

Buying Gold and Silver 7 Tips for the Beginning Investor



Buying gold and silver is in the news in a big way. It all seems very complicated and maybe risky to the small investor that is looking for a way to stabilize their future. Stock prices go up and down drastically, real estate values are plummeting, job security is out the window, and here you are wondering if maybe gold and silver could be the answer to stabilizing your financial future.

There is a lot of hype circulating on the Internet these days and new dealers are popping up very day due to the retail demand. This requires you to be extra careful and do your research before you decide on where to buy. If you choose the gold and silver products that are the best investment for you before contacting a dealer the process becomes very smooth and effortless.

Using it as a short-term strategy to make a quick buck is not recommended due to the premiums paid to the gold dealers. Investing in gold and silver should be a somewhat long-term strategy unless you purchased low and want to cash in now before the peak.

The key to buying gold and silver is jumping in at the right price. Dealers charge a premium over the wholesale price they pay so any purchase may take some time to gain equity.

Dealers make their profit selling gold and silver for more than they pay on the wholesale market. This wholesale price is called "spot" by those in the business. You need to know the spot price first to judge whether the dealer markup is competitive. Using a search engine, find a dealer that sends a free daily email with the spot price and sign up. Since the spot price changes daily it is important to have the current price at hand before making the dealer call.

Then there are all those scams to watch out for now that gold is such a big deal for investors. Some dealers may try to sell you foreign or collector coins. The word "confiscation" is bandied about along with the "better return when you sell" phrase.

Back in 1933 President Roosevelt asked citizens to turn in their gold bullion in return for paper dollars. It was a voluntary thing to help fight inflation at the time. Apparently lots of people were hoarding gold and Roosevelt wanted that wealth in circulation to help the economy. Somehow the word "confiscation" is attached to that event by these scam dealers hoping to convince you to buy the more expensive foreign and collector coins.

Find a dealer that offers the product you want to buy at a competitive price without using any underhanded tactics like "bait and switch" then make the plunge. Lock in the price over the phone and dash down to pick up your investment.

Seven Tips for the Beginning Investor

1. Buy bullion or popular bullion Coins, not collector coins.
2. Buy silver first, then gold.
3. Buy small gold first, then larger purchases.
4. Never buy high premium-priced products if you can avoid it.
5. Always take delivery rather than having the gold or silver stored for a fee (or free) by the dealer.
6. Never buy exotic coins or modern rarities or anything you don't understand.
7. Research and know your dealer.

Storing Your Investment

There are several ways to store your investment.

- + Open a safety deposit box at your bank
- + Pay a professional precious metals storage facility
- + Bury it in your backyard
- + Create a false ceiling in your home

There are drawbacks to some of those options depending on whether you feel the need to have your investment close at hand should you need it for emergency use or prefer the security of a vault.

These seven tips give you enough information as a beginning investor to move ahead. Go preserve your wealth the smart way...regardless of the mistakes the world makes!

For more detailed information: *Buying Gold: A Primer for the Beginning Investor*. This eBook includes beautiful photos of gold and silver products that are available on the market. Before you begin this adventure learn how to speak their language and understand their products. Learn how the gold market works and how you can benefit by investing wisely. This eBook is a "must have" for the beginning investor.