

Liberty's Outlook

2016 NLG Awards:
Best Dealer Publication

May 2017, Volume 23 Issue 5 Liberty Coin Service's Monthly Review of Precious Metals and Numismatics May 3, 2017

Gold & Silver Prices Drop Over Past 2 Weeks: Market Trend— Or Market Manipulation?

After the April 6 US military missile attack on an airport in Syria and the April 13 detonation of the “mother of all bombs” on a Taliban target in Afghanistan, people held their breaths to see if American forces would also become engaged against the government of North Korea.

When political and economic uncertainty is heightened, investors tend to reallocate their assets toward those that are considered “safe havens.” Gold and silver have thousands of years of track records serving as popular safe haven assets.

When you own and have direct custody of physical precious metals you are not dependent on any laws, changes in laws, or the full faith and credit of any government or third party. The precious metals are valuable assets in and of themselves. They are not claims against the liabilities of another party who may default.

As you can see on page four in the daily COMEX closes over the past four weeks, on April 13 gold and silver prices reached their highest levels since early November 2016.

The prices of gold and silver were on the verge of topping their 200-day moving averages, which would have sent a signal to technical traders that it was time to start buying this metals. All that would be needed to spark this higher demand would be for gold to breach the \$1,291 and silver the \$18.50 level for three consecutive trading days.

Had these price levels been topped, the prospects for much higher prices in rapid succession were a possibility.

This never happened. Silver topped \$18.50 at the COMEX close on April 14, stalled, then fell sharply two trading days later on April 18. Gold did close above \$1,291.75 on April 18, then dropped about \$10 within 24

2017 Year To Date Results

Through May 2, 2017

Precious Metals

Palladium	+19.9%
Gold	+9.1%
Silver	+5.7%
Platinum	+2.8%

Numismatics

US MS-63 \$20 St Gaudens	+6.0%
US MS-63 \$20 Liberty	+1.1%
US MS-65 Morgan Dollar, Pre-1921	-2.8%

US Dollar vs Foreign Currencies

Canada Dollar	+2.0%
Philippines Peso	+1.0%
Hong Kong Dollar	+0.3%
New Zealand Dollar	-0.2%
Chile Peso	-0.3%
China Yuan	-0.8%
Indonesia Rupiah	-1.7%
Colombia Peso	-2.1%
South Africa Rand	-2.5%
Switzerland Franc	-2.7%
Brazil Real	-3.2%
Peru New Sol	-3.2%
Sweden Krona	-3.4%
Malaysia Ringgit	-3.7%
Denmark Krone	-3.7%
Argentina Peso	-3.7%
Singapore Dollar	-3.7%
Euro	-3.8%
Thailand Baht	-3.8%
Japan Yen	-4.3%
Australia Dollar	-4.4%
Great Britain Pound	-4.6%
India Rupee	-5.7%
Israel Shekel	-6.2%
South Korea Won	-6.5%

Russia Ruble	-6.9%	
Taiwan Dollar	-7.4%	
Mexico Peso	-9.6%	
U.S. Dollar Index	98.99	-3.2%

US And World Stock Market Indices

NASDAQ	+13.2%
Sao Paulo Bovespa	+10.8%
Dow Jones World (excluding US)	+10.3%
Frankfurt Xetra DAX	+8.9%
S&P 500	+6.8%
Dow Jones Industrial Average	+6.0%
Australia S&P/ASX 200	+5.0%
Nikkei 225	+4.4%
Russell 2000	+3.1%
London FT 100	+1.5%
Shanghai Composite	+1.3%

10 Year US Treasury Note interest rate	2.296%	-6.1%
--	--------	-------

Energy and Other Metals

Cobalt	+66.7%
Lead	+13.4%
Aluminum	+11.3%
Copper	+4.5%
Zinc	+3.0%
Molybdenum	+0.0%
Tin	-4.7%
Nickel	-5.3%
Crude Oil, Brent	-9.4%
Natural gas, Henry Hub	-15.5%

Metal Content Value Of U.S. Coins

Lincoln cent, 1959-1982	1.74¢
Lincoln cent, 1982-date	0.68¢
Jefferson nickel, non-silver	3.34¢
Roosevelt dime, 1965-date	1.52¢
Washington quarter, 1965-date	3.79¢
Kennedy half dollar, 1971-date	7.58¢

hours.

Both prices have fallen further since. From their mid-April peaks, the closing COMEX prices today were 3.5% lower for gold and down 11.1% for silver. This kind of price volatility can intimidate potential investors from choosing to own such assets.

The question now is whether the rela-

tively sudden price declines over the past two weeks reflect actual free market trends or are evidence of deliberate price suppression. From watching these markets for several decades, I think it is almost certain that there has been massive price manipulation and suppression activities conducted by the primary benefi-

Inside this issue:	California State Govt Owes \$1Trillion	page 2
	What Are The Feds Up To?	page 3
	US Mint 2017 Bullion Sales Plummet	page 4

(Continued from page 1)

ciary of lower precious metals prices—the US government.

In addition to serving as money, gold and silver are also effectively report cards on the strength and stability of the US economy, US government, and US dollar. If people lose faith in the American government, the dollar tends to lose value, resulting in higher gold and silver prices.

How could such price suppression be accomplished? By a variety of activities conducted either by use of assets in the US Exchange Stabilizations Fund (which is explicitly authorized for use to secretly manipulate gold prices), through the US government's primary trading partners, or with the cooperation of allied central banks—and probably all three.

Since commodity contracts on the New York COMEX and in the London Bullion Market Association rarely involve delivery of physical metal, it is not that difficult to sell short in those markets a large quantity of paper contracts in a brief time to force down prices. This has happened repeatedly over the decades since the US government closed the gold exchange window in August 1971.

Normally when a party has a large position to sell, they want to realize the maximum possible selling price. To accomplish this, such sales are normally divided secretly among multiple brokers trading in different markets around the globe and even spread over multiple days. The Swiss National Bank used this tactic at the turn of the century when it was trimming its gold reserves from four times the amount of outstanding Swiss francs in circulation to only double that amount. Most traders and investors were not aware of these sales until the Swiss National Bank later acknowledged having done so.

