

Investing in Precious Metals?

Profit With Lesser-Known Options

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Investing in precious metals is a smart decision. These metals tend to keep their value over time, can gain value due to high demand, and are very easy to sell as long as you invest in coins and bullions.

The main advantages of investing in precious metals include diversifying your portfolio, creating a hedge against inflation, and providing you with something to fall back on if your other investments don't perform well due to a financial crisis.

Gold and silver are by far the most popular options for investors. There are some obvious advantages to adding these metals to your portfolio since they are always in demand. ***However, lesser-known precious metals provide you with more diversity and could yield better returns.***

Even though precious metals tend to fluctuate together, diversifying your portfolio with other precious metals will help you avoid the sometimes-saturated gold and silver markets.

Consider these excellent alternatives to gold and silver:

1. **Palladium.** This precious metal is used to make catalytic converters for cars. It's also needed to purify water and manufacture fuel cells.
 - Demand for palladium is likely to stay strong due to its many industrial uses. In addition, fuel cells are used to power electric cars, an industry that could explode in the next decade.
 - An ounce of palladium currently goes for a little over \$600. ***You could invest in palladium bullions or in the PALL ETF, which holds bullions.***

2. **Platinum.**Platinum is also used to make catalytic converters, but this metal has several additional uses, such as making medical equipment, electronics, and jewelry.

- Platinum is a rare metal that is only found in some parts of Russia and South Africa. The value of this precious metal spikes whenever there is an issue with supply. The downside is that the value of platinum tends to fluctuate, but this could play to your advantage if you buy and sell at the right moment.
- Demand is not going to slow down anytime soon and an ounce currently sells for over \$980. ***You can invest in platinum through the PPL ETF or by purchasing bullions.***

Purchasing bullions is an ideal option if you only want to invest in relatively small quantities and have a safe place to store your precious metals. On the other hand, buying shares of ETFs that hold platinum or palladium bullions gives you exposure to these precious metals without requiring you to physically hold on to anything. Both options are liquid.

Bullions can also be deposited into an IRA account as long as you purchase them from a mint.

Investors are becoming increasingly interested in these precious metals as more mints release palladium and platinum bullions. However, price fluctuations and speculations could make purchasing palladium and platinum a costly investment.

When investing in these metals, it's also important to consider the possibility that discoveries of new natural reserves could drive prices down. Technology could also evolve and make these metals obsolete.

Meanwhile though, palladium and platinum make excellent additions to your precious metals portfolio if you already own gold and silver.