



TD's alien world of gold coins

Inside the bank's push into the sometimes peculiar world of precious metal collectibles

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Two aliens with emerald-green eyes stare out from the face of a gold coin on the website of Canada's second-largest bank, the words "The invasion is here" stamped above their elongated heads.

The gleaming extraterrestrials, straight out of Area 51 central casting, appeared some time ago on the online store of TD Precious Metals, Toronto-Dominion Bank's TD-T +0.09% increase

bullion trading division, which has quietly become one of the largest purveyors of gold and silver items in Canada's retail market.

The alien coins didn't last long. Almost immediately the bank sold out of its allotment of the one-ounce gold version, which elsewhere is selling for US\$3,070. TD did not disclose how many of the limited-run coins it offered, but for that version – which had eyes that glow in the dark under ultraviolet light – only 100 were ever produced. (Other versions, in silver or plated with black rhodium, are still up for grabs on the TD site.)

With precious metal prices soaring amid demand for all that glitters, those coins — along with scores of other gold and silver items on TD's online store featuring Barbie, Iron Man, electric guitars, Blue Jays players, Hot Wheels cars or a skyscraper-clutching giant gorilla — provide a window into the sometimes peculiar world of precious metal collectibles. But while gold and silver are having a moment, that doesn't necessarily mean these coins are a good investment, with some experts likening them to novelty items more than a long-term store of value.

The full name of the alien coin is the Ghana Alien, and it's the brainchild of the Scottsdale Mint, a private mint with operations in Scottsdale, Ariz., and Casper, Wyo. The enterprise launched out of a guest room in Josh Phair's Scottsdale home in 2008 with a goal to be what he describes as, "the Mercedes-Benz of precious metals."

Today, the company mints coins and other items for clients that include private banks, wholesalers and nearly two dozen countries around the world, including Ghana, Fiji and the tiny South Pacific island of Niue, pop. 1,719.

Since the alien coin is backed by the Bank of Ghana, it is legal tender on the streets of Accra. However, an owner of the gold version would be unwise to use it for purchases: The face value is 500 Ghanaian cedis, the equivalent of just \$42, or 1.1 per cent of its value if melted down.

Private mints such as Scottsdale, New Zealand Mint and Swiss-based PAMP often license characters and images from entertainment and sports brands, or commission their own motifs, then arrange with the central banks of small countries to back them as legal tender. The designs, which can range from conventional local fauna to the downright quirky, allow mints to charge a premium over standard bullion coins and bars that cater more directly to investors.

In exchange for granting their authority, the banks earn a fee. In 2014, the BBC reported that the New Zealand Mint – not associated with the Reserve Bank of New Zealand – signed a 10-year deal with Niue worth US\$5.3-million plus royalty payments to get its backing.

Mr. Phair, Scottsdale's chief executive officer, would not disclose the value of his mint's deals with central banks, citing commercial reasons. "They'll never get rich off it, but it might add a salary for their staff or provide bonuses for the year," he said.

While many of Scottsdale's coins are fairly straight forward – it recently released a series of sea life coins backed by the Cayman Islands Monetary Authority – the company frequently taps into cultural trends. A surge of interest in UFOs in recent years, sparked in part by the Pentagon's release of declassified videos of "unexplained aerial phenomena," inspired the alien coins, Mr. Phair said.

As soon as Anthony Herceg, director of North American retail foreign exchange and precious metals at TD, saw the coins when they hit the market, he knew the bank needed some, he said during an interview at his office in TD Tower.

At top, the Langenburg Event pure silver glow-in-the dark coin (2024) from the Royal Canadian Mint, and the one-ounce Nature's Grip Green Anaconda silver bar (2024) from PAMP Suisse.TD/Supplied

"There are many different animals on pieces these days, but when you see something like an alien or a UFO or a hologram snake that's unique, it's going to move," he said.

The Royal Canadian Mint, which itself generates roughly 6 per cent of its revenue from designing and selling collectible coins, has likewise capitalized on extraterrestrial buzz with a series of UFO-themed silver coins commemorating close encounter stories from Canadian history. (The pieces are available from its own online store as well as through retailers such as TD.)

In the world of numismatics, or the study and collection of coins and other currency, a distinction is generally made between designed coins sold as collector items and the coins that draw crowds of collectors at expos and auctions, said Jared Stapleton, a Toronto-based dealer who runs Metro Coin and Banknote.

A mint condition circulation coin from the early 1900s has value because of its scarcity, but there is no guarantee new novelty coins will go up in value even if they're sold in limited numbers, he explained.

"They come in a nice little box with a certificate of authenticity and they're sold as one of 100 or one of 500, so in a lot of people's eyes it's a collectible," he said. "But we've found that you have to wait for the price of gold or silver to go above what you paid for the coin to get your money back."

