

Liberty's Outlook

Volume 18 Issue 12 Liberty Coin Service's Monthly Review of Precious Metals and Numismatics November 28, 2012

Is The Sky (i.e. US Dollar) Really Falling?

As I wrote three weeks ago, the spot price of gold did not break \$1,750 until after the elections. It actually did not occur until Friday last week.

So far this week, precious metals markets have been under siege. "Someone" (by that I am referring to the US government) needed the price of gold to close below \$1,800 on November 27.

The reason is that the December 2012 COMEX gold and silver options expired that day. There was an extraordinarily large number of call options waiting to be exercised if the gold price topped \$1,800 at yesterday's close. If those were exercised, it would result in pressure to produce massive quantities of physical gold for virtually instant delivery. I don't think there is sufficient physical gold to have made such deliveries.

As we once saw about a year ago, the pressure on prices continued onto the next day after expiration. So it was not a total surprise to see the price of gold drop 2.25% instantly at the COMEX open at 8:20 AM Eastern this morning.

It was later reported that there was one single sale of 7,800 gold contracts at the COMEX open, which represents 780,000 ounces of gold (each contract is for a 100 ounce gold bar). This quantity is equal to about 1% of the annual global gold mining output!

Ross Norman, a seasoned analyst of the precious metals markets who now works for Sharps Pixley in London, observed that if this sale was done by a party trying to sell for year-end tax purposes, they were inept at making the sale so as to realize the maximum proceeds.

I think Norman was too gentle in his comments. Traders who handle billion dollar transactions for customers know better than to sell gold in the manner where it will realize the lowest possible

2012 Year To Date Results Through November 27, 2012			
<i>Precious Metals</i>		South Korea Won	-6.4%
Silver	+21.9%	Mexico Peso	-6.5%
Platinum	+15.1%	U.S. Dollar Index 80.39	+0.16%
Gold	+11.3%	<i>US And World Stock Market Indices</i>	
Palladium	+1.8%	Frankfurt Xetra DAX	+24.3%
<i>Numismatics</i>		NASDAQ	+13.9%
US MS-62 \$20 Liberty	+14.0%	Nikkei 225	+11.5%
US MS-63 \$20 St Gaudens	+12.6%	S&P 500	+11.2%
US MS-65 Morgan Dollar, Pre-1921	+0.0%	Australia S&P/ASK 200	+9.9%
<i>US Dollar vs Foreign Currencies</i>		Russell 2000	+9.0%
Brazil Real	+11.6%	Dow Jones World (excluding US)	+8.6%
South Africa Rand	+9.3%	Dow Jones Industrial Average	+5.4%
Japan Yen	+6.8%	London FT 100	+4.1%
India Rupee	+4.6%	Sao Paulo Bovespa	-0.9%
Euro	+0.1%	Shanghai Composite	-9.5%
Hong Kong Dollar	-0.2%	10 Year US Treasury Note interest rate	1.644% -12.5%
Switzerland Franc	-0.7%	<i>Intrinsic Metal Value Of U.S. Coins</i>	
China Yuan	-1.4%	Lincoln cent 1959-1982	2.33¢
Australia Dollar	-2.3%	Lincoln cent 1982-date	0.53¢
Canada Dollar	-2.6%	Jefferson nickel non-silver	5.01¢
Great Britain Pound	-3.0%	Roosevelt dime, 1965-date	2.27¢
New Zealand Dollar	-5.2%	Washington quarter, 1965-date	5.68¢
Singapore Dollar	-5.7%	Kennedy half dollar, 1971-date	11.35¢

price. Therefore, I strongly suspect that today's sale was intended to specifically suppress gold prices!

Silver reacted in sympathy, dropping almost 4% at its lowest point, only to recover for a loss of about 1% from yesterday's close.

There is another reason why the US government would have an interest in gold and silver prices falling today. Tomorrow is the first day of notice for delivery of maturing COMEX December futures contracts. Any long position that has not either been sold or traded for a longer maturity contract by the COMEX close tomorrow would be treated as standing to take physical delivery before the end of December. If investors were to become rattled by the sudden drop in prices, they would be more inclined to cash out the contract rather than maintain a

long position in the market. This would reduce pressure to deliver a significant quantity of physical metal during the month of December.

