

Liberty's Outlook

Volume 18 Issue 6 Liberty Coin Service's Monthly Review of Precious Metals and Numismatics June 6, 2012

Many Government Officials, Central Bankers, And Financial Media Now Agree "The Global Economy Is Beyond The Point Of No Return!"

- **P.3: Why Didn't Gold Reach \$2,000 And Silver \$60 By The End Of May?**
- **P.4: Physical Gold And Silver Demand Soars After Jobs Report**

The news about the problems in the global financial system is getting scarier every day:

- Germany's former Vice Chancellor Joschka Fischer stated that European Union leaders have only two weeks to save the Euro. He said, "Let's not delude ourselves. If the Euro falls apart, so will the European Union, triggering a global economic crisis on a scale that most people alive today have never experienced."
- Denmark's central bank announced that it is preparing for the dissolution of the European Monetary Union. Many other central and private banks and international companies are making similar plans.
- Former Italian Premier Silvio Berlusconi (who still heads the largest voting bloc in that parliament) stated that for Italy, "We should use our own mint to print Euros." Such a step would probably destroy the European Monetary Union.
- Both on the same day, the European Commission said the European Monetary Union was in danger of "disintegration" and the European Central Bank said the Union was "unsustainable."
- Switzerland is threatening to impose currency controls to stem the run on Eurozone banks.
- In fact, Swiss two-year notes are now paying -0.32% interest (that's right, you get back less money than you put in). German two-year bonds are also paying negative interest rates.
- British Gilts (bonds) are at their lowest interest rate in 300 years.
- US Treasury Notes are at a lower interest rate than at any time during the Great Depression.

2012 Year To Date Results through June 5, 2012			
<i>Precious Metals</i>		Hong Kong Dollar	-0.1%
Gold	+3.2%	Singapore Dollar	-0.8%
Platinum	+2.4%	U.S. Dollar Index	82.83 +3.20%
Silver	+1.8%	<i>US And World Stock Market Indices</i>	
Palladium	-5.5%	NASDAQ	+6.6%
<i>Numismatics</i>		Shanghai Composite	+5.1%
US MS-63 \$20 Liberty	+2.5%	S&P 500	+2.2%
US MS-63 \$20 St Gaudens	-0.3%	Frankfurt Xetra DAX	+1.2%
US MS-65 Morgan Dollar, Pre-1921	-9.1%	Russell 2000	+0.7%
<i>US Dollar vs Foreign Currencies</i>		Australia S&P/ASK 200	-0.3%
Brazil Real	+8.4%	Dow Jones Industrial Average	-0.7%
Australia Dollar	+4.8%	Nikkei 225	-0.9%
India Rupee	+4.4%	Dow Jones World (excluding US)	-5.5%
South Africa Rand	+4.2%	London FT 100	-5.6%
Euro	+4.1%	Sao Paulo Bovespa	-7.5%
Switzerland Franc	+2.9%	10 Year US Treasury Note interest rate	1.561% -16.9%
New Zealand Dollar	+2.8%	<i>Intrinsic Metal Value Of U.S. Coins</i>	
Japan Yen	+2.4%	Lincoln cent 1959-1982	2.20¢
Mexico Peso	+2.0%	Lincoln cent 1982-date	0.50¢
Canada Dollar	+1.6%	Jefferson nickel non-silver	4.76¢
South Korea Won	+1.5%	Roosevelt dime, 1965-date	2.16¢
Great Britain Pound	+1.0%	Washington quarter, 1965-date	5.40¢
China Yuan	+0.8%	Kennedy half dollar, 1971-date	10.80¢

- As confirmed by the horrible non-farm civilian jobs report last Friday, the United States is already slipping back into recession or depression, even before the fiscal cliff looming at the end of December.
- Brazil's economy contracted in the first quarter of 2012.
- India experienced the lowest quarterly growth in nine years.
- China's HSBC Manufacturing Index fell even further into contraction in May.
- At the G-8 Group of Nations meeting in mid-May, President Obama effectively guaranteed that the Federal Reserve and US Treasury would take whatever measures necessary in order to subsidize keeping Greece in the Eurozone. Yet, the results of the Greek elections coming up June 17 may make President Obama's gesture meaningless.
- In March, Spanish bank customers withdrew almost \$90 billion worth of bank accounts to send the fund out of the country. This occurred before the failure of the Greek elections proved that Europe has not solved any of its fiscal problems.
- On May 18, *USA Today* reported its annual calculation of the latest US federal government budget deficit, using the accrual basis of accounting that large companies must use to comply with generally accepted accounting stand-

