

# THE DIGGER QUARTERLY

A quarterly review of precious metals markets, big picture trends and wealth preservation topics worth your while.



## The Golden Arrow

### A Look Back Before Looking Forward: BFI Bullion Year-in-Review

By Scott Chamber

When we started putting the plans together for BFI Bullion's strategy moving into 2025, it was clear this year was going to be a BIG year. The tools were falling into place for us to be a leader in secure, transparent, and innovative physical bullion investing and storage for our clients. Now, as we look back at the jam-packed year that 2025 was, we are reminded how far we have come, and how far we can go in 2026.

As we started the year and the elements of the strategy for the coming year – and years – developed, it was clear that our core mission remained: to provide a solid wealth preservation solution through uncompromising security, product quality, and physical allocation. We were clear on wanting to see growth by increasing the metals under storage for our clients, but it was also clear we wouldn't do this at the risk of diluting our principles and values.

Key to remember as we discuss how things went this year: we want to grow, we want to innovate, but we didn't want to do it by sacrificing what got us to this point. We certainly didn't want to alienate our long-term clients. The challenge was to stay the course without becoming stagnant or irrelevant. >>

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## Editorial



Scott Schamber,  
Managing Director

As 2025 draws to an end, it's safe to say that gold and silver investors were the clear winners of the year. Historic new highs were made in the gold price, though arguably the most important victory was not financial, but ideological and strategic.

All the fundamental arguments in favor of precious metals, especially during uncertain times, were decisively vindicated this year. Gold once again acted as the most reliable safe haven and it convinced even the most ardent skeptics of its essential role as a portfolio stabilizer.

It has also been a great year for us at BFI Bullion. As we'll outline in this issue of the Digger, we've made a lot of upgrades in our services, we expanded our product range and we made key improvements in our clients' experience. While we're very proud of all we achieved in 2025, it is only the beginning - a lot more lies in store for 2026.

In this Digger, we'll also look at the state of the stock market and at the alarming vulnerabilities that could severely darken the outlook for next year. As the AI race heats up and as the tech sector keeps absorbing more and more capital while the rest of the private sector gets left behind, the big question is, what will happen if the AI boom falters?

This is a particularly disconcerting question, given the fact that any central bank interventions to steady the markets will inevitably trigger another inflationary wave, at a time when the last one hasn't fully been dealt with.

We hope you'll enjoy this issue of the Digger and don't hesitate to contact me with any questions.

To this end, we developed a slogan of "Swiss Craft. Proven Trust. Personal Edge". Within that slogan, we wanted to leverage the relationships we built with our Swiss partners, we wanted to build on the total transparency and secure storage clients can trust, and we wanted to continue offering the bespoke services that have set us apart.

With all of this in mind, we dove into 2025...

### **A new standard for all segregated storage**

One of the first projects we undertook to start the year was eliminating what we had called "Collective" storage by moving all of those clients into what has now become our standard, "Segregated" storage. For those that are new to us this year, under Collective storage, all metals of the same formats were stored together. This used up less space, but it also meant while clients' metals were always there, no specific bar or tube of coins was theirs.

For us to reach other goals we had set for ourselves and utilize technology that is available to us, we needed to make sure every Collective client was given specific bars and coins, and in doing so, those metals had to be segregated from anyone else's metals: "what went in is the same as what will go out". That was no easy task as we had to separate and segregate the metals of several hundred clients. But we were done by mid-year. Now all clients as our standard have segregated storage, outside of the banking system. And don't forget, our unique Key-box storage always remains an option.

### **Birth of Primorum: the new standard in secure precious metals investing**

Thanks to a collaboration between Swiss refinery Argor-Heraeus, Loomis International (global storage and logistics experts), and aXedras (a pioneer in digital supply chain solutions for the precious metals industry), we at BFI Bullion were able to launch in early November our [Primorum](#) line, the first of its kind!

Starting initially with gold bars, each Primorum product is directly sourced for your >>

purchase and accompanied with a Swiss refiner-issued digital integrity certificate - a sort of digital birth certificate - which provides the details of each product's attributes as well as state-of-the-art security features.

The bars are delivered directly to our client's secure, segregated storage at Loomis. BFI, through a secure interface to the Loomis warehouse portal, obtains and shares with our clients, through their private Portal access, a complete and transparent view of all products held in the vault.

