



Precious Metals Prices Will Rebound after Sell-Off, Dillon Gage Metals President Says

Dillon Gage chalked up record sales on September 23

Addison, Texas (09/29/11)...Recent declines in gold, silver and platinum prices were the result of huge profits taken by large holders of metals to offset losses in equities markets, says Terry Hanlon, president of **Dillon Gage Metals**, dealers in Dallas.

Last week, the stock market dropped, with the Dow Jones Industrial Average suffering its biggest, several-day decline since October 2008. "Investors who needed to raise cash quickly sold liquid assets, like metals, to do so," Hanlon states.

Crude oil futures hit a six-week low recently, he noted, taking some of the steam out of inflation concerns that typically send buyers to precious metals. Gold lost more than \$300 an ounce in the second half of September after reaching an all-time high of \$1,900 an ounce in April. Silver broke below \$30 an ounce, down from its high of \$48.50 last spring.

But investors haven't lost faith in gold and silver as safe havens, Hanlon said. And from **Dillon Gage Metals'** perspective, trading proceeded at an incredible pace in the week that began on September 19, reaching break-neck speed on Friday, September 23. "Our sales set another record that Friday, not only in dollar terms but in numbers of transactions,- indicating to me that precious metals haven't lost their luster."

Hanlon says investors remain fearful of economic downturns in the U.S. and other nations, and they view precious metals ownership as insurance against that weakness and against turmoil in other markets.

He feels confident that precious metals prices will recover the ground that they lost in late September. He noted that in October 2008, gold tumbled 18 percent—its biggest slide since the nation's Great Depression—as global equity and commodity markets sank. But in the two months that followed that drop, gold gained it all back and surged 23 percent.

Just when precious metals prices will start to recover this fall remains to be seen, Hanlon said. On September 23, CME Group Inc., the owner of the Comex, raised margins or minimum deposits on gold futures trades by 21 percent and boosted minimum margins for silver by 16 percent. Higher margins generally act as a brake on buying interest.

Nonetheless, until investors become confident about the nation's financial stability, demand for precious metals will remain strong, Hanlon states.

For more information on **Dillon Gage Metals**, phone 800-375-4653. Follow **Dillon Gage** on Twitter [@DillonGage](#) and Facebook at www.facebook.com/dillongage.

About Dillon Gage

Dillon Gage (www.DillonGage.com) was founded in 1976, and its companies include:

Dillon Gage Securities, Inc., a full-service NASD member firm that specializes in financial planning.
800-375-4243

Dillon Gage Metals, one of the largest precious metals dealers in the U.S. 800-375-4653

Dillon Gage Inc., a firm dealing in futures markets. 800-375-4243

Diamond State Depository, a wholly owned, independently operated precious-metals storage facility

located in New Castle, Delaware. 888-322-6150

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