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ards. The actual 2011 deficit was not the \$1.3 trillion officially reported (using the cash flow basis of accounting) but actually \$5 trillion! Yet the Republicans and Democrats in Washington (with Texas Congressman Dr. Ron Paul a rare exception) are mostly still refusing to acknowledge the scope of the real financial mismanagement of the federal government, much less work to fix the looming catastrophe. Go to <http://www.usatoday.com/news/washington/story/2012-05-18/federal-deficit-accounting/55179748/1> for more details.

- Unless Spain is quickly bailed out by the European Central Bank (ECB), it likely will either collapse and fall out of the Eurozone, or both. Unfortunately, Spanish Premier Mariano Rajoy vowed to not accept a bailout and German Chancellor Angela Merkel stated that “under no circumstances” would the strongest nation in the Eurozone agree to supporting such a bailout.

These highlights are just the tip of the iceberg of the crises around the world. I haven't included anything about France, Italy, Ireland, or Portugal.

They also don't mention the growing risk of another world war that could be sparked by conflicts either with Syria or Iran.

Russia has a crucial naval base for its Mediterranean fleet in Syria. As a result of this arrangement, Russia is a staunch supporter of the current Syrian regime, supplying weaponry and financial aid.

The growing support by President Obama and other Western leaders to the Syrian opposition (which includes al-Qaeda) is threatening to escalate worldwide.

Russia, China, and India are also allies of Iran. Should Israel or the US take military action against that nation, that also could trigger a global conflict.

The only “solution” that politicians seem to consider is to make the problems even worse by further inflating the money supply to delay the day of ultimate collapse.

Unfortunately, that is what I expect to see before the end of June. The German central bank, with behind-the-scenes pressure from US President Obama, is almost certain to agree to one more round of bailouts for the Eurozone. At the very latest, by the next meeting of the Federal Reserve's Federal Open Market Committee (FOMC) later this month, the mem-

bers will state that another round of quantitative easing is necessary to help pull the US and the rest of the world out of collapse.

If a rescue package is cobbled together, it will not buy much time. Look for a continuing multitude of even worse economic troubles within months.

As governments, central banks, private banks, and huge swaths of the economy fail, you don't need to suffer as much financial pain as most people will.

About the only safe assets look to be gold, silver and other tangible assets. An ounce of gold or silver will still be worth an ounce of gold or silver, no matter what happens to dollars, euros, yen, yuan, reales, francs, and the other paper currencies. A stash of food that you put away while you could still purchase it can feed you when the grocery store shelves are empty.

The politicians in Washington are trying to apply patches to hold things together until after the November elections. Maybe they will succeed. But, is it worth the risk to you wealth to count on that?

Establishing Your Wealth Protection Package

Conceptually it is easy to understand how to protect your wealth. Gold and silver, with thousands of years of monetary usage without a single failure, should make up at least an insurance position of your investment portfolio or net worth. By that I mean the physical metals that you have in your direct possession or in a segregated account at a storage facility that you can trust.

For an insurance position, I used to recommend 5-10% of your net worth or investments. Today, I suggest that the minimum be 10-20% of the total. Don't even consider stocks of gold or silver mining companies until you first establish your core holdings of physical precious metals.

Second, you may want to spread your physical holdings among different storage options. Even at the risk of loss from burglary, I recommend having at least some right on your own property. Consider putting some in a bank safe deposit box, while realizing that a power outage means that banks will be closed and you could not access your gold or silver in such a circumstance. You may also use a storage facility for “segregated” storage. Just understand, that it may be difficult to personally travel to that location in order to withdraw your holdings.

Not all of your tangible assets should be tied up in monetary forms such as gold and silver. Don't forget about stockpiling some food, non-perishable medical supplies, and other non-perishable household necessities.

A Warning About Allocated

Patrick A. Heller's Upcoming Speeches

June 18, Huntington Woods, MI, Royal Oak Coin Club Meeting, “Create A Fun-Filled Numismatic Presentation For The General Public”

July 12-14, 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”

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 path@libertycoinservice.com

Storage

Much of the gold and silver in storage facilities is considered to be “unallocated” inventory. What that means is that theoretically there is sufficient metal in the vault to cover all the claims against it. However, assets in unallocated storage are considered to be property of the storage company, making them subject to claims by other creditors.

