

Investing in Gold

A No-Nonsense Approach



CHARD



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About Us

Chard (1964) Ltd is the largest privately owned coin and bullion dealer in the United Kingdom. Voted the [UK Bullion Dealer of the Year](#) for three years running, we offer a personal service based on our customer's individual needs.

Established in Blackpool for over 50 years, Lawrence Chard formed the business in 1964. With his expertise in the coin and bullion industry as well as his passion for numismatics, he is a well-known character in the trade and is often sought after for his opinions on rare coins.



and 2016 and 2015!

With over 50 years in the coin and bullion trade we really do know our stuff, although we learn new things every day! All of our team are trained in identifying fakes, grading coins and buying and selling all coins, bullion and jewellery. We guarantee that every time you telephone Chard your call will be answered in-house by a trained member of staff – and if you should happen to get a trainee they will let you know and ask if you are happy to be a part of their learning journey.

We would love to say that our motto is to "inform, educate and entertain" but unfortunately Lord Reith beat us to it at the BBC about 100 years ago, so our motto is "Inform, Educate and Inspire." Our websites are about a 50 / 50 split of information pages and product pages. We prefer to give our customers good quality, impartial information and advice, to help them come to the best decision, rather than use pushy hype and salesmanship. In an industry where knowledge is key we believe it is extremely important to be transparent, and we publish our premiums so they are there for all to see. We are happy to discuss our margins with anyone who asks and do not hide behind prices or complicated formulae.



What We Do

Coin Dealers

This was our original business and one that still plays a large part in the day-to-day trade. [Coins](#) appeal to different people for different reasons, to some they are an interesting piece of history, to others a gift for a new-born, but whatever your reason they can make a nice collection or a unique gift. We stock over [5,000 graded sovereigns](#) and many high grade British coins that are sought after by serious coin collectors all over the world.



Bullion Dealers

We use the term [bullion](#) to describe a precious metal bought or sold primarily for its intrinsic value. We deal in gold, silver, platinum and palladium. It can be bought in various forms such as [bars](#) or [coins](#), [medallions](#) and tokens. We probably have the widest range of bullion coins for sale in the UK. These include modern and historic, British and foreign. We don't just sell bullion, [we buy bullion coins and bars](#) at competitive market prices and it doesn't matter whether you bought them from us or not.



Jewellery, Forex and so much more

Did you know that we sell jewellery? There is no middle-man so you can make huge savings on beautiful jewellery when you buy from us. If you are looking for a bespoke item of jewellery, talk to our Jewellery Manager, they will help you create something that will be unique to your needs.

If you have jewellery that you no longer wear or is damaged, [we buy scrap gold and silver](#) at very competitive prices.



Looking for the best rates for your holiday money? Well, look no further, we have the best rates for Euros and USA Dollars. If you sell them back to us, you will get an even better rate! Give us a call for the live rate and get the most for your money.

Investment Information

We are not financial advisors and we would always recommend that you consult with one. We can only give advice on what the best deals are from Chard to match your budget and investment portfolio at the time you make enquiries. We try to keep our investment advice very simple. We cannot predict with any certainty what gold or any other commodity or currency will do over short, medium or long periods of time. Because of this, we tend to avoid giving any definite advice or strong opinion. There are some areas where we have considerable experience, and feel we can safely give our thoughts. Some of it may appear obvious, but it is surprising how often we find ourselves repeating it.

Buy in the Cheapest Form

Product	Quantity	Premium*
Best Value 1 kg Gold Bar	1	1.5%
Best Value 100g Gold Bar	1	2%
Best Value Secondary Market 1 oz Gold Coins	1	2.5%
Best Value Secondary Market 1 oz Gold Coins	10	2%
Best Value Newly Minted 1 oz Gold Coins	1	3.5%
Best Value Newly Minted 1 oz Gold Coins	10	3.35%
Best Value Secondary Market Sovereigns	1	3.5%
Best Value Secondary Market Sovereigns	50	2.55%
Best Value Newly Minted Sovereigns	1	4.75%
Best Value Newly Minted Sovereigns	50	4.35%

* Premiums can change, please check the live premiums on our [Gold Bar pages](#).

