

# Liberty's Outlook

Our 40th Anniversary!  
1971-2011

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## Gold And Silver Protect Wealth From The High Risk Of A

# Global Financial Collapse!

## Prices Becoming Extremely Volatile

In the past month, it has become even more apparent to the general public that the global financial system has a greater risk of collapse than at any time since September 2008.

Financial newspapers are filled with stories about the latest developments. Most cover the efforts to rescue the European nations that use the Euro currency. They are suffering from the quagmire of sovereign bad debts, falling credit ratings, bankruptcies, and out of control government spending.

The month of November is filled with financial events, any one of which could trigger a huge financial crisis.

1. The Federal Open Market Committee (FOMC) met yesterday and today. For the past several years it has been a common pattern for precious metals prices to be knocked down right before and during these meetings. These price drops occurred again just hours before the meeting began.

The FOMC, facing twin threats of much higher consumer prices or the risk of monetary crises wrought by Washington and European fiscal mismanagement, opted to do—nothing.

A pretext for sitting pat was a claim that the US economy is showing some signs of recovery. Supposedly the Gross Domestic Product (GDP) rose 2.5% in the second quarter compared to the prior year.

However, if past experience is any guide, two things will prove true. First, this preliminary figure will be revised later—almost certainly downward. Second, if you deflate the results for the impact of consumer price increases (ignoring the fantasy CPI statistics issued by the Bureau of Labor Statistics), the GDP is still falling. Analyst John Williams at [www.shadowstats.com](http://www.shadowstats.com), using the methodology formerly used by the Bureau of Labor Statistics for calculating Consumer Price Increases, states that consumer prices are now about 10% higher than they were a year ago. The real increase in consumer prices ac-

2011 Year To Date Results Through November 1, 2011			
<i>Precious Metals</i>		China Yuan	-3.6%
Gold	+20.4%	Switzerland Franc	-5.1%
Silver	+5.9%	U.S. Dollar Index 77.19	-2.3%
Platinum	-11.0%	<i>US And World Stock Market Indices</i>	
Palladium	-20.9%	Dow Jones Industrial Avg	+0.7%
<i>Numismatics</i>		NASDAQ	-1.7%
US MS-63 \$20 St Gaudens	+12.9%	S&P 500	-3.1%
US MS-65 Morgan Dollar, Pre-1921	+8.0%	London FT 100	-8.1%
US MS-63 \$20 Liberty	+0.0%	Russell 2000	-8.9%
<i>US Dollar vs Foreign Currencies</i>		Australia S&P/ASK 200	-10.8%
South Africa Rand	+22.3%	Shanghai Composite	-12.0%
Mexico Peso	+10.3%	Nikkei 225	-13.6%
India Rupee	+8.9%	Dow Jones World (excluding US)	-13.8%
Canada Dollar	+2.3%	Frankfurt Xetra DAX	-15.6%
Brazil Real	+2.2%	Sao Paulo Bovespa	-17.3%
Hong Kong Dollar	+0.0%	10 Year US Treasury Note interest rate	
South Korea Won	+0.0%		2.001% -39.4%
Singapore Dollar	-0.7%	<i>Intrinsic Metal Value Of U.S. Coins</i>	
Australia Dollar	-1.1%	Lincoln cent 1959-1982	2.29¢
New Zealand Dollar	-2.1%	Lincoln cent 1982-date	0.50¢
Great Britain Pound	-2.2%	Jefferson nickel non-silver	5.20¢
Euro	-2.4%	Roosevelt dime, 1965-date	2.36¢
Japan Yen	-3.5%	Washington quarter, 1965-date	5.89¢
		Kennedy half dollar, 1971-date	11.78¢

counts for far more than the increase in GDP, hence the actual commercial activity has declined. In other words, the FOMC is trying to mislead the public by claiming that the US economy is recovering.

## The G-20 Meeting And The European Nightmare

2. The impact of the FOMC meeting will be overshadowed this time by the G-20 Group of Nations meeting coming up in Cannes, France tomorrow and Friday.

This is the meeting at which German Chancellor Merkel and French President Sarkozy will officially unveil their so-called comprehensive plan to magically solve widespread financial problems affecting the 17 nations that use the Euro as their common currency.

Here's a link to their official proposal: [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ec/125644.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/125644.pdf).

Sorry, but this plan is doomed to fail.

