

Truth (and Metals) Collapse in War: Ecclestone Warns of Dollar Erosion, Gold's Failure, and a Broken Market Playbook

written by Tracy Hughes | April 8, 2026

The latest [Hallgarten + Company](#) report, “**Monthly Resources Review: Truth (and Metals) the First Casualties in War,**” authored by [Christopher Ecclestone](#), reads less like a market update and more like a dispatch from a system under strain—where war, capital flows, and credibility are colliding in real time.

At its core is a blunt observation: the traditional playbook has broken. Gold, long treated as a wartime sanctuary, fell sharply—by as much as \$1,000 per ounce—before drifting into what Ecclestone describes as a “languid” state, undermining its safe-haven narrative just as geopolitical risk intensified. The same dislocation rippled through mining equities, where losses of 30–40% became commonplace, and even copper was pulled down in the downdraft. In one of the report’s more pointed lines, investors are reminded that during the opening phase of conflict, safe havens behaved “more like an elevator where the cable had been cut.”

The [report](#)’s central thesis is not simply about price action, but about trust. War has accelerated a shift already underway: the erosion of confidence in the U.S. dollar. Ecclestone draws a direct parallel to the post-World War II decline of sterling, arguing that the current environment—sanctions, reserve seizures, and policy unpredictability—is forcing nations to

reconsider where and how they store wealth. The quiet repatriation of gold by the Bank of France, alongside ongoing disputes over Venezuelan reserves, is framed not as isolated events, but as early signals of a broader realignment. As he notes, “the most lasting damage [is] being dealt to the dollar,” a line that captures the report’s underlying concern that credibility, once lost, is difficult to rebuild.

China, in this framing, is the understated beneficiary. Ecclestone is unusually direct: “the winner of the current war in the Persian Gulf is China (and by inference the Yuan).” As conflict disrupts Western financial assumptions, the incremental shift toward yuan-denominated trade—particularly in energy corridors—appears less theoretical and more structural. “The worm is not turning,” he adds. “It has already turned.”

The [report](#) also dismantles several long-standing narratives around gold demand. The oft-repeated assumption of relentless sovereign accumulation is challenged through examples such as Turkey, where gold flows historically reflected energy payments rather than hoarding. That dynamic now risks reversing. With Gulf economies under strain, Ecclestone suggests a scenario where “a mass liquidation of monetizable assets, with gold at the forefront” becomes a more likely outcome than continued accumulation. In that context, gold’s weakness is not an anomaly—it is a signal.

Perhaps more striking is the report’s treatment of the energy transition. What had already been weakening under capital discipline is now, in his view, “staggering and maybe mortally wounded before the first shot was fired.” Venture capital has retreated, consumer demand has softened, and policymakers are being forced to prioritize energy security over decarbonization timelines. The tone is unsparing: the cooling in cleantech investment “is looking like an Ice Age,” reflecting a deeper

loss of conviction across capital markets.

In the background, capital markets are tightening. Financing windows are narrowing, M&A interest is re-emerging at lower valuations, and liquidity—not gold—is described as the only true refuge. “Cash was the only safe haven,” Ecclestone writes, in a line that cuts directly against decades of commodity-market orthodoxy.

Ecclestone’s conclusion is unsentimental: war does not just distort prices—it rewrites hierarchies. Metals, currencies, and even investment narratives are no longer behaving as expected. The casualties are not limited to truth; they extend to the frameworks investors have relied on for decades.

To access the full report, [click here](#)