

Liberty's Outlook

Volume 18 Issue 7 Liberty Coin Service's Monthly Review of Precious Metals and Numismatics June 25, 2012

World Economy May Fail Before November US Elections!

**Banks—Possibly The Most Dangerous Place To Stash Cash!
Prepare For Capital Controls, Currency Restrictions, Bank Holidays!**

Special Urgent Action Alert!

One almost perfect correlation that I have observed over the years is that the greater the gold and silver price suppression, the worse the economic and/or financial news that comes out later.

Last Friday, silver hit a 20-month low while gold dropped 3.75% for the week.

There has been an enormous amount of terrible economic, political, and financial news in June that should have sent prices of precious metals soaring. Knowing this, however, the US government and its trading partners and allies have gone to about the most extreme efforts thus far at holding down gold and silver.

About the only reason for any weakness in gold and silver prices has been the weakness in the India rupee currency. India was long the world's largest gold consuming nation and is now second largest behind China. A few weeks ago, the price of gold as measured in rupees set an all-time record. This not only knocked down demand among the price-sensitive citizenry, it led to a temporary surge in liquidation in that country.

In the past week, the monsoon conditions have improved in India, for which much of the population depends for their financial well-being. Plus, demand for physical silver has taken off to replace

2012 Year To Date Results through June 22, 2012			
<i>Precious Metals</i>		Singapore Dollar	-1.5%
Platinum	+1.7%	New Zealand Dollar	-1.6%
Gold	+0.0%	U.S. Dollar Index	82.39 +2.65%
Silver	-4.4%	<i>US And World Stock Market Indices</i>	
Palladium	-7.5%	NASDAQ	+11.0%
<i>Numismatics</i>		S&P 500	+6.2%
US MS-63 \$20 Liberty	+6.5%	Frankfurt Xetra DAX	+6.2%
US MS-63 \$20 St Gaudens	-1.5%	Russell 2000	+4.6%
US MS-65 Morgan Dollar, Pre-1921	-9.1%	Nikkei 225	+4.1%
<i>US Dollar vs Foreign Currencies</i>		Dow Jones Industrial Average	+3.5%
Brazil Real	+10.7%	Shanghai Composite	+2.8%
India Rupee	+7.7%	Australia S&P/ASK 200	-0.2%
Japan Yen	+4.6%	London FT 100	-1.1%
South Africa Rand	+4.0%	Dow Jones World (excluding US)	-1.7%
Euro	+3.1%	Sao Paulo Bovespa	-2.3%
Switzerland Franc	+1.9%	10 Year US Treasury Note interest rate	1.671% -11.0%
Australia Dollar	+1.4%	<i>Intrinsic Metal Value Of U.S. Coins</i>	
China Yuan	+0.8%	Lincoln cent 1959-1982	2.22¢
Canada Dollar	+0.4%	Lincoln cent 1982-date	0.50¢
Hong Kong Dollar	-0.1%	Jefferson nickel non-silver	4.49¢
South Korea Won	-0.2%	Roosevelt dime, 1965-date	2.22¢
Great Britain Pound	-0.3%	Washington quarter, 1965-date	5.54¢
Mexico Peso	-0.7%	Kennedy half dollar, 1971-date	11.07¢

diminished gold demand.

Other than that one notable exception, virtually all the news has been bullish for precious metals and negative for paper assets:

A Downpour Of Bad News

- On May 31, Bank Network Investment (BNI), which one report claimed was Italy's fourth largest bank, posted a notice on its website that customers had seven days to withdraw funds from their accounts before the bank froze access to their accounts for one month. BNI has long been a troubled bank.
- On June 6, Federal Reserve Chair Ben Bernanke addressed a Congressional committee. According to the mainstream media, the prices of gold and sil-

ver fell that day in response to Bernanke's remarks. The mainstream media got it all wrong. Starting one hour before Bernanke began to speak a total of 16.5 million ounces of paper gold contracts were sold within four hours. This total represents more than 20% of current annual worldwide gold mine production!

- Leading up to the Greek elections, Greek citizens were so worried about the solvency of that nation's banks that they were withdrawing literally a billion dollars a day from their bank accounts to stash under mattresses and in other hiding places.

