

# Liberty's Outlook

Volume 18 Issue 11 Liberty Coin Service's Monthly Review of Precious Metals and Numismatics November 7, 2012

## Aftermath Of The Election:

# Nothing Changed—The US Dollar Is Still Doomed! Time For Action!

Despite Congress as a whole receiving extremely low marks, yesterday's US elections resulted in virtually every incumbent being re-elected.

President Obama was re-elected, the Democrats maintained control of the US Senate, and the Republicans kept a majority in the US House of Representatives.

Over the past few years, it seemed like nobody was happy with the current crop of elected officials. So, what happened when the voters had the opportunity to make changes? Almost nothing.

Most Americans were probably hoping for change, but none today feel that was accomplished.

Guess what? Had every single election contested by Democrats and Republicans turned out the exact opposite of what actually occurred, there still would not have been any real change!

Why?

Because politicians generally consider it more important to ensure their own re-election than to do what would be right for the American people.

As passionate as some Americans were in supporting or opposing specific candidates, I need to explain myself.

### What Hasn't Changed?

During the entire campaign, I did not hear any Democrat or Republican discuss federal budget deficits using the more accurate accrual basis of accounting. Even this morning I heard my local Congressman, while doing a radio interview, claiming that the annual federal shortfalls were \$1+ trillion per year.

As reported by *USA Today* this past May, the actual budget deficit for 2011 was about \$5 trillion. Even David Walker, the former long-term Comptroller General (the top accounting official for the US government) stated

| 2012 Year To Date Results<br>Through November 6, 2012 |        |  |               |
|---|--------|--|---------------|
| <i>Precious Metals</i>                                |        | South Korea Won                            | -6.1%         |
| Silver  | +14.9% | Mexico Peso                                | -7.1%         |
| Platinum  | +10.7% | U.S. Dollar Index                          | 79.72 -0.67%  |
| Gold  | +9.5%  | <i>US And World Stock Market Indices</i>   |               |
| Palladium   | -5.5%  | Frankfurt Xetra DAX                        | +25.1%        |
| <i>Numismatics</i>                                    |        | NASDAQ                                     | +15.6%        |
| US MS-63 \$20 St Gaudens                              | +3.6%  | S&P 500                                    | +13.6%        |
| US MS-63 \$20 Liberty                                 | +1.8%  | Russell 2000                               | +11.4%        |
| US MS-65 Morgan Dollar, Pre-1921                      | -4.9%  | Australia S&P/ASK 200                      | +10.6%        |
| <i>US Dollar vs Foreign Currencies</i>                |        | Dow Jones World (excluding US)             | +8.6%         |
| Brazil Real   | +8.9%  | Dow Jones Industrial Average               | +8.4%         |
| South Africa Rand                                     | +6.7%  | Nikkei 225                                 | +6.2%         |
| Japan Yen   | +4.5%  | London FT 100                              | +5.6%         |
| Euro  | +1.1%  | Sao Paulo Bovespa                          | +4.8%         |
| Switzerland Franc                                     | +0.6%  | Shanghai Composite                         | -4.3%         |
| Hong Kong Dollar                                      | -0.2%  | 10 Year US Treasury Note interest rate     | 1.613% -14.1% |
| China Yuan  | -1.1%  | <i>Intrinsic Metal Value Of U.S. Coins</i> |               |
| Australia Dollar                                      | -2.2%  | Lincoln cent 1959-1982                     | 2.29¢         |
| India Rupee   | -2.7%  | Lincoln cent 1982-date                     | 0.50¢         |
| Canada Dollar   | -2.8%  | Jefferson nickel non-silver                | 4.87¢         |
| Great Britain Pound                                   | -2.8%  | Roosevelt dime, 1965-date                  | 2.21¢         |
| Singapore Dollar                                      | -5.7%  | Washington quarter, 1965-date              | 5.52¢         |
| New Zealand Dollar                                    | -6.0%  | Kennedy half dollar, 1971-date             | 11.04¢        |

that the 2011 deficit was well over \$3 trillion.

