



## Don't Give Up on Gold and Silver Just Yet

### Description

The spot price of gold increased by over \$20 week over week as uncertainty over U.S. tax reform and internal divisions caused anxiety south of the border. Although Republican U.S. Senator John McCain will miss the final tax-reform vote due to medical complications, the bill is expected to go through as Senators Bob Corker and Susan Collins have both fallen in line.

In a late November article, I'd [covered](#) a number of political developments that could result in gold recapturing some of its mid-year momentum. The article touched on the firing of FBI Director James Comey and the political firestorm that ensued and subsequently sparked a run to precious metals.

Calls for the impeachment of President Trump have dissipated in recent months, but the political warfare in Washington may be ramping up heading into 2018. A shocking election in Alabama saw a Democrat emerge victorious over a Republican for the first time since 1992, setting the stage for what should be an intense 2018 midterm season. The Democrats are looking to eat into the Republican House and Senate advantage as the party currently controls all three branches of the U.S. government.

The ongoing investigation into so-called Russian collusion has also ignited tensions in the U.S. capital. President Trump and former campaign officials were reportedly upset about emails obtained by Special Counsel Robert Mueller, who is heading the investigation. This has led some to speculate that Trump could move to remove Mueller at some point in the coming weeks. Trump has repeatedly warned the investigative team not to cross personal "red lines," including deeper dives into Trump's personal finances.

The removal of Mueller would undoubtedly set off a political battle that would dwarf the aftermath of the firing of James Comey.

In another article, I'd [discussed](#) several factors that are working against gold right now. One of those factors was the incredible rise of Bitcoin and other cryptocurrencies in 2017. Bitcoin rose above the \$18,000 mark on Saturday, December 16. The incredible run for Bitcoin shows no signs of slowing down since becoming a household name this year.

White House Press Secretary Sarah Huckabee Sanders revealed in a press conference recently that

Homeland Security was monitoring the cryptocurrency rise. Cryptocurrencies suffered a sharp drop earlier in the year when China announced that it would halt trading on a number of platforms. A move by the U.S. and other governments to regulate would likely affect major changes, not necessarily for the better, for the speculative market. This could be good news for gold and silver.

### Gold and silver stocks with good value right now

**Barrick Gold Corp.** ([TSX:ABX](#))(NYSE:ABX) stock has increased 2.5% month over month as of close on December 18. Barrick has seen its stock suffer as it negotiates the framework of its relationship with the Tanzania government pertaining to its Acacia operations. Shares of Barrick have declined 14% in 2017.

**Tahoe Resources Inc.** (TSX:THO)(NYSE:TAHO) stock has dropped 53% in 2017 as of close on December 18. The stock suffered a massive decline after losing its licence for its Guatemalan location, which was eventually reinstated in September. However, the stock has not recovered since and could come at a great value should operations proceed as normal in 2018.

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