

CHAPTER FIVE

PLANNING YOUR RARE COIN PORTFOLIO

As with all other assets in your investment portfolio, your United States coins should represent one facet of a larger, comprehensive plan — a plan for your future. Before investing in anything, it is important to consider the various, often changing factors that will impact upon your circumstances. While you cannot do as much about what is to come as you would like to, at least in the larger sense, you can plan to react to it ahead of time; and a thoughtful, sober look at a few choice specifics should precede any actions you take.

Planning Your Portfolio

To begin, you would be well served by deciding for what length of time you propose to remain in the investment market. Though we expend a great deal of energy considering what we are going to put our money into, it is easy to lose sight of the fact that, sooner or later, we are going to pull it out. The question is, when? After a decade? Two? Where do we want to be, socially and economically, when the time comes? How will we apply the fruits of our investment after the harvest? All these are useful, not to say critical, questions to consider before getting started.

Next, you should consider the projected economic picture across the life span of your investments. Which trends appear short-lived? Which are likely to stay put? If you can work up a vision of the future, however necessarily imperfect, based on economic forecasts, political projections, and simple market truths, you can look at the performance records of potential investment options, and choose the best ones for the place in the world you anticipate. Of course, you could be wrong; and flexibility — a willingness to adapt yourself to a changing, often volatile world — may prove one of your best weapons in the battle. If you are expecting — as seems likely — inflation at some point, based on federal deficits, an eroding dollar, and a growing money supply, it makes eminent sense to plan for it, with investments that perform well under such circumstances. Considering that, by the next century's end, your children may well need to make better than a quarter of a million dollars a year to live as well as you can on one hundred grand today, this seems a wise course to follow.

Rarity and Rare Coin Portfolios

I am a big fan of rarity. Yes, quality is the never ending mantra of the collector and investor, but when you add real rarity to the mix, you end up with an investment that not only can really produce profits, but real pride of ownership.

What do I mean by rarity? For the most part, most every coin I like was minted before 1839 if it is a type coin because the mintages are so small and the survival rate in grade so poor. I like type coins and proof coins before 1840, which is about the time that the mint started to sell proof coins to the collectors of the day. I love dated gold until the 1870s. There are so many date and mint combinations of gold coins that are scarce or rare that I cannot possibly list them all. But they have to be in the best condition possible. Remember, the coins should look nice to your eye, no ugly coins for us.

CHART 15 PITTMAN COLLECTION

Pittman Collection Proof Gold				
Dollars				
Date	Cost	1997 Sell	3/04 Bid	
1854	525	160,000	455,000	
1855	225	110,000	245,000	
1856	200	32,500	22,000	
1857	100	13,000	18,000	
1858	175	12,000	30,000	
1861	33	17,000	17,000	
1862	30	13,000	18,000	
1864	1,050	7,000	19,000	
1867	675	15,000	19,000	
1868	875	3,750	17,000	
1872	385	17,000	20,000	
1873	320	13,000	22,000	
1875	2,360	23,000	48,000	
1877	48	22,000	20,000	
1880	370	26,000	16,000	
1881	170	9,500	16,000	
1882	26	5,000	13,000	
1884	56	20,000	13,000	
1885	45	7,000	13,000	
1888	27	5,500	13,000	
1889	15	3,250	13,000	
26 coins	7,710	534,500	1,067,000	

The Financial Planner

What is a Financial Planner? Too many people assume that a Financial Planner is someone to whom you can turn over your entire financial life. In fact, that is not—and should not be—the case. The job of a financial planner is to aid you in the structuring of the different elements of your personal economic picture into a workable and productive strategy, one that takes into account all your needs, interests and habits, and offers enough flexibility to accommodate change. Given these requirements, a skilled Financial Planner should have a working knowledge of a variety of financial areas, including, not just family money management, but investing, taxes, insurance, and retirement and estate planning.

Personally, I prefer a fee based Planner to a commission based planner, so ask about all fees and commissions prior to engaging any kind of financial assistance when buying any type of investment product.

In practical terms, this translates into an ability to total up your net worth, break down your cash flow situation, come up with a budget you can live with, and devise a solid long term and short term plan of investment. A Financial Planner must also be a good coordinator, capable of drawing together your accountant, insurance agent, investment broker, and attorney when their services are required.

The most important qualifications to look for, whether your Financial Planner is an accountant, lawyer, broker, or all three, are reliability and experience. Look for solid credentials, ones that require compliance with regulations: certain professionals can lose their licenses for mishandling a client's assets. Some Financial Planners are registered with the National Association of Securities Dealers (NASD) or the Securities and Exchange Commission (SEC). This insures that you

will receive, in writing, an accounting of your planner's experience, education and form of payment, as well as the sort of work done by his or her firm. Professional affiliations can also prove instructive. The Institute of Certified Financial Planners and the International Association for Financial Planners both offer referrals. The latter features a subgroup, the Registry of Financial Planning Practitioners that requires members to have a minimum of three years of full-time experience on the job, and a related degree or certification.

The profession itself is rather a recent one; thus, most Financial Planners were previously engaged in other activities, notably law, accounting or finance. Such prior affiliations generally indicate strengths and preferences.

And what of the plan itself? Fundamentally, it should be simple, direct, and specifically tailored to your needs. The plan must be in writing, and fully explain every decision; and it should take into account inflation rates, rates of return on investments, and your tax bracket. A sound financial plan usually comes in two parts, the first dealing with your present financial situation, and its strengths and weaknesses, the second pointing you in the right direction, with different alternatives and solutions. Above all, the plan should be directed at your goals, and deal nonjudgementally with your wants and needs, whatever they may be.

The Financial Planner and the Numismatist

We have dealt with the subject of financial planners because, while we can readily recommend a balanced rare coin portfolio, there are very different kinds of investments to be found among rare coins, and some may not be suitable to your needs. If you are unsure of how to proceed on your own, a professional overview may be in order, one that takes into account the big picture as well as the specifics. In this regard, a financial planner, armed with knowledge of your personal needs, can be as worthwhile an asset as the investments themselves.

Just as a Financial Planner must possess a wide range of skills, a Numismatist or rare coin dealer must bring a number of complex abilities to the task. The Numismatist must, of course, understand the overall market and be able to estimate changes and trends. He must be familiar with the vital facts of a specimen's history. He must be able to establish the authenticity of a coin and detect even the subtlest tampering, including bogus toning and cleaning. The Numismatist must be able to determine if a coin is well struck and its grade. And he must also keep abreast of the laws governing the purchase and sale of his product.