But that isn't all: Primorum offers a buy-back guarantee for maximum liquidity, competitive institutional pricing for private and institutional investors alike, and is a first of its kind in physical precious metals ownership and storage.

While Primorum consists of 1kg, 100gr, and 1oz gold bars to start, there are more products to come.

#### **Revised client portal tying it all together**

To tie this work all together, we have revised our Client Portal. At its foundation, the Client Portal is still based on BFI's proprietary system. So, our clients can still find their way around easily. They can still see their transaction confirmations and history, their current and historical holdings and values, and they will continue to be able to "email" us securely over the Client Portal Messaging service.

Now additionally, our clients will be able to track metals prices, track the performance of their specific holdings, and view a more detailed and continually updated inventory list of their Holdings.

With their Holdings – thanks to moving all clients to Segregated or Key-box storage - they will see not only the format and number of products, but the detailed attributes and, for refiner-registered bars, even the history of their metals.

#### **Strengthening our board of directors, affiliations**

We were also proud to announce the addition of two new Board of Directors at BFI Bullion this fall: Mr. Bernhard Schnellmann and Mr. Martin Keller.

Mr. Schnellmann, with more than 40 years in the global precious metals sector, two decades of which were spent as director at Argor-Heraeus, brings an exten-

sive wealth of knowledge in the precious metals industry. Mr. Keller, with his 30-plus years in capital markets, private wealth management, and institutional asset management, likewise adds a tremendous background of deep financial industry knowledge and strategic insight to the Board.

Not only did we add tremendous talent to our Board, we also made valuable network connections. We solidified our existing cooperations with our partners through the launch of our Primorum product and we saw our name branch out in other key areas. We joined the Swiss Association of Manufacturers and Traders in Precious Metals, which recently changed its original name in French to the "Swiss Precious Metals Association". Through this association, as one of now sixteen members, our clients stand to benefit in our staying ahead of industry trends, enhancing our team's expertise, and strengthening our commitment to adhering to the strict operational guidelines of our industry in Switzerland.

And, at the time of this article, we were still waiting to receive our confirmation as a new affiliate member to the LBMA, the London Bullion Market Association.

#### **2026 promises more to come**

While looking back at the year that was 2025, you can tell we had to really roll up our sleeves and work hard to make our strategy work. We are certainly on our way, but there is more to come.

We will continue to add to our Primorum line of physically allocated metals our clients can purchase, as well as to the benefits to Primorum products give for our clients that will buy and own them. We have more plans for our Client Portal as well, with the continued goal of enhancing our clients' experience and interaction with BFI Bullion.

Ultimately, we want to grow in prominence within the precious metals industry. Not only will we be focussing on the DACH (Germany, Austria, and Swiss) market, but we also plan to re-activate our US and UK clients, as the need continues to grow for everyone everywhere to hold at least some physical metals within their portfolio and do so in the best way possible.

Our goal is safety and providing the most solid wealth protection and preservation solution we can. And we believe we are certainly on that right path!

## Big Picture Sentinel

# AI, the Bubble That Could Break the US Stock Market's Back?

By BFI Bullion

**AI has completely grabbed our attention, having dominated financial news and market analyses for some time already. Ever since OpenAI launched its first version of ChatGPT, the new technology has taken the world by storm, spawning numerous competitors and countless different applications. From chip producers to data centers and the energy sector, all have become core parts of the outlook and the debate over the future and impact of the nascent sector.**

But it hasn't stopped there. It didn't take very long for investors to flood the space and for governments to officially enter the AI race. Unprecedented amounts of capital have been injected into AI and AI-adjacent companies and the stock market soon came to resemble a Tech ETF rather than a reflection of the broad economy and the corporate sector at large. Now, however, there is growing concern that the same forces that have been powering the US market to ever higher highs could be the very ones that currently pose the greatest systemic risk.

### A bull market on thin ice

As we recently pointed out in our article "[the Everything Rally](#)", US equities aren't powering along because "everything" is showing solid, sustainable growth across the board. Instead, the record-breaking gains of the last couple of years are being carried almost exclusively by a narrow cluster of mega-cap tech companies riding the AI wave. Their dominance has now reached levels without historical precedent, with the top 10 US stocks accounting for over 42% of the entire S&P 500. This absurd level of market concentration is masking profoundly worrying

weakness elsewhere. Indeed, small-cap stocks are underperforming the Nasdaq by the widest margin ever recorded.

