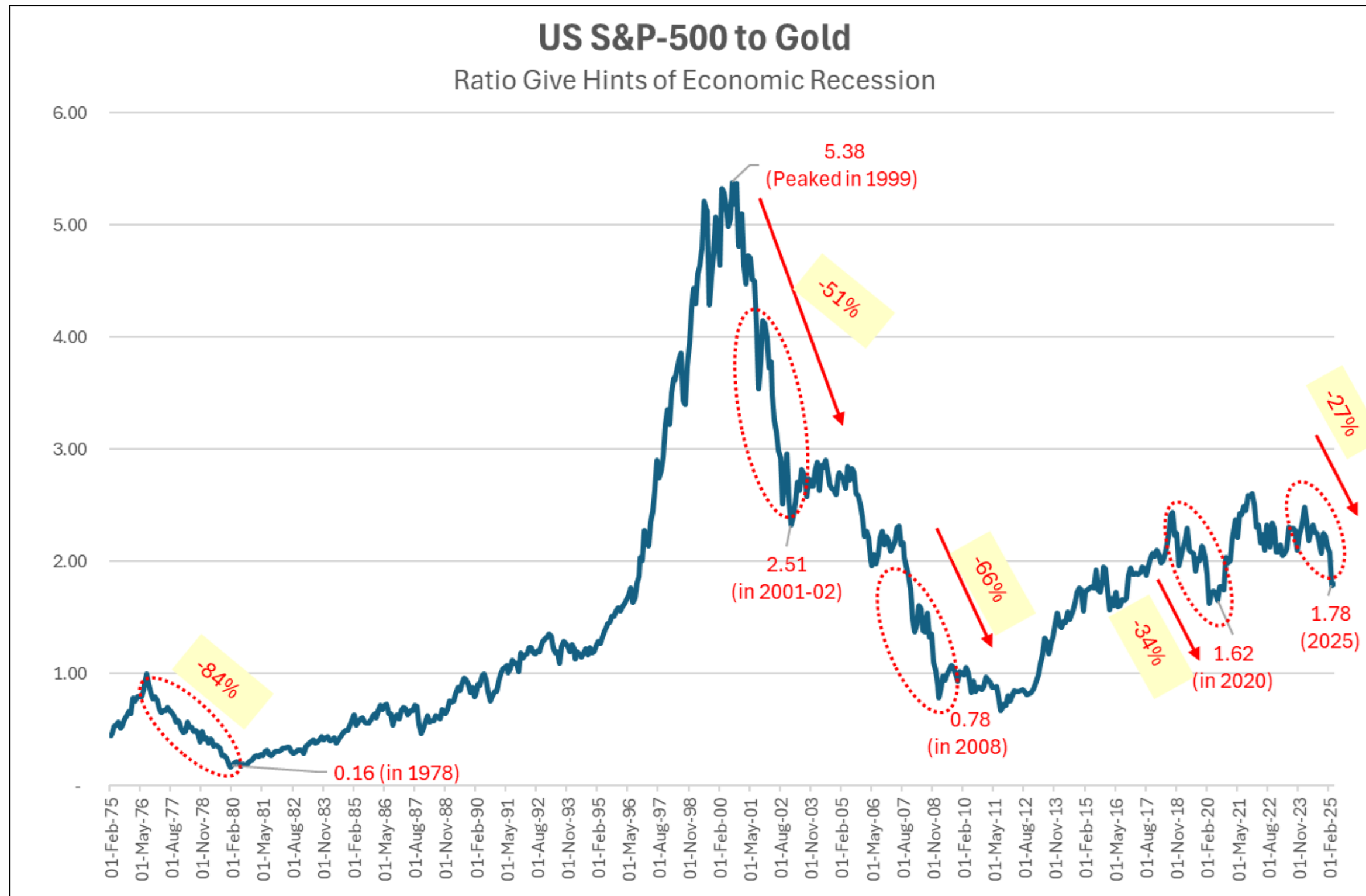
President Trump plans to inspect Fort Knox, questioning whether America's gold reserves remain intact.

India's total gold reserves stand at 854 tonnes, with 510 tonnes held domestically; of the 344 tonnes stored overseas, 324 tonnes are with the Bank of England and the BIS, while 20 tonnes are in gold deposits.



Is the Equity-Gold Ratio Sending a Signal?

Stocks tend to outperform during economic growth, while gold shines in times of uncertainty. Tracking their ratio offers valuable insight into market trends.



The S&P 500 to Gold Ratio as a Recession Signal:

A sharp drop in the S&P 500 to Gold ratio has often preceded U.S. recessions. ***This trend appeared before the downturns of 1973, 1978, 2000, 2008, and 2020—each marked by a notable decline in the ratio, signaling economic trouble.***

As of April 2025, the ratio has fallen 27% over the past year—the steepest drop since the COVID-19 crash in 2020. ***Could this sharp decline be an early warning of another U.S. recession?***

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