

# Liberty's Outlook

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January 2020, Volume 26 Issue 1 Liberty Coin Service's Monthly Review of Precious Metals and Numismatics January 15, 2020

## Precious Metals Prices Strong In 2019! Which Will Rise Further In 2020?

### Gold's 2019 Performance Versus Selected Currencies

#### Currency 2019 Gold Price Change

Argentina Peso	+90.8%
Chile Peso	+29.1%
Sweden Krona	+25.3%
South Korea Won	+23.4%
Brazil Real	+23.0%
India Rupee	+22.1%
Denmark Krone	+21.5%
Euro	+21.5%
Colombia Peso	+20.7%
China Yuan	+20.3%
Australia Dollar	+19.5%
<b>US Dollar</b>	<b>+18.9%</b>
New Zealand Dollar	+18.8%
Hong Kong Dollar	+18.3%
Malaysia Ringgit	+17.7%
Japan Yen	+17.7%
Singapore Dollar	+17.3%
Switzerland Franc	+17.1%
Peru New Sol	+17.1%
Taiwan Dollar	+16.4%
South Africa Rand	+15.8%
Philippines Peso	+15.6%
Indonesia Rupiah	+14.9%
Mexico Peso	+14.6%
Great Britain Pound	+14.2%
Canada Dollar	+13.4%
Thailand Baht	+10.2%
Israel Shekel	+9.8%
Russian Ruble	+5.5%

### 2019 Annual Results

#### Precious Metals

Palladium	+52.5%
Platinum	+22.3%
Gold	+18.9%
Silver	+15.3%

#### Numismatics

US MS-63 \$20 St Gaudens	+17.0%
US MS-63 \$20 Liberty	+15.3%
US MS-65 Morgan Dollar, Pre-1921	+3.3%
LCS Invest Blue Chip Coins Index	+2.5%
LCS US Currency Index	+0.8%
US Silver Proof Sets, 1950-1964	+0.3%
US Proof Sets, 1968-1998	+0.0%
US Proof Silver Eagles, 1986-1998	-0.5%
LCS Investor Rare Coins Index	-1.4%
LCS Collector Key Date Coin Index	-4.8%
LCS Collector Generic Coins Index	-9.4%

#### US Dollar vs Foreign Currencies

Argentina Peso	+60.5%
Chile Peso	+8.6%
Sweden Krona	+5.4%
South Korea Won	+3.8%
Brazil Real	+3.5%
India Rupee	+2.7%
Denmark Krone	+2.2%
Euro	+2.2%
Colombia Peso	+1.5%
China Yuan	+1.2%
Australia Dollar	+0.5%
New Zealand Dollar	+0.0%
Hong Kong Dollar	-0.5%
Malaysia Ringgit	-1.0%
Japan Yen	-1.0%
Singapore Dollar	-1.3%
Peru New Sol	-1.5%
Switzerland Franc	-1.5%
Taiwan Dollar	-2.1%
South Africa Rand	-2.6%
Philippines Peso	-2.8%

Indonesia Rupiah	-3.3%
Mexico Peso	-3.6%
Great Britain Pound	-3.9%
Canada Dollar	-4.6%
Thailand Baht	-7.3%
Israel Shekel	-7.6%
Russia Ruble	-11.3%
U.S. Dollar Index	96.49 +0.40%

#### US And World Stock Market Indices

NASDAQ	+35.2%
Sao Paulo Bovespa	+31.6%
Standard & Poors 500	+28.9%
Frankfurt Xetra DAX	+25.5%
Russell 2000	+24.2%
Dow Jones Industrial Average	+22.3%
Shanghai Composite	+22.3%
Australia S&P/ASX 200	+18.4%
Tokyo Nikkei 225	+18.2%
Dow Jones World (excluding US)	+18.2%
London FT 100	+12.1%

10 Year US Treasury Note interest rate	1.92% -28.46%
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#### Energy and Other Metals

Nickel	+32.1%
Crude Oil, Brent	+22.7%
Molybdenum	+9.6%
Copper	+3.2%
Aluminum	-3.7%
Lead	-4.3%
Zinc	-8.7%
Tin	-13.6%
Natural Gas, Henry Hub	-26.4%
Cobalt	-41.3%

#### Metal Content Value Of U.S. Coins

Lincoln cent, 1959-1982	1.85¢
Lincoln cent, 1982-date	0.60¢
Jefferson nickel, non-silver	4.06¢
Roosevelt dime, 1965-date	1.84¢
Washington quarter, 1965-date	4.60¢
Kennedy half dollar, 1971-date	9.20¢

Wow! With so many breaking news developments, where should I begin?

Let's start with the state of the precious metals markets at the end of 2019. Please excuse me—there are a lot of statistics in this issue, but it will be well worth your while taking the time to digest their significance.

The price of gold closed on the New York COMEX at \$1,519.50 on December 31, 2019. That was the highest year-end close since it settled at \$1,674.75 at the end of 2012. Here are recent year-end trading day closes:

2019	\$1,519.50	2009	\$1,095.25
2018	\$1,278.25	2008	\$886.00
2017	\$1,306.25	2007	\$835.00

2016	\$1,150.00	2006	\$635.00
2015	\$1,060.25	2005	\$517.50
2014	\$1,193.00	2004	\$437.50
2013	\$1,202.00	2003	\$415.50
2012	\$1,675.75	2002	\$347.50
2011	\$1,565.75	2001	\$279.00
2010	\$1,421.00	2000	\$272.25
		1999	\$288.25

As you can see, the year end close for 2019 was exceeded only at the end of 2011

and 2012. I have a high degree of confidence that the price of gold at the end of 2020 will be higher than it was at the end of 2019.

### Why Gold And Silver Prices Are Likely To Rise In 2020

The major reasons why I anticipate higher gold prices by the end of 2020 are:

#### US Banking System Liquidity Crisis.

The value of the US dollar was strong for much of 2019. However, after the Federal

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Reserve Bank of New York had to inject more than \$100 billion of emergency liquidity into the banking system's overnight loan markets on September 17 and 18, the dollar started to decline.

Although Fed officials have testified before Congressional committees that this liquidity crisis was only a two-day problem in September, the Fed has actually continued providing more liquidity every business day since. These loans are no longer just overnight loans. Now they include 14-day loans and up to 43-day loans.

By the end of December, the Fed had provided more than \$4 trillion in loans. Now in January 2020, the Fed has increased the daily limit of liquidity injections to \$120 billion.

It seems obvious to me and a number of other market observers that these supposedly 1-day, 14-day, and 43-day loans are simply being paid off by taking out new loans to do so. The evidence that this is happening is that the Fed's balance sheet has not ballooned by the entire \$4 trillion by the end of 2019.

On October 11, 2019, Federal Reserve Chair Jerome Powell said that the Fed would begin buying government-backed securities to expand its balance sheet. When the Fed did this a decade ago as a tactic to end the Great Recession, this practice was called "quantitative easing," which was a way to try to disguise that the Fed was inflating the money supply.

This time around, the Fed is trying to pretend that these same actions are not inflating the money supply.

Still, by three weeks ago, the Fed's balance sheet had increased \$386.5 billion since August 1, 2019 to reach \$4.166 trillion. That is within \$300 billion of surpassing the highest level of assets acquired to combat the Great Recession.