This so-called agreement was reached under extreme time pressure. The document is almost purely rhetoric with almost no substance. It discusses concepts of goals to be achieved in the future rather than laying out genuine immediate solutions.

The agreement may already be "dead on arrival." If not, it has so many holes that you can just about guarantee that it will collapse, almost certainly before it is fully implemented. If it does take full effect, then it will fail within six months.

Why? Here are some of the details.

First, Germany's highest court, the Bundesgerichtshof) last Friday issued an express order prohibiting any expenditures by the 9-member Committee that would authorize rescue fund payments.

Second, two days ago the Greek premier

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announced that he would bring up this plan for a national referendum in early 2012. The latest polls indicate that Greek voters would turn thumbs down on the proposal, which would automatically make it null and void.

However, there is always some possibility that the plan may eventually be implemented. Under the plan, the Greek government will obtain another bailout of \$42 billion to be used to repay past government debt obligations so that the Greek government can pretend that it is actually able to repay its debt. Along with this, holders of Greek government debt are “voluntarily” agreeing to replace their holdings with 15 cents on the dollar paid out of the rescue fund plus a 30-year note paying 6% interest for 35 cents on the dollar of debt. In other words, the banks holding Greek government bonds take an immediate 50% loss on the face value of the debt.

In order to keep these banks from being forced into bankruptcy, they are to be recapitalized by June 30, 2012 to the tune of \$150 billion, with no agreement yet on where the funds will come to pay for this.

There is a further \$140 billion financing program for the Greek government, part of which come out of the pockets of US taxpayers via the International Monetary Fund (IMF).

The European Financial Stabilization Fund (EFSF) is to be increased from \$440 billion to \$1.4 trillion. This increase in debt will be guaranteed by the European Union.

In theory, all of these bailouts are supposed to be funded from a resulting huge economic growth and employment within the Eurozone. It would also require extensive fiscal reforms by the member nations.

Let’s now go through some of the problems that will guarantee the failure of this rescue plan.

It was necessary that the banks holding Greek government debt “voluntarily” agree to an immediate 50% loss on the face value of the debt. By being voluntary, the credit default swap hedges do not kick in. The counterparties to these credit default swaps simply do not have up to the \$150 billion that they would have to pay immediately if these derivatives were triggered. All it would take is for a few of the debt holders to refuse this voluntary loss to cause this part of the agreement to collapse.

Second, even though the mainstream

media reported that the banks would be absorbing a 50% loss on their debt, the actual loss is much larger. Greek government debt now carries a much higher interest rate than the 6% that would be paid by the new bonds. Therefore, the new bonds would not be worth their face value. Effectively holders of Greek debt are really absorbing a loss of at least 70% of face value, not the 50% reported by the mainstream media!

The bailout to the Greek government to make an immediate payment to other governments on past bailout provisions will allow these governments to pretend that the Greek debt they are still holding is worth face value. So, what will happen the next time that the Greek government is required to make billions of dollars of payments when it does not have the funds to do so? Unless the printing presses are cranked up to turn out more Euros, foreign governments are eventually going to have to keep subsidizing the Greek government or else have to recognize that the Greek bonds they are holding are worth less than face value.

Further, how can other nations and organizations help out when they are struggling with their own financial problems?

I see no other practical source of higher funding for the EFSF other than the European Central Bank speeding up the printing presses.

As for the spending restraints and economic growth that is supposed to ultimately pay for this plan, they just aren’t going to happen. Government expenses need to be sharply cut immediately. Yet the document sets a goal for Greece to trim its government debt down to “only” 120% of GDP by the year 2020. This does not make sense as the historic record is that governments quickly collapse when debt reaches 100% of GDP. (Side note: the US is also on the brink of government debt reaching 100% of GDP).

European citizens are extremely resistant to austerity programs. For example, Italy’s plan to raise the mandatory retirement age from 65 to 67, to be implemented by the year 2026 is just a drop in the bucket! However, this small change nearly brought down the government! How easy will it be for the various European governments to accomplish serious reductions in expenditures?

By the way, many provisions of this “comprehensive” plan are still not yet established, with some deadlines as late as mid-2012 to reach a detailed agreement. That is why I say this proposal is deceptive—too many parts of the agreement have not yet achieved agreement!

To me, it is only a matter of when, not if, Europe’s fragile economic system collapses in a variety of spheres.

