

Introduction to Session Four: Debate The Importance of Jewellery vs. Investment to the Gold Market

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We now come to the final session of the day, which is a debate on the relative importance of jewellery and investment in the gold market. This is rather similar in format to the debate we had in Johannesburg, which was about hedging and which proved to be very popular. Today's debate is going to try to elucidate what the important factors are in these two forms of gold demand, but more importantly, the four debaters are going to try to persuade you to change your mind on whether investment or jewellery is more important to the future of the gold market.

Perhaps the most famous debate in history was Cicero's defence before the Roman Senate of Caelius, who was facing a number of charges, including sedation, theft and political assassination.

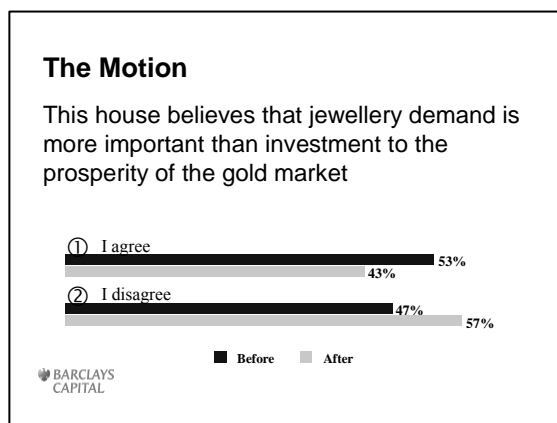
Cicero won this debate by persuading the Senate that his opponent, the prosecuting council, a man called Claudius, was both immoral and untrustworthy and also that his sister, Clodia, was a lady of easy virtue. I am sure that none of the panel are going to descend to the levels of personal insult used by Cicero, but they are here to try to persuade you that they are right and that their opponents are wrong. These will not be four boring presentations. We want them to feed off each other's comments and to knock down the arguments that the opponents put up.

We have four fantastic debaters for you this afternoon. I won't read through their biographies; these are in the programme and I'm sure they are very well known to all of you. But before we start, we are going to find out what you think of the motion that is before this house by having you vote on it. The motion is "This house believes that jewellery demand is more important than investment to the prosperity of the gold market." The result will be revealed at the end of the debate, when you will vote again and we can see whether the four debaters have changed your minds on this subject.

[For debate contributions, see following pages.]

What we're going to do now is have a second vote, if you have marshalled the arguments in your head and decided whether you have changed your mind or not since the beginning of the debate. Just to remind you, if you now believe that jewellery is more important, vote for the motion, and if you think investment is more important, vote against it.

First we'll look at what the vote was at the beginning of the debate. In fact, 53% of you thought that jewellery was more important. Next, we'll see if your views have changed as a result of the debate.



Clearly the advocates of investment have won significantly. Congratulations to Andy and Chris and commiserations to the gallant losers, and that brings the afternoon to an end. ■