Find more than a thousand numismatic items offered for sale today in our eBay stores and on our company's website. Gold, silver, and copper coins, exonomia, paper money, and other collectibles. On eBay, search for sellers **Treasurechestofliberty** or **Collectables-of-liberty**. Other items are for sale on our website at www.libertycoinservice.com.

In contrast, if you are trying to sell a large position for the lowest possible price, which no profit-seeking investor or company would want to do, you would dump large quantities of contracts in a single market in a very short time period, usually from a few minutes to no longer than one hour. They are even more effective if the selling can be done during thin trading times, such as just before or during holiday weekends.

That is exactly the selling pattern that occurred in mid-April. Several markets were closed on April 14 for Good Friday, then most European markets were closed on April 17 for Easter Monday.

Another tell-tale sign of market manipulation is that the price of silver is clobbered first. As this pattern has regularly occurred over the past couple of decades, other traders realize that once silver's price drops significantly, gold will soon follow. They then adjust their trading postures, which magnifies the size of the price declines.

From the quantities of contracts traded in the London and New York markets, it looks like about one billion dollars of paper gold was sold short for each dollar decline in the price of gold. From April 18 to today, that would indicate the utilization of about \$45 billion to suppress gold's price.

As for silver, price suppression efforts were well underway weeks before April started. For the past couple of months the size of the open interest on the COMEX has been larger than at any time before 2016.

More than 250 million ounces of silver were sold short in an effort to hold down silver from rising further. New records for total open interest were being set almost daily. By April 13, the COMEX silver market has almost 1.19 billion ounces of open positions, whereas before 2016 the open position never exceeded 900 million ounces.

Even today, with the massive closing of May 2017 future contracts that have matured, the COMEX silver market still reports open positions of more than 957 million ounces.

In years and decades past, when we witnessed such massive price suppression tactics, that almost always indicated that there were major reasons that gold and silver prices should be trading at much higher levels. The more a spring is squeezed, the greater will be the rebound when the pressure is released.

As a consequence, I consider the drop in gold and silver prices over the past two weeks to be temporary. In fact, because of the way prices have been suppressed, to me they signal that prices are destined to rise much higher in the future.

But, the magic question to which everyone wants an answer but no one really knows for sure is when will gold and silver prices take a major jump. I certainly can't pin down the

Patrick A. Heller's Upcoming Speeches and Appearances

August 3 or 4, 2017, Denver Colorado (tentative) "Create Fun-Filled Numismatic Presentations For The General Public" American Numismatic Association World's Fair of Money, Money Talks Program at the Colorado Convention Center, 700 14th Street. Date, time, and location to be determined. For more information go to <https://www.money.org/worldsfairmoney>.

For more information on any event or to arrange for a presentation at schools, senior citizen groups, Scout organizations, fraternal or business organizations, call 800-933-4720 or email path@libertycoinservice.com.

date. However, the day or reckoning may be coming sometime around the beginning of August at the latest.

State And Local Government Balance Sheets To Implode Starting About The Beginning Of August

Unless something else comes up sooner to push up precious metals prices, I expect it has a high possibility of happening when state and local governments across America that have fiscal years ending June 30 start disclosing that they are insolvent and possibly bankrupt. That is about when they will be releasing their June 30, 2017 balance sheets where, for the first time ever, they will be required to post the net present value of unfunded liabilities for employee pensions and retiree health care benefits.

Why do I think this could alter the financial landscape so dramatically? It is because the amounts are huge. For instance, Stanford University's Institute For Economic Policy Research tracks public employee pension underfunding. As of two years ago, it calculated that the unfunded pension liabilities of the California Public Employees Retirement System and California State Teachers Retirement System totaled \$1 trillion (\$1,000,000,000,000)! That amount equals \$93,000 per household in that state, which means there just are not enough resources to ever be able to pay these liabilities in full. You can read more details on this debt by going to <http://www.pensiontracker.org/>.

Now, the trillions of dollars of unfunded liabilities owed by state and local governments and government school districts is dwarfed by the \$90 to \$110 trillion in debt and unfunded liabilities of the federal government.

(Continued from page 2)

But, the feds are not required to include the unfunded liabilities on their balance sheet as the lower jurisdictions will now be forced to do.

Michigan's Governor Snyder a few years ago told me at a Chamber of Commerce program that the state of Michigan's unfunded liabilities were about \$60 billion. They have since grown by several more billion. With a September 30 fiscal year, these liabilities will be explicitly revealed about six months from now.

Having to report these liabilities on balance sheets will provoke shock and outrage from people who will want to know "Why didn't somebody tell me how bad government finances were?" Not only will the poor financial condition of governments across the nation be revealed, but people will also start demanding the same information from the federal government.

As government finances are crushed by revealing these massive liabilities that were previously kept relative secrets, the US economy, the federal government, and therefore the US dollar, are likely to take major hits.

And that is why I think sometime between now and possibly as long as late July may be a prime time to begin to acquire or extend your holdings of physical bullion-priced gold coins and bars as wealth insurance.

What Are The Feds Up To?

At the close of its latest two-day meeting this afternoon, the Federal Open Market Committee (FOMC), as expected, left the federal funds interest rate unchanged. The Committee's vote was 10-0 to do so.

The FOMC, along with just about everyone in the federal government, is trying to pretend that the US economy is recovering from The Great Recession. If that were really true, standard policy would be to aggressively increase the federal funds interest rate, not just imposing three minimal increases in the past decade.

So, what is really going on?

Simply put, the US government cannot afford to pay higher interest rates on its debt, now officially about \$20 trillion.

Every 1/4% increase in the interest rate increases the federal government's budget deficit by \$1

billion dollars every week!

Even though the Federal Reserve Bank likes to pretend that it is independent of the US government, it really isn't. The track record shows that it pretty much works hand in glove to align its policies with that of the White House and US Treasury.

On the other side, politicians like to appear to achieve positive economic results. To do this, they need to claim, whether true or not, that there are more jobs, higher-paying jobs, fewer bankruptcies and loan defaults, rising consumer demand, and so forth.

The various economic statistics, if you ignore the headlines and dig down into the underlying data, are at best a mixed bag. Until a couple months ago, auto and truck sales in America were strong. That started to swing the other way in March.

For instance, yesterday General Motors reported that it sold 244,406 new cars and truck in April. This was down 5.8% from April 2016. At the end of the month, GM dealers had 935,758 units of unsold new vehicle inventory, a 100-day supply at current sales levels. Industry standards are to have no more than 60 days worth of unsold inventories.