While Fed officials keep trying to downplay these liquidity injections, which are the first provided to the US banking system since 2008, the extent of these "emergency measures" just keep getting larger every day.

**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, exnumia, paper money, and other collectibles. On eBay, search for sellers **Treasurechestofliberty** or **Collectables-of-liberty**. Other items are listed for sale on the LCS website at [www.libertycoinservice.com](http://www.libertycoinservice.com).

**It is no coincidence that the value of the US dollar began to decline against almost all other currencies shortly after these liquidity injections began. As a result, as you can see in the table on page one, the value of the US dollar at the end of 2019 was lower than it was at the end of 2018 compared to 16 of the 28 currencies I track!**

While steps will be taken to try to shore up the value of the dollar to a degree, it is destined to fall further in 2020. As it falls, gold and silver prices are almost certain to rise.

**Extreme Short Selling Of COMEX Gold Futures Contracts In 2019.** At the end of 2018, there were about 45 million ounces of gold committed by open interest on the COMEX gold futures exchange. Demand surged almost 75% over the course of the year to an all-time record high in excess of 78.6 million ounces at the end of 2019! In fact, the size of the open positions at the end of 2019 were 50% greater than the pre-2019 record.

For the COMEX open position, with one long and one short party for each contract, to grow this much indicates that one or more major strong hands buyers are in the market in order to afford plunking down more than a net of \$50 billion in 2019 to take long positions on these contracts. Such market players are less likely to be spooked out of a market than a large number of very small traders. Instead, they are looking to reap huge profits as the price of gold continues to rise.

**Significant Shift In How Mature COMEX Gold Contracts Called For Delivery Were Settled In 2019.** For each futures contract there is a party on the long side who "owns" the underlying metal (or the value thereof) and a party on the short side who "owes" the metal (or the value thereof).

There was a continuing development on the COMEX gold market in 2019 of maturing COMEX gold contracts called for delivery mostly not being settled by the standard terms (delivery of the physical metal, payment in cash, or delivery of shares of gold exchange traded funds representing the amount of gold in the COMEX contract). Instead, most maturing contracts in 2019 were settled by what is considered to be an "emergency" option of exchange for physical (EFP). Under exchange for physical settlements, the short seller pays the long party some amount of cash plus a London market gold contract for the same amount of gold.

Settlement by exchange for physical is the most expensive way for a short seller to settle up. If there were ample physical gold available to deliver against such contracts, it would be in the economic interest of short sellers to do so. The fact that they cannot do so very often is a major signal of a huge shortage of physical gold. While physical shortages can be masked for a time by the trading of paper contracts such as COMEX gold futures, it will come to an end at some point in the future. The extreme shift to settling contracts by exchange for physical indicates a higher risk of

## 2019 Agricultural Commodity Track Record

Cheddar cheese, bulk	+33.6%
Corn oil, crude wet/dry mill	+21.1%
Hogs, Iowa	+15.5%
Soybeans, #1 yellow	+13.0%
Corn #2 yellow	+12.1%
Beef, choice	+7.7%
Sorghum (Milo) #2 Gulf	-0.8%
Wheat, hard KC	-4.7%
Butter, AA Chicago	-12.1%
Oats #2 Minneapolis	-12.4%
Broilers, Dressed "A"/National	-13.3%
Butter, AA Chicago	-12.1%
Eggs, large white Chicago	-31.8%

Comparisons of year-end wholesale price changes do not reflect interim price volatility. Also, this is not a comprehensive analysis. However, they do provide some indication of what to anticipate for consumer price changes in 2020.

default in the COMEX market in 2019.

**Record High Central Bank Gold Purchases In 2019.** The world's central banks combined to make record high annual purchases of physical gold in 2019 to add to their reserves, the greatest amount since the US government closed the gold exchange window in August 1971. Purchases were made by some central banks for the first time in years or decades.

**Why would several central banks add gold reserves? The simple answer is that gold is regarded as a safer asset than any paper currencies, including currencies issued by the home country. That indicates that the professionals managing central bank reserves are concerned about the risk of falling value of paper currencies. Since the US dollar currently accounts for about 60% of global central bank reserves, adding gold reserves almost certainly is a sign that the central banks are worried about the risk of the value of the dollar falling further in 2020.**

**COMEX adds non-physical paper gold to its reported gold inventories.** Late in 2019, the COMEX changed the rules on what could be counted as gold inventories in its bonded warehouses. Previously, it only counted actual physical gold in these warehouses, divided into two categories. The first was "registered" inventories which were committed for delivery against a maturing contract when the party on the long side asked for physical delivery of the metal. The other category was "eligible" inventories, which are not committed to fulfilling delivery on a mature COMEX contract, but are eligible to do so if the owner elects to reclassify it.

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To these two categories, the COMEX added "pledged" inventories. These are simply promises to provide physical

### Century-To-Date Results For Selected Financial Assets

As I usually do at the beginning of each year, I like to take a longer perspective on asset performance than just a single year. So, before I look forward, let's first look further back.

One year results do not represent a long-term track record. But, be careful—longer-term comparisons can always be cherry-picked for the starting date so as to skew results.

In recent years, I have compared century-to-date results of various assets, as measured in US dollars. The latest update is below. This is an absolute change, not a compounded annual calculation (Note: it also does not take into account dividends that stocks may have paid). Just keep in mind that the results show precious metals more favorably than if I had, for instance, used December 31, 1979 as my starting point.

Asset	Change In Value As Measured In US Dollars 12/31/1999 to 12/31/2019
Gold	+427.2%
Palladium	+333.9%
Russell 2000	+230.6%
Silver	+229.6%
MS-63 \$20 St Gaudens	+209.4%
MS-63 \$20 Liberty	+188.4%
Dow Jones Indust Avg	+148.2%
Platinum	+127.9%
NASDAQ	+120.5%
Standard & Poors 500	+119.9%
Switzerland Franc	+64.7%
MS-65 Morgan Dollar	+37.0%
China Yuan	+19.0%
Canada Dollar	+11.8%
Euro	+11.4%
Australia Dollar	+7.0%
Japan Yen	-6.0%
Great Britain Pound	-17.9%
Mexico Peso	-50.0%
Brazil Real	-55.0%
South Africa Rand	-56.0%

This longer term perspective is illuminating. By starting near a low point for precious metals, you can see that they have performed favorably compared to stocks and currencies over the past 20 years. This reinforces the point that it makes sense to have some portion of your net worth or investment portfolio allocated to bullion-prices physical precious metals and maybe even some riskier numismatic assets.

This list also points out a political deception coming out of Washington, DC. Despite the claim by many American politicians and bureaucrats that the Chinese government is suppressing the value of the yuan, and it did decline against gold and the dollar last year, it has actually appreciated versus the dollar over the past 20 years.

gold as opposed to being actual gold in COMEX warehouses.

As of today's inventory report, the COMEX had 1,334,232.623 ounces of registered inventories, 7,373,311.837 ounces of eligible inventories, and 240,581.146 ounces of pledged inventories. Pledged inventories, almost 99% of which are "in" the HSBC bonded warehouse, only account for 2.76% of total reported inventories. However, at yesterday's final report on open positions, there were outstanding contracts for 79,688,300 ounces of gold.

