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personal
GOLD GUIDE

Former Gold Bear Turns Bullish, Predicting Gold Will Double to \$3,300!

A couple of years ago, a commodity and currency analyst bet my friend Gary Alexander that gold would go below \$1,000 and Gary won that bet – two years in a row. Now, that analyst has turned bullish and is predicting gold will double from here – to \$3,300 per ounce by 2022 (“The Economic and Monetary Conditions are Perfect for Gold,” by Ivan Martchev, MarketWatch, March 30). He shows a dramatic chart of gold bullion rising to an all-time high relative to the CRB Commodity Index. The chart shows gold rising from 1.15 (to the CRB Index) in 2001 to a record high 13.07 recently – a gain of over 1,000% in 19 years.

He compares the current coronavirus crisis to the 2008-09 financial crisis, which propelled gold to an all-time high in 2011, saying, “We have a similar environment at the

moment. Interest rates have been dropped to zero at the fed funds rate level, and the federal deficit will be larger than 10% of GDP (larger than after the 2008 crisis) due to the \$2 trillion bailout. Record deficit spending and the Federal Reserve’s quantitative easing (QE) with no preset limits is the perfect environment for gold bullion.

“With record deficit spending and interest rates at zero, we may be faced with an environment where the Fed will keep interest rates below the level of inflation for some time until the economy normalizes after the outbreak is controlled. This would be the perfect environment for gold bullion.”

We don’t know if \$3,300 gold is possible by 2022, but Gary and I would not bet against it.

TIME *to* Diversify

FIRST FIDELITY

All of your questions answered.

When every financial decision you make can determine your future, where you turn for answers is key. Effective diversification today means more than owning just stocks and bonds.

Frankly, protecting your wealth and planning for retirement has gotten difficult. Making financial decisions today requires a global awareness and effective acquisitions. It's also why gold is making headline news around the world.

No matter what your current portfolio status or personal goals, this Gold Guide is designed to help you learn how to protect and build your wealth with a variety of gold products.



Dr. Mike Fuljenz
Chief Numismatic Consultant

R E S E R V E

D I V E R S I F Y YOUR PORTFOLIO WITH GOLD

WHY
gold

WHY
now?



Gold has often soared during America's darkest hours, during historic decades of global depression or deep recession – like the 1930s or the 1970s – and once again during most of the years since 2000. For instance, gold rose strongly after the attack on America on 9/11 and again after the financial crisis of 2008, and then in the multiple crises leading up to the 2020s. We haven't seen this level of deep concern since the 1930s, including the very real possibility of financial collapse, serious health concerns, political and civil unrest at home and abroad, and a record fast collapse in stock market values. A portfolio with a heavy counterweight in gold is still a portfolio most likely to survive.

MARKET NOTE: *A February 2020 report by the World Gold Council compared the 46-year performance by various major asset classes since 1971. The results showed that gold matched U.S. stocks in long-term performance, with bonds and cash far behind.*

**From 1999 to 2020,
GOLD has
outperformed
U.S. stocks
by at least 6-to-1**

PRECIOUS METALS	12-31-99	03-18-20	CHANGE	\$100,000 BECAME
GOLD	\$290	\$1,500	+417.2%	\$517,241
STOCK INDEX	12-31-99	11-17-17	CHANGE	\$100,000 BECAME
DOW JONES	11,497	19,325	+68.1%	\$168,087
S&P 500	1,469	2,325	+58.3%	\$158,271

GOLD PERFORMANCE IN A GLOBAL ECONOMY

More and more analysts and investment advisors realize that gold is a unique and vital investment. Why is gold beating stocks so soundly in this new century?

Gold fulfills six primary goals, not available in most other investments.

1. Gold as a Valuable Diversification Vehicle

Investment advisors often speak of “negative correlation.” In practical terms, that means that a well-protected portfolio must contain investments that “zig” while the global stock markets “zag.” You don’t want all of your investments going down at once, right? Most investors suffered that fate in 2008 and 2009, when all three leading asset classes (stocks, bonds and cash for income) fell at once. That’s why investors need gold to lift a portion of their net worth higher, even while all of their other investments may sink in unison.

Gold rose strongly during the stock market crashes of 2001-03 and 2007-09. There will likely be times in the future when all other investments rise and gold falls, but the role of diversification is to offset your losses in both scenarios. Don’t put all your net worth into gold, or stocks. Many investment advisors say that a rational component of gold – depending on your age, risk profile and income needs – would be 5% to 25% of your total portfolio. Most investors, frankly, have zero gold and are suffering for that fact.

**From the end
of 1999 to 2020,
gold dramatically
outperformed
the stock market**

Banks and other financial institutions are NOT all safe... Major financial firms like Bear Stearns, Lehman Brothers, Indymac, Wachovia Bank, Merrill Lynch and Countrywide Financial all failed or were forcibly merged in 2008, while AIG was only “saved” by a massive federal bailout. Cyprus in 2013 and Greece in 2015 represented major national bank failures in Europe. In addition, over 450 U.S. banks failed from 2008 to 2015. With global interest rates still at historic low rates, is it really worth the risk to keep all of your hard-earned savings in a bank?