In anticipation of growing problems, European citizens are aggressively closing their bank accounts and removing funds from accounts that are not closed. Some of these funds are literally going under mattresses, which are now considered safer than banks. Some of these funds are also being used to acquire gold and silver.

## More Problems Later In November

3. While the G-20 meeting is wrapping up on November 4, the US Bureau of Labor Statistics will release its monthly jobs and unemployment report at 8:30 AM that day. Over the past five years, gold and silver prices have been pushed down in advance of the release of this data, with prices recovering afterwards.

The jobs and unemployment report this time around could be one of the most positive in the past few years. Unfortunately, even if this news is good, I don’t think it will be enough to offset the horrible backlash to what is transpiring at the G-20 meeting.

4. Should worldwide financial markets hold together through the end of this week the next key date to watch would be November 22. On that day, the COMEX December 2011 gold and silver options expire. If precious metals prices are high on the expiration date, that would encourage more investors to exercise their call options to demand delivery of the physical metals, leading to an even tighter supply squeeze than the market it now experiencing. Normally, the volume of December contracts is larger than for those of other calendar months, so the US government has a strong incentive to suppress gold and silver prices on November 22. The lower the spot prices, the fewer call options that would be “in the money” and be worth exercising.

I do not currently have a sense of whether to anticipate a supply squeeze at the options expiration. There have been tricks played in the past to reduce the impact, the most common and consistent being the manipulation downward of gold and silver prices. So, I wouldn’t be surprised to see this scenario play out one more time.

5. November 23 is the deadline for the report from the special Congressional committee appointed to identify \$1.5 trillion of spending cuts over the next ten years.

The latest reports indicate that the committee is a long ways from agreement. Should this committee fail to come up with any plan, the default provisions automatically take effect. These annual savings are barely 3% of the fiscal 2010 federal budget deficit, if calculated by proper accrual accounting rather than misleading cash flow accounting used in Washington.

Still, the politicians are pretending that getting the report is a critical develop-

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ment. If the default provisions kick in because the committee does not reach any consensus, expect greater turmoil in the financial markets.

6. The first day of notice for the COMEX December 2011 gold and silver futures contracts comes up November 30. Most COMEX futures contracts are never intended to result in the physical delivery of the underlying commodity. Investors are trading a paper contract as a convenient means of taking a long or short position in a specific commodity.

Owners of long or short contracts mostly sell off their holdings or buy offsetting positions to cancel out the need for physical delivery.

However, if a contract holder does not want to take physical delivery of a maturing contract, they need sell off their position before the first day of notice. In theory, long contracts still owned on the first day of notice are standing for delivery of the physical commodity from the short seller of the particular contract.

Maturing December contracts held for delivery are required to be delivered before the end of December. Short sellers have an incentive to make prompt delivery because that minimizes their storage and insurance charges. Those who do not deliver quickly often do not have the physical commodity to fulfill their contractual obligations. If there are too many "naked" short sellers of gold and silver, a major scramble to find physical metal could ensue.

This occurred in March 1998 when Warren Buffet's Berkshire Hathaway stood for delivery of its entire 129.7 million ounce silver purchase, where the price of silver rose more than 25% in one month. There was a mini-jump in the price of silver with the maturity of the March 2011 contracts. If a shortage of COMEX bonded warehouse gold or silver develops with the maturity of the December 2011 contracts, prices could rise once again. (Note: COMEX contracts can be settled for cash or other alternatives). Many March 2011 silver futures contracts were settled for cash at prices as much as 30% above the prevailing spot price!)

**Summary:** With all the turmoil this coming month, at the minimum I would expect gold and silver prices to be volatile.

To me, it is entirely possible that this greater volatility could signal that we

are closer to the end of major gold and silver price suppression tactics. If so, that would open the markets to far higher prices in the near future.

As we make our way toward higher prices, don't be shocked to see gold price swings of 5% within 24 hours or silver moves as much as 10%.

It is entirely possible that prices at the end of the month could be much higher than they are today. Although the price of silver may not reach \$55 by the end of 2011 as I predicted at the start of the year, it looks like it should reach at least \$60 by the spring of 2012. Gold should reach \$2,000, but it might not happen by the end of 2011. At the latest, I expect it to get there by next spring.

**Postscript:** By the way, as bad as the financial problems are in Europe, they are far worse in the US! It would be easy for a crisis in one area to set off a chain of financial crises around the world.