That meant that registered gold covered less than 1.7% of outstanding contracts, which is far less than the 8-20% coverage of open positions on the COMEX last century. Even counting the pledged inventories, the vaults only contain enough gold to cover 11.2% of contracts. Over the past two years, the COMEX is operating closer to the edge of not being able to fulfill its delivery requirements, meaning the risk of default is higher. Even just a hint of a possible default would lead to a major jump in the price of gold.

By the way, the rumors about why the COMEX decided to add paper gold to its alleged inventories is that HSBC bank was at risk of defaulting on some of its regulatory requirements in providing sufficient physical gold. So, rather than letting the free market clear out an insolvent trader, it changed the rules to technically allow this bank to continue operations.

**Other.** There are a number of other reasons why gold prices could go higher in 2020, but I think these factors are likely to be the most important.

There is always the possibility of the price ending 2020 lower than at the end of 2019. But the indications are that demand is strong and not being covered by existing inventories and newly mined or recycled gold. To me, that means a higher price has a high likelihood of occurring this year.

While, we are at it, let's look how silver fared at the end of 2019 compared to other year-end prices this century:

2019	\$17.83	2009	\$16.82
2018	\$15.47	2008	\$11.47
2017	\$17.06	2007	\$14.80
2016	\$18.88	2006	\$12.83
2015	\$13.78	2005	\$8.82
2014	\$15.73	2004	\$6.81
2013	\$19.34	2003	\$5.95
2012	\$30.18	2002	\$4.80
2011	\$27.88	2001	\$5.01
2010	\$30.91	2000	\$4.58
		1999	\$5.41

As you can see, the 2019 year-end price was the highest since 2016 and is the 5th highest year-end price ever. As with gold, I also anticipate that the price of silver at the end of 2020 will be higher than

### Patrick A. Heller's Upcoming Speeches and Appearances

**February 1 and March 28, 2020, East Lansing, Michigan.** Boy Scout Troop 2 Coin Collecting Merit Badge Workshop. Not open to the general public.

**April 13, 2020, East Lansing, Michigan.** "Consumer Protections When Buying And Selling Physical Precious Metals" at the East Lansing Rotary Club meeting at noon at the University Club at Michigan State University. Not open to the general public.

Patrick A. Heller has delivered hundreds of programs over the years and is available to make presentations on a variety of subjects, including:

- Collecting Coins For Fun And Profit
- Consumer Protections When Buying And Selling Physical Precious Metals
- Create Fun-Filled Numismatic Presentations For The General Public
- Fun With Money
- Oops! A Lighthearted Review Of Design Mistakes On Circulating US Coins
- The Rise And Fall Of Rome's Money, And What It Means For America Today
- The Story Behind Michigan's 2018 Pictured Rocks National Lakeshore Quarter
- Why You Should Own Some Bullion-Priced Physical Silver

Presentations run anywhere from 20-45 minutes plus time for questions and answers.

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

at the end of 2019.

Before discussing the markets further, lets review precious metals price results for last year.

### Precious Metals Results For 2019

Here is a snapshot of how the four precious metals performed in 2019:

#### Gold:

December 31, 2018	\$1,278.25
High for the year	
September 4, 2019	\$1,550.25
Low for the year	
May 2, 2019	\$1,269.75
December 31, 2019	\$1,519.50
Net change for year	+\$241.25

#### Silver:

December 31, 2018	\$15.47
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High for the year September 4, 2019	\$19.39
Low for the year May 28, 2019	\$14.28
December 31, 2019	\$17.83
Net change for year	+\$2.36

#### **Platinum:**

December 31, 2018	\$794.00
High for the year January 25, 2019	\$1,029.00
Low for the year August 15 2019	\$768.00
December 31, 2019	\$971.00
Net change for year	+\$177.00

#### **Palladium:**

December 31, 2018	\$1,252.00
High for the year December 16, 2019	\$1,964.00
Low for the year January 2, 2019	\$1,255.00
December 31, 2019	\$1,909.00
Net change for year	+\$657.00

Gold and silver prices were relatively quiet until May. When they began rising by the end of that month, it first sparked a huge surge of liquidation by Americans, only to be followed later by some increase in retail demand.

Although stock indices worldwide almost all reported impressive results in 2019, many outperforming the increases in gold and silver prices, very few investors achieved those results. The reason is that most investors have diversified portfolios. They own a mixture of stocks, bonds, and cash. A portfolio that owned, for example, 60% in stocks and 40% in bonds and cash (which generated low returns) in 2019 may well have underperformed the increases in gold and silver prices. Had such an investor instead owned a portfolio of 60% in stocks, 20% in bonds and cash, and 10% each in physical gold and silver, his or her 2019 results would almost certainly have been higher—with lower risk and market volatility.

While platinum and palladium both outperformed gold and silver in 2019, they are trading almost exclusively on the basis of industrial usage rather than as financial assets.

In years past, automotive manufacturers used platinum in the catalytic converters as less costly than having to use twice as much palladium to perform the same function. When the price of palladium was less than half the price of platinum for an extended period, that finally persuaded vehicle manufacturers to retool production of catalytic converters to use palladium instead on a large swath of their products.

The initial result of this technological change is that the price of platinum declined after once being worth around

\$2,000. The price of palladium started to rise.

However, there is a problem with new supplies of palladium. The world's largest platinum mining nation is South Africa, which operates far more efficiently at production than Russia, which is the distant second largest producer. As a nation, South Africa has a strong incentive to maximize exports.

In contrast, the dominant supplier of newly mined palladium is Russia, where the mining infrastructure, on average, is in poor condition. South Africa is far behind as the second largest producer. Not only does Russia face problems trying to ramp up mine output, its government could use a supply shortage for political gain against developed economies.

The price of palladium continued to soar in 2019, but I think this is only a temporary situation. Eventually, vehicle manufacturers are almost certain to switch back to platinum for catalytic converters, which will sharply cut demand for palladium. This could happen even if innovations would no longer require twice as much palladium to serve the same purpose as platinum. When this happens (remember, this scenario occurred once before in the early years of this century), I expect palladium prices to tumble. It may take a few years to occur, but I consider it risky to hold, much less make new purchases of palladium bullion-priced coins and ingots right now.

By the way, the price of palladium in January soared to new record high prices above \$2,000. If you own some, you may want to cash in your profits sooner rather than later. Once the price breaks, it will likely plummet faster than it rose.

### **Numismatics In 2019**

Many niches of the numismatic market seemed to tread water in 2019. As you can see on page one, there was little movement in most sectors we track.

The auction companies reported a number of new record high prices for top quality ultra rarities in 2019, but these results were not matched in other niches. Similarly, when LCS acquired lovely rarities, they invariably sold quickly.

The MS-63 \$20.00 St Gaudens and MS-63 \$20.00 Liberty rose mostly in conjunction with higher gold prices.

