

Liberty's Outlook

LCS 45th Anniversary!
1971-2016

March 2016, Volume 22 Issue 3 Liberty Coin Service's Monthly Review of Precious Metals and Numismatics March 9, 2016

US Dollar Slides! Precious Metals Strong!

US Dollar Performance Versus Selected Currencies and Precious Metals (4-weeks from February 9-March 8, 2016)

Currency/Precious Metal	Change
Argentina	+7.0%
Denmark	+2.5%
Euro	+2.5%
Switzerland	+2.3%
Great Britain	+1.8%
South Korea	+1.0%
Sweden	+0.8%
Silver	+0.7%
Thailand	-0.1%
Hong Kong	-0.5%
Singapore	-0.9%
India	-0.9%
China	-1.1%
Malaysia	-1.2%
Taiwan	-1.3%
Peru	-1.4%
Philippines	-1.4%
New Zealand	-1.7%
Japan	-2.2%
Indonesia	-3.3%
Canada	-3.4%
Brazil	-3.5%
South Africa	-4.2%
Chile	-4.4%
Mexico	-4.9%
Gold	-5.3%
Australia	-5.3%
Platinum	-5.3%
Colombia	-5.9%
Russia	-8.6%
Palladium	-9.7%

The US Dollar Index is used by many market watchers as indicating the relative strength of the US currency against other global currencies. However, this Index was of limited value decades ago. As national economies around the world have grown, this Index has become even less accurate at providing the overall relative

2016 Year To Date Results Through March 8, 2016

Precious Metals	
Gold	+19.0%
Silver	+11.3%
Platinum	+10.8%
Palladium	+0.7%
Numismatics	
US MS-63 \$20 St Gaudens	+15.1%
US MS-63 \$20 Liberty	+12.9%
US MS-65 Morgan Dollar, Pre-1921	+3.1%
US Dollar vs Foreign Currencies	
Argentina Peso	+19.5%
Mexico Peso	+4.1%
Great Britain Pound	+3.7%
South Korea Won	+2.9%
India Rupee	+1.6%
Russia Ruble	+1.5%
New Zealand Dollar	+1.3%
Peru New Sol	+1.1%
Colombia Peso	+1.0%
Sweden Krona	+0.5%
Israel Shekel	+0.4%
Hong Kong Dollar	+0.2%
China Yuan	+0.1%
Philippines Peso	+0.0%
South Africa Rand	-0.3%
Taiwan Dollar	-0.3%
Switzerland Franc	-0.6%
Denmark Krone	-1.4%
Euro	-1.4%

strength of the dollar against all other currencies.

For the four weeks from February 9 to March 8, 2016, the US dollar Index rose from 96.06 to 97.17, an increase of 1.16%.

However, the limitation of this Index is that it only compares the value of the dollar to six other currencies: the euro (57.6% weighting in the Index), yen (13.6%), British pound (11.9%), Canadian dollar (9.1%), Swedish krona (4.2%), and Swiss franc (3.6%).

For the four weeks through yesterday, the value of the US dollar rose against four of those currencies and fell against the oth-

Thailand Baht	-1.9%
Australia Dollar	-2.1%
Canada Dollar	-3.1%
Singapore Dollar	-2.4%
Chile Peso	-3.6%
Malaysia Ringgit	-4.2%
Indonesia Rupiah	-4.6%
Brazil Real	-5.2%
Japan Yen	-6.4%
U.S. Dollar Index	97.17 -1.49%

US And World Stock Market Indices

Sao Paulo Bovespa	+13.3%
London FT 100	-1.9%
Dow Jones Industrial Average	-2.7%
S&P 500	-3.2%
Australia S&P/ASX 200	-3.6%
Dow Jones World (excluding US)	-4.2%
Russell 2000	-6.0%
NASDAQ	-7.2%
Frankfurt DAX	-9.8%
Nikkei 225	-11.8%
Shanghai Composite	-18.0%
10 Year US Treasury Note interest rate	1.832% -19.4%

Metal Content Value Of U.S. Coins

Lincoln cent, 1959-1982	1.50¢
Lincoln cent, 1982-date	0.47¢
Jefferson nickel, non-silver	3.00¢
Roosevelt dime, 1965-date	1.36¢
Washington quarter, 1965-date	3.40¢
Kennedy half dollar, 1971-date	6.80¢

er two. Therefore, a lot of market watchers probably don't yet realize that the US dollar actually fell over that time period when you consider the entire world!

I don't track every currency, but I do watch many of the important ones. As you can see in the table to the left, the US dollar rose in the last four weeks against European currencies, Argentina, South Korea, and a little bit against silver.

The value of the US dollar fell against all the other currencies I track plus gold, platinum, and palladium.

Has anyone else told you that over the past four weeks the US dollar has fallen

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against all five currencies from the BRICS consortium:

Brazil	Dollar down 3.5%
Russia	Dollar down 8.6%
India	Dollar down 0.9%
China	Dollar down 1.1%
South Africa	Dollar down 4.2%

Or have any so-called experts already told you that the US dollar has fallen against many currencies in North America, South America, and Asia over the past month?

While most major world stock indices are down thus far in 2016 to yesterday, the price of gold rose 19%, silver 11% and platinum almost 11%. Even the US Dollar Index, which overstates the relative value of the US dollar, is down thus far this year!

In the past two issues I have covered several reasons why gold and silver prices were rising while other financial prices and indices were falling. There has been a massive amount of news developments over the past four weeks that all seem to point pretty much in the same direction—

What has already happened in 2016 is just an appetizer of what is yet to come!

The price of gold has enjoyed the strongest first ten weeks of a calendar year, by one analysis, going all the way back to 1974! But neither that “news” nor the underlying causes for this development are being covered by many in the financial media.