The preliminary information on COMEX gold and silver trading today was that a significant number of investors exited the precious metals markets.

There are other coincidences that provide circumstantial reasons why the US government would want to clobber prices today.

1. One of six bullion depositories in New York City, a company called Manfra, Tordella, and Brookes was allowed to declare a "force majeure" event as a result of Hurricane Sandy. They reported that their vaults were flooded and they could not access metal for immediate delivery. By declaring a force majeure, they are allowed

Inside this issue: Physical Gold And Silver Shortages Appear page 3
Why I Am Not A Goldbug page 3
A Holiday Wish page 4

(Continued from page 1)

additional time to make deliveries, which the company is planning to do from the Brinks depository for the time being.

Any hint of a bullion depository being unable to deliver physical metal runs the risk of starting a literal run on all depositories to deliver physical metal. There is already significant suspicion that the gold and silver in such depositories may be subject to multiple ownership claims. If true, the US government has a huge incentive to avoid any investor panic.

2. The COMEX had just reduced margin requirements for gold and silver contracts, making it possible for investors to leverage their capital to hold a larger paper position in gold or silver.

Lower margin requirements encourage new investors to enter the market because of the prospect of greater gains. However, it also makes it easier for the US government's trading partners—who know where the stop loss selling points of their customers are positioned—to push prices down, thus forcing new buyers out of the market at a loss. You can be sure that some of these investors will be more leery about re-entering the precious metals markets in the future.

Now What?

From the late 1990s until a couple of years ago, such price suppression tactics knocked down gold and silver prices 10-20%! It then took several months for the metals' prices to recover.

The market is changing. Both gold and silver closed today within 98% of the highest COMEX November closing prices!

Now, the gold and silver markets are entering almost a two month period when there are fewer reasons to suppress prices. The US elections are over and the next COMEX options and futures contracts don't expire until late January.

During this lull in the action, so to speak, I would not be at all surprised to see gold and silver prices appreci-

ate by as much as 25%. Perhaps even more. Here are some of the reasons why I think this is possible.

1. The so-called "fiscal cliff" debate in Washington is a sick joke on the taxpayers. The Democrats and Republicans are arguing about trying to prevent \$1.6 trillion in federal budget cuts over the next decade.

On the more accurate accrual basis of accounting, the federal government is already spending more than \$7 trillion per year and running deficits of around \$5 trillion! Even assuming that interest rates don't increase, the actual federal budget deficit for the next ten years combined will be at least \$50 trillion. It could easily exceed \$100 trillion! So what practical difference does it make to talk about a reduction in increased spending that, at best, will only reduce the deficit by 3%?

2. Japan's economy is in such a horrible state that there is now the possibility that the yen could fail as a currency. So, it is not just the US dollar, the euro, and the British pound that are racing down in value. Eventually people will catch on that holding any fiat (paper) currencies or stocks or bonds is a poor way to protect their wealth.

3. The latest military actions in the Middle East could be considered as proxy wars for Iran versus the United States. The entire Russian Black Sea Fleet has been ordered to station in the eastern Mediterranean Sea. The US is beefing up its naval armada in the region. And Iran has developed a non-nuclear missile that would be about impossible to detect until it was almost to its target. If Iran were attacked, what is there to stop them from destroying virtually all of Saudi Arabia's oil production infrastructure?

4. The risk of seizure of private retirement assets is growing. I have been warning people since the late 1990s that their government was looking at the possibility of seizing private retirement assets in order to help fund budget deficits.

The focus of my concern was the danger from the federal government. However, there is a new threat from a different direction. The state of California enacted Senate Bill 1234 which was signed by Governor Brown into law in late September.

The new law will supposedly help the 6.3 million workers in California who are not now covered by a private retirement program better prepare for their post-employment years.

By next spring, every California employer with five or more eligible employees must register for this program. Employees will be automatically covered unless they specifically go through steps to opt out of the program.

