

# DETERMINE THE VALUE OF YOUR GOLD

## Determine the Value of Your Gold

Determine the current price of gold. You can find this by searching the Internet or looking it up in your local newspaper. Gold is valued per troy ounce, with a troy ounce equaling 31.1 grams. The price of gold fluctuates hourly according to supply and demand, so the price may be very different in the afternoon from the price you saw in the morning

Divide today's gold price in dollars per ounce by 31.1 to get today's gold price per gram. For example, if today's price per ounce is USD\$1,600, then today's price per gram is USD\$51.45 (USD\$1,600/31.1).

Multiply by the fineness of the gold. For each group of gold, divide the karat by 24, then multiply that number by today's gold price per gram. For example, if you have 10K gold and the current price of gold is USD\$1,600 per ounce, or USD\$51.45 per gram ( $\$1,600/31.1$ ), then the price of your scrap gold is  $\text{USD}\$51.45 \times .4167 = \text{USD}\$21.44$  per gram.

$$10k = 10/24 = .4167$$

$$14k = 14/24 = .5833$$

$$18k = 18/24 = .750$$

$$22k = 22/24 = .9167$$

Multiply the price per gram by the weight in grams. If you have 10 grams of 10K gold and you calculated the price at USD\$21.44 per gram, then your scrap gold is worth  $10 \times \text{USD}\$21.44 = \text{USD}\$214.40$ . Some examples:

If you have 5 grams of 14K scrap and gold is USD\$1,600.00 today, then USD\$1,600 divided by 31.1 would equal USD\$51.45. That figure, multiplied by .5833 (14K) comes out to USD\$30.01 per gram. USD\$30.01 multiplied by 5 grams equals USD\$150.05.

If you have 15.3 grams of 10K gold scrap, USD\$1,600 divided by 31.1 equals USD\$51.45, and that amount multiplied by .4167 (10K) equals USD\$21.44 per gram. USD\$21.44 multiplied by 15.3 grams equals USD\$328.02.

## Getting a fair price

Please bear in mind it's unlikely that you'll find a dealer who'll pay you 100% of the value. Obviously the dealer needs to make a profit and must also cover refining costs, staff wages etc.

### **Offered less than 60% of the value**

Don't sell your gold! The price you have been offered is very poor and you can get a far better price elsewhere. If you've already sent your gold away, request its return immediately.

### **Offered between 60-80% of the value**

It's not the worst deal, but you could do better. If you haggle or shop around, you should be able to achieve a better price.

### **• Offered over 80% of the value**

The price you have been offered is (in our opinion) a fair

deal.

## TIPS

Never sell diamonds or gemstones to gold buyers. Make them remove the stones from the jewelry and give them to you; never let the item out of your sight. Do not send diamonds or gemstones to refiners. You definitely will not be compensated for them, and they most likely will not be returned. A reputable jeweler is recommended for removal and appraisal of such items before selling the rest for scrap.

Older dental gold can be 24k, but newer dental gold is usually 16k. The karatage of dental gold varies greatly, with 8K to 18K being the common range. White metal in dental

hardware can look like platinum, but take care not to confuse it with Carbo-Chlor, which passes the acid test for gold and platinum. Regardless, this can be sent to refiners, and it will be assayed just like gold and platinum.

Gold refiners usually pay 90 to 98 percent, and most reputable refiners have a website stating the actual percentages offered. However, many do have a minimum buy weight, which is usually around 3 to 5 ounces. Smaller amounts can be sold on high-profile auction sites for roughly 90 percent, or sometimes more if you have good, wearable jewelry.

Scrap gold dealers (which can be found in pawn shops or at storefronts with signs such as “we

buy gold") will likely buy the gold from you at about 30 to 60 percent less than what it's actually worth, since they must process it (re-assay it) and still turn a profit from reselling it. Given today's high margins, selling to these buyers is not recommended. Nevertheless, you can find places like CASHGOLD CANADA that will pay you a high percentage of your gold's true value while still making profit. If you're going to sell to a gold buyer, don't just go to one place. Shop your items around to get the highest price available and then come to see us..

Already sent your gold to a postal 'Cash for Gold' company without

# receiving an up-front valuation?

We would always recommend that you **NEVER** send your gold to a 'cash for gold' company if they don't tell you, up-front, or publish what they pay (per gram) for gold.