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- Also before the Greek elections, European officials started planning what to do should Greece leave the Eurozone. Among the planned measures were capital controls, currency restrictions, and bank holidays. In other words, the private companies, investors, and individuals would be denied access in part or in total to funds they had in banks, or that they wanted to move out of the country, or simply to convert into a safer asset.
- In the week ending June 15, Argentina's central bank reported that about 5% of the nation's foreign currency bank deposits (mostly in US dollars) had been withdrawn from that country's banks. Since the end of October 2011, over 1/3 of all foreign currency bank deposits have been withdrawn by nervous customers. This is significant as the US dollar is legal tender in Argentina. Most real estate transactions in that nation are settled in US dollars.
- The Greek elections held on June 17 were going to be terrible news no matter which way it turned out. The winning party is committed to keeping Greece in the Eurozone, but only if additional bailouts can be squeezed out of the other member nations. The US government obviously had arranged in advance to have the world's stock markets surge the next day, no matter the result of the elections, so that people wouldn't think about the hundreds of billions of additional bailouts that would be needed to keep the Eurozone intact.
- On Tuesday, June 19, the Royal Bank of Scotland experienced what it called a glitch with its ATMs. Customers were still unable to access cash from their accounts four days later. The Bank has continued to be in dire straits since it was taken over by the British government. There are some who are wondering if the "glitch" was really an accident.
- Last Wednesday, the Federal Open Market Committee (FOMC) finished their latest meeting confronted with an impossible dilemma. If they would have announced an immediate new round of quantitative easing (inflation of the money supply) that would have pushed JPMorgan Chase's multi-billion dollar loss for the quarter even greater. If the FOMC did nothing, they risked the

further decline in the US economy. Instead of choosing among these alternatives, the FOMC voted to continue a QE program to extend the maturities of existing Treasury debt. This way, the FOMC could appear to have done nothing or done something, depending on the preference of the interpreter.

- On Thursday, June 21, as I had been warning readers to expect for at least a year, Moody's Investor Services downgraded the credit ratings for 15 major banks, including five of the six largest US banks. In all, the downgrades hit Bank of America, Barclays, Citigroup, Credit Suisse Group, Goldman Sachs Group, HSBC Holdings, JPMorgan Chase, Morgan Stanley, Royal Bank of Scotland, BNP Paribas, Credit Agricole, Royal Bank of Canada, Societe Generale, UBS, and Deutsche Bank. The credit ratings for Bank of America and Citigroup were cut to two levels above junk status.
- As a result of this credit downgrade, Morgan Stanley faced an immediate collateral call of almost \$7 billion. Although this is not a universally held opinion, some analysts now consider Morgan Stanley to be a dead company that has not gotten around to formally failing.
- The chairman of Goldman Sachs Asset Management recently declared that the US is back into recession.
- Yesterday, former International Monetary Fund Chief Economist Simon Johnson issued an essay titled "U.S. Banks Aren't Nearly Ready for Coming European Crisis." In discussing the prospects of the break up of the Eurozone, Johnson said, "even if concern about dissolution grows in coming months—markets, investors, regulators and governments need to worry not just about interest-rate risk and credit risk, but also dissolution risk. What's more, they also need to worry a great deal about what the repricing of risk will do to the world's thinly capitalized and highly leveraged megabanks."
- Last night, I saw a report that the percentage of global international transactions that are settled in US dollars had declined to only 35%. I have not had time to double check the source of this report. Just last year, the dollar was still accounting for about 60% of such transactions. In decades past, the dollar was used for 80-90% of such transactions. Every dollar kept outside of the US is an interest-free loan to the US government. When these dollars are no longer needed, they are being repatriated to be replaced with assets

Patrick A. Heller's Upcoming Speeches

July 12, Las Vegas, NV, Freedom Fest 2012, "Pitfalls To Avoid When Buying Physical Precious Metals"

August 7 (tentative), Philadelphia, PA, American Numismatic Association World's Fair of Money "Money Talks" "Create A Fun-Filled Numismatic Presentation For The General Public"

August 13, East Lansing, MI, East Lansing Kiwanis Club at the Michigan State Union at noon, "Collecting Coins For Fun And Profit"

October 19 (tentative), Dallas, TX, American Numismatic Association National Money Show "Money Talks" "Create A Fun-Filled Numismatic Presentation For The General Public"

October 25-26, Spokane, WA, Silver Summit, consumer protection subject not yet specified

For more information on any event call 800-933-4720 or email

or services, which has the affect of lowering wealth in the US.

