

Liberty's Outlook

2017 & 2016 NLG Awards:
Best Dealer Publication

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US Government Declares War On The US Dollar!

"I like a dollar that's not too strong. I mean, I've seen strong dollars. And frankly, other than the fact that it sounds good, lots of bad things happen with a strong dollar. And I do like low interest rates. I mean, you know, I'm not making that a big secret. I think low interest rates are good." — US President Donald Trump in an interview last week

Last Wednesday, US President Trump signed into law a bill establishing economic sanctions on Russia, Iran, and North Korea.

More appropriately, it could be described as declaring war, at least economically, on these and other nations.

Why other nations? That is because the sanctions will impact businesses in countries that engage in trade with Russian enterprises. Germany, for instance, is highly dependent on Russian natural gas. Therefore, these sanctions could damage the German economy along with other European allies of the US government.

This new law has even worse implications. For instance, Russian Prime Minister Dmitry Medvedev said, "the signing of new sanctions on Russia by the president leads to several consequences. First, any hope of improving our relations with the new US administration is over. Second, the US just declared a full-fledged trade war with Russia. Third, the Trump administration demonstrated it is utterly powerless, and in the most humiliating manner transferred executive powers to Congress."

Did you realize that, in this new law, Congress has taken from the executive branch the authority to recognize foreign governments?

Although President Trump acknowledged that the law contained "serious unconstitutional provisions," he signed the bill because it had passed

2017 Year To Date Results

Through August 8, 2017

Precious Metals			
Palladium	+32.4%	Denmark Krone	-10.4%
Gold	+9.3%	Euro	-10.5%
Platinum	+8.1%	Mexico Peso	-13.9%
Silver	+3.0%	U.S. Dollar Index	93.52 -8.6%
Numismatics		US And World Stock Market Indices	
US MS-63 \$20 Liberty	+7.1%	NASDAQ	+18.3%
US MS-63 \$20 St Gaudens	+6.4%	Dow Jones World (excluding US)	+17.2%
US MS-65 Morgan Dollar, Pre-1921	-4.9%	Sao Paulo Bovespa	+12.7%
US Dollar vs Foreign Currencies		Dow Jones Industrial Average	+11.8%
Argentine Peso	+11.5%	S&P 500	+10.6%
Philippines Peso	+2.0%	Frankfurt Xetra DAX	+7.1%
Hong Kong Dollar	+0.9%	Shanghai Composite	+5.7%
Colombia Peso	-0.2%	London FT 100	+5.6%
Indonesia Rupiah	-1.6%	Nikkei 225	+4.6%
Russia Ruble	-2.4%	Russell 2000	+3.9%
Chile Peso	-3.1%	Australia S&P/ASX 200	+1.4%
China Yuan	-3.2%	10 Year US Treasury Note interest rate	2.282% -6.7%
Peru New Sol	-3.3%	Energy and Other Metals	
South Africa Rand	-3.4%	Cobalt	+74.3%
Brazil Real	-3.9%	Lead	+18.4%
Switzerland Franc	-4.4%	Copper	+15.7%
Malaysia Ringgit	-4.6%	Aluminum	+15.6%
Great Britain Pound	-5.0%	Zinc	+12.0%
New Zealand Dollar	-5.5%	Molybdenum	+5.1%
Japan Yen	-5.7%	Nickel	+2.7%
Singapore Dollar	-5.8%	Tin	-2.1%
Canada Dollar	-5.8%	Crude Oil, Brent	-6.5%
Israel Shekel	-6.2%	Natural gas, Henry Hub	-24.7%
India Rupee	-6.3%	Metal Content Value Of U.S. Coins	
South Korea Won	-6.5%	Lincoln cent, 1959-1982	1.92¢
Taiwan Dollar	-7.0%	Lincoln cent, 1982-date	0.74¢
Thailand Baht	-7.1%	Jefferson nickel, non-silver	3.67¢
Australia Dollar	-9.0%	Roosevelt dime, 1965-date	1.67¢
Sweden Krona	-10.2%	Washington quarter, 1965-date	4.16¢
		Kennedy half dollar, 1971-date	8.33¢

both chambers of Congress with veto-proof almost unanimous support.

Does any politician or bureaucrat in Washington, DC have any idea of what will happen should these sanctions actually have any impact on Russia, Iran, or North Korea?

I don't think so.

Effectively, enacting this law indicates that the US government has now declared war against the US dollar!

At one time, well over 90% of all international commerce was priced using US dollars and paid in that currency. The Society for Worldwide Interbank Financial Telecommunications (SWIFT) is technically a Belgium-based system to facilitate international transaction payments. However, in practice it is dominated by the US government as a way to maintain the use of the US dollar as the linchpin of international commerce.

Inside this issue: The Prospect Of Military Conflict page 3
US Mint To Issue Palladium Eagles Soon page 4
LCS's Heller Honored 3 Times In Denver page 4

(Continued from page 1)

For instance, after the US Senate Banking Committee approved sanctions against Iran in February 2012, the SWIFT system disconnected all Iranian banks that had been found in violation of US and European Union sanctions. After the 2016 agreement worked out with the Iranian government, Iran's banks were all re-connected to SWIFT.

Also, among the documents released by Edward Snowden, it was revealed that the US National Security Agency (NSA) widely monitors SWIFT banking and credit card transactions.

China has already been aggressively expanding its alternative international payments system that specifically excludes the use of the US dollar. With this new US law, their efforts are certain to attract more cooperation.