The largest declines were in the **LCS Key Date Collector Coin Index** and **LCS Collector Generic Coins Index**. The first of these indices tracks better-date coins in grades often sought by collectors with limited budgets—meaning typical circulated grades for the issues. The second tracks circulated US coins available in bulk quantities. While most components of the second Index were unchanged from the year before, there were significant declines in full-date Buf-

falo Nickels, common Barber coins in About Good-Good condition, common Standing Liberty Quarters in Good or better grade, and common Walking Liberty Half Dollars in Extremely Fine to About Uncirculated quality. One result of these price declines is that LCS sold many more such coins in 2019 than in recent years.

If silver prices rise in 2020, expect most of these lower prices to recover.

The analysis of **US Large Size Paper Money** that was issued from 1861 to 1928 turned slightly positive from last year's negative results. Although there were a handful of lower prices, there a greater number of price increases, though no prices moved by major amounts. Demand for nice quality notes remains active at current levels.

LCS had tremendous interest when we were able to offer US replacement notes, called "Star Notes." These were issues printed in smaller quantities to be inserted in packs of original notes when defective specimens were removed. When the Bureau of Engraving and Printing prints a "brick" of 32,000 notes, the total quantity stays intact. If a handful in this bundle do not pass quality control inspection, they are removed and replaced by Star Notes to keep the total number of notes the same. There are many great rarities among Star Notes that are available for just a fraction of the price of comparably rare US Coins.

**Pre-1934 US Gold Coins** were weak until gold prices started to rise in May. The increases mostly were related to higher gold spot prices. Because of this, prices of lower grade specimens increased by a greater percentage than higher grade coins. As an example, our retail selling price of the 8-coin \$2.50 through \$20.00 Liberty and Indian Gold Type Sets in Choice Mint State-63 grade today is up 25.6% from what it was on January 16, 2019. In contrast, we are offering the same 8-coin set in Gem Mint State-65 condition for 2.1% less than we did a year ago. This is a pretty typical pattern, where US Gold Coins with significant collector value tend to lag behind when gold prices are rising, then later often (but not always) catch up and may even outperform bullion. By the way, the increase in the LCS Investor Blue Chip Coins Index of +2.5% was due to this being the only LCS index that has common-date US Gold Coins in it.

**Morgan and Peace Silver Dollars** were relatively quiet for the year. There were two significant hoards on previously unknown sealed bags of Morgan Dollars discovered. One consisted of 13,000 pieces of Morgans struck at the

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New Orleans Mint. The other was of comparable size but had coins from multiple mints. There were no notable discoveries of new quantities of the **Better-Date Morgan or Peace Dollars**, meaning these are still a challenge to locate. If the spot price of silver rises notably in 2020, expect to see a surge in demand for the Morgan and Peace Dollars.

**Ancient and Medieval Coinage:** A continuing area of strong demand is for Ancient and Medieval Coinage. As more coins are being sent to grading services, more dealers are comfortable handling these coins and more collectors feel comfortable collecting them.

It is important to be careful when new hoards come on the market. Decades ago, we acquired a small group of gold coins issued by a grandson of Kublai Khan. Before a small hoard appeared, they were so scarce they were selling for \$3-4,000 apiece. When we offered them, we priced them at only \$295 each, which turned out to be a great value.

### Looking Ahead To 2020

How will precious metals and the US stock markets perform in 2020? I don't know. There are just too many unknowable factors that could develop before year end.

Over the years, my analyses of precious metals markets have generally been on target. Where I have had difficulty—as has every other market watcher—is in forecasting the timing of market moves.

The year 2020 is a major election year in the US. Politicians and bureaucrats who want to retain their positions have the incentive to do everything possible to maintain the economic status quo until after November 3. Will they be able to do so? Maybe.

That is why my “bold” forecast is that gold and silver prices will end 2020 higher than they did in 2019. Even if somehow all the growing pressures for higher prices can be forestalled most of the year, that just means that prices will have the last few weeks of the year to rise—probably by even more than if they drifted upward over the course of the entire year.

No economic boom lasts forever. It is also possible that a major financial crisis could hit early in 2020. Should this occur, that will have a major impact on November's elections. It will almost certainly mean a huge increase in the prices of gold

and silver.

As I have stated frequently, I recommend owning bullion-priced physical gold and silver coins and ingots as a form of “wealth insurance.” When you buy insurance you hope you never have to collect on it, but know that some percentage of the time this coverage will be a lifesaver.

At you can see in the table to the right, I only suggest that a portion of your net worth or investment portfolio be devoted to gold and silver bullion and possibly rare coins. These are intended to be held for the rest of your life and passed on to your heirs when you die. This differs from most investments where you may buy and sell positions from time to time to better suit your investment goals.

Beyond the recommendation to own some physical bullion-priced gold and silver I also urge those who have none or not very much to build their positions sooner rather than later. If a major financial shock arises, it could be too late to acquire your wealth insurance. We can help you. Give us a call or stop by our store.

### Gold And Gold Coins

Gold finished on the COMEX today at \$1,552.00, a large increase of \$82.50 (5.6%) from five weeks ago.

A year ago, it was reported that the price of gold was at or near an all-time high against 72 world currencies (though not the US dollar). Of the 28 foreign currencies I track, the price of gold was up against every one of them for 2019. Although gold did not end the year at its highest point, It is almost certainly near or at its highest price ever against dozens of world currencies.

In my discussion of the major factors likely to impact gold and silver prices in 2020, I did not mention the risk of military action. When Iran shot missiles earlier this month at two Iraqi military installations where US soldiers were stationed, gold reached as high as \$1,611 during intraday trading within the next 24 hours. But, as you can see, prices have subsided to close to where they were before the missile attacks. One-strike military actions do not seem to have a lasting impact on gold and silver prices.

A protracted military campaign involving the US or other developed nations would increase uncertainty and almost guarantee higher gold and silver prices, but I don't see this as inevitable right now.

When gold's price started rising in May, there was a surge of liquidation in the US, but not a corresponding increase in demand for bullion-priced gold coins and ingots. As a consequence, premiums fell for several products. It was only in the past few weeks that there has been some resurgence in American

## 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	40%	35%	25%
Silver	60%	55%	50%
Rare Coins	0%	10%	25%
TOTAL	100%	100%	100%

\*Platinum and palladium both have volatile markets with long-term supply/demand fundamentals that are not as attractive as those for gold, silver or rare coins. While either or both might outperform gold, silver, or rare coins in the short- to long-term, to be conservative we have omitted them from our allocation.

demand.

Retail demand in the US since the prices of gold and silver started rising in mid-May have been sluggish. That is reflected in the US Mint's report of sales of its bullion coins in 2019 compared to 2018.

Because of lower premiums, sales of newly issued gold products lagged. For instance, in 2019, the US Mint sold 38% fewer ounces of Gold **American Eagles** (among all 4 sizes) (4.1% to 12.0%) and 49% fewer Gold **Buffaloes** (4.1%).

For most of 2019, several gold coins and ingots fell in premiums, only to see a slight uptick for some in the past few weeks.

My low-premium favorites among bullion-priced gold products are still the US **American Arts Medallions** (1.9%), the Austria **100 Corona** (1.7%), and the Mexico **50 Pesos** (2.4%). Last month I also suggested the South Africa **Krugerrand** (2.8%) but its premium has increased since then. Among pure gold forms, the lower premium options include the **1 Oz Ingot** (2.6%) and Canada **Maple Leaf** (2.9%).