- Tonight, Moody's Investors Services downgraded the long term debt and deposits of 28 Spanish banks. This action follows the lowering of the Spanish government's sovereign credit rating in early June. Just two weeks after the Spanish leader stated that no bailout would be needed, he negotiated a \$125 billion bailout package.

This barely skims the surface of all the bad financial news for the past month. People are afraid, even more than they were in the monetary crisis of 2008. but there is more bad news coming up yet this week.

Even More Bad News Coming This Week

In order to apply economic pressure on Iran, the US government stated that nations trading with Iran on or after June 28, 2012 would be cut off from the SWIFT system for settling international payments.

At the time of this announcement, Iran stated that it considered such a proclamation to be tantamount to a declaration of war.

China and India are major trading partners of Iran, probably being the two largest importers of Iranian oil. India quickly explored the idea of using gold to pay for Iranian oil. China stated that it would set up a competitor system for making inter-

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national payments that did not use the US dollar at all.

Curiously, since India did not immediately kowtow to US demands to stop trading with Iran, its rupee currency has been in almost a constant downward spiral. Is this just a coincidence? Or not?

Facing a June 28 deadline, many European nations that traded with Iran have either stopped doing so or are engaging in subterfuges. Technically, the US demanded that the Central Bank of Iran be excluded from international transactions. So, some nations are dealing with a third party that is not the Central Bank of Iran. The third party, outside of the SWFT system, settles accounts with the Central Bank of Iran.

As of this moment, the financial embargo against Iran is wreaking havoc in that nation. However, if China goes ahead to develop a competing international payment system that does not use the US dollar, this whole scheme could backfire on the US government.

To the extent that China or another nation creates an international payment system that excludes the US dollar, the US government will be financially penalized. The ultimate cost could be in the trillions of dollars.

Even More Potential Bad News Later This Year

I anticipate that the Federal Open Market Committee will announce another major round of quantitative easing at the conclusion of their next meeting on August 1. They cannot do it any later without running the risk of being accused of interfering with the US election results.

After some missteps, the Pan Asian Gold Exchange (PAGE) may go into business as early as August or September. Even though it may not at first do as much volume as the London Bullion Market or the New York COMEX, it could severely cripple the operations of both.

The plan is that PAGE will trade contracts for immediate delivery of physical gold. By the best information I have, that is now virtually impossible to arrange in the London market.

While the COMEX theoretically requires relatively quick delivery on maturing contracts held for delivery, there are a growing number of instances where delays occur or the contracts are settled other than by delivery of the commodity.

If PAGE can establish and maintain a record of timely delivery of physical metal, it could pull a huge amount of business away from the London and New York markets. This would heighten the risk that the remaining holders of London and New York contracts may get little or nothing for their contracts.

At the end of this year, a group of tax cuts that were originally enacted during the second Bush administration are set to expire. The Congressional Budget Office (CBO) and almost anyone else who has studied the potential impact describes the expiration of these tax cuts as being akin to "falling off a cliff."

The CBO states that if the tax cuts lapse, that single event would push the US back into a recession all by itself. However, as dire as the impact might be, I just don't see politicians working to resolve this problem.

What Can You Do To Protect Yourself?

As you can see, there are a growing number of serious risks to the US government, the US economy, and the US dollar. There are several problems that could start to unravel that would lead to a worldwide cascade of bank failures, government bankruptcies (will Stockton, California enter bankruptcy by the end of this week?), and currency collapses.

Governments around the world, and the US isn't any exception, have already accumulated debt beyond what reasonably can be repaid. The only practical way to get out from under the debt load is to repudiate obligations or hyper-inflate the currencies into worthlessness. Either way, those who depend on their government for their Social Security payments, retirement checks, interest and debt repayments, welfare payments, and so forth, will be out of luck.

In 1997, over 1/3 of the world's population was clobbered by the Far East Asian financial crisis. The citizens of Indonesia were hurt the worst when their currency became virtually worthless. Those who held only paper money were pretty much wiped out. Indonesians who owned gold and silver saw their standard of living largely unaffected.

