

BREAK FREE

Investing in Coins for Fun and Profit

The *UNCONVENTIONAL* Guide to
MAKING MONEY
with Little Discs of Metal

Table of Contents

Introduction.....	PAGE 3
How Coins Created an Empire (NOT the One You Think).....	PAGE 7
Why Rare Coins are the Perfect Investment Today.....	PAGE 11
How to Value Coin Metals.....	PAGE 14
How to Value Investment-Grade Coins.....	PAGE 17
Bullion Coins vs. Numismatic Coins.....	PAGE 20
America — Home of the Coin Collector.....	PAGE 23
Investing Outside America — Hedging Against the Dollar.....	PAGE 26
Size of the Market: Liquidity and Volatility.....	PAGE 40
What You Need to Start Investing Today.....	PAGE 41
How to Invest in Coins: Three Strategies.....	PAGE 44
Where to Invest in Coins.....	PAGE 49
Conclusion.....	PAGE 51

Introduction

These are dangerous times.

Inequality is on the rise — surpassing that found during the Gilded Age.

Which, unsurprisingly, means populism is on the march. When insecurity spreads, anger and scapegoating soon follow.

Classical liberalism — not the modern-day political kind but the theory of government that brought us republics, democracies, and capitalism — is being questioned in a way unseen since World War II.

We're not here to cast any judgments on politics in the current age. These days, it feels like everyone thinks that's their job — great. Let 'em. We're steering clear.

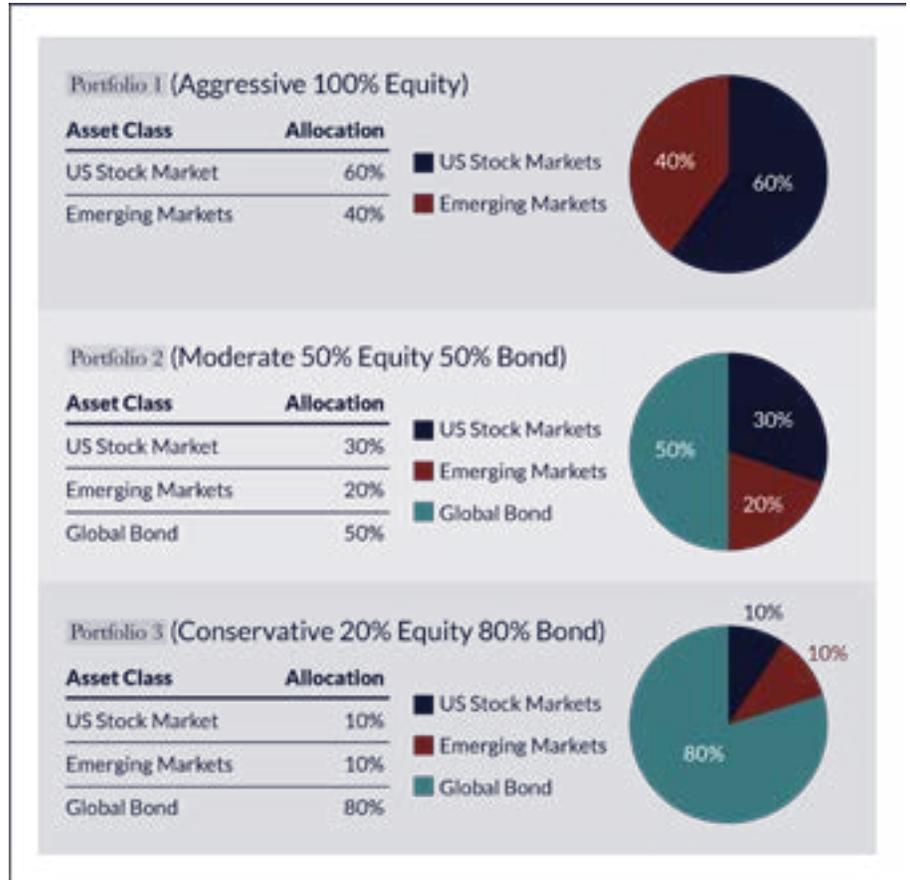
However, *Unconventional Wealth* is here to protect your money and your wealth.

And with this much uncertainty in the world — so many dangerous turns events can take today — that protection is needed now more than ever.

That's why we've written this report — and many others like it.

You see — during uncertain times — you need to spread your wealth between a variety of different investments.

Yet most people have way too much money in stocks.



Some classic portfolio mixes your financial adviser is likely to present you.

That's true even during the best of times.

A lot of financial advisers will tell you to put something like 80–90% of your money in stocks.

Coincidentally, the same asset class they get paid to sell you.

And when they're not selling you stocks, they're selling you bonds.

These days, bond interest rates don't even keep up with our very low inflation — let alone make you money.

And putting most or all of your money into stocks is a great way to lose most or all of your money all at once.

