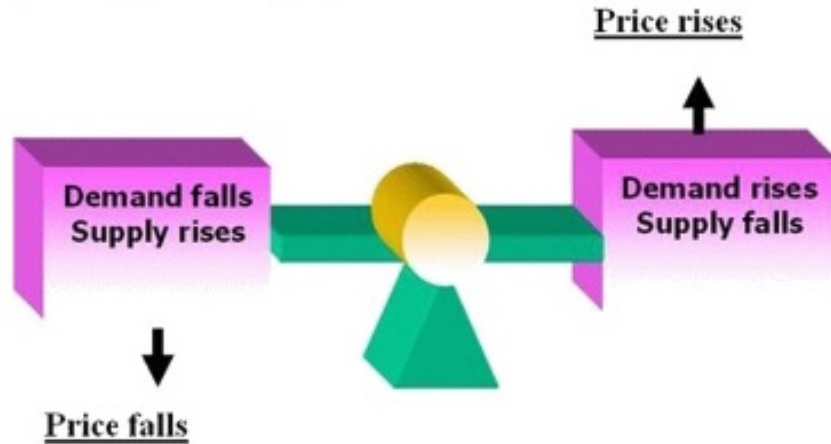


ENGELHARD 101

INTRO TO BASIC SUPPLY vs. DEMAND

By AGWire™

July 2, 2016



Before our very eyes, we are all witnessing the Engelhard collector market growing on a daily basis. With every new eBay auction for an Engelhard bar or ingot, new buyers are taking notice and jumping into the bidding frenzy, driving prices higher and creating somewhat of a panic for long-time Engelhard collectors who once held this quiet market closely to themselves. This is a normal function of any developing market, where there is a finite number of collectible 'units' and a growing number of buyers pursuing them. And, as in any collectible market, it doesn't mean that rare Engelhard examples will ultimately disappear from the market, but as bars ultimately settle into stronger hands, fewer will be available for trade and prices will continue to escalate based upon limited supply and increased demand. This is a natural behavior of any market. We are currently witnessing this same pattern in the general silver bullion market, with very limited physical inventory and ever increasing investor and industrial demand.

For the past 10 years, we have tracked total Engelhard bar and ingot auctions on eBay, and while we have seen price ranges fluctuate greatly within this time period based on a factor of spot price, it is ironic that the total number of Engelhard auction listings has remained relatively constant within a variation of approximately 15%. What this projects to us going forward is that relative availability should remain status quo, with prices adjusting upwards or downwards based upon market conditions. Many buyers entering the market today have already set a pre-determined re-sell price in their minds to take their profits. In this regard, there will always be buyers and sellers, and as the market continues to build an even more solid foundation and in a sense stabilizes, inventory supply versus collector demand will further define pricing for all varieties, and we will see value ranges tighten and narrow to more consistent trading patterns.

If you take a close look at Engelhard auctions on eBay, you will see that approximately 50% of the listings are for 1oz Engelhard bars, 35% are for 10oz bars, and the remaining auctions represent mostly 5oz and 100oz bars, with only 2-3% for rare and uncommon bars and ingots. Clearly 1oz and 10oz bars are the most common of all Engelhard bullion, and they will likely be the main focus of new collectors going forward due to their availability. We will continue to see their percentage representation on public

auction increase over time as the more rare bars slowly disappear. But make no mistake, as we have tried to emphasize on many occasions, even the most common EI-09V 1oz Engelhard bar had a mintage that was less than the 1914-D Lincoln Cent, and unlike the 'ultra rare' penny, ALL Engelhard 1oz EI-09V bars in this 'common' variety had individual serial numbers. How 'common' is that?! Yes, they, too, are rare in and of themselves, and we believe 1oz bars will be the foundation of the next frontier in Engelhard collecting. And as for those ultra rare Legacy bars and ingots, they should continue to surface from time to time on eBay, with pricing **and** collector appetite certain to increase *dramatically* in short order.

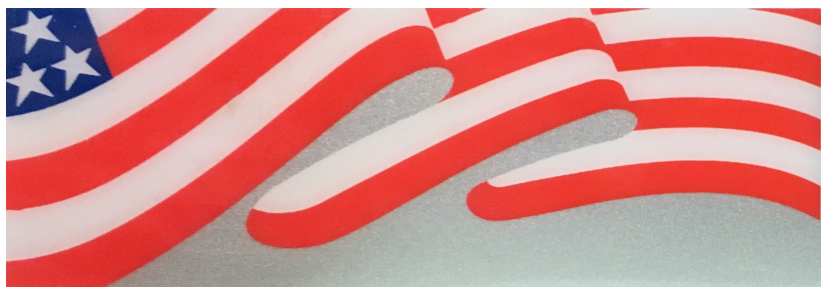
In quick summary, eBay auctions show us that there is currently reasonable supply availability with 1oz and 10oz Engelhard weight classes, many listings priced at only a small margin over spot price. Why many or most of these haven't been nabbed up quickly is beyond us, but you might want to believe us when we say they may be gone very soon, at today's prices anyway. The newest of original Engelhard examples are now closing in on 30 years old, and, although a high percentage have been melted over the years, you can still find nice examples available at what we believe are bargain price points. Collectible bullion, in general, is a very small market. Most collectible refiner products had limited survivorship, and specific identity criteria, whether it be serial numbers, unique hallmarks, legacy history, or odd-weight and purity stampings -- exclusive marks and characteristics that separated them from the generic bullion products hastily produced today in order to meet overwhelming demand, products that will likely always trade at or near spot.

Engelhard is not the only collectible bullion name that is making strong waves in the collector world, both in attention and valuation gains. Other names attached to vintage and collectible bullion include [The Perth Mint](#), [Homestake Mining Company](#), [Consolidated Mines and Metals](#), [Johnson Matthey](#) and its international affiliates, to name a few. Please visit our "OTHER NOTABLE REFINERS" heading at the top of our HOME page for an evolving and definitive presentation of other rare and collectible vintage bullion companies. Certainly there are many more to add, W. H. Foster Co., Royal Canadian Mint, Degussa, Argor Chiasso, the list goes on, but we just can't name them all. And, frankly, our focus is, has always been, and will always be **ENGELHARD**. Any questions?

Engelheartedly,

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WISHING YOU ALL A SAFE, FUN AND FESTIVE INDEPENDENCE DAY!



THE AMERICAN TRADITION IN PRECIOUS METALS
ENGELHARD

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