In order to control costs, at some point GM will have to generate substantially more sales or cut production (meaning job layoffs) in order to reduce inventories by about 375,000 units. The latter strategy is almost certain to be what happens as it would take a major increase in sales incentives (which directly lower profits per vehicle) to push a greater number of vehicles off of dealer lots (assuming that the competition would not respond in kind, which is unrealistic).

Similar April results were reported by other companies manufacturing and selling vehicles in America.

Default rates on sub-prime vehicle loans have now soared to a seven year high and are as bad as they were during The Great Recession a decade ago.

Capital One Bank's vehicle loan portfolio, as an example, includes more than 30% that were extended to subprime borrowers. The Bank now says it is being stricter on its credit standards on granting new auto and truck loans.

The Federal Reserve Bank of New York reported that \$8.2 billion of auto loans became newly delinquent in the fourth quarter in 2016, the highest amount in any three-month period since 2008.

Capital One last week also reported a first quarter drop of 20% in net income as the company now has a provision for anticipated

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>
	10-15%	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	35%	30%	20%
Silver	65%	60%	55%
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.

credit card losses of \$1.9 billion.

That figure is 30% higher than it was a year earlier. The bank wrote off 5.14% of its credit card balances in the first quarter of 2017, compared to just 4.16% a year earlier.

Federal Reserve Bank of New York President William Dudley has claimed in recent speeches that the slow down in retail sales is attributable to consumers paying off their accumulated debts. That is absolutely false. Today, US consumer debt stands at 20% of Gross Domestic Product (GDP), the highest percentage it has ever been. It is heading toward \$4 trillion. More than one trillion of this total comes from vehicle loans with a similar amount from student debt.

Debt loads are so high in America that it is hurting the ability of consumers to purchase homes, leading to shaky results in the real estate industry. While the government and realtors are trying to pretend that the slowdown in home sales has to do with the declining number of homes for sale, the main reason is probably that fewer people can now afford to purchase them. Since they cannot afford to move, that would mean they will sit tight where they are now and now put any homes they now own up for sale.

As you read economic reports coming out over the next few months, realize that the underlying data will often contradict the supposedly positive headlines. Alternatively, the data may be massaged to conceal what

(Continued on page 4)

(Continued from page 3)

is really happening.

While I anticipate that the release of state and local government and government school district financial reports will ultimately lead for far higher gold and silver prices, it is always entirely possible that other economic or political news before then may have the same impact. Therefore, I don't really recommend waiting until late July to acquire your bullion-priced gold and silver coins and ingots. If you have not already started, you may want to do so right now at what I expect will be considered bargain prices compared to what they will be a couple of years from now.

Silver and Silver Coins

As I already mentioned, the price of silver has been clobbered. It ended on the COMEX today at \$16.48, down a whopping \$1.68 (9.3%) from four weeks ago.

By the way, on the Shanghai Gold Exchange, where 94% of contracts traded result in the immediate delivery of the underlying metal and sellers cannot even offer a contract for sale until after this metal has been delivered to the SGE vaults, the premium at which gold and silver prices are trading above the London price at the same time has been rising. A month ago the SGE was selling silver contracts for maybe 30 cents above the London price. This afternoon it was more than \$1.50 higher than London prices. The same goes for gold, where Shanghai's price was only a few dollars higher than London a month ago but is now more than \$22 above it.

As I have written in previous months, demand for bullion-priced physical gold and silver coins and bars has fallen sharply across America. Contrast that with China, India, and much of Europe where demand has been very strong for months.

Through the end of April year to date, the US Mint had only sold 174,000 ounces of all four sizes of Gold American Eagles, down more than 50% from the 350,500 ounces sold in the same period in 2016.

The decline was even more dramatic for sales of US **Silver Eagle Dollars** (14.8%). For the first four months of 2017, the Mint sold 8,792,500 of them, down 53.5% from the 18,914,500 sold in the year earlier period. In fact, that was the lowest demand for the start of a year since the US Mint sold 5,809,000 Silver Eagle Dollars in the first four months of

The Month

Gold Range	46.25	3.7%
Net Change	-3.50	
Silver Range	2.05	11.3%
Net Change	-1.68	
Gold/Silver Ratio		75.6
Net change		+7.0
Platinum Range	87.00	9.1%
Net Change	-55.00	
Platinum/Gold Ratio		0.73

Date	Gold	Silver	Platinum
Apr 05	1,245.50	18.16	959.00
Apr 06	1,250.25	18.22	958.00
Apr 07	1,255.75	18.00	956.00
Apr 10	1,251.00	17.89	940.00
Apr 11	1,274.00	18.32	968.00
Apr 12	1,275.25	18.28	968.00
Apr 13	1,286.00	18.48	977.00
Apr 14	1,287.50	18.53	970.00
Apr 17	1,289.50	18.49	991.00
Apr 18	1,291.75	18.25	979.00
Apr 19	1,281.50	18.14	970.00
Apr 20	1,282.00	17.99	974.00
Apr 21	1,287.50	17.83	978.00
Apr 24	1,275.75	17.85	960.00
Apr 25	1,265.50	17.58	958.00
Apr 26	1,262.00	17.53	948.00
Apr 27	1,263.75	17.26	948.00
Apr 28	1,266.00	17.19	948.00
May 01	1,253.25	16.78	932.00
May 02	1,255.00	16.79	926.00
May 03	1,246.50	16.48	904.00

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

Shanghai Gold Exchange premiums above London spot prices as of the newsletter date:

Gold: +\$22.32

Silver: +\$ 1.51

Current Shanghai Gold Exchange premiums can be tracked at www.didthesystemcollapse.com

2008!

While some may consider this a sign that global demand for physical silver may be plummeting, it means nothing of the sort. Total global demand for physical silver is roughly 80 million ounces, with a significant percentage sought for industrial fabrication.

Silver Eagle Dollars are not that important of a part of the silver market. Its sales are minimal outside of the America, for two main reasons: relatively high premium compared to US **90% Silver Coins** (4.5%) and **100, 10, and 1 Oz Ingots** (4.8-6.0%), and the fact that it is

measured in troy ounces instead of metric weight choices as are popular in the Far East and India.