There are exceptions, Mr. Stapleton said, such as the Royal Canadian Mint's brightly coloured, egg-shaped Ukrainian pysanka silver coin, which has been released annually with new designs since 2016. Pysanka coins from that first minting originally sold for \$114.95, but now fetch more than \$1,500 when they come to market.

Generally, though, collectible coins "are literally worth their weight in gold or silver," Mr. Stapleton said.

There's been a clamour among investors and collectors for precious metals coins and bars in recent years, particularly after the COVID-19 pandemic in early 2020 set off an extended rally in gold and silver.

While the price of gold slid after Mr. Trump won the U.S. presidential election earlier this month, it remains around \$200 shy of the record high of US\$2,789 an ounce reached days before the vote – a roughly 30-per-cent increase since the start of the year. Silver, meanwhile, hit a 12-year high of US\$34.46 an ounce at the end of October, since settling to around US\$30.35.

"You had world events such as the pandemic and global conflict, and gold and silver tend to rise with uncertainty. When that happens demand spikes from a retail consumer perspective," TD's Mr. Herceg said.

The bank was well positioned to capitalize on that trend, even if its precious metals business is a small corner of the financial giant's operations. (The division is not broken out in the bank's financial reports.)

While TD has sold precious metals products for decades, it launched its online store in 2018 after introducing its own custom-themed coins and bars, which went beyond the traditional one-ounce branded bars most banks offer. TD started with a Lunar New Year coin, followed by gold and silver coins and bars celebrating Diwali, Eid and LGBTQ+ pride.

TD isn't the only big Canadian bank that sells precious metals products, but none has leaned into the retail market to the same extent, selling to both existing customers and the general public. Last year, TD added a fee-for-storage service for certain gold and silver items, including investor bars, which account for the majority of its bullion sales.

It's the job of Mr. Herceg's team to find items they think will land with investors, collectors and gift-givers. Each year they attend precious metals conferences, such as the World Money Fair in Berlin and the American Numismatic Association's annual events.

There's no set formula for what makes it to the online store, Mr. Herceg said, though the bank has found that unique items with limited mintages sell best. However, there are limits to what it will carry.

"Nothing too edgy or over the top," he said. "There are some products out there that are politically driven that we don't want to associate ourselves with." He didn't elaborate on what those might be, but in the lead-up to the U.S. election, private mints churned out Donald Trump-themed coins and bars to high demand.

The business of selling gold even in its basic form is getting more competitive. Last fall, warehouse retail giant Costco began offering gold bars in the U.S. and Canada; on a recent day a one-ounce bar sold for \$3,875 at TD and \$3,869 at Costco.

Yet as the price of precious metals has soared, there are signs retail buyers are feeling squeezed and may be pulling back from coins.

While private mints and banks don't disclose their coin sales, the United States Mint publishes monthly sales of its American Gold Eagle, the official gold bullion coin of the United States. After three record years, demand year-to-date has fallen sharply. As of September, the mint had sold 327,500 ounces of the coins, down 64 per cent from the same period in 2023.

It appears the demand for collectibles in general is slowing. After several frantic years during the height of COVID-19, when the value of trading cards, sports memorabilia, art, luxury watches and wine surged, prices for many of those assets have slumped over the last year.

While Mr. Herceg said sales of gold and silver items remain strong, he acknowledged that interest in collectibles has "likely peaked from the pandemic levels." That said, the biggest driver of the market is the underlying price of the metals "and precious metals demand is helping to keep it up."

Which raises a question for those snapping up bars and coins. Are precious metals a good investment?

Bart Melek, TD Securities' head of commodity strategy, sees the outlook for gold staying strong; prices have already topped his second quarter 2025 forecast of US\$2,725.

He points to several macro drivers behind the metal's ascent, including rising energy and labour costs to extract it from the ground and increased central bank purchasing. But he also said lower real interest rates, which adjust for inflation, have made gold attractive to investors.

"I'd probably be happier to hold gold for the next 50 years than government paper," Mr. Melek said.

And yet in inflation-adjusted terms, the price of gold has not reclaimed the peak of around US\$3,400 it spiked to in 1980, leaving anyone who bought at the moment still underwater on their investment.

“Going back to the year 1200, gold has roughly maintained its purchasing power over that very long-time horizon,” said Benjamin Felix, chief investment officer at PWL Capital. “But over the short horizons that are more relevant to an investment portfolio, it’s been super volatile.”

For now, mints and retailers have found a way to entice buyers who may feel priced out by gold’s rise: Sell smaller items, at lower prices. Among the newest collectibles in TD’s online store: a half-gram Coca-Cola-themed gold bar – about the size of a smartphone app icon – selling for \$89.

<https://www.theglobeandmail.com/business/article-td-banks-venture-into-the-peculiar-world-of-alien-gold-coins-and-other/>

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