

*Lawrence D. Goldberg's***Rare Coin Report**

September, 2010

Volume 11, Issue 3

**Rare Coins & the Economy****Uncertainty In Markets,  
Opportunities in Coins**

Precious metals remain strong and rare coin trading continues active at stable price levels. This contrasts strongly with the pervasive, depressing malaise about future direction that dominates traditional financial markets. This will continue until uncertainty about economic and regulatory issues are resolved. Will the tax cuts be extended? Will interest rates remain low? Will Republican gains in mid-term elections cause repeal of job-killing Health Care and Financial Reform bills, gridlock, or will implementation continue? Will we have—or are we already in—a double dip recession?

With stocks sluggish and weakening, real estate languishing, and economic growth stagnant, investors, uncertain and seemingly desperate have turned to bonds. The public is stashing cash at a 6% rate, and corporations have amassed close to \$2.5 Trillion they won't use until and unless the economic outlook becomes more predictable.

A main driving force is the \$13.2 Trillion na-

*Continued Page 2***Message from  
the Owner**

Consistent with the strong increase in business volume this year, I expanded my coin show schedule, and for the first time will be at the giant Baltimore Coin show Nov. 4-7 (see p. 2). I'll also be driving around the area a few days before that, so if you have items to sell, please call me and let's set up a meeting.

We're working hard on our want list system. It improves daily, especially since we added a research assistant. One challenge is keeping want lists up to date, so if there is a particular coin you want, please call or email us. Once your request goes into our system, we can often find it, and at a price that will make you smile.

Customer service specialist Mike Clarke continues doing a great job. He does not buy or sell, but focuses on facilitating our effectiveness in serving your needs. Tell him what you want, need or are thinking about, and he will answer you, or find the answer for you. His direct line



**Lawrence D. Goldberg**  
Owner, CNP, Inc.

is: **(424) 238-5159.**

Despite the economy, politics and other worrisome things, it's valuable to take a few moments to appreciate the good things in life. As I do that now, I'm looking out at "end of summer" sunshine, trees and flowers, and I realize life is good, and how wonderful it feels to be grateful. And I am.

Thank you very much for your business, your constant referrals, and for just being great to work with. I greatly appreciate it – and you.

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**BUYING NOW!**

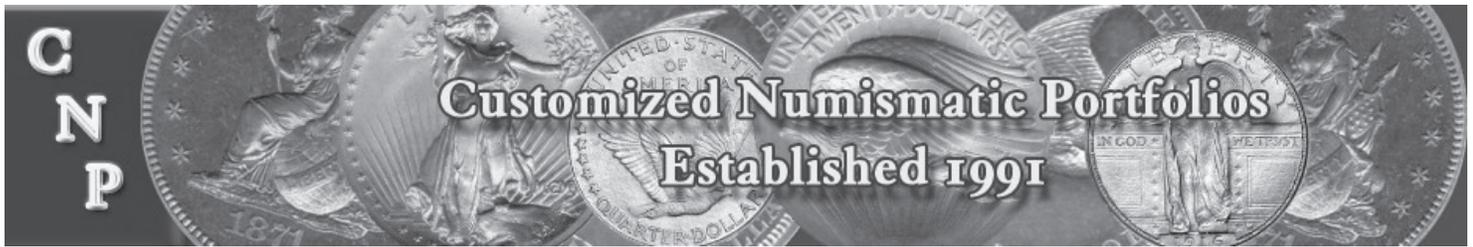
**We are strong buyers of all coins—foreign and domestic, bank notes, gold and silver. If the time is right for you to sell or trade, *please call.***

**We need fresh material immediately!**

**So please call us now!**

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*(continued from p. 1)* **“Hurry Up and Wait”**

tional debt and forecasted \$1.3 Trillion deficit for this year. Worse is to come. Scandals of excessive pay to government employees (Bell, CA) and seriously underfunded government employee pensions at all levels of government underscore the “pension bomb,” the explosion of which could undercut the bond market and economic recovery and bankrupt the dollar, especially if the Federal government insists on bailing out state and local governments.

The weak economy also puts continued political pressure on the Fed to further increase the money supply—a “tool” to which Fed chair Bernanke recently alluded. For years this column has predicted the Fed would continue this politically expedient path, and it appears we have been correct. While short term ramifications are “uncertain,” the long term result must be inflationary, presaging a vastly weakened US dollar. We will have inflation. The question is how much? If Fed policy and government spending continue on their current paths, inflation will become hyperinflation.

Expect this trend to continue, and active purchasing of coins and bullion along with it, not only for the next few months, but the next few years, as even a strong political turn around will take years to change the direction of the gigantic ship of state.

Meanwhile, the current atmosphere of uncertainty should keep traditional financial markets relatively flat for an indeterminate time. Do not be fooled: The surface may be calm, but underneath lurks a massive building volcano which could erupt at any time. I wish I had a crystal ball.

Even in this uncertain climate, two things are certain. First, at some point the uncertainty will end, and markets will seize new directions. Second, because any explosive event or series of events will immediately be broadcast worldwide on the internet, once uncertainty evaporates, markets will react radically and immediately.