Working together, a financial planner and a rare coin dealer comprise a formidable team. Reviewing a client's portfolio, they determine its strengths and weaknesses. Whether or not rare coins will be suitable, what percentage of a client's overall investment package should be devoted to coins, and which coins to buy. Thus an investor capable of investing a large sum may be advised to invest in a small number of expensive, top-quality rare coins. At the same time, someone requiring a greater degree of liquidity than expensive coins can provide may opt for a larger number of less costly quality specimens.

Whatever the case, this pair of professionals affords you a superb opportunity to maximize profit potential, no matter your financial situation.

Nine Strategic Rules of Investment

Finally, we would like to suggest nine principles that will be of use to you when you are investing. They also happen to be the nine classic principles governing the prosecution of war as set forth in the U.S. Army Field Service Regulations of 1938. If this strikes you as strange, remember that the terminology of economics and war are strikingly similar: our government, for example, is

always “declaring war” on inflation, “battling” unemployment, and “devising new strategies” to deal with the federal deficit. So it is no surprise that these basic military concepts can be so easily applied to your personal financial affairs:

1. Objective.

Like any competent field commander, you should not commit your resources to engagement without a clear idea of what you expect to gain. A solid working knowledge of the market — and your place in it — is essential. United States coins tend to be long-term investments and a variety of different alternatives are available within the overall market, each of which requires a specific sort of management, and returns a different level of gain. Unless all of these factors, and others as well, are considered before determining your investment strategy, heavy losses can be unnecessarily incurred, diminishing your strength and weakening your position.

2. Offensive.

This one is simple, and paramount. Its essence can be summarized in three words: Go for it. Invest wisely, even cautiously, but never half-heartedly or with fear; the failure to act can prove as detrimental as rash action. You should never invest more than you can afford to lose in any investment. Neither should you commit so little capital that a profit will be of negligible concern.

3. Simplicity.

An uncomplicated, lucid plan of action is essential, and only possible with a clear understanding of the market. Investors are often defeated by the terminology or specifics of an investment option, getting involved without an overall picture of the field or a sufficient awareness of the results of their actions. Do not let this happen to you.

4. Unity of Command.

Avoid discord among the strategists. Do not try to make short-term profits when your accountant is lobbying for capital gains.

5. Mass.

Mass is described as “maximum available power applied at the point of decision.” Do not spread yourself too thin. Concentrate on a single deal at a time, and undertake each as if it were the most important deal of all time.

6. Economy.

Resources must not be unnecessarily expended. Make your mistakes and learn from them. The more we do the more mistakes we make. Further wisdom at the same cost is intolerable. Develop a pattern of operation that works for you, apply it, and do not try to reinvent the wheel every time you buy a coin — or anything else.

7. Maneuver.

While you should have a fair picture of the sort of market that would prompt you to buy or sell, always be ready to reverse your position if the situation warrants. You never have to be in a particular market or deal, or own a particular coin. This flexibility is healthy and wise, and is in fact one of the prime virtues of a secure plan of action.

8. Surprise.

“Optimum exploitation of the situation.” When the moment to buy or sell arrives, seize it. Luck, as has often been said, is nothing more than preparation meeting opportunity.

9. Security.

No army ever retires for the night without positioning sentries along the perimeter. Every measure must be taken to avoid the unforeseeable, and preserve freedom of action. Be aware of the market’s strong points, and the ways in which

they and the pitfalls relate to your own investments, and do not accept advice or statements of fact without good arguments or proof to back them up.

Investing in Rare Coins

Investing in rare coins is neither a recent nor unique idea to the United States, although the market for US rare coins is the most highly developed rare coin trading market in the world. The US Mint produced gold coins from 1795 to 1933 and silver coins from 1794 to 1965 for use in American and world commerce. In 1933 the US government went off the gold standard and recalled gold coins, and in 1965 went off the silver standard and recalled silver coins. This eliminated all US coins made of precious metals from use in commerce. It is my opinion that perhaps as much as of ninety-five percent of original coin mintages were lost due to those recalls and other similar meltings over the past two centuries. While much of the surviving population of coins is either basically recent or misused, the undamaged and original eighteenth, nineteenth and early twentieth century survivors are the backbone of the coin investment market. There could be as many as fifty million collectable survivors that fit this description, perhaps more.

Personally, I have sold tens of millions of dollars worth of coins as an investment in IRA, Keogh and into Pension Funds through limited partnerships from 1972 until 1986, when it was effectively no longer tax-advantageous. Originally, all rare coins were qualified investments for individually-directed retirement accounts and there was a large active market for them. In fact, even today in certain corporate pension plans rare coins and currency still remain as qualified investments. The Economic Recovery Tax Act of 1981 eliminated the eligibility of rare coins for IRAs by adding Section 408(m) to the United States Tax Code. The Savings and Loan industry successfully lobbied for an arbitrary category of "collectibles" which suddenly were no longer eligible investments.

Current Law

The current law on investment in collectibles reads "United States Code Title 26 Section 408 (m) Investment in collectibles treated as distributions: (1) In general the acquisition by an individual retirement account or by an individually-directed account under a plan described in section 401(a) **of any collectible shall be treated (for purposes of this section and section 402) as a distribution from such account in an amount equal to the cost to such account of such collectible.** (2) Collectible defined for purposes of this subsection, the term "collectible" means (A) any work of art, (B) any rug or antique, (C) any metal or gem, (D) **any stamp or coin**, (E) any alcoholic beverage, or (F) any other tangible personal property specified by the Secretary for purposes of this subsection. (3) Exception for certain coins and bullion for purposes of this subsection, the term "collectible" shall not include (A) any coin which is (i) a gold coin described in paragraph (7), (8), (9), or (10) of section 5112(a) of title 31, United States Code, (ii) a silver coin described in section 5112(e) of title 31, United States Code, (iii) a platinum coin described in section 5112(k) of title 31, United States Code, or (iv) a coin issued under the laws of any State, or (B) any gold, silver, platinum, or palladium bullion of a fineness equal to or exceeding the minimum fineness that a contract market (as described in section 7 of the Commodity Exchange Act, 7 U.S.C. 7) (13) requires for metals which may be delivered in satisfaction of a regulated futures contract, if such bullion is in the physical possession of a trustee described under subsection (a) of this section."

If your traditional IRA invests in collectibles, the amount invested is considered distributed to you in the year invested. You probably will have to pay

income tax and the ten percent additional tax on early distributions. The exception is that your IRA can invest in one, one-half, one-quarter, or one-tenth ounce U.S. gold coins, or one-ounce silver coins minted by the Treasury Department. It can also invest in certain platinum coins and certain gold, silver, palladium, and platinum bullion. Regrettably at the time the rare coin industry had no trade association to voice objections, so this provision was enacted for the benefit of other investment lobbies without any opposition or comment from coin dealers. In most states they are also exempt from sales tax.

