



MonetaryMetals®  
Unlocking the Productivity of Gold™

# Earn Passive Income in Gold



**Diversify your passive income  
with A Yield on Gold, Paid in Gold®**

Monetary Metals & Co.

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## Introduction: Why read this report?

If you're reading this report, you've likely already taken significant steps towards building wealth with assets that generate passive income.

Assets that generate passive income offer the attractive combination of potential price appreciation plus the opportunity for consistent cash flow via dividends, rental income, or interest income.

The purpose of this report is to offer you another great way to build and secure wealth through passive income in gold—A Yield on Gold, Paid in Gold® with Monetary Metals.

“*Concentration builds wealth, but diversification secures wealth.*”

Gold has a strong track record of appreciating in price. But it's never been able to offer a yield...until now!

Monetary Metals lets you own physical gold AND earn an income on it too! Depending on your preferences and whether you qualify as an accredited investor, you can earn from 2% to 19% annually!

The best part is that the income you earn on your gold is paid in gold.

In this report, we explain:

- Why gold offers true diversification you can't get anywhere else
- How you can earn passive income with gold, paid in gold
- The key similarities and differences between gold and other assets
- How to get started earning a yield on gold with Monetary Metals

Without further ado, let's dive in!

## Gold: True diversification you can't get anywhere else

Just like offense wins games but defense wins championships, **concentration builds wealth**, but **diversification secures wealth**. If a sizable portion of your wealth is concentrated in any one asset class, you may want to consider a diversification strategy to reduce your exposure to a single investment category or source of passive income.

Unfortunately, diversification is one of those words that's both overused and misunderstood. We see examples of false diversification all the time. Whether it's buying Home Depot stock when you already own Lowe's. Or buying another rental property in a different zip code but the same city.

You may think you're diversifying since the two investments are technically different but you're fooling yourself.

True diversification is all about owning assets that are uncorrelated to one another. [1] You cannot understand diversification without understanding correlation.

The less correlation between the assets you own, the more diversified you are.

### Less correlation = more diversification.

Let's look at the correlation numbers for the most popular asset classes offering some form of passive income.

Asset Class	Stocks	Bonds	Real Estate	Gold
Stocks	1.0	-0.21	0.78	0.06
Bonds	-0.21	1.0	-0.08	0.22
Real Estate	0.78	-0.08	1.0	0.05
Gold	0.06	0.22	0.05	1.0

Data used from 2004 to present. GLD, VGSIX, VTSMX, VBMFX used as proxies for gold, real estate, stocks and bonds, respectively.

As you can see, gold (closest to 0 than any other asset class) is not correlated with stocks, bonds or real estate, which explains why it is often touted as **the best asset to diversify a portfolio.**

If you're looking to diversify your portfolio of income-generating assets, you want to own gold.

And we think there's no better way to own gold than owning gold with yield!

But how does that work? How does Monetary Metals generate passive income on gold, paid in gold?

## Passive income in gold?!?!

Monetary Metals provides clients with opportunities to lease (or rent) their gold to qualified businesses who use gold or silver as inventory or work-in-progress.

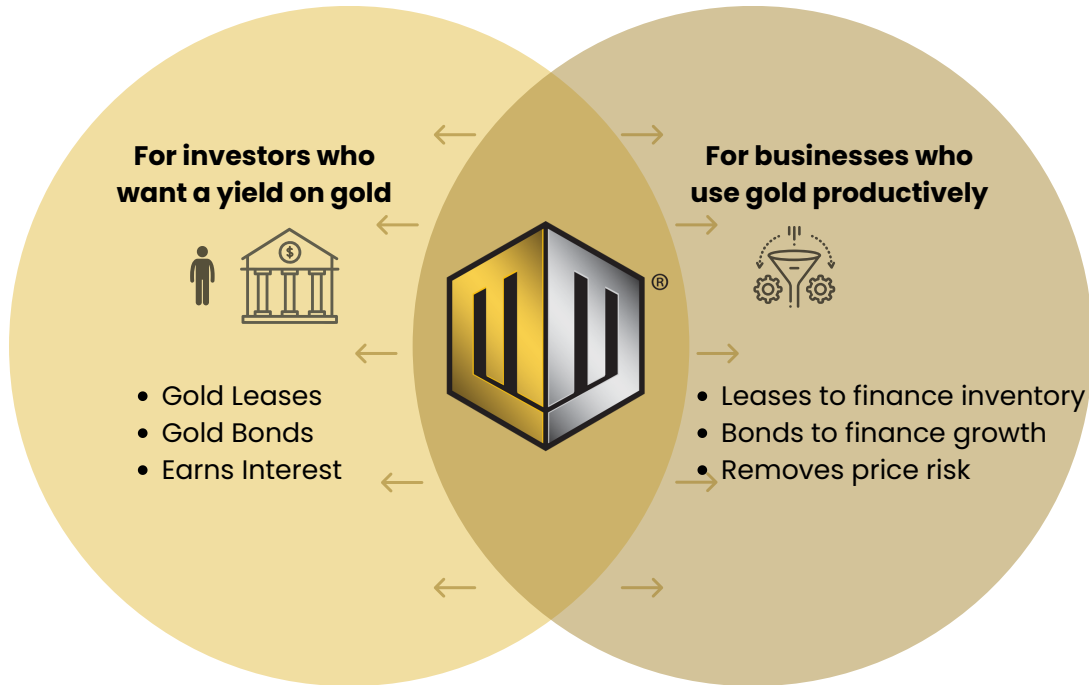
Examples of those businesses include jewelers, refiners, mints, bullion dealers and manufacturers.

