

# Alternative ways to invest

*HNW investors increasingly hold gold and diamonds to diversify assets and mitigate risks, says Ido Tomasis of Malca Amit.*

The growing appetite among Asia's wealthy for diversification has created new opportunities for some firms.

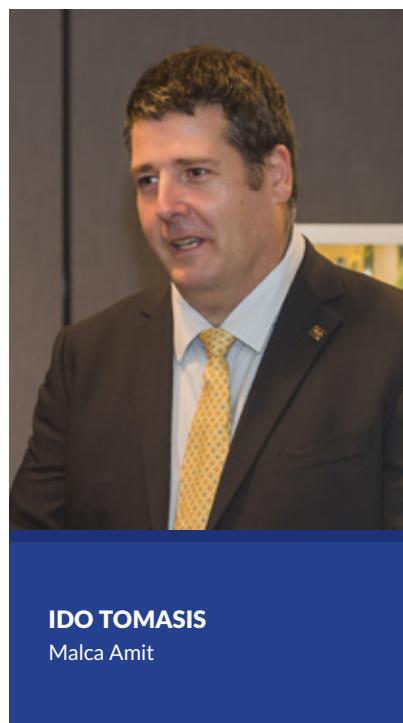
For example, Malca Amit, founded in 1963 in Israel (with headquarters based in Hong Kong since 1978) – a logistics firm that transports and stores precious commodities and art under fully-in-

"The appetite is because of a desire of HNWIs to diversify their investments, some of it into physical assets," says Malca Amit director Ido Tomasis. "They have been educated that gold is also liquid."

## DRIVING DIVERSITY

The firm has a diverse offering to cater to different needs.

**"When you look at the demographics and the emergence of Millennials, it's clear that will be a large part of the future investment landscape."**



**IDO TOMASIS**  
Malca Amit

sured, all-risks liability – has seen an increase in demand for its storage services given the rise in demand for physical gold in Asia.

In Hong Kong, for instance, it offers security against all kinds of thefts. Such storage services negate the need of HNWIs to store property at home and

risk burglaries, which are common during holiday periods when the individuals are away from their homes.



This means that the secured courier is not just used to transport gold and diamonds, but also to store inherited jewellery and investments held in gold, diamonds or art by wealthy families.

"We continue to hear from the market that some HNWIs have the desire to keep certain assets in physical form rather than paper or electronic form," explains Tomasis. "They are concerned about catastrophic economic volatility and geo-political effects."

#### VAULTS

Such drivers of interest in Malca Amit's business has led to the firm expanding its physical infrastructure to 33 countries.

Part of the growth has been in terms of the volume of shipped and stored

gold and diamonds, and the consequent security concerns.

The firm operates gold vaults in Hong Kong, besides secure bullion vaulting facilities in Singapore, London, Shanghai, New York, India and Switzerland.

In Hong Kong, the Malca Amit gold vault opened in 2012 and can hold 1,000 tonnes, which equates to roughly 22% of the amount of bullion reportedly in the US government's depository in Fort Knox in Kentucky.

In addition to the worldwide shipping, storage, exhibitions and insurance products for the jewellery industry, the firm also has the biggest market share worldwide in diamonds shipping, carrying over 60% worldwide, adds Tomasis.

#### EXPANDING

The logistics firm now offers Ultra-Vault, a vault facility that HNW clients from Hong Kong can access anywhere in the world.

"The concept was to bring our knowledge of what we do for big financial institutions now, ie. bullion banks which we manage inventory for, and bring that into the private wealth sector," says Tomasis, who has a number of years of experience in transport security.

Malca Amit sees investment in physical gold bars growing. The firm encourages clients to buy from legitimate industry sources who offer buy-back so that clients can move from cash to physical forms of gold and vice versa easily, considering the benefits of liquidity. ■

