

Gold for Veterans

A Short Guide to the Oldest Asset Class, Bought the Boring Way

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Before You Start

This is a short book on purpose, like the others I have written.

It will take you about twenty minutes to read. In that time I am going to explain what gold actually is in plain words, why the central banks of the world have been buying it at the fastest pace in generations, what the big research houses say about how much to own, and the ways to own it without overpaying a salesman or trusting a stranger.

I am not a financial advisor, and this book is education, not personal advice. Gold is calmer than Bitcoin and calmer than most people think stocks are, but it is not tame, and it can fall hard and stay down for years. I will not hide that anywhere in these pages. What I can give you is the framework my family uses, the same boring, percentage-based, automatic approach I wrote about in Investing for Veterans and The 10-20-70 Rule, applied to the oldest asset class on earth.

One more thing before we begin. I own gold. It sits inside my family's model portfolios as a fund holding, GLD, at ten percent of the savings bucket in The 10-20-70 Rule. You deserve to know where the author stands. I am not selling you anything. This book is free, like all my books, because the point is to hand you something useful, the way I wish someone had handed it to me.

If you read my Bitcoin book, think of this one as its older brother. Bitcoin is the new asset class, born in 2009. Gold is the original, born before written history. A sensible family can hold a little of each, for different reasons, and this book will keep the two separate and plain.

Introduction: The Oldest Asset Class



Every other asset class was born at some point in history. Stocks are centuries old. Bonds are older. Real estate is as old as land. Gold is more than 5000 years old and was money before governments stamped it, and it has outlasted every currency ever issued, every empire that issued them, and every paper promise that replaced them.

That record is why we are here. Nothing else you can own has been continuously valuable for five thousand years. Companies die. Currencies die quietly by inflation or loudly by collapse. Governments themselves come and go. Through it all, an ounce of gold remained an ounce of gold, accepted in every port and every capital on earth.

Now notice what has been happening lately. The institutions with the longest time horizons on the planet, the central banks that manage the reserves of nations, have been buying gold at a pace nobody alive has seen. Not speculators. Not hedge funds. The custodians. When the people who print the world's money decide to hold more of the asset that nobody prints, it is worth a veteran's attention.

One buyer in particular is worth your attention, and Chapter 3 gives it the full treatment: China, which has added gold every single month for 23 straight months while quietly letting its holdings of United States government bonds fall to their lowest level since 2008.

This book will not ask you to bet big, and it will not ask you to buy at any price. Gold ran up hard into early 2026 and has since pulled back hard, which we will talk about honestly. It will ask you to consider a small-sized, boring position, bought the way you were trained to save in the first place: automatically, by percentage, over time.

Chapter 1: What Gold Is, in Plain Words



Gold is a metal. That sounds too simple, but everything true about it starts there.

It does not rust, rot, or expire. Nearly every ounce ever mined still exists. All of it together, five thousand years of digging, would form a cube roughly seventy feet on a side. New supply grows slowly, about one and a half percent a year from mining, and no committee can vote to make it grow faster. That is the entire supply story: fixed in practice, growing at a crawl, forever.

Gold has no CEO, no earnings, no dividend, and no interest payment. This is the point critics make, and they are right about the facts. Gold does not produce anything. It simply is. Its value comes from five thousand years of human agreement that it is valuable, an agreement that has held through every war, depression, and currency failure in recorded history, and from the fact that its supply cannot be inflated by anyone's printing press.

When you own gold, you own an asset with no counterparty. A stock is a claim on a company's future. A bond is a promise from a borrower. A bank deposit is a promise

from a bank, backstopped by a government promise. Gold is nobody's promise. It cannot default, cannot be diluted, and cannot be frozen by a keystroke in somebody else's computer. In a portfolio built mostly out of other people's promises, that is a genuinely different thing to hold.

What it is not: it is not an investment that compounds. It will never pay you a dime of income, and its price can sit still or sink for a decade at a time, which we will face squarely in Chapter 7. Gold is insurance and ballast. You do not hold it to get rich. You hold it so that when the paper world has a bad decade, part of your family's wealth is standing outside the paper world, unchanged.