These companies need physical gold to produce a finished product. Or they hold physical gold inventory to sell to their customers. In either case, they face a staggering challenge—a constantly changing gold price. If they buy the gold themselves, they take on all the price risk. A risk no sensible business would take.

Leasing the gold from Monetary Metals' clients gets them the gold they need without the burdens and complexities of an ever-changing gold prices.

## BUSINESS MODEL

The Gold Yield Marketplace™



Monetary Metals brings together businesses that want to rent or lease gold (lessees) with investors who want to earn an income on gold (lessors). Businesses pay an annual rate on the amount of gold they use.

And that's how you can earn a passive income with gold, paid in gold, through Monetary Metals!

### What can I expect to earn on my gold?

Monetary Metals has done over 55 leases with some of the largest names in the precious metals industry. Rates on gold and silver leases have historically been **between 2% and 5% annually**. Meaning if you had 100 ounces of gold, earning 4%, you would have a total of 104 ounces at the end of the lease. Leases typically have 12-month terms, with the option to roll at maturity.

Monetary Metals also offers gold bonds. **Gold bonds are higher-yielding investments offered to accredited investors only**. The most recent gold bond offered pays 19% annually on gold. Gold bond opportunities are offered to clients as they become available.

Gold Leases  
2% - 5%

Gold Bonds  
5% - 19%

## Examples of previous gold leases and gold bonds

### MMX Gold Lease

Company Type: Bullion Dealer  
Location: United States  
Term: One year (with option to roll)  
Interest rate: 2.25%  
Voted Investopedia's best online dealer in 2021



"Monetary Metals has helped our company rise to the top. The extra inventory we are able to carry—thanks to Monetary Metals—has positioned us extremely well to supply our customers during this extended period of high demand for precious metals."

- Stefan Gleason, President of MMX

### Akobo Gold Bond

Company Type: Miner  
Location: United States, Norway, Ethiopia  
Term: Two year  
Interest rate: 19%  
Recipient of the Investing in African Mining ESG Award



"It was great working together as a team with Monetary Metals to create a compelling offer for our company and shareholders which will now bring into production the world-class grade deposit in Segele."

- Jørgen Evjen, CEO of Akobo Minerals

## What about the risk?

Obviously, there is no return without some risk. Businesses must pass Monetary Metals' rigorous due diligence process before their lease (or bond) is approved on our platform.

In gold leases, title and ownership of the gold remains with you, the lessor, always. Just like you own the house or apartment your tenant is renting from you, **you own the gold the company is leasing from you.**

We publish a summary of our due diligence report for your review. And you can opt out of any lease you do not want to participate in.

Now that you know how you can earn passive income in gold, let's put gold and other forms of passive income side by side and see how they compare.