Americans are facing soaring inflation of the money supply, stubbornly high unemployment, rising consumer prices, shrinking wealth, and a stagnant real estate market. With all the clamor over these problems, it would be easy for federal, state, and local officials to avoid talking about finding solutions to the underlying problems that lead to these results.

**The truth is that the federal government is spending more than \$7 trillion a year. Even if federal expenditures were trimmed by \$5 trillion annually, or by about 2/3, the accumulated deficit would still continue to grow!**

What this means is that the federal government deficit is growing by almost \$100 billion every week! It also means that

roughly 2/3 of every dollar being spent is being financed by increased borrowing and debt, faster inflation of the US money supply, or higher taxes.

The Democrats and Republicans are not changing anything when, at best, they simply talk about making cuts to slow the growth of expenditures! A few of them may have pretended that they were really focusing on reducing the expenditures, but I don't believe they honestly meant it.

Even the Libertarian Party, supposedly advocates of minimal and responsible government, didn't get it. Their 2012 presidential nominee, former New Mexico governor Gary Johnson, stated that the federal government was *only* borrowing 43 cents of every dollar being spent.

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Many other ways that the government burdens Americans are not changing as a result of yesterday's election.

There are a number of ways that the US government imposes a burden on its citizenry. Professor James L. Payne (who has taught at Yale, Johns Hopkins, and elsewhere) has done groundbreaking research on this subject. While it is difficult to calculate a precise figure, Payne's median economic burden comes to \$5.7 trillion per year. That massive cost mathed out to a lower per capita income of \$18,000 per year for every American, or \$72,000 per year for a family of four.

While a handful of politicians uttered platitudes addressing the following burdens, I would categorize just about all of them as empty campaign promises that will not lead to change.

Here are the economic burdens identified by Payne:

**The federal tax system.** When an activity is more heavily taxed, that discourages economic growth. Lower taxes, on the other hand, spur growth. An obvious example has been the tax rates on capital gains. When these rates were sharply cut in the 1980s, job creation boomed and the US government actually collected more capital gains taxes. When the rates were cut again during the past decade, tax collections again rose. Thus far, capital gains tax rates are scheduled to rise significantly after the end of 2012. If this happens, economic growth will almost certainly suffer and the federal government will end up collecting lower taxes.

**Political uncertainty.** If an employer sees an opportunity to expand business, but does not know what the ultimate cost will be of creating new jobs, it is safer to not create more jobs. A huge uncertainty now is employer health care costs next year. One effect of the new health care law is that employers are much more inclined to create part-time jobs rather

than full-time to avoid further financial penalties.

**Uneconomic political regulations.** Not long ago, Intel wanted to build a new factory to produce computer chips. In the company's analysis, it would have cost an extra one billion dollars a year to build that factory in the US versus overseas. Of those extra costs, only \$100 million was attributed to higher compensation rates paid to employees. The other \$900 million would come from complying with greater US government regulations than would apply elsewhere. The result—the jobs were created in another country.

Think about it—would the automobile ever have been invented if the inventors had to comply with current US business regulations?

**Government selection of winners and losers.** Private sector investors have a much better investment track record because they are risking their own wealth. Did you know that 36 companies that received subsidies or grants from the US government to develop solar power products or automotive batteries are now in bankruptcy or financial difficulty? This misallocation of scarce resources hurts overall American wealth.

**Expanding government entitlement programs.** The most appropriate example I can give is that the lengthening of unemployment benefits in recent years has coincided with the increase in the average time people go without a job. There are many job openings for skilled workers, but why should the unemployed skilled workers help the economy grow if they can get by without the bother of working?

**Government displacement of the private sector.** Take the international space station. When originally being planned, one American company quoted \$8 billion to provide a much larger space station than exists today, plus included operating costs for the first five years, and further included a smaller second space station. NASA turned down the offer and instead has spent more than \$100 billion for a single, smaller space station. The government's decision has both soaked the taxpayers and hindered the development of a larger American industry.