India and China had been sending gold to Iran to pay for oil, as those nations could not use the SWIFT system to send payments for four years.

As of now, depending on who you ask, the use of US dollars in international commerce is down to somewhere between 60% to 80% of all volume.

When foreign governments, central banks, and businesses have to hold US dollars in order to conduct international transactions, that effectively turns into interest-free or low interest loans to the US government, which helps subsidize budget deficits. Foreigners seek to obtain US dollars and supply goods and services in return.

With the law passed a week ago, it is virtually guaranteed that that other countries, including those considered American allies, will have a much stronger incentive to develop alternative payment systems outside of the domination of the US government.

Part of avoiding the domination of the US government means that such alternative systems will be using cur-

rencies other than the US dollar for pricing and paying for international transactions.

The best information I have is that there is currently about \$12 trillion of US Treasury debt and dollars held by foreigners. This exported debt and currency reduces the US government's budget deficit by at least \$100 billion per year.

To the extent that the newly imposed sanctions have any impact, there will be multiple kinds of damage inflicted to the US economy.

1. Foreigners will likely be less willing to trade with US entities. Those that do are more likely to refuse to price contracts in US dollars or use them for settling payments.
2. The US dollars and Treasury debt that are no longer needed to facilitate international commerce will be repatriated to the US government. In return, the foreigners will expect to receive goods and services or ownership of US businesses or real estate.
3. The federal government's budget deficit will increase. However, foreigners will be less willing to finance them, which will push up the interest rate paid by the US government to find alternative creditors.

In other words, the US government will suffer a major financial hit as will the US dollar. In turn, that will also hurt the US economy.

I repeat: Effectively, the law enacted last week represents the US government declaring war on the US dollar.

The US government, economy, and dollar were already going to get clobbered as the massive amounts of government unfunded liabilities for employee pensions and retiree health care benefits are going to finally be officially disclosed starting about the beginning of this month. The new sanctions law passed last week will simply accelerate the decline of the US dollar.

Government Unfunded Liabilities Gaining Greater Media Coverage

In some respects, it seems like I am close to being a lone voice warning of the imminent state, county, and local governments and government school districts that will be forced to disclose on their balance sheets the net present value of their unfunded liabilities for employee pensions and retiree health care benefits beginning with fiscal year ends of June 30, 2017 and later.

For example, the state of Michigan will be forced to post on its balance sheet close to \$60 billion of unfunded liabilities for the first time for its September 30, 2017 fiscal year end.

In January this year, Michigan Governor Rick Snyder finally appointed a Responsible Retirement Reform For Local Government Tax Force to investigate the scope of unfunded liabilities for the more than 1,800 county

Patrick A. Heller's Upcoming Speeches and Appearances

September 28, 2017, Livonia, Michigan, Michigan Treasure Hunters meeting.

"The Rise And Fall Of Rome's Money, And What It Means For American Today." Meeting starts at 7:00 PM at the Holy Cross Lutheran Church, 30650 Six Mile Road in Livonia. Guests are welcome at no charge.

November 24-26, 2017, Warren, Michigan, Michigan State Numismatic Society Fall Convention. Topic and time to be determined. Macomb County Community College South Campus Building P, 14500 East 12 Mile Road in Warren. No charge to attend presentation but there may be a charge to non-MSNS members who wish to enter the separate bourse floor.

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.

and local governments in the state. The committee released its report on July 18 (posted online at http://www.michigan.gov/documents/snyder/R3_Task_Force_Report_579101_7.pdf). In it is the disclosure that these governments, that pretended to have balance budgets over time, had a combined net present value of unfunded liabilities of \$17.6 billion.

Normally, such a committee would be charged with proposing solutions to this massive financial crisis. Although the report does include four recommendations on page 4, none of them offer suggestions on how to manage the growing liabilities.

Two of the recommendations propose more detailed financial disclosure of the unfunded liabilities. A third recommendation proposes to establish a Michigan state agency to oversee local government finances—which would duplicate the work of a state agency that already exists! The final recommendation is that when local governments hire new employees that they should pay the liability for retiree health care benefits in the year where it is actuarially owed, not waiting until the actual payments are made.

As you can see, none of these recommendations address actually trying to pay already existing liabilities or reducing the amounts owed.

Earlier in July, the Port Huron (Michigan) Times Herald reported that the city government of Port Huron pension contributions had increased from 62% of payroll in fiscal 2014 to 86% of

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(Continued from page 2)

payroll in fiscal 2017. City officials were already struggling with the fiscal crisis imposed by these higher mandatory payments to catch up for past underfunding.

Many state, county, and local governments have June 30, 2017 fiscal year ends. The financial reports from these entities are just now starting to be released. The public will suddenly become much more aware that a large number of these entities are either insolvent or actually bankrupt.

There are no painless, fast and easy ways to cover these unfunded liabilities. For a more thorough discussion of how these existing liabilities can be managed, please refer to the July 12, 2017 issue of *Liberty's Outlook* at www.libertycoinservice.com.

No matter what steps are taken to try to manage these liabilities, jobs will be lost, retirees will take a major financial hit, and consumer spending will decline. In other words, the US will be in a major recession or even a depression.

The Prospect Of Military Conflict

There is a timeless adage that when goods and services don't cross borders, eventually soldiers will.

The new US law passed last week will almost certainly have the impact of reducing the volume of goods and services that cross national borders. So, how soon with military conflict escalate?

The scary answer is that it could come about soon. The US government has ordered all Americans in North Korea to leave there by the end of this month. Such an order could be a signal of near-term military action (although it may also be a bluff).