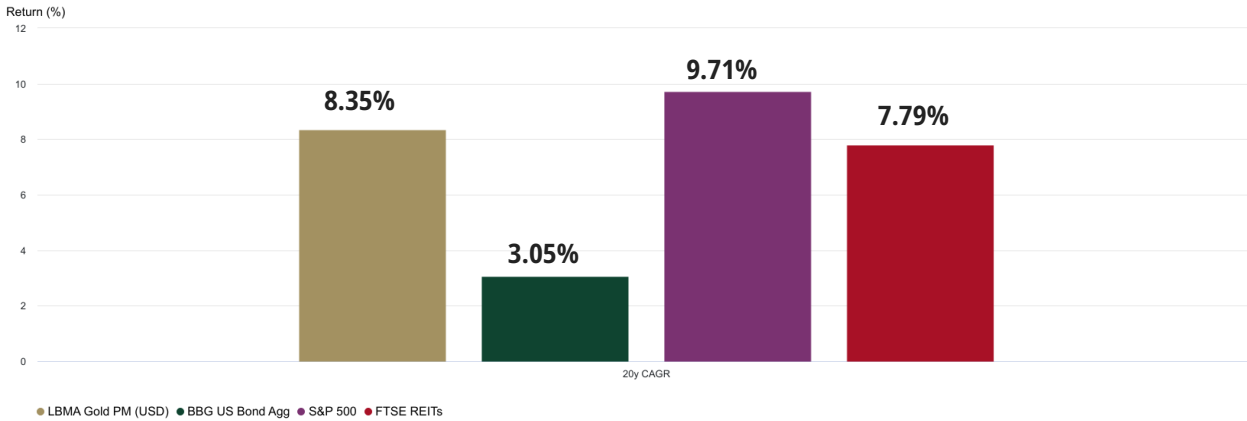
## Comparing gold and other passive income assets

At their core, both gold with Monetary Metals and other forms of passive income offer two main benefits: price appreciation and income. But there's a whole lot more to it than that. Let's go deeper.

### Historical returns

Over the last 20 years, the compound annual growth rate, CAGR, for gold, bonds, stocks and real estate has been 8.35%, 3.05%, 9.71% and 7.79% respectively<sup>[2]</sup>. That puts gold just behind the S&P 500 for historical price performance.

## 20 yr CAGR for Major Asset Classes



Remember, these historical returns for gold do not incorporate any income you could have earned on your gold through Monetary Metals. Obviously, if you're earning between 2% to 19% on gold annually and you're averaging a 8.35% return in dollars per year, that CAGR is going to increase significantly.

### Liquidity

This is an area where gold really shines. Gold is a highly liquid financial asset with a deep and global market. You can buy and sell gold quickly, easily, anywhere in the world, with very little transaction cost. Buy as little as 1/1000 oz, or as much as you can, literally. It's not surprising to see daily trading volumes well into the hundreds of billions for gold. Importantly, gold maintains its liquidity in both bull and bear markets. **You'll always be able to find a buyer of gold.**

Other assets are a different story. Closing a purchase or sale of real estate is a lengthy and expensive process involving multiple parties, costs, fees, taxes, and stacks of paperwork, and that's in a booming market! In a bear market like in 2008, you might not find any buyers. Blue chip stocks and bonds have good liquidity, in good times. But in turbulent times it's uncertain.

### Passivity

OK, let's be honest for a moment. There's no such thing as truly passive income. All income requires work and effort. There are merely degrees of passivity. With other forms of passive income, how you choose to invest will determine how passive the investment is. For example, with investments like real estate there's a big difference between buying a REIT, using a property management company, or doing it all yourself.

When it comes to earning passive income on gold, paid in gold, Monetary Metals makes it as easy and low-effort as possible. We perform all the due diligence on lessees. You review and decide if you want to participate or not. You can opt out of specific deals, or you can "set it and forget it" and take an allocation in every lease, automatically diversifying your gold across all leases.

## Dollar income vs gold income

Essentially all income you earn from other sources of passive income is paid in dollars, which is subject to inflation risk and bank default risk. **Monetary Metals pays the income *in kind***, i.e. silver leases pay in silver and gold leases pay in gold. Earning income in precious metals protects you from inflation, currency devaluation, and banking risk.

## Taxes

For Monetary Metals leases and bonds, you receive a 1099 after year-end. [3] The fair market value (based on the dollar price at the time the income is paid) of the gold and silver income you earn each month is used for 1099 reporting. Please consult a licensed tax or financial advisor for specific information on the tax implications of income from stock dividends, real estate, and bonds.

## How to get started with Monetary Metals

While other forms of passive income can sometimes be time-consuming, capital-intensive and complex, [signing up for a Monetary Metals account](#) is simple and can be completed online in as little as 10 minutes.

Simply [click here to start the process](#). Here's what you'll need to have ready:

- Select the type of account you want to open (individual, joint, company, trust)
- Answer a few questions about yourself and upload a valid, government issued photo ID
- Purchase gold or ship metal you already own (shipping and insurance is complimentary)
- Review and sign your account documents
- Create a username and password to login to your client portal

Once you've funded your account, you can review all current lease opportunities and decide which ones you want to participate in.