There are several lessons that can be drawn from what worked and what didn't just 15 years ago.

First, establish an insurance position of physical gold and silver that you have in your direct custody. If you are tempted to put some in a bank safe deposit box, realize that you won't be able to access it quickly if your bank fails. For most people, I consider the insurance position to be 10-20% of one's net worth or investment portfolio. Don't put it in mining company stocks, certificates, retirement accounts, ETFs,

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.

and the like. Only go for the physical goods that you hold directly in your own hands.

As spot prices fell these past few weeks, demand for physical gold and silver has soared in the US. Around the globe, other than in India, central banks are buying gold reserves at the fastest pace since 1965! Without urging you to recklessly hurry to establish your insurance holdings of gold and silver, I do recommend that you take action sooner rather than later.

How high could gold and silver reach in the next year or two? The answer is that no one knows. One French bank last week calculated that gold could end up anywhere between \$1,900 and \$8,500 within two years.

When I see the strong demand for physical metal compared to the limited supplies, I am comfortable predicting that gold and silver prices will be multiples of what they are today. I'd like to think that gold could top \$2,000 by the end of 2012 and silver over \$60 by then. If I am off, I think it will only be the timing rather than that precious metals will never reach those levels.

The reason why I am so confident is that the US dollar has been in a huge bubble market and seems to be strained to the breaking point. My confidence is that the dollar bubble will burst and that alternative assets like gold and silver will shine.

Second, and it makes me uneasy to suggest holding an asset that I expect to lose value, I think it would make sense

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to hold physical US dollars of at least \$500 per family member in a mixture of currency and coin. If banks close, if there is a long term power outage, or some similar trouble, you won't be able to use credit or debit cards to make purchases. Your automatic deposits to your account will cease, which won't really matter because you won't be able to spend it. Your bills that are automatically paid by a bank, credit union, or credit card will no longer be automatically paid.

In such circumstances, cash in hand will be king, even better than silver or gold to start.

Third, it is likely that the inflation of the money supply will lead to significant consumer price increases. Therefore, to the extent you can, it makes sense to stock up when you see sales of non-perishable food and other necessities of life. In the days of the Soviet Union, toilet paper was a true luxury item there.

Fourth, if you have any kind of health concern, don't put off getting it resolved. At Freedom Fest 2010 in Las Vegas, Steve Forbes joked that he had undergone a surgery before the new health care law made it illegal to get it. But the idea isn't a total joke if you don't know for sure if the treatment will even be available in the future or, if it is, if you have to seek permission from some rationing board to have access to it.

Beyond that, I don't consider myself an expert to recommend where to allocate your assets. There are a number of investment advisors who I admire that recommend a mixture of mining stocks, dividend-paying global companies that supply life's needs such as food and energy, and some other paper currencies including possibly the Australian dollar, China yuan, Norwegian krona, Singapore dollar, Swedish krona, and Swiss francs. I'm personally leery of any paper currencies, but maybe they would be acceptable as a small portion of total assets.

A couple people like the idea of real estate, but this is a market that depends on specific knowledge and hard-nosed judgment to make the most profitable acquisitions.

Silver and Silver Coins

Silver closed today at \$27.52, a drop of \$1.96 (6.6%) from nineteen days ago.

When the spot priced dropped below \$29 on June 7, the sparked a surge in buying. When silver fell under \$28 two weeks later on June 21, demand for physical silver soared even higher. It is still not at the fren-

The Month

Gold Range	68.25	4.2%
Net Change	-45.25	
Silver Range	2.82	9.6%
Net Change	-1.96	
Gold/Silver Ratio	57.7	
Net change	+2.3	
Platinum Range	62.00	4.2%
Net Change	-26.00	
Platinum/Gold Ratio	.91	

Date	Gold	Silver	Platinum
Jun 06	1,632.75	29.48	1,469.00
Jun 07	1,586.75	28.52	1,441.00
Jun 08	1,590.00	28.46	1,425.00
Jun 11	1,595.50	28.61	1,449.00
Jun 12	1,612.75	28.94	1,454.00
Jun 13	1,618.00	28.94	1,467.00
Jun 14	1,618.50	28.40	1,487.00
Jun 15	1,627.00	28.73	1,487.00
Jun 18	1,625.75	28.67	1,484.00
Jun 19	1,622.25	28.36	1,480.00
Jun 20	1,614.75	28.38	1,467.00
Jun 21	1,564.50	26.83	1,439.00
Jun 22	1,566.00	26.66	1,431.00
Jun 25	1,587.50	27.52	1,443.00

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.

zied levels of late 2008, but it may be the strongest we have seen since early May 2011.