Furthermore, vast sections of the economy are stagnating or even deteriorating, with job openings in decline and multiple waves of layoffs over the last year. Of course, this might come as a surprise to those only tracking indices and following mainstream financial news, but to the average working man, who can't watch ticker symbols on a screen all day but is instead watching his paycheck shrink, it's last year's news.

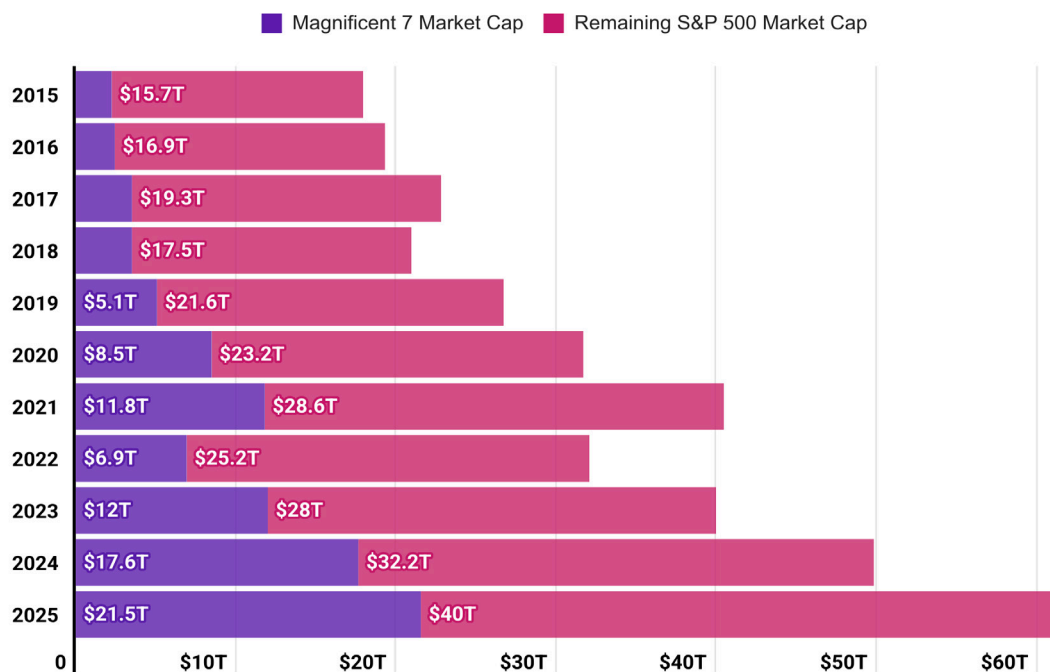
The cracks in the real economy are becoming increasingly obvious and the seemingly never ending, yet illusory, bull market is a very dangerous distraction for what is really going on under the hood. Despite official data, consumer prices are still exerting enormous pressure on countless working households. This is extremely important to note, because, in the case of a significant market correction, central bank interventions could become even more dangerous. In other words, if the global investor enthusiasm over AI subsides - if there are any doubts over the grand promises that the sector has made - and that change in sentiment takes the entire market with it, then the usual "remedies" of money printing and rate cutting will be much worse than the "disease". It would usher in another inflationary wave before the last one was even dealt with.

### The productivity promise

Most AI founders and investors have made extraordinary claims about the potential of the new technology. Elon Musk recently >>



### The Magnificent 7's growing share of the S&P 500



Source: Motley Fool

prophesied that in 10 to 20 years, work will be optional and money irrelevant thanks to AI and robots. Sam Altman of OpenAI claimed that in “some small single digit number of years, not very far,” entire companies will be run by AI CEOs. Regardless of how realistic these forecasts of a “Brave New World” might be, most AI enthusiasts are not investing in these companies merely due to these promises. Rather, they are buying into a much more practical, and seemingly within reach, pledge: that by adopting and embracing AI, companies can expect an explosion in productivity gains, efficiency and cost-cutting through replacing imperfect and fallible humans with machines. And the promised timeline for that was not in “10 to 20 years”, it was now.

What we’re seeing instead, however, is underwhelming at best, with many companies describing AI’s “contributions” as “workslop”. The suddenly popular term first appeared in a 2025 Harvard Business Review report by BetterUp Labs in partnership with Stanford Social Media Lab and is defined as AI-generated work content that masquerades as good work, but lacks the substance to meaningfully advance a given task. Workslop can affect anything from emails, reports, presentations, or code and it goes beyond producing a merely subpar or imperfect work prod-

uct. It consists of vast amounts of low-quality, obviously AI generated output that can increase friction and decrease efficiency. Opposite to its purpose, it can require more human oversight than a flesh-and-blood employee, not less.

