

Source: The Motley Fool

Date: 24 February 2014

Client: SolGold

Last Week's Top Gold Movers: SolGold plc, AngloGold Ashanti Ltd And Pan African Resources plc

By Roland Head

The price of gold remained largely unchanged last week, with gold for immediate delivery ending the week up by just 0.3% at \$1,324 per ounce.

Of course, the only practical way for most private investors to invest in gold is through exchange-traded funds. The largest gold ETF, the \$32bn **SPDR Gold Trust** ([NYSE: GLD.US](#)), ended last week up by just 0.4% at \$127.58, while London-listed **Gold Bullion Securities** ([LSE: GBS](#)) ended the week down 0.3% at \$126.92. So far this year, shareholders of Gold Bullion Securities have seen the value of their holdings rise by 9.2% while the value of SPDR Gold Trust shares has risen by 8.1%.

After several strong performances during the previous week, gold mining shares paused for breath last week, with very few big movers.

However, small cap explorer **SolGold** ([LSE: SOLG](#)) bucked the trend, gaining 35% to 11p last week, after reporting that the 'strongly visible' copper-gold mineralisation in hole 5 at the company's Alpala prospect in Ecuador has been found to continue from near the top of the hole to its latest depth of 1,303.5m. According to SolGold CEO Alan Martin, this indicates "a very substantial copper-gold porphyry system".

Among the mid- and large-cap miners, **AngloGold Ashanti** ([LSE: AGD](#)) bucked the trend, slipping 10% lower after reporting its full-year results. Although the firm reported production of 4.1 million ounces, its first annual production increase since 2005, and said that all-in sustaining costs had fallen from \$1,251 per ounce at the end of 2012 to \$1,015 per ounce at the end of 2013, investors appeared disappointed — perhaps because capex is likely to exceed operating cash flow once more in 2014.

Pan African Resources ([LSE: PAF](#)) also fell after reporting its interim results, but gained 5% in early trade this morning and is currently unchanged on the last week. Pan African reported that gold sold during the six months to 31 December was 100,172oz, a 123% increase on the same period the previous year. The firm also said that its all-in costs had fallen by 17.5% from \$1,266/oz. the previous year to \$1,044 per ounce, while earnings per share had risen by 11% from \$0.85 to \$0.95.

Investing in small-cap mining shares like SolGold carries significant risks, but the gains can be substantial. If you like the idea of investing in small, fast-growing companies and [building a million-pound portfolio](#), then you should take a look at the Motley Fool's "*Millionaire Report*". This exclusive special report explains how reaching the 'magic million' may not be as hard as you think. For immediate access to your personal copy of this report, [simply click here now](#).

