

Liberty's Outlook

2017 & 2016 NLG Awards:
Best Dealer Publication

January 2018, Volume 24 Issue 1 Liberty Coin Service's Monthly Review of Precious Metals and Numismatics January 10, 2018

In 2018, Gold And Silver Prices Poised To Rise Against Unstable US Dollar!

Gold's 2017 Performance Versus Selected Currencies

Currency	2017 Gold Price Change
Argentine Peso	+33.0%
Brazil Real	+15.6%
Philippines Peso	+14.7%
Hong Kong Dollar	+14.4%
US Dollar	+13.6%
Indonesia Rupiah	+13.1%
Colombia Peso	+12.9%
New Zealand Dollar	+10.1%
Peru New Sol	+9.7%
Japan Yen	+9.4%
Switzerland Franc	+8.6%
Mexico Peso	+7.8%
Russia Ruble	+6.9%
India Rupee	+6.7%
China Yuan	+6.4%
Canada Dollar	+6.3%
Singapore Dollar	+4.9%
Australia Dollar	+4.8%
Chile Peso	+4.4%
Taiwan Dollar	+3.8%
Great Britain Pound	+3.8%
Thailand Baht	+3.4%
Malaysia Ringgit	+2.8%
Israel Shekel	+2.7%
South Africa Rand	+2.5%
Sweden Krona	+2.1%
South Korea Won	+0.4%
Denmark Krone	-0.3%
Euro	-0.5%

2017 Annual Results

Precious Metals	
Palladium	+58.4%
Gold	+13.6%
Silver	+7.4%
Platinum	+3.7%
Numismatics	
US MS-63 \$20 St Gaudens	+9.8%
US MS-63 \$20 Liberty	+6.4%
LCS US Currency Index	+5.1%
LCS Collector Key Date Coin Index	-0.5%
LCS Investor Rare Coins Index	-1.1%
LCS Collector Generic Coins Index	-1.6%
US Silver Proof Sets, 1950-1968	-1.7%
LCS Invest Blue Chip Coins Index	-2.1%
US Proof Sets, 1968-1998	-4.3%
US MS-65 Morgan Dollar, Pre-1921	-8.5%
US Proof Silver Eagles, 1986-1998	-25.2%
US Dollar vs Foreign Currencies	
Argentina Peso	+17.1%
Brazil Real	+1.8%
Philippines Peso	+1.0%
Hong Kong Dollar	+0.7%
Indonesia Rupiah	-0.4%
Colombia Peso	-0.6%
New Zealand Dollar	-2.4%
Peru New Sol	-3.5%
Japan Yen	-3.7%
Switzerland Franc	-4.4%
Mexico Peso	-5.1%
Russia Ruble	-5.9%
India Rupee	-6.1%
China Yuan	-6.4%
Canada Dollar	-6.5%
Singapore Dollar	-7.6%
Australia Dollar	-7.8%
Chile Peso	-8.1%
Taiwan Dollar	-8.6%
Great Britain Pound	-8.6%
Thailand Baht	-9.0%

Malaysia Ringgit		-9.5%
Israel Shekel		-9.6%
South Africa Rand		-9.8%
Sweden Krona		-10.2%
South Korea Won		-11.7%
Denmark Krone		-12.2%
Euro		-12.4%
U.S. Dollar Index	92.22	-9.84%

US And World Stock Market Indices	
NASDAQ	+28.2%
Sao Paulo Bovespa	+26.9%
Dow Jones Industrial Average	+25.1%
Dow Jones World (excluding US)	+24.6%
S&P 500	+19.4%
Nikkei 225	+19.1%
Russell 2000	+13.1%
Frankfurt Xetra DAX	+12.5%
London FT 100	+7.6%
Australia S&P/ASX 200	+7.1%
Shanghai Composite	+6.6%
10 Year US Treasury Note interest rate	2.409%
	-1.51%

Energy and Other Metals	
Cobalt	+129.4%
Aluminum	+30.8%
Copper	+30.1%
Zinc	+29.1%
Lead	+25.8%
Nickel	+22.4%
Crude Oil, Brent	+19.9%
Molybdenum	+5.1%
Natural Gas, Henry Hub	-2.7%
Tin	-5.8%

Metal Content Value Of U.S. Coins	
Lincoln cent, 1959-1982	2.17¢
Lincoln cent, 1982-date	0.85¢
Jefferson nickel, non-silver	4.22¢
Roosevelt dime, 1965-date	1.91¢
Washington quarter, 1965-date	4.78¢
Kennedy half dollar, 1971-date	9.56¢

In my judgment, the year 2018 has a significant chance of bringing large increases in precious metals prices (with the possible exception of palladium).

In saying that, I am not predicting that metals prices will be strong in their own right. Instead, my thinking is grounded on the likelihood of a continuing decline in the relative values of unbacked fiat (paper) currencies.

As you can see in the list above, the price of gold outperformed the overwhelming majority of fiat currencies last year. I expect results in 2018 may be even more dramatic.

For a surprisingly high percentage of financial and economic developments

in 2018, I think the most common theme will be the failure of the US government to stabilize the value of the US dollar. But, before I detail what I expect will be some of the major financial crises this year, let me make one thing clear:

No other fiat currency is anywhere close to being in a position to displace the US dollar as the most widely used form of money in international commerce.

It wasn't that many decades ago when the US dollar was used for pricing and making payment for more than 90% of international transactions worldwide. Today, that is down to perhaps 60% of such trading activity. That still means that no other currency is anywhere close to being as widely accepted.

According to the Bank for International Settlements, more than \$5 trillion in currencies are traded every day. After the

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US dollar, the euro is the second most used, followed by the Japanese yen, British pound, Australia dollar, Canadian dollar, Swiss franc, Chinese yuan, Mexican peso, and Swedish krona.

It is true that the Chinese government has been extremely active at increasing the use of the yuan in international commerce, signing bilateral and multilateral treaties with other countries to avoid using US dollars for pricing and payment in contracts among them.

Late in 2016, the yuan was added as a component of the International Monetary Fund's Special Drawing Rights. The Chinese economy is now the world's second largest. However, it will be years before the yuan could possibly displace the US dollar as the world's "reserve" currency.

Some of the decline in the use of the US dollar for international commerce simply reflects the fact that the rest of the globe's wealth has been increasing faster than America's. But, perhaps the dominant reason for the past and future decline of the US dollar has been its loss of stable value.

Here's why that is was and is so important.

Although there are many attributes for what can serve as money, the purpose of money comes down to three basic functions:

- It is a measure of value.
- It is an instrument trusted by parties to facilitate transactions between parties who may be total strangers.
- It is a system of communication.