## What Does The MF Global Bankruptcy Mean?

MF Global Holdings Ltd. was one of 22 financial institutions and securities firms approved to be a trading partner of the US government. Its chief executive is Jon S. Corzine, a former chairman of the board at Goldman Sachs and one-time governor of New Jersey.

With credentials like these, you would expect MF Global to be a well-managed "by-the-rules" operation.

It looks like that is not true. MF Global filed for Chapter 11 bankruptcy on Monday after a potential buyer withdrew. The would-be buyer discovered as much as \$700 million of investor funds that may have been illegally commingled with company assets.

This is the 8th largest corporate bankruptcy in US history and the biggest one of a securities firm since Lehman Brothers Holdings Inc. failed in September 2008.

Obviously there will be a lot of investment losses suffered. But the ultimate result of this bankruptcy will take a long time to learn.

However, the savvy investors are going to ask more questions:

- If one major securities firm can steal client funds, what other financial malfeasance may be happening at other securities firms?
- How many investors who now own shares of gold or silver exchange-traded funds through a securities firm will opt to protect those investments by selling off their shares to replace them with the physical metal in their own possession?
- Are any major banks hiding financial activities such as not recording losses on Greek government debt?
- What other major corporations are report-

## 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%	30%	25%
Silver	60%	60%	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 fictitious financial numbers?

- How safe are government and municipal bonds?

In other words, this bankruptcy is going to result in greater fears about the safety and value of paper assets. It will probably contribute to even higher demand for physical precious metals over the coming months.

## Gold And Gold Coins

Gold closed on the COMEX today at \$1,728.75, up a solid \$114.00 (7.1%) from last month.

Last Friday the Royal Canadian Mint announced a \$250 Million Initial Public Offering of Exchange Traded Receipts (ETRs) for physical gold to be stored at the Ottawa Mint as part of the Canadian Gold Reserves program. Each Receipt is being priced at \$20.00 and will be represented by the amount of physical gold it will purchase at the London PM fix on the closing date of the offering, planned for later this month. Each Receipt will have 0.35% of the gold content subtracted annually for expenses.

These receipts are planned to be listed for trading on the Toronto Stock Exchange. These Receipts will not be registered under the US Securities Act of 1933. Therefore, they may not be offered or sold in the United States.

This announcement is similar to how the gold exchange traded funds operate, except that the initial value of an ETF share was 1/10 of an ounce of gold. The Mint's program will allow smaller purchases than do the ETFs.

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The Royal Canadian Mint has a fairly good reputation but I still would not advocate purchasing these Receipts. Although they may technically be redeemable for physical gold in large enough quantities of Receipts, they are still paper gold. When you have physical gold in your direct possession, you never have to worry about whether another party is going to go bankrupt or default on you.

They physical gold issues with the lowest premiums are still the US **American Arts Medallions** (3.5%), the Austria **100 Coronas** (3.5%), and the Mexico **50 Pesos** (3.6%). For the time being, supplies are readily available at reasonable premiums for almost all issues.

Much of the **Common Date Classic US Gold Coins** are in the doldrums. Low-grade and problem pieces for many denominations are trading wholesale at close to their intrinsic gold value. You might be able to pick up some really low premium pieces on a hit-or-miss basis just by asking a dealer.

Even with a higher gold spot, the 8-piece \$2.50-\$20.00 Liberty and Indian sets in Choice Mint State-63 through Gem Mint State-65 quality are down by nearly 4% to more than 6% from a month ago. While I think appreciation prospects for common-date \$20.00 Double Eagles are limited, the other coins in MS-63 and higher grades are still trading well below levels they have reached in the past. Even more attractive are the **Better-Date US Gold Coins** that can be acquired for right at or close to the prices of common-date issues.

### Silver and Silver Coins

Silver ended COMEX trading today at \$33.93, a huge jump of \$4.13 (13.9%) from four weeks ago!

