

Home > Business > Biz Plus

Firm shares tips on growing wealth amid the weak peso

by [Roderick T. dela Cruz](#) — October 22, 2022, 6:40 pm in **Biz Plus, Business** Reading Time: 5 mins read

AA 📖

172
SHARES

 Share on Facebook

 Share on Twitter

 Share on Email



A Singapore-based company advises Filipinos to protect their wealth against the volatile peso and high inflation by investing in precious metals such as gold.



Zvika Rotbart and Joshua Rotbart

“As the financial markets are extremely unstable and unpredictable these days, clients aren’t sure what the near future holds, and we see more and more Filipinos turning to alternative investments to diversify their portfolios and protect their wealth,” Zvika Rotbart, a director at J. Rotbart & Co., says in an email interview.

J. Rotbart & Co. is a family-owned firm that assists clients to buy and sell, transport, and store physical precious metals such as gold, silver, platinum, and palladium worldwide. It has been active in the Philippine market since 2017 and has partnerships with

“Gold and physical precious metals have been a proven safe haven asset for many decades and have always performed well during recession time,” says Rotbart.

He says gold is the best-performing asset this year, besides the US dollar and some commodities. “In Philippine peso terms, gold has appreciated by 10.2 percent since the beginning of the year,” he says.

英國不列顛女神.999
銀條100盎司
HK\$19,108.68

1 oz Perth Mint 9999
Gold Cast Bar
HK\$13,363.26



ADVERTISEMENT

Gold also outperformed regional currencies this year, as it appreciated by 1 percent in Singapore dollar terms, 7.6 percent in Thai baht, 2.9 percent in Indonesian rupiah and 7 percent in Malaysian ringgit.

“Year-to-date, gold is definitely showcasing its feature as a safe haven asset and a hedge against currency depreciation,” he says.

Impact of inflation

Rotbart says inflation is “eating away” the value of bank deposits and cash deposits, which means that the peso and other currencies are losing value. “The purchase power of our paper money is eroding, meaning we can buy less for the same amount of money,” he says.

Data show that the peso has lost 15 percent of its value against the US dollar since the start of the year, while inflation rate hit 6.9 percent in September.

“As the value of the peso is depreciating rapidly, especially since the beginning of the year, Filipinos and local investors are ‘losing money’ as long as they keep their peso bank deposits. Specifically for investors with links to USD, or dealing with USD denominated assets, they need to convert more pesos to buy USD or USD-denominated assets,” says Rotbart.

manilastandard.net
Place your ads here.
970x250
[Inquire now](#)

He says this is why there is a growing number of Filipinos looking to convert their peso or peso-denominated investments into stable assets such as gold, which is denominated in US dollar, to maintain their purchasing power.

Rotbart says that in his opinion, given the volatile situation, holding cash in the bank is a very bad investment option for local investors. “Filipinos and local investors should look into other asset classes like commodities [either gold and other precious metals or commodities like oil, other metals, and agricultural products]. In addition, treasury inflation protected securities or short term bonds may be a good investment at times of high inflation,” he says.

He says historically, physical gold has been a safe haven in times of uncertainty. “Asians have been appreciating gold vine before the trend hit Europe and the US. From India to China and from the Philippines to Vietnam, Asians have been accumulating gold for centuries, some as heirlooms, some in times of inflation, or even as a means to protect their life in times of war.” He says.

“These days, the unstable economic situation is caused by a few factors that will most likely push more and more investors to gold and other precious metals—from the extremely volatile financial markets, the deteriorating global geopolitical tensions [US and China and the ongoing war in the Ukraine for example] to the global energy crisis, these are all factors that make investors look for safe and stable investments,” he says.

He says Singapore is a great use-case because the country enjoys a very stable financial environment and a politically-stable jurisdiction. "More and more Asian, American and European clients are buying precious metals and storing them in this safe jurisdiction," he says.

J. Rotbart & Co. is also active in the Philippines where it sees a growing local client base on an annual basis. "The legal framework around gold makes Filipino clients receptive to companies like J. Rotbart & Co. that can help them buy and store gold offshore. More and more Filipinos are looking to diversify their portfolios with physical gold and precious metals and as a store of value for the long term," he says.

"We have successful relationships with the country's leading banks and financial institutions and see a growing number of Filipino clients that are looking for new and unique asset classes," he says.

Rotbart says he is enjoying working in the Philippines where the clients are open minded, receptive to new products and, many are well informed and understand the value of gold, "in addition to the great character and hospitality of Filipinos".

J. Rotbart & Co. offers comprehensive physical precious metals services worldwide—from buying and selling of investment-grade gold, silver, platinum and palladium bars and coins, to secure transportation and storage globally.

英國不列顛女神.999銀
條100盎司

HK\$19,108.68



1 oz Perth Mint 9999
Gold Cast Bar

HK\$13,363.26



2021 2 oz Great Britain
Queen's Beast

HK\$649.47

2022 1 gram
Maplegram25

HK\$513.10

"We even offer clients our lending service, by which they can pledge their gold and take a loan against it, whether they need funds to invest in other assets, or to assist them in times of tight cash flow," says Rotbart.

"We believe now is a fantastic time to enter the physical precious metals market as all the fundamentals point to appreciation of price in the medium to long term—from ongoing global geopolitical tensions, an upcoming recession, high inflation rates, and to the current price level of gold and other metals which makes it a great entry point," he says.