When you look at this list of economic burdens imposed by the US government, can you think of any Democrat or Republican candidates that were serious about accomplishing more than just a token change? I'm not aware of any other than perhaps Rep. Ron Paul (R-TX).

Therefore, don't look for any worthwhile changes as a result of yesterday's elections. This is not because the wrong specific candidates were elected. Rather, almost none of the

### ***Patrick A. Heller's Upcoming Speeches***

November 13, Saint Johns, MI, Clinton County Tea Party meeting, "About The Federal Reserve", at 7:00 PM at 400 E. Walker St. No admission charge.

November 24, Warren, MI, Michigan State Numismatic Society Fall Convention, "Pitfalls To Avoid When Purchasing Physical Precious Metals," at Macomb County Community College Sports & Expo Center (South Campus Building P), 14500 E. 12 Mile Rd. Time to be determined. No admission charge.

For more information on any event call 800-933-4720 or email path@libertycoinservice.com.

major party candidates are advocating significant change.

### **What Does This Mean For You?**

**Literally, every day your wealth is shrinking as the US dollar declines.**

If you use the US government's methodology from 2-3 decades ago for deriving economic statistics, they would show that the United States economy has been in a depression since 2008. Not a recession, and it didn't end in 2009.

In order for the American economy to experience any kind of genuine recovery, problems will get worse before they get better. General Motors is not recovering from the government bailout when the federal government accounts for three-fourths of all vehicles the company sold in a month (as happened in September 2012). Chrysler is not saving American jobs when Fiat announced that it plans to move all US Chrysler production to Italy to take advantage of lower tax rates.

As an example of what is in store for America, look at what is happening in Europe and Japan. In October, Spain's economics minister stated that there was no possible solution for the debt problems of Spanish banks. Japan's economic stagnation has now been going on for decades.

Just about the only "solution" being pushed aggressively by US politicians are more frequent and larger programs to inflate the money supply to infinity.

**Such "quantitative easing" programs will inevitably destroy the value of the US dollar.**

When I attended the Silver Summit in Spokane two weeks ago, there were several speakers on the state of the US economy. It seemed to me that every one of

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them forecasted a huge decline in the value of the US dollar, with many of them predicting an outright collapse.

So, now that the election is over, what changes do I expect?

1. Several prices seemed to be obviously suppressed before the election to help incumbent candidates remain in office. Among such items were gold, silver, and gasoline. Post-election, look for significant increases.
2. Other goods such as food and energy are likely to accelerate in their price increases.
3. Politicians will finally admit that the 2010 health care law that supposedly would cover most of the people who lacked health insurance will instead cause millions of people to lose health care coverage they already had. Many companies with existing coverage will find it easier to cancel it.
4. Look for a surge in residential mortgage foreclosures as banks no longer feel the political pressure to make the numbers appear less dismal by simply not going after debtors who defaulted on their payments months or even years ago.
5. The manipulated jobs and unemployment numbers will not be so distorted in future months as they have been in the past two monthly reports. Expect the unemployment rate to jump noticeably, but look for the politicians to try to blame it on Hurricane Sandy.
6. The trading partners of the US government have worked with the feds to do everything possible to keep the Dow Jones Industrial Average above 13,000. Today, the first day after the election, the DJIA fell below that level. Will it continue day by day? It might.

If you think like a politician, the safest time to let all the bad news come out is right after an election. That gives the maximum time for people to become upset and then forget about their disappointment and anger before the next election.

### An Immediate Action Plan

1. If you have not already done so, I urge you to establish your

insurance position of bullion-priced physical gold and silver. The information in the box at the top right corner reflects what I consider to be a minimum insurance position. Do this to protect yourself against the continuing decline of paper assets such as currencies, stocks, and bonds. At the Silver Summit, even the speakers who advocated the purchase of shares of mining companies urged attendees to first establish a position of physical silver before buying any stocks.