My recommended form of bullion-priced silver to purchase remains the US 90% Silver Coins. They are highly divisible where one dime contains about 1/14 of an ounce of silver. They are a low premium form and highly liquid.

Incidentally, there has been some weakness in **Better-Date Superb Gem Mint State-66 Morgan Silver Dollars** over the past month. We have been fortunate to acquire enough of them to offer a nice selection this month. Today's prices for some of them are less than 10% of what they were at the last major market peak, which minimizes your downside risk. Please see our enclosed offer.

Gold And Gold Coins

Gold closed on the COMEX today at \$1,246.50, which is actually up \$1.00 (0.1%) from last month. The fireworks of higher prices happened during April, not before then.

A significant development over the past month occurred with larger quantities of precious metals being liquidated in the US right now than are being purchased by retail customer. As a consequence, both retailers and wholesalers tend to have sizeable stocks of bullion coins dated 2016 and earlier years. This has resulted in falling premiums for most products. For instance, even though the spot price is up a dollar from four weeks ago, the cost to purchase a US **1 Oz Gold American Eagle** (3.9%) is now \$11.25 lower than it was then.

There is only a slight catch to these falling premiums. For the most part, you would still have to pay the previous higher premiums if you insisted on acquiring 2017-dated coins. The indications are that none of the 2017-dated bullion issues from any country will end up as low-mintage rarities, so I would normally not recommend paying the higher premium now to get them.

The existing low premium issues such as the US **American Arts Medallions** (2.8%), the Austria **100 Corona** (2.2%), and the Mexico **50 Pesos** (2.3%) did not see premiums fall..

Pre-1934 US Gold Coins for the most part are still in the doldrums. However, there are enough increases over the past few weeks, that they current bargain buying opportunities may not last for long.

Liberty's Outlook is published monthly by Liberty Coin Service, 400 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 \$159.00 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. Find recent commentaries and like our Facebook page at <https://www.facebook.com/LibertyCoinService> or on Twitter at @libertyfrandor. The publisher, its principals and associates may, from time to time, have a position in items recommended here. Copyright 2017, 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	1,296.25	1296.25	3.9%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	670.00	1340.00	7.4%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	345.00	1380.00	10.6%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	141.70	1417.00	13.6%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,308.75	1308.75	4.9%
*U.S. 1 Oz Medallion	10	1.0000	1,282.50	1282.50	2.8%
*U.S. 1/2 Oz Medallion	10	0.5000	642.50	1285.00	3.0%
*Australia 1 Oz Kangaroo	10	1.0000	1,305.00	1305.00	4.6%
*Austria 100 Corona	10	0.9802	1,249.75	1274.99	2.2%
*Austria 1 Oz Philharmonic	10	1.0000	1,295.00	1295.00	3.8%
*Canada 1 Oz Maple Leaf	10	1.0000	1,286.25	1286.25	3.1%
*Canada 1x25 Maplegram	10	0.8039	1,131.25	1407.20	12.8%
*China 30 Gram Panda	10	0.9646	1,290.00	1337.34	7.2%
*China 1 Oz Panda	10	1.0000	1,333.50	1333.50	6.9%
*Mexico 50 Peso	10	1.2057	1,538.75	1276.23	2.3%
*S. Africa Krugerrand	10	1.0000	1,290.00	1290.00	3.4%
*1 Oz Ingot	10	1.0000	1,282.50	1282.50	2.8%
*Austria 1 Ducat	10	0.1107	150.00	1355.01	8.6%
*British Sovereign	10	0.2354	314.50	1336.02	7.1%
*France 20 Franc	10	0.1867	247.25	1324.32	6.2%
*Swiss 20 Franc	10	0.1867	247.75	1327.00	6.4%
\$20 Liberty BU	10	0.9675	1,340.00	1385.01	11.0%
\$20 St Gaudens BU	10	0.9675	1,345.00	1390.18	11.4%
\$20 Liberty Extremely Fine	10	0.9675	1,320.00	1364.34	9.4%
\$10 Liberty Extremely Fine	10	0.4838	665.00	1374.53	10.2%
\$10 Indian Extremely Fine	10	0.4838	700.00	1446.88	16.0%
\$5 Liberty Extremely Fine	10	0.2419	345.00	1426.21	14.3%
\$5 Indian Extremely Fine	10	0.2419	395.00	1632.91	30.9%
\$2.50 Liberty Extreme Fine	10	0.1209	290.00	2398.68	92.3%
\$2.50 Indian Extreme Fine	10	0.1209	265.00	2191.89	75.7%
*U.S. 90% Silver Coin	1,000	715	12,350.00	17.27	4.5%
*U.S. 40% Silver Coin	1,000	295	5,080.00	17.22	4.2%
*U.S. Circulated Dollars	1,000	760	18,950.00	24.93	50.8%
*U.S. Silver Eagles	1,000	1,000	18,980.00	18.98	14.8%
*Canada Silver Maple Leaf	1,000	1,000	18,620.00	18.62	12.6%
*100 Oz Silver Ingot	10	100	1,748.00	17.48	5.7%
*10 Oz Silver Ingot	100	10	175.30	17.53	6.0%
*1 Oz Silver Ingot	1,000	1	17.53	17.53	6.0%
*1 Oz Platinum Ingot	10	1.0000	954.00	954.00	5.0%
*U.S. 1 Oz Platinum Eagle	10	1.0000	996.00	996.00	9.6%
*Canada Palladium ML	10	1.0000	860.00	860.00	7.0%

Gold:	\$1,247.50
Silver:	\$16.53
Platinum:	\$909.00
Palladium:	\$804.00

Notes from Liberty

By Allan Beegle
LCS Chief Numismatist

April sales were somewhat less than March and were the lowest for any month going back a few years. As had happened since mid-December 2016, our sales of bullion-price gold and silver coins and ingots have dropped significantly even as our numismatic sales have been doing just fine.

Once again, the items featured in last month's newsletter almost all sold out. Initially we were able to take some orders for the Choice Mint State-63 \$2.50 Indians beyond what we originally had in stock. However, the wholesale prices rose enough that we had to cut off would-be customers barely 10 days from mailing the newsletter. We also could have sold the scarce Montana National Currency note several times.