Chapter 2: Why a Veteran Should Care



You might wonder what any of this has to do with you. Three things.

First, your income is paid in promises. A military retirement check and a VA disability check are obligations of the United States government, adjusted once a year if you are lucky, while the cost of everything you buy climbs on its own schedule. You cannot negotiate a raise. You cannot ask the VA to match the inflation you actually live with. Gold is the one widely owned asset that answers to no government at all. A small position is a hedge bought by exactly the people whose income is most exposed to the slow melt of the dollar.

Second, gold is the asset the pitchmen ruined, and veterans are their favorite targets. If you have attended a free dinner seminar, sat through a radio ad about the coming collapse, or received a glossy mailer about protecting your IRA, you have met the gold industry at its worst. The tragedy is that underneath the fear-selling sits a legitimate asset that serious institutions hold quietly and cheaply. I wrote this book partly so you can own the asset without the circus: standard gold, at a fair price, in a sensible size,

for calm reasons.

Third, you already understand the temperament this takes. Gold does nothing for long stretches. It asks for patience and punishes excitement. That describes most of a military career and all of good saving. You contributed to the TSP by percentage, automatically, in good years and bad, without checking it daily. Gold bought that same way, a fixed slice inside a balanced portfolio, rebalanced once a year, is an allocation. Gold bought in a panic from a salesman at a fat markup is a wound. The asset is old. The method is yours.

There is also a quieter reason, and I will say it plainly. Many of us served when the dollar's strength went unquestioned, and we have watched twenty years of deficits, rescues, and money creation test that strength. Owning a little gold is not a protest and it is not a prediction. It is diversification across the one line nobody thinks about: the line between wealth that depends on a government's promises and wealth that does not.

Chapter 3: Why Now: The Central Banks Are Buying



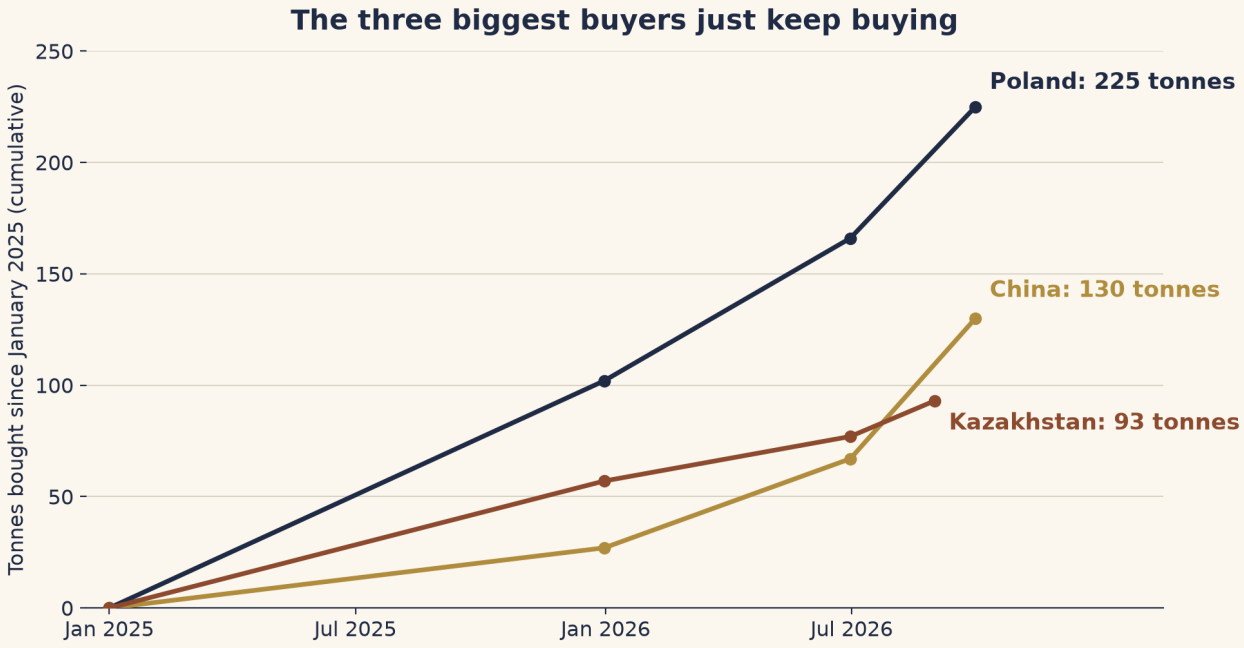
Here is the part of this story that changed my own thinking, and it is not about price charts. It is about who is buying, and why.