In theory, allocated storage is safer. What that means is that specific inventory is set aside with the owner's name on it. Supposedly, this means that the inventory is property of the owner and not of the storage company, which means that it would be exempt from claims by creditors of the storage company.

Well, maybe allocated storage isn't secure any more. A few years ago, a man purchased four kilogram-sized gold bars and placed them in allocated storage. He was provided the serial numbers of the bars he specifically owned. Last year, he started the process to seek delivery of these four bars. At first, he was given the runaround. He has now received his four gold kilos, but none of the serial numbers match! Further investigation showed that the bars he received were manufactured in 2011, years after he bought and paid for them.

I had considered unallocated gold and silver to be risky because of the possibility that the storage company may have pledged the same inventory as collateral

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for multiple transactions. I going to have to now treat even allocated accounts the same way. Understand that if you choose to use an outside storage facility, no matter how much you are reassured that you own the gold and silver and it is untouchable, that it is possible that you will never get to take possession or sell of such coins and bars.

Avoid Owning Large Gold Bars

If you are looking for some physical gold, I recommend not purchasing any gold ingots larger than the one troy ounce size. They might cost you a bit less per ounce than smaller-sized options, but you are likely to end up with a worse deal when it is time to sell or trade them.

Two weeks ago, a long-term LCS customer wanted to sell an approximate 100 ounce gold bar that he had acquired a few years earlier. The bar was struck by the highly-reputable Royal Canadian Mint, which strikes the Maple Leaf series of gold, silver, platinum, and palladium coins and many other products. Our customer had a copy of the paperwork where this specific bar was shipped from the Mint direct to a COMEX bonded warehouse and also the paperwork where the COMEX bonded warehouse shipped the bar to our customer.

When we tried to find a trusted refinery to take the bar off our hands, none were willing to accept it as marked. The fear of being stuck with a tampered, tungsten-filled gold bar is so rampant, that every refiner wanted to make payment only after melting and assaying the bar.

With the price of gold so high, I would not be surprised to see more crooks drilling larger gold bars to fill them with tungsten (which has a specific gravity close enough to gold to make it possible to pass a bar that is missing half of its gold content). If you have a larger gold ingot, 10 ounces, 1 kilo, 100 ounces, or 400 ounces that are in bonded warehouses I recommend that you sell them in place rather than taking delivery. Then use the proceeds to replace them with one-ounce (or approximate-size coins such as Austria 100 Coronas and Mexico 50 Pesos) gold coins and ingots that you have delivered direct to you or to a storage account that you set up in your own name.

If you hold such larger gold bars per-

sonally, you may be forced to liquidate them through a refiner in order to dispose of them.

You will likely lose a few percent of the value for the discount you have to take on the larger gold bar and also incur the higher premium it will cost you to take delivery of smaller physical product. The reason I advocate that you consider such a swap now is that I fear the discount on the larger gold bars could increase over time. If it does happen, you will be better off trading now. If the spread doesn't change, a swap now or later would be neutral.

Please call us for more ideas on how we may help you with such a transaction.

Why Didn't Gold Reach \$2,000 And Silver \$60 By The End Of May?

At the end of 2011, I made several forecasts for 2012. For instance, I predicted that by the end of May that the price of gold would surpass \$2,000 and silver would top \$60. These were bold claims as the price of gold at the end of 2011 was \$1,565.75 and silver was \$27.88.

As it turned out, those forecasts were way off the mark. At the close on May 31, gold was \$1,562.50 and silver was \$27.74. Both prices were actually slightly lower than they were at the end of December.

So, it is fair to ask, why did I expect gold to jump more than 27% and silver to more than double within five months?

The answer was fairly simple. It has been obvious to me for a long time that the global economy was deteriorating. The failure to resolve the Greek debt crisis in 2011, the inability of the US Congress to enact even a token reduction in expenditures, and several other political failures convinced me that financial markets could sink quickly this year.

Several times in the past, my gold and silver price projections have come true after the time frame I stated, so I thought I had it covered by giving myself until the end of May instead of stating an earlier date.