While many people have been rattled by the weakness in paper assets like stocks, bonds, and foreign currencies thus far in 2016, most of them probably cannot pin down the correct reasons why markets are so turbulent and worse than they expect.

Find more than a thousand numismatic items offered for sale today in our eBay store and on our company's website. Gold, silver, and copper coins, exnumia, paper money, and other collectibles. On eBay, search for seller **Treasurechestofliberty**. Other items are for sale on our website at www.libertycoinservice.com.

Here are some relatively fresh developments that most people don't know.

Part Of What Most People Don't Know

1. The US Treasury's Office of Financial Research yesterday released a study stating that the ripple effects from a large bank default could be nine times larger across the banking sector than what is contemplated under existing Dodd-Frank required stress tests of individual banks.

The report says banks face greater risks as a group from their inter-linkages than what bank holding companies face in their one-to-one trading relationship.

“We find that indirect effects of this default [should one occur], through the bank's other counterparties, are larger than the direct impact on the bank.” Read this report at https://financialresearch.gov/working-papers/files/OFRwp-2016-01_Stressed-to-the-Core.pdf.

Last Friday, Federal Reserve Governor Daniel Tarullo referred to these risks in his testimony to the US Senate Banking Committee.

2. The Federal Reserve Bank of St Louis recently reported that total wholesale inventories have again risen above 1.3 months worth of wholesale sales in the US. It was last at this level during the Great Recession that allegedly ended in 2009.

3. Auto leases now account for 32% of new vehicles “sold” by dealers in the US. As this flood of vehicles come to the end of their leases, that will drive down the market value of used vehicles—meaning that trade-in values used to purchase new vehicles will also fall. That is bound to decrease future demand for new vehicles.

Already the default rate on subprime auto loans (now accounting for about 40% of all new vehicle sales versus the long-term average of 20%) has risen close to 5% from being under 2% just a few years ago.

4. Last year, the Chinese government-backed venture fund raised the equivalent of \$231 billion, an amount said to be equal to five times the amount raised by all the other venture firms worldwide combined!

5. On Sunday, the Bank for International Settlements released a report that expressed concerns over the proliferation of negative interest rates and surging debts (because they are denominated in US dollars) in emerging nations.

The head of the BIS monetary and economics department, Claudio Bono, said, “The latest turbulence has hammered home the message that central banks have been overburdened for far too long post-crisis.

Patrick A. Heller's Upcoming Speeches and Appearances

May 11, Highland, Michigan, Huron Valley Numismatic Society meeting, “Collecting Coins For Fun And Profit, 7:00 PM at the Highland Adult Activities Center, 209 N. John Street. For more information, go to www.hvns.org.

For more information on any event or to arrange for a presentation by Patrick A. Heller, call 800-933-4720 or email path@libertycoinservice.com.

Market participants have taken notice. And their confidence in central bankers' healing powers has—probably for the first time—been faltering.” In plain English that means that the smart money is betting that the world's central banks cannot fix the financial turbulence caused by their past actions.

6. Swiss 1,000 franc notes, currently worth about \$1,000 US, account for 60% of the value of outstanding Swiss currency in circulation. Demand is strong because of negative interest rates on bank accounts in Switzerland.

7. The amount of debt now paying negative interest rates looks to be about \$300 billion. To avoid losing value, many people in Europe are literally taking their cash out of banks to hold in physical form rather than in a bank account.

There are a growing number of suggestions to discourage people holding physical currencies outside of the banking system. For instance, Canada may retire its \$1,000 note. The Eurozone may eliminate its 500 euro note and maybe even lower denominations. There are even calls to eliminate the \$50 and \$100 notes in the US.

One incentive for governments to coerce people into putting their funds into bank accounts is that laws and regulations in many nations (including the US) would require banks to seize customer bank accounts first to cover losses on derivatives contracts before looking to receive government bailouts. This first occurred in Cyprus earlier this decade, with similar laws now in effect across the world.

8. The Chinese government just reported that February 2016 exports fell 25.4% from February 2015 levels. This was the largest decline since 2009 and the 3rd largest drop ever reported.

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Imports also dropped 13.8% from year earlier data. China is the world's largest global trader. Yes, it does more international volume than America.

9. The economies of Portugal and Greece are in such poor shape that the number of impoverished females turning to prostitution had driven down prices for their services to barely \$4.00 per hour (as I have been told). This may seem like a minor economic note, but it is a genuine indicator of the direction that world-wide finances are heading.

10. Italy's banking system is on the brink of a complete collapse.

11. Much of South America is now suffering from economic depressions. Despite that, the currencies in some of these nations have recently appreciated against the US dollar.

12. The Bank of Canada reported that it had sold virtually all of its remaining gold reserves, keeping only 77 ounces. This move is reminiscent of when the Bank of England sold roughly half of its gold reserves from 1999 to 2001 at the very lowest prices over the past more than 35 years. Could it happen that the Bank of Canada will have sold its gold reserves at the lowest prices from now into the future?

13. At the G-20 meeting of finance ministers and central bank governors held in Shanghai two weeks ago, representatives from China, the US, Japan, Germany, Great Britain, and France were at odds over what to do about global financial turbulence. Normally the concluding announcement for such major meetings is scripted before the event even starts. This time around, there was no consensus reached and no concluding announcement of coordinated actions. This is a huge warning sign that central banks are losing their ability to manage financial crises. There are upcoming meetings of the Federal Open Market Committee, the European Central Bank, and a joint meeting of the International Monetary Fund and the World Bank all coming up by the middle of April. If no "grand plan" comes out of any of these get-

together, the financial turbulence could get worse much faster than otherwise.

14. Last Friday, BlackRock, Inc. suspended the issuing of shares in its physically traded gold exchange traded fund (symbol IAU). The reason given for this action was excessive customer demand.