For the decade before 2022, the world's central banks bought gold at a steady pace, roughly 470 tonnes a year on average. Then came 2022. That February, Western governments froze roughly 300 billion dollars of the Russian central bank's reserves, assets held abroad in dollars and euros, gone with a signature. Every reserve manager on earth ran the same calculation that week: reserves held in another country's currency are yours only as long as that country allows it. Gold held in your own vault has no such condition.

The buying doubled and stayed doubled. Central banks added more than 1,000 tonnes in 2022, the most since the 1950s, then more than 1,000 tonnes again in 2023 and again in 2024. In 2025 they added 863 tonnes, a slower year that still ran at nearly twice the old average. Surveys by the World Gold Council find a record share of

central banks, over forty percent, planning to add more. Gold has passed the euro to become the second-largest reserve asset on earth, behind only the dollar itself.

Put names on it. The largest buyer of all is Poland, which has added more gold than anyone two years running and shows no sign of stopping. But the buyer that matters most is China, because of its size and because of what it is selling to buy. China's central bank has bought gold every single month for 23 months in a row, the longest run it has ever reported, and lately it has been speeding up instead of slowing down: about 5 tonnes in March of 2026, 23 tonnes by September, the most in three years, bought in a month when the price was falling. Buyers who add more when the price drops are not trading. They are stocking a vault. The chart below shows the three biggest buyers of the last two years and how their piles have grown.



Reported central bank purchases, World Gold Council data through September 2026 (Kazakhstan through August). Poland has been the world's largest buyer two years running. China's true buying is estimated to be higher than reported.

At the same time, China has been letting its pile of United States government bonds shrink. At the peak in 2013 it held about $1.3 trillion of them. By August of 2026 the figure was about $591 billion, the lowest since 2008, and still drifting down. Read the two moves together, because they are one move: out of paper promises held inside somebody else's system, the kind that can be frozen with a signature, and into metal in its own vault that cannot.

What does that mean for the rest of us? Two things. First, there is now a floor of steady buying under gold that does not care about the price, month after month,

which is one reason the pullbacks in this book keep finding buyers. Second, the world's second-largest economy has stopped recycling its trade surpluses into American debt the way it used to. That does not break anything tomorrow. It does mean the Treasury now sells its bonds into a world where one giant buyer has quietly stepped back, and that puts slow, steady upward pressure on the interest rates America pays, for years to come.

Now the honest counterweight, because this book does not chase. Partly on this buying, gold ran to about 5,589 dollars an ounce in January 2026, an all-time high. As I write in November 2026, it trades near 3,900 dollars, roughly thirty percent below that high, and has been sliding most of the year. If you had bought the top, you would be sitting on a painful loss in the safest-feeling asset you own.

I do not know whether gold is cheap here or has further to fall, and neither does anyone else. What I know is my own rule, the one behind every good purchase I have made: out-of-favor assets are buying opportunities, and assets at all-time highs after a vertical run are not. The central bank bid underneath this market is structural, measured in decades, and it does not cancel because the price corrected. A correction in an asset with a structural buyer is the entry this book is about: small, scheduled, and sized so that being early does not hurt you.

Chapter 4: How Much? What the Big Houses Say



Gold has been studied more than almost any alternative asset, so unlike newer corners of the market, we have published research with actual numbers. As with the Bitcoin book, these are the firms' own published figures, checked as I wrote this in November 2026, and I will give you the honest notes after the table.