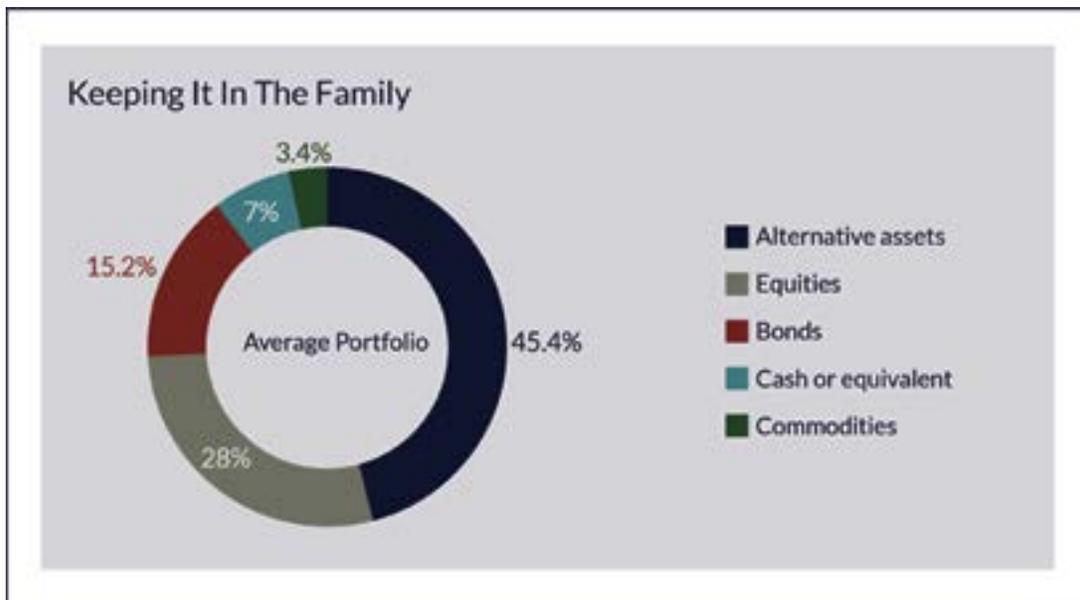
If you lived through the dot-com crash or the 2008 financial crisis, you don't need me to tell you this. You know it. When stocks go south, it doesn't matter if you're invested in the U.S., Europe, China or Timbuktu.

Your wealth is taking a massive haircut.

That's why the "average" portfolio isn't how the very wealthy invest — not even close.

You'll see that the average family office — the vehicle most wealthy families use to invest — has less than 30% put into stocks.

The rest is in a whole host of other instruments.



The average family office has a 45.4% exposure to alternatives assets.

Around 15% goes into bonds — boring, not making much money, but safe.

Around 3% gets put into commodities — even less than the 5% you'll see recommended in some “balanced” portfolios.

But the real bread and butter — where the uber-wealthy put the lion's share of their money — is “alternative assets.”

Sitting at over 45% of the average multimillion-dollar portfolio.

That's where we come in.

“Alternative assets” in this case means unconventional assets that the average investor rarely thinks about, if he's even heard of them as investments.

It means things like investing in fine art.

It means stashing some cash in rare, tangible assets like stamps.

And of course, it means putting some of your money into proven strategies like rare, investment-grade coins.

You're going to see how rare coins have been the foundation of wealth for millennia.

That's what this report is all about.

With what you have in your hand right now, you're going to see how rare coins have been the foundation of wealth for millennia — and how they helped jump-start one of the greatest financial empires ever imagined.

You're going to learn the background of different types of coins — so you can quickly and easily decide which type of coin is right for you.

You're going to become expert in the grading of coins — so you can figure out which ones are worth your time and money, and which ones you want to avoid at all costs.

And finally, we'll give you some quick-and-easy ways to start your own collection today.

Let's be clear — rare coins, like many of the other tangible assets we cover, are one of the best ways to protect your money and your wealth from the uncertainties of the times and of the markets.

But they're also one of the most lucrative opportunities out there — with returns that rival the best that stocks can do, with a lot less downside.

This isn't for day trading. You don't want to jump in and out of positions, the way traders encourage you to do with stocks (so they can get their commission every time).

These are real assets you'll want to hold for years — even if someone else is holding them for you (for free, if you play your cards the way we teach you to).

They are foundational. They can be the bedrock of your family's wealth. They can create a legacy of riches to sustain your name for generations.

That's why we're so excited to bring this information to you — when so few others will.

Let's get started.

Unconventionally yours,



Ryan Cole
Editor-in-chief, *Unconventional Wealth*

How Coins Created an Empire

(NOT the One You Think)

In 1757, a young Mayer Amschel Rothschild took an overlooked job in the rare coins department of a local bank branch.

Even then, coins were considered a smart investment — and the young Rothschild had a front-row seat to their power.

He dealt with ancient coins from Persia, Byzantium and Rome.

He dealt with the most powerful families and empires of the age — the savviest investors of the day, all of whom had stakes in the rare coin market.

And he parlayed his knowledge of coin values — and the connections and trust he built with the 1% of the 18th century — into the greatest banking empire the world has ever known.

There's no doubt Rothschild was a singular talent — plenty of other people had similar opportunities and didn't create one of the richest families ever to have walked the Earth.

But it's equally true that Rothschild was lucky to start out working in one of the greatest areas of wealth creation and protection that investors have been tapping into for millennia.

That's not hyperbole.

Augustus, the first Roman emperor, didn't just appear on coins — he was an avid collector and investor in the days before Christ was born.

Even before Augustus — as far back as the fourth century B.C. — coins were among the first collections created.



Rothschild was getting rich long before the invention of cameras.

Coins at the time were considered an art form — and having a great collection was akin to having an art gallery today.

Both Thomas Jefferson and John Quincy Adams had some of the most impressive collections of their age.

