Market Predictions

AHA sat down with Michael Haynes, CEO of APMEX, to answer five questions about the upcoming year and to provide some 2014 Predictions for the metals market as well as the economy in the year to come.

1. What do you expect to see from the gold/silver market in 2014?

In one word: Uncertainty. Early in 2014, there will be Federal Budget battles and the Federal Debt ceiling issue. The Federal Reserve Bank stance on "tapering" the bond buying program will also create uncertainty. However, as 2014 progresses, there will be a realization: the U.S. Debt to GDP ratio is too high and likely will not diminish for many years, hence more uncertainty.

2. Where do you see APMEX's business headed in the new year? Any different strategies for 2014?

APMEX educates, informs and provides access to the Precious Metals markets for investors around the world. In 2014, APMEX will provide more information and education designed to help the individual make informed decisions on Precious Metals and their role in a balanced and diversified portfolio.

3. What bold predictions do you have for the market in 2014?

Again, uncertainty is a key factor and the only sure prediction. The U.S. Debt, the Federal Reserve policy, the European Central Bank "easy money" and the continuing Yen valuation are all set against a rapid growth of China. Anything is bound to happen when these global programs collide in their objectives.

4. What emerging markets or asset classes are you excited about in the coming year(s)?

Gold, Silver and Precious Metals are the Fourth Asset Class, behind Cash, Stocks and Bonds. Gold is underutilized as a diversification tool and perhaps increased allocation to Gold and Precious Metals will be the important and prudent move for 2014.

5. Gold/Silver fell to lowest levels in 5 months as of today (12/2), do you feel bullish on metals in 2014 and the years to come as it relates to the economy?

For 2014 and perhaps the next decade, no one can predict how the major economies of the world will grow with the debt-heavy burden and rising interest rates. More of the available cash will be taken for debt service. Lowering Sovereign Debt is not an easy option and growing the economy will be more difficult with interest rates continuing to rise. “Balance” will perhaps be the most important virtue of portfolios as what is up may come down, and what is down may come up. Perhaps a reasonable position in the Four Asset Classes of Cash, Stocks, Bonds and Gold will be the best way to “balance” in the uncertain world.