



GEIGER EDELMETALLE

Aktiengesellschaft

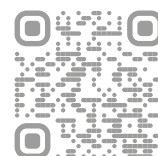
Understanding precious metals.

A practical guide for people who wish to organise
their assets more effectively.



St. Margrethen Branch
Advice and Sales
Grenzstrasse 14
9430 St. Margrethen
Tel.: +41 71 575 70 00

Niederglatt Branch
Advice and Sales
Grafschaftstrasse 3
8172 Niederglatt
Tel.: +41 43 883 27 00



Understanding precious metals.

Contents

3	Executive Summary
4	Why precious metals are currently gaining in importance.
5	A component of one's overall assets
6	The main precious metals and their differences
7	Their place within one's overall assets
8	Opportunities, limitations and risks
9	A guide to getting started
10	Concluding remarks

Understanding precious metals.

Executive Summary

Precious metals such as gold and silver have been used for a very long time to preserve value. They exist in physical form, are in limited supply and are largely unaffected by the economic performance of individual companies or countries. These characteristics set them apart from many other assets and continue to define their unique role to this day.

In an environment characterised by economic upheaval, rising prices and growing uncertainty, such assets are coming increasingly into focus. The focus here is less on short-term developments and more on fundamental questions: How can wealth be structured in a stable manner over the long term, and which assets retain their value even through economic ups and downs?

In this context, precious metals are not regarded as a stand-alone solution, but rather as a complementary component of an overall investment portfolio. Their significance lies primarily in their stabilising role and in the fact that, in certain situations, they behave differently from traditional forms of investment.

This white paper provides a deliberately objective overview of precious metals. It examines their properties, differences and potential applications, as well as their limitations. The aim is to provide a clear understanding of the subject and to lay a solid foundation for an informed, long-term engagement with it.

Geiger Edelmetalle has been dealing in physical precious metals for many years. Our experience shows that clarity does not come from quick decisions or simple answers, but from clarity and a realistic assessment of the situation.

Understanding precious metals.

Why precious metals are currently gaining in importance.

01



In recent years, the economic landscape has changed significantly. Political tensions, high levels of government debt, expansionary monetary policy and rising living costs mean that many people are taking a more critical view of their finances than before.

This is less about individual short-term events and more about a general sense of uncertainty.

How stable is money? How reliable are existing systems?
How can wealth be preserved in the long term?

In this context, assets are attracting attention that combine certain characteristics:

- limited availability
- low dependence on individual countries or companies
- a long history of use as a store of value

Context: Gold and silver are often associated with these characteristics. As such, they do not compete with modern forms of investment, but are regarded as a complementary component.

Understanding precious metals.

A component of the total assets

02

A stable portfolio is not built through individual investments, but through their synergy. Different assets react differently to economic developments, interest rate environments or political decisions. It is precisely these differences that help to make a portfolio more resilient over the long term.

Precious metals play a special role in this context. They are physical assets, generate no current income and are not the focus of return-oriented strategies. Their function is rather to act as a balancing factor and contribute to the stabilisation of the overall portfolio.

For this reason, precious metals are not typically used for short-term return optimisation. Their benefits are realised most effectively when they are viewed consciously and with a long-term perspective as a complementary component.

Context: Precious metals are neither a substitute for other asset classes nor a one-size-fits-all solution to all investment issues. They can be particularly effective when their role is clearly defined and they are specifically used as a stabilising factor.



*Gold-Chart 2025

Understanding precious metals.

The main precious metals and how they differ

03

Gold, silver, platinum and palladium differ significantly in terms of their uses, market behaviour and functions. These differences influence how they are classified in the context of asset management.



Gold

Gold is regarded worldwide as a traditional store of value and has been used for a very long time. It forms part of national currency reserves and is held by both central banks and private investors. Demand for gold is largely independent of industrial cycles.

As a result, gold often reacts less strongly to economic fluctuations than other precious metals. In the long term, it is therefore often associated with stability and the preservation of value.