On the face of it, this does not make any sense. Why would any business say that strong demand for its goods and services would lead it to stop selling altogether?

Obviously, something else was a problem. My best guess is that the fund was finding it difficult to acquire sufficient physical metal to match incoming customer orders for their fund's shares. However, if the fund were to publicly admit that this was the problem, that would create an instant buying frenzy for gold (and silver).

Over the weekend, it looks like the fund was pressured by unidentified parties (the US government or its trading partners following government orders?) to resume selling shares as quickly as possible.

Monday morning the fund announced it would resume sales on March 9. However, it actually started selling shares on Monday, violating securities laws and incurring penalties by doing so.

This one event could be a major signal how close physical precious metals markets are to a "commercial signal failure." If this were to happen, when parties who owed deliveries of physical metal on maturing paper contracts defaulted, that could make it almost impossible to buy any physical gold or silver, no matter how much someone is willing to pay.

These are just a handful of recent news developments that most people have not heard about. The proposals to discontinue high denomination currencies have received significant coverage, but not the real underlying reasons for putting forth such ideas. Instead, the alleged reasons for the proposals include helping to curb illegal drug trafficking and money laundering. These are just smokescreens for governments planning to take people's money at some point in the future.

With so many factors pointing to increasing financial turbulence in the coming months and years, it is no surprise that gold and silver prices have significantly outperformed so many paper asset values thus far in 2016.

Now that that US dollar is starting to lose value, I expect precious metals to rise even higher, maybe much higher, this year.

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.

Pre-1934 US Gold Coin Prices Start To Take Off—Are Morgan And Peace Dollars Next?

In the last two issues of *Liberty's Outlook*, I alerted readers that the weakness in Pre-1934 US Gold Coins was coming to an end.

Still, I never expected some prices to jump so quickly! For example, one month ago, our retail selling price for a Choice Mint State-63 \$10.00 Indian was \$860. Today that price is 12.8% higher at \$970!

Sure, the price of gold rose just over 5% during the same time, but soaring customer demand drove the prices of these coins up even more than that.

As an 8-piece group of \$2.50 through \$20.00 Gold Indians and Liberties, the price for this set in Gem Mint State-65 quality is virtually unchanged over the past month. In Very Choice Mint State-64 condition, this set is up about 3%. For coins of Choice Mint State-63 condition, the set price is up about 5.3%.

Not every price is up, especially for coins where the value of the gold content is just a small fraction of the price of the piece. For example, the price of Common-Date \$3.00 Indian Princesses are down about 1% in grades MS-62, MS-63, and MS-64.

One reason why I expect a strong surge in Pre-1934 US Gold Coin price-

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es is the coming shift in value of such coins, as calculated in local currencies, at banks across Europe and South America. Many of these banks held large quantities of the classic US Gold Coins as reserves rather than return them to the US government in 1933.

As the US dollar price of gold has fallen over the past two years, it has actually risen in other currencies. As this happened, that made it more lucrative for banks in some countries to liquidate these US Gold Coins at higher prices in their local currencies than they could realize from selling other assets.

However, when the relative value of the US dollar turns downward, as may have started, the flow of Pre-1934 US Gold Coins from foreign banks could slow down significantly. This has happened before when the dollar declined against other currencies and could happen again.

If, I really think it is a matter of when, supplies of Pre-1934 US Gold Coins tighten, look for prices to rise faster than changes in the spot price.

It is our pleasure this month to feature two offerings of Pre-1934 US Gold Coins that are tempting values: **Very Choice Mint State-64 1910-D \$20.00 Saint Gaudens Double Eagles** and **Better-Date \$5.00 and \$10.00 Liberty Bargains**. Supplies are definitely limited, so please refer to the enclosed flyers soon.

Incidentally, when I attended the American Numismatic Association National Money Show in Dallas last week, I finally noticed a surge in bidding action for **Common-Date High Grade Mint State Morgan and Peace Silver Dollars**. This was not a widespread development. However, it would not surprise me at all to see the recent slight price increases continue in the coming months.

By the way, should the Federal Reserve impose negative interest rates this year, as Federal Reserve Chair Janet Yellen refused to rule out in her testimony to Congress in January, that would also certainly spark higher demand in this country for bullion-priced physical precious metals and even popular numismatic coins such as Pre-1934 US Gold Coins and Morgan and Peace Dollars. I am not even factoring that possibility into my forecast of higher prices for these coins as the year

The Month

Gold Range	75.25	6.3%
Net Change	+61.75	
Silver Range	1.17	7.7%
Net Change	+.08	
Gold/Silver Ratio	81.9	
Net change	+3.7	
Platinum Range	87.00	9.3%
Net Change	+48.00	
Platinum/Gold Ratio	0.78	

Date	Gold	Silver	Platinum
Feb 10	1,194.75	15.27	934.00
Feb 11	1,248.00	15.86	963.00
Feb 12	1,239.00	15.79	958.00
Feb 15	1,239.00	15.79	958.00
Feb 16	1,207.50	15.32	937.00
Feb 17	1,211.00	15.37	949.00
Feb 18	1,226.00	15.42	945.00
Feb 19	1,230.50	15.36	945.00
Feb 22	1,209.50	15.17	927.00
Feb 23	1,222.25	15.24	943.00
Feb 24	1,238.75	15.29	943.00
Feb 25	1,238.75	15.17	927.00
Feb 26	1,219.75	14.69	915.00
Feb 29	1,234.00	14.89	934.00
Mar 01	1,230.25	14.73	936.00
Mar 02	1,241.00	15.00	936.00
Mar 03	1,257.50	15.13	942.00
Mar 04	1,270.00	15.68	986.00
Mar 07	1,263.25	15.63	1,002.00
Mar 08	1,262.00	15.34	989.00
Mar 09	1,256.50	15.35	982.00

London Silver Market Premium To New York Silver Market = 0¢

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

progresses. If it comes to pass, that would just magnify the price increases.