Demand for silver is so strong compared to gold right now that we may be enjoying more total sales volume in bullion-priced silver versus gold. Despite the demand, though, just about all products are available for immediate or short-delay delivery.

With lower spot prices, liquidation has largely ceased. As a result, premiums are up almost across the board. In fact, the price of Very Good or better circulated Peace Dollars is actually higher than it was three weeks ago!

The premium on US 90% Silver Coin (4.4%) has now climbed higher than that of 100 Oz Ingots (4.0%). For the difference of 12 cents per ounce of silver content, I think it is well worth owning a quantity of 90% Coin because of its greater divisibility and liquidity. Further, if the US dollar fails I expect that 90% Coin will become the most widely circulated form of money in America. Once a solid position of 90% Coin is es-

tablished, then you can consider acquiring some of the larger 100 Oz Ingots.

The circulated and Mint State Morgan and Peace Dollars have been inching up in price, even as the spot price has declined since February 29. Supplies are much tighter now than they were earlier this year. This month we offer the **Very Choice Mint State-64 Early Morgan Dollars** in the quantities we have accumulated, rather than risk even higher prices while we seek several hundred more coins. See our enclosed offer for details.

In addition, now that we again have the services of Robert Sweet to seek out the higher quality coins of a designated grade, we can one more offer another one of our **Sweet Deals** assortments. If past experience is any guide, virtually every coin will sell.

Gold And Gold Coins

Gold finished today at \$1,587.50, down a significant \$45.25 (2.8%) from less than three weeks ago.

As with silver, demand for physical gold has also picked up with another chance to acquire gold at spot prices below \$1,600. However, quantities have not been so strong that is pushed up premiums, other than the South Africa **Krugerrand** (3.9%)

There was one noticeable premium decline, the **1 Oz Ingot** (3.0%) They are now tied with the Austria **100 Corona** (3.0%) for the lowest premium form of bullion-priced physical gold. Both have advantages and disadvantages. So, for most people I would recommend acquiring a mixture of both products right now. The 100 Corona has the advantage of being a legal tender coin that could be taken across national borders tax-free. The Ingot has the advantages of being pure gold and having an exact 1 Oz gold content. If you acquire some of both, you are almost certain to have the optimum choice available if you need to sell or barter them.

The months' long price slump in **Common-Date Pre-1934 US Gold Coins** looks more certain to have touched bottom at the beginning of May. Even though the spot price of gold is down \$45 over the past nineteen days, prices for several circulated types and Mint State coins up to MS-63 and even MS-64 are now higher than they were. The Mint State-61 \$5.00 Indians we featured in an offering last month are perhaps doing the best of any type or grade. There are dealers now buying these coins at a higher price than at which we offered them to you just three weeks ago.