Source	Published guidance
World Gold Council research	2 to 10 percent for most investors; its studies found allocations in a 4 to 15 percent band historically improved risk-adjusted returns
State Street Global Advisors (SPDR) research	2 to 10 percent; even 2.5 percent improved a balanced portfolio's Sharpe ratio by about 12 percent, and a 10 percent allocation improved performance in every major market drawdown since 1990
BlackRock	A modest allocation, generally framed at 2 to 4 percent as a diversifier
Morningstar	Keep gold exposure at 15 percent or less of total assets

VanEck research	Historical analysis found portfolios with up to 18 percent in gold beat a traditional 60/40 mix on a risk-adjusted basis
Sprott	10 to 15 percent in precious metals, weighted to bullion

Now the honest notes. First, notice the shape of the agreement: almost nobody credible says zero, and almost nobody credible says a third of your portfolio. The serious money clusters between about 2 and 15 percent, with the center of gravity around 5 to 10. Second, the World Gold Council and Sprott sell gold for a living, so read their numbers the way you would read a truck maker's towing guide: directionally useful, probably optimistic at the edges. State Street sells GLD, too. BlackRock and Morningstar have the least to gain from your buying, and they still land in the same neighborhood. Third, gold's benefit in these studies comes mostly from behavior, not return: it tends to hold up when stocks and bonds fall together, which is exactly the weather a retiree cannot afford.

My family's answer is ten percent, held inside the savings bucket of The 10-20-70 Rule, where the 20 percent you pay yourself first is invested 10 percent in gold alongside stocks, Bitcoin, utilities, and Treasury bills. For a simpler household that just wants the ballast without the full model, five percent is a perfectly respectable number that every source above would nod at.

Pick your percentage before you buy anything. Write it on paper. Chapter 6 will show you how to get there without drama.

Chapter 5: Three Ways to Own It



There are three sensible ways to own gold, and a dozen bad ones. The bad ones share a pattern: a salesman, a story, and a markup. Start with the good ones.

The first way is a gold fund that holds physical bullion, bought in your regular brokerage or retirement account like any stock. The big ones are GLD, the oldest and largest, charging 0.40 percent a year; IAU from iShares, charging 0.25 percent; and GLDM, a lower-cost sibling of GLD charging 0.10 percent. All three hold real gold bars in vaults and track the price of gold closely. For most families this is the whole answer: no storage, no insurance, no worries about fakes, and you can sell in seconds at the market price. Inside a retirement account, it is also the tax-cleanest way, for reasons Chapter 10 explains.

The second way is physical metal you hold yourself: standard bullion coins like the American Gold Eagle, the American Buffalo, or the Canadian Maple Leaf, and plain bars from recognized refiners, bought from established dealers. Physical gold has a virtue no fund can match: it is in your hand, outside every system, and a coin given to

a grandchild teaches more than a statement ever will. It also has real costs. Expect to pay a few percent over the spot price to buy a one-ounce coin and to receive a little under spot when you sell. You need a safe place to keep it, and smaller coins carry higher markups per ounce, so the boring standard is the one-ounce coin bought at a fair premium.

The third way is to leave metal with a professional vault or a dealer's storage program. This suits larger holdings, but it adds fees and puts your gold back inside somebody else's system, which is part of what physical ownership was meant to escape. Most families in this book's audience will never need it.

Now the ways to refuse. Refuse collectible and proof coins sold as investments; their markups can run thirty percent or more over the metal value, and you will never earn that back. Refuse any pitch built on a deadline, a collapse date, or a secret the government does not want you to know. Refuse gold IRA schemes that lead with free silver and end with fees you cannot find in the brochure. The asset is five thousand years old. It will still be there next week, at a fair price, from a dealer who publishes his premiums.

Chapter 6: The Boring Way In



However you buy, the method matters more than the moment. Here is the method.

First, write your percentage on paper before you buy anything. Five percent and ten percent are the sane choices for most households, per the research in Chapter 4. The number is a ceiling and a floor: it tells you when to stop buying, and it tells you when a fall has made you underweight and it is time to add.

Second, automate or schedule it. If you hold the fund, set the same kind of automatic purchase you used in the TSP: a fixed amount on a fixed day, payday if your accounts allow it, until you reach your percentage. If you hold physical coins, make it an annual ritual instead: buy one coin on a set date from the same reputable dealer, and check the premium against the spot price before you pay. Scheduling kills both enemies: the urge to chase after a rise and the paralysis after a fall.