2. Consider purchasing more bullion-priced physical silver and gold if you are comfortable holding more than an insurance position.
3. Even though it might seem counterintuitive, keep on hand a stash of current spending money. As Hurricane Sandy demonstrated, you cannot always count on ATMs having electricity or banks being open. Safe deposit boxes might not be available. Without notice, you might not be able to write a check or use a credit card.
4. When you see non-perishable food on sale, stock up. Also set aside some jugs of drinking water. At the minimum, you will save money. Besides, as Hurricane Sandy demonstrated, grocery stores might not be open and water supplies can become polluted.
5. At the same time look to stock up on non-perishable medical supplies, pet food and supplies (if applicable) a battery-operated radio and extra batteries, and at least a minimum selection of carpenter, mechanic, and yard tools and supplies.
6. If you have a garage, you might want to stash a container with at least a few gallons of gasoline (making sure to rotate it so that it stays fresh).

Many of the same items you need when electricity fails or floods hit are also good to have on hand for a financial crisis. A benefit from the items other than precious metals is that you can make use of them even if no catastrophe comes to pass.

### Four Month Gold Price Forecasts

Now that the elections are past, there will be less pressure to suppress gold and silver prices. Because of this, I urge you to act now. If not immediately, then certainly sooner rather than later.

## 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.

From now until the COMEX December gold options expire on November 27, I do not expect the price of gold to reach \$1,800.

Once we get past November 27, I expect the strong demand from central banks and major investors will help drive up gold prices significantly. Before we get to the COMEX February options expiration in late January, I would not be surprised to see gold rise to somewhere between \$2,000 and \$2,250.

After that, going into next spring, the prices could go so much higher that it doesn't make sense to predict a range.

While all this is happening with gold, I expect similar movements for silver. Since the dollar value of silver trading is a small fraction of that for gold, it would not surprise me one bit to see silver outperform the percentage rise in the spot price of gold by next spring.

### Pressures Mount For Central Banks To Repatriate Their Gold

In the past few weeks there has been extensive coverage over the fact that much of Germany's gold reserves are stored in New York and London. It is a major subject of conversation among German citizens and also within the German government.

The German government is talking about repatriating a portion of their foreign-held reserves over multiple

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years. I suspect this arrangement is meant to avoid starting a panic where more central banks follow suit.

Many central banks store gold reserves in New York, especially with the Federal Reserve Bank of New York, and in London in order to facilitate transactions.

However, if there are concerns that the gold stored elsewhere might not all be there anymore, that creates an incentive to repatriate the gold to ensure its safety. Iran and Venezuela have already made a major production of calling back their gold reserves.

Germany theoretically has the second or third largest gold reserves of any central bank. Any move by that nation to recall gold from outside the borders runs the risk of sparking a run by other central banks taking the same actions.

The problem with trying to repatriate gold is that a high percentage of it, perhaps as much as half, has been leased. Therefore, it could not be repatriated from the vaults where it is supposedly stored. Unfortunately, there is a good possibility that there just isn't enough physical gold available to cover a worldwide panic of central banks demanding the return of their gold reserves held outside the country.

## Silver and Silver Coins

Silver closed on the COMEX today at \$31.65, down a significant \$2.98 (8.6%) over the past five weeks! Even after this dismal performance, however, silver is still up almost 14% from the start of 2012.

As usual, the price of silver was clobbered upon the release of the latest jobs and unemployment report on November 2. The jobs report was released at 8:30 AM Eastern time. From 8:30 to 8:40 AM, 192 million ounces of paper silver were dumped on the COMEX. This quantity is more than 25% of annual worldwide mine output!

It is simply not possible for investors to absorb information from a report released at 8:30 so that they can make an immediate decision to sell silver short, reach their broker, and then execute a trade by 8:40.

