Investing In Rare Stamps

Important Facts

- Are rare stamps good an investment?
- Who invests in rare stamps – and why?
- Which stamps should you invest in?
- How much should you invest?
- What determines stamp values?
- How do you make your money?
- What guarantees are there?
- How long should you invest for?
- How stable an investment?
- The Rare Tangible Assets strategy
- Helpful facts about ASI and Stanley Gibbons
ARE RARE STAMPS A GOOD INVESTMENT?

The top 250 Great Britain stamps over the last 10 years comprise the GB250 Index, listed on Bloomberg Professional (STGIGB25 Index). This index has never fallen, showing a compound annual growth rate of 13.14%. GB250 figures only cover the last ten years.

The GB30 Rarities Index (STGIGB30) also listed on Bloomberg Professional, has shown a consistent CAGR (Compound Annual Growth Rate) of over 10% per annum for the last 40 years.

NB: Bloomberg are independent, with no connection to Stanley Gibbons.

WHO INVESTS IN RARE STAMPS – AND WHY?

Rare stamps attract a diverse range of people – including some of the world’s wealthiest investors.

They include Warren Buffet and Bill Gross, who runs the $1 trillion Pimco fund. They include people who have sold businesses, pensioners, entrepreneurs, IFAs, Family Offices and ‘everyday investors’ looking to protect and grow their capital.

Rare stamps enable you to diversify your investment portfolio. Being uncorrelated to the broad economy, they tend to be unaffected by what happens to assets such as equities or property.

Anyone wishing to preserve and grow their wealth may find rare stamps appealing, especially when ‘classic’ capital preservation assets offer poor returns.

WHICH STAMPS SHOULD YOU INVEST IN?

Only a tiny percentage of collectible stamps make good investments.

They include Britain’s first, most famous stamp, the Penny Black, rare stamps from the old British Empire and Chinese heritage pieces and stamps flawed in some way - from the famous “Prussian Blue” to rare, modern-day errors.

Geoff Anandappa, our Stanley Gibbons investment stamp expert, will help you select stamps with the potential for highest returns. He can build and manage your investment stamp portfolio; or you can select your own investment stamps from those Geoff believes will deliver the best returns.

HOW MUCH SHOULD YOU INVEST?

We do not think you should invest only in stamps or make them a significant percentage of your holdings - 10% of your portfolio makes sense.
The minimum investment we recommend is £15,000 (approximately $25,000), though we have several seven figure investors. There is no right number.

Great Britain SG 133 1882 £5 Orange.
Catalogued at £25,000 and £70,000 in 2012 – an increase of 180% in 10 years.

WHAT DETERMINES STAMP VALUES?

Just as with shares, prices are determined by what collectors pay.

Stanley Gibbons constantly monitors sale prices and auction realizations around the world. They also take into account their own trade as the world’s premier rare stamp merchant. Their prices are for stamps in ‘fine’ condition or better - the only kind dealt in.

HOW DO YOU MAKE YOUR MONEY?

As the biggest in the market with the most connections, Stanley Gibbons can often buy at below market rate.

They sometimes pick up philatelic gems at auctions which others miss. And when people sell stamps, they tend to come to Stanley Gibbons first.

It is highly unlikely you could obtain stamps for less than Stanley Gibbons’ prices, and certainly with no worthwhile guarantees of authenticity.

Stanley Gibbons therefore tries to cover the cost of buying, processing, authenticating, warehousing and marketing costs up front.

Stanley Gibbons earns their money when you are profitable. The Flexible Trading Portfolio explains all the exit options offered with this program.

Over half of investors re-invest with Stanley Gibbons –perhaps the best testament to their expertise and the returns they enjoy.
WHAT GUARANTEES ARE THERE?

You have a lifetime guarantee of authenticity on all Stanley Gibbons rare stamps. No other organization gives this.

An independent philatelist associated with the RPS (Royal Philatelic Society) or BPA (British Philatelic Association) audits a random selection of stamps in investment portfolios and in stock every 2-3 years.

This expert verifies:

- **Physical existence.** Are they there?
- **Condition.** Are the stamps in exactly the condition described?
- **Value.** Are they worth what Stanley Gibbons says?

In the past 3 years, only 3 stamps out of many thousands have been challenged at audit, with only one challenge upheld.

Stamps are stored in secure vaults in London, Guernsey and Hong Kong. Stanley Gibbons stores and insures your stamps free of charge and you can see them at any time by giving notice.

HOW LONG SHOULD YOU INVEST FOR?

A SI believes the minimum investment period should be five years. Ten is better. You are not tied in, though. You have an early exit option after a year.

If you wish to make a quick profit, stamps are not for you. They are not for stock pickers or dynamic, day-to-day trading. Many investors are considering rare stamp and coin portfolios as part of their legacy.

HOW STABLE AN INVESTMENT?

No investment could survive a simultaneous collapse of every market.

Such a collapse has never occurred, but some investments are more linked - correlated – to the broad economy than others.

For example, property and share prices tend to fluctuate because of the economy. Conversely, rare stamp prices are hardly affected by economic trends, but by affluent investors competing for the best items.

Past performance is no guarantee for the future. But since values were first tracked, only equities have performed better than rare stamps – only just, and not as consistently.
Investment grade stamps have consistently grown in value since records began. During the 2008 financial bloodbath, their value rose 38.6%. Governments can print more money. Miners can mine more gold or diamonds. But nobody can print more Penny Blacks.

**RARE TANGIBLE ASSETS STRATEGY**

Rare Tangible Assets (RTA), offer the asset protection benefits you seek for your portfolio in any market environment. When most people think of luxury assets, they think of classic cars, wine and jewelry. Rare coins and rare stamps are part of that world, but are easier to buy, easier to own and easier to sell. RTAs are the best performing asset class you don’t have to build a new garage around.

With ASI and the Rare Tangible Asset strategy, you will get the truly diverse portfolio you are looking for, while having the world’s leading expert in rare coins and rare stamps at your side. The Rare Tangible Assets strategy offers the following benefits:

- A hedge against inflation with buying power protection.
- Rare stamps offer offshore storage to establish a portfolio of safe haven investments.
- A growing investor and collector market.
- An ‘open-ended’ product that doesn’t cap or fix your returns.
- A very competitive cost structure for optimum returns.
- It is one of your most private holdings.
FACTS ABOUT ASI AND STANLEY GIBBONS

Asset Strategies International, a Rockville Maryland company, founded in 1982, is an innovator in alternative asset ownership, including the Rare Tangible Assets strategy (rare coins and rare stamps), precious metals, foreign currencies, and global asset protection. ASI’s mission that you “Keep What’s Yours” is accomplished through carefully designed wealth strategies accessible to all.

Our Rare Tangible Assets strategy gives you access to the world’s leading expert in rare coins and in rare stamps. Furthermore, ASI is the North American representative for Stanley Gibbons, Ltd. Your RTA holdings will be assembled to match your unique goals and needs, with your family and legacy accumulation in mind.

Stanley Gibbons has been the home of stamp collecting since starting to trade rare stamps in 1856.

They are the largest in the field by a very considerable margin and have, according to The Times (London), “an unblemished reputation for expertise and honest dealing.”

“They are an AIM Listed company with a market capitalization of over £80 million. Stanley Gibbons is debt free and has shown consistent, double-digit growth through the current recession.

If you have any further questions about stamp investment, please contact ASI, the Stanley Gibbons North American Representative and talk to one of our Preferred Client Relations specialists who will discuss your options in greater detail.

Contact Asset Strategies International:

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*If you are looking to learn more about our Rare Tangible Assets strategy, which also includes rare coins, click here.