

The Increasing Cost of Precious Metals

By The Irish Jewelry Company
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The price per ounce of precious metals such as gold, platinum, and silver are steadily raising rapidly do to political turmoil in the Middle East, a weak US dollar against the euro, increasing oil prices, and the ever impending recession looming over the United States. Also fueling the massive increase in precious metals is the sub-prime mortgage chaos in the US housing market.

The cost of platinum has risen 40% within the last 12 months, hitting an all time high on Tuesday March 3, 2008. The cost of gold is up 50% due to the credit card crisis which has spurred buying from investors looking for a safer financial investment. Speculators believe that gold will hit the \$1,000 per ounce mark in the near future. Silver has been steadily tracking and increasing along side gold. Silver has also increased 50% in the last 12 months and it reached a 27 year peak at \$20.60 an ounce on March 3, 2008.

With the dollar trading at record lows against the euro and expected to continue to drop, the cost of imported goods is steadily increasing even from China. Soaring oil prices have also substantially increased shipping costs for goods including imports from over seas. Increasing fuel surcharges from shippers has lead to an increase in customer shipping charges for purchases.

Brick and mortar jewelers and e-retailers selling jewelry have had to unfortunately increase prices due to substantial increases from the manufactures and shipping companies. It is expected that this inflationary surge in precious metal costs and oil will continue and more price increases will be forthcoming further weakening the US economy and consumer confidence.

New York Spot Price								
MARKET IS OPEN								
(Will close in 4 hrs. 23 mins.)								
Metals	Date	Time (EST)	Bid	Ask	Change		Low	High
✓ GOLD	03/03/2008	12:52	982.80	983.60	+8.50	+0.87%	978.60	990.40
✓ SILVER	03/03/2008	12:52	20.10	20.15	+0.29	+1.46%	20.01	20.66
✓ PLATINUM	03/03/2008	12:52	2234.00	2241.00	+73.00	+3.38%	2161.00	2246.00
✓ PALLADIUM	03/03/2008	12:44	581.00	586.00	+14.00	+2.47%	572.00	592.00

A snapshot of Kitco, March 3, 2008 trading prices at 1 P.M. EST New York.