

*Lawrence D. Goldberg's*

# Rare Coin Report

February, 2012

Volume 13, Issue 1

## Rare Coins & the Economy

### 2012 EXPLOSIVE? We think yes.

In September's 2011 Rare Coin Report I suggested gold would stabilize around \$1600 and silver around \$30, correcting from their high's last spring. That this happened supports my view that metals are now poised to head higher, spurred by the simple fact that the underlying fundamentals which sent them higher in the first place: massive dollar printing, federal overspending and massive debt have remained solidly in place.

The possible exit of Greece from the Euro, US Federal Reserve bailout of the EU, growing real estate and currency bubbles in China, a world-wide economic slowdown, refusal of governments world wide to reign in debt, increasing tensions with Iran and resignation of political leaders to "kick the can down the road" sets up another economic crisis.

Meanwhile, the \$24 trillion "printed" these last few years is slowly working into the economy, making markets appear flat or slightly positive. The appearance of an improving economy favors the incumbent President, so expect numerous media reports highlighting "ongoing economic recovery." citing "market stability" and "increasing economic activity." Do not however, mistake "flat" for "stable." Additional cash liquidity gives only the illusion of recovery even as it invites further inflation.

This is the kind of economic climate where you go to sleep at night with everything appearing calm, and wake in the morning to a hurricane.

The spectacular rise of gold and silver in the last decade has reduced the perceived upside

## Message from the Owner

After some false starts (adding personnel) in 2011, CNP has gone back to basics. Thus, I am now again personally handling all buys and sells while Mike Clarke supports customer service and back office functions.

This keeps efficiency high, margins low, and quality of service at optimum. We'll need that in 2012, which promises to be explosive.

Again, **THANK YOU** for your business. Without you, we could not exist. You are the source of our success.

For me, business success leads to giving back to the community. Late last year, I was honored to be appointed to the Advisory Board of LA's Independent Shakespeare Co. They give **excellent and free** outdoor performances of Shakespeare in Griffith Park each summer. Over 1000 people attend most shows, but the



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Editor in Chief

low stage inhibits viewing. So, I am raising \$15,000 to build a new and improved higher stage so the audience, many previously unfamiliar with Shakespeare, can better see and hear. Can you help me with this worthwhile cause?

Any contribution is 100% tax deductible and any contribution, **large or small**, is greatly appreciated. Please contact me at **(800) 334-3325** for details.

## AGGRESSIVELY BUYING HIGH END COINS

Coins, Gold, Silver, Banknotes!

We also buy

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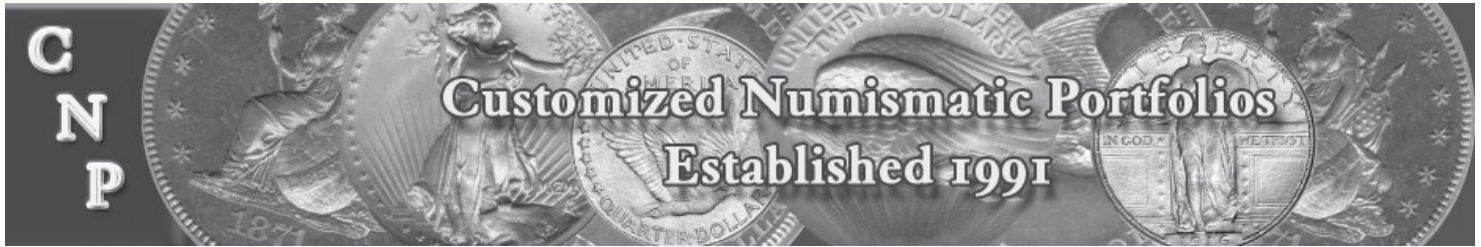
Low end coin accumulations

**WE NEED IT ALL!!**

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**CALL ME NOW!**

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(continued from p. 1) **“EXPOSIVE 2012”**

to metals. Supplies will likely increase due to profit taking and additional mining. Moreover, with metals having advanced so greatly against rare coin prices, coins now appear “too cheap” when compared to metals. Supporting this view is the fact that benchmark generic gold coins (MS-64 \$20 Liberties, MS-65 \$20 St. Gaudens) now trade at around 1.5 times the price of gold. Typically, they trade at between 2-3 times gold price, and have reached highs of 12 times gold and 9 times gold respectively.

*For this reason, savvy wealth preservationists are shifting from bullion to generic coins, figuring—correctly in my view— that generic gold will fall slower if gold drops, but explode dramatically upwards should gold continue even incremental rises.*

\$20 Liberty Gold in MS-64 is now the best choice for investment oriented people. Less than 100,000 of these are certified by PCGS and NGC combined. Only a fraction of that is available at any given time, a supply that can be exhausted quickly, causing prices to shoot up rapidly. At least for now, I have quantities of PCGS/NGC certified MS-64, no spots, “nice for the grade” coins available.

Predictably, the collector market is also rejuvenating. Dedicated collectors in all areas are re-

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## Correcting “Mind Your Business”

Last issue, I profiled one of my favorite coins, the Fugio Cent, which sports that outstanding and in my view unsurpassed motto: “mind your business.”

What I did not report is that there is another coin, the Continental Dollar of 1776 which also has the “mind your business” motto.

The Continental dollar however, is far more expensive, so if you would like me to obtain a decent one for you, call me at (800) 334-3325. And be prepared to spend five figures.

## Spring 2012 Coin Show Schedule

**Long Beach Coin Show**  
Thurs-Sat, February 2-4  
Long Beach Convention Center  
Long Beach, CA

**Santa Rosa Coin Show**  
Friday-Saturday, February 17-18  
Sonoma County Fairgrounds  
Santa Rosa, CA

**San Francisco Coin Show**  
Friday-Saturday, February 24-25  
Old Mint, Firth and Mission  
San Francisco, CA

**Denver ANA National Money Show**  
Thursday-Saturday, May 10-12\*\*\*  
Colorado Convention Center  
Denver, CO

\*\*\*Due to family obligations, I will be at the Denver Coin Show Thursday and Friday May 10-11 only.