2. Gold is a NATURAL HEDGE AGAINST INFLATION

In times of inflation – like 1923 in Germany, or after World War II in Europe, or in the U.S. in the 1970s – gold has soared, fulfilling its role as an inflation hedge. Over 2300 years ago, the Greek philosopher Aristotle laid out the case for gold as a pure form of money – impossible to inflate:

(1) Gold is durable. It won't rot. Gold, more than any other solid element, is chemically inert.

(2) Gold is divisible. One ounce of gold – whether bullion, coin, or dust – is worth exactly the same amount.

(3) Gold is convenient and mobile. Gold allows its owner to carry his life savings in a small suitcase or money vest: Each \$100,000 weighs less than 6 (six) pounds.

(4) Gold is difficult to find and cannot be created by fiat. You can't print more gold.

3. GOLD and the DOLLAR Tend to MOVE in OPPOSITE DIRECTIONS

The dollar and gold are negatively linked. When the dollar collapsed in the 1970s, gold shot up from \$35 to \$850. That's because there's a "negative correlation" between gold and the U.S. dollar. This happened again from 2001 to 2011, when gold rose 7-fold while the dollar weakened. In other words, when the dollar declines, the price of gold tends to rise in dollar terms. However, the opposite is also true:

Between 2011 and 2016, gold declined in U.S. dollar terms as the U.S. Dollar Index rose by a phenomenal 37%. During this time, gold held its value in many other currencies, even though it fell in U.S. dollars. Since the end of 2016, however, the U.S. Dollar Index has peaked, fallen and then reached a plateau, so gold has risen in recent years in terms of all currencies.

Global currencies began collapsing in 2015 as Europe and Japan instituted negative interest rates, and the U.S. joined them in 2020. At first, this was a "race to the bottom" to gain trade advantages, since a weak currency makes a nation's exports more attractive, but nations also saw the advantage of paying zero interest by charging depositors for the right to hold their cash. In this environment, gold gained a new luster for both private investors and central banks.

Central Banks bought more gold in 2018 and 2019 than in other years in history, buying a record 656.2 metric tons in 2018 and adding 650.3 more metric tons in 2019. (A metric ton is 32,150 Troy ounces, worth about \$1 billion at \$1,500 gold, so 1,300 tons of central bank buying in 2018-19 equals \$1.3 trillion in gold purchases.) Central banks have purchased over 5,000 metric tons of gold from 2010 to 2019 as they unload their paper money in favor of gold.

4. GOLD as a GEO-POLITICAL CRISIS HEDGE

Gold has historically risen sharply when global tensions rise. Some examples include Russia's late December 1979 invasion of Afghanistan, sending gold up from \$450 to \$850 in just three weeks. Another dramatic example came after 9/11 in 2001, when gold began its latest bull market. However, gold's most dramatic gain came in 2008, when the big financial crisis triggered a global recession.

Gold rose \$100 in one day (and \$160 in two weeks) when Lehman Brothers failed in the middle of September, 2008. Gold rose from just \$740 on September 11, 2008 to \$902 just 12 days later. This all came during the week after Lehman Brothers was allowed to fail and the global financial system came very close to a complete meltdown. While all other investments were falling, gold shot up.

In the 1970s, gold quadrupled twice: (1) First, gold rose from \$42 to \$200 in 1972-74 based on Watergate and President Nixon's resignation, the Arab Oil Embargo and resulting inflation, the Vietnam War defeat, a bout of hyper-inflation and a 50% stock market decline. (2) Then gold quadrupled again in the late 1970s based on Carter's failed foreign policies, a second energy crisis, gas lines, double-digit interest rates, 11% unemployment, inflation and a national malaise.

Oil vs. Gold 1973 to 1974: Gold's gains in the 70s were tied to the rise in inflation, particularly oil prices. From 1973 to 1974, oil climbed four-fold per barrel. From 1978 to 1980, oil tripled from \$12.70 to nearly \$40 per barrel. The latest gold surge was also in line with oil's sharp rise to \$150 per barrel in 2008. But then, gold separated from oil by rising while oil was falling.

**Bad times are good for gold:
That's why gold is such vital
"portfolio insurance."**



“We are in danger of being overwhelmed with irredeemable paper, mere paper, representing not gold nor silver; no sir, representing nothing but broken promises, bad faith, bankrupt corporations, cheated creditors and a ruined people.”

- Daniel Webster



“With the exception only of the period of the gold standard, practically all governments of history have used their exclusive power to issue money to defraud and plunder the people.”

- Friedrich Hayek

5. GOLD as the WORLD'S FIRST CHOICE FOR SAVINGS

Gold reflects prosperity. Gold's newest role is to reflect and express the growing prosperity of nations like India and China. The more Chinese and Indians enter the middle class, the more demand there is for gold there. Central banks in India, China and other emerging markets are also buying gold aggressively. The World Gold Council reported that the leading central bank gold buyers in 2019 were Turkey (at 159 metric tons), followed by Poland (100 tons) and China (96 tons), followed by Kazakhstan (35 tons) and India (33).

China threatens to sell its dollars: In fact, China, the biggest investor in U.S. Treasury securities, is becoming increasingly vocal about its distrust of the dollar and what it sees as U.S. economic mismanagement. China sees U.S. bailouts as bearish for the dollar.

Since China loves gold, it may be only a matter of time before they trade their U.S. dollars for gold. If China were to lift its official gold holdings from the current 1.7% to just 10% of its \$3 trillion in foreign exchange, China would have to buy the equivalent of more than a full year's new gold mine production.