What this tells you is that the huge quantity of sell orders were specifically placed in advance to hit the market during this time frame. Normal investors looking to sell a position have an incentive to try to realize the maximum price, and would not

| The Month   |          |        |          |
|---|----------|--------|----------|
| Gold Range  | 115.50   | 6.5%   |          |
| Net Change  | -64.00   |        |          |
| Silver Range  | 4.12     | 11.9%  |          |
| Net Change  | -2.98    |        |          |
| Gold/Silver Ratio   | 54.1     |        |          |
| Net change  | +2.8     |        |          |
| Platinum Range  | 180.00   | 10.6%  |          |
| Net Change  | -154.00  |        |          |
| Platinum/Gold Ratio   | .90      |        |          |
| Date  | Gold     | Silver | Platinum |
| Oct 03  | 1,777.25 | 34.63  | 1,694.00 |
| Oct 04  | 1,789.50 | 34.96  | 1,720.00 |
| Oct 05  | 1,778.50 | 34.52  | 1,707.00 |
| Oct 08  | 1,773.50 | 33.98  | 1,699.00 |
| Oct 09  | 1,763.00 | 33.95  | 1,695.00 |
| Oct 10  | 1,762.00 | 34.00  | 1,675.00 |
| Oct 11  | 1,768.75 | 34.05  | 1,690.00 |
| Oct 12  | 1,758.00 | 33.63  | 1,659.00 |
| Oct 15  | 1,736.00 | 32.71  | 1,632.00 |
| Oct 16  | 1,744.75 | 32.92  | 1,645.00 |
| Oct 17  | 1,751.50 | 33.20  | 1,667.00 |
| Oct 18  | 1,743.25 | 32.83  | 1,643.00 |
| Oct 19  | 1,722.75 | 32.07  | 1,615.00 |
| Oct 22  | 1,725.00 | 32.23  | 1,612.00 |
| Oct 23  | 1,708.25 | 31.77  | 1,576.00 |
| Oct 24  | 1,700.50 | 31.60  | 1,563.00 |
| Oct 25  | 1,712.00 | 32.05  | 1,563.00 |
| Oct 26  | 1,711.00 | 32.01  | 1,546.00 |
| Oct 29  | 1,707.75 | 31.73  | 1,546.00 |
| Oct 30  | 1,710.50 | 31.79  | 1,554.00 |
| Oct 31  | 1,717.50 | 32.29  | 1,577.00 |
| Nov 01  | 1,714.00 | 32.23  | 1,573.00 |
| Nov 02  | 1,674.00 | 30.84  | 1,545.00 |
| Nov 05  | 1,682.25 | 31.11  | 1,543.00 |
| Nov 06  | 1,714.00 | 32.02  | 1,558.00 |
| Nov 07  | 1,713.25 | 31.65  | 1,540.00 |
| 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. |          |        |          |

sell huge quantities in such a short time. Therefore, the obvious conclusion is that these sales were placed specifically to suppress the price of silver upon the release of the less than good jobs report, and also to hold down prices until after the elections.

The Wall Street/US government attack can work to your advantage if you acquire silver at today's lower prices.

My top recommendation for owning physical silver is US **90% Silver Coin** (2.7%). The 90% Silver Coin has great di-

visibility, where a dime contains about 1/14 of an ounce of silver. It also is widely traded and highly liquid. If the US dollar failed, I anticipate that 90% Silver Coin would become the most popular form of circulating money.

Four months ago, we enjoyed strong demand for an offering of Very Choice Mint State-64 Morgan Dollars. Our offer last month of some Mint State Morgan Dollar rolls also sold out. It's easy to understand one of the reasons these offerings have been so popular—they have not increased in price in step with rising silver spot prices. Now the better value appears to be **Gem Mint State-65 Early Morgan Silver Dollars**. We managed to find barely enough for an offering at today's bargain levels, but we don't know how long we can hold these prices.

When I attended the American Numismatic Association National Money Show in Dallas three weeks ago, I was able to bring back small groups of some less common Walking Liberty Dollars and Morgan Dollars, both of which we can offer at the same price as for common-date coins. Because of the limited supplies, we have combined them in our **Unique Treasures Of Enduring Value** flyer.

## Gold And Gold Coins

Gold closed today at \$1,713.25, down \$64.00 (3.6%) from last month.

In October, demand for physical gold (and silver) were the highest of any month thus far this year.

My low-premium favorites continue to be the Mexico **50 Pesos** (1.6%), Austria **100 Coronas** (1.5%), and US **American Arts Medallions** (1.8%).