Your ounces will start earning interest as soon as they are allocated into available leases.

## What are you waiting for?

Monetary Metals offers a hassle-free way to diversify your portfolio with gold passive income. Owning gold with yield is different and complementary to other income-producing assets.

Gold with yield provides an important hedge against real risks in the economy, a solid track record of price appreciation, and attractive income opportunities to compound your wealth over the long term.

Don't take our word for it though. Listen to what some of our clients say!



“ I’ve been investing in real estate since 2013, and currently own and manage 13 rental units. I’ve also been a client of Monetary Metals since 2019. I find precious metals are an attractive hedge against inflation in the same way as real estate.

Monetary Metals allows me to enjoy price appreciation, earn a yield, and keep my investments relatively liquid.

In a financial landscape where cash depreciates and stocks remain risky, Monetary Metals is a compelling alternative and I wholeheartedly recommend it for your investment portfolio. ”

**Jay Von Lehman**  
Real Estate Investor and  
Monetary Metals Client since 2019



“ As a physician looking for financial independence, it can feel impossible to find investments that offer passive income, beat inflation, and diversify a portfolio.

That’s where Monetary Metals comes in.

Monetary Metals offers passive income in gold. You earn monthly income denominated in ounces so that you can keep up with inflation and hedge against market volatility.

I’ve opened an account with them and love the simplicity of passive monthly income, paid in gold! ”

**Nirav Shah**  
M.D.  
Partner at Physician on FIRE



If you’re serious about building and protecting wealth with passive income, then it’s time to **[open your Monetary Metals account](#)** and start earning a Yield on Gold, Paid in Gold®, today.

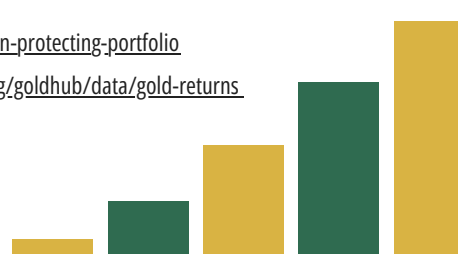
**[Open an account](#)**

Endnotes

[1] Source: <https://www.reit.com/news/blog/market-commentary/inflation-protection-from-reits-constructing-a-diversified-inflation-protecting-portfolio>

[2] LBMA Gold Price data used for Gold data series and FTSE REIT Index used for Real Estate Data Series. ource: <https://www.gold.org/goldhub/data/gold-returns>

[3] This is not tax advice and you should always consult a tax professional before making any investment decisions.





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## Disclaimers

Client metal is held by Monetary Metals Treasury/Holdings, LLC, an individual series of Monetary Metals Treasury, LLC, a Delaware series limited liability company. Monetary Metals & Co., as Agent, may send Lease Opportunity Presentations, each describing the proposed terms of a lease wherein a Lessee wishes to lease metal from you, and sub-lease it to a Permitted Sublessee. Agent and Lessee are affiliated parties. Agent receives compensation from Lessee.

Under the opt-out program, you will automatically enter into a lease as described by each Lease Opportunity Presentation (including, for instance, the type of metal, proposed lease payment and the duration) subject to the legal terms in the Lease Agreement, unless you communicate your desire to opt-out within five days. Each such opt-out communication is specific to that Lease Opportunity Presentation, and you must so communicate for each lease in which you do not wish to participate.

If you have not expressly opted out of a Lease Opportunity Presentation, Lease Payments under the lease so entered will be paid to you monthly. Leased metal will be returned to your account, at the conclusion of the term of each lease, subject to the terms of the lease agreement. The total amount of metal leased by a Lessee is typically greater than the amount leased from any one lessor. Early return of the leased Metals may be possible, but only if Agent can find another lessor to assume your position in the lease. If Lessee's performance under the lease or Permitted Sublessee's performance of its own obligations to Lessee are impaired for any reason, some or all of your leased metal may not be returned to you.

Any communications in connection with the opt-out lease program, or any lease, is not, and is not intended to be, legal, tax, investment or other advice, or a recommendation to lease your metal to any party. Lease payments received under any Lease are not necessarily indicative of Lease Payments to be received from future leases.

There is no assurance that your metal will be leased to Lessees in the future, or that the terms of future leases including the lease rates or lease payments, will be as favorable as those under any specific lease.