Around the world, gold is the most important measure of wealth. In India, weddings are awash with gold, as everyone “wears their wealth” and makes golden gifts to the new bride and groom.

In Middle Eastern bazaars, gold is traded by very careful weighing on portable scales – which everyone seems to own. Throughout history, every paper promise has failed, but gold has never failed its owners. The rest of the world remembers this fact – although some Americans do not.

The Law of Supply & Demand

says that limited supply & growing demand requires a higher gold price.



6. GOLD is RARE AND IN INCREASINGLY SHORT SUPPLY

New gold supplies are down: South Africa, which in 1970 produced more than two-thirds of the world's total gold output, saw its gold output fall 14.5% in 2018 and then fall another 23.0% in 2019. South Africa was the world's #1 gold producer throughout the 20th century, but South Africa fell to #8 in 2018 and fell out of top 10 in 2019. Even with gold prices rising, many mines are no longer economical, causing less new gold to come into the market each year.

Gold demand is rising: Since the financial crisis of 2008, investment demand for gold has surpassed the traditional role of gold jewelry as the prime source of new gold demand. In addition, there is a new form of gold demand in the 21st century – exchange-traded funds (ETFs), a way for stock-oriented investors to buy shares in gold. Since the ETF needs to buy gold to back the shares, this creates even more demand.

INTERNATIONAL DEMAND

China and India account for about half of the global demand for gold each year. Taken together, all of the “emerging” (formerly poor) nations account for nearly three-fourths of global demand for gold. Millions of people in these formerly-poor nations are now able to afford gold for the first time in their lives. In many of these nations, gold has been the traditional form of savings for centuries.

Meanwhile, the world's richest nations absorb about 25% of new gold demand, led by Europe's 15% share. North America only accounts for only 7% of global gold demand, so if you ever hear about a decline in U.S. gold demand, a good question to ask is, “so what?” The rest of the world is still buying gold!

MARKET NOTE: *The world can't increase the supply of new gold by more than about 2% per year, matching population growth, but the world can multiply paper assets 10-fold, simply by adding a “zero” at the end of each paper note. That's why gold demand should keep out pacing supply. The law of supply and demand says that limited supply and growing demand requires a higher gold price.*



THE GOLD STANDARD

Revisiting the Gold Standard

The international Gold Standard may be dead on paper, but most of the world's richest nations still hold billions of dollars worth of Gold in their national treasuries. They don't hold wheat or copper, but they hold Gold as part of their official foreign exchanges.

**"Unchecked carbon emissions
will likely cause icebergs to melt.
Unchecked greenback emissions
will certainly cause the purchasing
power of currency to melt."**

— Warren Buffett, The Greenback
Effect (in the New York Times)

Gold Recall: Threat or Concern?

The U.S. Constitution calls for gold and silver coins. Article I of the Constitution deals with the federal Legislative Branch, including the right to create the nation's currency. Article I, Section 10 covers powers prohibited to the States, and the first item in that Section says: "No state shall. . . make any Thing but gold and silver Coin a Tender in Payment of Debts."

U.S. gold was recalled in 1933 and no new U.S. gold coins were minted for over 50 years. The Gold Recall Act of 1933 came after a Democratic Party sweep of both houses of Congress and the Presidency. A similar thing happened to silver coins in 1965, the year after the Democrats gained their greatest majority in Congress: 71% Democratic vs. 29% Republican.

If the Democrats take control of the White House and both houses of Congress any time during the 2020s, there is a chance that the 1930s could be revived, with an attack on "hoarders" of gold, in the spirit of President Obama's previous attack on those "bitter" Americans who, he said, "cling to their guns or religion." For that reason, it is far better to own your gold privately than to face a future in which new purchases may become illegal or more highly regulated.

How to Construct a Fair Price Comparison of Gold vs. Stocks and Inflation

The press often quotes gold prices from their peak in 1980 or 2011 vs. stocks from their bottom price in 2009.

An unbiased comparison would take a price record from an arbitrary date 10, 25 or 50 years ago.

Here are the raw numbers for Gold, Dow stocks and inflation over the last 10, 15, 25, and 50 years.

Year-end	Gold price	Dow Jones	CPI*
1967	\$35.00	905.11	33.9
1992	\$332.90	3,301.11	141.9
2002	\$347.20	8,341.63	180.9
2007	\$833.75	13,264.82	210.0
2017**	\$1295.00	23,358.24	241.4

*Consumer Price Index (CPI) with 1983 = 100

**Prices through November 17, 2017; CPI through October 30, 2017.

These numbers use the raw materials to construct long-term price comparisons between gold, stocks and inflation. First, gold has beaten inflation over every long-term time comparison over the last 50 years:

Gold vs. Inflation

In the last 50 years, gold is up 3,600% vs. 612% inflation

In the last 25 years, gold is up 289% vs. 70% inflation

In the last 15 years, gold is up 273% vs. 33% inflation

In the last 10 years, gold is up 55% vs. 15% inflation

Who Wins?

Gold wins (six-fold)

Gold wins (four-fold)

Gold wins (eight-fold)

Gold wins (four-fold)

The track record between gold and stocks is mixed, with stocks winning sometimes and gold winning at other times. Gold won big in the 1970s and 2000s, with stocks winning big in the late 1980s and 1990s. This only shows why investors should diversify into BOTH asset classes for greater long-term protection.