This is one of the most obvious pieces of advice we give. But we usually add "within reason". Generally the cheapest way to buy gold; are [1kg gold bars](#), [Best Value Our Choice one ounce gold coins](#), [Britannias](#) or [sovereigns](#). Often, the bigger the size or quantity, the lower the premium.

[Best Value coins and bars](#) are usually the lowest price. You will be given our choice of date and mint. You can achieve even lower premiums by buying larger gold bars bigger quantities.



We stock [gold coins](#) from mints from all over the world including the [Krugerrand](#), the [Maple](#), the [American Eagle](#), the [Australian Kangaroo](#), the [Chinese Panda](#) and of course, the [Britannia](#). Current years are often available at lower premiums compared to back dated years. This is because they are still being minted. Once a coin stops being minted they can be more difficult to source. This is not to say that you cannot get backdated coins at good bullion prices. If you sign up to our mailing list, we send out secret offers for dated coins when we have surplus stock.



You might think due to the above advice that we would advise gold bars, one ounce gold coins or bars and gold sovereigns as the best gold investments, in that order. We believe however, that sovereigns are often worth paying a slight extra premium for, because of their smaller size, and the historic and aesthetic value which you get for next to nothing. Of course our tailored advice can differ with changes in the market and depending on the amount you are looking to invest. One of the main things to consider is whether or not you will need access to your investment.

Accessing your investment

If you are investing hundreds and thousands of pounds and have plenty in bank accounts, then the chances of you needing to sell some of your gold for an emergency is slim. However, there may be times that you may need you to dip into your investment. In this case it is can be better to sell a number of smaller coins or bars rather than a one kilo bar or coin. This way you can control your investment and sell as little or as much as you like.

Physical Gold

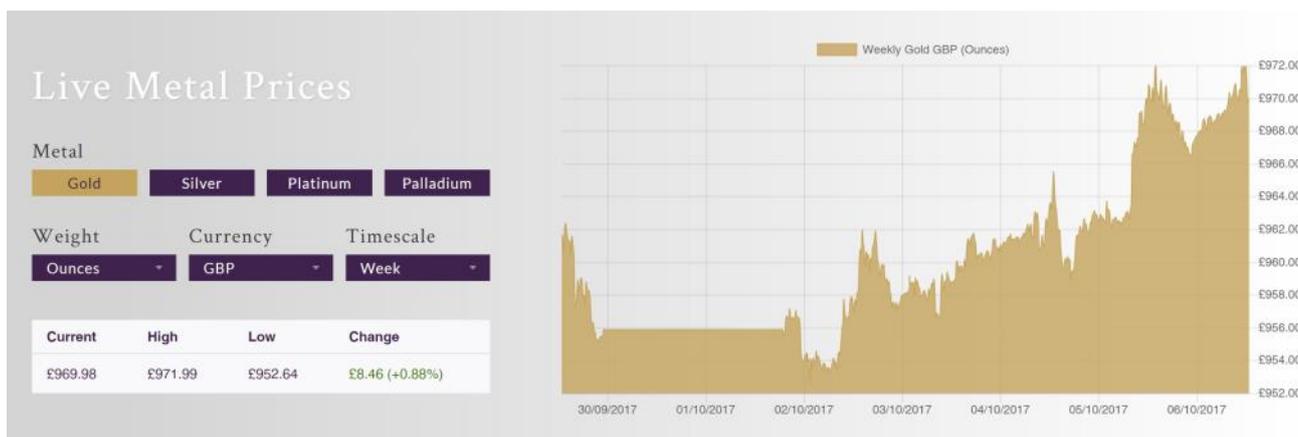
Most of our customers prefer to physically hold their gold investment. If you are concerned about the security risks of keeping your gold at home, we also offer a storage facility at a fee of only 0.05% per month (excl. VAT).