Right after the April issue was picked up from the printer, LCS Numismatist David Hartung and I drove to Warren to host the LCS booths at the Michigan State Numismatic Society Spring Convention. There we helped a Michigan dealer friend with cash flow when he sold us a group of the **2013 Australia \$15 Gold 1/10 Oz Gold Australian American Memorial War In The Pacific 1941-1945 Commemoratives**. They are one of the items featured in our **Small-Group Bargain Rarities**. You don't often see the US honored on gold coins issued by other nations.

Last week, LCS General Manager Tom Coulson, Communication Officer Patrick A. Heller, and Numismatist Nicole Stroebl "walked the floor" at the huge Central States Numismatic Society Show near Chicago. Our sales were solid for the show, but it proved difficult to find much

LCS Postage Charges	
Value of Contents	Postage Charge
Under \$100	\$5
\$100-249	\$10
\$250-499	\$18
\$500-999	\$25
\$1,000-4,999	\$30
\$5,000 and higher	None

Please Note: Liberty Coin Service will be closed on Saturday, May 27 and Monday May 29 for the Memorial Day Holiday.

Liberty Coin Service Call Toll-Free: **(800) 527-2375 National**
400 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 9:30AM-6PM, Sat 10AM-2PM

Coins, Rolls and Sets

U.S. 10 pc Gold Medallion Set, 1980-1984, BU	\$10,810
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20	\$665
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20	\$885
U.S. Peace Dollar, Brilliant Uncirculated Roll/20	\$565

Gold:	\$1,247.50
Silver:	\$16.53
Platinum:	\$909.00
Palladium:	\$804.00

Numismatic Coins (PCGS/NGC/ICG Graded)

	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	1,400	1,455	1,890
U.S. \$20.00 Liberty	1,425	1,700	2,675
U.S. \$10.00 Liberty	805	1,170	2,475
U.S. \$5.00 Liberty	530	635	1,740
U.S. 4 pc Indian Gold Type Set	3,515	5,025	12,495
U.S. 4 pc Liberty Gold Type Set	3,095	3,875	7,475
U.S. 8 pc Gold Type Set	6,550	8,750	19,520
U.S. Morgan Dollar (Pre-1921)	57	70	138
U.S. Peace Dollar	41	52	120

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 14 day return period. Orders for bullion-priced items (marked with *) are not returnable and, after confirmation, cannot be cancelled.

in the way of desirable coins and paper money, especially at bargain prices.

Ever since we had strong demand from customers last June, we have been looking out for more **Superb Gem Mint State-66 Better-Date Morgan Silver Dollars**. Over the past several weeks we have acquired several pieces out of collections purchased in our showroom or from dealers at coin shows. These pieces are few and far between, even more so if you want them at rock-bottom prices. Although we don't have as many as we would like to offer, we judged it better to offer them now to avoid the risk of higher prices in the near future.

To top that off, we can once again tempt you with a few **One-Of-A-Kind Money-Saving Rarities**. At the Central States show, Tom was able to acquire two exceptionally attractive specimens of Ancient Greek Silver Tetradrachms. These well-struck and well-centered specimens are what every collector of ancient history wants to find, but infrequently discovers.

As I say each month, sellouts of the featured offers are likely. For the best opportunities, I urge you to check the enclosed offers. Then promptly call our **Trading Desk toll-free at 800-527-2375** to find if they are still available and to confirm your order.

As we do every month, here are some more treasures for your enjoyment. Remember, you are welcome to stop by our store to view many items. Or you can visit our website at www.libertycoinservice.com to view

photographs of the pieces offered below:

High-Grade Flashy White Silver

Washington Quarters: At the Central States show Pat was able to hand-select some pieces of Gem Mint State-65 or Superb Gem Mint State-66 earlier Washington Silver Quarters at a blow out price. We pass these savings on to you. As *Coin Values* does not list catalog values above MS-65 condition, we list the *PCGS Retail* values for the grade in parentheses. Only one specimen of each:

- 1945-S Quarter, MS-66 (\$90), NGC—\$69
- 1947-S Quarter, MS-66 (\$60), NGC—\$45
- 1948 Quarter, MS-66 (\$55), NGC—\$45
- 1950-D Quarter, MS-66 (\$85), NGC—\$65
- 1954-S Quarter, MS-65 (\$26), PCGS—\$19
- 1958 Quarter, MS-66 (\$34), PCGS—\$25
- 1959-D Quarter, MS-65 (\$26), NGC—\$17

If you ever wanted a beautiful coin of a year that means something special to you, these would be excellent candidates.

Lovely Harrisburg, Pennsylvania

1929 National Currency: It seems like it was about a quarter century ago that we were fortunate to handle a discovery hoard of Series 1929 Type 2 \$5.00 National Currency issued on The Harrisburg National Bank in Harrisburg, Pennsylvania. We have just repurchased from a customer five consecutively-numbered specimens from this hoard which we each conservatively grade as Choice Crisp Uncirculated-63. The paper is so fresh you might be tempted to think they were just

printed. Although Series 1929 \$5.00 Nationals mostly look the same as the \$5.00 Federal Reserve Notes issued up until a few years ago, they do have some notable differences. The motto "In Gold We Trust" does not appear on the back. On the front, the US Treasury seal, the serial numbers and two of the bank's charter number (580) appear in brown ink rather than green ink used today. At \$125 each, you would be hard-pressed to find examples of the same quality of any National Currency from any bank for the same price.

Mint-Sealed Box of 500 2015 Australia 1/2 Ounce Silver Hammerhead Shark Half Dollars:

Last August, we offered a quantity of these coins when the spot price of silver was over \$21. Now that the silver price is temporarily below \$17, they are even more affordable. We just purchased from a customer a Perth Mint-sealed box of 500 of these coins. We will sell this box to the first caller at the price of the current ask silver spot price times the silver content (250 troy ounces) plus \$1,125. That works out to \$2.25 per coin above melt value. At a silver spot price of \$17.00, for instance, your cost would come out to \$5,375. One box only available.

Stunning Quality 1785 Nova Constellatio Copper:

At the conclusion of the Revolutionary War, there were no circulating coins issued by the US government until 1792. To fill the void, some states issued their won copper coinage as did some parties in the private sector.