<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	1,668.50	1668.50	5.1%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	857.25	1714.50	8.0%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	436.50	1746.00	10.0%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	178.80	1788.00	12.6%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,671.75	1671.75	5.3%
*Australia 1 Oz Kangaroo	10	1.0000	1,676.50	1676.50	5.6%
*Austria 100 Corona	10	0.9802	1,602.75	1635.13	3.0%
*Austria 1 Oz Philharmonic	10	1.0000	1,674.75	1674.75	5.5%
*Canada 1 Oz Maple Leaf	10	1.0000	1,647.75	1647.75	3.8%
*China 1 Oz Panda	10	1.0000	1,713.00	1713.00	7.9%
*Mexico 50 Peso	10	1.2057	1,975.25	1638.26	3.2%
*S. Africa Krugerrand	10	1.0000	1,649.50	1649.50	3.9%
*U.S. Medallion	10	1.0000	1,640.00	1640.00	3.3%
*1 Oz Ingot	10	1.0000	1,635.25	1635.25	3.0%
*Austria 1 Ducat	10	0.1107	187.30	1691.96	6.6%
*Austria 4 Ducat	10	0.4428	772.50	1744.58	9.9%
*British Sovereign	10	0.2354	401.25	1704.55	7.4%
*British Sovereign, BU	10	0.2354	409.25	1738.53	9.5%
*France 20 Franc	10	0.1867	319.50	1711.30	7.8%
*Germany 20 Mark	10	0.2304	424.00	1840.28	15.9%
*Swiss 20 Franc	10	0.1867	319.75	1712.64	7.9%
\$20 Liberty BU	10	0.9675	1,790.00	1850.13	16.5%
\$20 St Gaudens BU	10	0.9675	1,805.00	1865.63	17.5%
\$20 Liberty Extremely Fine	10	0.9675	1,750.00	1808.79	13.9%
\$10 Liberty Extremely Fine	10	0.4838	887.00	1833.40	15.5%
\$5 Liberty Extremely Fine	10	0.2419	468.00	1934.68	21.9%
*U.S. 90% Silver Coin	1,000	715	20,550.00	28.74	4.4%
*U.S. 40% Silver Coin	1,000	295	8,350.00	28.31	2.9%
*U.S. Circulated Dollars	1,000	760	28,900.00	38.03	38.2%
*U.S. Silver Eagle-2012	1,000	1,000	30,520.00	30.52	10.9%
*Canada Silver Maple Leaf	1,000	1,000	30,120.00	30.12	9.4%
*100 Oz Silver Ingot	10	100	2,862.00	28.62	4.0%
*10 Oz Silver Ingot	100	10	288.70	28.87	4.9%
*1 Oz Silver Ingot	1,000	1	28.97	28.97	5.3%
*1 Oz Platinum Ingot	10	1.0000	1,522.00	1522.00	5.5%
*U.S. 1 Oz Platinum Eagle	10	1.0000	1,599.00	1599.00	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	654.00	654.00	7.7%

Gold: \$1,587.50
Silver: \$27.52
Platinum: \$1,443.00
Palladium: \$607.00

Notes from Liberty

by Allan Beegle
 LCS Chief Numismatist

We are only part way through the month of June, but our sales volume is so strong that it will likely be our highest sales month thus far in 2012.

We did not quite sell out last month's offering of the Mint State-61 \$5.00 Indians. Pat yourself on the back if you were able to get in on them before prices rose. Today, we are selling them at \$630 and only have a few available. By the way, Most \$2.50, \$5.00, and \$10.00 US Gold Coins are up in the past 19 days, especially in MS-63 quality, even though the price of gold fell a few percent! Those that did not rise, did not decline to the same degree that gold dropped.

Most of the coins from our offer of the Spectacular High-Grade US Rarities also found new homes, with some again going to other dealers.

Immediately after the last newsletter was finished, LCS Numismatist David Sweet attended the huge Memphis International Paper Money Show. Retail traffic at the show was quite low compared to years past, but that appears to be because of technological advances rather than lack of retail demand. The advent of third-party grading, high quality digital photography, and the internet has made it possible to most major dealers to offer their best material on the internet rather than requiring retail buyers to go through the time and expense of going to a major show to inspect inventories.

David did bring home several nice individual pieces, some of which went direct to waiting customers. However, he also brought back one exciting group: **\$5.00 Farmers & Mechanics Bank of Memphis Notes from 1852-1854**. This was the first bank to open in Memphis back in 1833. It had a number of intriguing events in its history. A lawsuit against the bank was thrown out by the US Supreme Court in 1842. Years later, in a dispute between a number of promi-

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 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	\$12,670
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20	\$890
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20	\$965
U.S. Peace Dollar, Brilliant Uncirculated Roll/20	\$865

Numismatic Coins (PCGS/NGC/ICG Graded)

	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	1,910	1,970	2,200
U.S. \$20.00 Liberty	2,130	2,440	3,870
U.S. \$10.00 Liberty	1,275	1,635	3,625
U.S. \$5.00 Liberty	850	1,080	2,650
U.S. 4 pc Indian Gold Type Set	5,210	7,755	17,975
U.S. 4 pc Liberty Gold Type Set	4,945	5,970	11,520
U.S. 8 pc Gold Type Set	10,095	13,575	29,045
U.S. Morgan Dollar (Pre-1921)	67	87	150
U.S. Peace Dollar	55	66	145

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.

ment Memphis citizens over who had control over the bank, bloodshed erupted literally on the courthouse lawn that left to men dead and two wounded! These notes are also unusual in that they depict five \$1.00 Gold Liberty coins to represent the face value of the Notes. A lot of history, but not that expensive to own.

