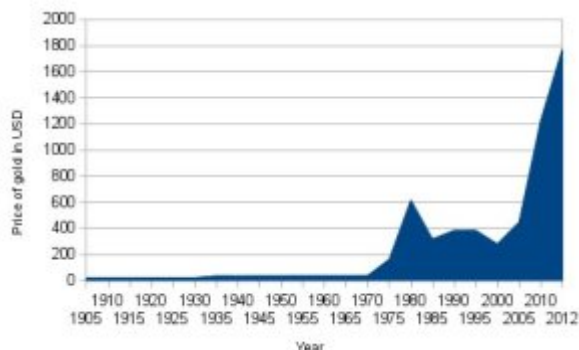


Price of gold from 1900 to 2012 with gold's purchasing power of bread comparison



I believe the value of the US dollar is about to crash to zero value shortly, possibly before the end of this year! My pastor, the Rev. David Berg, has been predicting this for decades. To show how close we are to this economic catastrophe, I thought the reader might be interested to see a graph of the rise of the price of gold in US dollar from 1900 to the present year of 2012.

All of the data except for this year was obtained from a PDF file on http://www.nma.org/pdf/gold/his_gold_prices.pdf.

The file shows the price of gold in USD from 1833 to 1913 to average \$18.93 an oz.

The Federal Reserve Bank was created in 1913. In 1914 price of gold increased slightly by 7 cents. It continued to slowly increase, and by 1930, it was \$20.65 an oz., \$1.72 more than 1913, an increase of 9%. By 1935 the price of gold jumped to \$34.84, an increase of \$15.91 or a 84% increase from the 1913 price! I think the reason for the sudden increase in price is because President Franklin Delano Roosevelt passed the anti gold hoarding act on April 5, 1933 forcing all Americans to sell their gold to the Federal Reserve Bank! Who profited by the sudden jump of the price of gold in USD? Of course the Federal Reserve Bank and it's (mostly *foreign*) investors, *not* the average American.

The price of gold remained steady from 1935 to 1970 from \$35 to \$36 an oz but it suddenly jumps to \$161 by 1975, an increase of \$125 or 347%! This was after President Richard Nixon ended the gold standard on August 15, 1971. I believe the day Nixon took the dollar off the gold standard was a pronouncement of *death* to the American economy.

The graph is divided by 5 year points except for the last two years from 2010 to 2012. You can see a tremendous jump in price of gold in only 2 years. Think it will come down again? I think not.

Does this mean the value of gold has gone up? I really means the value of the \$ has gone **DOWN**. The actual purchasing price of a bread with gold has

remained *fairly constant* over thousands of years! It has hardly changed in the past 2500 years! See History of Gold Ounce Price Comparison To A Loaf Of Bread According to the author of that article,"the Old Testament states that in 600 BC, during the rein of King Nebuchadnezzar's, a loaf of bread was worth 350 loafs of bread to one ounce of gold." Today he estimates it to be 388 loafs of bread to one ounce of gold.

What does this all mean? I think it means if you possess any US currency of any significant amount, it would behoove you to use that money to buy something of more intrinsic value, a commodity that will not lose value due to inflation. Land or precious metals always a better investment.

In summary

Gold has not lost its intrinsic value over thousands of years! Paper currency always does and will continue to do so if not based on an absolute value.

Any corrections to this article are welcome and appreciated! Sometimes I ain't real good in math. ☐

March 17. 2012 update: According to goldprice.org/ the price of gold has dropped to \$1659 from close to \$1800 when I first made the graph above. Don't think it will continue to drop! It won't. The Dollar is about to crash. The price of gold in US currency is bound to rise again. You'd be wise to dump any US currency you have and invest in something of more intrinsic value, precious metals or property.