Grading Services

In 2001, several bills were pending in the US Congress, including S.638, S.1405, H.R.1670 and S. 816, and in 2003 H.R. 1820 and S. 935, and this year in 2005, S. 804, any one of which would have corrected this situation and restore certain rare coins, i.e. certified coins, as qualified IRA investments. Part of the possible corrections to the law have to do with the establishment of grading services. Beginning in 1986, the market in rare coins became even more viable for investors with the creation of two nationally recognized, independent certification and grading services. These companies by and large do not buy or sell rare coin products although in one case several owners continue to do so. They are still basically independent third party service companies whose sole function is to certify authenticity, determine grade, and then encapsulate each rare coin item. Each coin is individually sonically sealed in a hard plastic holder with the appropriate certification and bar coding information sealed within, which creates a unique, traceable item. This creates a product that sooner or later will overcome the government objections and be suitable for investment to the Internal Revenue Service. Encapsulation also serves to preserve the coin in the same condition as when it was certified. While none of these services offers absolute protection for coin investors, no other kind of investment offers absolute protection for their investors either, including stocks, bonds, hedge funds and all other manor of regulated investments, the sole exception, of course, are Treasury obligations.

Both these companies employ staffs of full-time professional numismatic graders who examine each coin for authenticity, and grade them according to current established standards. The finished products are called certified coins and are backed by a strong guarantee from each grading service. While no protection can be perfect, these two services offer guarantees which provide for economic remuneration in the event of an error that affects the coins market value. We have already seen a small number cases of error in which the coins owners have recuperated their losses, in full, so the system does self regulate when it needs to.

Unlike most other tangible assets, certified coins have high liquidity that is provided via several independent electronic trading networks; the Certified Coin Exchange (CCE) and Eureka Trading. These networks are independent of each other and have no financial interest in the rare coin market beyond the service they provide. They provide only trading and trading information services. Certified coins now enjoy a sight-unseen market safety net via these exchanges. These electronic trading networks function very much the same as NASDAQ with a series of published "bid" and "ask" prices and last trades. The two networks offer virtually immediate, on-line access to the live coin exchanges. The buys and sells are enforceable prices that are honored as posted until updated. Submission to binding arbitration, although rarely necessary, is a condition of exchange membership, just like at NASDAQ or the New York Stock Exchange. Just as investors in financial paper assets access the marketplace via their stockbroker, investors in rare coins access the on-line market via their member coin

dealers. Trades are entered on these electronic networks in the same manner as trades are entered on NASDAQ, with confirmation provided by the trading exchange. These transactions are binding upon the parties.

Diversity

Most brokerage firms and investment advisors recommend that persons saving for retirement diversify their investment portfolios to include some percentage of tangible assets that are negatively correlated to paper financial assets. Tangible assets tend to increase in value when stocks, bonds and other financial assets are experiencing a downward or uncertain trend. It is important that investors have both tangible asset options in addition to Real Estate, particularly if they live in the real estate: rare coins, and perhaps some precious metals, just as they have the option of stocks and bonds.

The value of precious metals products fluctuates in direct proportion to the changes in price of gold or silvers the commodity exchanges. The rare coin market is often related to the precious metals markets; however, rare coins have the added factor of scarcity, which adds to the stability of the market. For instance, a double eagle gold coin contains almost a full ounce of gold. While the bullion-traded gold one-ounce American Eagle coin's price will fluctuate daily in accordance with the spot gold price, the double eagle will resist downward pricing since its value is in both its precious metals intrinsic content and its scarcity factor. While even "blue chip" stocks can and have occasionally become worthless (Eastern Airlines, for example), precious metals and rare coins can never be worth less than their intrinsic value.

No less than four independent studies, one prepared for the Joint Committee on Taxation, found that the inclusion of rare coins in a diversified portfolio of stocks and bonds increased the portfolio's overall return while reducing the overall risk of that portfolio. In fact, rare coins remain a qualified investment product for corporate pension plans. The average American investor should not be penalized for not having that particular tax-advantaged program available to him, and it would be only equitable to permit such investment options for those individually-directed retirement accounts. Removing current restrictions would allow small investors, whose total investment program often consists of their IRAs or other self-directed accounts, to select from the same investment options currently available to more affluent citizens.

In addition, the current law creates the inequitable result that occurs when an individual leaves one job and its related pension and profit-sharing plan. When employees leave or are terminated, they are almost always excluded from the employer's pension and profit-sharing plan. There is currently no provision for a conduit IRA that allows them to transfer any rare coins that may be part of this plan. The result is that the item must be liquidated regardless of whether such liquidation is to the employee's benefit or detriment at that time. The only alternative, accepting the distribution in its rare coin form, renders this a taxable event. This is obviously an inequitable and unintended result.

The new bills mentioned simply restore rare coins to the pre-1986 menu of options for investors and allows them to diversify and stabilize their retirement portfolios. It would also allow these products to be rolled over from one plan to the employee's conduit IRA or new plan. The new law would have some important new provisions. Investment coins purchased for individually-directed retirement accounts would be required to be stored in the possession of a qualified, third-party trustee as defined by the IRS. Coins eligible for inclusion in an individually-directed retirement account would be required to be certified by a recog-

nized third-party grading service. Each certified coin, therefore, would have a unique identification number, grade, description, and bar code and would be graded and encapsulated in a sealed plastic case. Only those coins that trade on recognized national electronic exchanges or that are listed by a recognized wholesale reporting service would be eligible for inclusion.

The Taxpayer Relief Act of 1997 restored certain precious metals bullion as qualified investments for IRAs. This was the first step in a two-step process. The restoration of certain certified coins will complete the restoration of these important products as acceptable for individually-directed retirement accounts. The Joint Committee on Taxation has concluded that the inclusion of rare coins would have negligible economic impact on federal revenues. There is broad, bipartisan support for the inclusion of rare coins as qualified investments in individually-directed retirement accounts.

The independent study done for the Joint Committee on Taxation found that the inclusion of rare coins and bullion in a diversified portfolio of stocks and bonds increased the portfolio's overall return at the same time that it reduced risk. By purchasing rare coins in their IRAs, investors are able to keep tangible assets in their retirement plans over the long-term and, when they increase in value, sell them for a profit and reinvest the proceeds without having to immediately pay taxes on the gain.