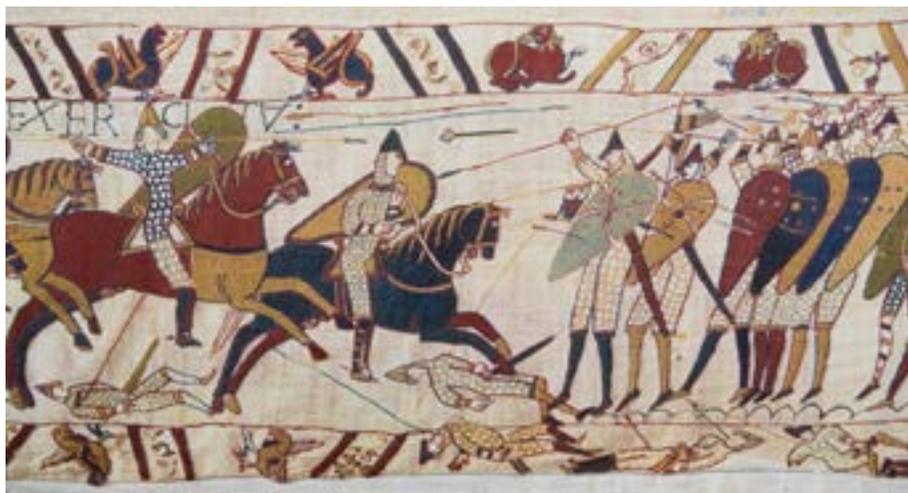
And today, everyone from the late Penny Marshall (the director and Laverne of Laverne and Shirley) to Kareem Abdul-Jabbar to James Earl Jones to Josiah Lilly (of Eli Lilly Pharmaceuticals) has amassed impressive collections.

Coins have made up a significant chunk of the net worth of folks who won't appear on Lifestyles of the Rich and Famous, as well.

Chris Atkinson, a former Microsoft vice president, has a large chunk of his wealth stored in 30 rare coins — last valued at over \$250,000.

One of his favorites is a silver penny commemorating the Battle of Hastings, minted while the ground was still wet with the gore of war.

“It’s a beautiful coin, literally struck in Hastings just after the battle,” Atkinson wistfully mused while thinking of his prize.



A sanitized version of the Battle of Hastings — just before the mints went to work.

But while he loves the beauty, he wouldn't be investing in coins if it didn't make financial sense.

“I felt they were a very safe bet. If you look at premium coins over the last years, they've always gone up in value.”

Atkinson isn't wrong — investment-grade coins have averaged nearly 12% annual gains since the 1970s. That compares favorably with all other investments, including stocks.

Meanwhile, coins just haven't suffered busts the way stocks have, over and over, since the end of WWII.

That's just one reason investment-grade coins are such a great investment. But there are plenty of others.

David Ganz, a New Jersey lawyer, was able to turn a childhood fascination with coin collecting — especially Hawaiian coins — into a house.

He amassed his collection over a number of years — often buying coins with little more than earnings from odd jobs as a teenager. He bought and traded his coins over two decades, constantly curating his collection. Until...

"I sold my collection in 1996, when I decided to buy a house. The collection formed a good down payment," Ganz said.

Not many people can turn a teenage collection into a home. But with coins, you can.

And there are plenty of chances to create truly astounding riches as well — much more than the cost of a house.

In August 2013, the Thomas H. Law collection of gold coins sold for over **\$5 million** at a Chicago auction — more than double the pre-sale estimates.

Given the popularity of gold coins amongst U.S. collectors and investors, multimillion-dollar auction realizations may not be that surprising — except that this was a collection of English coins.

Not many people can turn a teenage collection into a home. But with coins, you can.

U.S. coins have traditionally been most popular — but as you can see, they're starting to share the stage with other countries today.

Law, a lawyer from Fort Worth, Texas, had amassed one of the finest collections of early English gold coins ever seen outside Great Britain.

They ranged from gold Edward III Nobles from the 1300s... to Angels from the reign of Henry VIII and Elizabeth I in the 1500s... and Queen Victoria Sovereigns from the 1800s.

The collection won many awards at coin exhibitions and was auctioned by Law's estate after he passed away in 2006.

Some of the prices surprised even British dealers attending the auction:

- ✦ An exceptional example of the first Sovereign (so called because it was the first English coin to portray a full-length image of the monarch) issued by Henry VII in 1492 was estimated at \$125,000 but fetched just under \$500,000.



- ✦ Another Sovereign of Edward VI (1551) was estimated at \$100,000 but sold for \$330,000.



- ✦ And a William IV Gold Pattern Crown of 1831, estimated at \$125,000, sold for \$305,000.



Why Rare Coins Are the Perfect Investment Today

This auction highlights a few things you need to know about investing in coins before you begin.

First is, obviously, this is a very profitable corner of the investing world.

Collectors and investors alike highlight how coins are a tremendous store of wealth:

- Unlike stocks, they can never go to zero – they have intrinsic worth in the precious metals used to make them (especially those coins minted before 1933, when many countries stopped using gold, silver and other valuable metals to make coins)
- Unlike bullion, they provide premium values that outpace the metals market. In fact, since 1970 or so, rare and valuable coins have more than doubled the return of gold bullion
- And – perhaps best of all – rare coins are the No. 1 investment that hedges against inflation.

Indeed, for those of you who are technically minded, rare coins historically have a 0.58 correlation with inflation. A perfect correlation would be 1 – meaning if inflation went up 5%, rare coins would go up 5% as well.