Then, this afternoon, the government of North Korea threatened to fire four missiles simultaneously by the middle of August to land near the US territory of Guam in the Pacific Ocean. This is a fluid story, and it is not possible to predict whether tensions may escalate to actual military violence this month.

If this occurs, even if kept on a small scale and does not erupt into a regional or global conflict, there would be no winners. The "victors" would suffer right along with the vanquished, though maybe not to the same degree. In response, governments will almost certainly ramp up inflation of the money supply and taxation as two means to pay for the

costs of the fighting. The net result of such actions would be to reduce the value of the US dollar.

Of course, North Korea might not be where the next war starts that involves the US government. The US government currently has troops stationed in at least 130 nations, so there are plenty of possibilities (I don't regard them as "opportunities").

In terms of protecting your financial well-being, there will be little difference between an economic and a military war. For either development, you need to do what large numbers of citizens are already doing in China, India, Western Europe, and elsewhere—buying physical gold and silver.

Although only holding physical gold and silver will probably not be sufficient to help you ride out troubled times, these assets can give you a lot more flexibility than if you just owned paper assets such as stocks, bonds, and currencies.

If tensions mount in the coming week with North Korea, at some point I would expect panic buying of groceries, household supplies, and medications to occur across the US. Since no one of knows what the near future will hold, the best plan would be to stock up, to the degree possible, on such items before the stores are swamped with panicked buyers. If such purchases turn out not to have been necessary, you can still consume these items over time.

The same idea applies to acquiring your positions of physical gold and silver. You need to buy them before you "have to." It is safer to be weeks, months or years early than one day too late.

If you want examples of the difference owning physical gold and silver makes, there are several. You could study what happened in Indonesia during the Far East currency crisis of 1997. You could ask the Southeast Asian refugees alive today in America only because they had some gold to pay their way out of their homelands. Or you could check on would-be home owners in Vietnam, where only gold is acceptable to purchase real estate and paper currencies are not.

Silver and Silver Coins

Silver's price closed on the COMEX today at \$16.83, up exactly \$1.00 (6.3%) from last month.

Precious metals prices trended upward for much of July. In my mind part of the boost could have come from major financial players seeking protection against the damage to the US economy from the revelation of massive government unfunded liabilities.

But, when prices threatened to top major technical buying points a week ago, another "flash crash" sale of 1.077 million ounces of

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.

gold were dumped over 25 minutes on the CME Group's GLOBEX Exchange (CME Group also owns the New York COMEX and NYMEX) starting at 7:06 PM on August 3.

This is the time of day when trading is extremely thin and any large transactions would have a greater impact on prices. The price of gold dropped \$9 during this short period, which also had the sympathetic effect of suppressing silver prices.

Before then, there had been a modest resurgence of bullion-priced silver demand during July, more than for gold.

Higher gold and silver prices yesterday and today can be mostly attributed to safe haven buying over concerns of what will occur between the US and North Korea.

The premium to purchase US **90% Silver Coins** (5.6%) has fallen slightly, but only because the spot price of silver has risen. The same holds true for **100 Ounce Ingots** (4.7%), a somewhat cheaper way to acquire silver. If you wish to acquire bullion-priced silver right now, I would tend to recommend a mixture of these two products so that you can acquire low premium silver and also a highly divisible form.

The **10, and 1 Ounce Ingots** (5.9%) are also worth considering.

Over the past month, numismatic silver coins such as Morgan and Peace Dollars have mostly been soft, despite the higher prices. At the huge American Numismatic Association World's Fair of Money in Denver, Colorado last week, we took ad-

(Continued on page 4)

(Continued from page 3)

vantage of lower prices to acquire the largest quantity ever of **Superb Gem Mint State-66 Morgan Silver Dollars**. Several dates and mintmarks in this group merit our Highest Recommendation for appreciation potential. See our enclosed offer.

Gold And Gold Coins

Gold closed on the COMEX today at \$1,273.00, up a healthy \$55.00 (4.5%) from four weeks ago.

Though the American public's demand for gold rose for most of July, it was not enough to push up premiums to speak of. Supplies of bullion-priced physical gold and silver are readily available for immediate or short-delay deliver. But be warned—several dealers simply do not stock as wide a selection of low-premium gold as Liberty Coin Service does.

My recommended low-premium issues such as the US **American Arts Medallions** (1.9%), the Austria **100 Corona** (1.5%), and the Mexico **50 Pesos** (2.3%) are available at the same premiums as they were last month, which are still lower than they were in May.

The prices of **Pre-1934 US Gold Coins** are all over the map in the past few weeks. Some have actually dipped, others are up about equal to the increase in gold's price. Others are up even more. Overall, prices are up from last month.

At the ANA show last week, LCS Chief Numismatist Allan Beegle and LCS Communications Officer Patrick A. Heller discovered and brought home some **Small Lot Gold Coin Bargains**. See our flyer.

US Mint To Issue Palladium Eagles Next Month

Last week, the US Mint announced that it will begin selling bullion-priced Palladium Eagles to Authorized Purchasers (i.e. primary distributors) in September. A Proof version of the \$25 face-value coin is planned for 2018.

Don't be surprised if the initial release of the Palladium Eagle sells well, since it will be the first US palladium coin.

From recent wholesale trading activity, the coming debut of this coin has apparently hurt demand for prior bullion-priced palladium coins—the Russia Ballerina (1989-1995), the Australia Emu (1995-1998), and Canada Palladium Maple Leaf (2005-2015, though it theoretically might still be in production if demand increases).