Some of the conclusions of the study done for the Joint Committee on Taxation appear to have relevance to current economic conditions. The study reported that stocks and rare coins had the highest rates of return over a twenty year period and the statistical analyses reveal that rare coins are inversely related to stocks in a stock bear market, for example the collapse in stocks in 1987 triggered a major bull market in rare coins. Conversely, rare coins, on occasion, are positively related to stocks during stock bull markets. For example the recovery in stocks after the 1987 crash did nothing to slow the bull market in rare coins. For the majority of the period analyzed, the study showed that rare coins did best when bear markets in stocks sent investors looking for alternative investments.

Twenty-six states have exempted coins and precious metals from state sales tax because they recognize them to be investment products as of 2000. In seven additional states, such exemption legislation is under consideration. We believe that this legislation is consistent with Congress' desire to encourage U.S. citizens to save and invest more and to take personal responsibility for retirement. In addition, tangible assets are real, not paper, investments that will never lose their intrinsic value and which maintain an orderly, easily-transacted, and portable marketplace. They provide today's investors with security for the future just as they have for thousands of years.

Rare Coin Investing

It is a matter of historical record that the coin market moves in predictable cycles. I cited, charted and documented these cycles in 1982. Internal and external forces cause cyclical behavior. Supply and demand is the main internal force that is constantly working within the rare coin investing market, just like all other investment markets, for example, stocks, markets, commodities, currencies, commercial real estate and so forth. Investors buy coins until prices rise very high, and then they sell coins into that market until prices get inexpensive again. The market slowly builds momentum going each way, and the cycle repeats itself again and again.

These supply and demand forces are very powerful. Because of these demands, coin investing can experience a bull market even in the absence of bull-

ish external forces. And that's exactly what happened during the internally driven bull markets of 1960-64 and 1983-89. What's really exciting is when both internal and external forces combine to generate the 1976-80-style bull market. There are many major external forces that can apply pressure to the prices of rare collectible coins.

- **Government Coinage Policies.** What our government does or does not do with coinage has a tremendous impact on people's desire and ability to collect coins. Positive examples include the government's resumption of yearly proof set manufacturing in 1950, after an eight-year hiatus. The yearly minting of proof sets beginning in 1950, and the improved packaging of those sets beginning in 1955, helped fuel the post-war coin boom and carried through to the 1960-64-bull market. Negative examples include when the government stopped making proof sets from 1965-67, stopped putting mint marks on coins from 1965-67, and, most importantly, and took the silver out of coins in 1965. This action put a real damper on coin collecting and stopped the 1960-64-bull market. Lately, the government has definitely been the coin market's friend. The statehood quarter program, beginning in 1999 and running through 2008, has literally brought millions of new collectors to the coin investing market. In addition, the government's resumption of commemorative coin production in 1982, and the improved marketing efforts of these coins in the 1990s, has given coin collecting a big boost. Recent coin production, especially the statehood quarter program, is one major reason we are now experiencing a renaissance in coin investments and collecting.

- **What Inflation Means for Your Coin Investment.** As of August 2005, officially "its back" and it is going to be a major influence, if not the influence on the coin investment market. Inflation may allegedly have been dead, but the fact is that the U.S. Dollar has lost most of its purchasing power since 1970, and rare coins are a superb inflation hedge. To say that in the past, the rare collectible coin market has always done very well in periods of increasing inflation is a gross understatement.

- **The Stock Market.** Here's what we know about the coin investing market in relation to the stock market: Coins do well when the stock market does poorly. This was clearly evident in the 1970-74 and 1976-80 bull market. Coins can also do very well when the stock market does well, as was evident in the 1960-64 and 1983-89 bull markets. But coins don't do well when the stock market soars, as was the recent case in 1990-2000.

- **Gold and Silver Prices.** Since the government took the precious metals out of our coins, the fluctuations in gold and silver prices have had a clear impact on the rare collectible coin market. Gold and silver bullion prices do well even without huge moves in gold and silver, as it did in the 1960-64 bull market and, to a certain extent, the 1983-89 bull market. Lately, things have calmed down a bit in this relationship and we view high bullion prices as gravy. If gold moves up, it will add fuel to the fire. If it doesn't, investing in coins can still do extremely well if the internal forces and other external forces are right, as they are now and will be for a couple of years at least.

Advantages of Rare Coin Investments

The rare collectible coin market's bottom-line indicates it is one of the best of all investments. In the previous sections I explained how external conditions affect the coin investing market, and how much you can expect to make investing in coins. Here are some important advantages of rare collectible coin investments:

- **Liquidity.** Rare coins are the most liquid of all collectibles. Since 1963, the

Coin Dealer Newsletter has published weekly dealer-to-dealer pricing information for all of the important U.S. coins. No other collectible has a pricing structure published as frequently and accurately as rare coins. In addition there are major coin shows and/or auctions once or twice a month where you can sell your coins. What can you expect from the rare coin market in terms of liquidity? When the time comes to sell your coins, you can expect and receive immediate payment.

- **Diminishing Supply.** The supply of rare coins is diminishing daily. Not only are they not making any more Gold Saint-Gaudens, Buffalo nickels, Walking Liberty halves, silver Morgan dollars, etc., but the available supply is constantly diminishing due to melting, abuse, neglect, etc. This is in sharp contrast to other investments. In the stock market, when they need more shares, they issue them. We respectfully hope that does not happen with rare coins. The advantage of the rare coin market's diminishing supply is two-fold. First, any increase in demand makes long term price increases inevitable. The supply of coins cannot be increased to meet the new demand. The only way new demand can be satisfied is with higher prices. Second, a limited supply reduces the downside risk. In fact, in the rare coin investment market, rare coins tend to be in strong hands, so low prices tend to drive quality coins off the market altogether.

- **Affordability.** A fine painting can easily cost a million dollars or more. But rare collectible coins seldom cost more than \$150,000. Top-of-the-line art, diamonds and real estate all demand very large amounts of money for the purchase of a single item. But most common coin investments we recommend are in the \$5000 to \$25,000 price range and we have many coins for considerably less money than that, and you can buy some very rare, very important, top-quality investment coins for as little as \$50,000. So what can you expect from the rare collectible coin market in terms of affordability? You can expect to participate no matter what your coin investment budget is.

