

Invesco Physical Gold ETC

The easy and cost-effective way
to add gold to your portfolio

May 2024

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Investment risks

For complete information on risks, refer to the legal documents.

Instruments providing exposure to commodities are generally considered to be high risk which means there is a greater risk of large fluctuations in the value of the instrument. If the issuer cannot pay the specified return, the proceeds from the sale of the precious metal will be used to repay investors. Investors will have no claim on the other assets of the issue. The value of investments, and any income from them, will fluctuate. This may partly be the result of changes in exchange rates. Investors may not get back the full amount invested. Currency hedging between the currency in which the underlying precious metal is typically quoted and the currency of the certificates may not completely eliminate the currency fluctuations between those two currencies and may affect the performance of the certificates.



Physical gold ETC with one of the lowest total costs in Europe

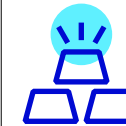
With over US\$14.9 billion of assets and a fixed fee of just **0.12% p.a.**, Invesco Physical Gold ETC is one of the largest and lowest cost gold products in Europe.¹



Low cost



UCITS-eligible and
Shariah-compliant



Secured by
gold bullion



Long track record with
over 14 years of history

The ETC is fully-backed by gold bullion stored securely in London bank vaults and aims to deliver the performance of the benchmark gold price, less the annual fixed fee.

And if you're trading on-exchange, tight bid-offer spreads typically around 3 basis points means the Invesco Physical Gold ETC has one of the lowest total costs of ownership among competing products in Europe.

INVESCO INSIGHTS

How did gold perform last quarter?

Read our latest Quarterly Gold Report to find out more



Capital at risk; you may not get back the amount you invested.

¹ Source: Invesco, Morningstar, as at 30 April 2024.

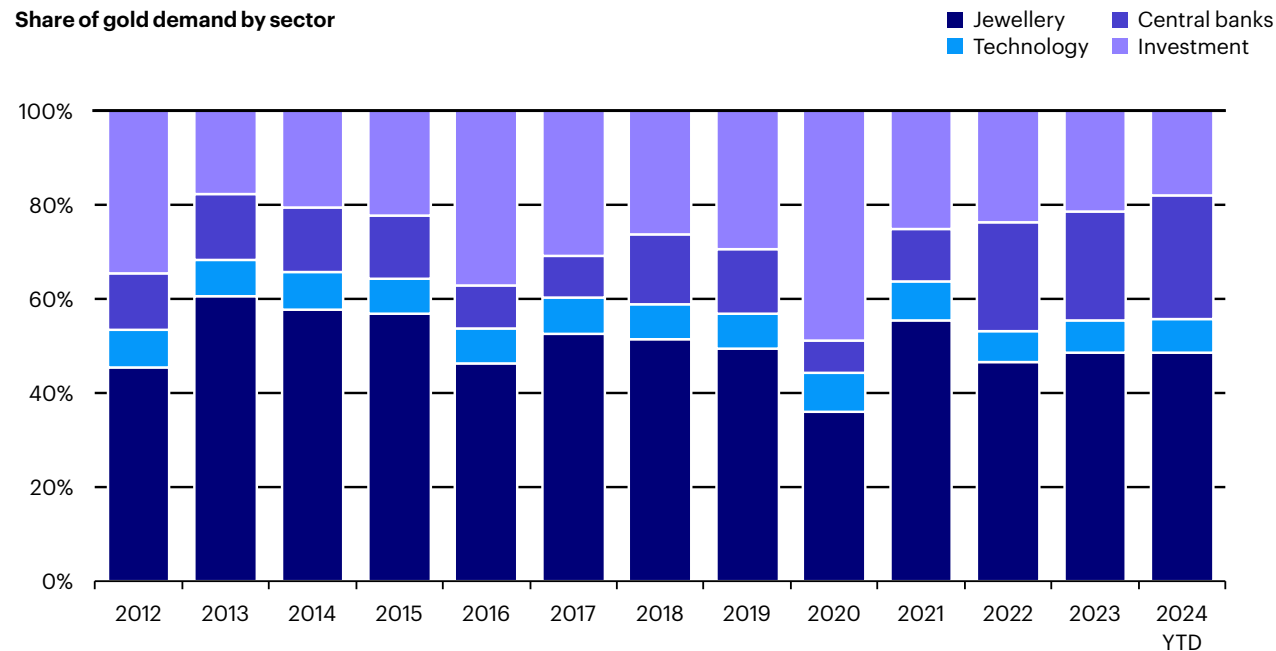
Why gold?