Actually, early on the projections looked to be on target. By February 28, gold closed at \$1,787.00, which was more than 50% of the way to my target. On the same day, silver settled at \$37.14, a one-third increase in less than two months. The financial troubles I foresaw were coming to the forefront (see page 1 of this issue for proof that I was right in that part of my analysis).

Well, what I didn't figure into my calculations was what governments, especially the US government, would take increasingly desperate measures to prevent major increases in the prices of gold and silver. I'm talking about dump-

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.

ing paper contracts on the markets in staggering quantities in short periods of time.

The first major price suppression hit on February 29. During European trading hours that day, the European Central Bank granted over \$710 billion of low-interest loans to rescue European banks from almost certain failure. Although not officially acknowledged, the Federal Reserve was likely involved in financing this bailout.

When Federal Reserve Chair Ben Bernanke began to address the House Financial Services Committee at 10 AM Eastern that morning, a single sell order for one million ounces of gold hit the COMEX. Within minutes, a total of 1.8 million ounces of gold were liquidated. Between 10:00 and 10:30, a total of 225 million ounces of paper silver were sold as well, equal to about 1/3 of annual global mining output.

There have been repeated waves of massive sales of paper gold and silver contracts since then. In all, it appears that multiple years worth of silver production have been sold over the past 14 weeks. Late last month, there was another single sale of 6,000 gold contracts, which represent 600,000 ounces of gold.

In light of such massive market manipulation it is pretty amazing that gold and silver did not perform even worse.

Right up until the release of the US jobs report last Friday, the US government seemed to have the upper hand. Various government officials continued

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to claim that the US economy was recovering, even as the number of employed Americans had fallen by 5 million since January 2009 (while the nation's population grew by 7.5 million people).

Well, it is becoming more obvious by the day that Europe's problems were not solved by any of the dozens of meetings and agreements that each time supposedly achieved a solution. The horrible US jobs report laid bare that the claimed US economic recovery was anything but that.

After the jobs report came out last Friday, the price of gold soared 4% in one day, a huge move that has rarely occurred in this century. Through the US close today, the price of gold is up 4.5% and silver jumped 6.3% since the end of May.

In my judgment, my conceptual thinking was correct in anticipating the increase in global financial and political problems. However, I underestimated the level of desperation that US government officials would take to further bankrupt America in order to hold down prices.

Prices cannot be held down forever. It may not even be possible to hold them down until after the November elections.

As we saw last Friday, when gold and silver prices rise, they can do so quickly. I expect that there will be even greater one-day increases before the end of 2012. I remain convinced that gold will top \$2,000 and silver will pass \$60. To be extra cautious, I'll give myself until the end of this year to reach those targets. The way things are going right now, it could happen much sooner. But, I'll try not to underestimate the ability of the US government to steal the wealth of its citizens in order to help incumbent politicians in their re-election efforts.

My advice is to immediately prepare for the worst, but hope for the best.

Silver and Silver Coins

Silver closed on the COMEX today at \$29.48, a drop of \$1.11 (3.6%) from last month.

The markets were actually much more volatile than that. From the 2012 peak of \$37.14 on February 28, silver fell almost 27% to \$27.17 on May 16. As the price of silver neared \$30 in US markets today, it was suddenly clobbered.

Although I expect generally strong rising markets for the rest of 2012 and beyond, the greater volatility means that it will take more resolve to keep or add to your holdings when prices temporarily dip.

Right after the US jobs report last Friday,

The Month

Gold Range	117.25	7.1%
Net Change	-20.75	
Silver Range	3.42	11.2%
Net Change	-1.11	
Gold/Silver Ratio	55.4	
Net change	+1.3	
Platinum Range	163.00	10.4%
Net Change	-95.00	
Platinum/Gold Ratio	.90	