- **Favorable Tax Treatment.** This is a significant advantage of coin investing offered only by the rare collectible coin market. You do not have to pay taxes on your rare coin profits until you actually sell the coins. For example, had you been aware of and followed Silvano DiGenova's recommendations in January of 1992, even if you had purchased the coins he liked in the absolute lowest grade that he considered "acceptable" as opposed to "highly recommended," you might very well have purchased some of the following coins:

Coin Recommended	Price January 92	Price August 05
1796 Quarter Eagle NS VF35	\$14,000	\$30,000
1796 Quarter Eagle WS XF45	3,450	6,500
1808 Quarter Eagle XF45	17,000	38,000
1795 Half Eagle LE XF45	7,000	18,500
1797 Half Eagle XF45	1,700	4,000
1807 Half Eagle XF45	1,625	3,500
1795 Eagle LE XF45	8,800	30,000

Suppose that today you wanted to take your profits today but you would rather not pay income tax on the profit. Your total cost, \$53,575 and your total current value \$130,500, for an acceptable profit of \$76,925 over fourteen years, or nearly seven percent per year (compounded), for his lowest grade picks. So how much income tax do you owe on this transaction? Well actually none, if you don't actually sell the coins. What you could do instead, just for one example, is to take them down to your bank and borrow against them, probably at half the value, which of course, is more than you paid in the first place. Take the proceeds,

deduct the interest on the loan, and put the money into your pocket. Try that with CD or a Treasury bill and you will owe taxes dearly.

- **Anonymity.** All of us have different degrees of confidence about our government. Personally, I feel the government's intrusion into the private financial affairs of its citizens is already bordering on criminal, and into their personal affairs, already is criminal. It has become a major concern for all investors and is only going to get worse in the name of "fighting" terrorism. Of course, those who invest in coins do not yet have to file any special government reports. Anything you buy now is covered by the law now, not even Congress can pass ex post facto laws. Can you expect to remain anonymous as a rare collectible coin investor? As anonymous as humanly possible in the computerized twenty-first century.

The Things You Need To Know About Coin Investing and the Value of Rare Coins

- **There are no Bargains in Rare Coin Investing.** None. There are rarely bargains in any kind of investing if you are not an insider. Bargains are a seldom-encountered exception to the day-to-day reality of any marketplace. You probably have neither the expertise nor the exposure to the marketplace even if there was a bargain to find it. And if it's difficult for a professional to find a bargain, it's probably just about impossible for an amateur. You will have to concentrate on receiving fair value, i.e. buying a thousand dollar coin for around a thousand dollars. Stick with dealers that you trust and that have a reputation for being both fair and knowledgeable.

- **Most Dealers Have a Limited Knowledge of Rare Coin Values.** Some are good businessmen, tough negotiators, and many have great marketing expertise. However, as soon as you begin doing business with some coin dealers, you may realize that many of them can not grade accurately, and even more of them can not tell you what a particular coin is worth without reaching for the latest copy of the Coin Dealer Newsletter, or "Graysheet". Most dealers have a limited knowledge of the value of rare coins, so trust your own instincts and arm yourself with as much knowledge as you can. Misrepresentation is a problem in all collectible fields including coins, stamps, art and antiques. In the rare coin field the basic form of misrepresentation is overgrading. Counterfeiting exists but it is so insignificant that it is not a problem. Unfortunately, the real problem is that many coin dealers do not know how to either grade coins or price coins. The quality of a coin has a tremendous bearing on its price. Very minute differences in quality often mean large differences in price, even within the same grade. Your best protection against buying overgraded or overpriced coins in your rare coin investing pursuits is to learn to grade accurately. However, grading is a difficult skill to master and takes a lot of time to learn. Still, you can be aware of the basic grading concepts. Carefully examine every coin you purchase and notice how sharply the details of the design stand out. Take note of all major and minor flaws or marks. Now compare the coin with another of the same type. The coin with the greatest detail and fewest marks is generally the better coin. This entire effort makes more sense when the coin is certified. But certification is no guarantee of perfection, or even a good deal, only a guarantee against gross misrepresentation of a coin to the unknowledgeable buyer. Remember, anyone can call himself a coin dealer, and many who do know little more than the amateur buyers they sell to. Always seek professional assistance from a coin dealer with a reputation that you know and trust, because rare coins are often misdescribed, overgraded and overpriced by those who should but do not know any better.

- **Auctions Can Be a Good Deal.** Auction companies offer you a regular and

reliable avenue to buy and sell rare coins. But buying coins at an auction is time consuming, so you need to look at what you are interested and then send an agent to represent you on the floor of the auction. You can probably do as well on the bourse floor if you are a dealer, but if you are not, you need to pay for the expert advice necessary to be a savvy collector or investor. We actually sell over half our auction lots to dealers, so you can draw your own conclusions. On the selling end of a rare coin investment, you have no immediate control over the prices realized on any particular lot, so you must always deal with an auction house that will have well advertised and well attended auctions, and of course, put a reasonable reserve on every lot.

Rare Coins in Which to Invest.

There are several thousand U.S. rare coins that are appropriate additions to any portfolio being built for maximum profit potential. But what are the best coins in this group and what are the very best coins to have in your portfolio? I have some very specific ideas on that subject, and this is just a sprinkling.

Early U.S. Gold Coins From 1795 to 1838. The U.S. minted \$2.50 Quarter Eagles, \$5 Half Eagles, and \$10 Eagle gold coins starting in 1795. In 1834, the gold content of our coins was lowered slightly and most pre-1835 gold coins that weren't already used in commerce or already overseas hit the melting pot. Today, these early treasures of American financial history are rare in all grades and super rare and popular in Gem condition, and are our number one choice for investment upside.

Early Silver Coins From 1794 to 1839. Bust Dollars, Bust Half Dollars, Quarters, Dimes and Half Dimes are all undervalued, although the Dollar is the least undervalued of the group. I like the minor silver, and even some of the high grade early copper coinage in the top grades as being undervalued and a good investment at this time.

Early Proof Coins before 1840. There aren't many of them, so I don't sell them as often as we would like to, but we buy every nice one we see and almost never have any in stock. That should tell you something of their popularity and rarity.

Proof Gold. Today the Mint strikes hundreds of thousands of proof gold coins a year and sells them all to collectors all over the world. In the 19th Century, the Mint struck fewer than a hundred proof gold coins each year and only a handful survive today in any condition. Proof gold coins are the caviar of the numismatic marketplace... the beachfront property of rare coins. Another personal favorite, they have been and always are expensive, but they are super rare and demand is always sky high in both strong and weak markets.

Saint-Gaudens. Among the world's best-known coins, it is also one of the most beautiful coin designs in numismatic history. We particularly like the High Relief varieties and the rare dates. The coin has it all -- beauty, popularity, rarity in top condition, and a good past performance. Rare date MS65 Saint-Gaudens is also one of the few coins that don't flop in price automatically in bear markets, even though the price of gold bullion, and for example, MS60 and MS63 Saint-Gaudens tumbled. It makes any want list ever time based entirely on its collective beauty, popularity, and importance in top condition.