Prices and premiums on **Common-Date US Gold Coins** both fell in the past month, almost across the board. Much of the declines simply reflected lower gold prices, but there were also signs that demand dropped for numismatic issues, in contrast to action with bullion issues. I don't expect these bargain levels to last.

## LCS Closing Dates While We Expand

LCS will be closed some dates in late December to facilitate our move to larger quarters. Please read the details in Allan Beegle's *Notes From Liberty*.

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

| <i>Item</i>                 | <i>Qty</i> | <i>Fine Wt</i> | <i>Price</i>  | <i>Cost/Oz</i> | <i>Premium</i> |
|-----------------------------|------------|----------------|---------------|----------------|----------------|
| *U.S. 1 Oz Gold Eagle       | 10         | 1.0000         | 1,792.00      | 1792.00        | 4.6%           |
| *U.S. 1/2 Oz Gold Eagle     | 10         | 0.5000         | 925.25        | 1850.50        | 8.0%           |
| *U.S. 1/4 Oz Gold Eagle     | 10         | 0.2500         | 471.25        | 1885.00        | 10.0%          |
| *U.S. 1/10 Oz Gold Eagle    | 10         | 0.1000         | 192.90        | 1929.00        | 12.6%          |
| *U.S. 1 Oz Gold Buffalo     | 10         | 1.0000         | 1,792.00      | 1792.00        | 4.6%           |
| *Australia 1 Oz Kangaroo    | 10         | 1.0000         | 1,793.75      | 1793.75        | 4.7%           |
| *Austria 100 Corona         | 10         | 0.9802         | 1,704.50      | 1738.93        | 1.5%           |
| *Austria 1 Oz Philharmonic  | 10         | 1.0000         | 1,793.75      | 1793.75        | 4.7%           |
| *Canada 1 Oz Maple Leaf     | 10         | 1.0000         | 1,764.75      | 1764.75        | 3.0%           |
| *China 1 Oz Panda           | 10         | 1.0000         | 1,848.50      | 1848.50        | 7.9%           |
| *Mexico 50 Peso             | 10         | 1.2057         | 2,098.75      | 1740.69        | 1.6%           |
| *S. Africa Krugerrand       | 10         | 1.0000         | 1,768.00      | 1768.00        | 3.2%           |
| *U.S. Medallion             | 10         | 1.0000         | 1,744.00      | 1744.00        | 1.8%           |
| *1 Oz Ingot                 | 10         | 1.0000         | 1,751.00      | 1751.00        | 2.2%           |
| *Austria 1 Ducat            | 10         | 0.1107         | 200.50        | 1811.20        | 5.7%           |
| *Austria 4 Ducat            | 10         | 0.4428         | 830.75        | 1876.13        | 9.5%           |
| *British Sovereign          | 10         | 0.2354         | 421.75        | 1791.63        | 4.6%           |
| *British Sovereign, BU      | 10         | 0.2354         | 429.75        | 1825.62        | 6.6%           |
| *France 20 Franc            | 10         | 0.1867         | 339.00        | 1815.75        | 6.0%           |
| *Germany 20 Mark            | 10         | 0.2304         | 454.00        | 1970.49        | 15.0%          |
| *Swiss 20 Franc             | 10         | 0.1867         | 339.50        | 1818.43        | 6.1%           |
| \$20 Liberty BU             | 10         | 0.9675         | 1,910.00      | 1974.16        | 15.2%          |
| \$20 St Gaudens BU          | 10         | 0.9675         | 1,930.00      | 1994.83        | 16.4%          |
| \$20 Liberty Extremely Fine | 10         | 0.9675         | 1,880.00      | 1943.15        | 13.4%          |
| \$10 Liberty Extremely Fine | 10         | 0.4838         | 954.00        | 1971.89        | 15.1%          |
| \$5 Liberty Extremely Fine  | 10         | 0.2419         | 502.00        | 2075.24        | 21.1%          |
| *U.S. 90% Silver Coin       | 1,000      | 715            | 23,250.00     | 32.52          | 2.7%           |
| *U.S. 40% Silver Coin       | 1,000      | 295            | 9,410.00      | 31.90          | 0.8%           |
| *U.S. Circulated Dollars    | 1,000      | 760            | 32,250.00     | 42.43          | 34.1%          |
| *U.S. Silver Eagle-2012     | 1,000      | 1,000          | 34,500.00     | 34.50          | 9.0%           |
| *Canada Silver Maple Leaf   | 1,000      | 1,000          | 34,000.00     | 34.00          | 7.4%           |
| *100 Oz Silver Ingot        | 10         | 100            | 3,255.00      | 32.55          | 2.8%           |
| *10 Oz Silver Ingot         | 100        | 10             | 329.00        | 32.90          | 3.9%           |
| *1 Oz Silver Ingot          | 1,000      | 1              | 32.85         | 32.85          | 3.8%           |
| *1 Oz Platinum Ingot        | 10         | 1.0000         | 1,614.00      | 1614.00        | 4.8%           |
| *U.S. 1 Oz Platinum Eagle   | 10         | 1.0000         | 1,706.00      | 1706.00        | 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         | 657.00        | 657.00         | 7.7%           |