In order to serve as a form of measurement, trust, and communication, it is necessary that money be stable. If it is not, the economy suffers and, in the worst instances, a society can be destroyed.

I have repeatedly stated that the Federal Reserve Bank is doomed to fail in stabilizing America's money,

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 for sale on our website at www.libertycoinservice.com.

which should be its primary and perhaps only function. Even the Federal Open Market Committee (FOMC) explicitly made it clear that a stable money is not a priority.

In the announcement at the end of its mid-December meeting the FOMC stated, "Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability." This phrase is repeated in just about every Fed pronouncement.

Later, this announcement stated that the Fed seeks consumer price increases of at least two percent annually. With a stable currency, the process of innovation almost always results in falling consumer prices. Think of computers, televisions, cell phones, and the like.

Further, a stable monetary system encourages business investment, rising employment, higher incomes, a reduction in poverty, and more freedom. If you need proof of this concept, just look at the history of America up into the Twentieth Century.

Because the Federal Reserve does not focus on stability of the money, it is also destined to fail at its stated mandates.

For decades, the value of the US dollar was fixed to gold, giving the dollar enormous stability. However, since the establishment of the Federal Reserve Bank in 1913, the value of the US dollar had declined 98.4% against gold. In 1913, the US dollar was worth 0.04838 of an ounce of gold. At today's COMEX close, the dollar was only worth 0.00076 of an ounce of gold.

As long as the US dollar was readily convertible into gold by all parties who desired to do so (up to 1933), its value was stable. Even when the US government in 1933 restricted the ability of redeeming US dollars for gold only to governments and central banks, its value stayed relatively stable.

This stability, where the US dollar had the appearance of being "as good as gold," made people, businesses, and governments around the world comfortable holding and using the currency for commerce.

This relative stability didn't last.

The massive expansion of spending for the Vietnam War and President Johnson's Great Society programs in the late 1960s put pressure on the US government's ability to keep the dollar stable to gold at \$35 per ounce. Rather than curtail spending, President Nixon's advisers urged him to devalue the dollar by adopting floating exchange rates. They told him the fluctuations would be mild. In August 1971 Nixon "temporarily" closed the gold exchange window where other governments had redeemed US dollars to obtain gold. At the same time, temporary import tariffs and a 90-day wage and price freeze were imposed.

These actions failed. Instead of quickly reopening the gold exchange window to stabilize the US dollar, it still has not reopened to this day. By 1973, the Bretton Woods agreement to stabilize world currencies was considered

2017 Agricultural Commodity Track Record

Human Food

Wheat, hard KC	+16.7%
Eggs, large white Chicago	+16.6%
Sorghum (Milo) #2 Gulf	+16.5%
Hogs, Iowa	+5.7%
Beef, choice	+2.0%
Cheddar cheese, bulk	-7.2%
Oats, #2 Minneapolis	-6.8%
Butter, AA Chicago	-2.7%
Corn #2 yellow	-4.2%
Soybeans #1 yellow	-5.9%
Cheddar cheese, bulk	-7.2%
Corn oil, crude wet/dry mill	-12.0%

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 2018.

dead.

About 1973, the US government, as a way to shore up the value of the US dollar, struck a deal with the government of Saudi Arabia to price 100% of international oil transactions in the dollar. This slowed, but did not stop the decline of the American dollar.

Between 1973 and 1974, the Dow Jones Industrial Average fell 45% and took a decade to recover.

For another example, then Treasury Secretary James Baker announced on October 14, 1987 the US had run a huge deficit and that the solution was to destabilize the dollar by letting it fall. American stock prices immediately started to drop. Five days later, the Dow Jones Industrial Average plummeted 22% in a single day!

Though I won't go into all the details here, even the Great Recession a decade ago had its roots in the US government failing to make the stability of the US dollar its primary economic focus.

By the way, if you still don't think monetary stability is extremely important, visualize this:

Imagine that not only every state in this country, but every county, and every city and village had its own unique monetary system. Had this condition existed throughout American history, our combined economy today would only be a fraction of what it is.

2018 Risks To US Dollar Stability

There are a multitude of developing crises that just about guarantee that not only will the US dollar not be stable in 2018, it will actually decline in value:

- The explicit policy of the Federal Reserve does not put the stability of the US dollar as its top priority.

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Not only that, the Fed is actively seeking to damage and destabilize the dollar by pushing down its value at least two percent annually.

- Unfunded liabilities for pensions and retiree health care benefits for employees of the federal state, county, and local governments and government schools are really going to hurt the dollar's stability this year. Just for Social Security and Medicare, I calculate that the current net present value of unfunded liabilities are somewhere between \$70 to \$90 trillion. At state and local governments, the combined unfunded liabilities probably exceed \$5 trillion.
- Government manipulation to hold down interest rates over the past decade has resulted in the misallocation of resources. Consumers bought homes and made other purchases they could not afford if rates increase. Sub-prime home mortgages and vehicle loans are already experiencing default rates at or higher than at the peak of the Great Recession in the last decade. Business investments were made that will fail as interest rates rise. Savers will suffer, as low interest rates encouraged them to consider risky investments to seek higher returns that could end up in losing all of their original investment.
- The best information I have is that governments, central banks, and sovereign investment funds around the world spent close to \$2 trillion last year purchasing stocks in publicly held companies. This has artificially propped up stock prices, which cannot continue indefinitely.
- By not focusing on the defense of America, but instead serving poorly as the world's policeman, the US government has created foreign enemies and encouraged other governments to seek the decline of the dollar.

There are many more calamities than this, but it would only take one or two of these to ignite to clobber the value of the US dollar. I can just about guarantee that will happen in 2018.

How Bad Could It Get In 2018?

While there are many positive bits of news, here are some issues I don't think most of the general public, including investors, are giving enough consideration in their financial plans for 2018.