Twenty-Cent Pieces. This odd coin was made for only four years, from 1875 through 1878. The coin looked too much like a quarter to catch on with the public and there really wasn't a commercial need for the denomination, similar to the quarter-sized dollars of today. Since then, twenty-cent pieces have been highly prized collector's items. The design is the beautiful Liberty Seated type and all dates of twenty-cent pieces are rare in top condition.

Liberty Seated Dollars. This is one of the most beautiful coins ever made and one of the rarest of the major 19th Century.

Silvano DiGenova's Top Fifty Investment Picks for 2007

Whether the market is bull like it is now, or bear as it has been in the past, there are always undervalued coins that can be acquired by the smart collector or investor with the help of his knowledgeable numismatist. Today there are only a handful of numismatists with the depth and vision of the entire coin market, so pick very carefully your numismatic advisor by his national reputation and standing among his numismatic peers.

Both David Hall and John Dannreuther of Professional Coin Grading Service (PCGS) and Mark Salzberg of Numismatic Guarantee Corporation (NGC) agree with Silvano DiGenova and I that the certified rare coin population reports could, on the average, be as much as twenty percent inflated by coin resubmissions and cross submissions. Remember the grades we report here are certified only by PCGS or NGC. Keeping that information in mind, these are the most current picks of undervalued under priced rare coins by Silvano DiGenova, one of most knowledgeable and savvy coin traders.

1793 Liberty Capped Left Half Cent in grades between XF40 and MS64. A one year type coin by Joseph Wright with a combined certified population of 154, there are probably 120 to 150 survivors in these grades. From an original mintage of 35,334, a survival rate of just 0.00435%. Rare, desirable and under priced.

1793 Flowing Hair Chain Cent in VF20 through MS63. Another one year type by Henry Voigt with a combined certified population of 257, or probably about 200 survivors from a total mintage of 36,103, or a survival rate of 0.00713 %. Under valued today, yet rare and very desirable.

1793 Flowing Hair Wreath Cent in grades between XF40 and MS63 inclusive. Yet another one year type copper coin with a certified population of 194, or about 155 survivors in these grades. With a mintage of 63,353, this leaves us with a 0.00430% survival rate. Rare.

Three Cent Nickel Type coins 1865 through 1889 business strikes in grades of MS65, MS66 and MS67. With a certified population of 2267 or maybe 1800 survivors in these grades from a mintage of thirty one million coins, this leaves us 0.0058% survivors. Strangely under rated.

Shield Nickel Type With Rays from 1866 and 1867 in MS65 and MS66 business strikes. With 404 reported certified survivors in these grades, or maybe a population of about 325 coins from a mintage of almost seventeen million, this two year type coin leaves us with a 0.002% rate of survivors. Talk about under rated.

Shield Nickel Type Without Rays from 1867 until 1883. In business strikes from MS65 through MS67. There are 2337 certified coins in these grades, or perhaps 1850 survivors. Of one hundred eleven million originally minted, leaving us with a pathetic survival rate of 0.0021%. Grossly under rated.

Liberty Nickel No Cent from 1883 in MS65, MS66 and MS67 business strikes please. With a total certified population of 1865, or perhaps 1500 survivors in these grades, from an original mintage of five and a half million, or a rate of survival of 0.000293%. Surprisingly underrated one year type coin.

Liberty Nickels With Cent from 1883 through 1912 in MS66 and MS67 business strikes. A certified population of 2329 or probably 1860 coins in these grades. From an original mintage of 595 million coins, or a survival rate of 0.003%. Astounding.

1796 Draped Bust Small Eagle Dime in grades between AU50 and MS65. With a total certified population of 217, or perhaps around 175 individual coins, from

a mintage of 22,135 coins by designer Robert Scot. A tiny survival rate of just 0.0079%. Under priced, rare and desirable Americana.

Draped Bust Heraldic Eagle Dime from 1798 through 1807 in grades between AU58 and MS66. Six hundred thirty certified coins in these grades, or perhaps around 500 individual coins of this always in demand early type coin. A total mintage of the type is 421,000 coins, or a survival rate of 0.0011%. This type is always in demand regardless of coin market conditions.

Capped Bust Large Size Dime designed by John Reich between 1809 and 1828. The 18.8mm size, in MS64, MS65 and MS66 grades. A total certified mintage of 305 coins in these grades, with about an estimated 250 survivors. An original mintage of five million coins, leaving us a surviving rate of just about 0.00010%.

Capped Bust Small Size Dime, the 18.5mm size, made between 1828 and 1837, in grades between MS64 and MS67. We have 1018 certified in these grades, perhaps 800 different coins is a good estimate. A total mintage of 6.65 million coins on this type. There are 0.00012% survivors in these grades, making the type tougher than expected.

1796 Draped Bust Small Eagle Quarter Dollar designed by Robert Scot in MS63 to MS65 grades. There are 38 certified examples of this coin, giving us between 30 and 35 actual coins. The original mintage is 6146, for a survival rate of 0.00569% of this under valued classic collectable one year of type.

Draped Bust Heraldic Eagle Quarter Dollar between 1804 and 1807 by John Reich in grades between AU50 and MS65. There are 491 reported certified examples of this coin in these grades, which leaves about 400 actual survivors. The type has a mintage of 555,000 coins, giving a survival rate of about 0.00072%. Much rarer than one would have expected of the type.

Capped Bust Large Size Quarter Dollar, made from 1815 until 1828 in the 27mm size. We are interested in the grades between MS63 and MS65. There are 587 coins on the certified population reports, leaving perhaps 475 coins to choose from. With an original mintage of 1.8 million coins, the math gives us a rate of survivorship of 0.00026%.

Capped Bust Small Size Quarter Dollar, made between 1831 and 1838 in the 24.3mm size. Designed by William Kneass, we are interested in the certified population in MS64 through MS66. In these grades are 466 certified coins, maybe 375 different examples of the type. The original mintage is 4.2 million, leaving a rate of survival of 0.00089%.

Flowing Hair Half Dollar of 1794 and 1795 in certified grades between MS60 and MS64. There are currently 60 coins, which leaves us between 45 and 55 actual examples. The original mintage is 323,000 coins. This is a survival rate of 0.0017% for this classic rarity.

Draped Bust Heraldic Eagle Half Dollar made between 1801 and 1807 in grades between AU50 and MS65. There are 1399 coins certified in these grades, or roughly 1200 survivors. The original mintage is 1.6 million coins, or a survival rate of about 0.0075%

1854 and 1855 Liberty Seated With Arrows Half Dollar of Christian Gobrecht in grades between MS64 and MS67. There are 363 business strike certified examples listed or perhaps 300 actual coins in existence. The original mintage is 12.8 million of both years, or only a survival rate of 0.000024% of this classic rarity.

