

The collectors cashing in on a gold rush

With prices up 58 per cent in 12 months, investors have snapped up Royal Mint coins to shelter their wealth from tax, finds **Mary Downer**

It's no secret that 2025 has been a bumper year for gold, with prices up by almost 58 per cent over the past 12 months. Retail sales hit a three-year UK high in September, according to the Office for National Statistics. Collectible coins have benefited too — and those that are legal tender come with tax advantages not available on other gold products.

Harry Thorne, 30, first felt the weight of gold when he was a child. His grandfather was an avid collector of everything from coins to tax discs. Thorne said: "My grandad gave me a coin for every birthday. By the time I was 21 I could use them to help buy my first property." Thorne's coins were worth enough for a £16,000 deposit on a flat in Epsom, Surrey.

Often dismissed as a quaint hobby, coin collecting can be a serious investment. After seeing this first hand, Thorne founded the Bullion Club in 2022 to sell high-grade coins.

When coins are minted by the Royal Mint they become legal tender. For UK taxpayers, that means no capital gains tax is due on profits made from selling them.

Thorne said: "You could go into a corner shop and spend it like a normal coin if you wanted — but you'd be sacrificing the spot price and collectible value."

This is unlike most bullion, such as gold bars and coins minted elsewhere, which is liable for capital gains tax on profits. The legal tender exemption applies only to Royal Mint coins, produced in south Wales.

Thorne claims his business has had

increased interest from investors who feel squeezed by a series of capital gains tax raids in recent years.

In 2022 Jeremy Hunt, the chancellor at the time, announced a staggered cut to the annual capital gains tax-free allowance from £12,300 to £6,000 the following year and £3,000 the year after that — where it remains today. And in her first budget last year Rachel Reeves increased the capital gains rates, from 10 to 18 per cent for basic-rate and 20 to 24 per cent for higher-rate taxpayers.

Thorne says since Reeves's changes, his company's monthly turnover has climbed from £150,000 to

£1 million. Investors who bought coins last year have seen returns of about 50 per cent.

An investor who put £10,000 into gold coins a year ago would be sitting on a £5,000 profit today. If that gain were in gold bars, the capital gains tax bill would be £900 for basic-rate taxpayers and £1,200 for higher-rate taxpayers, assuming they had already used their annual capital gains allowance. However, condition is critical to value. They are graded on a scale from 1 to 70, and grades serve as key benchmarks for investors.

Firms such as Thorne's seal coins in tamper-proof cases that preserve their certified grade — remove the casing and the value drops. This allows investors to benefit from both the underlying spot price of the metal and the protected collectible premium.

From 2016 to 2021 the Royal Mint struck the Queen's Beasts collection, commemorating the ten heraldic creatures symbolising the royal

102%

The year-on-year increase in sales of bullion coins on the Royal Mint website



Harry Thorne with some of his bullion coins in tamper-proof packaging that ensures they maintain their value

ancestry of Elizabeth II. A loose 2017 Dragon of Wales coin has delivered an annualised return of 26 per cent since issue; a graded, cased edition of the same coin has returned 44 per cent.

The Royal Mint said sales of bullion coins on its website are up 102 per cent year on year, with coins outperforming bars as investors seek tax-efficient options.

Tax efficiency aside, coins have tangible appeal that is both personal and artistic. Coins are the second

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They are legal tender — you could spend them in the corner shop if you wanted

most popular collectible in Britain after stamps, according to a Royal Mint survey of 2,000 UK adults. More than a third of respondents said they collect coins, with fridge magnets, books and vinyl records rounding out the top five.

Much of this fascination stems from the deep history of gold and coinage. Since 1282, coins from the Royal Mint have been tested at the Trial of the Pyx — a ceremony that has changed little in almost 800 years.

Its name comes from the Latin *pyxix*, meaning small box, which refers to the chests that once transported the nation's coins, and still play a role in the ceremony. Coins are randomly selected from each batch and locked in the pyx boxes until the trial, usually held every February at Goldsmiths' Hall in London.

Crypto prices are on the slide as investors take profits

George Nixon

Cryptocurrency prices have fallen amid fears over US interest rates, a possible AI tech stock bubble and investors cashing in on their profits.

The price of bitcoin, the most popular cryptocurrency, has fallen to £67,889, down 26 per cent since early October, when it hit a record £92,530, according to the crypto exchange Kraken. Other cryptocurrencies are down in the past month, ethereum by 9.4 per cent and solana by 16 per cent.

Cryptocurrencies have become increasingly popular among casual and professional investors, despite being largely unregulated. Bitcoin has been likened to digital gold because strict rules mean the number of coins in circulation will never exceed 21 million. Analysts say its recent performance has more in common

with US tech stocks, however. They have fallen in the past month, although have recovered slightly. The S&P 500, the main market, is up 0.9 per cent and the tech-focused Nasdaq is up 0.02 per cent.

What has happened?

When the US Federal Reserve, the country's central bank, cut interest rates by 0.25 percentage points to 3.75-4 per cent in October, the stock market reaction was muted because of uncertainty over whether rates would be cut again when board members meet next, on December 10. The market has also been affected by fears of an "AI bubble", a recent US government shutdown and trade tensions between the US and China.

At the same time, many long-term investors of cryptocurrencies are cashing in after a 362 per cent rise in



the price of bitcoin over the past five years. In the 30 days to November 13, 815,000 bitcoins were sold by long-term holders (those who have had them for longer than 155 days), according to the analyst CryptoQuant. This is the highest amount since January 2024.

Should investors be worried?

Sui Chung from the crypto pricing company CF Benchmarks said: "The dominant forces in crypto today are major global asset managers, so price action is now driven less by niche speculative flows and more by how investors view crypto's prospects relative to traditional asset classes like equities and bonds."

"And as we approach year's end, we are clearly seeing investors lock in profits."

It is not unusual for crypto prices to change 30 per cent in a short space of time. Longer-term holders are used to the bumpy ride. Simon Peters from the investment platform eToro said: "While the recent correction has rattled some investors, volatility of this scale is not unusual. Bitcoin has had several 30 per cent-plus falls in recent years, the last between January

and April, when it dropped from \$109,000 to \$74,500 before rallying 70 per cent to an all-time high."

This volatility is why, if you plan to invest, experts recommend keeping cryptocurrencies to a small part of a wider portfolio. There are promising signs that the worst of the crash could be over. Money flowed back into digital asset funds last week, while Peters said there was positive news around US interest rates. A rate cut could hinge on US employment and inflation data, which is due to be released next week.

He said: "Markets have been gaining momentum due to the odds of a rate cut at December's meeting increasing significantly in the last week. Favourable economic data could provide a tailwind to the rebound in crypto markets that we are seeing."