### Silver and Silver Coins

Silver ended on the COMEX today at \$17.95, also up a strong \$1.21 (7.2%) from last month.

Because the silver market is much smaller in dollar value than gold, its price tends to be more volatile. In a boom market, it almost always far outperforms gold. But in a bear market, it drops by a much greater percentage than gold.

(Continued on page 6)

(Continued from page 5)

I have discussed in previous issues how the US government is the prime beneficiary of lower gold and silver prices. Therefore, it has the strongest incentive to suppress their prices, it is also legally authorized to do so, and has a track record over the decades of consistently manipulating the price of gold. In recent years, it appears that it has been easier to hold down the price of silver, which sent a signal that has tempered enthusiasm to own gold. Although the COMEX silver futures market does not appear to be under as much pressure as gold right now, the current open position on the exchange is far above worldwide annual new silver mining and recycling supplies. When the price of silver takes off, it could easily double or triple.

However, the price of silver has been held down so long that I don't think the price will take off until it can top \$22.50, about 25% above today's close. There is some potential that could happen as early as 2020.

The US Mint's sold about 5% fewer **Silver Eagle Dollars** (15.3%) in 2019 than in 2018, but higher sales of the bullion-issue **5 Ounce America The Beautiful Quarters** more than made up for it.

Our top recommendation for bullion-priced physical silver continues to be **US 90% Silver Coins** (2.5%). It has a low premium, is extremely liquid, has legal tender status, is highly divisible (one dime contains about 1/14 of an ounce of silver), and many older Americans still remember actually spending them.

So much physical silver was liquidated in 2019 that premiums for the **100, 10, and 1 Ounce Ingots** (3.9-5.0%) may also be worth considering.

## LCS's Heller Honored As Numismatic Ambassador

At the Florida United Numismatists convention in Orlando last Friday, LCS Communications Officer Patrick A. Heller was honored as one of five new "Numismatic Ambassadors." He is now one of just over 200 people so honored by the hobby and industry since 1974.

Being named as a Numismatic Ambassador is akin to a lifetime achievement award. Since 1981, Pat has devoted significant time as a volunteer to further the numismatic hobby and industry. He has worked with Scouts (including as a certified coin collecting merit badge counselor) and 4-H, made presentations in more than 100 school classrooms, served as an officer or on committees for multiple numismatic organizations, served as a nu-

The Month			
Gold Range	105.00	7.1%	
Net Change	+82.50		
Silver Range	1.57	9.4%	
Net Change	+1.21		
Gold/Silver Ratio	86.5		
Net change	-1.3		
Platinum Range	107.00	11.4%	
Net Change	+81.00		
Platinum/Gold Ratio	0.66		
Date	Gold	Silver	Platinum
Dec 11	1,469.50	16.74	940.00
Dec 12	1,466.75	16.84	945.00
Dec 13	1,475.50	16.91	929.00
Dec 16	1,475.00	17.02	931.00
Dec 17	1,474.50	16.98	930.00
Dec 18	1,472.50	16.95	936.00
Dec 19	1,478.25	17.05	936.00
Dec 20	1,474.75	17.13	914.00
Dec 23	1,482.50	17.40	937.00
Dec 24	1,499.00	17.76	951.00
Dec 25	closed		
Dec 26	1,509.25	17.89	953.00
Dec 27	1,513.75	17.85	950.00
Dec 30	1,509.25	17.91	958.00
Dec 31	1,519.50	17.83	972.00
Jan 01	closed		
Jan 02	1,524.50	17.96	979.00
Jan 03	1,549.25	18.06	985.00
Jan 06	1,566.25	18.09	961.00
Jan 07	1,571.75	18.31	966.00
Jan 08	1,557.50	18.08	959.00
Jan 09	1,551.75	17.86	968.00
Jan 10	1,557.50	18.03	982.00
Jan 13	1,548.50	17.93	978.00
Jan 14	1,542.50	17.67	983.00
Jan 15	1,552.00	17.95	1,021.00

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

mismatic exhibit judge, has given speeches to senior citizens, service organizations, churches, coin clubs, and investment conferences across the country, authored more than one thousand articles and newsletters, produced almost one thousand radio commentaries, and has helped gained sales tax exemptions on retail sales of rare coins and precious metals in Michigan and sixteen other states.

On top of that, he also calls himself the 'unofficial artist' of the 2004 Michigan Statehood Quarter where he was the primary author of the written instructions supplied to the US Mint's engraver to create the coin's design.

In turn, Pat recognized that he was only able to do all of this service because of the strong support of Liberty's staff to free up his time for these purposes.

## LCS Exhibits Michigan History Treasure Trove

For the enjoyment of visitors in Liberty's showroom, we set up varying exhibits in a showcase near the visitor waiting area. Many of the exhibits feature coins and paper money, which may also contain collectibles. Other exhibits consist only of collectibles.

Liberty recently acquired a virtually complete collection of letters signed by Michigan's governors and US Senators from the 19th Century. It also contains many letters signed those who held these offices in the 20th Century. The collection also includes a few autographed letters from Congressmen from Michigan.

On exhibit right now is a selection of letters signed by Michigan governors mostly from the 19th Century, some of which are on their official governor's letterhead. Among those displayed are letters signed by

- William Hull (1st territorial governor from 1805-1813),
- Lewis Cass (territorial governor 1813-1831 and later US Secretary of War, Ambassador to France, US Senator, and US Secretary of State,
- Stevens T. Mason (territorial secretary 1831-1835 often serving as acting territorial governor, territorial governor 1835-1837, first state governor 1837-1840),
- Epaphroditus Ransom (governor 1848-1850 after serving as the Michigan Supreme Court Chief Justice),
- Austin Blair (governor 1861-1865 who previously served in the State Senate and as a US Congressman),
- Henry H. Crapo (governor 1865-1869 who had served in the State Senate and as mayor of Flint),
- Charles Crosswell (governor 1877-1881 who had previously served in the State Senate),
- Russell Alger (governor 1885-1887 who later served as mayor of Detroit),
- Hazen S. Pingree (governor 1897-1901 after serving as mayor of Detroit), and
- Woodbridge Ferris (governor 1913-1917 who later became a US Senator).

After exhibiting parts of this collection in 2020, we have agreed in principle to sell entire collection to a major Michigan history buff. In the meantime, the public is welcome to visit our showroom to enjoy this opportunity to view a fascinating part of early Michigan history.

