



Press Release

Invesco reduces fee on its Physical Gold ETC as record flows take it to more than \$14 billion of assets

For immediate release

INVESTOR WARNING: Your capital is at risk. You may not get back the amount you invested.

10 August 2020

Gold has been one of the year's best-performing assets, with a return of 34% for the year to 5 August 2020, the day the gold price broke through the \$2,000/ounce mark¹. Analysis by Invesco shows that gold exchange-traded products listed in Europe raised more than \$10 billion of net new assets in the first seven months of 2020, including \$1.4 billion in July. The Invesco Physical Gold ETC accounted for more than 50% of the flows during the latest month and is now over \$14 billion of assets².

Gary Buxton, Head of EMEA ETF at Invesco, said: "For more than a decade, our gold ETC has provided investors with an efficient way to gain exposure to the performance of the gold price. As the ETC has grown significantly in size, we have been able to share some of the economic and operational advantages with our investors. We are now doing this again with a fee cut."

Invesco has reduced the fee on its Physical Gold ETC to 0.15% p.a. from 0.19%. This lower fixed fee, combined with the tightest bid-offer spreads of any competing product, provides investors with the lowest total cost of ownership of any gold exchange-traded product in Europe³.

In preparing the release of Invesco's Q2 Gold Report, the firm points to the drivers of gold in the first two quarters being continued through July and into the first week of August. Looking further out, Invesco believes the risk of inflation could become yet another support for the gold price.

Chris Mellor, Head of EMEA Equity and Commodity ETF Product Management at Invesco, said: "Gold has been driven by not only the economic impact of the pandemic but also the reaction of central banks to the crisis. Low to zero interest rates, negative-yielding debt, ballooning central bank balance sheets, these are all factors that should favour holding real assets such as gold, especially at a time of

¹ Data: LBMA, Invesco. Change in LBMA Gold Price PM, in USD, for the period 1 January to 5 August 2020. Past performance is not a reliable indicator of future returns.

² Invesco using data from Bloomberg. Analysis of ETCs and similar products listed in Europe benchmarked to LBMA Gold Price, excluding currency-hedged and leveraged products.

³ Invesco using data from Bloomberg. Spreads based on average over the past 12 months.

such uncertainty. And gold exchange-traded products have given investors an effective way to gain exposure in their portfolios.”

Product	Invesco Physical Gold ETC
Reference index	LBMA Gold Price PM
Bloomberg ticker	SGLD
Base / trading currency	USD / USD
Fixed fee (p.a.)	0.15%

The Invesco Physical Gold ETC aims to provide the performance of the gold price, less the annual fixed fee. Investments in the ETC are used to purchase physical gold bars, which are held in an allocated account and stored securely in the London vaults of J.P. Morgan Chase Bank.

The ETC uses a “swing bar” method where it holds gold bars of at least the full value of the assets invested. Invesco aims to hold only gold bars that adhere to the LBMA’s guidance on the responsible sourcing of gold, which came into effect in 2012. The most recent report from the custodian indicates that 100% of the gold held by the ETC meets these strict ethical standards.

ENDS

Key investment risks

Value fluctuation – 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.

Limited recourse – If the issuer cannot pay the specified return, the precious metal will be used to repay investors. Investors will have no claim on the other assets of the Issuer.

Commodities - 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.

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For the full objectives and investment policy please consult the current prospectus.

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About Invesco

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