The aforementioned Harvard Business Review survey found that workslop could be one explanation for the 95% of organizations that have tried AI but reported seeing zero return on that investment. The ongoing survey included 1,150 full-time, US-based employees, with 40% of them reporting they had received workslop in the past month. As the researchers highlighted: “The insidious effect of workslop is that it shifts the burden of the work downstream, requiring the receiver to interpret, correct, or redo the work.”

What is very important to note, however, is that we are still in the very early days of the technology and none of this means that AI is totally useless or that future breakthroughs will not eventually deliver on these promises. It is also possible that the workslop phenomenon is not entirely AI’s fault. Many companies publicly embraced the technology just to show investors and the public that they will not be left behind and that they are keeping pace with the latest tech developments. AI tools and applications were >>

adopted without really thinking through what the aim was or how it would effectively factor into their businesses and their operational models. Reminiscent of the first crypto craze era, where companies quickly added the word “blockchain” to their marketing materials even when it really didn’t make any sense, the AI craze of today has also seen similarly quick-to-react, misguided cases.

### Cracks inside the sector

The most worrying alarm bells are coming directly from the companies that are leading the AI charge themselves. In early November, a letter from OpenAI’s chief global affairs officer, Chris Lehane, and addressed to the White House’s director of science and technology policy, Michael Kratsios, made the rounds. In it, Lehane argued that the government should consider expanding the Advanced Manufacturing Investment Credit (AMIC), i.e. the 35% tax credit from the Biden administration’s Chips Act, beyond semiconductor fabrication to cover electrical grid components, AI servers, and AI data centers. OpenAI’s CFO also said the company was hoping the federal government would help guarantee the financing of chips behind its data center investments, though she walked back her comments after they sparked widespread and fierce criticism that OpenAI was seeking a government bailout.

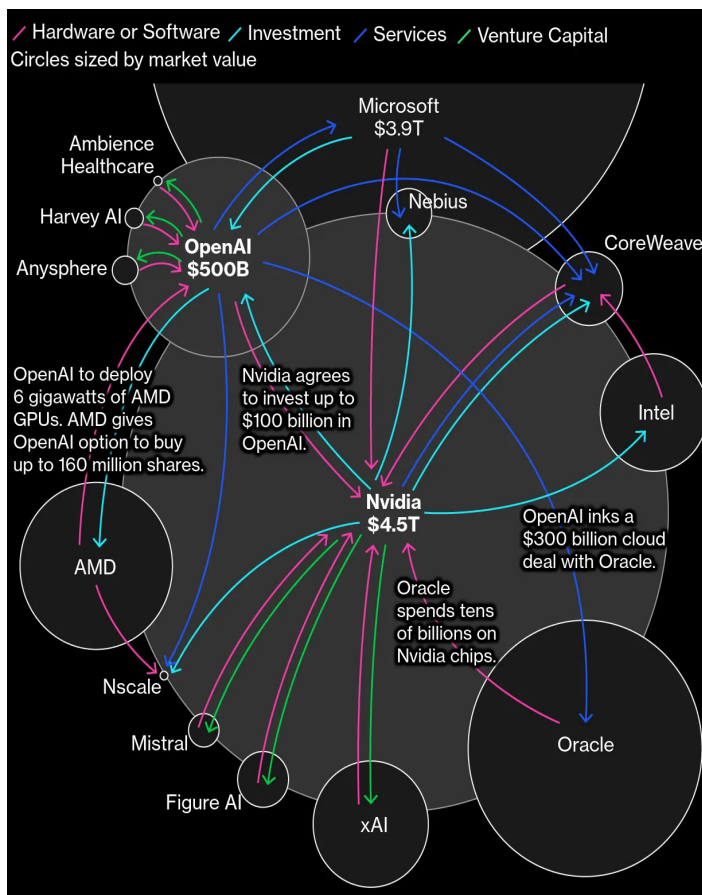
Also in November, Jensen Huang, Nvidia’s CEO, issued a thinly veiled ultimatum to US policymakers, warning them that unless Washington provides preferential treatment to AI firms, America could lose the “AI race” to China. He argued that the conditions under which China is investing in the sector, especially through energy subsidies, state subsidies, scale, and policy favorability, are putting China “nanoseconds” behind the US in AI development. Put simply, in his view, if the US wants to stay in the race, the government will have to make exceptions for, and concessions to, the industry.