People buy gold for various reasons, whether for its cultural significance, unique scientific properties or investment potential. Investors and central banks often use it for **diversification** or to hedge risk.

The jewellery sector is the largest consumer of gold, especially in China and India where gold has cultural significance as well as financial value. Central banks have been net buyers of gold since 2010, for the same reasons that many other investors include gold in their diversified portfolios.

Retail investments in gold coins and bars still comprise a reasonable portion of annual gold demand, but physically backed products like the **Invesco Physical Gold ETC** are now one of the most popular methods for investing. These regulated investment products are as simple to trade as ordinary stocks and shares and are more efficient and cost-effective for most investors.

Share of gold demand by sector



Source: World Gold Council, as at 29 March 2024.



Diversification

Holding gold in a balanced portfolio can provide useful diversification benefits, as gold has historically maintained a low correlation with most major asset classes. Gold has certain unique drivers affecting its price, and it often performs well when equities suffer sharp falls.



“Safe haven”

While gold is certainly not a risk-free investment, it is often more sought-after when conditions are increasingly uncertain, or more volatile, elsewhere. As such, during periods of extreme economic turbulence, investors seeking to protect their capital buy gold as a possible “safe haven” asset and a form of insurance. This aspect may be particularly relevant in today’s market, with economic and geopolitical concerns weighing on the minds of many investors.

For illustrative purposes only.

² Source: World Gold Council.



Speculation

Just as any other investment, the price of gold will rise and fall, providing an opportunity for investors to take a speculative position on future price movements. Our gold ETC aims simply to deliver the return of the gold price, less the fixed fee.



Inflation hedge

Gold has historically been regarded by many investors as an effective hedge against inflation. Whilst many currencies have declined due to the impact of rising prices for goods and services, gold has kept its purchasing power over the long term.² Gold could be useful as an inflation hedge when inflation comes as a “shock” due to external factors, when prices escalate faster than expected or when central bank measures are ineffective.

The gold market and how to invest

With an average of over **US\$160bn** traded daily in gold OTC transactions, futures and exchange-traded products,³ gold is one of the most liquid asset classes in the world.

The gold market is large and liquid but, until November 2018, trading volumes could only be estimated, as most gold is traded over the counter (“OTC”) without requiring disclosure. Now, the London Bullion Market Association (“LBMA”) publishes weekly data on volumes traded OTC for delivery in London and Zurich.