Date	Gold	Silver	Platinum
May 02	1,653.50	30.59	1,564.00
May 03	1,634.25	29.96	1,533.00
May 04	1,644.75	30.38	1,536.00
May 07	1,638.50	30.07	1,530.00
May 08	1,604.00	29.41	1,508.00
May 09	1,593.75	29.20	1,499.00
May 10	1,595.00	29.14	1,494.00
May 11	1,583.50	28.85	1,471.00
May 14	1,560.50	28.32	1,443.00
May 15	1,560.50	28.05	1,447.00
May 16	1,536.25	27.17	1,432.00
May 17	1,574.50	28.00	1,453.00
May 18	1,591.50	28.69	1,459.00
May 21	1,588.50	28.30	1,462.00
May 22	1,576.25	28.17	1,458.00
May 23	1,548.00	27.51	1,414.00
May 24	1,557.25	28.14	1,422.00
May 25	1,568.75	28.37	1,427.00
May 28 closed			
May 29	1,548.50	27.77	1,428.00
May 30	1,563.50	27.96	1,401.00
May 31	1,562.50	27.74	1,418.00
Jun 01	1,620.50	28.50	1,433.00
Jun 04	1,612.25	27.99	1,427.00
Jun 05	1,615.25	28.39	1,441.00
Jun 06	1,632.75	29.48	1,469.00

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.

demand for physical gold and silver in the US took off. Liquidation has come to a virtual standstill. It hasn't stopped yet.

Premiums remain at attractive low levels, but supplies for immediate delivery are starting to dry up. If this trend continues for a few more days, you may see delivery times stretch into the future and premiums rise.

My top recommendation for physical silver remains US **90% Silver Coin** (2.7%). If the US dollar fails (an idea which is no longer ludicrous) I expect that 90% Coin will become the mostly widely circulated form of money in America. Although premiums on

other coins and bars are not that much higher, they don't have the advantage of maximum liquidity, and great divisibility. One silver dime contains about 1/14 of an ounce of silver.

Even with lower silver spot prices, I am detecting some increase in demand for selected numismatic coins. The enclosed offering of **Spectacular High-Grade US Rarities #2** consists mostly of silver coins.

Gold And Gold Coins

Gold settled today at \$1,632.75, down a slight \$20.75 (1.3%) from five weeks ago.

As with silver, gold demand took off last Friday and customer liquidation ground to a virtual halt.

From the end of February through last Thursday, demand has been somewhat slack. One result of lower demand has been lower premiums on several options for bullion-priced gold coins and bars.

Along with the perennial low-premium choices such as the Austria **100 Corona** (3.1%), Mexico **50 Peso** (3.2%), and US **American Arts Medallions** (3.3%) you could also consider **1 Ounce Ingots** (3.4%), South Africa **Krugerrands** (3.6%), and Canada **Maple Leafs** (3.8%).

Premiums have also dropped on some smaller coins such as the Austria **1 Ducat** (6.5%), British **Sovereign** (7.4%), French **20 Francs Rooster** (7.8%), and Swiss **20 Francs** (7.9%).

Last month I said that it didn't look like premiums for circulated and Mint State **Pre-1934 US Gold Coins** could go much lower. I may have hit this one on the nose. While there have been some declines over the past month, most are simply related to lower gold spot prices. There are actually several of these coins that are selling for higher prices today than when gold was \$20 higher five weeks ago.

At the American Numismatic Association National Money Show in Denver, I managed to negotiate the largest purchase of **US Mint State-61 \$5.00 Indians** that we have handled in at least 30 years. For most of the past three decades these sold for higher prices than the \$5.00 Liberties, \$10.00 Liberties, \$10.00 Indians, \$20.00 Liberties, and \$20.00 St Gaudens of the same quality. Premiums have fallen so low that they look to me to represent an extraordinary opportunity today. Please see our enclosed flyer for details.