When a nascent sector that has already attracted unprecedented private investment flows is looking for state support and special treatment, it certainly doesn’t inspire much confidence over its outlook. Nevertheless, the most concerning trend in the industry lies in the “fine print” of some of their earnings reports. Prominent investor Michael Burry recently came out as extremely bearish on the AI sector accusing major AI “hyperscalers” (including Nvidia’s customers and partners) of “suspicious revenue recognition.” In particular, he argued that firms are mis-estimating depreciation of

AI-related hardware (GPUs, servers), thereby extending useful life schedules in ways that artificially boost reported earnings.

Finally, there are serious concerns over the “circular financing” prevalent in the sector. This refers to arrangements in which leading companies in the AI supply chain simultaneously play overlapping roles in a closed loop. A simplified version of what has been going for months in the AI space goes as follows: a chipmaker invests capital in an AI startup, which the startup uses to build out infrastructure and to purchase chips from the same chipmaker. That purchase becomes revenue for the chipmaker, as it is clearly funding its own future sales via its investment. To muddy the waters further, the startup may itself be part-owner or customer of other firms in the same network, which again invest funds, buy hardware/services, and keep the loop of recycled capital going. >>

### AI sector circular financing



Source: Bloomberg

This obviously inflates revenues and valuations without necessarily reflecting any real external demand, leading the sector to look more like a pyramid scheme and less like a genuinely booming industry.

### **What lies ahead**

There is no doubt that over the long term, AI will undoubtedly prove to be transformative in ways we haven't even imagined yet. It will bring about a major paradigm shift in the way we work, the way we research, develop and produce, and perhaps in the way we think about the economy at large too. However, the current market dynamic is not about technological progress or about real-world advantages and contributions. Right now, it is about concentration, promises and projections, and very likely, about investor exuberance and expectations that have outpaced economic reality.

This is a clear and present danger for all investors and even for ordinary people that have no direct exposure to the market. If the AI trade loses momentum, the S&P 500 will not simply cool off; it will enter a severe correction, given the concentration levels in just a handful of AI-dependent companies. And, as we mentioned before, central bankers will be forced to jump in and provide artificial support once again. Only this time, the impact on the broader economy will be grave, as it still continues to absorb the easing of the covid crisis.

The resulting inflationary wave would likely be catastrophic, especially for the working households that are already struggling to make their paychecks stretch until the end of the month.

## Golden Nuggets

# War on cash update: New escalation in the EU

By BFI Bullion

**As most of our clients and regular readers surely know, at BFI Bullion, we have been closely following and frequently writing about the developments in the ongoing and spreading war on cash. We see this issue as extremely important for all investors and savers, as it has the potential to forcibly remove the last remnants of control people still have over their own money. To be sure, fiat money is certainly vulnerable, corruptible and can by no means be relied upon for long-term value preservation. However, physical cash can at least offer some semblance of independence and privacy, as well as some protection from government overreach.**

It will probably come as no surprise to anyone that the most recent escalation in the war on cash once again came from the EU. As the European Parliament trium-

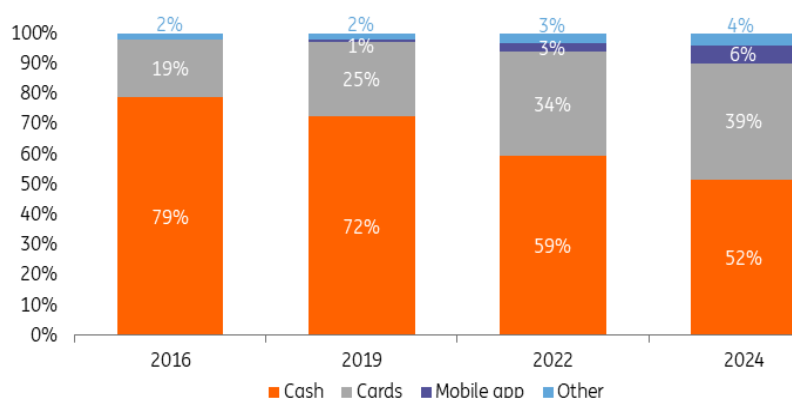
phantly announced, it has now “adopted a package of laws strengthening the EU’s toolkit to fight money-laundering and terrorist financing.”