1873 and 1874 Liberty Seated With Arrows Half Dollar in grades between MS64 and MS67. There are 369 coins currently certified in these grades, or maybe 300 individual business strike coins. With an original mintage of five million coins for the two years, this leaves us with a survival rate of only 0.00006%.

Draped Bust Heraldic Eagle Dollar of 1798 to 1803 in both grades MS64 and

MS65. There are 115 certified business strike examples in these grades, or the possibility of about 90 or so individual coins of this long desired early type dollar. Always popular with collector regardless of the condition of the rare coin market, this rare and desirable type has a mintage of 826,000 coins in total, or a rate of survival in these grades of just 0.00011%.

Seated Liberty No Motto Dollar of 1840 to 1865, the business strikes only please in grades between MS64 and MS66. There are 622 examples certified in these grades, but perhaps only 500 or so are actual survivors. The total original mintage is 2.8 million coins. This results in a survival rate of 0.000178% of this coveted type.

Seated Liberty With Motto Dollar of 1866 to 1873, also the business strikes only in grades between MS64 and MS66. There are 327 coins listed on the current population reports, so we surmise that there are maybe 275 actual individual coins. There were 3.6 million coins minted of the type. There are 0.00009% survivors of this type that is always in demand.

Trade Dollar of 1878 to 1883 in grades MS64 through MS67 inclusive in business strikes. We are interested in the 1775 certified examples of this type. There are maybe 1500 coins in all the grades we list, all from an original mintage of thirty six million. Surprisingly only a survival rate of 0.0000416% on these dollars.

Morgan Deep Mirror Prooflike Dollar of 1878 through 1921 inclusively in MS64DMPL, MS65DMPL and MS66DMPL grades. All DMPL coins are business strikes. Between the services there are 29,624 DMPL coins that are certified in those grades, giving us about 24,000 actual coins that exist from a total surviving mintage (remembering much of the original mintages were melted in 1918) of 386 million silver dollar coins. This gives us 0.00006% survivors of the surviving mintage. Grossly undervalued by rarity, or popularity, or against any other coin you may want to measure them against.

1796 Capped Bust Right No Stars Quarter Eagle. The classic one year type and one of the most desirable coins ever made in gold. DiGenova recommends this classic rarity in grades between AU50 and MS63. The current certified population is 82, but I sincerely doubt that there are as many as 55 coins actually out there in the real world. The original mintage is just 963, making the survival rate 0.057%. Good luck on your search for this baby.

Capped Bust Right With Stars Quarter Eagle, made between 1796 and 1807. DiGenova likes this type in AU50 through MS63. The current certified population is 579 coins, which realistically leaves about 450 to 500 actual coins in collector's hands. The original mintage is 18,524 for the thirteen years they minted them. The rate of survival is 0.0269% on this very tough type.

Capped Head Left Large Size Quarter Eagle made in Philadelphia from 1821 until 1827 all in the 18.5mm size, in grades between AU50 and MS65. There are 226 coins certified in those grades, or probably around 180 or so actual survivors. There is a total mintage of only seventeen thousand for the entire type. Survivors number 0.010%. Rare and always in demand as well as under priced.

Capped Head Left Small Size Quarter Eagle made in Philadelphia between 1829 and 1834 all in the 18.2mm size, in grades between AU50 and MS66. There are currently 466 certified coins, or about 375 actual coins in collector's hands. A total mintage of about twenty five thousand for the entire type. The survivors are 0.01388%

Classic Head Quarter Eagle minted from 1834 to 1839 at three US Mints. We are interested in the coins graded between AU58 through MS66. There are 2288 coins certified in these grades, having an actual population of maybe 1900 coins. The total mintage for this type is just under one million coins, or 0.0019% are sur-

vivors. Underrated badly by rarity.

Liberty Head Quarter Eagle, the Proofs minted between 1856 and 1907 only, the earlier dates are too rarely offered. We are interested in the coins graded between PF64 and PF67. The certified proof population is 2095 in these grades, so maybe there are actually 1600 survivors, but I doubt it. The recorded mintage is 4232 but the mintage for dates before 1859 are supposition and are not included here. The survivors are 0.37% of the mintage, which seems high. On the other hand, proofs were made for collectors so perhaps many of them remained in the collecting community. Either way they are rare, desirable and under priced by both popularity and rarity.

Indian Head Quarter Eagle, the Matte, Roman or Satin Proofs made between 1908 and 1915 and designed by Bela Lyon Pratt for Theodore Roosevelt The population reports show 526 coins, leaving an actual population of perhaps 400 individual coins surviving a total proof mintage of all kinds of finishes of 1827 coins in total. The rate of survival is 0.21% for this oft sought rarity.

Capped Bust Right Small Eagle Half Eagle of 1795 to 1798 in grades ranging from XF45 all the way through MS65. Remember this both first year of type and the US Mints first gold coin emission. There are 536 coins certified within these grades, leaving us with in the vicinity of 450 actual coins. The original mintage is reported at 18,500. The survival rate for this always in demand rarity is 0.024%.

Capped Bust Right Heraldic Eagle Half Eagle of 1795 to 1807 in grades certified between AU58 and MS65. The population reports indicated 2586 examples, or we estimate 2000 or 2100 different coins. The mintage is listed at 316,500, so the rate of survival is around a low 0.0066%.

Capped Bust Left Half Eagle of 1807 to 1812 in grades that have been certified between AU58 and MS65. The certified population is currently 2047 coins from a total original mintage of 347,300. We estimate that there are no more than 1600 to 1700 actual coins that have survived in these grades, leaving us with a tiny survival rate of 0.0047% of this type.

Capped Head Left Large Size Half Eagle made in Philadelphia between 1813 and 1829 on a 25mm planchet. DiGenova likes this type in grades between AU58 and MS65. The population reports 978 coins certified within these grades out of a total reported mintage of 716,400 coins, most of whom went to coin heaven in the 1834 coin melts. We again surmise that there are actually about 700 to 800 survivors in these grades, barely leaving a survival rate of 0.00109%.

Capped Head Left Small Size Half Eagle made between 1829 and 1834 on a 23.8mm planchet. Again DiGenova recommends coins within the grades of AU50 and MS65, of which there are currently 196 certified examples in these grades. Perhaps 150 to 175 coins actual survived in these grades from the coin melts of 1834. The original total mintage is reported to be 668,000 coins. This leaves a survival rate of 0.000247%, which is barely any survival at all.