Silver and Silver Coins

Silver finished on the COMEX today at \$15.35, up a slight 8 cents (0.5%) from four weeks ago.

As usually happens when the US president, the Federal Reserve Chair gives a major speech or addresses Congress, or there are major international financial gatherings, gold and silver prices are invariably suppressed. As you look at the daily spot price chart above, notice how prices dropped on February 26 as the G-20 meeting in Shanghai began (and also that they are all now higher than the February 25 closes).

Price suppression also usually occurs just before the release of the monthly Non-Farm Payrolls and Unemployment report. That started to happen on March 4. However, the prices drops early in US trading hours turned around after BlackRock, Inc. suspended sales of shares in their gold exchange traded fund.

Prices will never go in a straight line, so don't be that concerned about momentary price drops. Should silver or gold prices decline for multiple days, consider that another bargain buying opportunity.

Supplies are readily available with no or only short delivery delays. The premium for **US 90% Silver Coins** (20.5%) is higher than I like, but that is a sign of healthy demand for an out-of-production form of physical silver.

I continue to recommend acquiring the **100, 10, and 1 Ounce Ingots** (6.8-7.5%) to get more silver at a lower premium than most other forms. Make sure that you own some quantity of the smaller pieces for potential "spending money" purposes as the 100 Ounce ingots are not divisible.

The premiums of **US Silver Eagle Dollars** (19.2%) or **Canada Silver Maple Leafs** (14.9%) are high enough that I do not recommend them as a way to purchase bulk quantities of physical silver. However, the US Mint is selling Silver Eagles at a pace ahead of last year's record-setting volume.

Gold And Gold Coins

Gold settled in the US today at 1,256.50, a significant increase of \$61.75 (5.2%) from last month.

The US Mint reports that sales of **US American Eagles** (5.0%) are much higher than 2015 levels thus far into the year. However, demand is still well down from the earliest years of the program.

Like silver, the most popular products are in ready supply at normal or close to normal premiums.

I again recommend as my low premium favorites the **US American Arts Medallions** (2.8%), the **Austria 100 Corona** (2.5%), and the **Mexico 50 Pesos** (2.5%). I look for these issues to somewhat outperform other alternatives such as **US American Eagles**, **Canada Gold Maple Leafs** (4.1%), and **South Africa Kruggerands** (4.2%) over time.

Item	Qty	Fine Wt	Price	Cost/Oz	Premium
*U.S. 1 Oz Gold Eagle	10	1.0000	1,321.00	1321.00	5.0%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	685.00	1370.00	8.9%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	351.50	1406.00	11.8%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	144.50	1445.00	14.9%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,321.00	1321.00	5.0%
*Australia 1 Oz Kangaroo	10	1.0000	1,318.50	1318.50	4.8%
*Austria 100 Corona	10	0.9802	1,264.00	1289.53	2.5%
*Austria 1 Oz Philharmonic	10	1.0000	1,313.25	1313.25	4.4%
*Canada 1 Oz Maple Leaf	10	1.0000	1,309.50	1309.50	4.1%
*China 1 Oz Panda	10	1.0000	1,344.75	1344.75	6.9%
*Mexico 50 Peso	10	1.2057	1,554.75	1289.50	2.5%
*S. Africa Krugerrand	10	1.0000	1,310.75	1310.75	4.2%
*U.S. Medallion	10	1.0000	1,293.25	1293.25	2.8%
*50 Gram Combibar	10	1.6077	2,224.75	1383.81	10.0%
*1 Oz Ingot	10	1.0000	1,297.00	1297.00	3.1%
*Austria 1 Ducat	10	0.1107	154.70	1397.47	11.1%
*Austria 4 Ducat	10	0.4428	635.00	1434.06	14.0%
*British Sovereign	10	0.2354	321.25	1364.70	8.5%
*British Sovereign, BU	10	0.2354	339.25	1441.16	14.6%
*France 20 Franc	10	0.1867	255.00	1365.83	8.6%
*Swiss 20 Franc	10	0.1867	258.00	1381.90	9.8%
\$20 Liberty BU	10	0.9675	1,380.00	1426.36	13.4%
\$20 St Gaudens BU	10	0.9675	1,395.00	1441.86	14.6%
\$20 Liberty Extremely Fine	10	0.9675	1,360.00	1405.68	11.7%
\$10 Liberty Extremely Fine	10	0.4838	680.00	1405.54	11.7%
\$5 Liberty Extremely Fine	10	0.2419	370.00	1529.56	21.6%
*U.S. 90% Silver Coin	1,000	715	13,265.00	18.55	20.5%
*U.S. 40% Silver Coin	1,000	295	4,840.00	16.41	6.5%
*U.S. Circulated Dollars	1,000	760	20,250.00	26.64	73.0%
*U.S. Silver Eagle-2016	1,000	1,000	18,350.00	18.35	19.2%
*Canada Silver Maple Leaf	1,000	1,000	17,690.00	17.69	14.9%
*100 Oz Silver Ingot	10	100	1,645.00	16.45	6.8%
*10 Oz Silver Ingot	100	10	165.50	16.55	7.5%
*1 Oz Silver Ingot	1,000	1	16.55	16.55	7.5%
*1 Oz Platinum Ingot	10	1.0000	1,061.00	1061.00	7.0%
*U.S. 1 Oz Platinum Eagle	10	1.0000	Not available		
*U.S. 1/2 Oz Plat Eagle	10	0.5000	Not available		
*U.S. 1/4 Oz Plat Eagle	10	0.2500	Not available		
*U.S. 1/10 Oz Plat Eagle	10	0.1000	Not available		
*Other 1 Oz Plat Coins	10	1.0000	Not available		
*Canada Palladium ML	10	1.0000	611.00	611.00	7.0%

Gold:	\$1,258.00
Silver:	\$15.40
Platinum:	\$992.00
Palladium:	\$571.00

Notes from Liberty

By Allan Beegle
LCS Chief Numismatist

February sales volume was the highest in several months and one of our higher sales volume months of the past two years! Demand for precious metals and numismatic items was solid all month long, as has continued thus far in March.

