



PLATINUM ETFS: AN EASY WAY TO BUY INTO AN UNDERVALUED ASSET?

With platinum at its lowest price level in a decade, investors looking to take advantage of this attractive entry point may consider doing so with the ease of an exchange-traded fund

Platinum, like gold, is an investment asset that can help to diversify a portfolio, therefore reducing overall risk. Investors seeking exposure to this most precious of metals have a broad range of options to consider, including online bullion accounts, physical bars and coins, and exchange-traded funds (ETFs).

Global platinum ETF holdings are currently around \$2 billion as investors look to benefit from the efficiency of this competitively priced, easy-to-access and transparent investment vehicle.

What is an exchange-traded fund?

ETFs are listed and regulated financial securities designed to track the price movements of an index

or an investment asset. Individual investors can buy and sell a share in an ETF with the same ease, transparency and listing regulation as any other share on a stockmarket. In the case of most platinum ETFs, the listed instrument is a share in a company or trust whose only assets are platinum bars held in a secure vault.

The first platinum ETF was launched in 2007, and in the space of just over a decade, the market has grown to 15 such funds listed on exchanges around the world. The most recent platinum ETF was launched earlier this year. With the largest platinum ETFs listed in New York, London, Johannesburg, Zurich and Tokyo, investors can easily buy into this investment asset via a bank or broker.

What are the benefits of a Platinum ETF?

- Easily bought and sold
- Secure ownership
- Cost-effective
- Transparent pricing & market data

The benefits of being physically backed

The term 'exchange-traded product' covers both physically backed ETFs (i.e. the fund physically holds the metal in a secure vault, similar to a bank vault) and those funds in which the managers use instruments (such as derivatives and futures) to mimic the price of platinum. Almost all platinum ETFs are physically backed which means that investors benefit from knowing that their share represents ownership of a physical asset.

A single share in a platinum ETF tends to represent the ownership of one-tenth of an ounce of platinum. On this measure, at present prices, one ETF share is trading below USD\$100. For an investor with a long-term view, ETFs offer a relatively affordable way to accumulate an investment in platinum, enhancing diversification and adding a physically backed asset to your portfolio.

Platinum Exchange Traded Funds (ETFs) are a listed financial security

- ➔ bought and sold like a share
- ➔ backed by physical, vaulted platinum

To find out more, visit www.platinuminvestment.com/invest

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