For comparison's sake, regular gold bullion has a 0.27 correlation and stocks have a 0.15 correlation.

There really is no safer place to protect yourself from inflation – particularly important in an age of massive corporate tax cuts and cheerleading for quantitative easing.

When an economy overheats – which it often does when unemployment dips below 4% – inflation quickly follows.

But rare coins aren't just a store of wealth – a hedge against market troubles or a faltering economy.

They are intensely profitable in their own right.

Indeed, one recent study of coins with a grade of at least 65 — coins that are in great condition or better, as will be explained later — found that their value increased 11.9% a year, from 1979–2014.

But that’s only half the story of the Thomas Law auction.

The second half — which you’d only notice if you are immersed in the rare coin world — is that Law’s profits came on British coins.

That’s somewhat unusual, even today.

You see, for years the bulk of coin collectors have come from America. And they’ve been most interested in American coins.

That’s all fine and good. If you have a collection of American coins — or you start one today — you’ll do very well.

Indeed, in just a moment we’ll show you how to invest in American coins and what strategies make the best use of this category.

But — unlike most collectors — you shouldn’t limit yourself to only American coins.

American coins only have around a 200-year history — while the broader world of coins goes back over 2,000 years.

American coins only have around a 200-year history — while the broader world of coins goes back over 2,000 years.

Coins were some of the first forms of money — tracing their origin back to some of the first civilizations to practice writing.

And American coins have been a very crowded marketplace — with prices reflecting that demand. It’s hard to find an American coin you can buy at a discount.

But that’s not true of coins from the rest of the world.

As the wealthy elite have spread out, now including other locales and economies — coins from other parts of the world have started to see their values rise quickly.

That's one of the reasons we aren't just recommending you invest in rare American coins.

We're also recommending you pay special attention to coins from outside the States — which are likely to provide the best return over the next few years (at the cost of greater risk).

But before we get to any of that — let's take a look at what makes a coin investment-grade in the first place.

How to Value Coin Metals

To start off, let's finally reveal one of the great mysteries of life.

When talking about gold, what the heck is a karat anyway?

This can be quite confusing since we talk about carats with diamonds as well — and those carats refer to weight.

Gold karats (spelled “carats” outside the U.S.) have nothing to do with weight.

Indeed, for arcane reasons we don't need to worry about, gold karats refer to the ratio of gold to other metals in an object.

Specifically, what fraction out of 24 is gold.

So a piece of metal that's 9k (nine karats) is $9/24$ gold and $15/24$ is other metals (often copper).

That's equivalent to 37.5% gold (nine divided by 24).

Incidentally, a 9-karat hunk of metal isn't considered gold, by U.S. standards. Ten karats ($10/24$) is the minimum ratio to be considered gold (and that's still less than half gold).

The purest gold you can get is 24 karat — because it's $24/24$ gold. In practical terms, you can only claim that 24-karat gold is 99.9% pure (often noted as 0.999 on gold bars, using a slightly different measuring system).

That's why the seemingly random number, 24-karat gold, is the... ahem... gold standard. What that's really saying is you're holding pure gold in your hand.

Now that we've got that piece of trivia out of the way, the important thing to note for coins is you only want coins that are a minimum of 22k.

Many collectors and investors will only grab the purest 24k gold coins. But — with gold being a very soft, malleable metal — 24k coins are very easy to scuff or damage.

Which is why some collectors prefer 22k coins. They are 91.7% gold, which is high enough gold content to matter. But they have just enough harder metal in them to make them sturdier coins, much harder to damage.

Whether you want 22k or 24k coins is more a matter of choice — both are fine as collectibles and investments.

Silver, of course, has an entirely different grading system.

There are a number of grades on the spectrum, but the most important ones to remember are:

- Fine silver — 99.9% silver. The equivalent of 24-karat gold
- Sterling silver — 92.5% silver, with the rest of the composition made up of other metals, usually copper
- Coin silver — 90% silver, the most common ratio used in coins.

In the U.S. — aside from a few one-offs — silver coins had to contain at least 90% silver. However, foreign coins sometimes contained as little as 75% silver.

All things being equal, you want to focus on coins with higher silver content.

However, with numismatics — the practice of collecting coins — things usually are not equal.

For instance, nickels produced between 1942 and 1945 are often called “silver nickels,” because nickel was an important metal for the war effort, so these nickels are actually 35% silver.

While that’s not a high silver content, the story and unusual circumstances surrounding these coins — when nickel was temporarily more valuable than silver — make them highly desirable and valuable.



The South African Krugerrand is a very popular 22 karat gold coin.



A relatively valuable Kennedy Silver Half Dollar, only 40% silver.

Likewise, the Kennedy Silver Half Dollars minted between 1965 and 1970 are very sought after, even though they are only 40% silver.

In other words, knowing the precious metal percentages is important — especially in bullion coins (which we'll get to later).

But it's not the only thing. It makes a good starting point, but when it comes to numismatic coins — those mostly of interest to collectors and investors — other factors will often override metal percentages.

There are other minutiae involving precious metal weights and values — like troy ounces (which are 31.1 grams, instead of the 28.3 grams of the regular ounce).

That's important only because some less scrupulous dealers sometimes try to overvalue their goods by listing them in regular ounces instead of troy ounces, to overstate their weight.

Watch out for that.