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**Liberty Coin Service Computer Quotes 2PM EST 1.15.20**

**Spot Prices**

Item	Qty	Fine Wt	Price	Cost/Oz	Premium
*U.S. 1 Oz Gold Eagle	10	1.0000	1,617.75	1617.75	4.1%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	824.50	1649.00	6.1%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	423.00	1692.00	8.9%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	174.00	1740.00	12.0%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,617.75	1617.75	4.1%
*U.S. 1 Oz Medallion	10	1.0000	1,583.50	1583.50	1.9%
*U.S. 1/2 Oz Medallion	10	0.5000	793.25	1586.50	2.1%
*Australia 1 Oz Kangaroo	10	1.0000	1,605.25	1605.25	3.3%
*Austria 100 Corona	10	0.9802	1,549.25	1580.54	1.7%
*Austria 1 Oz Philharmonic	10	1.0000	1,613.00	1613.00	3.8%
*Canada 1 Oz Maple Leaf	10	1.0000	1,599.00	1599.00	2.9%
*Canada 1x25 Maplegram	10	0.8039	1,399.25	1740.58	12.0%
*China 30 Gram Panda	10	0.9646	1,607.00	1665.98	7.2%
*China 1 Oz Panda	10	1.0000	1,661.25	1661.25	6.9%
*Mexico 50 Peso	10	1.2057	1,918.75	1591.40	2.4%
*S. Africa Krugerrand	10	1.0000	1,597.50	1597.50	2.8%
*1 Oz Ingot	10	1.0000	1,594.50	1594.50	2.6%
*Austria 1 Ducat	10	0.1107	187.00	1689.25	8.7%
*British Sovereign	10	0.2354	387.50	1646.13	5.9%
*France 20 Franc	10	0.1867	308.00	1649.71	6.2%
*Swiss 20 Franc	10	0.1867	308.75	1653.72	6.4%
\$20 Liberty BU	10	0.9675	1,645.00	1700.26	9.4%
\$20 St Gaudens BU	10	0.9675	1,645.00	1700.26	9.4%
\$20 Liberty Extremely Fine	10	0.9675	1,625.00	1679.59	8.1%
\$10 Liberty Extremely Fine	10	0.4838	820.00	1694.92	9.1%
\$10 Indian Extremely Fine	10	0.4838	840.00	1736.25	11.7%
\$5 Liberty Extremely Fine	10	0.2419	420.00	1736.25	11.7%
\$5 Indian Extremely Fine	10	0.2419	435.00	1798.26	15.7%
\$2.50 Liberty Extreme Fine	10	0.1209	330.00	2729.53	75.6%
\$2.50 Indian Extreme Fine	10	0.1209	300.00	2481.39	59.7%
*U.S. 90% Silver Coin	1,000	715	13,190.00	18.45	2.5%
*U.S. 40% Silver Coin	1,000	295	5,430.00	18.41	2.3%
*U.S. Peace Dollars, VG+	1,000	760	16,350.00	21.51	19.5%
*U.S. Silver Eagles	1,000	1,000	20,750.00	20.75	15.3%
*Canada Silver Maple Leaf	1,000	1,000	19,900.00	19.90	10.6%
*100 Oz Silver Ingot	10	100	1,870.00	18.70	3.9%
*10 Oz Silver Ingot	100	10	189.00	18.90	5.0%
*1 Oz Silver Ingot	1,000	1	18.90	18.90	5.0%
*1 Oz Platinum Ingot	10	1.0000	1,079.00	1079.00	5.1%
*U.S. 1 Oz Platinum Eagle	10	1.0000	1,151.00	1151.00	12.1%
*Canada Palladium ML	10	1.0000	2,248.00	2248.00	2.9%

<b>Gold:</b>	\$1,554.00
<b>Silver:</b>	\$18.00
<b>Platinum:</b>	\$1,027.00
<b>Palladium:</b>	\$2,185.00

**Notes from Liberty**

By Allan Beegle  
LCS Chief Numismatist

Sales volume soared in December to more than 50% above the prior month's levels. An already strong 2019 finished even better. Volatile markets are continuing to spur buyers and sellers into taking action.

Last month's featured offers mostly sold out. Our offering of the affordable India Gold Fanams—the largest group of these coins we have ever handled—almost all sold. We did not sell out the US Paper Money issues.

Last week with LCS Communications Officer Patrick A. Heller, I “walked the floor” at the Florida United Numismatists convention in Orlando. This is one of the top two coin shows in the US each year. Although we took little inventory to sell, our sales at the show were surprisingly high. Although finding bargains to bring home proved as tough as ever, we did manage to pick up some amazing treasures.

All but one coin in our offering of **Incredibly Scarce Coins** came from the FUN show. These rarities are either the only specimen we have ever been able to offer in almost 50 years in business—such as the **Charlemagne Gold Tremissis issued by Duke Grimwald III**—or the highest quality we've ever had—or the only specimen we have handled in several years.

Because of your strong continuing interest, LCS Currency Specialist Matt Foltz has continued looking for attractive values in US Star Notes. This month we can offer three specimens of **Affordable US Small-Size Star Note Rarities**. LCS General Manager Tom Coulson also snapped up a small group of **Choice Mint State-63 1924-S Peace Silver Dollars**. This is a date that we cannot offer in any Mint State grade very often. Because of

<b>LCS Postage Charges</b>	
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

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 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		\$12,185
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20		\$630
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20		\$850
U.S. Peace Dollar, Brilliant Uncirculated Roll/20		\$525

<b>Gold:</b>	\$1,554.00
<b>Silver:</b>	\$18.00
<b>Platinum:</b>	\$1,027.00
<b>Palladium:</b>	\$2,185.00

Numismatic Coins (PCGS/NGC/ICG Graded)

	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	1,680	1,730	1,855
U.S. \$20.00 Liberty	1,725	1,855	2,430
U.S. \$10.00 Liberty	890	1,070	2,235
U.S. \$5.00 Liberty	530	645	1,470
U.S. 4 pc Indian Gold Type Set	3,865	4,895	12,140
U.S. 4 pc Liberty Gold Type Set	3,520	3,985	6,720
U.S. 8 pc Gold Type Set	7,325	8,730	18,410
U.S. Morgan Dollar (Pre-1921)	54	62	126
U.S. Peace Dollar	42	50	102

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.

poor handling at the San Francisco Mint when these coins were struck, many survivors have unappealing streaks across their surfaces. These coins have awesome flashy white eye appeal.

With so few items available, we anticipate some fast sellouts. For the best selection, I recommend checking these offers quickly, then calling out **Trading Desk toll-free at 800-527-2375** to verify availability and confirm your order.

Here are other goodies from the FUN show or recently purchased in our store:

**Very Choice Mint State-64 1918-I India Sovereigns:** Because of the interference of World War I, no Gold Sovereigns were struck at the Royal Mint in London, England in 1918. Instead, Sovereigns were struck at Royal Mint branches in Melbourne, Perth, and Sydney, Australia, Ottawa, Canada, and Bombay, India. Circulating India Sovereigns were only struck in 1918, with a mintage of just under 1.3 million coins. Consequently, Bombay-struck Sovereigns are the second scarcest of the seven mints where they were produced.

Like all Sovereigns, the 1918-I issues contain 0.2354 oz of gold. While we have handled dozens of Mint State India Sovereigns over the decades, we have seen few specimens in recent years.

We just acquired 5 specimens of lovely Very Choice Mint State-64 India Sovereigns, as beautiful as any we have ever handled, each certified by PCGS. While other dealers

are currently offering Mint State-60 specimens for \$575 or more, you can own one or more of these nicer coins for just \$525 apiece.

**Lovely Mint State-60+ 1888-O**

**Morgan Silver Dollar Rolls:** Last month we were able to offer a handful of above average quality Mint State Rolls of 1883-O Morgan Silver Dollar Rolls. They sold almost instantly. We had no luck trying to find more for would-be purchasers.

