

# 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 USD\$51.45 x .4167 = 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.

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## 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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## **Get Cash For Gold... Without Getting Ripped Off**

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You've probably heard about getting cash for gold, or you might have seen the commercials on television. But how do you know that you aren't going to get ripped off? How can you trust them? And, you certainly need to ask: How can a company pay top dollar for gold when they willing spend thousands on television commercials?!?

Clearly, the better option is to find a low profile, reputable gold refiner who pays cash for gold but has developed a "solid gold" reputation online. As you research who to send your gold to, here are some factors to take into consideration:

### **Cash for gold factor #1: Check the prices**

If they tell you what the current gold, silver, platinum, and palladium prices are, and if you know that you get a percentage of those prices, you can feel far more confident than if you simply hear something like “we’ll just send you ‘money’ for your gold.” A reputable gold dealer will be clear in how they tie their prices to “spot prices”, which are the commodity prices in the industry.

### **Cash for gold factor #2: Get the seller to quote the price per gram**

When you ask for gold prices, there is far more transparency when you compare apples to apples. If one seller gives you a gold price per gram and another one per ounce and another one based on a fraction of a pound and another one just gives you a flat fee... how do you know who’s giving you the best deal? Instead, get them to quote you a price per gram so you can compare one quote against another, or so you at least know what they are paying as a percentage of the commodity spot price.

### **Cash for gold factor #3: Bypass the middleman and work directly with a gold refiner**

So-called “middlemen” get their money from doing nothing else other than buying at a low price and reselling it at a high price. By selling directly to the gold refiner, you are able to sell your gold for cash, but get more cash than if you were to sell it to a middleman first. In some cases, you might get as much as 100% to 300% more than if you sold to a middleman.

### **Cash for gold factor #4: Watch for helpful and reputable gold**

## refiners

If you're selling your gold for cash to a company that doesn't tell you what they do with your gold, and who doesn't give you a clear price, then steer clear! A reputable gold refiner will tell you that they are selling your gold to dentists, dental laboratories, and jewelers. Compare that to someone who doesn't tell you; it's likely that they are just a middleman who will then be selling your gold to a refiner!

Cash for gold is a great way to make money and clear out your old, broken, or unwanted gold (and other precious metals like silver, platinum, and palladium). Finding the right cash for gold company can make your experience even more enjoyable and profitable.

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## Gold Buying Tips

□ A few tips will help you get the maximum price for your scrap gold and will protect you from scam companies




## CASH FOR GOLD TIPS

A Few Tips Will Help You to Get The Maximum Price For Your Scrap and Will Protect You From Scam Companies

- 1. Research the company thoroughly.** Some companies will tell you they've been in business for years but neglect to tell you that most of that time weren't buying gold. Be sure any company you're considering states that they've been buying gold for at least ten years. The more experience the company has, the more smoothly the transaction will go. They will also be more likely to offer you top dollar for your gold.
- 2. Check out the company Web site.** Does the website clearly state the company policies regarding buying and selling gold? Is there a physical address? If the company only lists a post office box, be wary. This is sometimes a tip-off that the company is a recent business that wants to be able to fold up shop quickly in the event of a problem
- 3. Look for a company that has lots of communication options.** The easier it is to reach someone to talk to about your concerns, the more likely it is you'll be happier with the results when selling your gold. If a Web site that buys gold clearly posts an e-mail address and a toll-free telephone number, its a good start.. This means the company is dedicated to making your gold transaction as simple and reassuring as possible. Give the company a call and ask a few questions; you'll learn a lot about the company's values and dedication to potential clients with a simple phone call.
- 4. Don't get locked into a transaction too soon.** Some companies have fine print in their agreements stating that once you send your gold, you have to accept whatever they offer in payment. Selling gold shouldn't mean a commitment to sell without knowing the price. A reputable company will contact you with a quote and let you decide whether selling gold to them is a wise decision
- 5. Avoid companies that are middlemen.** You must only deal with a legitimate company that's been in the gold buying business for years. Has it's Very Own On-Site Refinery, Therefore Eliminating the "Middle Man" Consumers are being advised to beware of gold Buyers that are acting as Middle-Men in the gold refining Industry , seriously undervaluing your used gold and only paying a fraction of what it's worth. They use slogans "we pay you 3x more" but their prices are only 1/3 of the actual gold price. You'll get the best possible price by selling to a company that has its own gold refinery. These companies buy scrap gold and melt it down themselves and then refine it so they can cut pretty close to the actual value when offering to buy your scrap gold. If the company buys from you, then turns around and re-sells the gold to someone else, they have to have a profit margin for themselves. They will usually do this by making you an offer that is substantially less than the gold is worth.
- 6. Make sure you ask other gold buying companies what they will pay, per gram,** for your 10, 14 and 18 karat gold. Be weary of gold buyers that won't quote you a price over the phone, or try to tempt you with an immediate, but unfair payout. Also, be cautious dealing with gold buying companies which do not advertise their gold pricing on their web sites.

Also, do your homework on current gold prices. Don't assume that because a company is willing to post the current prices they are offering for scrap gold that they are offering a good price. Compare the price they are offering to the current actual value of gold on the open market. Our web Web site is a great source of information on current precious metal values. When selling gold, you should be offered a price that is around 75 to 85 percent of the actual value. Unfortunately, you may find companies that offer as little as 40 percent of the actual value of your gold.
- 7. Make sure your gold will be insured in-transit.** If you will be selling a lot of gold to a company or even simply sending it in to get a price quote, the company should fully insure it for the estimated value. Shipments are occasionally lost in the mail or during shipping, so proper insurance is a must to protect you.

Above all, be cautious, ask questions and make a decision that's based on the facts. If you do this, selling gold for cash will bring you a great return.

# WE BUY GOLD

