

Gold Gains as China's Central Bank Buys More Bullion in December

written by Michael Astone | January 10, 2025

What a stark reality in the tails for the yellow metal gold and the digital store of wealth Bitcoin. With Bitcoin over \$100,000, what does 2025 have in store for the shiny yellow metal?

Gold futures rose Tuesday to snap a two-session losing streak, gaining from a softer dollar after President-elect Trump rejected reports of a more moderate trade policy approach.

Gold prices broadly shrugged off stronger-than-expected U.S. labor market data, but investor focus likely will be captured by other upcoming economic indicators, particularly Federal Reserve meeting minutes on Wednesday and Friday's jobs report, according to FlowCommunity's Tito Iakopa.

The yellow metal remains well supported by various factors outside U.S. policy, including geopolitical tensions and strong central bank demand, although Trump's proposed tariffs and protectionist policies will strengthen gold's safe-haven demand, Iakopa said.

While Trump's tariffs are firmly priced into the market, the size and scope of counter-responses and retaliatory measures are not as clear. Pepperstone's Chris Weston noted that Canada could pre-announce a list of U.S. goods that will face retaliatory tariffs, and China is preparing for the worst.

It remains to be seen how each party ultimately reacts, but any actions could create some noise and uncertainty that could see higher market volatility and push gold back toward \$2,800/oz,

Weston wrote.

Strong Performance in Gold Stocks

We have seen gold stocks performing well:

- **Collective Mining Ltd. (NYSE: CNL | TSX: CNL):** Trading on the NYSE, the company has experienced strong momentum in its share price since the summer of 2024 on the heels of continued strength in its drill program, debut in the USA, and growth. ArcStone believes Collective is just getting started and is sitting on a massive asset deposit combined with a world-class team with a proven track record.
- **White Gold Corp. (TSX.V: WGO | OTCQX: WHGOF):** Announced a private placement in December 2024 and oversubscribed the raise, [raising](#) in excess of \$5 million. White Gold Corp. has just filed a technical report in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects to update the Mineral Resource Estimate (“MRE”) on its 100% owned flagship White Gold Project. The 2024 Technical [Report](#) highlights significant growth to the near-surface resource, mostly within open pits, which is one of the highest grade open pit resources in Canada with expansion opportunities in multiple directions and additional targets within close proximity. Ongoing analysis suggests further resource growth through exploration of the “Target for Further Exploration” area, hosting an additional estimated 10-12 million tonnes grading between 1-2 g/t Au.
- **Newmont Corporation (NYSE: NEM | TSX: NGT | ASX: NEM):** Newmont has underperformed due to operational challenges, but improving efficiency and divesting non-core assets present a significant investment opportunity. Despite high All-in Sustaining Costs (“AISC”) of \$1,600/oz

in Q3 2024, Newmont is focused on increasing margins through key project ramp-ups. Barrick Gold Corporation (NYSE: GOLD | TSX: ABX) and Agnico Eagle Mines Limited (NYSE: AEM | TSX: AEM) reported lower AISCs, highlighting NEM's current inefficiencies but also its potential for margin improvement. The market's current discount on NEM stock offers a compelling entry point for future returns as operational efficiencies improve.

Market Metrics and Trends

Front-month Comex gold (XAUUSD:CUR) for January delivery closed +0.7% to \$2,656.70/oz, while front-month January silver (XAGUSD:CUR) finished +0.3% to \$30.447/oz.

Key ETFs: (NYSEARCA:GLD), (NYSEARCA:GDX), (GDXJ), (IAU), (NUGT), (PHYS), (GLDM), (AAAU), (SGOL), (RING), (BAR), (OUNZ), (SLV), (PSLV), (SIVR), (SIL), (SILJ).

Collective Mining Reports High-Grade Gold Discovery and Expanded Mineralization at Trap and Plutus Targets

TORONTO, Jan. 9, 2025 – Collective Mining Ltd. (NYSE: CNL | TSX: CNL) has [announced](#) the final assay results from its 2024 drilling program at the Trap and Plutus targets within the Guayabales Project in Caldas, Colombia. Highlights include the discovery of a high-grade vein system in the Trap Target's southern area and expanded mineralization in the Trap Main Zone (TMZ). Drilling at Plutus continues to reveal a shallow porphyry system with promising potential.

Drilling Highlights:

- **Trap Target (TMZ):** Results include 40.5 meters @ 4.01 g/t AuEq within 200.85 meters @ 1.06 g/t AuEq. Mineralization spans over 700 meters and remains open along strike and depth.
- **New High-Grade Vein Discovery:** Drill hole TRC-26 intersected 2.8 meters @ 234.15 g/t gold, including 0.8 meters @ 816 g/t gold.
- **Blackjack Zone:** Highlights include 21.35 meters @ 1.14 g/t AuEq and 11.55 meters @ 3.89 g/t AuEq.
- **Plutus Target:** Reconnaissance drilling revealed porphyry-style mineralization, including 126.1 meters @ 0.44 g/t AuEq.

Ari Sussman, Executive Chairman, stated, “Trap continues to show significant potential with discoveries of high-grade systems and indications of a porphyry feeder source. We look forward to advancing this promising project further in 2025.”

Future Exploration Plans

Collective Mining will expand its fully funded 60,000-meter drill program in 2025, adding two rigs to target high-priority areas within Trap and Plutus. Work is also planned for newly identified high-grade zones and potential feeder systems.

China's Central Bank Drives Gold Demand

China raised its gold reserves for the second consecutive month, with the People's Bank of China bullion reserve rising to 73.3M oz in December from 73M oz in November. The PBOC, which had

paused purchases in the six months leading to November, was a key driver behind gold's significant rise in 2024. SP Angel analysts noted that the return to buying is an encouraging sign, highlighting the strong demand for gold as a safe-haven asset.

Underrepresentation of Mining Opportunities on NYSE and NASDAQ

The NYSE and NASDAQ continue to be underrepresented with mining opportunities. Given the Trump trade and froth in the markets, there is growing speculation that rate cuts won't be as imminent and inflation may very well return. With Bitcoin over \$100,000, investors looking to preserve purchasing power with gold-backed assets are focusing on high-quality technical and engineering teams working on exploration and development, providing the greatest leverage for investment capital.

ArcStone is actively working in the metals and mining sector, providing corporate access, roadshows, and various financing instruments to premier mining companies.

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