As a result, premiums have fallen on the previously issued bullion-priced palladium

The Month

Gold Range	56.75	4.7%
Net Change	+55.00	
Silver Range	1.19	7.5%
Net Change	+1.00	
Gold/Silver Ratio	75.6	
Net change	-1.3	
Platinum Range	72.00	7.9%
Net Change	+60.00	
Platinum/Gold Ratio	0.77	

Date	Gold	Silver	Platinum
Jul 12	1,218.00	15.83	916.00
Jul 13	1,216.25	15.64	904.00
Jul 14	1,226.50	15.88	921.00
Jul 17	1,232.75	16.05	928.00
Jul 18	1,241.00	16.22	928.00
Jul 19	1,241.00	16.25	921.00
Jul 20	1,244.75	16.30	931.00
Jul 21	1,254.25	16.41	935.00
Jul 24	1,254.00	16.40	929.00
Jul 25	1,251.75	16.50	929.00
Jul 26	1,251.50	16.52	922.00
Jul 27	1,259.50	16.52	923.00
Jul 28	1,268.50	16.66	933.00
Jul 31	1,266.50	16.75	937.00
Aug 01	1,268.25	16.68	943.00
Aug 02	1,271.75	16.69	950.00
Aug 03	1,267.75	16.59	964.00
Aug 04	1,258.25	16.22	969.00
Aug 07	1,258.25	16.22	971.00
Aug 08	1,256.50	16.36	974.00
Aug 09	1,273.00	16.83	976.00

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 newsletter date:

Gold: +\$ 8.59
Silver: +\$ 1.03

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

um coins. In the case of the Canadian Palladium Maple Leaf, price has fallen about \$15 per ounce relative to metal value over the past month. Although the retail premiums for the Palladium Eagles are not yet set, I would expect them to be higher than for ingots and coin issues from other countries.

Some have asked if it would be worth acquiring one or more of the Palladium Eagles. I suggest not doing so.

First, the current price of palladium is near its highest levels in more than a decade. For a long time, the spot price of palladium was roughly half that of platinum, a metal with which it shares similar chemical properties. This ratio occurred partly

because, in industrial applications (and palladium is really only an industrial metal with no financial usage), it was often possible to use either platinum or twice the amount of palladium to serve the same purpose.

I am not enthusiastic since today's palladium price is more than 90% of platinum, far higher than about 50% in the past. While relative supply and demand fundamentals can shift over time, at the current price of palladium I consider it less attractive for value than for platinum.

But, keep in mind that Russia is the world's dominant supplier of palladium. Any reduction in supply from there could have the result of temporarily pushing up prices in absolute terms and against the prices of other precious metals.

LCS's Heller Honored Three Times Last Week

At the American Numismatic Association (ANA) World's Fair of Money in Denver, Colorado last week, LCS Communications Officer Patrick A. Heller was honored three times.

First, the ANA recognized him with this year's Exemplary Service Award. This is given for services on behalf of the ANA and the ANA's mission. Heller has served on two ANA committees a total of twelve years thus far and has been an ANA exhibit judge for the past three years. He has supported the ANA's education mission by teaching classes on coin collecting and in using coins and paper money to make hundreds of presentations in schools and before Scout, 4-H, and a wide variety of adult organizations.

Later, Heller was honored by the Numismatic Literary Guild (NLG) with awards for Best Dealer-Published Magazine or Newspaper and Best Radio Report. These are the same awards for which he was recognized in 2016. He has now received NLG awards for Best Radio Report in five of the seven years he has done 3-minute commentaries on 1320-AM WILS in Lansing, Michigan under the title of "Things You 'Know' That Just Aren't So, And Important News You Need To Know" (archived online at <http://1320wils.com/pages/patrick-a-heller-commentary>).

Incidentally, Heller was also asked, and accepted, to again serve as chair of the ANA's Finance, Budget, and Investment Committee for the next two years. He has been on this committee for the past decade, including service as chair or co-chair from 2007-2015.

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Liberty Coin Service Computer Quotes 2PM EDT 8.9.17