- Rising interest rates are highly likely. The FOMC has signaled an intention to hike the federal funds interest rate three times this year. Rising interest costs will cut into the increase in corporate profits that would result from the lower federal income tax rate enacted last month and taking effect this year. This restraint on higher profits will slow down job creation. Employers will not have as strong of an incentive to attract good workers with better compensation and benefit packages.
- Rising interest rates are also likely to push even more people who recently purchased homes, vehicles, or other major purchases into insolvency. Look for bankruptcy filings to jump before the end of the year.
- The issue of unfunded liabilities for government employee pensions and retiree health care benefits will become more contentious this year. Since the funds simply are not available to pay all the currently promised obligations, taxpayers, existing government employees, and retired government employees will strongly assert that the other stakeholders bear the brunt of the financial pain. What is likely to occur in government school districts and city, county, and state governments across the country will be parallel to what already happened with the San Jose, California police department. That city's government renegotiated the union contract to obtain several concessions from employees. When those expense cuts proved inadequate, the city then abolished more than one-third of the positions in the police department. Here in Lansing, Michigan, the city government recently received a consultant's analysis outlining significant cuts in retirement benefits for current and already retired city employees, asset dispositions, reductions in government services, and abolition of some city employee positions. The fireworks that will happen in the next few months in Lansing will be repeated at all levels across America.
- The Saudi Arabia government that helped slow the decline of the value of the US dollar since the 1970s may be shifting allegiances. I think there is a strong prospect that nation will turn more toward Russia before the year is out, and will begin pricing at least some of its oil exports in Chinese yuan.
- If the governments, central banks, and sovereign investment funds are unable to maintain their pace of pur-

Patrick A. Heller's Upcoming Speeches and Appearances

March 8, 2018, Irving, Texas, American Numismatic Association National money Show. "Oops! A Lighthearted Review Of Design Mistakes On Circulating US Coins," 2:00 PM, Jr Ballroom C2, Irving Convention Center, 500 West Las Colinas Blvd. No admission charge for program, but non-ANA members must pay an admission fee to enter the separate coin dealer bourse floor.

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 path@libertycoinservice.com.

chases of publicly-traded stocks, there is a significant risk that prices could fall. A couple of years ago it was reported that these entities owned more than 50% of the value of all publicly-traded stocks worldwide. What other parties will be able to cash them out when these branches of governments need to raise cash flow to pay unfunded liabilities, interest on debts, and the like.

- Another factor that helped support US stock prices in 2017 was the anticipation of a major tax cut. Now that this has occurred, what else can be done in 2018 that would have an equally positive impact on US stock prices in 2018? Will stock prices fall if nothing else major develops?
- President Trump recently announced a reduction in foreign aid paid to countries that objected to his statement that the American government will recognize Jerusalem as the capital of Israel (which was a stated goal of each of the last several US presidents, both Democrat and Republican). One of those affected nations, Pakistan, quickly announced that it would be seeking aid from China in return for establishing closer ties with that country. As nations reduce or replace their allegiance to the US to work more closely with other countries, that is bound to decrease the international demand for US dollars. As foreign-held US dollars and Treasury debt are repatriated to the US government in return for goods and services, US real estate, and ownership in US companies, the dollar is destined to lose value.
- President Trump has also announced multiple times that he

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wants the US dollar to decline in value relative to other fiat currencies. He even nominated Jerome Powell to be the next chair of the Federal Reserve. Powell is a current Fed governor who has consistently supported Fed actions to reduce the dollar's value.

- Earlier this week the Chinese government signaled that it will slow down its rate of purchasing US Treasury debt. The increase in the Treasury debt interest rates already indicate that the US government will have to budget at least another \$30 billion in interest costs for the next year.

Before I continue with other factors that portend higher precious metals prices in 2018, let me pause to reflect on what happened in markets in 2017.

Century-To-Date Results For Selected Financial Assets

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. 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 12/29/2017
Gold	+353.1%
Silver	+215.3%
Russell 2000	+204.2%
MS-63 \$20 St Gaudens	+172.0%
MS-63 \$20 Liberty	+155.1%
Palladium	+144.1%
Platinum	+119.3%
Dow Jones Indust Avg	+115.0%
Standard & Poors 500	+82.2%
NASDAQ	+69.7%
Switzerland Franc	+63.5%
MS-65 Morgan Dollar	+41.3%
China Yuan	+27.3%
Euro	+19.2%
Australia Dollar	+19.0%
Canada Dollar	+15.7%
Great Britain Pound	-8.6%
Japan Yen	-9.4%
Brazil Real	-45.4%
South Africa Rand	-50.2%
Mexico Peso	-51.8%

Despite the pretense by many American politicians and bureaucrats that the

Chinese government is suppressing the value of the yuan, it has actually appreciated versus the dollar over the past 18 years.

Next let's review what happened with precious metals prices last year.

Precious Metals Results For 2017

Here is a snapshot of how the four precious metals performed in 2017:

Gold:

December 31, 2016	\$1,150.00
Low for the year	
January 3, 2017	\$1,160.50
High for the year	
September 8, 2017	\$1,346.00
December 29, 2017	\$1,306.25
Net change for year	+\$156.25

Silver:

December 31, 2016	\$15.88
Low for the year	
July 7, 2017	\$15.37
High for the year	
April 14, 2017	\$18.53
December 29, 2017	\$17.06
Net change for year	+\$1.18

Platinum:

December 31, 2016	\$901.00
Low for the year	
December 12 & 13, 2017	\$874.00
High for the year	
February 27 2017	\$1,039.00
December 29, 2017	\$934.00
Net change for year	+\$33.00

Palladium:

December 31, 2016	\$678.00
December 29, 2017	\$1,074.00
Net change for year	+\$396.00

Even though all prices rose in 2017, gold and silver results were dwarfed by the returns of many US and world stock exchanges.

Palladium, was an outlier in rising more than 50% for the year. A temporary supply shortage developed that may persist for another year or two. The bulk of the world's palladium supplies come from Russia, which adds a potential political monkey wrench to that market.

A new financial development also impacted precious metals in 2017—the rise of the cryptocurrency market. Bitcoin, the most widely traded cryptocurrency was trading for less than \$1,000 at the end of 2016 but reached about \$19,000 toward the end of 2017.

As cryptocurrency prices soared, so did the news coverage on them. All this attention sparked more investor and speculator interest, which further fanned higher prices.

At LCS, we have a number of customers who liquidated gold and silver bullion products so they could use the proceeds to acquire cryptocurrencies. While this

was not a groundswell of activity, it also indicates that there were other people who purchased cryptocurrencies instead of acquiring precious metals. We only noted a single customer who stated that he was buying precious metals from the proceeds he received from cashing out his cryptocurrency holdings.

The number of people jumping into the cryptocurrency markets may have been part of the reason gold and silver prices sagged in early December. However, once Bitcoin demonstrated its extreme volatility by price swings on the order of 30% in a single day, its allure seems to have faded somewhat later in December.

Although there are other factors that contributed, I suspect that the volatility of Bitcoin's price is one reason for the surge in investor demand in precious metals in the last week of last month into the early part of January. People seeing an asset go up in value on almost a daily basis by large percentages can be tempted to jump into the market without first doing their due diligence. But, once a market shows that it can decline just as fast as it can go up, some of these people become too scared to risk their funds.