Gold vs. the Dow Jones index

In the last 50 years, gold is up 3,600% vs. 2,481% for the Dow

In the last 25 years, gold is up 289% vs. 608% for the Dow

In the last 15 years, gold is up 273% vs. 180% for the Dow

In the last 10 years, gold is up 55% vs. 76% for the Dow

Who Wins?

Gold wins (by 1119 points)

Stocks win (by 309 points)

Gold wins (by 93 points)

Stocks win (by 21 points)

"This is the shabby secret of the welfare statists' tirades against gold. Deficit spending is simply a scheme for the confiscation of wealth. Gold stands in the way of this insidious process. It stands as a protector of property rights. If one grasps this, one has no difficulty in understanding the statists' antagonism toward the gold standard."

— Alan Greenspan

former Chairman of the Federal Reserve

"Gold and Economic Freedom"

In 1932, you could purchase a man's suit for a \$20 bill or a \$20 gold coin. Today, a \$20 bill will barely pay for alterations, but a \$20 gold coin is worth over \$1,600 and will still purchase a very nice suit.



HISTORIC WEALTH & TIMELESS TREASURE

Virtually all of the world's ancient and modern societies have valued gold as the supreme representation of wealth and beauty. In the Bible, gold is both the alpha and omega, appearing in the Garden of Eden, and again in the final chapters of Revelation, where the heavenly city is entirely made of Gold (Revelation 21). In between, ancient Israeli scribes recorded that God selected gold to overlay the sacred tabernacle. The same is true in other ancient civilizations; for Egyptian Pharaohs, gold confirmed their magnificence, even for the afterlife. In Greek mythology, Jason and his Argonauts saw the Golden Fleece as the key to establishing their dynasty.



TIME *to* BUY GOLD

- ▶ Which Gold Acquisitions are Right for You
- ▶ Comparing ETFs, Futures, Bullion Coins, Rare Gold, Bullion & More
- ▶ Discovering the Benefits of Precious Metals for Retirement
- ▶ Determining the Best Time to Buy
- ▶ Identifying the Right Dealer for Your Financial Goals
- ▶ Protecting Your Gold and Your Family



Gold American Eagle
The #1 most popular gold bullion coin in the world.

Which Gold Acquisitions are Right for You

Beginning gold investors should look first to gold bullion – especially gold bullion coins minted by a recognized national mint. Gold American Eagles are the #1 most popular gold bullion coins in the world.

The 22 Karat Gold American Eagles sell at the prevailing price of gold bullion plus small manufacturing and distribution costs.

The next most popular gold bullion coins are produced by: Canada (24K Maple Leaf), Austria (24K Philharmonic), and South Africa (22K Krugerrand).

American Eagles are easy to buy and sell at most coin and precious metals dealers and are welcome in major investment markets worldwide. In today's volatile financial environment, many buyers demand the high degree of liquidity and lower dealer buy-sell spreads that American Eagles offer.



Comparing Your Physical Gold Options

Jewelry is the customary Old World medium for a family's primary savings, with an added opportunity for "wearing your wealth." However, jewelry is seldom pure (24-karat) gold, usually starting with 14-karat. Jewelry can also be ungainly to store and protect from theft.

Bullion bars & coins are internationally recognized forms of pure gold or near-pure (22-karat) gold in concentrated form. A reputable dealer or national mint is your guarantee of authenticity. The disadvantage is little possibility of gains or losses much greater than bullion prices unless a low mintage bullion coin becomes popular later and develops a collector premium.

Numismatic coins are the most concentrated forms of wealth – so that more value can be saved in a smaller space. Over time, quality numismatic coins generally grow faster than bullion in price, according to a recent 30 year study by Penn State economics professor Raymond Lombra. **A basket of 3,000 rare coins (the PCGS3000 index) far outperformed gold bullion from 1970 to 2020.** The disadvantage of rare coins is that prices can remain stable or decline for a while, even while gold rises, before taking off suddenly and relatively unexpectedly. For these reasons, medium to long-term holds are recommended. We also recommend NGC and PCGS certified coins with low comparative capitalizations.

Dealers or financial competitors who bad mouth the coin market or other dealers typically have many deficiencies themselves. When bad mouthing is present say what they say in Missouri "show me" to both competitors for your business. Give both dealers a chance to provide a response and proof of memberships, awards, accreditations and service. In most cases, the "bad mouthing" dealers or financial competitors are seriously deficient in credibility or their accusations are seriously mischaracterized, outdated or blatantly false.

Comparing Your

Paper Gold Options

Futures Contracts are traded on the commodity exchange (COMEX) of the New York Mercantile Exchange (NYMEX) for about five hours each business day. The gold contract is for 100 troy ounces, quoted in dollars.

Exchange Traded Funds (ETFs) must hold enough bullion to back their shares. Each share of the most popular gold ETF – called SPDR Gold Shares (symbol: GLD) – represents one-tenth of a Troy ounce of gold (i.e., if gold trades at \$1600, one GLD share sells for around \$160). The transactions are quick and secure, but you hold no actual gold.

They trade like any other stock, based on investment demand vs. the supply of shares. With specific gold shares, investors must examine the management and deposits with an eye toward fraud or overstatement, as happened with Bre-X shares. Some mining companies hedge their gold, defeating the purpose of profiting from gold's rise. In general, gold mines rise when gold bullion rises, since gold mining leverages gains in gold's price, but that is not always the case. When gold rose rapidly in 2008, gold shares did not follow, declining 70% in six months. In recent years, gold shares have continued to decline, even though gold has risen for 12 straight years.