Last month's featured offers almost all sold out. If you were able to acquire one or more of the Choice Mint State-63 \$10.00 Indians, congratulations. The price on this coin rose over the past few weeks—more than 10%. We sold out our initial inventory and two more groups we were able to acquire before the wholesale price exceeded our selling price in the offer.

By the way, we were able to locate three more specimens of the 1888 Morgan Dollar in Gem Mint State-65 quality, if you were one of the disappointed would-be buyers. We also still have some of the Polish medieval silver 3 Polker coins issued by King Sigismund III. While they last, we still offer them at last month's price.

Last week, LCS Communications Officer Pat Heller "walked the floor" at the American Numismatic Association National Money Show in Dallas. To his surprise, he uncovered a second small lot of **Very Choice Mint State-64 \$20.00 Saint Gaudens** to go with another small group he found at a show four weeks earlier. Between the two, we have enough coins to offer to everyone.

Pat also snapped up a group of NGC-certified historic **1783 Mexico Silver 8 Reales from the El Cazador Shipwreck**. In being lost at sea rather than delivered to the Spanish government in New Orleans, American and world his-

LCS Postage Charges	
Value of Contents	Postage Charge
Under \$50	\$5
\$50-249	\$10
\$250-499	\$18
\$500-999	\$25
\$1,000-4,999	\$30
\$5,000 and higher	None

Liberty Coin Service Call Toll-Free: **(800) 527-2375 National**
400 Frandor Avenue **(517) 351-4720 Local**
Lansing, MI 48912 **(517) 351-3466 Fax**
 web: www.libertycoinservice.com email: path@libertycoinservice.com
 Trading Desk Hours (Eastern): Mon-Fri 9:30AM-6PM, Sat 10AM-2PM

Coins, Rolls and Sets

U.S. 10 pc Gold Medallion Set, 1980-1984, BU	\$10,770
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20	\$650
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20	\$885
U.S. Peace Dollar, Brilliant Uncirculated Roll/20	\$585

Gold:	\$1,258.00
Silver:	\$15.40
Platinum:	\$992.00
Palladium:	\$571.00

Numismatic Coins (PCGS/NGC/ICG Graded)

	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	1,490	1,525	1,780
U.S. \$20.00 Liberty	1,585	1,790	2,990
U.S. \$10.00 Liberty	925	1,225	2,835
U.S. \$5.00 Liberty	560	740	2,845
U.S. 4 pc Indian Gold Type Set	3,840	5,860	13,825
U.S. 4 pc Liberty Gold Type Set	3,455	4,185	9,535
U.S. 8 pc Gold Type Set	7,235	9,895	22,910
U.S. Morgan Dollar (Pre-1921)	64	82	165
U.S. Peace Dollar	45	58	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 15 day return period. Orders for bullion-priced items (marked with *) are not returnable and, after confirmation, cannot be cancelled.

tory changed. Our previous two groups of these coins sold out quickly.

With Pre-1934 US Gold Coin prices on the way up, we have decided not to wait any longer to offer some **Better-Date \$5.00 And \$10.00 Liberty Bargains**. Even though we have too few coins to offer, we are following our practice of selling coins to our customers before prices rise further in the future rather than wait until we have a larger inventory.

With fewer than a hundred coins total among all three offerings, it would not surprise me to see another complete sellout. If you have an interest in one or more selections, please call our **Trading Desk toll-free at 800-527-2375** soon to check on availability and confirm your purchase.

Here are some other interesting deals we picked up recently:

Unified Space Over American Moondust Certificates: To commemorate the Apollo 11 voyage in 1969 where men first stepped on the moon, a Houston Company struck fantasy 100 Moon Dublunars Notes. Generic issues are of little value.

However, a small quantity were printed for The Rice Hotel, Houston, Space City U.S.A. Home of the Astronauts. The Rice Hotel at the time was the third structure at that location, with the first Rice Hotel being converted from the Capitol Building of the Republic of Texas, when that state was an inde-

pendent nation. The structure in existence in 1969 still exists, but now as an apartment building.

We have never heard of and could not locate any other Moondust Certificates for The Rice Hotel. We have two Extremely Fine specimens available at \$24.95 apiece.

Gem Mint State-65 Sweden 1883

10 Kronor Gold Coins: When Prussia formed the German Empire in 1870, it established a gold standard rather than a bimetallic gold and silver monetary base. Because of Germany's economic clout, other nations, including Sweden and the United States, were forced to follow along. Sweden, which had several silver mines, was hurt economically by the changeover. As a result, it issued comparatively few gold coins.

Before the Norwegian Government Gold Hoard was released in 1990, most all Swedish Gold Coins were valuable rarities. We now have five lovely NGC-certified specimens of the 1883 10 Kronor (0.1296 oz Gold content) that came from this famous hoard. At today's price of \$215 you are only paying about \$50 above its gold value.

Lovely Mint State-62 1922-S

Peace Dollars: From Dallas, Pat brought back seven flashy white NGC-certified pieces of the 1922-S Peace Dollar. At a quick look, these coins appear to be undergraded. In MS-63 and higher grades, this is a date we recommend for long-term appreciation. *Coin Val-*

ues is \$50 for MS-60 quality and \$95 for MS-63 condition. At our price of \$65, you will love these coins.

