CHARTS & PARTS

COMPASS CARD™
GOLD

From Shield To Shrapnel

IT'S NOT JUST GOLD — IT'S WHICH GOLD YOU HOLD

THE EDGE

Gold isn't one thing – it's a spectrum of trust, risk, and utility.

Bullion protects. Miners gamble. Paper is a convenience trade – until it isn't.

VOLATILITY

- **Bullion:** Low – often behaves like a currency
- **Paper Gold (ETFs):** Mirrors bullion vol – but carries hidden structural risks like settlement failure and trust in custodians
- **Gold as Commodity:** Moderate vol – driven by futures, flows, and trading noise
- **Gold as Chaos Agent:** High vol spikes – if trust breaks between paper and physical; leverage could amplify the damage

Gold's volatility isn't constant – it mutates based on how the world sees it.

LIQUIDITY

- **Bullion:** Medium – easy to sell if held smart; coins and local can move faster, bars and offshore move slower
- **Paper Gold (ETFs):** High – easy to sell in "normal" market conditions
- **Miners:** Moderate high liquidity – but spreads widen, and trading gets messy and expensive during market stress

High liquidity doesn't mean easy exits – prices can break when panic hits.

CORRELATION

- **Bullion:** A rare uncorrelated asset – moves independently from stocks and bonds most of the time
- **Paper Gold:** Tracks bullion – but adds counterparty and custody risk
- **Miners:** Volatile and tied to equities – often plunge with stocks in broad selloffs

Gold is independence – until leverage tries to pin it down.

INFLATION

- **Bullion:** High protection – a historical anchor against currency (and purchasing power) erosion
- **Paper Gold:** Strong protection – as long as you can turn paper into metal when it counts
- **Miners:** Can benefit from inflation – but only if production costs stay under control

Gold isn't an inflation hedge – it's thee inflation hedge.