Read on for further discussion of factors developing in the cryptocurrency markets that will likely impact precious metals prices in 2018.

Factors Impacting Precious Metals Supply And Demand In 2018

- As I discussed in last month's issue, there are signs of supply shortages of gold and silver in the New York COMEX and in the London markets. Those conditions continued to deteriorate over the past month. This could signal a physical supply shortage within a few months.
- The price of oil reached its highest price today since 2014. There is some general correlation, but not causality, between rising oil and higher precious metals prices.
- The Federal Reserve has been claiming for years that consumer prices were rising less than 2% annually and that they had a goal to boost it up to at least that level. Multiple government statistics released in the past month report that target has been surpassed. For instance, today the Labor Department reported that import prices in 2017 rose 3% during the year, the greatest annual increase since 2011. Export prices for 2017 increased 2.6%.
- The decline in precious metals prices

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- es, other than palladium, over the past few years has led to a decline in exploration efforts to develop new mines. Annual worldwide newly mined gold production has been declining for the past several years and there is a risk the same could happen with silver production.
- As you can see in the table on page 1, the prices of a number of metals other than precious rose significantly during 2017. Stronger prices in general commodities often spark higher prices for precious metals.
- Observers of the suppression of precious metals prices have found that for much of the past few years it took short sales of about 100,000 ounces of paper contracts in the COMEX gold futures market to restrain a price increase to just \$1. In the past eight trading days, it is taking short sales of at least 500,000 ounces of gold to hold the price to just \$1. This is not a sustainable price suppression tactic.
- In the past, there was a rough rule of thumb that a technical application could use either one ounce of platinum or two ounces of palladium to achieve the same result. For the longest time, the price of palladium was less than half that of platinum. The recent soaring price of palladium has pushed it higher than platinum, with that metal reaching an all-time record high (ignoring the effects of inflation of the money supply) yesterday. This price disparity is almost certain to result in diminished industrial demand for palladium and higher demand for platinum before the end of 2018. It is even possible that the price of platinum may rise enough to again surpass gold.
- Higher cryptocurrency prices have sparked new efforts by governments to regulate or ban them. At a minimum, look for governments to go to great lengths to force cryptocurrency exchanges to report customer transactions, under the guise of fighting terrorism or drug trafficking. Some people were attracted to cryptocurrencies by the prospect of financial privacy. While that is possible to a limited degree, owners should assume that their transactions con-

summed through exchanges will eventually be reported to the government. As different governments clamp down on cryptocurrencies, look for prices in 2018 to become even more volatile.

This does not exhaust the list of all the factors that will influence the prices of precious metals in 2018. However, it generally demonstrates a good likelihood that prices will rise, if for no other reason, because of a decline in the value of the US dollar.

For this reason, we recommend owning physical precious metals in your direct custody or in a segregated vault storage arrangement in your name as a form of “wealth insurance” that you possess until the day you die, then pass them onto your heirs. Don’t think of these holdings as an investment. Instead, own them as a counterbalance to the paper investments in stocks, bonds, or currencies that you own. When paper assets drop in value, precious metals will almost certainly rise. You would hope that your paper assets will perform well, but the future risks are high enough that you need the safety of physical precious metals.

For the past decade or so, I have only advocated the ownership of gold or silver. However, with the skewed price relationship between platinum and palladium right now, you may also want to consider acquiring some platinum right now.

Numismatics In 2017

Unfortunately, I don’t have much space to discuss numismatics this month. As you can see in the table on page 1, most of the niches were relatively flat for results in 2017. The Proof Silver Eagle Dollars, which were heavily promoted by some marketers for holdings in a precious metals Individual Retirement Account (note: LCS recommended against holding such coins in these accounts). When these promotions tapered off, the value of these coins plummeted.

Pre-1934 US Gold Coins were weak for much of the year, but started to come back to life right near the end of 2017.

Over the course of the year, areas of strong demand was in US and World Paper Money and in Ancient and Medieval Coinage. With the rise of the middle class in India, interest in collecting coins from that part of the world has been growing.

Gold And Gold Coins

Gold closed today at \$1,317.50, a solid increase of \$55.75 (4.3%) from last month.

Pretty much all products are in ready supply for immediate or only short-delay delivery.

The US Mint apparently had significant inventories of unsold 2017-dated US **Gold American Eagles** (3.9-13.6%) and **Buffaloes**

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.

(4.1%) as the end of the year was approaching. For the first time that I recall, it lowered the premiums on these coins charged to its primary distributors (called Authorized Purchasers) to try to move out coins before year-end. As a result, retail premiums have dropped on the 1-ounce coins in the past few weeks. On a hit-or-miss basis, it may be possible to find some of the fractional-size Gold Eagles at a lower premium.

There may be two factors involved in the Mint taking this step. First, since the Eagles are 22 karat and not pure gold, they do not sell well in Asia and the Middle East. Consequently, the US mint is highly dependent on domestic demand for these coins. During 2017, demand for bullion-priced physical gold and silver coins and ingots in the US fell dramatically, with some dealers reporting volumes down 50% from the year before. This drop in US demand for physical products was the opposite of rising demand in China and India, the world’s two largest gold-consuming nation, and in Germany and several other European countries.

Second, the Royal Canadian Mint a year or so ago had dropped the premium it charged to its primary distributors for the 1 Oz Gold Canada **Maple Leaf** (2.9%). Since that was done, LCS’s sales of Maple Leafs have risen while sales of Gold Eagles have dropped.

By cutting the premium on 2017-dated Gold Eagles and Buffaloes, the US Mint is running a risk. The general trend is that, over time, when

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enough bullion-priced gold coins have been issued, the secondary supply of coins being liquidated by owners also increases. As the secondary supply comes close to meeting new demand for the coins, premiums tend to fall—permanently.

This decline in premiums long ago affected the US **American Arts Medallions** (1.9%), the Austria **100 Corona** (1.5%), and the Mexico **50 Pesos** (2.3%).

It is the risk of lower premiums for modern bullion issues that LCS has long recommended purchasing widely-traded lower premium coins instead of what are in current production at the various mints. This may only make a difference of 1-3% at the time someone wants to sell, but every little bit helps.

The risk for the US Mint is that it may not be able to raise its premiums to Authorized Purchasers back up to where they were before the year-end sale (3% on the 1 ounce, 5% on the half ounce, 7% on the quarter ounce, and 9% on the one-tenth ounce coins). The Mint may try to early in 2018 and find that sales continue to fall flat while lower-premium issues from other world mints expand their market share. Stay tuned for developments.