Determining the Best

Time to Buy

Gold will be of most value during times of increasing global tension, a sinking U.S. dollar, growing government deficits, a rise in failed banks and a shortage of newly-mined gold supplies. **In other words, now is a good time to begin buying gold.**

Gold Eagles are also eligible for inclusion in an Individual Retirement Account (IRA) and appreciate tax-free until liquidated. Depending on your age, portfolio balance and other factors, you can determine the preferred timing and type of gold portfolio that fits your personal needs the best.

Important Privacy Notice:

American Eagles are not subject to United States broker reporting requirements while Maple Leaf gold coins, Krugerrands and gold bullion bars are.

A Dollar of No Real Value?

Shortly after the Battle of Bunker (Breed's) Hill on June 17, 1775 – two months after Lexington and Concord – the Continental Congress was already running short of money, so on June 22, Congress printed the first run (\$2 million) of Continentals, a piece of paper backed by faith alone.

Since these tiny new pasteboards were not backed by gold, merchants demanded more Continentals for the same amount of goods. Before long, General Washington complained that “a wagon load of currency will hardly purchase a wagon load of provisions.”

By the end of the Revolutionary War in 1781, the Continental was virtually worthless. Because of this experience, the phrase “not worth a Continental” became a common way to describe anything of no real value.

Ask us about a GOLD IRA

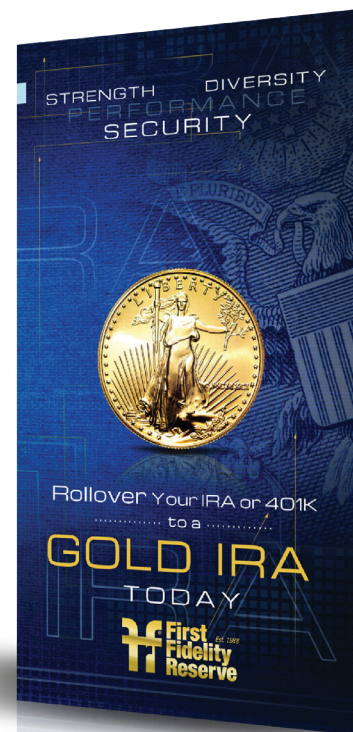
Discover the innovative process we developed to easily rollover your IRA or 401K to a Gold IRA Today-1.800.336.1630

Identifying the Right Dealer for Your Financial Goals

- 1) Find a nationally recognized dealer who is Better Business Bureau Accredited and who can provide you proof that they have nationally recognized expertise and satisfied clients nationwide. Make sure they are actually members of leading coin organizations.
- 2) Seek a major trusted market-maker in rare and bullion coins, with an established reputation for buying back coins as well as selling coins (this is very important when it comes to liquidating your acquisitions).
- 3) Identifying a major market-maker is important because they often get first shot at some of the best coins and typically buy coins back at higher prices.
- 4) First Fidelity Reserve® is a major market-maker in the coins they recommend. Transactions are easy and convenient, and their account representatives provide solutions, answer questions and make recommendations that work toward your goals. **Call 800.336.1630 or visit www.firstfidelityreserve.com**

FREE GOLD RESOURCE: First Fidelity Reserve® has opened precious metals IRA accounts nationwide. Our account representatives can provide you with a free precious metals IRA KIT, along with courteous and professional assistance to make rolling over your IRA, or opening a new IRA comfortable and easy. Gold's use in our self-directed IRAs is up dramatically since 2007.

**Gold's use in our
self-directed IRAs
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GOLD ROSE 12 STRAIGHT YEARS, THEN FELL, but GOLD STILL BEATS STOCKS

YEAR	Year-end Price	Annual Change	S&P 500	Annual Change
2000	\$274.45	N/A	1320.28	N/A
2001	\$276.50	+0.8%	1148.08	-13.0%
2002	\$347.20	+25.6%	879.82	-23.4%
2003	\$416.25	+19.9%	1111.92	+26.4%
2004	\$435.60	+4.7%	1211.92	+9.0%
2005	\$513.00	+17.8%	1248.29	+3.0%
2006	\$632.00	+23.2%	1418.30	+13.6%
2007	\$833.75	+31.9%	1468.36	+3.5%
2008	\$869.75	+4.3%	903.25	-38.5%
2009	\$1087.50	+25.0%	1115.10	+12.8%
2010	\$1405.50	+29.2%	1257.64	+23.5%
2011	\$1575.00	+11.7%	1257.60	-0.03%
2012	\$1664.00	+5.7%	1426.19	+13.4%
2013	\$1201.50	-27.8%	1848.36	+29.6%
2014	\$1199.25	-0.2%	2058.90	+11.4%
2015	\$1060.00	-11.6%	2043.94	-0.7%
2016	\$1146.00	+8.1%	2238.87	+9.5%
2017	\$1291	+12.7%	2673.61	+19.4%
2018	\$1279	-0.9%	2506.85	-6.2%
2019	\$1515	+18.5%	3230.78	+28.9%
TOTAL 19-YEAR GAINS		GOLD +452.0%		S&P 500 +144.7%

When Stocks Fall Fast, Gold Usually Rises Fast!