With higher spot prices, premiums have declined from last month. I still recommend US **90% Silver Coin** (2.0%), which premium had dropped almost in half from early October. 90% Coin has several advantages—lower cost per ounce, they are coins struck by the US Mint, and they have the greatest liquidity and divisibility. Reminder: don't pay a premium for half dollars. When you want to sell, you can just about guarantee that you will not be paid more for them than you get for your dimes

### The Month

Gold Range	134.75	8.3%
Net Change	+114.00	
Silver Range	5.47	18.4%
Net Change	+4.13	
Gold/Silver Ratio	51.0	
Net change	-3.8	
Platinum Range	174.00	11.8%
Net Change	+132.00	
Platinum/Gold Ratio	0.93	

Date	Gold	Silver	Platinum
Oct 04	1,614.75	29.80	1,469.00
Oct 05	1,640.25	30.32	1,483.00
Oct 06	1,652.00	31.97	1,508.00
Oct 07	1,634.50	30.96	1,493.00
Oct 10	1,669.50	31.94	1,525.00
Oct 11	1,663.00	32.11	1,515.00
Oct 12	1,674.75	32.56	1,548.00
Oct 13	1,659.50	31.72	1,527.00
Oct 14	1,681.75	32.14	1,555.00
Oct 17	1,675.50	31.79	1,552.00
Oct 18	1,651.75	31.80	1,541.00
Oct 19	1,646.00	31.25	1,523.00
Oct 20	1,612.00	30.27	1,490.00
Oct 21	1,635.00	31.17	1,509.00
Oct 24	1,651.50	31.64	1,542.00
Oct 25	1,705.75	33.15	1,566.00
Oct 26	1,722.75	33.29	1,597.00
Oct 27	1,746.75	35.10	1,641.00
Oct 28	1,746.25	35.27	1,643.00
Oct 31	1,722.50	34.34	1,607.00
Nov 01	1,711.00	32.72	1,582.00
Nov 02	1,728.75	33.93	1,601.00

London Silver Market Premium To New York Silver Market = 7¢

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

and quarters.

Although there has been little to no price increases for **Common Date Morgan and Peace Dollars** demand is up noticeably over the past month. Doubtless, the higher spot price has led wholesalers to again actively seek all grades of Dollars, including Mint State Rolls and High Grade Individual Coins. Don't be surprised to see national marketing campaigns over the next few months—at much higher than current levels.

It is a wonderful coincidence that we re-

cently acquired a large collection that contained sizeable quantities of **Mint State-60+ 1884-O and 1887 Morgan Dollar Rolls**. The exciting news is that the 1884-Os were have unusually sharp strikes for New Orleans Mint Morgans. You can see all the feathers on the eagle's breast, where many O-Mint Morgans have little to no detail. Review our enclosed offer for details.

### Santa Monica City Attorney Files Fraud Charges Against California Dealer

Yesterday, the Santa Monica, California City Attorney announced a 19-count criminal complaint against Goldline International and past and present employees of that company. The complaint alleges that the company "runs a bait and switch operation in which customers, seeking to invest in gold bullion, are switched to highly overpriced coins by using false and misleading claims."

In the consumer protection articles I have written about acquiring gold, I have regularly warned against doing business with any company that engages in bait and switch tactics. Invariably, such companies try to push higher profit margin merchandise using some pretext, while trying to have the customer believe they are purchasing bullion-priced gold.

We believe that posting a price quotes page that includes the premium over metal value helps consumers avoid falling victim to bait and switch tactics. That is why Liberty Coin Service has posted premium information on our quotes pages since the 1970s.

The charges against Goldline will almost certainly receive more media attention because of the relative large size of the company (probably among the ten largest dealerships in the country) and because of the company's massive television marketing campaign. Should any charges result in convictions, it will be a reminder that (like MF Global) large size does not necessarily mean a company is operating legally or ethically.