Superb Gem Mint State-66 100 Year Old US \$1.00 Gold Com-

memorative: To commemorate and help pay for the construction of the President McKinley Birthplace Memorial in Niles, Ohio, The US Mint struck Gold Dollars in 1916 and 1917. A total of about 20,000 coins were struck over the two years, with researchers differing on the number dated each year.

At the end of the 1980s, a wealthy businessman thought he could corner the market for the 11-piece US Gold Commemoratives issued from 1903 to 1926. In June of 1989, these coins would have cost you \$23,500 each. We did not recommend owning them back then. Even today's *Coin Values* catalog value of \$2,000 seems too higher. At our price of \$1,295 for either of these two 1916-dated NGC-certified specimens they are a superior value—and priced less than we were quoted to buy a third nice example.

Very Choice Mint State-64 Red/Brown US 1850 Large Cent:

Sometimes a coin is just too beautiful to pass up. This awesome PCGS-certified coin not only has a lot more original mint orange hue than typical for a Red/Brown copper coin, it looks possibly undergraded—even under magnification. We wish that all coins looked this attractive for their described grades.

Coin Values only goes up to MS-63 Red/Brown quality, which catalogs for \$500. In a quick search, the lowest price we find for any matching specimens is \$790. At \$750, you will be pleased with this coin.

NGC-Certified Choice Mint State-63 1887 Swiss Shooting Thaler:

Swiss Shooting Thalers are popular because of their large size—more than US silver dollars. They also feature sharp high-relief detail. This particular issue is catalog # R-628b. It was issued in Geneva for the 1887 Swiss Shooting Festival.

We don't see many Shooting Thalers. An MS-62 specimen of this issue sold for \$256 in December. Another of that same grad is currently offered at \$399. Our price of \$299 for this nicer example is the better deal.

Better-Date \$5.00 And \$10.00 Liberty Bargains!

by Allan Beegle, LCS Chief Numismatist

When prices for US Gold Coins were weak last year, we knew that was temporary. As buying demand was weak, we set out to scoop up bargains—especially among the Better-Date issues that sell at or much closer to the prices of Common-Date issues than seem to make sense.

Unfortunately, when prices fell, supplies became even tighter. Many collectors who already own these coins are simply holding on to them rather than sell at current levels.

For the past few months, we have been scouring coin shows and dealer lists seeking any and all bargains we could find. Usually that meant coming up with one-, two-, or a few-of-a-kind at a time.

Prices Are On The Way Up! Now we face a dilemma. The price of gold is on the way back up this year. Foreign banks who have held US Gold Coins in their reserves had been aggressive at selling them in 2015 because they could sell these coins—in their local currencies—at higher prices than they could realize selling other assets.

But, now that the US dollar may have passed its peak of relative value, these foreign banks cannot realize the same premiums selling US Gold Coins as they could in 2015. Supplies are tighter now than in years past.

The Good News! As we have done on a regular basis, we have decided to offer coins that we already have in inventory at today's money-saving price levels rather than risk prices being higher in the future.

The Not So Good News. Along with our separate offer of the Very Choice Mint State-64 1910-D \$20.00 Saint Gaudens Double Eagles, there are only 21 coins among eight different issues available here! Each coin in this offering has been independently certified by either the Numismatic Guaranty Corporation (NGC) or Professional Coin Grading Service (PCGS) as well as passing our fussy standards.



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

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

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

1882 \$5.00 Liberty, Mint State-62, PCGS/NGC—\$455 (5 coins available). This coin has a large mintage, just over 2.5 million coins. However, coins of this era largely entered circulation. As a result, Mint State specimens are less common than mintages would indicate.

In Mint State-62 and higher grades certified by PCGS or NGC, the 1882 \$5.00 Liberty is 2.73 times scarcer than the 1900 date for the same grades. It lists in *Coin Values* for \$50 higher than the 1900 issue. Yet, because of our astute bargain-hunting, we offer these Better-Date coins at the same price as the common issue. Only while they last, though!

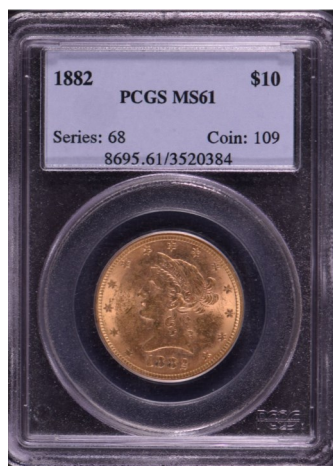
1884 \$5.00 Liberty, Mint State-62, PCGS—\$850 (3 coins available). The modest mintage of 191,030 does not tell you just how rare these coins are. In fact, they are the scarcest of this offering. Over the past 30 years, PCGS and NGC combined have certified a paltry 169 examples in MS-62 or nicer quality. It is more than 110 times rarer than the 1900 \$5.00 Liberty in MS-62 and higher grades!

These pieces are certainly among the finest, if not the very highest, quality specimens of this date we have handled in our 45 years in business! We could track only two pieces of this quality appearing in major auctions in the past year. *Coin Values* lists this coin for \$1,250 but we can offer them at a sizeable discount to that!

1891 \$5.00 Liberty, Mint State-62, NGC—\$775 (2 coins available). This rarity has been on our shopping lists for more than a quarter century! We were fortunate to offer three specimens of this rarity five months ago. Now we are stunned to have two more!

Mintage is a low 61,360. PCGS and NGC together have certified just 254 MS-62 and nicer grade pieces. Put another way, they are more than 76 times scarcer in MS-62+ quality than the 1900 \$5.00 Liberty.

As we said last October, we wish we could find more of these coins. *Coin Values* is \$900.



1882 \$10.00 Liberty, Mint State-61, PCGS—\$785 (2 coins available). Like the \$5.00 Liberty of the same date, the 1882 \$10 Liberty has a high mintage exceeding 2.3 million. But, like the other coin, the number of surviving specimens in Mint State quality is fewer than later common-dates.

