



PHYSICAL GOLD

SECURE YOUR WEALTH AND FUTURE

The insider's guide to tax-efficient gold and silver

A complete guide to getting started with precious metals, whether you're an experienced investor or just starting out.



Gold & Silver investment opportunity

Why Gold and Silver?

The need to own precious metals is as relevant and essential today as it has been throughout history.

Gold and silver have always been the ultimate safe haven assets, providing the protection your finances need in an unstable world. Savvy investors are shifting their wealth into alternative assets, such as gold, silver, commercial property and renewable energy, to diversify and balance their portfolio.

Diversification, in this way, provides security against economic, social and political uncertainty.

If anything, the current economic and political climate is less stable than at any point during our lifetime. With the UK recently voting for Brexit and several European economies already struggling to repay their vast debts, the future of the Euro and the stability of the economy looks set to be volatile for quite some time.

In addition to providing portfolio insurance during market volatility, there are also huge tax advantages with gold and silver investments.

Certain coins are free from both VAT and Capital Gains Tax – providing a tax efficient way of purchasing & also allowing you to keep all your profits when you sell.

Gold bullion also qualifies for UK pensions, where you can receive up to 45% discount through tax relief. For our Pension Gold product, we've partnered with a large number of the UK's leading SIPP providers, to offer choice and flexibility for your retirement plans.

Gold and silver investments can be made as a one-off purchase, a monthly savings plan or as part of a bigger portfolio. They're suitable for both seasoned portfolio builders and those with little or no investment experience. In this guide we highlight the benefits of investing in gold and silver and the various, tax-efficient ways in which you can do so.





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Established in 2008, Physical Gold Limited is a member of the British Numismatic Trade Association, the National Association of Pension Funds and the Institute of Financial Planners, which means you can be safe in the knowledge that we're one of the most credible precious metal traders in the UK.

At Physical Gold, we pride ourselves on making gold and silver investment available to everyone - from sophisticated high net-worth investors, to those just looking to buy a single coin, maybe to pass down to their grandchildren.

Why use Physical Gold Limited?

In these turbulent times, even the most sophisticated investors are seeking simplicity, safety and transparency.

At Physical Gold we believe in these key values, so our products and the investment process are straightforward and accessible to everyone.

- We focus on tax-efficient gold and silver, tailoring our client service for a more personal, optimised experience regarding your wealth and future
- We provide innovative gold & silver solutions - suitable for novice and seasoned investors alike
- Insured storage or delivery options - offering flexibility, for your peace of mind
- Significant buying power - enabling us to pass on bulk savings and maintain lower prices
- We offer a buy-back guarantee - future proofing your investment and removing the worry of investing
- BNTA accredited - providing you with the reassurance that we are experts in what we do.



Gold as an asset

Gold gave rise to the concept of money itself: portable, private and permanent

HISTORY

Gold's unique properties of scarcity & beauty, coupled with the ease in which it can be melted, formed and measured, have made it a tradable store of wealth since the very earliest civilisations.

Today, investors recognise that gold is not only a means for capital appreciation, but also a way to protect their long-term savings and retirement.

PAST PERFORMANCE

In the last ten years, the price of gold has risen by nearly 300%, even after including the price corrections of 2013 and 2015. This has been driven by factors such as a continually weakening US

Dollar, the global credit crunch, terror attacks, political unrest and soaring demand from Central Banks and institutional investors. Any event that causes uncertainty in the economy and the wider world, drives the gold price higher. The average annual return for UK holders of gold over the last decade (2006-2015) has been 12% - outperforming every other asset class in the same period. Gold was the best performing asset in 4 of those 10 years, yielding higher returns than shares, bonds and even housing. More importantly, as a store of wealth, it has outperformed inflation in all but 2 of those 10 years - again, the best of any asset class.

GOLD PRICE FORECAST

As well as yielding impressive returns in the past, the fundamental reasons for gold's performance are still in existence.

These include:

- Increased demand for gold from investors looking for a safe haven, as the Euro continues to weaken and the Chinese economy slows
- Investors seeking protection from a potential rise in inflation – currently artificially held back by low oil prices
- Increased demand from the BRIC countries (Brazil, Russia, India & China). The Chinese Central Bank only holds around 1% of its reserves in gold, compared to over 50% for many other countries. And this is increasing
- Global political instability and terror threats can send equity, property and bond markets tumbling and consequently strengthen the gold market
- No new supply. Precious metals supply is finite and there have been no new major discoveries since 2007.



Silver as an asset

Silver demand for industrial purposes will increase by 36% in 2016

HISTORY

Whilst gold frequently takes the headlines, it is in fact silver which has been the predominant monetary metal throughout history.

Much of silver's use is roughly split three ways between silverware & jewellery, photographic and other industrial uses. However, an increasing number of investors now purchase physical silver alongside gold, when confidence is low in central bank issued fiat money.