There were a number of price increases among types and grades of **Pre-1934 US Gold Coins** that occurred before the spot price rose in late December. Prices have mostly stabilized since then. In early 2017 it seemed for several months that there was almost no demand for these coins, but that is gradually turning upward. You can acquire many of these coins at prices today much closer to the value of the gold content than has been possible in decades.

Last year, an unidentified central bank liquidated some of its gold reserves that consisted of Pre-1934 US Gold Coins. This jump in supply contributed to falling premiums. Now that it seems that most of this overhang has been absorbed into customer hands, I anticipate further gradual price increases without regard to changes in the spot price of gold.

Last month, we had two offerings of some high quality US \$20.00 Double Eagles. These coins sold out quickly—and before the prices rose. The MS-64 1900 \$20.00 Liberties that we sold for \$1,625 would now cost you \$1,765, if we could find them.

But don't despair. In our store we acquired two more groups of attractive Pre-1934 US Gold Coins: **Very Choice Mint State-63 \$10.00 Liberties of dates other than the most common** and **Mint State**

The Month

Gold Range	76.50	6.1%
Net Change	+55.75	
Silver Range	1.62	10.2%
Net Change	+1.10	
Gold/Silver Ratio	77.7	
Net change	-1.9	
Platinum Range	100.00	8.1%
Net Change	+73.00	

Platinum/Gold Ratio 0.74

Date	Gold	Silver	Platinum
Dec 06	1,262.75	15.86	901.00
Dec 07	1,249.75	15.71	893.00
Dec 08	1,245.25	15.75	882.00
Dec 11	1,243.75	15.69	891.00
Dec 12	1,238.50	15.58	874.00
Dec 13	1,245.50	15.78	874.00
Dec 14	1,253.75	15.85	880.00
Dec 15	1,254.25	15.98	889.00
Dec 18	1,262.25	16.12	912.00
Dec 19	1,260.75	16.06	913.00
Dec 20	1,266.00	16.19	921.00
Dec 21	1,267.25	16.15	918.00
Dec 22	1,276.75	16.35	922.00
Dec 25	closed		
Dec 26	1,284.00	16.52	923.00
Dec 27	1,289.00	16.72	923.00
Dec 28	1,294.00	16.83	927.00
Dec 29	1,306.25	17.06	934.00
Jan 01	closed		
Jan 02	1,313.75	17.12	943.00
Jan 03	1,316.25	17.20	957.00
Jan 04	1,319.50	17.18	966.00
Jan 05	1,320.25	17.20	971.00
Jan 05	1,318.50	17.06	972.00
Jan 09	1,311.75	16.94	968.00
Jan 10	1,318.50	16.96	974.00

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

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

Gold : +\$6.14

Silver: +\$1.11

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

1873 Open 3 Type 2 \$20.00 Liberties.

Will prices on these also be higher a month from now? See our enclosed flyer.

Silver and Silver Coins

Silver settled on the COMEX today at \$16.96, up a healthy \$1.10 (6.9%) from five weeks ago.

As with gold, almost all bullion-priced silver coins and ingots are readily available for immediate or short-delay delivery.

Over the past month, the premium or US **90% Silver Coins** (1.7%) has fallen a bit

further. Whenever its retail premium falls to 2% or lower, that means that the coins are trading wholesale enough below silver value that the coins can be shipped to refiners to melt down into pure 1,000 ounce bars to deliver against commodity contracts.

In the short-term, this situation will ease delivery problems on the commodity exchanges. But don't expect that to last long. With any spark in demand to purchase physical precious metals, supplies of the remaining 90% Silver Coins will be even tighter than they are now. Don't be surprised to see the premium move back above 2% before too many months go by. Because of their low premium, high divisibility, liquidity, and legal tender status, US 90% Silver Coins are our top recommended form of silver to acquire.

For those who prefer pure silver forms, the **100, 10, and 1 Ounce Ingots** (4.7-5.9%) offer the lowest premiums.

Michigan's 2018 Pictured Rocks National Lakeshore Quarter Debuts February 5

Michigan's entry in the US Mint's America The Beautiful Quarter Series will be released on February 5. The Public Release Ceremony takes place February 7 in Munising, Michigan at 10:00 AM at the Mather Elementary School, 810 State Highway M-28 West. LCS CEO Tom Coulson and LCS Communications Officer Pat Heller will attend, but are not part of the formal program. At the conclusion of the program, the Munising State Bank will conduct a quarter exchange where people can acquire 1-10 rolls of quarters at face value, by payment in cash

The US Mint will also host a forum the previous evening, February 6, at 6:00 PM at the Munising Township Office, E9630 Prospect Street in Wetmore, MI. For details go to <https://www.usmint.gov/wordpress/wp-content/uploads/2017/12/Pictured-Rocks-Invitation-Flyer.pdf>

There is no charge to attend either event. Registration is not required.