The 1882 \$10.00 Liberty in Mint State-61 or higher grade is almost twice as scarce as the 1901-S issue. Yet we also offer this coin at the very same price as for the 1901-S date. *Coin Values* is \$825 for MS-60 quality pieces and \$975 for those grading MS-62.

1883 \$10.00 Liberty, Mint State-62, NGC—\$895 (3 coins available). In last October's offer, we had two specimens of this date and grade available. Now we have three. As we noted before, the 1883 \$10.00 Liberty has a moderate mintage of 208,700 coins. This issue began a nine year run (through 1891) when the Philadelphia Mint struck fewer than 260,000 coins every year.

The date is more than 28 times rarer than the 1901-S \$10.00 Liberty in MS-62 and higher grades.

Coin Values lists this date in MS-62 quality at \$950. Still, for all this rarity, you can purchase these coins for just \$85 more than the price for the common 1901-S issue of the same grade.

1890 \$10.00 Liberty, Mint State-61, NGC, \$950 (2 coins available). This the lowest mintage coin in this offer. Just 57,980 pieces were struck! Over the past 30 years, PCGS and NGC combined have certified just 405

MS-61 or nicer quality pieces. That makes it more than 83 times scarcer than the 1901-S in MS-61 and higher quality.

This coin catalogs in *Coin Values* for MS-60 at \$1,200 and for \$2,000 in MS-62 condition, respectively.

We would love to be able to offer a few dozen of these specimens. But, despite always being on our list of coins to seek, we have probably handled, at most, ten Mint State examples over the past quarter century!

1891 \$10.00 Liberty, Mint State-62, NGC, \$925 (2 coins available). Here is another lower mintage date—only 91,820 pieces issued. Other than a small group we were fortunate to acquire and offer in mid-2014, we have handled fewer than ten Mint State-62 specimens of this rarity over the past 25 years.

The PCGS and NGC certified populations attest to their scarcity—just 492 MS-62 or finer examples over the past 30 years. That is less than one coin per month for each service! That makes this date more than 62 times rarer than the common 1901-S in the same grades.

This coin lists in *Coin Values* at \$1,150.

As with the 1890 \$10.00 Liberty—actually any of the dates in this offer—we would be thrilled to be able to find a quantity that we could offer at current price levels!

1892 \$10.00 Liberty, Mint State-62, PCGS, \$810 (2 coins available). With a production of 797,480 coins, this is not a low mintage coin. Neither is it one of the highest mintages.

This date is more than five times less common than the 1901-S \$10.00 Liberty in Mint State-62 or higher quality, as certified by PCGS and NGC. Yet, because of our diligent hunt for value, we can offer these coins to you at the very same price as you would pay for the 1901-S of the matching quality.



Another Extraordinary Opportunity!

Very Choice Mint State-64 1910-D \$20.00 Saint Gaudens Double Eagles!

Which do you think is the better deal?

—The Very Choice Mint State-64 1924 \$20.00 Saint Gaudens Double Eagle, with a mintage of 4,323,500 coins, a combined PCGS and NGC MS-64+ population of almost 285,000 pieces, and selling for \$1,575? Or . . .

—The Very Choice Mint State-64 1910-D \$20.00 Saint Gaudens Double Eagle, with a mintage of 429,000, a combined PCGS and NGC MS-64 or higher population of just 5,512, priced at just \$1,750?

If you picked the 1910-D \$20.00 Saint Gaudens Double Eagle, give yourself a pat on the back.

The Rarity Of High Grade 1910-D \$20.00 Saints!

By the time the \$20.00 Saint Gaudens Double Eagle series debuted in 1907, Americans had mostly adjusted to paying for purchases with paper currency (that could be readily exchanged for gold coins if desired). As a consequence, many US and foreign banks stored these large Double Eagles in their vaults, not in circulation, as reserves.

A higher proportion of Saints from the mid-1920s were stored in foreign bank vaults when the US government ordered Americans to exchange their US gold coins and gold certificates in excess of \$100 total face value in 1933. The foreign banks were not subject to this redemption. After the US government melted the redeemed coinage in the 1930s, issues such as the 1910-D turned out to have a much lower survival rate than later coins.

For example, the 1924 \$20.00 Saint Gaudens has more than ten times the mintage of the 1910-D. Yet, over the past three decades, the Professional Coin Grading Service (PCGS) and Numismatic Guaranty Corporation (NGC) combined have certified more than 50 times as many 1924 Saints of Very Choice Mint State-64 quality or higher than of 1910-D Saints.

Yet, for all this rarity, *Coin Values* catalogs the 1910-D \$20.00 Saint Gaudens in MS-64 quality at an attractive \$2,100 compared to \$1,700 for the 1924 date of the same grade. Even though common-date Saints are now selling at a sizeable discount to their \$2,425 price in September 2011, the 1910-D Saints offer, in our judgment, even better value. If you can find them!

The Opportune Purchases And Bargain Price!

At the Long Beach Coin Expo in California a month ago, LCS Communications Officer Pat Heller spotted a handful of PCGS-certified MS-64 1910-D Saints in the inventory of a West Coast Dealer friend. After screening out some coins that did not meet LCS's fussy standards, he negotiated a

price to purchase the remainder. Unfortunately, there were too few coins to offer to all of our customers.

At the American Numismatic Association National Money Show in Dallas last week, Pat came across another modest group of these PCGS-certified coins in the stock of a Southwest dealer. Once again, he was able to acquire the attractive specimens of this group at an irresistible price. Unfortunately, he was unable to find any more specimens anywhere near the same price at either show.