PAST PERFORMANCE

Silver has boomed in the precious metals market, especially after the financial meltdown of 2008.

In 2009 alone, silver investment increased by 184%. In several of its uses, such as medicinal and photographic applications, the silver can only be used once before becoming redundant. This means that the total amount of silver, available in the world, depletes each day. It's easy to understand why the potential for capital growth in silver is significant.

SILVER PRICE FORECAST

After a price correction over the past couple of years, silver represents a fantastic buying

opportunity. If you missed out on the rises of 2009, buying at the current low price could deliver great potential for both attractive investment returns and increased diversification.

Traditionally and generally speaking, the ratio between the gold and silver price has always been around 12:1. This means it took 12 ounces of silver to buy 1 ounce of gold. That ratio is now approximately 80:1. This bucks the established, historical ratio between the two metals over the past one hundred years and suggests that silver is massively undervalued.

Demand for silver is surging due to its combined appeal as a tangible safe haven asset and its various industrial uses. Many financial analysts, investing experts and even geologists have one opinion in common: a silver shortage is upon us.

According to metal experts, despite the lack of global stockpiles, new technologies will continue to require further industrial applications for silver, increasing the demand on world supplies. In line with this assertion, the

Silver Institute predicts that silver demand for industrial purposes will increase by 36% in 2016.



The demand for Industrial silver means a limited supply is more critical than gold, because it's required rather than simply desired. Silver has been utilised, and consequently mined, for decades in order to fulfil those needs. Factors which influence people to buy gold, also influence people to buy silver:

- Huge levels of Sovereign debt and paper money printing, devalues traditional currencies
- Political unrest in various global regions further destabilizes markets
- Savvy investors then look elsewhere for security; specifically, the precious metals sector
- In times of recession, depression and overwhelming uncertainty, investors have few viable options.

Portfolio insurance and balance

Gold and silver mean 'safety' in any language

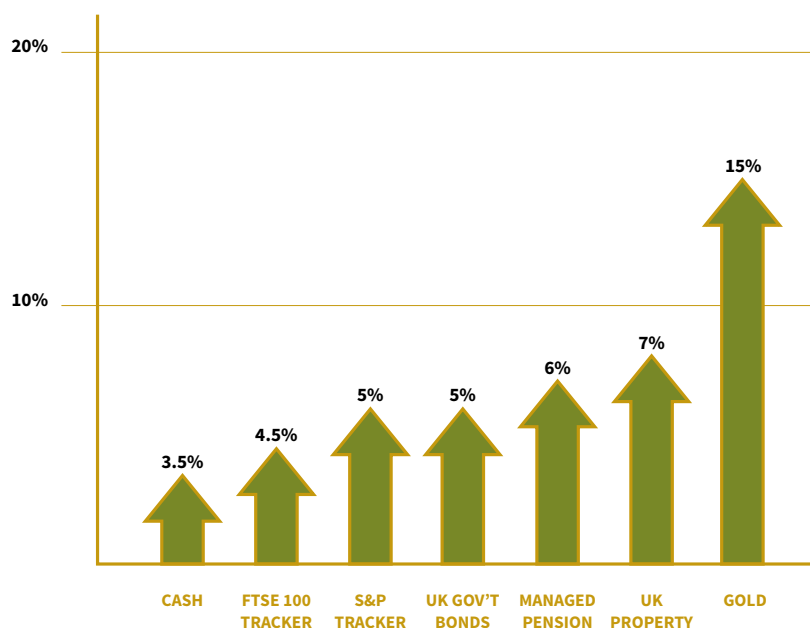
More investors than ever before are adding gold and silver to their investment portfolios as a diversification strategy, due to the fragile nature of paper investments and currencies.

The expert consensus is that 5% - 30% of your total portfolio should be in gold or silver, for long-term preservation and growth.

Most people's wealth is stored in a mixture of property (their homes), cash (their savings accounts) and stocks and bonds (their pensions). The risk, when holding these assets alone, is that when one performs badly they all perform similarly, as we experienced in the aftermath of the market collapse and recession of 2008.

In contrast, gold and silver are not tied to the economy, nor do they correlate with these more commonly held assets. When the above-mentioned assets perform badly, gold and silver has historically performed well. In this respect, gold and silver can yield returns when you need them the most – when your other assets are losing value. This is why gold and silver are referred to as “portfolio insurance.”

TYPICAL AVERAGE ANNUAL RETURNS OVER PAST 10 YEARS



Gold and silver are also the ultimate safe havens in a crisis. Inflation, political strife, on-going wars and the threat of terrorism are affecting investors worldwide. Whilst these events cause turmoil and uncertainty in the markets, the gold and silver prices often spike - as investors look for a secure store for their wealth.

Finally, physical gold and silver are directly owned, tangible possessions with intrinsic value. There are none of the risks associated with derivatives and paper assets and they don't rely on an underlying company or business to derive their worth. Their value can never be zero.