Called the California Secure Choice Retirement Savings Program, the program is being

Patrick A. Heller's Upcoming Speeches

None currently scheduled.

To discuss possible speeches or for more information on any event call 800-933-4720 or email path@libertycoinservice.com.

touted as voluntary because of the opt out feature. However, the basic plan is that 3% of employees' compensation will be submitted to the state of California to invest almost certainly in long-term US Treasury debt. Employers may choose to augment the employee contributions.

As I just described, this development does not seem that scary. However, here is the bad news. The California Public Employees Retirement System is expected to manage these funds from private employees. CalPERS, as it is called, is the largest state, local, or private retirement program. It is also a financial disaster on the brink of bankruptcy. According to California state Senator Mimi Walters, "California has . . . a terrible track record when it comes to maintaining its public pension systems; the systems are currently a combined \$240 to \$500 billion in debt."

Walters further calls this law "a cynical effort to prop up the floundering public employee pension debt with new funds from private investors, sent in by employers who are forced to participate under penalty of law."

The new law specifically authorizes the investment of these private retirement funds into US government debt or in the debt of US government sponsored entities. Since the US government is ultimately likely to bail out CalPERS when it goes bankrupt, the effective result of this indirect activity is that millions of California's private employees will be contributing funds that will be used to pay retirement benefits to California government employees.

For now, employees can still initiate the opt out provision of this law. Don't be surprised if the law changes in a year or two to prohibit employees from dropping out of the plan. Also look for the law to expand coverage to businesses with fewer than five eligible employees.

Because of the state's size, legislation in California is often copied by other states. Taxpayers in other states, hold on to your paychecks!

Find hundreds of numismatic items offered for sale today in our eBay store. Gold, silver, and copper coins, exonomia, paper money, and other collectibles. Search for seller **Treasurechestofliberty**.

(Continued from page 2)

There are far too many other potential crises facing the global economy to list them all. Suffice it to say, that the outlook is really gloomy for paper assets, which means that prospects for gold and silver over the next few months look strong.

In other words, the sky is falling on the US dollar—and much more.

Physical Gold And Silver Shortages Appear

I had forecasted that there was a likelihood of shortages of bullion-priced physical gold and silver coins and bars after the US elections. That is starting to occur.

Thus far LCS has not experienced any delays in delivery, but that may be due more to our relatively deep inventory and good industry connections. I am hearing a growing number of stories from other dealers and some retail customers that they now face 1-2 week delivery delays for such products as Canada **Gold Maple Leafs** and South Africa **Kruger-Rands**. One retail buyer told us a story how a competitor said it would take up to four weeks to get delivery on US **90% Silver Coin**.

Supplies are definitely tightening. The US Mint announced Monday that it had sold out of all 2012-dated **1/10 Oz Gold American Eagles** and would not provide more until the 2013-dated coins are issued in January. Premiums have risen on US 90% Coins and British **Sovereigns** since last month.

There has also been some significant increases in **Pre-1933 US Gold Coins** in the past three weeks, both in absolute prices and in the premiums above gold value at which they trade. While not all of these gold coins are up in price, customer demand has been the strongest we have seen compared to any other time in 2012.

In addition, last month we offered **Gem Mint State-65 Early Morgan Dollars** because we anticipated that prices were on the rise. Prices are definitely higher, but supplies are almost impossible to locate. Normally we could continue to locate additional product after we sell out our supplies of such coins, but this time around it proved almost impossible. When LCS Chief Numismatist Allan Beegle attended the large coin show in Baltimore two weeks ago, finding

more MS-65 Early Morgans was high on his shopping list. Despite a significant effort, he was only able to bring home one specimen.

Along with higher prices in the next few months, I also expect to see growing shortages of supplies of both bullion-priced and popular rare coins.

Why I Am Not A Goldbug

Although I expect gold and silver to hold their value while paper assets decline in the future, I am not someone who would be considered a goldbug.

Even though I anticipate that the US dollar will fail and that gold and silver coins will be the likely replacement medium of exchange in this country, that still doesn't mean I am a goldbug.

A goldbug is someone who thinks that a monetary system should be based on gold. That's not how I look at the issue.

