

Reverse side of an American Eagle platinum 1oz bullion coin



FLYING START FOR PLATINUM EAGLES

The first few months of 2019 have seen strong investor enthusiasm for platinum American Eagle bullion coins

This year's US Mint platinum American Eagle coin programme has got off to a flying start, with sales of platinum bullion coins having already reached the 29,500 mark, almost equalling the total number sold during the entire previous year. With a mintage of only 40,000 coins available, observers believe that this year's programme could soon sell out.

The 1 oz, 99.95 per cent fine bullion coins are priced according to their weight in platinum, based on the prevailing market price, plus minting, distribution and marketing costs. They are usually purchased by investors seeking an attractive, easy – and accessible – way of adding physical platinum to their investment portfolios.

The US Mint also issues platinum American Eagle 'proof' coins, intended mainly for collectors or 'numismatists'. The term 'proof' refers to the way

a coin is produced and finished in a special minting process that results in a highly-polished, mirror-like background with the raised elements of the coin's design displaying a frosted appearance. Proof coins are often associated with the commemoration of an important event or historical landmark.

Platinum proof coins can be purchased directly by the public from the US Mint, whereas platinum bullion coins can be obtained by the public from authorised dealers. All American Eagle platinum coins are legal tender – hence their US\$100 face value – and backed by the US Mint for weight, content and purity, giving purchasers peace of mind as to the authenticity of their investment. The coins' nominal face value does not equate to their precious metal value – in point of fact, the 1 oz gold American Eagle bullion coin has a face value of US\$50.



The Royal Mint's 1oz platinum Black Bull of Clarence bullion coin from the 2019 Queen's Beasts series, obverse (left) and reverse (right)

Wider platinum coin resurgence

Elsewhere, platinum bullion coins are also enjoying a surge in interest. The UK's Royal Mint entered the platinum bullion coin market for the first time in 2017, and in 2018 it achieved more than 30,000 oz of platinum coin sales following the launch of its classic 1 oz Britannia coin struck in platinum. Early indications are that this positive performance has continued into the first few months of 2019.

Platinum bullion coins are attractive to UK investors seeking portfolio diversification as well as a

long-term store of value. There can be tax benefits too, as sales of legal tender platinum bullion coins are not subject to capital gains tax in the UK, for UK residents.

China will see the issue of the first platinum coin for 14 years later this month. China Gold is launching a 1/10 oz platinum coin with a 20,000 mintage to commemorate Beijing's role as host city to the 2019 International Horticultural Expo.

	Bullion Coin	Proof Coin
Purity:	99.95 per cent	99.95 per cent
Design:	Same design each year	Changing designs
Weight:	1 oz	1 oz
Legal tender*:	Yes, has a face value of US\$100	Yes, has a face value of US\$100
Circulation*:	No	No
Number of coins produced:	40,000	15,000
Bullion value:	Yes – easy and accessible way of directly investing in physical platinum. Store of value, possibility of making a return	Yes – but not main reason for buying
Numismatic value:	Yes – but not main reason for buying	Yes – premium reflects aspects such as quality, rarity and design that make the coin a collector's item

**Non-circulating legal tender refers to coins that are theoretically legal tender and could circulate, but do not because their issue price and/or their melt value at the time of issue is significantly above the arbitrary legal tender value placed on them.*

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