Many millionaire investors are afraid of this stock market. A survey of 3,400 millionaire investors (those with at least \$1 million in investable assets) by UBS, a Swiss investment bank, found that more than half of them think that there will be a "significant market sell-off" by the end of 2020. They had already moved an average 25% of their portfolio into cash.

Now we have confirmation that this movement into cash is far more widespread than just the millionaire class of investor. In the weekend edition of December 7-8, 2019, The Wall Street Journal showed evidence that the bulk of investors have pulled out over \$220 billion in stock market mutual funds and exchanged-traded funds (ETFs) through the first 11 months of 2019, a record high exit for any full year.

During the past three years, assets in money market funds have grown by about \$1 trillion, according to Thomson Reuters, as cited by the Journal's December 8 article. Money market fund balances are now at their highest level since the 2008-9 Great Recession. Although many big institutions are still in the stock market, much of the public is afraid of the market.

Here are some examples of gold's increase during stock market crashes of the last 50 years:

- ▶ From January 11, 1973 to December 6, 1974, during the Nixon impeachment resignation and aftermath, the Dow declined 45.1%, while gold gained 178%, rising from \$65 to \$181.
- ▶ From September 21, 1976 to April 21, 1980, during the "Carter Malaise," the Dow declined 25.2% while gold gained 322%, from \$120 to \$506.
- ▶ From August 25, 1987 to October 19, 1987, the Dow declined 36.1% in less than two months ending on Black Monday, but gold gained 5% from \$458 to \$481.
- ▶ From January 14, 2000 to October 9, 2002, after the "Dot.com" meltdown and 9-11 attack, the Dow declined 37.8%, while gold rose 12.7%, from \$283.30 to \$319.35.
- ▶ From October 9, 2007 to March 6, 2009, during the Great Recession, the Dow declined 53.8%, while gold rose 27.2%, from \$736 to \$936.
- ▶ From July 5, 2011 to September 6, 2011, during America's debt crisis, the Dow lost 11.4% while gold rose \$400 (+26.8%), from \$1,495 to a record \$1,895 per ounce.



SPECIAL REPORT

SEVEN PLACES TO QUICKLY SELL YOUR GOLD COINS AND JEWELRY

Recent testing done by Consumer Reports, ABC's Good Morning America and regional award winning weekly The Examiner provide some answers regarding who typically pays the most for gold. I will address seven different business models and will briefly summarize their advantages and disadvantages. They are listed in order of who often pays the most to who often pays the least.

1. LARGE NATIONAL COIN DEALER

ADVANTAGES Typically pay the most for types of gold coins or jewelry they specialize in and they are usually reputable nationally and locally but you must verify this. The Examiner story found that major reputable national coin dealers paid as much as 4-5 times what some hotel coin buyers paid on some rare gold coins. They are usually the quickest to deal with. Large dealers often pay more than auction companies, who often charge buyers and sellers fees totaling about 25%.

DISADVANTAGES May be far away from where you are and may not buy jewelry. You still must check out their reputation and if they are Better Business Bureau accredited.

2. LOCAL COIN DEALER

ADVANTAGES They are in your area and The Examiner story found they often paid 3-4 times what hotel coin buyers paid for the same gold coins. If they routinely deal in gold jewelry they may make some of the highest offers for old gold jewelry. They are usually quick to deal with. They may buy bulk groups of lower value collector coins that don't interest some national coin dealers.

DISADVANTAGES Even if reputable and knowledgeable, they may pay 10-20% less than major dealers for rare coins and gold jewelry. Some local coin dealers are not Better Business Bureau accredited and may offer much less due to lack of expertise or integrity. Check out their reputation carefully.

Understanding Measurement Units and Gold Purity:

Troy Ounce - The unit of weight for precious metals. One troy ounce equals 480 grains, 1.09711 avoirdupois ounces or 31.103 grams or 20 pennyweights. There are 12 troy ounces and 16 avoirdupois ounces to the pound.

24 Karat = Pure Gold

18 Karat = 18/24 Pure Gold

14 Karat = 14/24 Pure Gold

10 Karat = 10/24 Pure Gold

3. JEWELRY SHOPS

ADVANTAGES For jewelry, not rare gold coins, may be very competitive with local or national coin shop if reputable and Better Business Bureau accredited. Finely crafted jewelry can bring premiums.

DISADVANTAGES Experts for buying jewelry may not always be on premises and you must make sure of local reputation and if they are Better Business Bureau accredited. Often may pay melt value or slightly higher for rare gold coins that are worth multiples of melt value.

4. PAWN SHOPS

ADVANTAGES You can buy back some products you sell if you want and some are BBB accredited and give you very competitive prices locally on gold bullion and jewelry.

DISADVANTAGES Often not in best part of town, bars and barbed wire, and may offer less than previous three. Rare gold coins are usually not their specialty, thus their rare gold coin offers are usually not competitive. Check out their reputation carefully.

5. GOLD PARTIES

ADVANTAGES You know the person holding the party and it's held in a comfortable setting.

DISADVANTAGES Prices paid are often far less than the first three and you often don't know as much about the actual buyers' knowledge and integrity and if they are Better Business Bureau accredited. The host typically makes 10% too!

6. HOTEL BUYERS

ADVANTAGES They're in your locale and you get paid immediately.