The invention of money was driven by the desire of private people to facilitate trade in a manner more efficient than barter. Money allowed multiple parties to conduct exchanges with the knowledge that it would be acceptable both when received and when paid out.

Many kinds of tangible goods have been used as money at some time or some place in history. It turns out that gold, and silver, have many attributes that make them highly useful as money—durability, malleability, portability, rarity, preciousness, and so forth.

Over several thousands of years of history, gold and silver have never failed as money. Governments that have defined a monetary denomination by weight and purity of gold or silver have failed to maintain those standards. Hence, that was a failure of the governments and not of gold or silver.

It is because of this lengthy track record that I anticipate that gold and silver will be the natural options when the US dollar collapses. Even though that may be exactly what happens, I do not advocate that gold and silver should be money.

Why? Simple. I want the free market to determine what should be money.

It very well might be that gold and silver still would beat out any competitors, but with technological innovation it may turn out that people might choose something else now. If the free market results in an alternate form of money, that's fine with me.

Silver and Silver Coins

Silver settled on the COMEX today at \$33.66, up a strong \$2.01 (6.3%) since the last newsletter. Now that we are past the Novem-

Summary Of Current LCS Recommendations For Precious Metals and Rare Coins

How much of your total net worth should be in precious metals and rare coins?

	<u>Conservative</u>	<u>Moderate</u>	<u>Aggressive</u>
	10%	20%	25-33%

*How much to allocate for each category of precious metals and rare coins?**

	<u>Conservative</u>	<u>Moderate</u>	<u>Aggressive</u>
Gold	40%	35%	25%
Silver	60%	55%	50%
Rare Coins	0%	10%	25%
TOTAL	100%	100%	100%

*Platinum and palladium both have volatile markets with long-term supply/demand fundamentals that are not as attractive as those for gold, silver or rare coins. While either or both might outperform gold, silver, or rare coins in the short- to long-term, to be conservative we have omitted them from our allocation.

ber 27 COMEX December gold and silver options expiration date, we could easily see much higher prices by late January.

Two weeks ago, the Sprott Physical Silver Trust (PSLV) completed its latest round of expansion when it received almost \$270 million from investors. The proceeds will be used to buy additional physical silver that will be stored at the Royal Canadian Mint.

Eric Sprott, founder and CEO of Sprott Asset Management, the company that manages the Silver Trust, told me at the Silver Summit in October that most of the silver he is purchasing has not yet even been mined as of the purchase date. It is taking months for his company to receive delivery of the physical metal.

If Sprott has such great difficulty in taking delivery on a bit over nine million ounces of silver, does it make sense for the Commodity Futures Trading Commission to allow a small group of traders to sell 192 million ounces of supposedly physical silver as happened within a few minutes of the release of the November 2 Bureau of Labor Statistics Jobs and Unemployment Report? It should be relatively easy for the sellers to prove the existence of this amount of physical silver if they really do hold title to it.

I think the latest Sprott acquisition is closer to the truth about the quantity of available physical silver. Which thus indicates that prices are likely to be

(Continued on page 4)

(Continued from page 3)

much higher in the future.

The premium on US **90% Silver Coin** (3.0%) has been high enough for more than a month so that refiners cannot profitably purchase it to melt down and purify. That creates a significant shortage of supply. Even at these higher premiums, I still recommend 90% Silver Coin. It has great divisibility, where a dime contains about 1/14 of an ounce of silver. It also is widely traded and highly liquid. If the US dollar failed, I anticipate that 90% Silver Coin would become the most popular form of circulating money.

Expect the US Mint to discontinue shipments of 2012-dated US **Silver Eagle Dollars** (8.5%). I consider these coins to be at too high of a premium to represent good value as a form of bullion. When the Mint cuts off sales, there is likely to be a temporary increase in premiums until the 2013-dated coins are released in early January. Don't panic and think these are rare. It looks like the mintage for 2012 will be well over 30 million.

With the higher prices of **US Morgan and Peace Dollars** over the past few months, it is becoming more difficult to find coins that represent great value. To some degree, it is becoming harder to find high quality coins even at prices that don't reflect a bargain. I don't recommend just jumping into this market, but be open for opportunities that may appear.