**Gold:** \$1,713.25  
**Silver:** \$31.65  
**Platinum:** \$1,540.00  
**Palladium:** \$610.00

**Notes from Liberty**

by Allan Beegle  
 LCS Chief Numismatist

October was our highest volume month of the year, easily topping September's previous record volume. November may be even better, judging by the activity thus far.

We did not sell all specimens of the 1 and 5 Ounce ANA Silver Pandas, but had almost a clean sweep of everything else! We could have sold many more coins if only we had been able to locate them.

In mid-October, LCS General Manager Pat Heller and I flew to Dallas to attend the American Numismatic Association National Money Show. Once again, we had a modest quantity of inventory to show, but realized sales much higher than expected. Demand for nice coins was so strong that about half of what we purchased at the show ended up being sold to other dealers there. Before we left, Pat again made an educational presentation as part of the ANA Money Talks series.

The following week, Pat attended and addressed the attendees at the 10th Annual Silver Summit in Spokane. Although this was not a coin show, Pat did some great networking.

This past Saturday, Senior Numismatist Tom Coulson was accompanied by Numismatist David Sweet to the Kalamazoo Numismatic Club show. Volume there was lighter than typical, almost certainly as a result of lower gold and silver prices discouraging would-be sellers.

Also last weekend, David Sweet attended the Indiana State Numismatic Society show in Indianapolis. This was strictly a buying show as he took no inventory to offer for sale. Once again, it proved difficult to find attractive coins no matter whether the prices were reasonable.

Since the tremendous response to our offering of Very Choice Mint State-64 Morgan Dollars four months ago, the prices of those coins is up even more

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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                 | \$13,565 |
| U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20     | \$890    |
| U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20 | \$990    |
| U.S. Peace Dollar, Brilliant Uncirculated Roll/20            | \$870    |

|                   |            |
|-------------------|------------|
| <b>Gold:</b>      | \$1,713.25 |
| <b>Silver:</b>    | \$31.65    |
| <b>Platinum:</b>  | \$1,540.00 |
| <b>Palladium:</b> | \$610.00   |

*Numismatic Coins (PCGS/NGC/ICG Graded)*

|                                 | MS-63 | MS-64  | MS-65  |
|---------------------------------|-------|--------|--------|
| U.S. \$20.00 St Gaudens         | 2,010 | 2,130  | 2,260  |
| U.S. \$20.00 Liberty            | 2,035 | 2,260  | 3,650  |
| U.S. \$10.00 Liberty            | 1,200 | 1,575  | 3,490  |
| U.S. \$5.00 Liberty             | 675   | 1,090  | 2,595  |
| U.S. 4 pc Indian Gold Type Set  | 5,375 | 7,520  | 19,060 |
| U.S. 4 pc Liberty Gold Type Set | 4,570 | 5,615  | 11,035 |
| U.S. 8 pc Gold Type Set         | 9,885 | 12,985 | 29,645 |
| U.S. Morgan Dollar (Pre-1921)   | 79    | 95     | 157    |
| U.S. Peace Dollar               | 60    | 88     | 140    |