Trading gold, and how the price is set

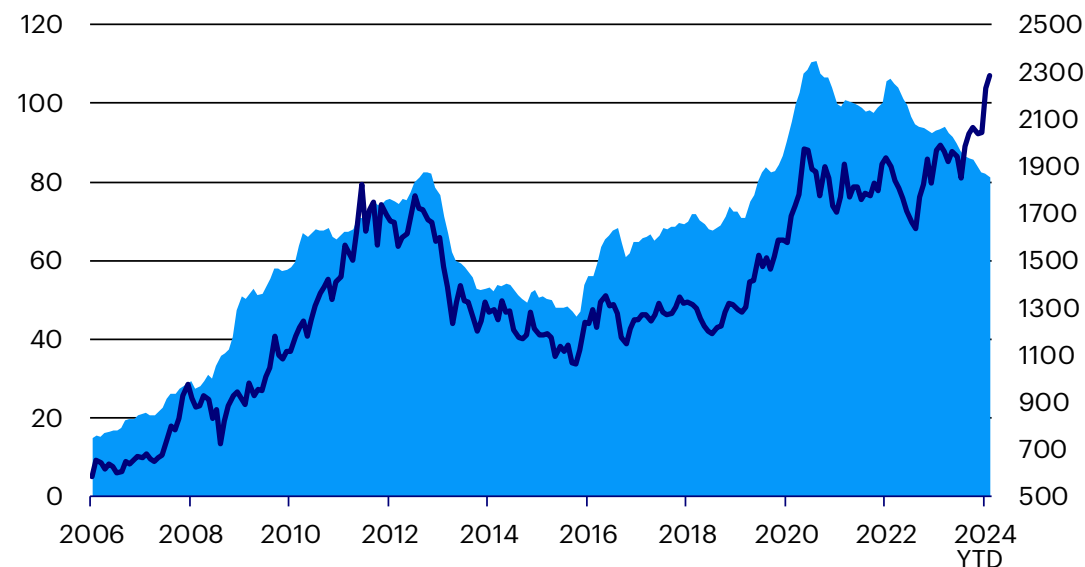
Most OTC trades are cleared through London. The LBMA is, amongst other things, responsible for setting refining standards by maintenance of the London Gold Delivery List:

- Trading unit: one fine troy ounce
- Minimum fineness: 99.5%
- Bar weight: approximately 400 fine troy ounces or 12.5 kilograms

The gold price is determined via an electronic auction that takes place twice per day in London, at 10.30am and 3.00pm GMT. The LBMA Gold Price is a fully transparent benchmark and widely accepted as the basis for pricing spot transactions.

Assets held in physically backed gold ETPs globally

- Gold price, US\$/ounce (RHS)
- Total known ETF holdings of gold (million fine troy ounces) (LHS)



Source: Bloomberg, as at 30 April 2024. Tonnes represent the equivalent amount of gold held in all physical gold-backed ETPs listed in Europe.

How to gain exposure to gold price

Historically, most investors could only gain exposure to gold by physically buying gold bars and coins, then arranging for delivery, storage and insurance. Those costs, added to the premium typically paid versus the spot price, would mean an even higher total cost over the holding period.

For investors who didn't want to hold the gold in physical form, gold futures could be an option, but they need to consider the costs of margin and rolling from one futures contract to the next on expiry. This makes futures a less convenient and potentially costly option for long-term investors.

A more recent development has been the introduction of gold exchange-traded products. Gold ETPs offer a low cost, simple and efficient way to gain exposure to the gold price, without the additional costs and complexities involved with most other types of gold investments.

³ World Gold Council, as of 29 December 2023.

Invesco Physical Gold ETC

The Invesco Physical Gold ETC provides one of the **lowest overall cost** exposures to the gold price in Europe.

Please get in touch if you have any questions.

If you are looking to buy, sell or switch into our product, we offer a free service designed to help you find the most suitable and cost-effective way to trade based on your preferences. Our capital markets team also works with the extensive range of market-makers, brokers and Authorised Participants (APs) who trade our products, looking for ways to increase liquidity and lower trading costs.

Visit the "Investing" page on etf.invesco.com for ways to get in touch.

With more than US\$14.95 billion of assets, it is also one of the largest gold products in Europe, enabling you to gain exposure to price movements without having to buy and store physical gold yourself.

The ETC aims to provide the performance of the LBMA Gold Price PM, less the fixed fee of 0.12% per annum. The proceeds of your investment would be used to purchase physical gold bars, which are placed in a segregated account and stored securely in the London vaults of J.P. Morgan Chase Bank. You can see the list of gold bars on our website, etf.invesco.com.

The gold ETC is also UCITS eligible and Shariah compliant.

