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Gold coins to be launched Tuesday

MALAYSIA's gold bullion coin, the Kijang Emas will be launched by Prime Minister Datuk Seri Dr Mahathir Mohamad on Tuesday.

The coins, minted by the Royal Mint of Malaysia, are available in denominations of one, 1/2 and 1/4 ounces.

As at July 12, they were trading at RM260 (1/4 ounce), RM520 (1/2 ounce) and RM1,040 (one ounce).

Gold's liquidity and acceptability are particularly important in times of crisis and may even be more important than its rate of exchange with paper money at such times, said a market player.

Gold bullion coins are popular with investors because they combine intrinsic value with artistic beauty.

Among the advantages of having it in any investment portfolio are the stable rate of exchange in prices, no credit risk and being internationally accepted, he said.

Although in recent years gold has been viewed as a poor investment tool, in ringgit terms however, the price of gold increased significantly during the economic crisis as a result of the ringgit's depreciation and its subsequent peg to the US dollar, he said.

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