Tax Free Gold

The majority of gold bars and gold coins are classed as [investment gold](#) and can now be bought free of VAT in the UK and the EU since January 1st 2000. As gold sovereigns, half sovereigns, and gold Britannias, gold Lunar and gold Queen's Beasts coins, are sterling, they are treated as [exempt from Capital Gains Tax \(C.G.T.\)](#).

Spot Price and Market Information

If you're thinking about investing in precious metals, or have already started building your portfolio, you should be keeping a close eye on the spot price and other market factors. We have the [live spot prices available](#) on our website for you to view. This allows you to see what is happening with the prices of precious metals. It is also worth following the financial markets, as this will often influence the live prices. You can find out the current [gold price](#) and [silver price](#) by following the links to our live price pages.



[Live gold price](#) [Live silver price](#) [Gold to Silver Ratio](#) [Gold Price in All Currencies](#)

We are often asked if gold will go up or down. We do not have psychic powers and we will never say it is going up or down, we can only say whether it has gone up or down. If we could, no doubt the Treasury would be demanding our services. What we can tell you is to do what we do, watch the factors that drive the price of gold. This could be a single element or a combination of the following:

- Geopolitics
- Inflation
- Interest Rates
- Economic Data
- Currency Fluctuations
- Terrorism/Wars
- Natural Disasters

It is important to remember that investment in precious metals is a long term game. Please do not expect to invest your money and weeks later have made a large profit. It is easy to panic when you see you have invested then gold has dropped by £10 an ounce, but fluctuations are normal. Of course, investment in precious metals (as with property, shares, etc.) is a gamble, but if you are planning it as a long term investment, then you have a better chance of seeing a return.

Gold / Silver Ratio

You may read about the [gold silver ratio](#). Basically, this is how many troy ounces of silver you can buy for the same price as one troy ounce of gold. The gold silver ratio is obtained simply by dividing the current gold price by the current silver price. What currency you price them in does not matter, as long as you use the same currency for each, and obviously for the same weight, so US Dollars per troy ounce will work just as well as Euros per kilogram, or British pounds per ounce.

When the gold to silver ratio is high it means that gold is expensive compared with silver, or the converse, that silver is cheap relative to gold.



History

When the first coins were invented over 2,600 years ago in ancient Greece, the ratio of gold to silver was generally between 10:1 and 13.5:1, depending on the relative proximity of gold or silver mines. In the 1930's and 1940's the ratio reached 90:1 or higher, and in 1991 it peaked at about 98:1, although we have seen one source which claims over 100:1 peak. Other sources state that the gold silver ratio is no longer relevant in today's markets. We believe it is a worthwhile measure, but would stress that it is difficult if not impossible to state what the ratio "should" be.

Investing in Gold

We are often asked what is the best way to invest in gold is. There is no right or wrong answer, just personal preference and the amount of risk you're willing to take. There are several different ways to buy investment gold:



Gold Bars

Taking physical delivery of your gold is a very safe way of investing in gold.

[Gold bars](#) are one method of achieving this. When purchasing gold bars, the main thing to think about is the size you would like.

There are several sizes, and whilst most people will have the size of bar determined by budget, there are so many different sizes that there are always options.

Description	Grams	Troy Ounces
One Kilo	1000	32.15
Half Kilo	500	16.075
Ten Ounces	311	10
Quarter Kilo	250	8.0377
Five Ounces	155	5
Ten Tolas	116.6	3.75
One Hundred Grams	100	3.215
Two & a Half Ounce	77.759	2.5
Five Tolas	58.3	1.875
Fifty Grams	50	1.6075
One Tael	37.429	1.203
One Ounce	31.1035	1
Twenty Grams	20	0.6430
Half Ounce	15.55	0.5
One Tola	11.66	0.375
Ten Grams	10	0.3215
Five Grams	5	0.1608
Two and a Half Grams	2.5	0.0804
Two Grams	2	0.0643
One Gram	1	0.0322

London Good Delivery Bars

The London Good Delivery Bar is normally used in major international markets . Weighing 400 ounces or 12.5 kilogram, most gold stored by central banks is in this form, although we don't recommend them for most investors.