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Item	Qty	Fine Wt	Price	Cost/Oz	Premium
*U.S. 1 Oz Gold Eagle	10	1.0000	1,370.00	1370.00	3.9%
*U.S. 1/2 Oz Gold Eagle	10	0.5000	708.00	1416.00	7.4%
*U.S. 1/4 Oz Gold Eagle	10	0.2500	364.50	1458.00	10.6%
*U.S. 1/10 Oz Gold Eagle	10	0.1000	149.70	1497.00	13.5%
*U.S. 1 Oz Gold Buffalo	10	1.0000	1,372.50	1372.50	4.1%
*U.S. 1 Oz Medallion	10	1.0000	1,343.50	1343.50	1.9%
*U.S. 1/2 Oz Medallion	10	0.5000	673.00	1346.00	2.1%
*Australia 1 Oz Kangaroo	10	1.0000	1,379.25	1379.25	4.6%
*Austria 100 Corona	10	0.9802	1,311.75	1338.25	1.5%
*Austria 1 Oz Philharmonic	10	1.0000	1,368.50	1368.50	3.8%
*Canada 1 Oz Maple Leaf	10	1.0000	1,356.75	1356.75	2.9%
*Canada 1x25 Maplegram	10	0.8039	1,195.50	1487.13	12.8%
*China 30 Gram Panda	10	0.9646	1,363.50	1413.54	7.2%
*China 1 Oz Panda	10	1.0000	1,409.50	1409.50	6.9%
*Mexico 50 Peso	10	1.2057	1,626.25	1348.80	2.3%
*S. Africa Krugerrand	10	1.0000	1,363.25	1363.25	3.4%
*1 Oz Ingot	10	1.0000	1,355.50	1355.50	2.8%
*Austria 1 Ducat	10	0.1107	158.80	1434.51	8.8%
*British Sovereign	10	0.2354	328.75	1396.56	5.9%
*France 20 Franc	10	0.1867	261.50	1400.64	6.2%
*Swiss 20 Franc	10	0.1867	262.00	1403.32	6.4%
\$20 Liberty BU	10	0.9675	1,390.00	1436.69	9.0%
\$20 St Gaudens BU	10	0.9675	1,400.00	1447.03	9.7%
\$20 Liberty Extremely Fine	10	0.9675	1,370.00	1416.02	7.4%
\$10 Liberty Extremely Fine	10	0.4838	690.00	1426.21	8.2%
\$10 Indian Extremely Fine	10	0.4838	725.00	1498.55	13.7%
\$5 Liberty Extremely Fine	10	0.2419	360.00	1488.22	12.9%
\$5 Indian Extremely Fine	10	0.2419	425.00	1756.92	33.3%
\$2.50 Liberty Extreme Fine	10	0.1209	310.00	2564.10	94.5%
\$2.50 Indian Extreme Fine	10	0.1209	285.00	2357.32	78.8%
*U.S. 90% Silver Coin	1,000	715	12,370.00	17.30	1.7%
*U.S. 40% Silver Coin	1,000	295	5,105.00	17.31	1.7%
*U.S. Peace Dollars, VG+	1,000	760	17,950.00	23.62	38.9%
*U.S. Silver Eagles	1,000	1,000	19,660.00	19.66	15.6%
*Canada Silver Maple Leaf	1,000	1,000	19,010.00	19.01	11.8%
*100 Oz Silver Ingot	10	100	1,781.00	17.81	4.7%
*10 Oz Silver Ingot	100	10	180.10	18.01	5.9%
*1 Oz Silver Ingot	1,000	1	18.01	18.01	5.9%
*1 Oz Platinum Ingot	10	1.0000	1,028.00	1028.00	4.9%
*U.S. 1 Oz Platinum Eagle	10	1.0000	1,131.00	1131.00	15.4%
*Canada Palladium ML	10	1.0000	1,116.00	1116.00	2.9%

Gold:	\$1,318.50
Silver:	\$17.01
Platinum:	\$980.00
Palladium:	\$1,085.00

Notes from Liberty

By Allan Beegle
LCS Chief Numismatist

December sales dipped slightly from the previous month to be our lowest sales month of the year. December's decline is typical as investors tend to wind down such activities to devote more time to the holidays. Consequently, the sales drop last month was due to reduced trading in bullion-priced precious metals products. Our numismatic and other sales, though smaller in dollar volume compared to bullion, continued to be strong.

All but one of last month's offer of Large Size US Paper Money quickly sold. The offerings of the Gem Mint State-65 \$20.00 Saint Gaudens and the Very Choice Mint State-64 1900 \$20.00 Liberties were also fast sellouts. *(If you purchased either of these gold coins, give yourself a pat on the back; prices are significantly higher today!)* Almost everything else featured last month sold out as well.

Last week, LCS Communications Officer Pat Heller went with me to "walk the floor" at the huge Florida United Numismatists (FUN) show in Tampa. Even though it seemed like we didn't take much inventory, our sales were surprisingly high. While we were not able to pick up any sizeable bargain groups, we did find a number of nice small-lot or one-of-a-kind treasures.

But, perhaps our most exciting purchases were made in our store. From a collector, we purchased the largest group of **Less Common Choice Mint State-63 \$10.00 Liberties—At the Common Date Price** that we have handled in a long time. With the continuing gradual recovery in prices of Pre-1934 US Gold Coins, the time to buy is now.

Also, from a dealer friend, we purchased an extraordinarily beautiful 7-coin group of **1873 Open 3 Type 2 \$20.00 Liberties.**

LCS Postage Charges	
<u>Value of Contents</u>	<u>Postage Charge</u>
Under \$100	\$5
\$100-249	\$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	\$11,440
U.S. Morgan Dollar, 1921, Brilliant Uncirculated Roll/20	\$585
U.S. Morgan Dollar, Pre-1921, Brilliant Uncirculated Roll/20	\$840
U.S. Peace Dollar, Brilliant Uncirculated Roll/20	\$510

Gold:	\$1,318.50
Silver:	\$17.01
Platinum:	\$980.00
Palladium:	\$1,085.00

Numismatic Coins (PCGS/NGC/ICG Graded)

	MS-63	MS-64	MS-65
U.S. \$20.00 St Gaudens	1,450	1,515	1,785
U.S. \$20.00 Liberty	1,490	1,765	2,730
U.S. \$10.00 Liberty	855	1,195	2,490
U.S. \$5.00 Liberty	510	690	1,750
U.S. 4 pc Indian Gold Type Set	3,815	5,390	13,190
U.S. 4 pc Liberty Gold Type Set	3,280	4,180	7,750
U.S. 8 pc Gold Type Set	7,035	9,420	20,490
U.S. Morgan Dollar (Pre-1921)	60	69	130
U.S. Peace Dollar	42	49	120

Prices quoted are for quantities indicated, and are actual selling prices at today's closes. Smaller lots are available at slightly higher prices. No Michigan Sales Tax on rare coins or precious metals bullion. Numismatic purchases have a 14 day return period. Orders for bullion-priced items (marked with *) are not returnable and, after confirmation, cannot be cancelled.

We literally got them back from PCGS yesterday. The pieces are conservatively graded from Mint State-61 to Mint State-62+. Type 2 \$20.00 Liberties of this quality are many times rarer than the later Type 3 variety, yet the relative price difference makes these older coins almost irresistible.

We also offer some **One-Of-A-Kind Bargain US Rarities** that we brought back from Tampa. If you are looking for low-mintage issues, you will find them here.

Among all these offers combined, there are fewer than thirty coins available. That just about guarantees quick sellouts across the board. I recommend that you quickly call our **Trading Desk toll-free at 800-527-2375** to check on availability and confirm your order.

Here are some other treasures we brought back from FUN or picked up in our store:

More Large Size US Paper Money: We have received additional beautiful "horse blankets" from Paper Money Guaranty (PMG), the currency grading affiliate of NGC. Be sure to check our website at www.libertycoinservice.com and click on "Current Issue" under "Newsletter" to examine photographs of these stunning pieces of history:

Fr-60 \$2.00 Legal Tender Note, Series of 1917, Gem Uncirculated-65 Exceptional Paper Quality—\$700. This note features a central vignette of the US Capitol on the front with a large portrait of Thomas Jefferson on the back. The reverse has the follow-

ing interesting text, "This Note is a LEGAL TENDER at its face value for all Debts, Public and Private, except Duties on Imports and INTEREST ON THE PUBLIC DEBT. Counterfeiting or Altering this Note or passing any counterfeit or alteration of it or having in possession any false or counterfeit plate or impression of it, or any paper made in imitation of the paper on which it is printed is Felony, and is punishable by \$5,000 fine, or 15 years Imprisonment at Hard Labor or both."