Gold and silver preserve & protect your wealth.

Gold and Silver as alternatives to cash

Bank deposits are being squeezed by inflation

Cash savers are seeing their wealth seriously eroded over time - with interest rates held at historically low levels, the value of their money is being squeezed by inflation.

Many savers feel the interest rate they receive on bank deposits isn't sufficient to compensate for the risk of the bank going under.

Proactive investors are taking steps to address this by turning to gold and silver - stores of wealth that are as secure as cash, as easy to access and can offer higher returns.

Some key reasons why gold and silver are great alternatives to cash:

- Investments can start from as little as £150
- **Liquid investment.** Gold and silver can be bought, and sold, one coin (or bar) at a time - so you can build up your holding and release some cash when you need to, without having to sell the entire investment
- **Flexible investment.** You're not locked in for a period of time and can sell your gold and silver whenever you choose

- **Higher returns.** Gold and silver have historically delivered higher returns than cash on deposit at a bank
- **Security.** Physical gold and silver are directly owned, tangible assets – avoiding the risk of the bank going bust

The bottom line is that both gold and silver are not only money themselves, but the safest type of money - because they're not tied to a specific country or currency. They are liquid and their value is recognised worldwide.



Gold and Silver as tax free investments

Solutions that allow you to keep all your profits

As well as being a secure store of wealth and a great alternative to cash, physical gold & silver also have the advantage of being tax-efficient, if bought correctly.

VAT EXEMPT

All purchases of physical gold in the UK are currently VAT exempt - a significant saving with VAT currently at 20%.

We can also offer silver bars and coins with no UK VAT - so you get even more for your money.

NO CAPITAL GAINS TAX

By investing in certain coins, such as UK Sovereigns and Britannias, you'll avoid paying any Capital Gains Tax, as they're technically legal tender in the UK. That provides a significant saving for savvy investors.

PENSION GOLD

Gold bullion is a SIPP (Self Invested Personal Pension) acceptable investment. If you invest via a SIPP, you could qualify for up to 45% tax relief, plus all capital appreciation

is shielded from tax under the pension umbrella. What's more, a SIPP allows you to take control of your pension by holding alternative assets, such as gold bullion and property, in the same tax-free shelter as traditional paper assets - like stocks and shares.

Unlike ISAs, there are no annual limits to investments in tax-free coins.



Choosing your investment

4 investment options

1 SIPP GOLD

Physical Gold Ltd offers the exclusive opportunity to own gold bullion bars as part of a Self Invested Personal Pension (SIPP). We've partnered with many of the UK's leading SIPP providers, to offer a wide choice of pension options. You'll be allocated retail-size, gold bullion bars that will be held in a fully insured, precious metals depository.

You'll receive the same tax relief on the gold as you would any other pension asset – meaning higher rate taxpayers can essentially receive 45% discount off the gold price. If you're looking for long-term security, then Pension Gold is the safest form of gold SIPP investment, because unlike ETFs, it isn't leveraged and your bullion is completely ring-fenced.

2 TAX-FREE GOLD COINS

Physical Gold specialise in sourcing UK legal tender coins, which qualify for VAT exemption and are Capital Gains Tax free. Many of our customers view these coins as a great alternative to an ISA, due to their tax efficiency – but with the additional benefit of no minimum or maximum amount.

Our Enhanced Portfolio coins offer discounted pre-owned coins, to turbo charge performance. We can even tailor a bespoke portfolio of these coins with our 'Director's Pick' option.

3 VAT-FREE SILVER

Exclusive to Physical Gold, is the opportunity to own physical silver without incurring the VAT charge. Up until now, you were forced to compromise, with either inferior electronic silver ownership (to avoid paying VAT), or face paying 20% extra when purchasing physical silver. Now there's no need to compromise. We offer two options. Pure silver bars – held on your behalf in a high security vault in the Channel Islands. Or, we can deliver silver 1oz coins direct to your door. Both opportunities are free from UK VAT – providing significant savings on your purchase.

4 MONTHLY SAVER

We can accommodate all investors however modest their means. Our Monthly Saver solution helps you gradually build a nest-egg, with your very own solid gold or silver coins. Why save exclusively with paper money – which is susceptible to the erosive powers of inflation – when you can balance such risks by saving our gold or silver? It's easy to set up a regular savings account, with our online form, to start receiving monthly Tax-Free gold or silver coins to your door. Buying monthly irons out market volatility through cost averaging and there are no ties, so you can pause or stop your savings at any time. You'll be surprised at how quickly your collection will grow.





The next step to a balanced portfolio

It's never too late to secure your wealth and future

We work with investors of all types; from those just starting their portfolio or savings, to more experienced individuals looking for gold and silver diversification.

You can take the next step to a harder working portfolio today, by contacting Physical Gold through any of the channels below:

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