The Nova Constellatio Coopers were dated 1783 and 1785. They were struck in Birmingham, England and shipped to New York City, where they entered circulation. It is not confirmed who was behind this issue but the best indications are that it was a partnership named Constable, Rucker & Co. The company's four partners included Robert Morris, who individually funded the Revolutionary War for a time as he was personally more creditworthy than was the Continental Congress.

Over the past 31 years, PCGS has certified just 183 specimens of the 1785 Pointed Rays Nova Constellatio in Extremely Fine-40 condition (as is this piece) or higher. Most survivors of this era are excessively worn and/or have some kind of damage. This coin is beautiful and problem-free. \$749 for a lot of colonial history.



1945-S Washington Quarter MS66
NGC Certified - \$69



1947-S Washington Quarter MS66
NGC Certified - \$45



1948 Washington Quarter MS66
NGC Certified - \$45



1950-D Washington Quarter MS66
NGC Certified - \$65



1954-S 25C
PCGS MS65
Series: 39 Coin: 63
5857.65/71058412



1954-S Washington Quarter MS65
PCGS Certified - \$19



1956 25C
PCGS MS66
Series: 39 Coin: 66
5860.66/7992734



1956 Washington Quarter MS66
PCGS Certified - \$25



1959-D Washington Quarter MS65
NGC Certified - \$17



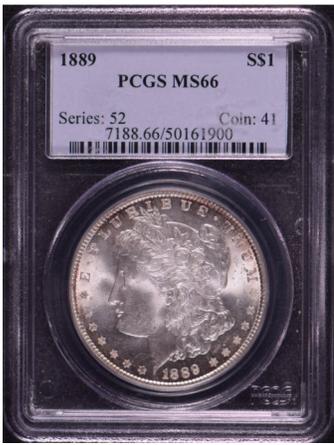
1929 Series \$5.00 Harrisburg, Pennsylvania
National Bank Note - \$125 each



PCGS
1785 C NOVA
XF40
POINT RAYS
813.40/4430706
[Barcode]



1785 Nova Constellatio Pointed Rays XF40
PCGS Certified - \$749



Superb Gem Mint State-66 Better Date Morgan Dollars



by Patrick A. Heller, LCS Communications Officer

Like paying just 6 to 13 cents on the dollar! Ten years ago, I prepared an analysis of the Morgan Silver Dollar series in grades MS-63 through MS-66. The analysis compared the prices of the coins at the last major market peak in June 1989 against their relative rarity and current catalog values. Then I compared this data against that of the 1881-S Morgan, the most common issue in high quality.

From this analysis, I calculated an Undervaluation Index™ for each date and mintmark in all four of these grades of the Morgan series. Those coins earning an Undervaluation Index™ of 20 or higher were given our Highest Recommendation for appreciation potential.

As you might suspect, our customers eagerly bought those that merited our Highest Recommendation!

One important caveat—the Undervaluation Index™ only compares the appreciation prospects relative to other dates and mintmarks of the same grade. It does not compare relative potential against coins of other grades.

The good and bad news—and an opportunity! I updated this analysis in 2010 and again a year ago for changes in the supply of coins and current catalog values. In the process, I discovered that, in general, the Morgan Dollars that earned the Highest Recommendation outperformed those that did not. Those in this classification had the greatest percentage of price increases. Where prices declined, they tended to be at a smaller percentage.

However, I noticed one anomaly with last year's update. Most dates in the series that graded Superb Gem Mint State-66 fell in price from 2010 (though the coins with the highest Index performed better, on average, than those with the lower Index rating).

From our experience since our last such offer eleven months ago, we have found all Superb Gem Mint State-66 Morgan Dollars to be more difficult to locate than in years past. As a result, prices have stopped falling and started turning upward.

The good news: At multiple coin shows and among collections we recently purchased in our store, we were able to come up with a handful of carefully-selected Superb Gem Mint State-66 Morgan Silver Dollars that merit our Highest Recommendation for having an Undervaluation Index™ over 20!

Each coin has been independently certified by either the Professional Coin Grading Service (PCGS) or the Numismatic Guaranty Corporation (NGC) as well as passing our own fussy scrutiny. Most coins are flashy white; a few have minor attractive toning.

Even more good news—you can purchase these lovely coins today at prices that 87% to 94% lower than they were in mid-1989.

The **bad news** is that there are only 18 coins among fifteen different dates available. When they are gone, we cannot tell when we may locate more or at what prices they will then cost.

These coins range from four to sixty times scarcer than the 1881-S date in top quality. Yet, even though every coin has earned an Undervaluation Index™ of twenty or higher, you can still acquire most of them at prices surprisingly close to that of the 1881-S.

Although we would like to have a larger stock of coins before making a general offering, we have decided to offer them now rather than risk price increases in the coming months. As a result, we expect that **they won't last long!**

Review the list for rarity compared to the 1881-S Morgans, check the value, then call us today! With so few coins, we have omitted the order coupon. **You must call our Trading Desk at 800-527-2375 to confirm availability and to reserve your order.** Please refer to our Computer Quotes Page for the details on the postage charge to add. For fastest shipment, you can use your Visa, Mastercard, or Discover charge card to have your purchase shipped to the credit card billing address.

Your satisfaction is guaranteed! You have 14 days upon your receipt to return these coins for a full, prompt, no-questions refund.

Superb Gem Mint State-66 Morgan Dollars Compare Rarity and Value to the 1881-S Date*

PCGS/NGC Date	Population MS-66+	June 1989 Price	May 2017 PCGS Retail	May 2017 Undervaluation Coin Values	Rarity to 1881-S	LCS Price
1883	2,296	\$4,225	\$600	\$500	81	\$425
1883-O	2,138	\$4,800	\$500	\$400	153	\$375
1884	1,048	\$5,600	\$945	\$875	79	\$750
1884-O	4,094	\$3,850	\$375	\$275	136	\$260
1885	4,073	\$4,150	\$300	\$270	151	\$260
1885-O	8,445	\$2,200	\$295	\$280	35	\$245
1886	9,906	\$2,225	\$450	\$280	31	\$245
1887	6,492	\$4,700	\$295	\$300	88	\$260
1888	2,049	\$8,200	\$550	\$500	170	\$440
1889	659	\$9,400	\$950	\$875	177	\$795
1896	3,453	\$5,350	\$495	\$475	74	\$395
1898-O	4,985	\$3,900	\$300	\$300	93	\$260
1900	1,629	\$6,395	\$575	\$600	155	\$495
1902-O	1,542	\$6,600	\$575	\$465	211	\$450
1904-O	3,159	\$3,500	\$375	\$350	107	\$310
<i>For comparison</i>						
1881-S	40,039	\$1,700	\$275	\$270	6	\$240



Chief Numismatist

Although LCS has a large enough clientele that we can acquire sizeable groups of single items, we also are nimble enough that we can take advantage of smaller-sized groups that were available at great money-saving prices. At coin shows and in our store over the past month, we have picked up a few such small lots!