For the past few months, we have been quietly acquired **Very Choice Mint State-64 Early Morgan Silver Dollars** when we were able to acquire them at the bid side of the wholesale market. Even though the spot price of silver touched a 20-month low last Friday, supplies of these coins have been drying up, with prices slowly rising. We have decided to offer the quantity that we now have, before prices rise further. At today's levels, you can acquire several pieces for what it would have cost you to purchase a single coin back in 1986!

Now that Bob Sweet has returned to LCS, he has scrutinized our inventory to pull out several coins that meet his requirements to be called **Sweet Deals #6**. Not only does he look for coins that are high-end for the described grade, he also seeks pieces that are priced just before there is a major price jump to go one grade higher. In most instances, the desirable grade is Very Choice Mint State-64, which happens to coincide with the grade typically sought by the largest number of collectors.

Enjoy the few hand-selected beauties that Bob pulled out from our extensive inventory.

Once again, we are likely to have a number of sellouts. As I do every month, I urge you to call early for best selection. **Reach our Trading Desk toll-free at 800-527-2375.**

In the meantime, here are some other fresh bargains we have picked up for you to peruse:

Gem Mint State-65 1966 Peru

Gold Libra: From 1898 to 1930, Peru struck a Libra coin with a gold content virtually identical to the British Sovereign (actual gold content is 0.2355 Oz). Most entered circulation.

Then, smaller quantities were struck from 1959 to 1969, a time when it was illegal for Americans to own such coins. Only 39,000 specimens were struck in 1966. It was a year when very few gold coins were struck anywhere in the world. This NGC-certified Gem MS-65 specimen is about the most beautiful of any of the hundreds of Libras that have ever pass through our inventory. that quick. You can own this beauty for only 25% above its gold value.

Olympic Coinage Galore: For fun, LCS Senior Numismatist Tom Coulson decided to check just how many Olympics-themed coins we had in stock. It turns out

Gold:	\$1,587.50
Silver:	\$27.52
Platinum:	\$1,443.00
Palladium:	\$607.00

we have issues from at least 26 different countries starting with the Finland issue for the 1952 Helsinki Olympics. The non-silver coins start as low as \$5. The least expensive silver commemorative is the Japan 1964 100 Yen for the Tokyo Olympics in Mint State-60+ quality for just \$6. There are too many coins to list individually, almost all priced \$49 or less. Call for details.

Very Choice Russian Gold 5

Roubles From The 1840s: We now have one specimen each of the 1841 and 1842 Gold 5 Roubles certified MS-64 by NGC. Both were struck at the St Petersburg Mint. These blazing flashy coins feature the double-headed eagle of Czarist Russia on the front and pretty much only text on the reverse. Gold content is .1929 Oz, which is a bit higher than later Russian Gold 5 Roubles. The 1842 has a slightly higher mintage, but is far more rare in higher circulated and Mint State grades. Because of our opportune purchase, we offer them both for less than either have sold in any auction this year. The 1841 specimen would cost you \$1,650 and the 1842 can be yours for \$1,795.

Rarities From Greenland: Last month, we offered an infrequently seen coin from Zanzibar. This month we have three different specimens issued for circulation in Greenland at a time when this world's largest island was a Danish colony. All three grade Extremely Fine. Each coin is a one-year only issue as not many coins were needed for circulation in this lightly populated part of the world.

The 50 Ore and the 1 Krone are both dated 1926. The 5 Krone is dated 1944. The latter coin was designed by Gilroy Roberts who later became famous two decades later for designing the obverse of the US Kennedy Half Dollar. The 5 Krone was intended for use by US troops stationed on the island in World War II.

Each of the three issues bears a coat of arms surrounded by the name Styrelse Gronlands. The reverse has the denomination at the top, a polar bear in the center, and the date at the bottom. Your cost: 50 Ore at \$50; 1 Krone at \$65, 5 Krone at \$175.

Please Note: Liberty Coin Service will be closed Wednesday, July 4 for Independence Day.