Gold And Gold Coins

Gold closed today at \$1,718.50, an increase of \$5.25 (0.3%) from three weeks ago.

Researcher James Turk, for whom I have a high regard, just reported that he is convinced that the gold exchanges are lying about the actual lease rates that are being paid for gold. By reporting lower rates, that creates the image that supplies of physical metal are more plentiful than they really are. His assessment sounds plausible to me.

My low-premium favorites continue to be the Mexico **50 Pesos** (1.9%), Austria **100 Coronas** (1.9%), and US **American Arts Medallions** (1.9%). Though their premiums are up slightly from last month, they still are the overall price leaders.

At the Baltimore show two weeks ago, Allan Beegle found an enticing modest lot of **Republica de la Nueva Granada Gold**

The Month

Gold Range	38.00	2.2%
Net Change	+5.25	
Silver Range	2.49	7.9%
Net Change	+2.01	
Gold/Silver Ratio	51.1	
Net change	-3.0	
Platinum Range	79.00	5.1%
Net Change	+66.00	
Platinum/Gold Ratio	.94	

Date	Gold	Silver	Platinum
Nov 07	1,713.25	31.65	1,540.00
Nov 08	1,725.50	32.23	1,543.00
Nov 09	1,730.25	32.59	1,559.00
Nov 12	1,730.25	32.51	1,563.00
Nov 13	1,724.25	32.48	1,586.00
Nov 14	1,726.75	32.68	1,586.00
Nov 15	1,713.25	32.66	1,573.00
Nov 16	1,714.25	32.36	1,562.00
Nov 19	1,734.00	33.18	1,584.00
Nov 20	1,723.25	32.92	1,573.00
Nov 21	1,728.00	33.34	1,584.00
Nov 22	closed		
Nov 23	1,751.25	34.11	1,617.00
Nov 26	1,749.50	34.14	1,611.00
Nov 27	1,742.25	33.98	1,619.00
Nov 28	1,718.50	33.66	1,606.00

London Silver Market Premium To New York Silver Market = 3¢

Gold, silver and platinum quotes are work-in spots at 1:45 EST/EDT each day, quoted in U.S. dollars per troy ounce.

Doublons. These large coins represent a lot of history, but you can buy them for practically bullion prices. See our flyer.

Alongside Night Movie Developments

As I previously announced, I am an investor in the production of a movie titled *Alongside Night*. It depicts a plausible scenario facing America five years from now if the politicians continue to act as they have been.

In return for my investment, LCS will enjoy substantial product placement in the movie. For instance, privately issued gold tokens play a significant part in the plot. This private money bears the LCS website address. To see what these pieces look like, you can see a photo of one in the *Alongside Night* Official Music Video posted on YouTube at <http://www.youtube.com/watch?>

v=zcU1mzW_eHk. Look for it at about the 2:30 point in the video.

The movie's story follows much along the lines of my writings, radio programs, and speeches.

This release of this issue of *Liberty's Outlook* has been moved a week earlier as I will be accompanying my two youngest children to Las Vegas. They will appear in cameo roles in a classroom scene. They will have the roles of high school seniors already in the classroom when the lead character and his best friend enter.

The main filming of the movie begins December 3. It may take until early next year to complete all the scenes. The plan is to debut the film at the Anthem Film Festival held in conjunction with the 2013 Freedom Fest next July in Las Vegas. The ultimate destiny of the movie, whether it be distribution into theaters or sold to a cable network, is not yet known.

The director has granted me permission to take some pictures of the filming of the movie. I expect to post some on the libertycoinservice.com website and maybe include a couple shots in the next issue of *Liberty's Outlook*.

A Holiday Wish

The year 2012 was another financial challenge for most of the world's population. As we approach the end of the year, matters look much more bleak than they did a year ago.

I fear that 2013 and beyond will see financial problems of a magnitude never before experienced. It will be ever more difficult to prepare for coming catastrophes.

As we do every year, we thank you for your patronage. It is our honor and privilege to serve you, the best customers in the world!