<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	1,716.00	1716.00	5.1%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	881.75	1763.50	8.0%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	449.00	1796.00	10.0%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	183.80	1838.00	12.6%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,719.25	1719.25	5.3%
*Australia 1 Oz Kangaroo	10	1.0000	1,724.25	1724.25	5.6%
*Austria 100 Corona	10	0.9802	1,650.00	1683.33	3.1%
*Austria 1 Oz Philharmonic	10	1.0000	1,722.50	1722.50	5.5%
*Canada 1 Oz Maple Leaf	10	1.0000	1,694.75	1694.75	3.8%
*China 1 Oz Panda	10	1.0000	1,761.75	1761.75	7.9%
*Mexico 50 Peso	10	1.2057	2,031.50	1684.91	3.2%
*S. Africa Krugerrand	10	1.0000	1,691.50	1691.50	3.6%
*U.S. Medallion	10	1.0000	1,686.75	1686.75	3.3%
*1 Oz Ingot	10	1.0000	1,688.25	1688.25	3.4%
*Austria 1 Ducat	10	0.1107	192.50	1738.93	6.5%
*Austria 4 Ducat	10	0.4428	794.50	1794.26	9.9%
*British Sovereign	10	0.2354	412.75	1753.40	7.4%
*British Sovereign, BU	10	0.2354	420.75	1787.38	9.5%
*France 20 Franc	10	0.1867	328.50	1759.51	7.8%
*Germany 20 Mark	10	0.2304	436.00	1892.36	15.9%
*Swiss 20 Franc	10	0.1867	329.00	1762.19	7.9%
\$20 Liberty BU	10	0.9675	1,765.00	1824.29	11.7%
\$20 St Gaudens BU	10	0.9675	1,780.00	1839.79	12.7%
\$20 Liberty Extremely Fine	10	0.9675	1,735.00	1793.28	9.8%
\$10 Liberty Extremely Fine	10	0.4838	872.00	1802.40	10.4%
\$5 Liberty Extremely Fine	10	0.2419	453.00	1872.67	14.7%
*U.S. 90% Silver Coin	1,000	715	21,650.00	30.28	2.7%
*U.S. 40% Silver Coin	1,000	295	8,895.00	30.15	2.3%
*U.S. Circulated Dollars	1,000	760	28,750.00	37.83	28.3%
*U.S. Silver Eagle-2012	1,000	1,000	32,380.00	32.38	9.8%
*Canada Silver Maple Leaf	1,000	1,000	32,080.00	32.08	8.8%
*100 Oz Silver Ingot	10	100	3,038.00	30.38	3.1%
*10 Oz Silver Ingot	100	10	307.80	30.78	4.4%
*1 Oz Silver Ingot	1,000	1	30.83	30.83	4.6%
*1 Oz Platinum Ingot	10	1.0000	1,550.00	1550.00	5.5%
*U.S. 1 Oz Platinum Eagle	10	1.0000	1,628.00	1628.00	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	682.00	682.00	7.7%

Gold: \$1,632.75
Silver: \$29.48
Platinum: \$1,469.00
Palladium: \$633.00

Notes from Liberty

by Allan Beegle
 LCS Chief Numismatist

May sales were again solid, though still not challenging the breathtaking volume on March and April 2011.

Last month's offering of the 1945-D Walkers in Superb Gem Mint State-66 quality sold out quickly. Our diligent efforts to locate more specimens only turned up three coins—all of which were priced to us at a higher price than which we sold them! Our offer of the Spectacular High-Grade US Rarities was almost a complete sell-out, with a surprising number of coins going to other dealers, some of which went into personal collections. We did not sell out our supply of the De Soto, Nebraska notes, but almost everything listed in this column has sold.

The week after the last newsletter, LCS General Manager Pat Heller flew to Denver to attend the American Numismatic Association National Money Show. He also gave a speech there which was so well received the he will give encore presentations at the upcoming ANA shows in Philadelphia in August and Dallas in October.

The following week, Pat attended the Texas Numismatic Association convention in Fort Worth. During both trips, Pat was able to acquire some great bargains—including one sizeable lot and a number of one-of-a-kind treasures.

Perhaps the most exciting purchase from Denver was the largest group of **Mint State-61 \$5.00 Indians** that any of us can recall ever having in stock. For most of the past 30 years, these coins have traded for higher prices than comparably graded \$20.00 St Gaudens. Not today. Unfortunately, it looks like these coins are already starting to run up in price, so we may not be able to offer additional pieces at the same price when our original stock sells out.

Pat also picked up a variety of beautiful coins that we offer as **Spectacular High-Grade US Rarities #2**. If you might have an interest in any of these

Liberty Coin Service Call Toll-Free: **(800) 527-2375 National**
300 Frandor Avenue **(517) 351-4720 Local**
Lansing, MI 48912 **(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	\$13,015
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20	\$885
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20	\$960
U.S. Peace Dollar, Brilliant Uncirculated Roll/20	\$860

Numismatic Coins (PCGS/NGC/ICG Graded)

	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	1,935	2,000	2,225
U.S. \$20.00 Liberty	2,050	2,450	3,830
U.S. \$10.00 Liberty	1,200	1,600	3,575
U.S. \$5.00 Liberty	755	1,050	2,675
U.S. 4 pc Indian Gold Type Set	5,160	7,835	18,075
U.S. 4 pc Liberty Gold Type Set	4,605	5,915	11,480
U.S. 8 pc Gold Type Set	9,705	13,600	29,105
U.S. Morgan Dollar (Pre-1921)	66	86	150
U.S. Peace Dollar	54	65	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.

coins, remember that you are also competing against coin dealers to be the first to snap up these lovely pieces of history.

