

# THE ULTIMATE GUIDE TO PRECIOUS METALS INVESTING



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## WHAT IS THE BEST WAY TO BUY GOLD, SILVER, AND PRECIOUS METALS?

The best way to purchase precious metals is through a known and [trusted bullion dealer](#).

Avoid high premium numismatics products or proof set products, which are not good bullion investments based on premium price over the value of the underlying metal. As with any investment, stay away from sellers offering what looks too good to be true. Physical bullion investment products like the [Neptune Gold and Silver Vault Accounts](#) provide price efficiencies which are far more advantageous than high cost products such as coins and small bars. Additionally, the [Neptune PMC Ounce](#) is a turn-key physical bullion investment product offering a diversified position in all four precious metals.

### Learn more about:

- [Gold Bullion](#)
- [Silver Bullion](#)
- [Platinum Bullion](#)
- [Palladium Bullion](#)

## SHOULD I BUY GOLD AND SILVER?

Gold and silver can provide safety, security, balance, and enhanced returns in an investor's portfolio. The gold and silver prices do not move in lockstep and silver tends to be more volatile than gold. A diversified position consisting of multiple metals, and based on a logical allocation, can have its advantages.

[Learn about investing in a blend of precious metals.](#)

## WHERE CAN I GET THE LIVE MARKET PRICES FOR GOLD, SILVER, PLATINUM, AND PALLADIUM?

A free mobile app from Neptune-GBX has the live spot market prices for gold, silver, platinum and palladium. The mobile app also has the live prices for the PMC Index. Prices are live 24/7 as long as the global markets are open. More information on the mobile app can be found [here](#). The same prices are available at the [Neptune-GBX website](#).

## IS GOLD AN OUTDATED WAY OF INVESTING?

Continued, and in many cases increasing examples of central bank ownership of gold indicate otherwise. On the whole, central banks around the world have been adding aggressively to their gold holdings over the past 20 years. Central bank selling of gold has been virtually non-existent during this time.

## ARE GOLD AND SILVER LIQUID ASSETS?

Historically, gold and silver are very liquid assets.

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## **WILL GOLD BE REPLACED BY BITCOIN OR OTHER CRYPTOCURRENCIES?**

Cryptocurrencies will not replace gold. Central banks will most likely issue their own cryptocurrencies at some point, just as they issue fiat currency now, but gold will remain their actual reserve asset. It is also important to look at gold's history and track record as a safe asset and a reserve asset. Bitcoin has only been in existence since 2009.

## **WATCH AS WE DISCUSS GOLD & BITCOIN**



[Download Our Report: Why Crypto or Gold in 2022? Next Generation Diversification in the Modern Portfolio](#)

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## **WHAT IS PHYSICAL GOLD AND SILVER?**

Physical gold and silver is precisely what the name implies and what most investors envision when they think of investing in precious metals. It is the actual tangible bullion and includes items such as bullion bars or bullion coins that investors can own outright.

## **WHAT IS “PAPER” GOLD AND SILVER?**

Paper gold and paper silver are derivative products - not physically owned bullion. Futures and options are paper metals products that will [track metals prices](#), and exchange traded funds will offer shares in a trust consisting of pooled metals and metals derivatives such as futures and options.

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## ARE ETFS A FORM OF PAPER GOLD AND SILVER?

Exchange Traded Funds (ETFs) are the primary form of paper gold and silver owned by individual (or retail) investors.

## WATCH OUR VIDEO ON ETFS AND PAPER GOLD



## WHAT ARE THE DISADVANTAGES OF USING AN ETF OR OTHER DERIVATIVE FOR INVESTING IN GOLD, SILVER AND PRECIOUS METALS?

The main disadvantage is that investors don't have direct physical ownership of the metals. What investors own are shares in a trust. This form of investing adds multiple layers of counterparty risk from which the owners of actual physical bullion are shielded. It's also important to note that there are always hidden costs associated with these investment products. Additionally, the fine print in the ETF's prospectus will reveal details as to the many risks and disclaimers related to the ETF.

## WHAT ARE THE ADVANTAGES OF OWNING ACTUAL PHYSICAL GOLD AND SILVER VERSUS AN ETF OR OTHER DERIVATIVE?

Physical ownership of precious metals is the very definition of investment transparency. Derivative ownership is the exact opposite. Investing in physical precious metals mitigates the counterparty risk associated with exchange traded products and funds.

## WHAT IS UNALLOCATED GOLD AND SILVER?

Unallocated gold and silver are paper metals products often found in "certificate" programs. Unallocated metals represent a future claim on metals in the possession of another entity such as a mint or refinery. Unallocated metals ownership is not physical ownership.

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## WHAT IS ALLOCATED GOLD AND SILVER?

Allocated gold and silver is bullion directly owned by the investor. Allocated metals are not resold, loaned out, or used for any other purposes. Held in storage, allocated gold and silver is segregated and titled in the owner's name. Allocated metals are not on the balance sheets of the dealer and/or depository.

