

Five Investments to Own in 2018: #2 GLD

In our [first installment of this series](#) I made the case for owning SPY as we drive forward into 2018. I also told you that as part of my thinking, there's no getting around that a stock market correction could well be in the cards in 2018.

So, owning SPY is not without its risks.

But as we look forward to 2018, the risk of a stock market correction isn't the only thing we have to contend with.

In fact, risks to our investments are just about everywhere. And while that's nothing new, our current basket of risks is, well, deep and robust.

Geopolitical risks ...

Economic growth risk ...

Interest rate policy risk ...

U.S. policy risks ...

Corporate earning risk ...

Default risk in the U.S. abroad ...

Risk of seizure and confiscation ...

I could go on, but you get the picture.

Use GLD to Minimize Risk

Gold is one of the oldest and most reliable store of real asset value. It will always be desirable by investors, no matter the social, political, or financial climate.

Gold is durable, liquid, portable, and private. It's a great hedge against inflation and deflation. And after all, you own it.

Buying physical bullion is certainly an alternative. But then you have worries about storage, transfer, and fees. And don't forget about security: Having \$10,000 of gold bullion under your care is not without its headaches.

That's where the Exchange Traded Fund SPDR Gold Trust (GLD) comes in. Instead of you worrying with the ownership of actual gold bullion, the trust handles that. It goes out and buys gold and issues shares against that gold. GLD tracks the price of gold closely. In fact, take the spot price of gold and move it one place to left and you get an approximate price of GLD.

GLD is very popular, very liquid, and extremely easy to buy and sell.

In fact, if you put a chart of GLD and spot gold together, it's hard to tell them apart: They track each other very tightly. See for yourself ...



GLD is the leader the pack when it comes to gold ETFs. But it's not alone. You can also take a look at iShares Gold Trust (IAU). And there are other gold ETFs that have higher degrees of leverage. Of course, those bear more risk as well.

Alongside convenience, GLD carries options as well. That can provide more opportunity for investors as they guard their portfolios. Options on GLD can be risky as well, but they're something you simply can't do with gold bullion.

If you want to learn more about us, [stop by our site](#) and take a look. Once you're there you can also join our Investor Insights mailing list. That way we deliver it right to your inbox. And don't forget to follow us on [Facebook](#), [Instagram](#), [LinkedIn](#), [Twitter](#), and [YouTube](#).

Happy Investing,

Wayne