



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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IN THIS ISSUE:

GSA's Top 10 Stocks	2
GSA Stock Data	4-6
Gold: Price, Mkt Indics	7

Reviewed Inside:

Rio Alto	11
Romarco	8
Rubicon	9
SEMAFO	11
Timmons	3
Torex	11
Vista Gold	11
Yamana	12

Analysis Inside:

Garrett's Denver Notes	3
Denver Gold Forum	13-16

**Next Issue
 Web Posted: 11/1/13**

Where Are We Now?

Based on 10/2's close for Gold at \$1,316/oz, and GSA's proprietary Market Cap/oz database compiled since 1994, **Gold Stocks trade as if Gold was at \$763/oz.** On average, **Gold Stocks** are:

Undervalued -42%

Denver Gold Forum

It's the largest institutionally-oriented Gold conference and held over 4 days every September in Denver.

This year saw 156 companies present or exhibit to 1,038 attendees, down from 1,157 in 2012. While off 10%, Forum management noted many new attendees were value driven investors, apparently investigating Gold as miners are showing up in their screenings as undervalued.

On the following pages we report on presentations by the *GSA-Top10* stocks. But we'll start with the bigger picture and use the adjacent charts, 4 of 5 from bullion dealer Sharp Pixley's website (*S-P*) and the fifth from Randgold.

The Forum's overall tenor was subdued but optimistic about Gold's future. No one can explain why the \$9 trillion of balance sheet expansion/Quantitative Easing (top chart) has not impacted Gold price. But now that this money has been pumped into the economic system and created a world of QE addicts, it will be impossible to wean them off the drug without severe economic impact.

Not being economists, the miners point to three indisputable facts that will have a bearing on future Gold price:

1) Less Gold is being discovered. The middle chart shows annual Gold ounces discovered from 1990 thru 2011, clearly in a downtrend despite the rising price. There are no technological breakthroughs, as fracking was for Oil & Gas, that will revolutionize Gold production as did heap leaching 50 years ago. Increased discoveries will have to come from a higher price making lower grades economic. ...continued page 13

Coming: GSA visited Mexico to see Torex's 10 mil oz site and mine in construction Sept 26-28. Trip Report in October 15 issue of GSA-Top10.

GSA Annual Investor Day Feb 23, 2014: Featuring presentations by top management from the *GSA-Top 10* and *GSA-Silver Fave 5* stocks, the day will be keynoted by one of Gold's most successful investors and foremost thinkers. Details to come.