If it were within our power to grant you any wishes, we would grant you two. First, we would bring you a world of peace with liberty for everyone. Second, we would bring you a holiday season filled with the health and wealth of family and friends. May you be rich in the wonderful gifts on which you cannot put price tags.

Merry Christmas
Happy New Year

David S, Nicole, Mark, Joan, Alina, Mary, Jim, Matt, Cheryl, Augie, Nic, Greg, Dave H, Janet, Dany, Pam, Charlie, Barb, Tom, Allan, Paul, and Pat

Liberty's Outlook is published monthly by Liberty Coin Service, 300 Frandor Ave., Lansing, MI 48912. Telephone: National 800/527-2375 Fax: 517/351-3466 Website: www.libertycoinservice.com, E-mail: path@libertycoinservice.com Patrick A. Heller, Editor. Subscriptions are available at \$149.00 per year (12 issues). Send subscription orders and changes of address to the above address. All information is derived from sources believed to be reliable, but accuracy cannot be guaranteed. No guarantee of profitability of any investment or recommendation contained herein is made or implied. Liberty Coin Service has been a dealer in rare coins and precious metals since 1971. The publisher, its principals and associates may, from time to time, have a position in items recommended here. Copyright 2012, all rights reserved.

<i>Item</i>	<i>Qty</i>	<i>Fine Wt</i>	<i>Price</i>	<i>Cost/Oz</i>	<i>Premium</i>
*U.S. 1 Oz Gold Eagle	10	1.0000	1,797.50	1797.50	4.6%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	928.00	1856.00	8.0%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	472.50	1890.00	10.0%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	195.70	1957.00	13.9%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,797.50	1797.50	4.6%
*Australia 1 Oz Kangaroo	10	1.0000	1,799.25	1799.25	4.7%
*Austria 100 Corona	10	0.9802	1,716.50	1751.17	1.9%
*Austria 1 Oz Philharmonic	10	1.0000	1,799.25	1799.25	4.7%
*Canada 1 Oz Maple Leaf	10	1.0000	1,770.00	1770.00	3.0%
*China 1 Oz Panda	10	1.0000	1,854.25	1854.25	7.9%
*Mexico 50 Peso	10	1.2057	2,111.25	1751.06	1.9%
*S. Africa Krugerrand	10	1.0000	1,773.50	1773.50	3.2%
*U.S. Medallion	10	1.0000	1,751.25	1751.25	1.9%
*1 Oz Ingot	10	1.0000	1,756.25	1756.25	2.2%
*Austria 1 Ducat	10	0.1107	201.10	1816.62	5.7%
*Austria 4 Ducat	10	0.4428	833.25	1881.78	9.5%
*British Sovereign	10	0.2354	424.25	1802.25	4.9%
*British Sovereign, BU	10	0.2354	432.25	1836.24	6.9%
*France 20 Franc	10	0.1867	340.00	1821.10	6.0%
*Germany 20 Mark	10	0.2304	455.25	1975.91	15.0%
*Swiss 20 Franc	10	0.1867	340.50	1823.78	6.1%
\$20 Liberty BU	10	0.9675	2,035.00	2103.36	22.4%
\$20 St Gaudens BU	10	0.9675	2,045.00	2113.70	23.0%
\$20 Liberty Extremely Fine	10	0.9675	2,000.00	2067.18	20.3%
\$10 Liberty Extremely Fine	10	0.4838	1,008.00	2083.51	21.2%
\$5 Liberty Extremely Fine	10	0.2419	539.00	2228.19	29.7%
*U.S. 90% Silver Coin	1,000	715	24,800.00	34.69	3.0%
*U.S. 40% Silver Coin	1,000	295	10,010.00	33.93	0.8%
*U.S. Circulated Dollars	1,000	760	33,350.00	43.88	30.4%
*U.S. Silver Eagle-2012	1,000	1,000	36,510.00	36.51	8.5%
*Canada Silver Maple Leaf	1,000	1,000	36,010.00	36.01	7.0%
*100 Oz Silver Ingot	10	100	3,456.00	34.56	2.7%
*10 Oz Silver Ingot	100	10	350.10	35.01	4.0%
*1 Oz Silver Ingot	1,000	1	35.06	35.06	4.2%
*1 Oz Platinum Ingot	10	1.0000	1,683.00	1683.00	4.8%
*U.S. 1 Oz Platinum Eagle	10	1.0000	1,779.00	1779.00	10.8%
*U.S. 1/2 Oz Plat Eagle	10	0.5000	Not available		
*U.S. 1/4 Oz Plat Eagle	10	0.2500	Not available		
*U.S. 1/10 Oz Plat Eagle	10	0.1000	Not available		
*Other 1 Oz Plat Coins	10	1.0000	Not available		
*Canada Palladium ML	10	1.0000	725.00	725.00	7.7%