Otherwise, most of the peculiarities of weight and other measurements make for interesting trivia. But won't greatly affect the value of your coins.

How to Value Investment-Grade Coins

Now that you've got the metal basics down, it's time to dive into the more important aspects of coins.

The grading system.

Here we'll start with the U.S. grading system — the most exact and widely used. Especially when dealing with “modern” coins (meaning those produced circa 1800 or later).

However, note that there are other grading systems — and we'll talk about those in a later chapter.

Before we even begin, you have to know that numismatic coins are separated into three categories:

-  **Mint or Uncirculated (MS) coins.** These are coins that never went out into the world. That doesn't mean they are necessarily in pristine condition — they might have been stored at the bottom of a jostling bag of coins, for instance. But as a general rule, uncirculated coins will almost always be in great shape
-  **About Uncirculated (AU) coins.** These are coins that did go into circulation, or were otherwise handled in some way. They often show signs of wear. However, the wear is so miniscule, these coins are in near-mint condition. It's not unusual for an AU coin at the top of the grading system to be worth more than an MS coin at the bottom of the mint scale. Even if the mint coin is in objectively better shape
-  **Circulated coins.** These are the most common types of coins — those which served their original purpose, out in the world. The conditions of circulated coins obviously can vary wildly. And their values can vary wildly as well. Some coins in awful condition can still be quite valuable, if they are rare enough or hold historical significance. While some circulated coins in great condition will barely be worth a mention, because they're so plentiful. (You could say they're a dime a dozen. Ba-da-bum.)

As an investor, you will generally want to focus on MS and AU coins. There are some circulated coins that are worth owning as well, but they will be on a case-by-case basis.

Investment-grade, numismatic coins are graded on a scale from 30 to 70.

As a general rule, you should only be interested in mint, or uncirculated, coins, graded MS-65 and up.

An MS-70 is a perfect coin. There are no nicks, no blemishes, the luster is ideal, it has a sharp strike (which means the coin is minted perfectly, with no problems in the imprinted illustrations). This coin looks like it just came out of the mint.

To give you an idea, an MS-69 is allowed two small flaws, like two minor contact marks or flaws. Everything else should be perfect — perfect luster, sharp strikes, no scuff marks, no hairline fractures or cracks, no problems with the rim of the coin.

An MS-65 coin — as low as you want to go for mint coins — will have excellent (but not perfect) luster. It can have a few small scattered contact marks, or two larger contact marks (but not both). It can have one or two patches of hairlines — only visible under magnification. And the high points of the design can have some minor scuffs.

AU — About Uncirculated — can go no higher than a 58 grade. But a 58 grade is exceptional — it means the coin will have nearly full luster, which is extremely rare in a coin that’s been in circulation. It will have no large contact marks, and only the barest signs of wear at the highest points of the design. An AU-58 will often look better than coins graded above it. The only reason it isn’t graded higher is that it has been handled in some fashion... though it has almost never been in full-fledged circulation.

Investing in AU coins should be done on a case-by-case basis. Sometimes, AU coins are some of the best examples out there, and are definitely worthy of your time and money. In other cases, there are enough high-quality mint coins of a type that AU coins will never rate highly.



An MS-70 graded coin. Perfect.



An MS-69 coin. Note the small contact marks along the bottom above the word “Silver” and the small contact scratch between the eagle’s wing and “Dollar”.



An MS-65 graded coin — you can see the increase in imperfections compared with an MS-69, but you really need an expert to grade out coins to get the exact number.



An AU-58 graded coin. You can see the signs of use, but the signs of wear are negligible — the design isn’t worn down, and the rim has only slight imperfections.

Finally, regular circulated coins make up the majority of coins out there. And – with few exceptions – you should ignore them as investments.

The exceptions are important. Ancient coins – by which we mean coins aged in millennia – are often only available as circulated. And the finest examples can fetch high prices, even if they’re fairly far down on the grade scale.

Coins that have unusual stories attached to them can also have a lot of value even if they’re in less-than-ideal shape. Like coins rescued from famous shipwrecks that have been underwater for years.

But you shouldn’t spend a lot of time thinking about them. Instead – unless there is a particular coin you want to add to your portfolio – focus on coins in mint condition. There are fewer paths to mistakes or trouble that way.

U.S. GRADE	ENGLISH GRADE	DESCRIPTION
MS 67-70	FDC (Fleur de Coin)	Pristine, with no imperfections and bright mint luster
MS 64-66	UNC (Uncirculated)	As issued by the mint, but with some bag marks
MS 62-63	GEF (Good Extremely Fine)	
AU 58-MS 61	EF (Extremely Fine)	Slight surface marks or wear visible on close inspection
AU 55-57	AEF (About Extremely Fine)	
AU 53-54	GVF (Good Very Fine)	
AU 50-52	VF (Very Fine)	Some wear on raised surfaces, but retaining much detail
EF 45	AVF (About Very Fine)	
F 30	F (Fine)	Considerable wear on raised surfaces; main features visible

Bullion Coins vs. Numismatic Coins

We should take a moment here to highlight one other important distinction between coins.

And that's between bullion coins and numismatic coins.

This is actually pretty simple – but there are dealers out there who will take advantage of any misunderstandings.

Basically, here's what you need to know: Bullion coins have no value to collectors.

That's not to say they aren't valuable. On the contrary, bullion coins are valuable as portable precious metals.

They usually sell for just a bit less than the meltdown value of the underlying metal.