Two weeks ago, a long-time customer sold back to us two 20-coin rolls of the less common 1888-O Morgan Silver Dollars which we marked "Mint State-60 or Better." We believe we sold these coins in the mid- to late 1980s, before dealers extracted the higher quality specimens to send to the grading services. These coins are mostly white with some exhibiting roll-end toning from being stored for decades in paper roll wrappers. They are equally as nice as the 1883-O Rolls we sold last month. Your cost for these slightly less common issues is \$895 per roll.

**Original Lunar Series Australia**

**1/20 Oz Gold Coins:** From 1996 through 2007, Australia's Perth Mint issued Uncirculated 1/20 Oz \$5.00 Gold coins to honor the 12 animals of the Chinese Lunar years. We have picked up a handful of specimens, still in the original Perth Mint plastic capsules, from five of those years. While they last, here is what is available:

**1999 Year of the Rabbit** (2 coins availa-

ble), mintage 9,642—\$139 each  
**2001 Year of the Snake** (2), mintage 19,738—\$119 each  
**2003 Year of the Goat** (3), mintage 17,892—\$109 each  
**2005 Year of the Rooster** (2), mintage 18,220—\$109 each  
**2007 Year of the Pig** (3), mintage 10,308—\$119 each.

**1870s Louisiana \$5.00 Baby**

**Bonds:** To deter states and private banks from issuing paper money in competition with the federal government during the Civil War and beyond, a 10% tax was imposed on the face value of all such state and local issues. This effectively drove all such issues, commonly seen before the Civil War, out of production.

The State of Louisiana found a creative way around the tax. It issued \$5.00 Bonds in the 1870s that were payable on January 1, 1886. Because the front featured a portrait of a young girl at the lower right side and also because of the low face value, these were nicknamed "Baby Bonds." Although they circulated as currency, they were exempt from the tax because they were "bonds."

We recently picked up a mini-hoard of these notes, all in Crisp Uncirculated or Better condition. Each still has 4 interest coupons still attached. They bonds in this group are dated either 1878 or 1876/5. We see other dealers offering these bonds at prices mostly from \$20 to \$40 (the entire range is from \$15 to \$76) but you can own one or more of these for just \$12.95 each (plus 6% sales tax for Michigan residents).

**Low Mintage 1977 Cayman Islands Gold \$100 Commemorative:**

For the 25th Anniversary (Silver Jubilee) of the reign of Queen Elizabeth II, the Cayman Islands issued this Uncirculated commemorative. Tiny mintage of 562 coins. Gold content 0.3646 oz.

This coin is still packaged in the original Mint plastic holder. There is light toning around the periphery of the obverse attesting to its original surfaces. The reverse features the Cayman Islands coat of arms.

You can buy it for just 10% above gold value—call to check on the price (at \$1,550 gold spot, for instance, your cost would be \$621.64). As this is a bullion priced-coin, you cannot use a credit card for payment, you must send a check.



1918-I Sov  
PCGS MS64  
India  
824801.64/13304198



India 1918-I Gold Sovereign  
MS64 PCGS Certified - \$525



Roll of 20 1888-O Morgan Dollars  
MS60 or Better - \$895 per roll

# Australia Gold 1/20th Ounce Lunars :

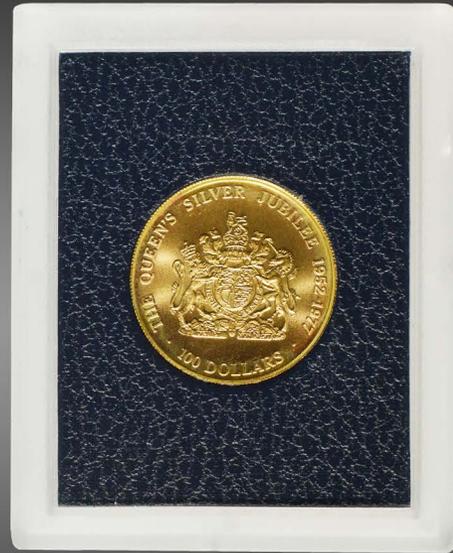


1999 Rabbit - \$139 each  
2001 Snake - \$119 each  
2003 Goat - \$109 each

2005 Rooster - \$109 each  
2007 Pig - \$119 each



1870's Louisiana \$5 Baby Bonds  
Crisp Uncirculated or better - \$12.95 each  
(plus 6% sales tax for Michigan residents)



Cayman Islands 1977 Gold \$100 Commemorative  
- 10% above the gold value (.3646 oz.)

# Incredibly Scarce Coins!

## At Money-Saving Prices!

Tom Coulson, LCS General Manager

Last week, LCS Chief Numismatist Allan Beagle and LCS Communications Officer Patrick A. Heller “walked the floor” at the massive Florida United Numismatists (FUN) convention in Orlando. From multiple dealers they picked up some amazing rarities—coins almost all so scarce that we either have never handled any specimens before or none in

this nice of condition.

As each coin offered here is one-of-a-kind, there is no order blank. Please review the list, then **promptly call our Trading Desk toll-free at 800-527-2375**. Consult our Computer Quotes Page for the postage costs.

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.

**Charlemagne Gold Tremissis issued by Duke Grimwald III of Beneventum (788-806 AD), Choice Very Fine—\$2,695.** The historic French King Charlemagne (768-814 AD) never issued gold coins of his own. Even specimens of his silver coinage are so rare that LCS may never have handled any.

However, some of Charlemagne’s vassals, such as Duke Grimwald III of Beneventum, did issue small gold coinage of the same standard and denomination of the Byzantine Empire. Beneventum was located about 50 miles north of modern-day Naples, Italy. When Grimwald’s father and older brother were murdered, Charlemagne appointed him as the successor duke.

This coin is a phenomenal quality specimen. Although most contemporary coins of the era suffer from gold clipped around the edge, this coin looks intact and contains full gold content (gross weight 1.28 grams). It is also perfectly flat, whereas most survivors are bent or have wavy planchets. This piece is as nice or nicer than the few pieces we could find being auctioned over the past two decades.

The obverse depicts a crowned bust of Grimwald holding an orb. The reverse at the upper right edge reads “CAR” which is the abbreviation for Carolus, meaning Charlemagne. In the center is a long cross. When this coin sells, who knows if we may ever be able to find another.

**Mexico Gold 2 Escudos, Very Choice About Uncirculated-58, NGC—\$595.** Tied for the second highest quality of only 4 specimens ever graded by NGC of this date! In fact, Gold 2 Escudos struck for Spanish King Charles IV from 1790-1808 are so scarce that NGC has certified just 45 in all grades among all years combined! Gold content 0.1904 oz. Despite the rarity of this coin, its price is the lowest in this offer.



**1884-O Morgan Dollar, Superb Gem Uncirculated-67, PCGS—\$1,750.** This is perhaps the top quality 1884-O Morgan we have ever handled! While PCGS and NGC together have certified almost 8,000 of the 1881-S Morgan Dollar in MS-67 and higher grades, they have grad-

ed a mere 326 of the 1884-O as nice.

PCGS Retail lists this coin at \$2,250. *Coin Values* does not list Morgan Dollars in MS-67 quality.