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<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	1,825.50	1825.50	5.6%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	934.50	1869.00	8.1%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	475.50	1902.00	10.0%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	195.70	1957.00	13.2%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,827.25	1827.25	5.7%
*Australia 1 Oz Kangaroo	10	1.0000	1,830.75	1830.75	5.9%
*Austria 100 Corona	10	0.9802	1,753.75	1789.18	3.5%
*Austria 1 Oz Philharmonic	10	1.0000	1,829.00	1829.00	5.8%
*Canada 1 Oz Maple Leaf	10	1.0000	1,803.00	1803.00	4.3%
*China 1 Oz Panda	10	1.0000	1,887.75	1887.75	9.2%
*Mexico 50 Peso	10	1.2057	2,159.50	1791.08	3.6%
*S. Africa Krugerrand	10	1.0000	1,806.50	1806.50	4.5%
*U.S. Medallion	10	1.0000	1,789.25	1789.25	3.5%
*1 Oz Ingot	10	1.0000	1,794.50	1794.50	3.8%
*Austria 1 Ducat	10	0.1107	206.70	1867.21	8.0%
*Austria 4 Ducat	10	0.4428	852.75	1925.81	11.4%
*British Sovereign	10	0.2354	439.50	1867.03	8.0%
*British Sovereign, BU	10	0.2354	447.50	1901.02	10.0%
*France 20 Franc	10	0.1867	351.75	1884.04	9.0%
*Germany 20 Mark	10	0.2304	466.00	2022.57	17.0%
*Swiss 20 Franc	10	0.1867	352.50	1888.06	9.2%
\$20 Liberty BU	10	0.9675	1,890.00	1953.49	13.0%
\$20 St Gaudens BU	10	0.9675	1,890.00	1953.49	13.0%
\$20 Liberty Extremely Fine	10	0.9675	1,850.00	1912.14	10.6%
\$10 Liberty Extremely Fine	10	0.4838	945.00	1953.29	13.0%
\$5 Liberty Extremely Fine	10	0.2419	490.00	2025.63	17.2%
*U.S. 90% Silver Coin	1,000	715	24,750.00	34.62	2.0%
*U.S. 40% Silver Coin	1,000	295	10,200.00	34.58	1.9%
*U.S. Circulated Dollars	1,000	760	30,000.00	39.47	16.3%
*U.S. Silver Eagle-2011	1,000	1,000	37,430.00	37.43	10.3%
*Canada Silver Maple Leaf	1,000	1,000	37,180.00	37.18	9.6%
*100 Oz Silver Ingot	10	100	3,538.00	35.38	4.3%
*10 Oz Silver Ingot	100	10	357.80	35.78	5.5%
*1 Oz Silver Ingot	1,000	1	35.88	35.88	5.7%
*1 Oz Platinum Ingot	10	1.0000	1,689.00	1689.00	5.5%
*U.S. 1 Oz Platinum Eagle	10	1.0000	Not available		
*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	697.00	697.00	7.6%

**Gold:** \$1,728.75  
**Silver:** \$33.93  
**Platinum:** \$1,601.00  
**Palladium:** \$648.00

**Notes from Liberty**

by Allan Beegle  
 LCS Chief Numismatist

October's sales were still strong, though nowhere close to the record-setting volume of September. With all the financial crises developing around the world, this year just might finish off with a real flurry of activity!

Last month's offering of the Extremely Fine Early Morgan Dollars sold out almost instantly. Unfortunately, these are not coins that you can readily find in quantity. We also had multiple requests for many of the same Classic Silver Commemoratives, though some did not draw any attention. Our offering of the Better-Date High-Grade \$2.50 and \$5.00 Liberties drew surprisingly strong demand from other dealers in addition to our retail customers. Last, our featured items in this column also sold well.

Three weeks ago I flew to Pittsburgh to attend the inaugural Fall American Numismatic Association National Money Show. Although attendance was lighter than the ANA show near Chicago in August, my sales were surprisingly strong. But, as I have reported so often, finding desirable coins at reasonable prices was incredibly difficult.

About the same time, we negotiated the acquisition of a significant coin collection. Among the highlights were a large quantity of some fresh original **1884-O and 1887 Mint State-60+ Morgan Silver Dollar Rolls**. What makes these 1884-O Morgans special is that they have unusually sharp strikes compared to the usual O-Mint issues. Yet we offer these premium quality coins for the same price as you would pay for lesser quality coins.

As we do every year at this time, we feature **Unique Treasures Of Enduring Value**. Numismatic collectibles are perfect ideas for treasured heirlooms. Several items we are listing for the first time ever. We offer a variety from the past 2,500 years.

When most of the different items sell, we will not be able to find more. So, as

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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	\$13,780
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20	\$910
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20	\$985
U.S. Peace Dollar, Brilliant Uncirculated Roll/20	\$885

<b>Gold:</b>	\$1,728.75
<b>Silver:</b>	\$33.93
<b>Platinum:</b>	\$1,601.00
<b>Palladium:</b>	\$648.00

<i>Numismatic Coins (PCGS/NGC/ICG Graded)</i>	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	2,060	2,130	2,500
U.S. \$20.00 Liberty	2,200	2,675	4,550
U.S. \$10.00 Liberty	1,475	1,950	3,925
U.S. \$5.00 Liberty	875	1,400	2,800
U.S. 4 pc Indian Gold Type Set	7,030	9,505	19,700
U.S. 4 pc Liberty Gold Type Set	5,225	6,925	12,725
U.S. 8 pc Gold Type Set	12,195	16,280	31,975
U.S. Morgan Dollar (Pre-1921)	64	88	175
U.S. Peace Dollar	62	75	170

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.