Spot Prices

Item	Qty	Fine Wt	Price	Cost/Oz	Premium
*U.S. 1 Oz Gold Eagle	10	1.0000	1,328.75	1328.75	4.3%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	684.25	1368.50	7.4%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	352.25	1409.00	10.6%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	144.70	1447.00	13.6%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,336.50	1336.50	4.9%
*U.S. 1 Oz Medallion	10	1.0000	1,298.25	1298.25	1.9%
*U.S. 1/2 Oz Medallion	10	0.5000	650.50	1301.00	2.1%
*Australia 1 Oz Kangaroo	10	1.0000	1,332.50	1332.50	4.6%
*Austria 100 Corona	10	0.9802	1,267.50	1293.10	1.5%
*Austria 1 Oz Philharmonic	10	1.0000	1,322.50	1322.50	3.8%
*Canada 1 Oz Maple Leaf	10	1.0000	1,311.00	1311.00	2.9%
*Canada 1x25 Maplegram	10	0.8039	1,155.25	1437.06	12.8%
*China 30 Gram Panda	10	0.9646	1,317.50	1365.85	7.2%
*China 1 Oz Panda	10	1.0000	1,362.00	1362.00	6.9%
*Mexico 50 Peso	10	1.2057	1,571.50	1303.39	2.3%
*S. Africa Krugerrand	10	1.0000	1,317.25	1317.25	3.4%
*1 Oz Ingot	10	1.0000	1,309.75	1309.75	2.8%
*Austria 1 Ducat	10	0.1107	153.30	1384.82	8.7%
*British Sovereign	10	0.2354	317.50	1348.77	5.9%
*France 20 Franc	10	0.1867	252.50	1352.44	6.2%
*Swiss 20 Franc	10	0.1867	253.00	1355.12	6.4%
\$20 Liberty BU	10	0.9675	1,380.00	1426.36	12.0%
\$20 St Gaudens BU	10	0.9675	1,385.00	1431.52	12.4%
\$20 Liberty Extremely Fine	10	0.9675	1,360.00	1405.68	10.3%
\$10 Liberty Extremely Fine	10	0.4838	675.00	1395.20	9.5%
\$10 Indian Extremely Fine	10	0.4838	725.00	1498.55	17.6%
\$5 Liberty Extremely Fine	10	0.2419	355.00	1467.55	15.2%
\$5 Indian Extremely Fine	10	0.2419	405.00	1674.25	31.4%
\$2.50 Liberty Extreme Fine	10	0.1209	320.00	2646.82	107.8%
\$2.50 Indian Extreme Fine	10	0.1209	275.00	2274.61	78.5%
*U.S. 90% Silver Coin	1,000	715	12,750.00	17.83	5.6%
*U.S. 40% Silver Coin	1,000	295	5,230.00	17.73	5.0%
*U.S. Peace Dollars, VG+	1,000	760	17,500.00	23.03	36.4%
*U.S. Silver Eagles	1,000	1,000	19,480.00	19.48	15.4%
*Canada Silver Maple Leaf	1,000	1,000	18,970.00	18.97	12.4%
*100 Oz Silver Ingot	10	100	1,768.00	17.68	4.7%
*10 Oz Silver Ingot	100	10	178.80	17.88	5.9%
*1 Oz Silver Ingot	1,000	1	17.88	17.88	5.9%
*1 Oz Platinum Ingot	10	1.0000	1,029.00	1029.00	4.9%
*U.S. 1 Oz Platinum Eagle	10	1.0000	1,084.00	1084.00	10.5%
*Canada Palladium ML	10	1.0000	922.00	922.00	2.9%

Gold:	\$1,274.00
Silver:	\$16.88
Platinum:	\$981.00
Palladium:	\$896.00

Notes from Liberty

By Allan Beegle
LCS Chief Numismatist

July's sales were our second highest of any month thus far in 2017. Lower gold and silver prices early in the month dampened buyer enthusiasm. Recent higher prices have sparked a moderate surge in customer demand.

Once again virtually everything offered in last month's newsletter found new homes. Unfortunately, because many of these coins are genuinely rare, we often cannot locate any more specimens once we sell out (especially at the same bargain price). However, we do have a few of some of the Better-Date Morgans still available.

Last week, I flew to Denver with LCS Communications Officer Pat Heller to attend the American Numismatic Association World's Fair of Money. This is the second largest coin show in America, exceeded only by the Florida United Numismatists show in January.

I didn't think we would sell much there, as we had comparatively little excess inventory to offer. To my surprise, by the end our sales were the most for any coin show thus far this year. Demand was that strong.

Unfortunately, bargain hunting was just as difficult as it has been for the past couple of years. When prices decline, collectors tend to hold off liquidating their holdings. As a result, there is comparatively little material available on the market at the bottom of price cycles.

On the last day of the show, a Midwest dealer offered me the largest group of **Superb Gem Mint State-66 Morgan Silver Dollars** that we have handled in some

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, September 2 and Monday, September 4 for the Labor 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	\$11,020
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20	\$640
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20	\$850
U.S. Peace Dollar, Brilliant Uncirculated Roll/20	\$540

Gold:	\$1,274.00
Silver:	\$16.88
Platinum:	\$981.00
Palladium:	\$896.00

Numismatic Coins (PCGS/NGC/ICG Graded)

	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	1,430	1,495	1,715
U.S. \$20.00 Liberty	1,535	1,640	2,610
U.S. \$10.00 Liberty	765	1,130	2,535
U.S. \$5.00 Liberty	530	750	1,835
U.S. 4 pc Indian Gold Type Set	3,595	5,110	12,625
U.S. 4 pc Liberty Gold Type Set	3,195	3,960	7,700
U.S. 8 pc Gold Type Set	6,730	8,920	19,875
U.S. Morgan Dollar (Pre-1921)	55	66	135
U.S. Peace Dollar	38	47	122

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.

time. In fact, we have never before in our history had enough specimens in this lofty quality to make a general offer to all of our customers! Among this lot were multiple dates and mintmarks that earn our Highest Recommendation for appreciation potential. If you purchase ten or more of these coins, you will receive one of these desirable dates in your purchase at no extra charge.

Between Pat and I, we did pick up some **Small Lot Gold Coin Bargains**. If you compare these coins to their catalog values and what they are selling for elsewhere, you will understand the value. If you need any more proof—another dealer that saw one of these groups at the ANA offered us a price not much less than we are offering them for here to purchase the entire group from us.

Last, I came across a **Gem Mint State-65 English King Cnut Silver Penny** that is the highest quality specimen of the type ever certified by NGC. Eight months ago, we sold another Cnut Silver Penny in Very Fine condition, which may have been the finest quality piece of his that we might have ever handled up to then. This coin blows away the beauty of any other 1,000-year-old coin we have ever had the pleasure of carrying in our inventory. Only one available.