DISADVANTAGES May pay as little as 20¢ on the dollar compared to buyers previously listed #1 and #2 and they may not really know what they are looking at. They also may not give you an itemized receipt and the process can take the longest. One common coin may take 45 minutes to get a value. Some have been the subject of numerous customer complaints. They may not be Better Business Bureau accredited. They may not comply with state laws requiring licensing of scales.

7. MAIL-AWAY GOLD BUYERS

ADVANTAGES No in person contact and fairly simple to send.

DISADVANTAGES Offers may be about 20¢ on the dollar and you may have to negotiate to get that or higher. Some customers have reported having their gold items lost or melted and could not be returned and were refused reimbursement. Some companies have been the subject of numerous customer complaints resulting in new laws to address some business practices. They may not be Better Business Bureau accredited.

In conclusion, I would advise getting an opinion from a state and city registered, recognized coin dealer before selling your gold coins or jewelry by mail or to a transient buyer at a gold party or hotel. Always get an offer from the dealer that originally sold you the coins.



**SELL
YOUR GOLD
WITH CARE**

BE CAREFUL *about dealing with other dealers, calling you to buy or sell coins, that you never contacted before (cold call). Especially be careful if they deal in coins not graded by PCGS or NGC but in coins graded by services that sound like PCGS or NGC over the telephone. Check out their Better Business Bureau status. Our company is only located in Beaumont, Texas and we have no out-of-area representatives. All of our calls to you should come from a 409 area code. All packages shipped to us should be addressed to our Beaumont, Texas address.*

America's Gold Expert®

First Fidelity Reserve® has the benefit of proven and extraordinary trust and experience in Dr. Mike Fuljenz. With over 40 years in the numismatic field, he is considered one of the world's noted authorities on coin grading and the rare coin market.

Part

DR. MIKE FULJENZ

Major Media Appearances

New York Times, Los Angeles Times, USA Today, Kiplinger, Forbes, NRA News, NBC News, Bloomberg TV, CNBC, Fox Business, CBS MoneyWatch, and The Wall Street Journal

Awards

NUMISMATIC LITERARY GUILD (NLG)

- Book of the Year Award
- 12 Television Reporter of the Year Awards
- 3 Investment Book of the Year Awards
- 7 Best Dealer Publication Awards
- 11 Best Radio Show Awards

PRESS CLUB OF SOUTHEAST TEXAS

- Best Radio Show
- Best Electronic Newsletter
- Best Brochure "Personal Gold Guide"
- Best Electronic Newsletter
- Best Investigative Radio Report (KLVI)

Offices Held

Chairman: American Numismatic Association Certification Committee
Board Member: Industry Council for Tangible Assets (ICTA)
Board Member: Numismatic Literary Guild
President Beaumont Little Dribblers Basketball
President: Dioceses of Beaumont Catholic School Board
State Bar of Texas standing committee on Advertising Review

Consumer Protection Assistance

Numismatic Crime Information Center, NBC News, U.S. Mint, Federal Trade Commission, CNBC, U.S. Postal Service, Los Angeles Times, CBS Inside Edition, Texas Attorney General and Beaumont Crime Stoppers Board

Mike Fuljenz

"The fact that since 1986 Dr. Mike Fuljenz has won so many major awards in so many diverse categories, including the top NLG award 'The Clemy,' underscores how important his peers in the rare coin and precious metals markets view Mike's excellent analysis and reporting."

Ed Reiter

Former Executive Director, Numismatic Literary Guild
New York Times Former Columnist



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- ▶ **100% Customer Service Hotline 877.877.2256**
- ▶ **Better Business Bureau Accredited** since 2002

Contacted FFR to place an order for the 2009 Silver American Eagle. FFR's employees are informational and helpful. I like FFR because of the good values on their products.

Ryan, IL

I contacted FFR on a silver and gold offer in a publication. My silver and gold coins were delivered promptly, well packaged, and in great shape. Even for introductory offers, FFR has top quality, clean coins that were well packaged and always timely delivered.

JB, MA

I originally contacted FFR because of an ad I received regarding the purchase of Silver American Eagles. This was to be a one-time thing with no intent/need to acquire anything else from them, but after talking with a knowledgeable staff member about my intended coin purchase, I realized this may be the start of a worthwhile relationship.

John, NJ

I have been a FFR customer since 2009. I like FFR because they are overall very informative and have good prices.

Frank, NJ

PROTECTING

Your Gold & Your Family



Owning gold is important, but owning gold can come with a big challenge: keeping it safe. Criminals love to steal gold. It's a large amount of value in a small, easy-to-conceal package. It's relatively hard to trace and easy to sell.

For maximum protection, store valuables in a bank safe deposit box. I've never personally known of anyone losing coins stored in a safe deposit box. But keep mum about the bank box, and don't be predictable about visits to the bank. Experienced coin dealers know to vary their routine and make bank visits at different times and by different routes each time.

If you live in a hurricane-prone area don't leave valuables in your home where looters can get at them in the chaotic aftermath of a storm. Remember the TV footage of rampaging looters after Katrina and other hurricanes? Some local banks were closed after these monster storms, but within 60 days people were able to get to their valuables from their safe deposit boxes.

Some gold owners mistrust banks and elect to keep their gold close at hand in a home safe or buried in the backyard. But be forewarned: many buried tubes leak over time, and there are risks with having large amounts of gold around the house. In consultation with numerous law enforcement agencies, here are common sense ways to protect your valuables, yourself and your family.