While our supply lasts, you can own of these rare, large, beautiful, PCGS-certified Very Choice Mint State-64 1910-D \$20.00 Saint Gaudens for just \$1,750 apiece. That is less than 15% more than you would now pay for the common-date 1924 Saint of the same grade!

As with all of our rare coin offerings, you must be satisfied with your purchase. You have fourteen days upon your receipt to return any or all coins for a full, prompt refund of your purchase price.

Don't Delay!

Call Today! Like our other offerings of US Gold Coin bargains so far this year, we expect a quick and complete sell out. To give more customers the opportunity to acquire one or more coins, we must limit orders to three coins per customer. No exceptions.

Call us toll-free at 800-527-2375 to confirm your order. Or return the coupon below.

Remember, you can use your Visa, Mastercard, or Discover card for purchases shipped to the credit card billing address.

—Thomas Coulson



Yes! Please send me the Very Choice Mint State-64 1910-D \$20.00 Saint Gaudens Double Eagles that I have selected below. I understand that all coins have been independently certified by the Professional Coin Grading Service (PCGS). My satisfaction is guaranteed; I may return any of these coins for a prompt 100% refund at any time within 14 days of my receiving it. Limit 3 coins per customer.

_____ US \$20.00 St Gaudens, 1910-D, MS-64, PCGS @ \$1,750 = _____
Postage (see Computer Quotes Page) _____
TOTAL _____

Name _____

Address _____

City/State/Zip _____

Phone _____ Confirmation # _____

Liberty Coin Service 400 Frandor Ave., Lansing, MI 48912
Toll-free 800-527-2375

The Coins That Formed The Basis For the US Monetary System!

Affordable “Pieces Of Eight”

El Cazador—The Shipwreck That Doubled The Size Of The United States!

The Spanish 8 Reales, more popularly known as “Pieces of Eight,” were the principal coins used by the American Colonists.

They were so popular that on September 2, 1776 Thomas Jefferson recommended to the Continental Congress that the silver Spanish milled dollar become the monetary unit of the newly independent United States of America.

These coins were struck in Mexico City and other mints in Mexico, Bolivia, Chile, Colombia, Guatemala, and Peru.

To make change, in an era when there were few other circulating coins, some of these coins were cut into “bits.” One fourth of the 8 Reales was referred to as “two bits,” half of the 8 Reales was traded as “four bits,” and so forth.

The Basis For the US Dollar!

When Congress enacted its first coinage law in 1792, the content of the dollar was derived from the average weight of the Eight Reales then in circulation—371-4/16 grains of silver content (.7734 of a troy ounce). This silver content remained unchanged right through the last Peace Dollar struck for circulation in 1935 and for every commemorative silver dollar struck up through today!

The “El Cazador” Shipwreck Doubles The Size Of The US!

In 1762 French King Louis XV ceded the Louisiana Territory to his cousin, Spanish King Charles III to keep these lands from falling to the British.

As more people settled in these lands, the Spanish government found it difficult to rule. The local circulating paper money was losing value to inflation and counterfeiting.

To quell growing unrest, the Spanish government directed the brig El Cazador to sail from Veracruz, Mexico to New Orleans with a hold filled with more than 400,000 silver 8 Reales to pay soldiers and local government officials. The El Cazador left Veracruz in January 1784, but never reached New Orleans.

The loss of the treasure put even more burdens on the king. The Spanish government struggled with the Louisiana Territory until 1800. Then, Spain and France’s Napoleon signed the secret Treaty of San Ildefonso. The treaty called for Napoleon to make the Spanish king’s son-in-law the king of Tuscany in return for France regaining dominion over Louisiana.

Unfortunately for Napoleon, the slave revolt in Saint-Domingue (modern day Haiti) would lead to the death of more than 55,000 French soldiers.

US President Jefferson, sensing an opportunity, dispatched Secretary of State James Monroe to offer Napoleon \$3 million for the city of New Orleans. Napoleon rejected the offer, then offered the entire Louisiana Territory for \$15 million. The Louisiana Purchase Treaty in 1803 doubled the size of the United States!

An Opportune Purchase!

Although the El Cazador carried only newly minted coins in its hold, they did suffer somewhat from immersion in saltwater before the discovery of the shipwreck in 1993.

Whenever we have been fortunate to find some of these coins in the past few years, they have always sold quickly.

At the American Numismatic Association National Money Show in Dallas last week, I was surprised to discover the largest group of NGC-certified Specimens of the El Cazador Shipwreck I had ever seen. After quick research I found that coins of this rough quality were selling in online auctions for \$120 or more. I was able to negotiate a favorable



price for the lot and wrote a check.

While they last, we pass along significant savings. You can purchase these historic coins for just \$99 each!

Act Today!

This special offering is limited to our stock on hand. From past experience, we anticipate a complete sellout. To ensure that our supply is available for more customers, we must limit orders to four coins. No exceptions!

To reserve your purchase, call us toll-free at **800-527-2375**. Or use the order form below. Or use your Visa, Mastercard, and Discover charge card for purchases shipped to the billing address of the credit card.

—Patrick A. Heller

Yes! Please send me the 1783 Mexico 8 Reales “Pieces of Eight” recovered from the El Cazador shipwreck that I have indicated below. I understand that every saltwater-salvaged coin is certified Genuine by the Numismatic Guaranty Corporation (NGC) and that they are backed by LCS’s exclusive guarantees. I may return any numismatic purchase for any reason within 14 days of my receipt for a full, no-questions refund. Limit 4 coins per order.

_____ 1783 Mexico 8 Reales, NGC, recovered from
the El Cazador shipwreck @ \$99= _____
Postage (see Computer Quotes Page) _____
TOTAL _____

Name _____

Address _____

C/S/Z _____

Phone _____ Confirmation # _____

Liberty Coin Service, 400 Frandor Ave., Lansing, MI 48912 800-527-2375