Please don't be taken-in by the '110% guarantees' or promises of 'top prices'. These statements mean nothing and you will almost certainly receive a poor deal for your gold.

If you've already sent your gold to a postal gold company and you notice there are no prices quoted on their web site, request its return. Even after haggling (which many companies will do), the price will still undoubtedly be low. It's not uncommon for valuations to be doubled when the initial offer is refused. Don't be tempted to accept though!

## Takeaways from this guide:

- NEVER send your gold to a dealer who doesn't display the prices they pay on their web site
- Separate your gold according to its purity
- Always accurately weigh your gold (in grams) on digital jewellery scales
- Use our valuation calculator to find out the value of your gold
- If your dealer offers less than 80% of its real value, shop around and find a better deal.

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# JEWELLERY BUYING STORES IN

# TORONTO

## What is your gold really worth?

Postal gold companies and gold dealers are in the business to make a profit, that's fair enough. Unfortunately, some companies have taken this to the extreme and are blatantly ripping-off their customers.

**Many unsuspecting members of the public are getting paid as little as 20% of the real value for their gold.**

This article is here to help you make an informed decision as to whether you're getting a fair deal.

You'll need to know two pieces of information to work out the value of your gold:

- The purity / Karat of your gold
- Its weight

If you have scrap gold, you can sell it, but for how much? Gold prices tend to increase when the economy is flat or time of inflation. However, before you bring gold jewelry, dental fillings, teeth, nuggets, or bars to a scrap gold buyer's counter (or send it off by mail), you should know exactly what it's worth to be sure you are getting a fair price in exchange. Most companies keep the calculation a secret, but this article gives you all the information you need to figure out the value of your scrap gold for yourself.

## Organize your unwanted gold by the karat

Separating your gold by its karat weight will not only help you begin to assess its value, but it can point out items that

are not even gold. Your first task is to learn how to tell if gold is real.

Use a magnifying glass to determine the karat number on each piece.

If it is unreadable, you could choose to have the gold tested by a reputable dealer. There's also the possibility that some of the gold is actually just gold plated, which a dealer would determine with certainty by performing a chemical test.

Take note that much of the gold jewelry manufactured before 1980 is slightly below its marked karat value. For example, jewelry marked 18K would actually be between 17K and 17.5K. In 1980, the laws changed regarding the marking and purity of gold jewelry.

If you're still uncertain as to whether or not an item is gold after inspecting it with a magnifying glass, prepare to test it.

Perform your own test on any items you are unsure of.

**Acid Test:** Purchase the acid and stone. Both of these can be purchased from online or physical jewelry suppliers for a small price, and are available separately or as a set. A kit will come with 10K, 14K, 18K and 22K bottles of testing acid, which will normally be nitric acid. It will also come with a test stone, also known as a streak stone or touch stone, .

For suspected 14K jewelry, rub the item on the stone and place a drop of 14K acid onto the mark it leaves. If your item is indeed 14K gold, it will stand up to the acid and not change.

If it is 10K, the 14K acid will turn it brown. If it completely disappears, it isn't even gold.

If it is an unmarked item, go up to the 22K acid incrementally



until it turns brown, and when it does, consider it to be the next lowest karat. For example, if the 18K acid has no effect, but the 22K acid turns it brown, then consider your item to be 18K. If the 14K acid has no effect, but the 18k acid turns it brown, consider it to be 14k, and so on for other karat fineness tests.

## **Determine the Gram Weight of Your Gold**

Determining the weight of your scrap gold will help you to calculate its base value. This doesn't necessarily represent the price you will get, but it's good to have this figure as a reference when starting negotiations.

Get a scale to weight your scrap gold.

- Purchase a jeweler's scale. Such a scale is available online for less than USD\$50. This is the best way to accurately weigh your gold, as jeweler's scales are built to be more precise than a typical gram scale you would have in your home.
- Use a food scale if you cannot purchase a jeweler's scale. If you have a food scale in your home, you can use it to weigh your gold
- Take your scrap gold to a jeweler for weighing.

**Weigh your scrap gold.** Be sure to weigh your items in groups, based on their particular karat. Place your items on the scale and allow it to settle before taking the reading. Depending on the scale, there may be an arrow that settles near an exact gram amount, and you take your measurements from that. However, more expensive scales will have a digital readout that makes calculations as easy as reading the screen.

**Convert to grams** if your scale only weighs in troy ounces. The conversion ratio is 31.1035 grams per troy ounce

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