



“God Help Us”: Andy Schectman Says The “Death Knell” For The Dollar Is Here, Metals Markets “Are Breaking”

Description

USA: Yesterday, I had a chance to interview, both on paper and via podcast, my friend Andy Schectman, President & Owner of Miles Franklin Precious Metals, a company that has done more than \$5 billion in sales.

Andy is a world-renowned expert in the field of precious metals and took the time to answer some pressing questions I had about how the physical market was holding up amidst the Ukraine/Russia chaos and his thoughts on the future of the monetary system globally, now that we are alienating Russia.

This interview is not an advertisement; I sought out Andy’s opinion because I believe him to be a thought-leader in the space of metals and monetary policy.



Q: Before our podcast, I asked Andy what the demand for physical looked like since the Ukraine/Russia conflict began.

A: The demand for physical metal over the last two years has been extraordinary, but nothing like the craziness that we have experienced since the Ukraine invasion. For two years, I have publicly talked about the supply constraints, rising premiums and dwindling inventories becoming a serious concern. *It is all happening in real-time now.*

Getting product used to be the least of my concern and now is the industry's greatest challenge. The market is almost 100% void of any secondary product, nobody sells into this environment. The higher the price goes and the crazier the world gets, only strengthens peoples' resolve and concern for holding metals to begin with.

Q: I wrote a couple days ago that I thought Russia and China could be looking to form a new economic system backed by gold. I know you read that article – what are your thoughts on that thesis? Real possibility or conspiracy theory?

This is not a conspiracy theory. It is more of a speculation. It makes perfect sense.

The United States has militarized the dollar by restricting its use by countries the administration wishes to punish, such as Iran and Russia. A reserve currency is supposed to be available to everyone, not just the nations we choose.

This is the death knell to the dollar. Countries around the globe are coming to realize that the U.S. cannot be trusted and that anyone can be locked out of the swift system at a whim. China and Russia hold the most gold in the world, after the U.S., but that is if you believe that we still actually have the 8,000+ tonnes at Fort Knox and that our gold is not incumbered – pledged to other countries – and that is a big "if."

We are now facing World War III, but this time the odds are it will be an economic war, not a shooting war. The phrase, "the enemy of my enemy is my friend" is taking place before our eyes. We have driven Russia into China's arms and we are their common enemy. If they released a gold-backed Ruble/Yuan, it would spell the end of the dollar as the world's singular reserve currency.

Q: Do you think there's a chance Russia just stops taking payment anything other than rubles or gold?

Yes, it is possible, but for now, unlikely. The exception is the Chinese Yuan. Russia and China recently signed a trade agreement that is decades long, where Russia will provide China with gas and oil and the trade will be settled in yuan (and/or product from China). The two countries could use gold as a settlement for their trade, but it is not likely. One thing seems certain; Russia will stop accepting the euro and the dollar.

Who do you think has all the leverage in this Russia Ukraine situation? What do you see the eventual outcome being – and when?

Russia has all the leverage. The war should come to a conclusion in a matter of weeks, or months at

the outside. Russia's goals were to prevent the Ukraine from joining NATO, and they will get their wish. They also want to set up a new government, one favorable to Russia, and they will accomplish that as well. There may well be prolonged guerilla warfare in the Ukraine and a small Russian occupation force, but the end game has always been a win for the Russians.

It seems like gold and silver miners aren't rising entirely in concert with the futures price of the metals. What do you attribute this to? Do you think they will catch up?

Mining shares are stocks and the hedge funds and vast majority of investors still believe that the stock market is the place to be and the current pull back is just another dip to be bought. Until the stock market falls hard enough to cause vast sums of capital to look for alternatives, the mining sector is well out of the spotlight. That will change. Gold above \$2,500 for any length of time and silver above \$30 will be enough to light the fire beneath the mining sector. Not only will the mining shares catch up, they will be the leader, once the move into the shares commences. It is always that way.

Do you have any other thoughts about the metals market or the geopolitical conflict that you think my readers should pay attention to?

We have entered the mother of all precious metals bull markets.

It will last for years, and surpass all of the previous bull markets by a lot. You could not create a more perfect backdrop for rising metal prices than what we have today.

Inflation is out of control and will be with us, best guess, until the dollar is gone as the world's singular reserve currency or the Fed destroys the economy and the stock market with huge interest rate hikes. The inflation will punish the stock market, the real estate market and the economy at large and pools of capital will be free to search out safety. That is the role of gold (and silver to a lesser extent).

Rising prices beget rising prices, so once the marketplace comes to realize that gold and silver are winners, the big money will pile in. We believe that this is the most exciting time since the late 70s to be into gold and silver. As the saying goes, "there is no bull market like a gold bull market."

It will be the beneficiary of both fear and greed, nothing else has this dual motivation. If you don't see this, you are not paying attention. The bull market is here, it is real, it can't be stopped. God help us.



You can listen to my full podcast with Andy here:

More About Andy Schectman

Prior to starting Miles Franklin, Ltd. in 1989, Andrew became a Licensed Financial Planner, specializing in Swiss Franc Investments and alternative investments. At Miles Franklin Ltd., a company that has eclipsed \$5 billion in sales, Andrew has developed an operation that maintains trust, collaboration, and ethical behavior, superior customer service and satisfaction to better serve their clients. He is responsible for overseeing the firm's operations and business functions; including strategy and planning, account management, finance, and new business.

*Any of my subscribers interested in contacting Andy can reach him personally at **andy@milesfranklin.com**, as long as you noted that you were given that e-mail address by me.*

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