## IS IT BETTER TO KEEP PHYSICAL GOLD AND SILVER AT HOME OR HAVE IT HELD IN AN INSURED DEPOSITORY?

The cost of insuring home-held precious metals can be prohibitively high. Liquidating metals via local brick and mortar stores is generally far more costly than selling out of a depository storage account with a dealer like Neptune-GBX. Shipping metals from home back to a dealer is expensive and slow. Metals held in a bank safety deposit box are not FDIC insured and can be at risk in a banking crisis.

## WHAT IS THE BENEFIT OF NON-BANK DEPOSITORY STORAGE?

Enhanced insured liquidity is the primary benefit of non-bank depository storage. Metals will be insured for their full value. Should the need arise, liquidating metals is quick and easy, with efficient order execution. Delivery of the physical bullion from these accounts is also easy and efficient. It is important to work with a reputable dealer and depository for these services.

## IS THERE A SHORTAGE OF PHYSICAL GOLD AND SILVER?

There is a finite amount of gold and silver both in current circulation and under the earth. Coupled with high demand from various sources, it is certainly true that shortages for both exist. A small increase in either investor or industrial demand for physical precious metals can easily create shortages, as has happened several times over the past decade.



## HOW MUCH ACTUAL GOLD AND SILVER IS THERE IN THE COMMODITY EXCHANGES, SUCH AS COMEX IN NEW YORK?

The commodity exchanges hold only a very small fraction of the metals traded as derivatives in actual physical form. If even a modest number of holders of the futures contracts issued by COMEX stood for delivery of the actual physical bullion, it would be unlikely that [COMEX](#) could or would meet the demand.

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## **WILL GOLD BE CONFISCATED AGAIN?**

Given the US Treasury's fondness for issuing debt, and a worldwide appetite for it, it's unlikely that the government would relinquish this power by going on a new gold standard requiring confiscation. Numismatic coin dealers will often spread this fear to sell their products.

## **WATCH OUR VIDEO DISCUSSING GOLD CONFISCATION**



## **ARE NUMISMATIC COINS AND PROOF SET COINS A GOOD WAY TO OWN GOLD AND SILVER?**

Compared to gold and silver bullion bars and coins, numismatic coins and proof set coins are sold at extremely high premiums above the value of the bullion content. Pricing is not transparent and price quotes are very subjective. Investors often find themselves in a buy very high/sell very low trap with them. Numismatics are often marketed by unscrupulous dealers under the guise of circumventing future gold confiscation. Future gold confiscation to facilitate a gold backed US Dollar is highly unlikely.

## **WHAT IS A NUMISMATIC COIN DEALER?**

A numismatic coin dealer trades in coins marketed as having scarcity value above the value of their precious metals content. In the usual scenario coins are purchased at very steep premiums above the actual value of the bullion contained within the coins. Conversely, coins are sold back to dealers at very steep discounts vs. premiums paid for the rarity element.

## **WHY IS THERE A DIFFERENCE BETWEEN THE SPOT PRICE FOR GOLD AND SILVER AND THE PURCHASE PRICE OF BULLION BARS AND COINS?**

Spot prices are a function of the futures markets - paper gold and silver markets. They do not, nor have they ever represented the purchase price and ownership of physical bullion. In relation to the physical bullion market, spot prices exist for benchmark purposes only.



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## HOW CAN I INVEST IN AN INDEX OF PRECIOUS METALS?

The PMC Index® (Precious Metals Composite Index) represents and tracks the real-time price of a weighted and fixed quantity of gold, silver, platinum, and palladium. The PMC Ounce® is the physical bullion investment product that is directly correlated to the PMC Index.

[Learn more about the PMC Index](#)

## HOW CAN I INVEST IN A BLEND OF PRECIOUS METALS?

The patented PMC Ounce® (Precious Metals Composite) is a unique vehicle for investing in a blend of gold, silver, platinum, and palladium. It is a non-derivative, 100% physically held product designed to achieve maximum risk adjusted returns.

[Learn more about the PMC Ounce](#)

## ARE PLATINUM AND PALLADIUM A GOOD INVESTMENT?

Platinum and palladium are industrially focused precious metals in high demand today. Additionally, these two metals' supply is finite and mostly mined in just a few countries. Including platinum and palladium in a logically diversified precious metals portfolio can have its advantages versus a position in just gold and/or silver.

### More posts on platinum and palladium:

- [Palladium and Platinum Rocket Higher on Crime Wave and Flight to Real Assets](#)



## CAN GOLD, SILVER, AND PRECIOUS METALS BE OWNED IN AN IRA?

Physical gold, silver, platinum, and palladium can indeed be held in a specially administered account known as a Self Directed IRA. [Learn more here](#) or [contact Neptune Global for details](#).

**Get Started with Neptune-GBX: Open An Account**

# HAVE QUESTIONS ABOUT PRECIOUS METALS INVESTING?

Call Neptune Global at **302-256-5080** or contact Marie Grace, Neptune Global Customer Service, at **[mgrace@neptuneglobal.com](mailto:mgrace@neptuneglobal.com)**

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