



GSA Pro TM

The version of *Gold Stock Analyst* newsletter for Professional Investors
 Reports on 60+ Gold miners plus the mid-month GSA-Top10 newsletter

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Next Issue
 Web Posted: 9/1/17

Where Are We Now?

Based on 7/28/17's close for Gold at \$1,270/oz, and GSA's proprietary Market Cap/oz database compiled since 1994, **Gold Stocks trade as if Gold was at \$1,175/oz.** On average, **Gold Stocks** are:

Undervalued -7%

Mid-Year Analysis

2017 to date has been good to Gold and the GSA Top 10. The Metal is up +10% and the Top 10 up +26% YTD. See adjacent chart.

Moreover, the Top 10 has also far outperformed each of its benchmarks, the GDx ETF and XAU and HUI Indexes. Reasons are that they have too many stocks (GDx has 50), or they are primarily comprised of the largest market cap miners that seldom have the production and reserve growth needed to power their shares higher (XAU and HUI).

Carrying the "why" further, the Top 10 is led by the three best performers in the 2017 Gold stock universe

Names deleted and for subscribers only....

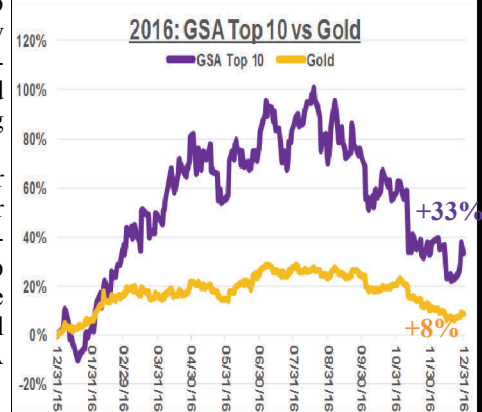
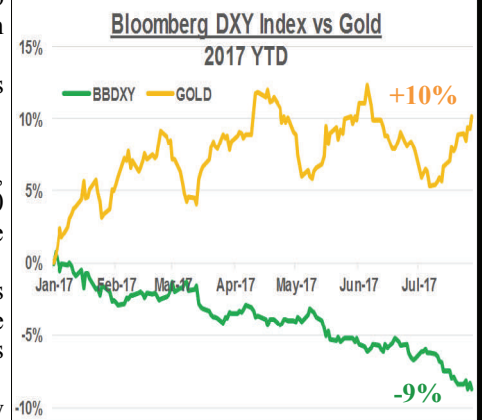
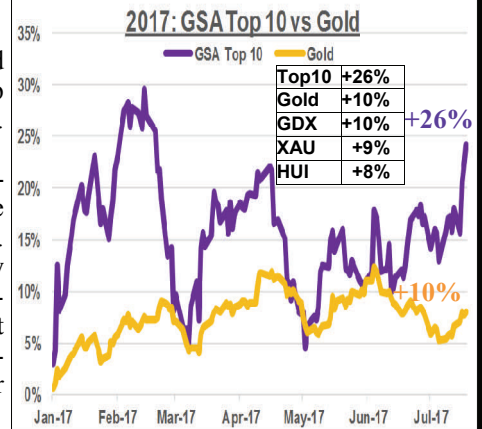
none are in the ETF or Indexes.

To find stocks that can outperform, GSA casts a wide net and covers ~60 miners, all with the potential to become a GSA Top 10.

Driving Gold stocks higher in 2017 is the slumping US Dollar. Seen in the middle chart, the Dollar's -9% decline is mirrored by Gold's +10% gain.

Trying not to be political, the new President is only creating turmoil... no tax, health, regulation reform or new infrastructure efforts to spur US economy. Add in Russia, staff turnover, and vulgarity it's easy to see investors voting with their feet and sending Dollar lower.

GSA believes Gold will churn higher this year, which means more gains for the miners. But, let's not be over confident. At this point in 2016, Gold was up 30% and the Top 10 up +100%, but the pace couldn't be sustained. The Metal slid from its \$1,366 peak, but the GSA Top 10 still finished the year up +33%



Coverage Changes for GSA-Pro: We are dropping these for reasons noted:
Altius: Evolved into base metal royalties which are not worth Gold multiples.
Solitario: Now focusing on Zinc