Silver

Silver plays a unique dual role. In addition to its function as a precious metal, it is used in many industrial sectors, such as engineering, medicine and renewable energy. This industrial demand has a noticeable impact on market behaviour.

In practice, this means that the price of silver can fluctuate more dynamically, whilst at the same time being subject to greater volatility. Silver is therefore often regarded as a complementary asset that offers different characteristics to gold.



Platinum und Palladium

Platinum and palladium are primarily used in industry, particularly in the automotive and technology sectors. Demand is heavily dependent on individual industrial sectors, whilst the markets as a whole are relatively small.

This structure can lead to more pronounced price fluctuations. In the context of private wealth accumulation, these metals are therefore usually considered on a case-by-case basis and in specific situations.

Understanding precious metals.

The allocation within total assets

Precious metals can be incorporated into an investment portfolio in various ways. To provide a clear distinction, it is useful to differentiate between physical ownership and non-physical forms of investment

04

Physical precious metals

Physical assets take the form of coins or bars. Owners hold the metal directly, independently of financial products or contractual arrangements. Ownership is clearly defined and not tied to a provider's solvency.

However, this also raises practical issues, such as secure storage, insurance cover and subsequent sale. These points should be taken into account when making an informed decision.

Non-physical forms of investment

Non-physical forms reflect the price of a metal without involving direct ownership. The value is based on the market price but is subject to contractual and organisational conditions.

They are often flexible and easily tradable, but differ fundamentally from direct ownership, as no physical asset is held; instead, only a claim is held.

Context: It is crucial to know what you actually own: a physical asset or a price-linked claim. Both forms have different characteristics and areas of application. Making the right decision requires an understanding of these differences.

Understanding precious metals.

Opportunities, limitations and risks

Assets of this kind can serve various purposes within a portfolio. Their value lies less in short-term fluctuations than in their impact over longer periods.

05

Opportunities

They can play a balancing role within an overall investment portfolio and are often valued as a tangible asset. Due to their limited availability, they react differently in certain situations compared to traditional investments, particularly during periods of economic or political uncertainty.

Limitations

At the same time, it is important to view these investments realistically. They do not generate regular income, and periods of sideways movement may occur over longer periods. They are therefore generally not suitable for short-term goals or quick results.

Risks and practical considerations

Like all assets, they are subject to price fluctuations. When holding them directly, there are also practical considerations to take into account, such as secure storage, liquidity and personal organisation.

Context: Their benefits are best realised when they are viewed with patience, clarity and realistic expectations.

Understanding precious metals.
**An initial guide to
getting started**

06



The first step is not about making a decision, but about gaining clarity. It is not a question of fundamentally changing existing wealth structures, but of consciously building on them and gaining a better understanding of them. Especially at the outset, it is helpful to take your time and calmly assess your current situation.

A step-by-step approach has proven effective here. Those who make decisions without time pressure and understand the interrelationships gain confidence and develop a better sense of how to manage this aspect of their wealth. As every situation is unique, questions may arise that cannot be answered in general terms. In such cases, a personal discussion can help to organise your thoughts and gain a clearer understanding of your own situation.

Orientation comes not from speed, but from understanding.

Understanding precious metals.

In conclusion

A final look at the essentials

Precious metals are not a short-term investment vehicle, nor are they a one-size-fits-all solution to wealth management issues. However, when properly understood, they can help to structure wealth in a more stable and balanced way over the long term. This requires a realistic understanding of their characteristics, potential and limitations.

The aim of this white paper was to provide objective guidance, helping readers to understand the context and clarify their expectations. It is not intended to pre-empt any decisions, but rather to lay a foundation upon which you can continue your own deliberations at your leisure.

Geiger Edelmetalle has been dealing with physical precious metals as a specific asset class for many years. We use this experience to assist people in assessing their individual circumstances. If any questions remain unanswered or if you would like a personal consultation, we would be happy to help you gain clarity.