So if one troy ounce of gold is going for \$1,500 on the open market, a coin with one troy ounce of gold will be traded for right around \$1,500 – usually a few dollars less.

Less, because it takes work (and money) to extract the actual metal, if it came to that.

And you pay a little bit of a premium (in terms of taking a hit on value) in order to have your precious metals portable.

Many of the best-known coins out there are bullion coins. For instance, the American Eagle gold coin, the Canadian Maple Leaf and the South African Krugerrand are all bullion coins that you've likely heard of.

These can be great investments – so long as you're aware that you're only investing in them for their value as precious metals.

And as long as you are careful with your sourcing. There aren't many scams in the coin world, but the vast majority of those that do exist are related to bullion coins.



An American Eagle gold coin, 1 oz. weight. American Eagles actually come in a variety of weights, so pay attention to which one you're buying.

Some coins get shaved, so they weigh less than originally advertised (this scam goes back millennia — and is responsible for the first instances of inflation, and the reason why most coins have striated edges today).

Some aren't as pure as claimed.

Some shady dealers, as noted before, will advertise the “regular” ounce weight, hoping that buyers won't realize that's lighter than the troy ounce weight.

Even some countries will mislabel coins they mint, in hopes of making a fast buck. It's not that common — certainly not amongst well-developed and regulated countries — but it does still happen from time to time.

If you're buying a bullion coin, make sure you trust the coin itself and the dealer who is selling it to you.

So if you're buying a bullion coin, make sure you trust the coin itself and the dealer who is selling it to you. Try to buy it for the spot price of the underlying precious metal, or less.

Many dealers have a premium markup, with the coin retailing for more than spot price — which might be worth it to you if you're convinced the price of the underlying metal will rise. But obviously, the closer you get to the true spot price, the better.

After bullion coins come numismatic coins. These are the ones that interest collectors and investors.

And these are the ones whose value can rise fast — averaging 11.9% annual returns the last time a major study was done, spanning decades.

For numismatic coins, there are three main criteria you want to look at:

- 1. Quality.** This is why so much attention is paid to the condition of coins, with exact grades being decided. It's a way to simplify the value to an objective numerical value. And luckily, coins have perhaps the most exact grading system of any collectible in the world. Just note — the value of a coin isn't really measured against all grades out there. Rather, the value of a coin is measured against the grades of all other examples of the same type of coin. So if an EF-45 is the best grade available for a particular coin — and there are no mint examples anywhere — then that EF-45 can be quite valuable.

2. **Quantity.** As with all other collectibles, rarity makes up a huge chunk of value. If you have a one-of-a-kind coin, it will just about always be worth more than a coin with thousands or millions of examples, no matter what the quality. There are exceptions, but as a general rule, the rarer a coin, the more valuable it will be.
3. **Demand.** Quantity and quality both help define the supply of coins. But as your intro to economics class taught you back in high school, demand is just as important. If, for whatever reason, collectors aren't interested in a particular coin, the value of that coin will always be limited, regardless of rarity or condition. On the other hand, if a different coin is wildly popular, there might be thousands of mint examples on the market, but they still aren't enough to keep up with demand.

I am going to put my foot down on a third type of coin that you'll often see touted, especially during daytime or late-night TV. And that's the commemorative coin.

Sure, there will be the occasional commemorative that catches fire for whatever reason. But as a general rule, commemorative coins are horrible investments.

They are made in high quantities, and usually sealed in protective cases, so everything is mint. Supply is basically limitless, at least compared with demand.

They usually sell at a premium over the spot price of the underlying precious metal — sometimes a huge premium.

And the value of a commemorative coin is a lot like the value of a new car — it drops precipitously once you take ownership.

Commemorative coins simply aren't worth your time. Finding the rare one that is actually worthy of investment is blind luck — and we don't like to rely on luck for our investments.

America — Home of the Coin Collector

As mentioned earlier in this report, the U.S. is home to the most in-demand coins in the world.

And there's a simple reason for that. Or, really, two related ones.

First off — the U.S. is a wealthy country. And well-regulated. So American coins are trusted throughout the world. We've always been able to afford actual precious metals (until the U.S. switched to cheaper metals over the course of the 20th century, with the demise of the gold standard), and published weights and purities could be trusted.

And American consumers have been relatively wealthy for a long time, as well. The American Numismatic Association was founded in 1891, and Americans were collecting coins long before then.

Indeed, you could even claim that there's something about the American psyche that agrees with coin collecting.

Go into a U.S. bookshop today (if you can still find one) and head to the Collectibles section. You'll see something like 10 coin books for every one on any other collectible subject.

Maybe it originally had something to do with our fractured monetary system, with each state issuing its own currency before the Civil War. At least a one-ounce gold coin would have worth whether you were in New York or Virginia.

Whatever the reason, Americans love coins.

And as a result, American coins are some of the most expensive in the world.

But they are also some of the best stores of value, virtually guaranteed to hold up over the long haul.

Whatever the reason,
Americans love coins.
And as a result, American
coins are some of the most
expensive in the world.

One thing you'll need if you invest in American numismatic coins is a bit of new vocabulary.

There are plenty of coin types that you'll intuitively understand – like Buffalo nickels or Lincoln pennies.

But many of the coins not commonly in circulation only collectors know. And investors like yourself.

For gold coins, they are:

- \$1 – A gold dollar, simple enough
- \$2.50 – A quarter eagle
- \$5 – A half eagle
- \$10 – An eagle
- \$20 – A double eagle.