Gold: \$1,718.50
Silver: \$33.66
Platinum: \$1,606.00
Palladium: \$673.00

Notes from Liberty

by Tom Coulson
 LCS Senior Numismatist

By the time we get to the end of November, we will probably set a new record for the highest sales month of the year. Activity is humming in our stores, on the phones, and at coin shows.

We were right to offer the Gem Mint State-65 Early Morgan Silver Dollars last month before the anticipated price increases. Supplies are almost non-existent and prices are up in the past three weeks. Unfortunately, we simply could not find enough coins to satisfy all would-be customers. We also faced the same problem with most of the special featured items in our holiday gift flyer.

As the last issue went into the mail, LCS Numismatist David Sweet and I staffed the LCS booth at the Kalamazoo Numismatic Club show. The following week, David worked at the National Coin and Paper Money Convention near Chicago.

The week after that, LCS Chief Numismatist Allan Beegle attended the huge show in Baltimore. Then, last week Allan, LCS Numismatist David Hartung, David Sweet, and I hosted the LCS booth at the Michigan State Numismatic Society Fall Convention in Warren. This morning, Allan flew to the Money Show of the Southwest in Houston.

November has been the busiest month of coin show activity for LCS in our 41 years in business. This extra work has been brought about by a significant increase in retail customer demand over the past few months for rare coins and paper money, to say nothing of the surge in precious metals sales. We are working harder than ever to find bargains for our valued customers.

From the Chicago show, David Sweet brought back the largest group of **Crisp Uncirculated-60+ Confederate States of America 1864 \$5.00 and \$10.00 Notes** that we have seen in years if not ever in our entire history! Not to be outdone, Allan found a modest quantity of

Liberty Coin Service
300 Frandor Avenue
Lansing, MI 48912

Call Toll-Free: **(800) 527-2375 National**
(517) 351-4720 Local
(517) 351-3466 Fax

web: www.libertycoinservice.com email: path@libertycoinservice.com
 Trading Desk Hours (Eastern): Mon-Fri 10AM-5:30PM, Sat 10AM-2PM

Coins, Rolls and Sets

U.S. 10 pc Gold Medallion Set, 1980-1984, BU	\$13,610
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20	\$890
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20	\$990
U.S. Peace Dollar, Brilliant Uncirculated Roll/20	\$870

Numismatic Coins (PCGS/NGC/ICG Graded)

	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	2,185	2,330	2,485
U.S. \$20.00 Liberty	2,280	2,550	3,750
U.S. \$10.00 Liberty	1,325	1,675	3,450
U.S. \$5.00 Liberty	800	1,100	2,595
U.S. 4 pc Indian Gold Type Set	5,685	7,835	19,260
U.S. 4 pc Liberty Gold Type Set	5,075	6,120	11,080
U.S. 8 pc Gold Type Set	10,700	13,805	29,890
U.S. Morgan Dollar (Pre-1921)	79	95	165
U.S. Peace Dollar	63	90	140

Prices quoted are for quantities indicated, and are actual selling prices at today's closes. Smaller lots are available at slightly higher prices. No Michigan Sales Tax on rare coins or precious metals bullion. Numismatic purchases have a 15 day return period. Orders for bullion-priced items (marked with *) are not returnable and, after confirmation, cannot be cancelled.

Republica de la Nueva Granada Gold Doubloons at the Baltimore show.