The most controversial part of the new Anti-Money Laundering package dictates that all business transactions over €10,000 *in cash* will be illegal, across the bloc, starting July 2027. National governments will still be able to set their own caps for sums below the EU-wide threshold, meaning that the limitations could be even stricter going forward in some member states.

There are, in fact, already cases where cash transactions are subject to stricter regulations than the forthcoming EU limit, a limit which applies solely to business payments. In Italy, for example, cash transactions have been limited to just €5000, but this also includes payments between private persons as well. What’s more, as the European Parliament also announced, “to supervise the new rules on combatting money laundering, a new authority - the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA) - will be established in Frankfurt”, adding yet another layer of bureaucracy and additional burdens for taxpayers.

What is even more interesting, however, is that even though the new €10,000 cash limit was widely reported, some much more newsworthy fine-print provisions in the legislation were not. While transactions over that threshold will be banned, it doesn't mean that cash payments under that limit will be totally unaffected. On the contrary, any cash payments between >>

## Cash use decline in the EU



Source: ECB, ING



€3,000 and €10,000 will trigger mandatory identity verification requirements. This means that citizens that wish to transfer even these much smaller amounts will be stripped of all privacy and anonymity that cash is expected to provide.

That means that the only remaining haven that can still protect individuals for government trespasses and central control is physical precious metals, especially when stored outside the banking system and in a safe and legally predictable jurisdiction.

The trend is clear and it has been for years. Bit by bit, cash is becoming purposefully extinct in the EU, under the guise of defending against money launderers, terrorists, and evildoers of all kinds. The problem is that it is not the evildoers that are actually being punished. After all, real life criminals are notorious for finding ways to bypass legal obstacles, which is why they are criminals to begin with. Instead, it is ordinary, law-abiding citizens bearing the brunt of all these regulations and having their rights trampled upon.

The burden of proof is being absurdly reversed, as policy makers are asking individuals to prove their innocence before they can engage in normal everyday activities and transactions using their own hard-earned money. After having successfully limited the free use of cash to €3,000, very little stands in the regulators' way of reducing it even further, perhaps until cash becomes entirely unusable and all economic activity is forced onto digital avenues.

This could be the last piece of the puzzle that EU lawmakers need to fall into place before the introduction of the CBDC, or "digital Euro", that is already in development. After all, the only way to ensure widespread adoption of any state-issued and -controlled digital currency is to eliminate cash, as that would be the first place that dissenting or skeptical citizens would resort to in order to avoid the extreme control and monitoring that a CBDC would entail.

## Golden Nuggets

# Tucker Carlson: “the most common scam enslaving the country”

By Scott Schamber

**At the end of November, we came across a very interesting [interview by Tucker Carlson](#), that included many important points and warnings for gold investors, especially Americans. Carlson and his guest, Chris Olson of Battalion Metals, covered many gold-related topics, but what really grabbed our attention was their detailed discussion of the many dangers and traps that lie in the Gold IRA industry, a drum we have been beating loudly in the recent issues of our Digger.**

In fact, it would appear that he doubled down on his stance by directly getting involved in the precious metals industry. Battalion Metals, which Carlson co-founded with North Dakota bullion dealer Christopher Olson, sells gold, silver and platinum products for home storage or storage within the company's "Battalion Bunker," while it also offers a precious metals IRA.

In a video on Battalion's website, the former Fox News host said the idea to start a gold business originally arose shortly after he left the network in 2023. He mentioned that he received offers as high as \$20 million per year from an unnamed gold company who advertised on the network to promote its products. But he rejected that offer as he later found out that many of the companies in the industry use predatory marketing techniques to sell products to unaware “elderly Fox News viewers” with massive markups.

As Carlson and his co-founder outlined in this interview, this problem of predatory marketing is exponentially worse when it comes to Gold IRAs in particular. As our readers might recall, this is something we

raised alarm bells on in previous issues of the Digger, highlighting the numerous and well documented cases of unscrupulous providers, as well as outright fraudulent activities. This remains one of the most persistent and challenging issues that the precious metals business faces, as these kinds of practices give the entire industry a bad name and put unsuspecting investors at risk.

The Tucker Carlson interview covers a lot of the main dangers that those interested in Gold IRAs need to be aware of, however, for deeper dive into the specific tricks and ploys used by bad actors we highly recommend you revisit our [previous analysis](#) on this topic.

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## Impressum

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