

Precious Metals Investment Alternatives

Investment	Advantages	Disadvantages
Bullion Bars / Coins	<ul style="list-style-type: none"> • Easy to buy / sell • Easily transported, stored, highly liquid • Tangible asset / inherently valuable • Prices widely quoted • Competitively prices 	<ul style="list-style-type: none"> • Requires secure storage • Manufacturing premiums added to price • No dividend / interest yield
Statement Account	<ul style="list-style-type: none"> • Detailed confirmations / acct statements • Invest by \$s or ounce amounts • Competitively priced / highly liquid • Insured, secure storage 	<ul style="list-style-type: none"> • No dividend / interest yield • Must be bought / sold through same company
Mining Stocks	<ul style="list-style-type: none"> • Current prices widely quoted • Highly liquid • May yield dividends 	<ul style="list-style-type: none"> • Industry knowledge required • Geopolitical / environment risk • Corporate governance risk • Price more volatile than bullion
Mutual Funds	<ul style="list-style-type: none"> • Prices widely quoted / highly liquid • Professional portfolio management • Dividend income possible • Diversity reduces stock risk 	<ul style="list-style-type: none"> • No dividend / interest yield • Must be bought / sold through same company
Futures Contracts	<ul style="list-style-type: none"> • Speculative appeal • Leverage reduces required capital • Prices widely quoted 	<ul style="list-style-type: none"> • Requires special market knowledge • Unlimited loss potential • High risk • Fixed contract sizes • Require constant marketing monitoring
Options on Futures	<ul style="list-style-type: none"> • Speculative appeal • Leverage reduces required capital • Limited price risk 	<ul style="list-style-type: none"> • High risk • Required special market knowledge • Fixed contract sizes • Require constant market monitoring
Rare Coins	<ul style="list-style-type: none"> • Collector appeal • Sentimental value • Capital appreciation potential 	<ul style="list-style-type: none"> • Each coin unique / sold individually • Subjective market valuations • Require special handling / storage • Thinly traded • Poor liquidity
Certificates	<ul style="list-style-type: none"> • No Storage requirement • No manufacturing premium • Invest by dollar or ounce amounts • Competitive pricing 	<ul style="list-style-type: none"> • No dividend / interest yield • Sale can be time-consuming • Obligation on issuer's balance sheet • Must be bought / sold through same company