Fr-232 \$1.00 Silver Certificate, Series of 1899, Gem Uncirculated-65 Exceptional Paper Quality—\$750. This note is nicknamed the Black Eagle for the standing eagle in the center of the front with its wings spread wide. Small vignettes of Presidents Lincoln and Grant are at the bottom. The text on the reverse is much shorter than for the previous note, "This certificate is receivable for customs, taxes and all public dues, and when so received may be reissued."

Fr-598 \$5.00 National Currency, Series of 1902 Plain Back, Charter 2890 The Old National Bank of Grand Rapids, Michigan, About Uncirculated-53 Exceptional Paper Quality—\$450. The bank's name dominates the center of the obverse design. There is a portrait of assassinated President Benjamin Harrison to the left. The reverse features the artwork of "Landing Of The Pilgrims," under which it states, "This note is receivable at par in all parts of the United States in payment of all taxes and excises and all other dues to the

United States except duties on imports and also for all salaries and other debts and demands owing by the United States owing to individuals corporations and associations within the United States except interest on the public debt."

Awesome Ancient Greek Phrygia Silver Cistophorus: The kingdom of Phrygia is located in what is now central Turkey. Phrygian kings of note include Midas and Gordias (of the Gordian Knot). It dominated Asia Minor until conquered by Macedonian king Alexander III (The Great). Alexander's successor in this part of the world, Seleucus I Nicator, named the capital Apameia after his wife, which is the city where this coin was struck.

When slaves were freed in that country, they wore a conical cap to signify their emancipation. This Phrygian Cap appears on some US Half Cents and Cents in the 1790s and on the Seated Liberty coinage (Half Dimes, Dimes, Twenty Cents, Quarters, Half Dollars, and Dollars) that were struck from the mid- to late-1800s.

This NGC-certified Choice Extremely Fine (strike 5/5 and surface 4/5) large silver coin features a snake entering a Cista Mystica in the center of the front. The Cista Mystica is a basket that housed sacred snakes used in initiation ceremonies for the cult of Bacchus (Dionysus). It is surrounded by a wreath. The reverse depicts a bow case around which two snakes are intertwined. Altogether, there is lots of history, including influences on America, represented by this beauty. Only \$395 for this beauty

A Few More Canada 2015 1-1/2 Ounce Silver Polar Bears:

Last September, we offered a moderate group of Mint State \$8.00 Canada 2015 Silver Polar Bears. The design features a mother Polar Bear and her Cub standing on an Arctic landscape. They sold out almost instantly and we had to turn away a number of would-be purchasers.

Good News! As I was finishing this, we just purchased a few more 15-coin rolls of them in our store. If you missed out before, you can still pick them up for the same LCS money-saving price:

1-9 Coins at \$36.75 each

10-14 Coins at \$35.75 each

15 Coins at \$34.75 each

Limit one 15-coin roll per customer.



1917 \$2 Legal Tender Note Gem Unc-65
EPQ PMG Certified - \$700



1899 \$1 Silver Certificate Gem Unc-65
EPQ PMG Certified - \$750



1902 \$5 The Old National Bank of Grand Rapids, MI AU-53 EPQ PMG Certified - \$450



PHRYGIA, APAMEIA
 c.166-133 BC
 AR Cistophorus (12.72g)
 obv Cista Mystica, wreath
 rv bow case, two snakes
 4529722-006
 Ch XF
 Strike: 5/5
 Surface: 4/5
 NGC ANCIENTS



Ancient Greece, Phrygia (166-133 BC)
 AR Cistophorus, Ch XF NGC - \$395

Canada 2015 1-1/2 Ounce Silver Polar Bears



1-9 Coins: \$36.75, 10-14 Coins: \$35.75,
15 Coins: \$34.75

(Limit one 15 coin roll per customer)



Less Common Choice MS-63 \$10 Liberties—At The Common-Date Price!

We love Choice Mint State-63 \$10.00 Liberties! At the last major rare coin market peak in mid-1989, these coins would have cost you \$3,800 apiece. Today you can purchase them for a discount of more than 75% from then, even though the spot price of gold has since more than tripled!

There is even more to like about MS-63 \$10.00 Liberties. They are less common than today's relative prices would lead you to expect. For instance, over the past 32 years, the Professional Coin Grading Service (PCGS) and Numismatic Guaranty Corporation (NGC) have certified more than 1.6 million MS-63 and higher quality \$20.00 St Gaudens, but only about 112,600 of the \$10.00 Liberties in the same grade range. That makes nice \$10.00 Liberties more than 14 times rarer.

In high quality \$10.00 Liberties, the 1901-S is the most common date. However, there are several other dates that are less common that you can buy at the same price—if you can find them!

In mid-December a customer sold us the largest group of Choice MS-63 \$10.00 Liberties that we have purchased from a retail customer in decades. Every specimen had been certified by either PCGS or NGC.

These coins had been purchased from another dealer. Unfortunately, several specimens were not of nice enough quality to offer to our retail customers. After removing those coins, we noticed that all but one specimen were of seven dates other than the 1901-S.

Even the most “common” of these dates other than the 1901-S have significantly lower PCGS and NGC MS-63+ populations. In fact, three dates in this group have high-grade populations at least 84% lower than the 1901-S.

Because we were able to purchase these at the “bid” side of the market, we can offer these coins—while they last—at just \$829 apiece. That's only about 30% above gold value!

Our total quantity is limited, so we must put a strict limit of four coins per customer. Each coin you order will be a different date. If you purchase four coins, one will be either the 1881, 1897, or 1900 date—the coins with the lowest populations.

At this money saving price, we expect these less common Choice Mint State-63 \$10.00 Liberties to sell out quickly. **Call our Trading Desk Today! Reach us toll-free at 800-527-2375** to confirm your order. You may use your Visa, Mastercard, or Discover charge cards for purchases shipped to the card's billing address. As with all of our numismatic offers, your satisfaction is guaranteed. You have 14 days upon your receipt to return this coin for a full, immediate refund.

—Patrick A. Heller, LCS Communications Officer

Awesome Mint State Beauties! 1873 Open 3 Type 2 \$20.00 Liberties!



When you pay customers high prices for their beautiful coins, the word gets around. Then you purchase even more treasures.