**1848-O \$10.00 Liberty, Extremely Fine-40, PCGS—\$2,795.** We do not recall every having this date in our 49 years in business! This is scarce, even for New Orleans Mint gold issues!

Mintage is a meager 35,850. PCGS and NGC have certified an infinitesimal 19 Mint State specimens of this date over the past 34 years and only another 265 in Extremely Fine or About Uncirculated grades. That makes this coin almost 140 times scarcer than the 1901-S date in this grade or nicer.

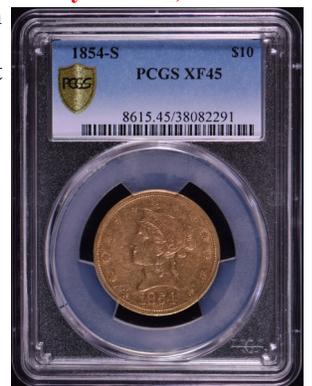
It is so rare that only 2 specimens of this condition have appeared in major auctions since 2014! In the last auction six months ago, that coin sold for more than \$3,000. This piece catalogs for \$2,800 in *PCGS Retail* and \$3,850 in *Coin Values*.

**1854-S \$10.00 Liberty, Choice Extremely Fine-45, PCGS—\$1,495.** A highly desirable coin from the first year of the San Francisco Mint! Although this may be the most “common” coin on this list, it is definitely not easy to find. Although we have handled a number of pieces over the decades, this is the first we have had in many years. As certified by PCGS and NGC together, it is more than 53 times rarer than the 1901-S date in this grade or higher! It lists in *PCGS Retail* at \$1,750 while *Coin Values* has it at \$1,500 in Extremely Fine-40 grade and at \$2,250 in About Uncirculated-50 condition.

**1911-D \$10.00 Indian, About Uncirculated-53, NGC—\$2,650.** Only 30,100 1911-D \$10.00 Indians were ever struck—the 3rd lowest mintage of the entire series! While we have handled a handful of this date over the decades, this piece is possibly the highest quality example we have ever had in stock!

In combined PCGS and NGC AU-53+ grades, this coin is more than 80 times rarer than the 1932 issue. However, it is actually far scarcer than this as a higher percentage of the 1911-D have been certified than the 1932 coins.

PCGS Retail catalogs this coin for \$3,200. *Coin Values* lists it at \$3,250 in AU-50 condition. This coin is so rare that only 2 specimens in this grade have appeared in major auctions over the past 22 months, which sold for higher prices.



## Affordable US Small-Size Star Note Rarities!



When we have the good fortune to be able to offer a group of US Star Notes, they almost always sell out quickly. Since our sellout a few months ago, I have been aggressively seeking new Star Note when I can find them at reasonable prices.

As a reminder, once the Bureau of Engraving and Printing affixes serial numbers to the notes part way through the printing process, it keeps the counts intact. If any notes are later found to be defective, they are replaced with notes bearing a star (to keep the serial number of these substitute

notes distinct from regular notes). Small-Size Star Note serial numbers begin with the star.

Star Notes normally make up only 1% or less of an issue of US currency released into circulation.

Each note offered here has been certified by the Paper Money Guaranty (PMG), an affiliate of the coin certification service Numismatic Guaranty Corporation (NGC), as well as meeting our own strict quality standards.

The notes offered here are either among the finest or may be the very top quality we have ever had the pleasure to handle.

With only three notes now available, we have eliminated the order blank. Please call to check on availability and lock in your purchase. **Call our Trading Desk today, toll-free, at 800-527-2375.** 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. (Note: Michigan customers must add 6% Michigan sales tax).

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

**US \$5.00 Legal Tender Notes, Series of 1928-D, Fr# 1529\*, Choice Very Fine-30, PMG—\$695.** The number of star notes of this type is unreported, but this was the 2nd lowest printage of any of the 12 small-size US \$5.00 Legal Tender Notes! PMG has certified just one specimen in this grade, 11 in higher condition, and another 15 in lower quality. Probably the only one we've ever had.

**US \$100.00 Legal Tender Note, Series of 1966, Fr# 1550\*, Very Fine-25 with ink annotation on reverse left edge, PMG—\$250.** We cannot recall ever having another \$100.00 Legal Tender Star Note, with only 128,000 ever printed in small-size issues. PMG has certified 19 in this grade plus another 254 in all higher grades. In faint ink on the left border of the reverse appears "FUR 477." This may be the most affordable example of this note you could ever find.

**US \$1.00 Silver Certificate North Africa Emergency Issue, Series of 1935-A, Fr# 2306\*, Choice Very Fine-30, PMG—\$350.** Printage is a modest 144,000, though a larger percentage than typical have survived. PMG has certified 10 pieces in this grade and only 79 in all higher grades combined.

—Matt Foltz, LCS Numismatist and Currency Specialist

## Choice Mint State-63 1924-S Peace Silver Dollars!

### Stunning Quality For The Grade!

A West Coast dealer friend called me a few weeks ago to say he had just received back from the Numismatic Guaranty Corporation (NGC) a lovely small group of Mint State 1924-S Peace Dollars. Because of their beauty, he wanted to know if we had a possible interest in a group of this rarity.

Absolutely! We seldom have the privilege to offer Mint State Peace Dollars struck at the San Francisco Mint in 1924. When we checked, this date in Choice Mint State-63 and Very Choice Mint State-64 condition merit a High Recommendation in our Undervaluation Index. In MS-63 and higher grades, it is almost 100 times scarcer than the 1923 Peace Dollar.

Our dealer friend told me he had pulled out the finest specimens of an original roll that almost certainly had been carefully set aside many decades ago. He sent these to NGC for grading. Seven pieces earned the grade of Choice Mint State-63. There were also one each in MS-61, MS-62 and MS-64 grade in the lot.

When he quoted a reasonable price for the group, I told him to ship them for inspection. When they arrived, they proved to be even more spectacular in quality than described. Virtually every piece has blasty-white original surfaces (even though most of this issue have streaks on the surfaces because poor handling at the San Francisco Mint). I quickly wrote a check to pay for them.

Still, with so few coins, I was hopeful that we could find more. Last week, LCS Chief Numismatist Allan Beegle and LCS Communications Officer Patrick A. Heller scoured the huge Florida United Numismatists show last week and were unable to find any more reasonably-priced specimens of comparable quality.

So, while these seven specimens of Choice Mint State-63 1924-S Peace Dollars last, you can pick up one or more at just \$439 apiece. *PCGS Retail* and *Coin Values* both catalog these coins at \$450, but just try to find high quality pieces like these anywhere near our price!

Or, if you would like, the MS-62 coin can be yours for just \$299 (catalogs \$315 in *PCGS Retail*) or the Very Choice MS-64 piece for \$795 (*PCGS Retail* is \$850 and *Coin Values* is \$900).

Since there are so few coins, we must limit orders to three coins per customer. No exceptions!

Call early! **Confirm your order at 800-527-2375.** Find postage charges on the Price Quotes page. You may use your Visa, Mastercard, or Discover charge cards for shipments mailed to the billing address of the card.

As we guarantee with all of our numismatic offers, you must be satisfied. You have 14 days upon your receipt to return any of these coins for a full refund.

—Tom Coulson, LCS General Manager