I always do, I urge you to review the offers right away, then call quickly to check on availability and to confirm your purchase. You can reach our Trading Desk direct, toll-free, at **800-527-2375**.

Naturally, we have picked up a few one-, two-, and few-of-a-kind goodies for your consideration:

**Superb Gem Mint State-67 Early Morgan Silver Dollars:** We just picked up four beautiful NGC-certified specimens of early MS-67 San Francisco Mint Morgan Dollars. All are frosty white, with only one piece having a hint of toning on the reverse by the edge. At one time these coins sold for thousands of dollars apiece. Every specimen I could find that sold in auction within the past month went for \$748 or higher. But you can pick up any of these for just \$725 apiece. Whenever we get spectacular specimens like these, they go quickly.

**Gem Mint State-65 Full Bands 1924 Mercury Dime:** This flashy white NGC-certified coin is among the finest specimens we have ever handled of this date. Sure to please even the fussiest collector.

This treasure catalogs in *Coin Values* for \$500, but the last one that went through a major auction three months ago sold for more than that. Our coin at \$450 is a better value.

**Bermuda Palladium Sea Venture:** In 1609, the newly built Sea Venture led a

convoy of nine ships from England towards the new colony at Jamestown, Virginia. The fleet ran into a horrible storm, probably a hurricane. As the ship was sinking, the captain spotted land and deliberately grounded the ship on the reefs.

All 150 passengers made it safely onto the shore of Bermuda. Rather than wait for FEMA to arrive centuries later, the survivors spent nine months building two new vessels to complete the journey to Jamestown. Upon arrival at their destination, they found that only 60 of the other 350 or so passengers in the rest of the fleet were still alive.

In 1987, Bermuda issued 20,000 Proof specimens of a 1 Ounce .999 pure palladium \$25.00 Commemorative of the Sea Venture. This specimen comes packaged in the original display box with a serially numbered certificate of authenticity (#11214). It turns out that this quantity was so high that the coin has traded at bullion-related prices ever since. No charge cards can be accepted in payment. Your cost is only \$50.00 above the palladium spot price.

**Low Mintage British Virgin Islands \$25.00 Gold Commemorative:** In 1984, the British Virgin Islands issued a small proof commemorative gold coin (0.0241 oz gold content) honoring the Peregrine Falcon. For whatever reason, only

97 pieces were ever struck. This is one of the lowest mintage gold coins we have handled in a few years. Catalog value is \$115, but you can own it for \$99.

### Unusual Zaire Silver Proof Set:

In 1996, the African nation of Zaire issued a 2-coin Proof Set containing two very large pure silver coins. The smaller 5,000 Nouveaux Zaïres contains 13.213 ounces and the larger 10,000 Nouveaux Zaïres is made of 26.427 ounces. Total silver content is 39.640 ounces. Both coins feature a map of Africa on the obverse. The smaller coin depicts a leopard resting in a tree on the reverse, while the larger coin has a huge gorilla. Each coin is packaged in an extra strong Plexiglas case with the two pieces then packaged in a leather-like display case. Only 1,000 specimens of each coin were issued. Your cost is \$1,595, which is so close to bullion value that you must send a payment instead of using a credit card to purchase it.

### British Queen Anne Acts Of Parliament From The Early 1700s:

Anne, the younger daughter of King James II of England (also King James VII of Scotland) reigned as Queen from 1702 until her death in 1714.

We have acquired a small amount of printed Acts of Parliament issued during her reign, ranging in dates from 1702 through 1713. These are obviously chapters removed from bound law books from the era.

For example, one has the head line of "Anno Primo Annae Reginae, An Act for Explanation of a Clause in One Act made in the Seventh Year of His late Majesties Reign, relating to Borelaps, and to take off the Additional Subsidy upon Irish Linen."

The texts are full of flowery language used in the era. The pages have a bit of roughness where they were separated from the binder, but the actual texts are in wonderful condition for being over 300 years old and still fully readable. There are a few scattered pen or pencil notations on a few pages.

A lot of history for only \$69 per Act. Call for available selection.

**Please Note:** Liberty Coin Service will be closed Thursday, November 27 for Thanksgiving.