With so many one- or few-of-a-kind bargains to offer this month, I expect to see a lot of quick sellouts. For best selection, call early. **You can reach our Trading Desk toll-free at 800-527-2375.**

Back in the store, the rest of us have been coming up with some great finds as well. Here are some to tempt you:

Choice About Uncirculated-55

1955 Double Die Lincoln Cent: Perhaps the coin for which we get the most requests compared to the number of specimens we have in stock is the 1955 Double Die Lincoln Cent. On the obverse, all of the text—"In Gold We Trust," "Liberty," and "1955"—is clearly stamped twice into the coin's surface.

We just picked up a highly-detailed chocolate covered PCGS-certified specimen. The only really negative things that could be said about this coin is the small but noticeable black spot on the obverse near the rim at 2 o'clock and the well-hidden smaller spot on the reverse.

So far this year, PCGS-certified AU-55 specimens have sold for at least \$1,750 to over \$2,000. You can own this one for \$1,750.

It has been at least six months since the last

one passed through our hands. This might be the first coin to sell of those we offer this month. Call quick.

Austria 1976 Gold 1,000 Schillings: We just purchased 14 specimens of the one-year commemorative honoring the Millennium of Austria's Babenberg Dynasty. Gold content is 0.3906 Oz. While they last, you can buy up to four pieces at 10% above gold value or five or more for just 9% above its intrinsic value. At this bullion-related price you cannot use a charge card for payment. You would have to send us a check.

The Highest Quality Alexander The Great Silver Tetradrachm We Have Ever Handled:

This early post-humous issue of the popular Alexander The Great (336-323 BC) Silver Tetradrachm has been certified by NGC as Choice About Uncirculated. Further, it is certified as having a top of the line strike and surfaces.

This coin has needle-sharp details and is almost perfectly centered. There is a good chance it never actually entered circulation. A somewhat lesser coin just auctioned for near the \$1,195 price for this historical work of art.

From A To Zanzibar: Not only do we buy and sell coins and paper money from the past 2,600 years, we also trade coins

Gold:	\$1,632.75
Silver:	\$29.48
Platinum:	\$1,469.00
Palladium:	\$633.00

covering the entire alphabet. We don't get too many coins from Zanzibar. This copper Pysa was issued in 1881 but features the Islamic year 1299 in the middle of a balanced scale. It is about the size of a US quarter. Choice Very Fine condition. You can own this "Z" coin for just \$30.

Commemorative Gold Coin Honoring Hockey: In 1991, Canada issued its annual \$200 gold commemorative in honor of the sport of hockey. The coin contains 0.5049 oz of gold. This proof coin comes packaged in the original Royal Canadian Mint packaging. Your cost is just 10% above current gold value. At this low premium, you need to send a payment instead of using your charge card.

US \$2.00 Red Seal Paper Money:

The final \$2.00 Legal Tender Notes, also called United States Notes, were the Series 1953 and 1963 issues. We have a modest quantity of these notes in Very Good to Very Fine condition.

The US Treasury discontinued United States Notes because of the requirement that the US government keep in reserve an amount of gold equal to 25% of the outstanding face value, which the Treasury eventually found too restrictive.

What the general public finds to be most interesting about these notes is that they have the US Treasury Seal and the serial numbers printed in red ink instead of the green ink now used for Federal Reserve notes. While they last, you can purchase a 10-piece lot for \$65. Each lot will contain notes from both Series dates.

Australia 2012 1/2 Ounce Silver Dragons:

To overcome collector resistance to higher silver prices, the Perth Mint in Australia has re-introduced a pure 1/2 ounce silver coin in 2012. One design this year honors the Year of The Dragon. The premium is higher than for the 1 ounce and larger coins, but it has been popular with those looking for gift ideas. These coins come in hard plastic capsules to protect them. Your cost is \$22.95 apiece, including a gift box. Call for quantity pricing for 20 or more coins.

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