With limited quantities of each of the bargains offered this month, I suggest you review the offers promptly. Then call our **Trading Desk toll-free at 800-527-2375** to verify availability and lock in your order.

As usual, we also brought back some other

one-of-a-kind coins from Denver that have exceptional value. Enjoy reading about them:

Awesome Very Choice Mint State-64 1872 Seated Liberty Silver Half Dime:

The US Mint is regularly striking more than 1.5 billion Jefferson Nickels for circulation every year. But things were much different in 1872, the next to last year that the US Mint struck a 5-cent coin out of silver. Called a Half Dime, this coin had a modest mintage of just 2,947,000 coins. Virtually all entered circulation.

And talk about rarity! PCGS and NGC combined, over the past 31 years, have certified a mere 190 examples of this date in MS-64 quality and a mere 107 in all higher grades!

From a dealer friend at the ANA last week, I picked up this amazing PCGS-certified MS-64 Seated Liberty Silver Half Dime. The obverse die had been so heavily polished that horizontal grooves had worn into it, imparting a flashy semi-proof-like from the raised lines visible on the field of this specimen. It is mostly white with hints of brownish toning around the periphery. This is the highest quality Silver Half Dime of any date we have handled in some time.

PCGS Retail catalogs this coin for \$450. Coin Values lists MS-63 grade pieces at \$275 and MS-65 quality at \$650. At one time this coin was selling for more than \$1,500, but you can own it now for \$420.

Superb Gem Classic Silver Commemorative Half Dollars: Here are two newly acquired lovely white specimens.

1936 Albany, New York, MS-67, PCGS—\$850. Mintage is a low 17,671. PCGS and NGC together have certified only 316 MS-67 pieces and a paltry 39 in higher grades. At one time this coin would have cost you close to \$11,000. . Coin Values does not catalog this coin in MS-67 condition. PCGS Retail is at a humorous \$775, which is lower than what the most recent comparable coins have sold for in auction or are listed for sale on wholesale trading sites. Just try to find an equally nice specimen at our price! Possibly the finest we have ever had in stock.

1924 Huguenot-Walloon MS-66, PCGS—\$475. Mintage 142,080 of which a large number entered circulation. PCGS and NGC together have graded 705 in MS-66 quality and only 152 higher. One of the nicest examples we have ever handled. Has sold for as much as \$8,000 in the past. Today Coin Values is \$525 and PCGS Retail is \$500.

\$2.50 Quarter Eagle Rarities: We wish we could find the following coins in multiple coin quantities so that several customers would have the opportunity to own them. But, they are genuinely scarce.

1877-S \$2.50 Liberty, MS-62, PCGS—\$1,095. How rare is this coin. First, it has a low mintage of just 35,400. Next, PCGS and NGC have certified a minuscule 111 MS-63 specimens and just 51 in all higher grades! Last, these are so scarce that we can only find four MS-62 or higher grade specimens that have appeared in major auctions in the past year. This coin is graded quite conservatively and may be nicer than any of those that appeared in recent auctions, including the MS-63 coin that sold for \$2,233. PCGS Retail is \$1,450 and Coin Values lists it at \$1,350. Perhaps the finest we have owned.

1878-S \$2.50 Liberty, MS-61, NGC—\$450. Mintage a modest 178,000, PCGS/NGC MS-61+ population of only 539. Another coin that, at a quick glance, seems to merit a higher grade. PCGS Retail catalogs it for \$500 while Coin Values lists it at \$575 for MS-60 quality and \$975 in MS-62. We could find only one specimen of this quality in major auctions over the past year.



1872 H10C
PCGS MS64
4400.64/83922191



1872 Seated Liberty Half Dime
MS64 PCGS - \$420



1936 50C
PCGS MS67
Albany
9227.67/83221482



1936 Albany Commemorative Half Dollar
MS67 PCGS Certified - \$850



1924 Huguenot Commemorative Half Dollar
MS66 PCGS Certified - \$475



1877-S \$2.50 Gold Liberty MS62
PCGS Certified - \$1,095



1878-S \$2.50 Gold Liberty MS61
NGC Certified - \$450

An Unexpected Bargain (with a quantity bonus!)

**Superb Gem
Mint State-66
Morgan Silver Dollars!**



To: All Clients

From: Allan Beegle, LCS Chief Numismatist

Date: August 4, 2017

It's like paying less than 15 cents on the dollar!

I have just returned from the American Numismatic Association World's Fair of Money in Denver, Colorado. On my last day there, a dealer friend offered me a bargain deal that seemed too good to pass up—flashy white or lightly toned Superb Gem Mint State-66 Morgan Silver Dollars!

I quickly checked with LCS Communications Officer Pat Heller, who attended the show with me. He immediately agreed that if we could only select specimens that met our strict quality standards to jump on the opportunity. I quickly reviewed the coins, rejecting a handful, and was able to purchase the rest at the offered price.

While our inventory lasts, you can pick up one or more of these beautiful treasures for just \$229 each—or less!

Why I love this opportunity.

At the last major market peak in mid-1989, these coins were selling retail for \$1,700 apiece, a price that was about 150% higher than that of Gem Mint State-65 quality specimens. Today, you could purchase more than seven coins for what one would have cost you back then—at a price that is barely 70% higher than for MS-65 coins.

And a quantity purchase bonus!

Last year, LCS Communications Officer Patrick A. Heller updated his analysis of the Morgan Silver Dollar series in grades Choice Mint State-63 through Superb Gem Mint State-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 he compared this data against that of the 1881-S Morgan, the most common issue in high quality.