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

than the rise in the spot price of silver. In comparison, the prices of **Gem Mint State-65 Early Morgan Dollars** now reflect better value. Since July, we have been diligently trying to locate sufficient inventory at fair prices. Unfortunately, we aren't the only ones who are jumping on these bargains. Most wholesalers are out of stock, while others are asking too much for inventory they do have.

Still, we managed to come up with enough coins to make a general offering as long as we imposed quantity limits. Now that we are past the elections, Pat Heller anticipates that these coins will rise in price. Rather than risk that happening while we searched for more coins, we are offering our available stock at what we expect will prove to be the lowest price over the next year.

As we do every time this year, we allowed our children to come in to help us select **Unique Treasures Of Enduring Value!** We have a variety of beautiful gift ideas for the special people on your list (including yourself). Among the offerings are some **Gem Mint State-65 1945-D and 1946-D Walking Liberty Half Dollars** and **Choice Mint State-63 1882-O Morgan Dollars** which we can offer at common-date prices even though they are less common issues. Go ahead, treat those who are special to you.

For best selection, I urge you to promptly

**call our Trading Desk toll-free at 800-527-2375** to check on availability and to confirm you order.

In addition, here are some other bargains we have recently acquired as well as further information about our upcoming expansion in 2013:

**Ancient Indo-Greek Silver Elephant Coin:** Alexander the Great extended his empire all the way into part of India before his death in 323 B.C. Subsequent coin issues all over his domain reflect the continuing Greek influence. This square silver Soter, the India version of the Greek Drachm, issued by King Apollodotus I in western India about 170 B.C. is an excellent example.

One side depicts a sacred elephant surrounded by Greek lettering. The use of the elephant design may be a symbol of Buddhism, a major religion in that part of the world at that time. The reverse shows a sacred bull, which is probably a Hindu symbol. The inscription on that side is from the Indian language called Kharosti. Both inscriptions translate the same: "Savior King Apollodotus."

The coinage of India is experiencing a surge of interest right now, so we're not sure if we could find another specimen that we could offer at the \$49 price for this coins.

**English King James I Silver:** King James I (1603-1625) is most famous for ordering a new translation of the Bible, now known as the King James Version. This small silver penny was from the issues that were produced from 1619-1615. The piece shows a lot of detail, with a thistle on one side and a rose on the other. As often occurred in the era (with the monarchs being especially guilty of the practice) some of the silver has been clipped from the edges. The coin grades a good Fine. Your price \$29.

**Emperor Nero Greco-Roman-Egyptian Coin:** The use of the Greek Tetradrachm was so entrenched in the lands bordering the eastern Mediterranean Sea that the Roman Republic and Empire continued the denomination for centuries after conquering the part of the world. At the time when Roman Emperor Nero reigned, 54-68 A.D., Egypt was the personal farm of the Emperor. This Roman coin of a Greek denomination was struck and issued in Alexandria, Egypt. Billon means that coin has a low purity silver content, which allowed the Emperor to pretend he was still issuing real money. This specimen is in Fine condition. Just \$69.

**Special Days Of Operation In December:** To consolidate our current two stores into one much larger location in the Frandor Shopping Center at the beginning of January 2013, we will have to close existing operations toward the end of December.

Our last day of operation of our satellite buying store at 428 Frandor Avenue will be December 19.

Our headquarters location at 300 Frandor Avenue will remain open through December 26. Both stores will be closed from December 27 through January 1 as we move everything into 400 Frandor Avenue, though we will have limited services at our Trading Desk (800-527-2375) on December 27 and 28.

Please plan your visits and phone calls accordingly.

**Please Note:** Liberty Coin Service will be **closed** Thursday, November 22 and Saturday, November 24 over Thanksgiving weekend.