Which Size Bar?

One kilo gold bars have a low premium due to their size - 32.13 troy ounces - but the price is not as easy to track as a 1 oz gold bar. Smaller bars, such as fractional kilo bars, and one ounce bars, combine convenient size with reasonably low premiums. These are the various different sizes of gold bars, some are more unusual so we may not be able to provide all of these sizes.

Gold Coins

Whereas gold bars were once our customer’s most popular choice, these days it is definitely coins. [Gold coins](#) are often more convenient than bars, and can often be bought for lower premiums than bars, weight for weight. There is a large selection available and there is the added element of design to consider. The first decision is often whether to buy older coins or new “bullion” coins. It is sensible to consider modern one ounce gold bullion coins as being one ounce circular bullion bars, guaranteed by a government rather than a refiner. As coins are mass produced, and very efficiently so, they are available at very competitive prices compared with similar size bars. Gold coins are almost universally recognised, so they are also easy to resell.



Which gold bullion coin should I buy?

The following coins all contain 1 troy ounce of fine gold. Some of these are 24 carat gold, some are 22 carat, but all contain exactly the same amount of pure gold.

<p>Krugerrand 22 ct</p> 	<p>Britannia 24 ct*</p> 	<p>Maple 24 ct</p> 	<p>Eagle 22 ct</p> 	<p>Australian Lunar 24 ct</p> 	<p>Panda ** 24 ct</p> 
<p>Queen’s Beasts 24 ct</p> 	<p>Philharmonic 24 ct</p> 	<p>Australian Kangaroo 24 ct</p> 	<p>British Lunar 24 ct</p> 	<p>Buffalo 24 ct</p> 	<p>Angel 24 ct</p> 

* Britannias were struck in 22 carat gold until 2013 when the fineness was changed to 24 carat.

** Pandas were issued in imperial weights until 2016 when the weights were changed to metric grams.

Sovereigns

British Gold Sovereigns

For Great Britain, a favourite choice of bullion coin is the [gold sovereign](#). The sovereign is popular with investors looking for flexibility and CGT exempt gold.

Sovereigns weigh 7.9881 grams and are made of 22 carat gold or 91.66% fineness, and therefore contains 7.315 grams or 0.2353544 troy ounces of pure gold.

The only disadvantage of the sovereign as a bullion coin, is that the alternative one ounce gold coins, such as the Kruggerand, make it easier to calculate their gold content.

The great advantage of sovereigns is that they are an attractive and much loved coin with a rich tradition and history. Single coins, particularly graded, low mintage, rare or proof sovereigns can command high premium. These sovereigns are ideal for serious coin collectors or as gifts for special occasions such as christenings, golden weddings, coming of age. Gold investors prefer bullion sovereigns which are sold at low premiums over the gold spot price. If you are looking for the lowest premiums, buy either [Best Value Secondary Market Sovereigns](#) or if you prefer new coins, [Best Value Newly Minted Sovereigns](#).

The more you buy, the lower the premiums. You can see the difference here:

	Secondary Market Sovereigns	Newly Minted Sovereigns
Quantity	Premium	Premium
1	3.5%	4.75%
5	2.8%	4.7%
10	2.7%	4.65%
25	2.6%	4.6%
50	2.55%	4.35%
100	2.5%	4.1%
500	2.35%	3.7%



Bullion sovereigns - Secondary Market sovereigns could range from Victorian to Elizabeth II. Newly Minted sovereigns are usually chosen from 2000 to present date.