From this analysis, he 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 have eagerly sought these coins ever since we published our analysis. The attraction is easy to understand—as many of these coins can be acquired for 70%, 80%, or even 90% less than what they cost 27 years ago!

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.

Pat updated this analysis in 2010 and again last year for changes in the supply of coins and current catalog values. In the process, he discovered that both times, in general, the Morgan Dollars that earned the Highest Recommendation outperformed those that did not.

However, he noticed an anomaly with last month's update. Most dates in the series that graded Superb Gem Mint State-66 fell in price from 2010—even though the coins with the highest Index performed better, on

average, than those with the lower Index rating.

As a consequence, the Undervaluation Index™ for most dates in this grade have risen from six years ago. For example, even the most common date, the 1881-S, saw its Undervaluation Index™ increase from 3 (Not Recommended) to 6 (Recommended). The 1886 date jumped from an Index of 13 (High Recommendation) to 31 (Highest Recommendation).

From our experience over the past several months, we have found all Superb Gem Mint State-66 Morgan Dollars to be more difficult to locate than in years past. As a result, price declines have slowed; some have started turning upward.

When Pat later reviewed the coins in this group, he noticed that there were several pieces of the 1886 date (Undervaluation Index™ of 31) and another handful from dates such as 1885 and 1887, each with an Undervaluation Index™ of at least 80!

For those who purchase 10 or more coins, we are adding a bonus: for a purchase of 10-19 coins one of them will be the 1886 date. For those who purchase a 20-coin lot, one of the coins will have an Undervaluation Index of at least 80.

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.

They Won't Last Long!

After I acquired this group, I was not able to find more at the same money-saving price. As a complete sellout is likely, we must limit orders to twenty (20) coins.

Act Today: Orders will be filled on a first come, first served basis. I urge you to telephone today to ensure availability and to confirm your purchase! To reserve your purchase, call us Toll-Free at **800-527-2375**. Or return the coupon below. Remember, you can use your Visa, Mastercard, and Discover charge cards to purchase these coins. For our mutual protection, all mail-order purchases paid by credit cards will be shipped only to the credit card billing address.

Sincerely,



Allan Beegle
LCS Chief Numismatist

Yes! Please ship me the Superb Gem Mint State-66 Morgan Silver Dollars that I have indicated below. I understand that every coin has been independently certified by the Professional Coin Grading Service (PCGS) or Numismatic Guaranty Corporation (NGC) as well as being backed by LCS's exclusive guarantees. I may return them for a full refund for any reason within 14 days of my receipt. Limit 20 coins per order. Note: 10-19 coin orders will include an 1886 Morgan Dollar with an Undervaluation Index™ of 31; 20-coin orders will include a Morgan Dollar with an Undervaluation Index™ of at least 80!

_____ U. S. Morgan Silver Dollar, PCGS/NGC, Superb Gem Mint State-66 (1-4 Coins) @ \$ 229 each = _____

_____ U. S. Morgan Silver Dollar, PCGS/NGC, Superb Gem Mint State-66 (5-9 Coins) @ \$ 227 each = _____

_____ U. S. Morgan Silver Dollar, PCGS/NGC, Superb Gem Mint State-66 (10-20 Coins) @ \$ 225 each = _____

Postage (see Computer Quotes Page) _____

Total Enclosed _____

name _____

address _____

city,state,zip _____

telephone number _____

Confirmed by phone? _____ Confirmation # _____



Small Lot Gold Coin Bargains!



by Allan Beegle, LCS Chief Numismatist, and Patrick A. Heller, LCS Communications Officer

It continues to be exceedingly difficult to find any sizeable quantities of high-grade, less-common gold coins that we can offer to all of our valuable customers. Still, at the American Numismatic Association World's Fair of Money in Denver, Colorado last week, we were able to find with some small lots of extra special coins.

With so few coins on hand, which almost always sell out quickly, we have eliminated the order blank. Please contact us early to confirm availability and lock in your purchase.

Review the coins listed here, then **call 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

1882 \$5.00 Liberty, Choice Mint State-63, NGC—\$525 (4 coins available). We really love the value of Common-Date Choice Mint State-63 \$5.00 Liberties. These coins have sold for as much as \$3,550 at one time. Today, you can acquire them at a fraction of that price.

At a quick review, the 1882 \$5.00 Liberty might not seem like a special date. Its mintage of 2,514,250 is the fifth highest of all \$5.00 Liberties struck during its 70 years of production.

It is also not that scarce in high grade. But—it is about the least common \$5.00 Liberties in Choice Mint State-63 and higher grades that you can purchase at the Common Date price! So, if you seek a “Common-Date MS-63 \$5.00 Liberty, these 135-year old beauties are the coins to own.

Since 1986, the Professional Coin grading Service (PCGS) and Numismatic Guaranty Corporation (NGC) have certified just 3,107 MS-63 and nicer pieces. They are more than triple the rarity of the 1900 \$5.00 Liberty with PCGS/NGC MS-63+ populations of 10,442 coins.

These coins were thought to be even scarcer in years past. Even today, the PCGS Retail for the MS-63 1882 \$5.00 Liberty is still \$1,250 versus \$480 for the 1900 date of the same grade. In *Coin Values* the 1882 catalogs for \$850 and the 1900 at \$650. Obviously, at the LCS money-saving common-date price offered here, how can you resist?