With so few coins and rolls in stock, we have eliminated the order blank. Please call to confirm availability and lock in your purchase.

Review the coins offered here, then pick up your telephone to **reach our Trading Desk today, toll-free, at 800-527-2375**. Be sure to consult the chart on the Computer Quotes page for postage charges. For fastest shipment, you can use your Visa, Mastercard, or Discover charge cards to have your purchase shipped to the credit card billing address.

As with all of our numismatic items, your satisfaction is guaranteed. You have 14 days upon your receipt to return these coins for a full, prompt, no-questions refund.

US Coins

Roll/50 1955, 1955-D, and 1955-S Roosevelt Silver Dimes, Mint State-60 or better; 1955 (22 rolls available)—\$99, 1955-D (10 rolls available)—\$95, 1955-S (8 rolls available)—\$89, or purchase one roll of each of the three mintmarks—\$275. The 1955 Philadelphia, Denver, and San Francisco Mint Roosevelt Dimes have mintages of 12,450,181, 13,959,000, and 18,510,000 respectively. That makes them the lowest, 3rd lowest, and 4th lowest mintage Roosevelt Dimes ever struck for circulation! Many years ago we were blessed to have acquired a sizeable quantity of Mint State rolls of these three dates and quickly sold them all to our customers. The group offered here was recently repurchased from the estate of one of those customers.

Although most coins in this carefully-preserved group would grade Choice Mint State-63 to Gem Mint State-65, we conservatively describe them as Mint State-60 or better.

Coin Values lists these coins in Mint State-60 quality at \$3.00 apiece and at higher levels for nicer coins. But, right here, you can purchase them by the 50-coin roll at significant savings. Even if you wanted to acquire a Mint State roll of the 1964-D Roosevelt Silver Dime (mintage 1.357 billion!), you would still be paying at least \$75. In comparison, these rarities are an irresistible bargain.

1908 \$5.00 Indian, Mint State-62, PCGS/NGC—\$660 (4 coins available). Among the 8-piece \$2.50 through \$20.00 Liberty and Indian US Gold Coin Series, the \$5.00 Indian has the lowest Professional Coin Grading Service (PCGS) and Numismatic Guaranty Corporation (NGC) populations for coins graded Mint State-62 or higher. While the

Small-Group Bargain Rarities!

by Tom Coulson, LCS General Manager and Allan Beegle, LCS

two services have certified around 2 million \$20.00 Saint Gaudens in MS-62 or higher grade, they have only graded a total of 119,942 pieces among all 24 dates and mintmarks of \$5.00

Indians in the same quality. Of those, the 1909-D is the common date with a PCGS/NGC MS-62+ population of 44,094.

While the 1908 date is also considered common, with the 1909-D and 1908 both cataloging at \$645 in *PCGS Retail* and at \$700 in *Coin Values*, the 1908 has a PCGS/NGC MS-62+ population of just 8,966—almost 80% less than for the common date.

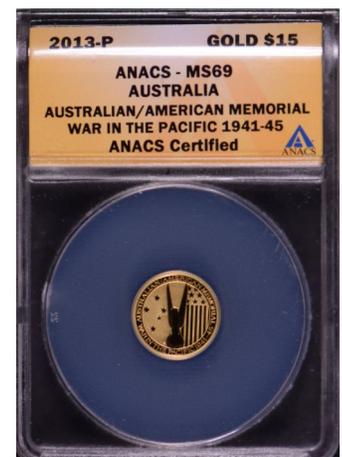
With recent temporary weakness in Pre-1934 US Gold Coin prices, almost any coins offer attractive values today. When you can acquire the 1908 \$5.00 Indian in MS-62 quality for the same price as the 1909-D, that is even more of a bargain.

Note: If you were one of the fortunate buyers of the Choice Mint State-63 \$2.50 Indians we featured last month, here is your opportunity to acquire the other coin with the same design. These coins were the nicest of a 6-coin lot that another dealer offered to us, with the other two pieces not passing our strict, fussy quality standards.

Foreign Coins

2013 Australia \$15.00 1/10 Oz Gold Australian/American Memorial War In The Pacific 1941-1945 Commemorative, Near Perfect Mint State-69, ANACS—\$159 (22 coins available). Australia's Perth Mint in 2013 began striking an annual 3-coin series honoring its participation in World War 2—a 1/2 Oz Silver Half Dollar, a 1/10 Oz Gold \$15, and a 1/4 Oz Gold \$25. Since the 2016 issues honored V-J Day, it is possible that this series has ended after four years. This is the only coin honoring the US in the series. It is unusual for gold coins issued by other countries to commemorate America.

These are not low mintage coins, at 262,142 for the 2013-dated 1/10 Oz Gold Commemorative, for all intents and purposes you can own one or more of these at close to the same prices you would pay for much higher mintage, uncertified bullion-priced 1/10th ounce gold coins issued by any country.



One-Of-A-Kind Money-Saving Rarities!

by Tom Coulson, LCS General Manager, Allan Beegle, LCS Chief Numismatist, and Patrick A. Heller, LCS Communications Officer

We have been busy in our store and at multiple coin shows over the past month. As usual, we are always on a treasure hunt for bargain-priced, high-quality rarities, whether in sizeable quantities, small lots, or just one-of-a-kind.

This effort is more involved than it would be for many other coin dealers. Not only do we look for coins and paper money that meet the technical grade, they need to be nice enough that we would be eager to repurchase them.

Although every coin listed here has been independently graded by either the Professional Coin Grading Service (PCGS) or Numismatic Guaranty Corporation (NGC), such certification does not automatically mean they meet our strict quality requirements.