For updates and changes, please sign up for our Blog at [www.CNPCoins.com](http://www.CNPCoins.com)

## UPGRADING

Do you have quantities of low grade coins, mint and proof sets, common issues and bullion taking up too much space? With key date coins and high grade rarities priced low compared with strong bullion prices, now is the perfect time for the quality minded collector and wealth minded investor to upgrade. These high grade and rare dates typically lead the market when prices rise. **CALL ME NOW at 800-334-3325** to find out if this kind of move makes sense for you.



# Buy, Sell or Trade? Have Questions? Call Lawrence toll-free: 800-334-3325

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## COLLECTOR INSIDER

One of the most common questions I am asked is: "Which coins should I buy?" It's a good question because there are far more coins and even types of coins than one individual can hope to purchase, even if you have exceptionally deep pockets.

The investment oriented should favor bullion, generic high grade gold and high grade Morgan dollars, all of which trade daily and are easily liquid.

The Collector however, has a much greater selection. First and foremost, you should buy the coins or series you like. If you pay fair prices for these, you will almost always win in the long run.

In times with high bullion prices and lagging collector prices, some of the best purchases will be numismatic coins that are collector oriented.

Consider assembling a high grade type set, which means getting one high grade example of each coin design. Such a set of Liberty gold coins might include a \$1, \$2.5, \$3, \$5, \$10 and \$20 all in MS-64 or, if you have the wherewithal, MS-65.

You could also assemble a key date type set, consisting of important dates from each type. Thus, in assembling a 20th century type set, instead of getting just any Lincoln cent, you would choose a key date, such as a 1909-s v.d.b., the 1922 plain, or 1955 double die. Your Buffalo nickel key date could be a 1913-s type 1, or 1937-D 3 leg variety. The obvious Mercury dime is the 1916-d, but could also include the rare 1921-s. The Washington Quarter would include the 1932-d or 1932-s. And so on.

Both high grade type and key date type sets give you a collection you will enjoy for years to come. These kinds of coins are also most likely to comprise the leading edge of any price increases, so that in addition to increased enjoyment, you will likely watch your coin values increase as well.

If you have the financial ability, you could combine these ideas and put together a high grade key date set. That would be stunning.

Adding other key examples, such as a high grade proof Morgan, better date Morgan and Peace dollars, a pattern coin or two, high grade seated liberty proof quarters and half dollars would further serve to round out a beautiful collection giving you maximum enjoyment and strong likelihood of watching your coins values strongly rise.

You could also include Charlotte, Dahlonega

and/or Carson city gold, a Fugio cent, Seated Liberty Dollar among others, and the list goes on.

High grade and/or key dates are usually in demand, even in "soft" markets, so your chances of selling more quickly for a good price are greatly enhanced no matter when you sell.

Our want list system is keyed to our data base, so whether you are buying or selling, our ability to buy or provide the coins you want constantly improves.

**Disclaimer:** As you may have gleaned, the coins referred to above comprise some of my personal favorites. Is it a bias? Yes. But it is a bias born from over thirty years professional experience. Please take advantage of that, and call me no obligation at **(800)**

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## Considering Consignment

If you have exceptionally high grade or valuable coins that you wish to sell, perhaps you should consider consigning them. Why? Because this can enable you to obtain a higher price.

This is especially true in slow markets, where the potential pool of buyers is relatively small. While willing to pay a fair price for the coins they want, these buyers can often be difficult to locate. Even when you locate one, they are not always immediately liquid.

Having time with which to work often advantages the seller. This is because no CNP cash is tied into the coin. This eliminates selling pressure, giving me the time and energy to seek out the best buyer.

We have had excellent success selling a variety of rarities in this way over the last few years. In addition to giving us time to find the right buyer, this arrangement enables us to work on a thinner margin such that with only a handful of exceptions, we were able to obtain the seller's price within reasonable time. Our success in this area is increasing as we improve our want list system, because ever more frequently, the exceptional buyers can be found in our data base.

Of course, consigning is not for everyone or every coin. It makes no sense with most low end or generic material, and it also can be frustrating if the seller sets too high a price. Also, if you desire more instant liquidity, it might be worthwhile to sell outright.

If you are considering selling, and are wondering whether outright sale or consignment is more suitable for you, especially if you have significant rarities, please do not hesitate to call me at **(800) 334-3325** so we can discuss it. It's a free consultation so do not hesitate to take advantage of it.

[www.CNPCoins.com](http://www.CNPCoins.com)

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**motivated buyers.**  
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**“Explosive 2012”** (continued from Page 2)

questing the special coins they’ve always wanted, but until now were unwilling to provide the cash for purchasing, or were diverting cash into metals.

Rarities provide even greater potential for price increase, but can be more difficult to sell at your best price should instant liquidity become necessary. Newly constituted rare coin funds, which operate like mutual funds except for coins should contribute to the demand for quality material, driving prices upward even more strongly. I don’t recommend these, but they can have a significant impact on the market, as they did in 1987-89.

Always remember your personal situation is more significant than market conditions when determining whether to buy, hold or sell. ***Everyone should now re-evaluate their position, review hard assets accumulation and prepare for what will likely be an exceptionally volatile 2012.***

Please call Mike Clarke or myself for help on your personal evaluation, a service we provide free of charge. Delay is your enemy.

Get a **FREE, NO OBLIGATION**  
Market Price Review of your coins and precious metals  
For Details, call MIKE CLARKE at  
**424-238-5159**