1898 \$20.00 Liberty, Mint State-62, NGC—\$1,750 (2 coins available), and Choice Mint State-63, NGC—\$2,795 (4 coins available). The MS-63 examples in this group may be the finest specimens of this date we have ever handled.

Mintage is a modest 170,395 coins. Over the past 31 years, PCGS and NGC combined have certified a mere 1,838 pieces in Mint State 62 and higher grades, a meager 400 graded Choice MS-63, and a paltry 47 examples in all higher grades

combined! That makes the MS-62 grade coins more than 194 times scarcer than the 1904 date, while the MS-63 and nicer pieces are almost 500 times rarer than the common-date 1904 in the same grade.

Yet, despite all this rarity, we can offer you these coins at desirable discounts. In MS-62 grade, this date catalogs for \$2,250 apiece in both *PCGS Retail* and *Coin Values*; the MS-63 coins list for \$3,600 and \$4,500, respectively. That compares to the 1904 \$20 Liberty listing for \$1,495 and \$1,600 in MS-62 condition in the two catalogs or at \$1,600 and \$1,750 for MS-63 quality. Our price for the MS-62 coins is lower than all but one specimen sold for in a major auction over the past year. Over the past year, the handful of MS-63 specimens in major auctions have sold from \$2,820 to \$3,525 apiece.

Foreign Coins

1869-A France Napoleon III 100 Francs, Mint State-60, NGC—\$1,850 (3 coins available). These were the largest circulating French gold coins of the era, containing 0.9334 oz of gold. These issues during France's Second Empire (1852-1870) have a combined mintage of a meager 443,882 among 25 different dates and mintmarks. The 29,000 pieces struck at the Paris Mint in 1869, as were these coins, was the second highest mintage of the entire series. (Had these been US coins of that era and mintage, they would almost certainly be great rarities today.)

Louis-Napoleon Bonaparte was the nephew and designated heir to the infamous Napoleon Bonaparte I. He became France's first popularly elected president in 1848, the youngest French president until Emmanuel Macron who was elected this year. Barred from running for re-election, he organized a coup d'état and proclaimed himself Emperor in 1852. After failing to expand the French Empire in Mexico in the late 1860s, France was defeated by Prussia in the Franco-Prussian War of 1870, which ended the Second Empire.

French Gold 100 Francs were not commonly seen in any condition until a moderate hoard emerged a few years ago. Even this year, NGC-certified lower grade About Uncirculated specimens have been selling in major auctions for more than \$1,900 apiece. We hand-selected these coins from a some-

what larger group, bought them at a real money-saving price, and pass the savings on to you.



Gem Mint State-65 English King Cnut Silver Penny!

**Finest Known NGC-Certified Specimen Of A 1,000
-Year Old Treasure!**

An Exciting Discovery Coin

At the American Numismatic Association World's Fair of Money in Denver last week, LCS Chief Numismatist Allan Beegle was talking with a dealer friend who specializes in early US Coinage. As Allan was chatting with him and reviewing his inventory, he came across a spectacular 1,000-year old English King Cnut (also called Canute) Silver Penny.

This "hammered" (for its crude method of production that involved striking the dies into the planchet with the use of a hammer) coin has almost perfect surfaces. It is also virtually perfectly centered. It has survived in such high condition that even a bit of rough extra metal around the rim from the way it was struck is still there!

Allan remembered that last December we had offered a Very Fine or better uncertified Cnut Silver Penny that we could have sold multiple times over. At the time, this coin had been possibly the finest Cnut Silver Penny we had ever handled. Out of curiosity, he asked the dealer for more background on this extraordinary example.

The dealer said that, though it was outside of his normal interests, he had acquired it on the basis of its superior quality, especially when he learned that the Numismatic Guaranty Corporation (NGC) had certified only this one specimen of this type (catalog number S-1158) in the grade of Gem Mint State-65 and that it was the finest they had graded!

Allan promptly contacted me to come over to inspect the coin. Once I saw its beauty, I wanted to verify how special a coin this was.

NGC confirmed that it was the highest it had ever graded of this type and that it was the only specimen to receive this grade. When I consulted the archives of the largest numismatic auction house in the US, they did not show a single silver penny of this King ever being offered (though they had handled two specimens of another English King Cnut from the early 800s).

Checking further, I learned that nice circulated specimens of this King had sold for up to more than a thousand dollars. I also found that unattributed Viking coinage of that era that graded MS-65 were selling for \$1,400 or so.

So, the price quoted by the dealer for the finest known NGC-certified specimen of this type was reasonable. As we prepared to write the check, however, the dealer in-

sisted on one provision—that if we did not sell the coin, he would love to buy it back from us.

This coin is obviously worth more than unattributed Viking coins of comparable quality—because this piece is attributed to the issuing king and identified as the long helmet variety and because this coin was issued by the famous Cnut.

Cnut and his father, Sweyn Forkbeard led a Viking invasion of England that succeeded, with his father assuming a partial crown in 1013. Cnut became king of all of England in 1016, king of Denmark in 1018, and of Norway in 1028, thus forming the North Sea Empire. Historians have called him the most effective of all Anglo-Saxon kings.

Cnut is perhaps most famous for the apocryphal story where he was placed in the sea and unsuccessfully ordered the incoming tide to stop. This was a demonstration of his humility and that he did not have the same power as God.

To give one special LCS customer the opportunity to own it, we are pricing it at \$2,250. We do have one request of the purchaser though. Like the last dealer who owned this coin, if the next owner were ever interested in selling it we also would like the first option to buy it back.

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.

by Patrick A. Heller, LCS Communications Officer