Therefore it is wise to make your moves (trading or buying) before that time as we could ex-

*Continued page 4*

## Fall Coin Show Schedule

**Long Beach, CA**

**September 23-25, 2010**

Long Beach Convention Center  
(Set up with Miracle Mile Coin Co.)

**Baltimore, MD**

**November 4-7 2010**

Baltimore Convention Center

**Ontario, CA**

**December 16-18, 2010**

Ontario Convention Center

**Note:** We will not attend the San Francisco Coin Show as it falls on Yom Kippur.

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

## Lawrence's East Cost Buying Trip

For at least a few days prior to the Baltimore Coin Show November 4-7, I will be making a buying trip likely to extend from Ohio, through West Virginia and finally to Baltimore. If you are in the Baltimore area, or along the Ohio to Baltimore path and would like to meet with me personally to sell your coins, precious metals, bank notes or other items we buy (see list page 4), please contact me so I can include you on my itinerary.

Please call my direct toll free number :

**800-334-3325**



## **Gold Bullion Collectible Coins**

If you want the safety of gold bullion and the powerful upward price potential of numismatic coins, especially if you are investment oriented, you should consider Gold Bullion Collectibles. Otherwise known as “generic gold” these are coins where a large percentage of value is in their gold bullion content.

Gold bullion collectibles have several important advantages. First, their price tends to closely mirror the gold price. Second, sufficient supply exists for these coins to trade actively on a daily basis, resulting in a lower “spreads” (difference between buy and sell prices). Third, generic gold certified by PCGS or NGC is traded “sight-unseen” making buying and selling easy and fast. Fourth, relatively little numismatic expertise is needed to safely and effectively buy and sell them. Fifth, they are easy to track and more liquid at market price than strictly collectible coins. Sixth, they add diversification to your hard asset portfolio. Finally, they enable the investor to partake in the potentially explosive numismatic market with far less risk than purely collectible coins.

Coins in this category are: \$20 St. Gaudens, \$20 Liberties, \$10 Indians, \$10 Liberties, and some modern issues. As a general rule, higher grades have more numismatic value than bullion value. If you want to maximize both your bullion and numismatic components, it is best to choose coins where about half the value of the coin is numismatic, and half the value is gold. Thus, with gold at about \$1250/oz (as of 9/6/10), you would want \$20 coins (about 1 oz. gold) priced around \$2500 (St. Gaudens MS-65, \$20 Liberties in MS-64), or \$10 coins (about 1/2 oz. gold) priced around \$1250-\$1500 each (\$10 Liberties MS-63, \$10 Indians in MS-63). If you purchase \$50,000 or more, discounts below our very competitive prices are sometimes available.



**1908 \$20 St. Gaudens  
PCGS MS-65**



**1904 \$20 Liberty  
PCGS MS-64**



**1881 \$10 Liberty  
PCGS MS-63**



**1932 \$10 Indian  
PCGS MS-63**

## **Ten Reasons You Might Want to Sell (or Trade) Your Coins Now**

While now is the time for most people to buy coins rather than sell them, there are many people for whom now is the right time to sell.

You should sell your coins now if:

1. You need the cash
2. You benefit from selling this year before taxes likely rise next year
3. You own collector coins but you are not a collector and you want to trade for easier to handle bullion and/or bullion collectible coins like St. Gaudens MS-65 or \$20 Liberties MS-64.
4. You have reached an age where it makes more sense for you to hold cash than coins.
5. You have too much bulk and/or weight such as US mint products (mint/proof sets, commemoratives, etc.), “junk” coins or 90% silver and want to make your holdings easier to handle.
6. You have inherited coins or are the executor of an estate and need to distribute cash
7. Your eyesight is failing and you don’t have the ability to really enjoy your coins any more, but you want to maintain a presence in hard assets.
8. You have done all the collecting you are going to do and no one in your family appreciates coins like you do, so you want to streamline your estate planning and make it easier to manage.
9. Your coins have risen sufficiently that it is just time to take profits.
10. You want to start collecting something else.

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

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**Hurry Up and Wait** *(continued from Page 2)*

perience an explosion of coin and bullion prices never before seen.

The current cash build-up by individuals and corporations should fuel that explosion. Imagine the impact even a fraction of several trillion dollars will have when quickly thrust into a market, especially small markets like coins and bullion. There is a strong likelihood for this scenario.

However, if no explosion happens, and traditional financial markets remain lackluster, expect the current uptrend in bullion and bullion related coins (10-20% this last year) to continue. Collectible coins should remain stable or mixed. The likely result is **consistent and/or explosive price increases in rare coins and bullion.** Therefore, if you can increase your rare coin, bullion coin or bullion holdings now, do so. If not, do so as soon as you possibly can. With rarity prices stable, now is also a great time for investment oriented people to switch their collectible coins into bullion coins or bullion for simplicity and future ease of selling.

For a **FREE** portfolio analysis, specific questions on the direction of the coin market, or to buy or sell coins, please call me, Lawrence Goldberg, toll free at

**Tel. (800) 334-3325 FAX: 818 557-0902**

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