



Why buy gold bullion coins and not gold bars?

The answer is, in fact, very simple. There is nothing to lose as both are bullion, but with coins there is everything to gain!

An example of this fact would be that when traditional gold bullion ranged between \$338.89 to \$423.51 during 1986 you could have purchased either bullion or coins, and done very well since the present value of gold sits at \$1,295 (13/02/14).

Had the investment been in gold bullion bars over this period it would have yielded a more than acceptable return. More importantly, the same investment in gold bullion coins would have far outperformed this return. Considering the fact that the bar and coin carry the same purchase value one may ask why buy bullion bars as they have less potential upside than bullion coins?

One example of the potential upside in bullion coins would be as follows.



A 1986 one ounce Gold Eagle Coin carries a value of around \$2,600 whereas gold bullion sits at \$1,295 an ounce.

RIO's Fund Manager, William Gray, has been investing in gold coins personally for almost four decades and has successfully traded and invested in the bullion market for the past thirteen years.

William Gray
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