

Paris, 3 April 2017

THE AUTORITÉ DES MARCHÉS FINANCIERS WARNS ONCE AGAIN THE PUBLIC ABOUT PROPOSALS TO INVEST IN DIAMONDS

The AMF is warning again the public about proposals to invest in diamonds. Seemingly highly attractive, and often presented as a safe investment, these proposals make glowing promises of exceptional and even unrealistic returns. The AMF is calling on individual investors to exercise the greatest vigilance.

In spite of the repeated warnings, The AMF is observing a strong increase in diamond investment offers targeting the French public. Some of these platforms use advertising on prime time, both on radio and television. Other platforms also encourage investing through large-scale emailing campaigns that promise unrealistic rates of return not to mention the risks.

It is also increasingly being called on by retail investors complaining about aggressive direct marketing on the part of these platforms or about difficulties in recovering their investment or even reaching their contact person.

Owing to the extreme uncertainty over the nature of such offers, the AMF is recommending investors not to take up the solicitations from these entities and not to communicate them to third parties, in any form whatsoever.

The AMF would remind retail investors that these investment proposals are risky and invite the public:

- to pay no heed to the company's advertising and to refrain from sharing them with others in any way;
- to file a complaint, in the event of fraud, and provide the competent legal authorities with as much information as possible (including money transfer references, identified contact people, addresses, emails and Skype communication);
- to preserve evidence (screenshots, recording of phone conversations etc.) if however you decide to invest.

Lastly, the AMF reminds investors to follow these safety guidelines before making any investment:

- no advertising materials should make you overlook the fact that high returns always involve high risk;
- learn as much as you can about the company or intermediary trying to sell you a product (authorization/certification, company history, location of head offices, etc.);
- only invest in a product you understand;
- ask yourself how, and by whom, the purchase price or selling price of the advertised product is set, and find out the precise terms and timeline for selling the product, especially in cases where the product invests in an asset class with low liquidity.

Have questions?

Please contact the AMF Retail Investor team at +33 (0)1 5345 6200 from 9 am to 5 pm, Monday to Friday

About the AMF

The AMF is an independent public authority responsible for ensuring that savings invested in financial products are protected, providing investors with adequate information and supervising the orderly operation of markets. Visit our website www.amf-france.org