- 1) Buy a fireproof safe or gun safe. Large safes usually are too heavy for thieves to carry easily.
- 2) Secure the safe. Bolt it to the floor, hidden in an out-of-the-way location, not your master bedroom or master bathroom. That's typically the first place thieves look.
- 3) Keep mum. Be very guarded about who you tell about your valuables and what they're worth.
- 4) Don't flaunt. Despite the temptation to show off your hard-won luxuries, never leave your valuable guns, coins or jewelry lying about exposed to children, maids, workers or even friends. Many a rare coin has ended up sold to a gold buyer or even put in a vending machine after it was taken by a tempted son, daughter, house-keeper or painter.
- 5) Read your homeowner's insurance policy to make sure it covers collectible valuables. Make an inventory list with estimated values, and photograph your most valuable coins, guns and accessories for insurance purposes, then keep the list and photos in a secure place.
- 6) Know your neighbors. Watch out for each other and report any suspicious activity in the neighborhood.
- 7) Make it look like you're always home. Cut off mail and newspaper delivery. Hire someone or enlist a willing neighbor to clear snow from your sidewalks, mow your lawn, move your parked vehicles periodically, and remove advertising fliers hung on your front doorknob or gate. Leave on a TV, stereo or radio with the volume loud enough to be heard from outside. Install timing or remote systems on several lamps near windows visible to the street so that lights come on and turn off unpredictably as though someone is home.
- 8) Never announce on Facebook, Twitter or any other public forum that you're going away. Social media is happy hunting grounds for thieves.
- 9) Destroy evidence of expensive new toys. Use an opaque garbage bag to conceal the box for that new super big screen high-definition cable-ready Blu-Ray TV set you bought. Empty boxes in plain sight could extend an invitation to burglars who will be on the lookout for other valuables in your home.
- 10) Always keep your house locked. Put dead-bolts on doors and keep them locked and secure window air conditioning units.
- 11) Install a very loud, monitored home security alarm. The alarm noise startles intruders and makes them anxious to get away before police arrive. Post the sign provided by the alarm company in a highly-visible place. Lock your outside breaker box or electrical panel to reduce the ease of thieves disarming burglar alarms and phone systems.
- 12) Turn on the lights! Well-lit grounds are less likely to be random targets and motion-activated lights leave few, undetected hiding places for thieves.
- 13) Get a dog that sounds ferocious, even if it isn't really. Even a cute, yapping "squeaky-toy sized" dog may serve as an alert that strangers are present.

To learn more about diversifying and protecting yourself with gold investments, watch our award-winning educational videos featuring Dr. Mike Fuljenz on our website.

FAQs

How do I pay for my gold?

By credit card, personal check, cashier's check, money order, PayPal or bank wire transfer. (Credit cards are not accepted by many dealers on gold bullion transactions.)

Once I place my order, what happens next?

Your order is shipped to you via overnight and insured delivery, arriving in approximately 3 weeks or less depending on method of payment.

How should I store my gold?

A bank safety deposit box is highly recommended. My 40 years of experience has shown that other storage options have greater risk.

Are 24k or 22k bullion coins better?

In the United States it really hasn't mattered. Some foreigners prefer 24K products so the U.S. began the 24K Buffalo program. American Eagles are still the most popular gold bullion coin and are eligible for IRA inclusion.

What is the benefit of dealing with a market maker?

Major market makers often have top experts, get first shot at some of the best coins, and typically buy coins back at higher prices. Major market makers have insights into breaking news that many dealers do not. Our expert, Dr. Mike Fuljenz, has contributed to most industry publications and leading price guides for over 30 years.

What if my preferred coins are not available?

Rare coins are, by definition, rare. They often require patience to find the right specimen. Even with bullion coins, mints around the world can run short of the bullion blanks necessary to mint new coins and have sales interruptions.

*Buying Gold Today
for
Stability Tomorrow*

What if I need to sell my gold?

Contact First Fidelity Reserve® at 800.336.1630. As one of the largest dealers and market makers of rare gold coins, we offer high prices to buy your bullion and rare coins. Our customer policy is to typically buy back what we sell.

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Our primary commitment to you is an excellent experience. That's why our customer service department is available Monday thru Friday 8:30 am – 5:00 pm CST to hear from you. Compliments, concerns or product comments are all welcome in our commitment to constantly improve your customer service. Our 100% Customer Satisfaction Guarantee: If you are not 100% satisfied with your purchase, you may return it in its original packaging within 30 days of receipt for a full refund except on special orders or bullion orders. Thanks again for your business.

Mike Fuljenz



100% Customer Service Hotline 877.877.2256

Rare Coin Quality Assurance Policy

If for any reason, you are not completely satisfied with the quality of a rare coin purchase after your return privilege has ended, we will attempt to exchange your coin/s for a same grade and grading service specimen hand-selected by Mike Fuljenz from our inventory at no charge.

Please read important customer disclosures on our website or that accompany products purchased, including arbitration agreement. Individuals should not look at this publication as giving financial or investment advice, and/or information for their individual suitability. We may contact you from time to time regarding items of interest. All statements or opinions herein are believed to be accurate to the best of our knowledge at this time. They are not guaranteed in any way by anyone and are subject to change over time. We are not liable for any claims or losses which may be incurred by third parties while relying on information published herein. We advise you to independently verify all representations. Rev 04.20

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