Rare coins

Many rare coin dealers will happily advise you to buy rare coins as a better investment than bullion coins. They usually cite a few examples of rare coins which have increased dramatically in price recently. These examples can be impressive, but what these dealers will usually not mention is the fact that they make far higher profit margins when they sell you individual “rare” coins, and will often only buy them back at a substantial discount to the current market price. Rare coins are harder to price accurately, or to find fair comparisons, so it is almost always harder for the investor buyer to know whether he is getting good advice and a fair deal, or getting ripped off.



1461 to 1470 Hammered Gold Rose Noble
Edward IV Bristol Mint



1842 Victoria Young Head Shield Sovereign
Open 2 in Date

Our advice? For any potential investor in rare coins, read a few books first, learn about coins, study the market, make your own judgment on what to buy and what to avoid. This of course can take a lot of time and effort, but is well worth the enjoyable experience to learn about this fascinating area of numismatics.

Auction Sites

Our advice is to use a reputable dealer and not use an auction site unless you definitely know what you are buying or selling. When buying, do you know that the picture displayed is the coin you are buying? Or that the description is factually correct? Do your homework first and find out the current market price, maybe contact the seller directly and ask questions about the coin. Check you can get your money back or that you are protected if it turns out to be a fake or not what you expected.

You know it yourself, ‘if it seems too good to be true, it probably is’. If a one ounce Kruggerand being offered on eBay for £199.99 including delivery when gold is at £950 an ounce, do you really think you’re going to receive what it claims to be? We know from experience that you need to be very careful and that if you are offered a deal that sounds too good to be true, it will be the deal you should avoid. Contact us if you are buying or selling, we will always give you a competitive price or offer.

Exonumia

Stamp Replicas and Medallions

Gold stamp replicas are a form of [medal or medallion](#) and are an alternative to buying physical gold.



[1997 RMS Titanic Commemorative Gold Medal](#)



1965 Sir Winston Churchill Gold Fourpence Stamp Replica

Collecting Medallions and Stamp Replicas

A number of medallists have marketed replica stamps in gold, and other metals, in order to market them at stamp collectors (philatelists). Some will undoubtedly have been bought originally by stamp collectors, but others will have been purchased by non-philatelists.

Medallions and Stamp Replicas for Sale

We are always happy to buy and sell medallions including stamps replicas. Our buying and selling prices are usually related to the intrinsic value of the precious metal content. We pay competitive prices, and sell for a modest premium depending on market factors such as aesthetic desirability, supply and demand, and our stocks.

Alternative Gold Investments

There are of course, other ways to invest in gold, these are gold accounts, gold futures, gold mining shares and more recently, the introduction of 'e-gold'. Each of these methods have their own risks and for various reasons we do not participate in, promote, or offer recommendations on any of these methods.

How to Protect Your Investments

We're often contacted by new customers who are wary about investing and this is perfectly natural. They have their hard earned money, whether it is hundreds or thousands or hundreds of thousands, they want to make sure they are spending it wisely. If we get quizzed about why they should buy from us, we point them in the direction of our financial details, and tell them about us, we've been around a long time (over 50 years) and have many repeat customers from around the world. We also have a showroom where they can come and see where we are and what we do. We won't try to convince them to purchase from us though. Only you can decide where you want to invest your money, and we won't pressure you into purchasing from us. Here you can see a few of the issues that affect investors. This information should help you make your purchase with more knowledge about what to be wary of.

Fakes & Forgeries

How do you know if the coin you've bought is a fake or forgery? After 50 years of dealing in numismatics we are always coming across people who believe their coin is genuine. Our advice? Use a reputable dealer, it's that simple. Someone that has a good reputation and has been around a while so you can feel safe in the knowledge that you can always return back to the same dealer in the future. Various different metals and alloys are used to create fake or counterfeit gold coins, depending on the reason for, and nature of, the particular fake. We use a number of methods to detect a fake or forgery. Whilst we may buy these counterfeit coins at a percentage of their intrinsic metal value, they will not be resold. Instead, they will be used in training to teach our numismatists what to look out for.