Late last year, I was stunned when a dealer friend offered us seven gorgeous and mostly flashy specimens of 1873 Open 3 \$20.00 Liberties, from the short-lived Type 2 design of \$20.00 Liberties (the most noticeable differences between this type and the more common Type 3 issues are that it reads “TWENTY D.” at the bottom of the reverse instead of “TWENTY DOLLARS” and Liberty's hair has less detail). When we offered more than the owner thought he would receive, he sold them on the spot.

These coins are among the finest quality specimens we have handled in Type 2 \$20.00 Liberties over the past quarter-century! We quickly sent them to the Professional Coin Grading Service (PCGS) for certification. When they came back, two specimens graded Mint State-61, two as Mint State-62, and three as Mint State-62+.

By mintages, Type 2 \$20.00 Liberties are almost four times rarer than the Type 3 issues. However, most Type 2s entered circulation. As a result, lovely Mint State specimens are far scarcer than the latter Type 3s.

When you check the combined PCGS and NGC certified population, Type 2 \$20.00 Liberties in Mint State-61 and nicer grades are more than 49 times rarer than Type 3s. In MS-62 and higher quality, Type 2s are more than 112 times scarcer! When you consider only MS-62+ and loftier grades, the Type 2s are almost 500 times rarer than the latter coins!

In our judgment, these coins are conservatively graded—the exact quality we want our valued customers to have the chance to own. They blow away almost any other specimens of the same grade you might ever examine.

PCGS Retail catalogs these coins at \$2,000 in MS-61, \$2,750 in MS-62, and \$3,500 in MS-62+. *Coin Values* lists MS-60 coins for \$2,000 and at \$3,350 in MS-62.

The Money-Saving Bargain Price! While they last, you can pick up one or more of these flashy treasures for:

Mint State-61 at \$1,850 each

Mint State-62 at \$2,450 each

Mint State-62+ at \$2,995 each

To check on availability and to confirm your order, Call our Trading Desk at 800-527-2375.

For fastest shipment, you may use your Visa, Mastercard, or Discover charge cards for purchases shipped to the card's billing address. As we guarantee with all of our numismatic offers, you must be satisfied with your purchase. You have 14 days upon your receipt to return any of these coins for a full refund.

—Allan Beegle, LCS Chief Numismatist

One-Of-A-Kind Bargain US Rarities!



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

Last week, we scurried around the floor of the huge Florida United Numismatists (FUN) show in Tampa. As usual, we were looking for attractive rarities as bargain prices.

Ideally, we would love to find a group of the same item, so that several of our valued customers could have the opportunity to own an example. But, we also kept our eyes out for the exceptional one-of-a-kind rarities at attractive prices.

While we didn't come up with any attractive lots, we certainly did come up with a handful of individual US coins at prices hard to resist

Every coin listed here has been independently graded by either the Professional Coin Grading Service (PCGS) or Numismatic Guaranty Corporation (NGC) as well as meeting our strict quality requirements.

The pieces listed here are among the finest we have ever owned of the issues. The Proof 1873 Arrows Seated Liberty Half Dollar may be the finest we have ever handled, with some chance that it might be the only one we have stocked in our 47 years in business!

If past experience is any guide, we could easily sell multiple specimens if only it were possible to obtain them. So, with so few coins in stock there is no order blank. Please call to confirm availability and lock in your purchase.

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

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

1873 Arrows Seated Liberty Half Dollar, Choice

Proof-63 Cameo, PCGS—\$2,450. When the weight of US half dollars was increased from 12.44 grams to 12.50 grams in mid-1873, the US Mint added arrows underneath the date to distinguish these coins from earlier issues of that year.

The arrows were only used on the design in 1873 and 1874. The US Mint struck 550 Proof specimens in 1873 and (depending on which research you check) only 700 or 750 Proofs in 1874. The combined mintage of 1,250 or 1,300 makes these coins about the scarcest type of Proof Silver Half Dollars in US Mint history!

During production, the earliest Proofs struck in the era had the greatest contrast of “white” design devices and the mirror-like fields. As more coins were struck, this contrast diminished. The coins with the most striking contrast are described as Deep Cameo (PCGS) or Ultra Cameo (NGC). Coins with less striking contrast are denoted as Cameo. Most pieces do not qualify for the Cameo or Deep Cameo description.

For example, PCGS and NGC combined have certified 189 of the 1873 Arrows Seated Halves in non-cameo Proof-63 or higher grades, a paltry 54 specimens in Proof-63 Cameo or better, and an almost non-existent two pieces as Deep or Ultra Cameos.

This specimen may be the finest quality of the date we have ever handled. The coin is almost fully flashy white with light toning at the bottom of the obverse. It's sure to please even the fussiest collector.

You have to go back almost two years for the last time a Proof-63 Cameo example appeared in a major auction, where it sold for \$2,468. *PCGS Retail* lists this coin for \$2,800.

Superb Gem Mint State-66 Lower Mintage Classic US Silver Commemorative Half Dollars

<u>Coin</u>	<u>Mintage</u>	<u>PCGS/NGC MS-66+ Population</u>	<u>June 1989 Retail</u>	<u>PCGS Retail</u>	<u>Coin Values</u>	<u>LCS Price</u>
1936 Daniel Boone*	12,012	806	\$1,875	\$285	\$250	\$229
1934 Maryland	25,015	1,356	\$6,370	\$275	\$325	\$259
1936 Oregon Trail*	10,006	1,574	\$2,325	\$275	\$325	\$249
1936 Texas*	8,911	1,589	\$1,995	\$275	\$275	\$249
1948-D Booker Washington*	8,005	673	\$540	\$165	\$200	\$170
1951-S Booker Washington*	7,004	963	\$770	\$150	\$150	\$139
1951-S Carver-Washington*	10,000	488	\$685	\$200	\$200	\$169

*Note: All coins listed other than the 1934 Maryland have other dates and mint marks of the same design struck by the US Mint. In some instances, mintages of other dates in the series are much higher than these specific coins. Collectors of a type set of Classic US Silver Commemoratives would only need a single piece from any of the dates. As a consequence, the 1934 Maryland coin is the scarcest design type among the coins on this list.

Photographs of these coins can be viewed at www.libertycoinservice.com by clicking on “Current Issue” at the right side of the home page.



1936 50C
PCGS MS66
Boone
9266.66/16859712



1936 Daniel Boone Commemorative Half
Dollar MS66 PCGS - \$229



1934 Maryland Commemorative
Half Dollar MS66 NGC - \$259



1936 Texas Commemorative
Half Dollar MS66 PCGS - \$249



BTW **50C**
PCGS MS66
1951-S
Series: 100 Coin: 9R
9426.66/7671777



1951-S Booker Washington Commemorative
Half Dollar MS66 PCGS - \$139