Third, rebalance once a year. Gold's whole job is to drift differently from your stocks. After a bad stock year, your gold slice will likely be overweight; trim it back to the percentage and you have sold high without a forecast. After a great stock year, top it

back up. This is the discipline The 10-20-70 Rule is built on, and it works precisely because nobody has to be right about what happens next.

A word on where to hold it. The fund version belongs wherever it fits your tax picture best, and Chapter 10 covers the collectibles quirk that makes retirement accounts attractive for gold. The physical version belongs in a safe you control or a bank box you have told your family about. Gold nobody can find after you are gone is a gift to a stranger. Chapter 9 takes that up directly.

Chapter 7: Volatility: The Quiet Asset That Isn't



Gold has a reputation for calm that its history does not support. It is calmer than Bitcoin. It is not calm.

From its high in 2011 to its low in 2015, gold lost about forty-five percent of its value, in an asset millions of people bought precisely because they were frightened. Go back further: from its 1980 peak, gold fell for the better part of twenty years, losing roughly seventy percent of its dollar price, and did not see that old high again for over a quarter century. And you have just lived through the freshest example. Gold touched about 5,589 dollars an ounce in January 2026 and trades near 3,900 dollars as I write, a fall of about thirty percent in the asset people call the safe one.

Hold those facts next to the case for owning it, because both are true. Gold's protection shows up in specific weather: financial crises, currency scares, the years when stocks and bonds fall together. In ordinary bad years it can fall with everything else, and in long stretches of calm prosperity it can do nothing at all while your stocks compound. It pays no dividend while you wait. Patience is not a side requirement of

owning gold. It is the entire cost.

So apply the same sleep test I use in my other books, in a smaller dose. Imagine your gold slice down thirty percent and staying there for five years. If that picture would push you to sell, your percentage is too big, and the right answer is five percent instead of ten, not zero instead of five. A small position you can hold through a quiet decade beats a large one you abandon in year two. The central banks buying in Chapter 3 measure their horizon in generations. You do not need their horizon. You need one longer than your worst mood.

Chapter 8: Families: Starting Them Early



Gold does something no other asset in this series of books can do. You can put it in a child's hand.

A statement balance is an abstraction. A one-ounce coin is a fact: heavy for its size, cold, bright, and unmistakably real. Children understand it instantly, including the part adults complicate, that it has been valuable since before there were countries. Some of the best money teaching in a family starts with an object that needs no battery, no password, and no company's survival to be worth something.

Keep it simple and keep it honest. A single coin given at a milestone, a birth, a graduation, a first job, carries the lesson better than a pile. Tell them what it is, what it cost, and what it is for: not spending money, not a get-rich ticket, but a piece of the family's wealth kept outside the system, the way families have kept it for a hundred generations. If the price of a full ounce is more than the moment calls for, fractional coins exist, but remember Chapter 5: smaller pieces carry fatter markups, so they are gifts first and investments second.

And teach the shadow side in the same breath, because a child who learns gold from a grandparent will someday be pitched gold by a professional. Show them the spot price. Show them what the dealer charges over it. Show them the difference between a bullion coin and a shiny collectible in a presentation box. Ten minutes of that, at a kitchen table, is armor they will wear for sixty years.

Chapter 9: Leaving It Behind



Gold is the easiest asset in your estate to hand over and the easiest one to lose. Both facts live in the same place: it is bearer wealth. Whoever holds it, owns it in practice, and it leaves no statement, no account, and no paper trail for your family to follow.

Handle the fund version the way you handle every account: beneficiaries named, percentages current, and your executor told it exists. That part is routine.

The physical version needs three deliberate acts. First, write down what you own and where it is, in the same place you keep your other estate papers, and tell at least one person you trust that the list exists. A home safe your family cannot open and does not know to look for is a donation to whoever renovates the house. Second, keep your purchase receipts. Your heirs' tax basis in inherited gold is generally set at its value when they receive it, but your own records prove what is bullion and what it cost, and they end arguments before they start. Third, decide the split now. Coins divide beautifully, ten one-ounce coins among five grandchildren is arithmetic a child can check, but only if your papers say who gets what instead of leaving a strongbox and a

family meeting.