New Issues

We don't recommend buying new commemorative coin issues as an investment, due to the high premiums that are added to the price. These are usually far better value when bought on the secondary market when they are bought and sold at their true intrinsic value. Our general advice on these is to wait a couple of years until demand has levelled off before buying them, although there are some coins that can increase in value.

Bait and Switch

This is a boiler room style scam, that advertises bullion at competitive prices, then salespeople persuade callers to buy 'collectable coins' at a highly marked up price. They offer 'advice' such as "the coins are a better investment than bullion" or "Coins can't be confiscated, but bullion can". Our advice? Buy from a reputable dealer, one who you can visit or get in touch with, one who has been around for a long time and will be there when you wish to sell back to them. If a dealer won't purchase back then it may be that they are selling products for over-inflated prices – not purchasing from you means they don't have to deal with you when you realise your investment wasn't so good after all, it's left to the reputable dealers to disappoint.



Where to Find us

We have a working showroom and you're more than welcome to visit us whenever you like!

You can find us at our showroom at 32-36 Harrowside, Blackpool, Lancashire FY4 1RJ.



We are open 9am-5pm Monday to Friday and the first Saturday of the month. Our websites are open 24/7 and you can purchase most products from our websites (subject to availability). As long as you bring the correct ID with you, you can take anything away with you.

Contacting Us

We hope you have found our guide interesting and informative. We really do hope that we have helped increase your knowledge about investing in precious metals. Our websites are full of useful information, which you can visit to learn more about all the various aspects of investment.

If you can't make it to our showroom then we are happy to speak to or reply to you by any of the following methods:

Live Chat - via our website [chards.co.uk](https://www.chards.co.uk)

Tel: 0044 (0) 1253 343081

Fax: 0044 (0) 1253 408058

Email: info@chards.co.uk

Our Websites

www.chards.co.uk – Blog and access to all our websites

Products and information from our older websites are gradually being moved to [chards.co.uk](https://www.chards.co.uk)

www.taxfreegold.co.uk – Our main gold website

www.24carat.co.uk – Our silver, platinum, palladium and jewellery website

www.goldsovereigns.co.uk – Our Sovereign website

Terminology

AGW	Actual Gold Weight In line with Krause, we usually quote the actual fine gold content of most coins in troy ounces. The price per troy ounce is the most widely quoted price for precious metals. To convert gross weight in grams to actual intrinsic gold content: Gross weight in grams / 31.1035 = Gross weight in troy ounces. Gross weight in troy ounces x Fineness (alloy) = actual fine content in troy ounces.
Au	Au is the chemical symbol for gold, a yellow metallic element, and comes from the Latin word aurum meaning gold.
Bullion	This is a term used to describe precious metals, bought or sold, at or close to the intrinsic metal value.
Coin	An object, usually a piece of metal, often a flat disc, used as money.
Investment Gold	According to HM Customs & Excise:- Investment gold (other than investment gold coins) is defined as “gold of a purity not less than 995 thousandths that is in the form of a bar, or a wafer, of a weight accepted by the bullion markets”. Our website will tell you which coins are investment gold
Intrinsic Value	The value of the metal contained within the coin.
Margin	The difference between the spot price and the buying or selling price, usually expressed as a percentage.
Premium	The percentage over and above the current gold value at which an item trades.
Spread	The difference between the buying price and the selling price.
XAU	XAU is the ISO 4217 currency code for gold, denoting one troy ounce of gold.

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This guide is for information only and we do not offer any tax or investment advice. The information contained within is there to help you reach your own decisions when investing. If you need more detailed advice we refer you to experts in that field.



COIN AND BULLION DEALER

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