There are other, rarer values – like \$4 coins or \$50 coins. But they are so rare, they never got a formalized name.

Silver coins don't have a cute naming convention but instead just correspond to their original circulation values. That ranges from three-cent pieces and half-dimes up to dollars.

Again, you can find coins that don't fit in the standard box, but they are quite rare.

Now, while gold is clearly more valuable than silver, the same doesn't necessarily hold true for numismatic coins.

For instance – the record price for a U.S. gold coin (or any gold coin) was over \$7 million for a 1933 double eagle.

The record for a U.S. silver coin (or any silver coin) was over \$10 million for a 1794 silver dollar.

Again, rarity, quality and quantity will trump all other factors when it comes to investment-grade coins.

And as an aside, when you leave the States, prices drop precipitously. For instance, the record auction price for a British coin is 845,000 pounds — equal to about \$1.08 million today.



One of the rare “error” coins out there — a 1955 double-die Lincoln penny. Note the double letters and numbers. An AU-58 can go for nearly \$2,000, while one in great mint condition will go for much, much more — if you can find one.

That price gap is consistent through different categories of coins. It’s no exaggeration to say that U.S. coins are worth 10 times as much as foreign coins (and sometimes much more than that).

It probably helps that U.S. coins are new enough that they’ve almost always been minted.

Hammered coins — which were the only kinds of coins for most of human history — are of much more uneven quality.

Here’s the bottom line: U.S. coins are the most valuable in the world. They are less likely to shoot up in value while you hold them — at least not at a dizzying pace.

But they are also the most likely to inch up over time, and certainly at the very least hold their worth.

And that’s valuable. Because while coins average around 12% gains a year, any individual coin can differ wildly from that baseline.

Some will even fall in value. Not many, but some.

If that worries you, stick to U.S. coins. They are the closest thing to a sure bet as you can find in any market.

Investing Outside America — and Hedging Against the Dollar

As new parts of the world become increasingly rich, rare and early coins from these areas are increasingly in demand. New collectors are searching for a piece of their history.

Coins from Eastern Europe — such as Russia, Poland and Hungary — have seen some prices increase tenfold in the past decade.

Coins from India and the Middle East — long ignored by the West — are now of intense interest to wealthy collectors from those countries.

Even traditional collecting areas — such as ancient Greek and Roman coins, as well as Western European and British coins — have increased over fivefold in the past decade.

Some of this demand has been stimulated by the rise in the prices of gold and silver.

But the bullion value of rare coins is far surpassed by their value as investment-grade collections, as you know.

More importantly, collectors have recognized the rarity of coins in exceptional condition, and so the premium for such coins has escalated accordingly.

But even with strong demand and fast-rising prices, these international rare coins are still very much undervalued when compared with their U.S. counterparts.

The size and prosperity of the American collector base — coupled with the relatively small number of rare coins — means that U.S. rarities go for 10 or 20 times the prices of equivalent coins from England or ancient Greece and Rome.

And perhaps 100 times the prices of their Asian or Middle Eastern equivalents.

This value gap offers a unique opportunity for U.S. investors to diversify their collections with rare world coins.

Coins that are seeing substantial and steady growth in value.

And not only will you be diversifying your collections — you'll also be diversifying your portfolio against any hiccups in the U.S. economy or the dollar.

Before you jump in, though, you need to understand the differences between the U.S. coin market and the rest of the world.

And that starts with the history of major coin-producing civilizations.

You see, in America, our history only goes back a few hundred years. And minting hasn't changed much in that time.

But for international coins, the story is very different. And other factors can really move the value of a coin.

Ancient Coins: Greece & Rome

The first coins were issued in Lydia (now part of Turkey) around 600 B.C. and were made of electrum, an alloy of gold and silver.

They only had a design on one side, with only a simple punch mark on the reverse. Although irregular in size and shape, they all have a standard weight.

Over the next century, gold and silver coins spread from Lydia to Greece and the Mediterranean: The Persians, Macedonians, Syrians and Egyptians all issued gold coins.



Lydian Lion (around 600 B.C.)

Greek coins circulated throughout Europe. The gold stater of Philip II of Macedon (the father of Alexander the Great) was widely imitated — by as far afield as the Gauls in France and the Celts in Britain.

Many Greek coins are noted for their exquisite craftsmanship and intrinsic artistic beauty and value. There's a reason ancient Greek and Roman collectors thought of coins as works of art, worthy of display.

Many featured the patron gods and goddesses of Greek city-states. (Note that the grades for these coins don't follow the standard American numeric system... but using the chart on Page 19, you can get a good approximation of how they'd rate.)



*Ancient Greece (Thessaly), Silver Drachm (350 B.C.) featuring the nymph Larissa
About Extremely Fine \$19,000*



*Athens, Silver Tetradrachm (500 B.C.) featuring the goddess Athena and her owl
Extremely Fine \$5,000*



*Macedon (Philip II) Gold Quarter Stater (c 345 B.C.) with the head of Hercules wearing a lion's skin
Good Extremely Fine \$7,000*



*Kingdom of Thrace, Silver Tetradrachm (c 90 B.C.) featuring Alexander the Great and the goddess Athena
Extremely Fine \$6,000*

Investment-grade Roman coins cover some seven centuries. They come in a dizzying array of different types and styles.