While we were not offered any sizeable groups of a specific coin or paper money issue over the past four weeks, we did come up a handful of eye-appealing rarities of exceptional quality.

The pieces here are among the finest we have ever owned of the issue.

There is a problem with making an offering of one-of-a-kind items. That means that we can only sell each to one customer. If past experience is any guide, we could easily sell multiple specimens if only it were possible to obtain them.

With so few coins in stock there is no order blank. Please call to confirm availability and lock in your purchase.

Review the listed coins, then **phone us today at our Trading Desk, toll-free, at 800-527-2375**. For fastest shipment, you can use your Visa, Mastercard, or Discover charge cards to have your purchase shipped to the credit card billing address.

As with all of our numismatic items, your satisfaction is guaranteed. You have 14 days upon your receipt to return these coins for a full, prompt, no-questions refund.

1857 Braided Hair Half Cent, Choice Mint State-63 Brown, NGC—\$625. By the time the US Mint struck Half Cents for the final year in 1857, the denomination was already economically obsolete. The

impact of inflation, though modest by standards of recent decades, left these coins with substantially no purchasing power. Even worse for the Mint, the value of the copper content exceeded face value, meaning that the US government lost money on each piece it struck.

As a consequence, the Mint struck a mere 35,180 1857 Braided Hair Half Cents, the lowest among all eight years these coins were struck for circulation.

As low as these mintage figures are, however, a surprisingly high number of Mint State specimens have survived—for multiple reasons.

First, because these coins were not practical in everyday commerce, many were simply not used. Therefore, most 1857 Braided Hair Half Cents survivors are in nicer average condition than earlier issues. Over the past 31 years, PCGS and NGC have certified 668 pieces of 1857 Braided Hair Half Cents in MS-63 or higher grades.

Second, 1857 was also the final year of mintage for the half dollar-sized Braided Hair Large Cents, also doomed because the copper value exceeded face value. Part way through the year, the US Mint began striking copper-nickel Flying Eagle Cents of the same diameter as the cents still struck at the Mint today. The disappearance of these two copper coins sparked a surge of collector interest, resulting in a disproportionate number saved.

Third, from the time the United States of America was established in 1776 until 1857, gold and silver coins of other nations (such as Spanish Silver 8 Reales, Spanish Gold 8 Escudos, British Silver Shillings, and British Gold Sovereigns) were granted legal tender status. Once this legal tender status was removed in 1857, that further sparked more people to become coin collectors. While not many people could afford to collect silver, much less gold coins, they could afford to set aside Half Cents and Cents.

This particular specimen is graded quite conservatively. For a coin only graded Choice Mint State-63, this is probably the example you would want to own. It is among the finest specimens we have ever owned. If you ever wanted a representative specimen of the

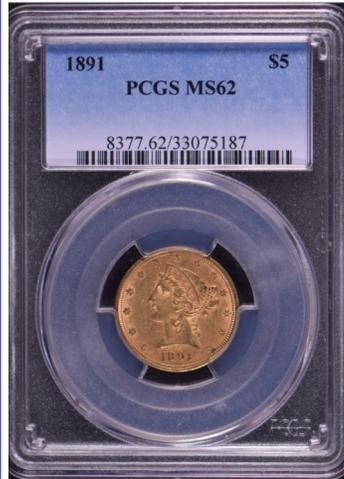


lowest denomination American coin, this would be a desirable candidate. This coin catalogs in *Coin Values* for \$500 in Mint State-60 Brown quality and at \$800 for Mint State-63 Red and Brown condition. The only specimen of this grade that has sold in a major auction this year went for \$646.

1891 \$5.00 Liberty, Mint State-62, PCGS—\$660.

This date has a paltry mintage of just 61,360. Virtually all entered circulation. In more than three decades, PCGS and NGC together have certified a mere 178 MS-62 specimens and only 100 in all higher grades!

This rarity may be equal to the finest of the handful we ever recall previously having in inventory (this is one of several low mintage Pre-1934 US Gold Coins that we are always on the lookout to buy). It lists in *Coin Values* at \$925 but for just \$615 in *PCGS Retail*. The last three PCGS specimens that appeared in major auctions sold for \$676, \$740, and \$940.



Athens, along with an olive spray and a crescent moon along with the city's name spelled out in Greek.

This particular coin is one is a much earlier, and therefore rarer, issue than usually encountered. It is so well-struck and preserved that NGC has certified the quality of the strike and surfaces as both 5 out of a possible 5. While we have had higher grade Athenian Silver Tetradrachms from later issues, this is one of the finest quality specimens of this early design we have ever handled.



Ancient Greece Silver Tetradrachm, Alexander the Great (336-323 BC), Extremely Fine, NGC, \$575.

The soldiers serving under Macedonian King Alexander III (The Great) never lost a battle, which helps explain how he conquered the Persian Empire and extended his domain into India and beyond the southern border of Egypt. At the time, it was the world's largest domain.

Alexander's father, Phillip II, King of Macedonia, subdued the Greek city-states to become the King of Greece. When his father was assassinated, Alexander proclaimed himself King of Macedonia and all of Greece, but had to negotiate and battle to hold the crown. Eventually Alexander also added the titles of Pharaoh of Egypt, King of Persia, and King of Asia. His forces brought Greek culture to many lands.

Because his empire grew so large, huge quantities of silver tetradrachms were struck and entered circulation. At the peak, at least 120 mints were issuing his coinage. The obverse depicts Alexander in the guise of demi-god Herakles (aka Hercules) wearing a lion scalp. The reverse shows a seated supreme Greek god Zeus.

The influence of Alexander was so widespread that coins of this design continued to be struck for about a half century after his death.

In addition to surviving in high quality, this specimen is also exceptionally well centered.



Ancient Greece, Athens, Silver Tetradrachm, 460-440 BC, Very Fine, PCGS—\$995.

Smithsonian researcher Richard Doty considered the Greek Silver Tetradrachm to be one of the four most important monetary issues across history. The drachma denominations were introduced in Athens, the most powerful Greek city-state, at the time it became a democracy in 510 BC. The tetradrachm was the most popular coin for use in trade, with the result that these coins circulated widely across the known Western world for centuries.

The obverse of the tetradrachms from Athens portray the Goddess Athena, for whom the city was named. The reverse exhibits an owl, the symbol of