One more practical note. If you use a bank safe deposit box, know that the contents are not insured by the FDIC, and access after a death follows your state's rules, which can be slow. Some families keep the metal at home in a real safe for exactly that reason. Either choice can be right. A choice nobody knows about cannot be.

Chapter 10: Scams, Taxes, and Staying Safe



Gold attracts more bad actors per ounce than any asset in this book series, because it has been sold to frightened people for a century. Learn the shapes of the pitch and you are most of the way to safe.

The seminar pitch. A free meal, a frightening presentation about the dollar, and a solution that must be bought tonight: overpriced collectible coins described as safer or more private than bullion. They are neither. They are bullion with a story attached and a markup of thirty percent or more that you will never recover.

The collapse pitch. Radio, television, and online ads promising that a date certain will make paper money worthless and gold priceless, sold by the same companies for decades, wrong on schedule every time. Gold has a real case, made in Chapter 3. Any man who needs you terrified to make it is selling the terror, not the gold.

The IRA pitch. Roll your retirement account into a gold IRA, often with free silver as bait and layers of fees behind it, sometimes with a home storage arrangement that the IRS does not actually allow for most people. A plain brokerage IRA holding GLD, IAU,

or GLDM does the honest part of this job for a tenth of a percent a year.

The buying rules write themselves. Buy standard bullion or a major fund. Know the spot price before you call. Ask the premium out loud and write it down. Never buy from a cold call, a deadline, or a man who will not put his prices in writing. If a dealer will not tell you what he pays to buy the same coin back, hang up.

Now taxes, in the plain version. In a taxable account, the IRS treats physical gold and the bullion funds as collectibles. Long-term gains are taxed at a maximum federal rate of twenty-eight percent, higher than the usual capital gains rates, and you owe it in the year you sell. That quirk is one reason many families hold the fund version inside an IRA or other retirement account, where the collectibles rate does not apply and the annual rebalance costs nothing in tax. Keep every purchase record either way: date, amount, price. Your future self, or your executor, will thank you.

And the rule that covers everything in this chapter and in this book: if anyone guarantees you what gold will do, he is lying to you, because nobody knows. The honest case for gold is five thousand years long and needs no guarantees. Buy the boring version, at a fair price, in your written percentage, and let the pitchmen starve.

Conclusion: The Old Asset and the Rule



Gold was money when money was invented. It has survived every currency, every empire, and every financial innovation since, not by growing or paying or promising, but by being scarce, portable, and nobody's liability. In our lifetimes it has added one more chapter: the world's central banks, shaken by the discovery that reserves can be frozen, are buying it at a generational pace, and its price has swung from an all-time high near 5,589 dollars to near 3,900 within a single year. Both halves of that sentence are reasons to own it the boring way: sized, scheduled, and held with both eyes open.

You do not need much of it. The research says a small slice, five to ten percent for most families, does the work. You do not need to time it, store a fortune in it, or believe anything dramatic about the future. You need a percentage, a fair price, a safe place, and the patience you learned in uniform.

Bitcoin may be the future arriving early. Gold is the past that never left. A family can respect both, hold a little of each, and get on with the more important business of living. That is the whole book. The rule fits on one page, and it follows.

The Gold Rule on One Page



1. Decide your percentage before you buy anything. Five to ten percent is the sane band the research supports.

2. Buy the boring version: a major bullion fund (GLD, IAU, or GLDM) or standard one-ounce bullion coins from an established dealer.

3. Know the spot price and the premium before you pay. If a dealer will not quote both in writing, walk away.

4. Never buy collectible or proof coins as an investment. The markup is the product.

5. Buy on a schedule, not on a feeling: automatic fund purchases on payday, or one coin on the same date each year.

6. Rebalance once a year back to your percentage. Sell the overflow, top up the shortfall, make no forecasts.

7. Prefer holding the fund inside a retirement account. In a taxable account, gold is taxed as a collectible at up to 28 percent on long-term gains.

8. Store physical gold where your family can find it, and write down what you own and where it is.

9. Keep every purchase receipt. Your records are your heirs' proof and your own basis.

10. Never buy from a deadline, a cold call, or a guaranteed prediction. The asset is five thousand years old. It will be there next week at a fair price.