This month, we again are able to make an offering of **The Most Famous Coin In The Bible**. These Widow's Mites are perennial best sellers, with more repeat customers for the 2,000-year old treasures than just about anything else we offer for sale. Last, we can offer an **Historic Document Signed By Two Founding Fathers**. As a bonus, this document also features the autograph of a man whose public career spanned from the Battle of Bunker Hill to Valley Forge and Yorktown; from President Jefferson's Secretary of War to the War of 1812 and a stint as President Monroe's ambassador to Portugal. Just imagine all the national heroes that Henry Dearborn knew and worked with!

Supplies are limited on these offerings (there is only one of the historic document!), so I recommend that you call early to check on availability and confirm your order. Reach our **Trading Desk toll-free at 800-527-2375**.

Here are some other recent purchases for your consideration as gifts for others you love or even for yourself:

Stunning Mint State-61 1909/8 \$20.00 St Gaudens Double Eagle:

There is only one overdate in the \$20.00 St Gaudens series. Some of the 1909-dated coins struck at the Philadelphia Mint were struck from a die where the 8 appears beneath

the second 9.

Only 161,282 \$20.00s were struck at the Philadelphia Mint that year. From the PCGS and NGC certificate statistics, it appears that about 40-45% of the total mintage were of the overdate variety. That makes both versions of 1909 Saints relatively rare in all grades.

From the MSNS show last weekend, Allan brought back this coin, about the most eye appealing \$20.00 Saint of any date that would still only grade Mint State-61 by PCGS. *Coin Values* catalogs Mint State-60 specimens for \$2,650 and Mint State-62 pieces for \$3,750. You can own this awesome coin for \$2,750.

Millennium British Gold Five

Pound Proofs: Great Britain honored the impending change to a new millennium by issuing a special Proof Gold Five Pounds (gold content 1.1771 oz) in 1999. The unusual design shows the British Isles on a clock face, with the hands of the clock pointing to midnight. Above the clock are the years "1999" to the left and "2000" to the right. Around the edge of the coin is inscribed "What's Past Is Prologue" from Shakespeare's *The Tempest*. Only 2,500 proof specimens were struck.

We also have the 2000-dated Proof Five Pounds which returned to the familiar design of St. George on a rearing horse slaying the

Gold:	\$1,718.50
Silver:	\$33.66
Platinum:	\$1,606.00
Palladium:	\$673.00

dragon. St George is the patron saint of Great Britain and the dragon represents the devil. This mintage is only 1,000 coins.

Both of these coins come in the original Royal Mint packaging with the certificate of authenticity.

A few of the 1999 issues are available from other dealers at prices ranging from \$2,400 to \$3,500. You can buy ours for \$2,375. For the 2000 5 Pounds, the lowest competitor selling price I found was \$2,600. You can own this one for \$2,550.

Beautiful Medieval French Silver

Denier: Raimond VII served as Count of Toulouse, Duke of Norbonne, and Marquis of Provence from 1222 to 1249. He issued Silver Deniers, a coin denomination that originated hundreds of years earlier to match the British Silver Penny.

This particular specimen is about as lovely as you could hope to find. Coins of this era were hand-struck one at a time, with the result that the finished coins were of variable centers and strength of strike.

The design on this specific piece is extremely well centered on the planchet. The coin is well struck to boot. The details are still sharp enough that we grade the coin About Extremely Fine. Your cost just \$125.

Changes To Days Of Operation

In December: Last month Allan Beegle wrote in this column about our planned days of closing our two stores to prepare for our expansion to a larger single location. As is common in such circumstances, the construction work has pushed back the opening day, currently by two weeks. So, both of our stores will be open standard hours through Friday, December 28. We will close at 2 PM on December 24 and be closed Christmas Day.

We are now hoping to open in our new location on January 14, but even that date may be pushed back 1-2 weeks. We currently anticipate that we will be open in at least one location, except for a long New Years weekend, serving customers as usual, right up to the time we open in our larger store.

Please Note: Liberty Coin Service will be **closed** Saturday, December 29 through Tuesday, January 2 for the New Year holiday.