Classic Head Half Eagle of 1834 to 1838. The first of the Half Eagle coins with a serious mintage of 2.1 million. This type is recommended in grades between AU50 and MS65 by the Sil. Currently there are 3953 certified coins in these grades, and the survival rate would be expected to be higher than any of the pre 1834 gold types. There are currently 3953 coin certified in these grades, so we estimate there are 3500 to 3600 actual coins running about. This leaves a higher survival rate of 0.0016%. While there are many coins to choose from, there are also many coin collectors actively chasing this issue.

Liberty Head No Motto Half Eagle, in business strikes made from 1839 to 1865. David Akers, Sil DiGenova, Neil Berman and John Dannreuther consider the 1839 Half Eagle an entirely different type than the 1840 Half Eagle, just like with the

Eagle. However, Dick Yeoman in his infinite wisdom did not separate them in the Guide Book. We therefore combine them here for brevity; even no the 1839 will cost more. Mr. Sil recommends this type in all grades between MS60 and MS65. There are currently 3072 certified coins in these grades from an original 26 year mintage of 91 million coins, many of which were sent to Europe during the Civil War to purchase supplies. We estimate 2700 or 2800 actual survivors in these grades, giving us a survival rate of 0.000296%. These coins are often badly abused or worn. In the recommended grades these Half Eagles are grossly under valued.

Liberty Head No Motto Half Eagle, made in Philadelphia between 1859 and 1865 in Brilliant Proof, the earlier dates being for the most part virtually uncollectible rarities. We are interested in the coins graded between PF64 and PF67. There are currently certified 69 coins in those grades, leaving perhaps 50 to 60 actual coins from an original proof mintage of 348 coins. Even if all the coins had survived, they would still be major rarities anyway. The rate of survival is 0.143%.

Liberty Head With Motto Half Eagle, made from 1866 to 1907 in Brilliant Proof. The coins we are interested in are graded between PF64 and PF67. There are currently 1026 coins certified in those grades, perhaps there are actually 800 or 850 coins in existence today. The total proof mintage is 2938 coins, or 0.272% survivors. All rare and under priced for popularity.

Indian Head Half Eagle, made in Matte, Roman and Satin Proofs just like the quarter eagles between 1908 and 1915. There are currently 424 coins certified in the grades we are recommending, which is PF65, PF66 and PF67. All from an original proof mintage of only 1077 coins, of the perhaps 350 actual survivors, the survival rate becomes 0.324%

Capped Bust Right (Small Eagle) Eagle, the first Eagle type and struck between 1795 and 1797. I know DiGenova likes the type in all grades, but he is recommending coins only in XF40 to MS65. There are 507 coins currently certified in these grades, probably giving us an educated guess that there are only 400 to 450 actual survivors of the type. The original mintage is only 13,000 for the entire type, leaving a survival of 0.030% of this classic rare coin.

Capped Bust Right (Heraldic Eagle) Eagle, made from 1797 to 1803. This type is recommended in grades between AU50 and MS65, of which there are currently certified 2521 coins between the two grading services. There are probably in the vicinity of 2000 actual coins in existence in these grades from an original mintage of only 118,000, resulting in a survival rate of 0.11%, one of the higher survival rates in this survey. Still desirable and under valued today.

Liberty Head Type of 1838 No Motto Eagle, made only in 1838 and 1839. Sometimes in the past called the Small Letters Variety, these dates are recommended in grades from XF45 through MS63. There are 219 coins currently certified in these grades from an original mintage of 33,000 coins. Of the probable 175 or so actual survivors, this rare and grossly under valued type has a survival rate of 0.0053%.

Liberty Head Type of 1840 No Motto Eagle, classically called formerly the Coronet type in olden days, was minted for 25 years between from 1840 to 1865. DiGenova like the type and recommends then in grades certified between MS 60 and MS65, of which the population is currently listed as 851 coins. The total original mintage was 5.2 million coins from four different mints. We suppose that there are actually 700 survivors in these grades, leaving the rate at 0.000134%.

Liberty Head Type of 1840 No Motto Eagle, made in Philadelphia between 1858 and 1865 in Brilliant Proof. Dates minted prior to 1858 are all extremely rare and not often offered for sale. We are interested in the coins with grades of PF64, PF65,

PF66 and PF67. At the moment there are 106 certified coins in these grades, leaving us to guess the survivors at between 80 or at the most 85 coins. The total proof mintage was 339 coins, making the type rare from the first day of manufacture. The survival rate is 0.235%, higher than average but the net survivors are rare, popular and always in demand when they are attractive to look at.

Liberty Head With Motto Eagle, made in Philadelphia from 1866 to 1907 inclusively in Brilliant Proof. We are interested in the coins graded between PF64 and PF67 only. The total certified population is today currently 937 coins, of which I suspect some where around 700 to 800 actually still exist. The total mintage of this type in proof is 2214 coins over forty-one years. The result is that a large percent have survived 0.361% and yet there are few coins for so many collectors. Popularity is as much a factor here as absolute rarity.

Liberty Head Type I Double Eagle, the rare No Motto type, made between 1858 and 1865 in Brilliant Proof. All Double Eagle Proofs were made in Philadelphia, including all the odd one of a kind super rarities made before 1858. We are interested in coins grading PF63, PF64 and PF65, of which there are currently 76 certified, leaving an actual population of probably 60 to 65 coins. The original proof mintage was 345 coins, leaving us a survival rate of 0.170% of these large desirable and popular gold coins.

Liberty Head Type II Double Eagle, the Twenty D. type, made between 1866 and 1876 all in Brilliant Proof. The grades chosen here are PF63 through PF66. Currently there is a certified population of 98 coins, by deduction leaves us somewhere in the vicinity of 75 and 80 actual coins. The total proof mintage of the type in a mere 335 proofs, which of course would make them rare even if they all survived. Sadly, they have not. The survival rate is a nice 0.220% of the mintage on these popular beauties.

Liberty Head Type III Double Eagle, the Twenty Dollar type, made between 1877 and 1907 all in Brilliant Proof. These are the "common" Liberty Proof Twenties, with a "massive" mintage of 2426 coins. Sil has chosen this type in PF64, PF65 and PF66. The certified population is now currently 844 coins, which realistically offers us about 650 to 675 actual specimens of the type. This leaves us with a survival rate of 0.278% of this popular type.

There you have the personal favorite choices on one of the finest numismatists trading coins today. It is our considered opinion that there is no coin date or coin type on this list that when purchased at a fair market price today will not bear you fruit on your investment tree five years down the line. Of course, you only have three quarters of the story. You are missing the values, or the prices you will have to pay to acquire these treasures. This information, alas, is not provided because it is not free, and must be gathered from your numismatist of choice. Happy hunting and may you enjoy the hunt as much as we who have provide this information have.