Responsible Sourcing

The LBMA's Responsible Gold Guidance came into effect in 2012 and requires strict adherence to rules around the provenance of gold. It was set up to combat systematic or widespread abuses of human rights, to avoid contributing to conflict, to comply with high standards of anti-money laundering and to combat terrorist financing practices. While much of the gold mined prior to 2012 is likely to have also complied with the Responsible Gold Guidance, compliance was not mandatory.

The latest indication provided by the custodian⁴ shows that 100% of gold bars held in the segregated account of the Invesco Physical Gold ETC are minted post-2012. We will continue to work to only keep bullion gold, minted after 2012, to ensure compliance with the highest ethical standards.

How to buy and sell our gold ETC

You can buy and sell Invesco Physical Gold ETC via your usual broker or trading platform and hold it in a standard brokerage or custodial account. Invesco Physical Gold ETC trades on five major European exchanges, typically with tight bid-offer spreads of around 0.03%.

When you sell your holding, you may have the option of a Physical Settlement if you do not want to take the normal Cash Settlement. Physical delivery can be made only to a holder that is not a UCITS Fund. Also, you must specify the number and account name of an unallocated account in London with a member of the LBMA where the relevant delivery amount should be delivered.

About ETCs

Invesco Physical Gold ETC is a physically backed exchange traded commodity (ETC). ETCs are certificates, a type of debt security. The issuer of the certificates (Invesco Physical Markets PLC, an Irish company) agrees to pay investors a specified return. ETCs are not regulated UCITS funds, although they are designed to provide a similar level of security and transparency.

In respect of Invesco Physical Gold ETC, J.P. Morgan Chase Bank acts as Custodian and the Trustee is Intertrust Trustees Limited. The gold held in J.P. Morgan's bank vaults on behalf of the ETC is inspected twice a year by Inspectorate International Ltd, with PricewaterhouseCoopers, the ETC's auditors, accompanying them on an annual inspection. The inspection reports are published on our website.



Full performance history of our ETC can be found on the product page at etf.invesco.com

⁴ Source: JP Morgan Chase Bank, as at 30 April 2024.

Invesco Physical Gold ETC

Trading details

Invesco Physical Gold ETC

ISIN	IE00B579F325					
Benchmark	LBMA Gold Price (USD) Ticker: GOLDLNPM					
Exchange	London Stock Exchange		Xetra	SIX Swiss	Borsa Italiana	Euronext Amsterdam
Bloomberg ticker	SGLD LN	SGLP LN	8PSG GY	SGLD SW	SGLD IM	SGLD NA
Trading currency	USD	GBP	EUR	USD	EUR	EUR
Base currency	USD					
Inception date	24 June 2009					
Fixed fee (p.a.)	0.12%					
FX hedging fee (p.a.)	n/a					
Custodian	J.P. Morgan Chase Bank					
Domicile	Ireland					

Invesco Physical Gold EUR Hedged ETC

ISIN	XS2183935274	
Benchmark	LBMA Gold Price (USD) Ticker: GOLDLNPM	
Exchange	Xetra	Borsa Italiana
Bloomberg ticker	8PSE GY	SGLE IM
Trading currency	EUR	
Base currency	EUR	
Inception date	9 July 2020	
Fixed fee (p.a.)	0.12%	
FX hedging fee (p.a.)	0.15%	
Custodian	J.P. Morgan Chase Bank	
Domicile	Ireland	

Invesco Physical Gold GBP Hedged ETC

ISIN	XS2183935605	
Benchmark	LBMA Gold Price (USD) Ticker: GOLDLNPM	
Exchange	London Stock Exchange	
Bloomberg ticker	SGLS LN	
Trading currency	GBP	
Base currency	GBP	
Inception date	9 July 2020	
Fixed fee (p.a.)	0.12%	
FX hedging fee (p.a.)	0.15%	
Custodian	J.P. Morgan Chase Bank	
Domicile	Ireland	



Further information

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Data as at 30 April 2024, unless otherwise stated.

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