Nearly every emperor issued gold coins (with their own visage) and used coins extensively to spread propaganda.

Depicting their military victories, highlighting their achievements and sometimes coming close to elevating themselves into the pantheon of gods.

The gold Aureus, and later the Solidus, were the basic units of currency for their times. Due to the extent of the Roman Empire, they traveled widely and were ubiquitous throughout Europe, North Africa and the Middle East.



*Julius Caesar — Silver Denarius (47 B.C.) struck at a military mint in North Africa
Good Extremely Fine \$2,250*



*Claudius — Gold Aureus, struck at Rome (A.D. 45) with Peace presiding over a serpent
About Extremely Fine \$26,000*



*Nero — Gold Aureus, struck at Rome (A.D. 65) featuring the goddess Salus
Very Fine \$15,000*



*Hadrian — Gold Aureus, struck at Rome (A.D. 125) featuring the Emperor on horseback
Good Very Fine \$17,250*

Ancient Greek and Roman coins are widely collected around the world, with the biggest market in the U.S.

This is one area where the rarity of a coin is much less important than its condition and appearance. Indeed — because so many were made, it isn't hard to find ancient Greek or Roman coins.

On eBay, you can easily find ancient coins for sale for under \$10 each — or large lots that average much less. Today, you can still strike out in the English countryside with a metal detector and find ancient coins.

But a well-struck coin, of exquisite design, is very rare. These coins were used as currency for centuries, and it's hard to find any in good condition.

That's especially true of gold coins — gold being a soft, malleable metal that easy dents, deforms or otherwise loses its original shape.



*Celtic Gold Stater (15 B.C.)
Extremely Fine \$12,500*

That's why a common ancient coin in exceptional condition will usually sell for much more than a very rare coin in average condition from the same time period.

Celtic, Viking & Anglo-Saxon Coinage

Gold and silver Celtic coinage was used in England from around 70 B.C., with many Celtic tribes striking their own coinage (often fashioned after Greek designs) at mints in southern England. The Roman invasion of Britain, first by Julius Caesar and then by Claudius in A.D. 43, resulted in Roman coinage circulating in Britain for the next 450 years.



*Viking Silver Raven Penny (A.D. 939)
Extremely Fine \$39,000*

Despite their age, not all these coins are rare, and many are still found in hoards by treasure seekers walking the countryside with metal detectors. Most such coins can be purchased in average condition for a relatively modest price, often under \$100.



*Anglo-Saxon Silver Penny (A.D. 978)
Uncirculated \$2,450*

The early Anglo-Saxons started producing coins from around A.D. 600. These early coins had geometric or pictorial designs, sometimes with the name of the moneyer who produced them – but rarely the name of the monarch.

The Viking invasions of the British Isles also had an impact on the coinage. The Viking kingdom of Jorvik (York) in the 10th century produced coins featuring Odin's ravens and Thor's hammer.

English Coins

Following the Dark Ages, a more orderly succession of late Anglo-Saxon and Norman monarchy was established in England.

By the 10th century, it had become common for coins to have a royal portrait and a mint mark, and coins became recognizable in this familiar format.

All early coins, from the earliest Greek coins to the middle of the 16th century, were hand struck or "hammered."

This technique involves placing a gold or silver disc of a specific weight (called a "flan") between two metal dies with engraved designs – and striking the upper die with a hammer to punch these designs onto the flan.

Every hammered coin is unique, and quality of the coin is defined entirely by the blow of the hammer.

A coin can be weakly struck, doubly struck or struck off-center – and a perfect strike is certainly not common.

That uniqueness gives wise investors plenty of room to find the highest-quality – and most valuable – coins.

During the 1600s, hammered coins gradually gave way to machine-made or “milled” coins.

Although these were still individually made with a screw press, milled coins were more uniform in appearance. They often included an inscription around the edge, to deter the clipping of gold or silver from the edge of the flan.

It was not until the early 1800s that steam-powered machines were developed to mass-produce coins for the Victorian age.

Most English coins were made with gold, silver or copper, though sometimes of variable purity. However, the value of the metal is insignificant compared with the investment value of these coins to collectors. With older coins like this, you really don’t need to worry about purity – instead, focus on history.

Coins were made at different locations around the country, especially in Saxon and early medieval times – and a particularly rare mint can increase the value of a coin.

Some denominations may also be rare during the reign of certain monarchs.

Some common denominations found on English coins (prior to decimalization in 1971):

1 pound (£1) = 20 shillings (20s)

1 shilling (1s) = 12 pence or pennies (12d)

- Farthing (¼d)
- Half-Penny (½d)
- Penny (1d)
- Sixpence (6d)
- Shilling (1s or 12d)
- Florin (2s)
- Half-Crown (30d or 2½s)
- Crown (60d or 5s)
- Noble or Angel (80d)
- Sovereign, Unite or Pound (£1 or 20s)
- Guinea (21s)
- Triple Unite (£3 or 60s)



*Edward III Hammered Gold Noble (1365)
About Extremely Fine \$10,000*



*Charles I Milled Half-Crown (1631)
Good Extremely Fine \$31,000*



*Elizabeth I Gold Milled Half-Pound (1564)
About Extremely Fine \$27,000*



*Victoria Gold Milled Proof Sovereign (1839) Good
Extremely Fine \$12,500*

Fewer than 50 examples of Philip & Mary Gold Angels (1554–58) are known, and only about 200 examples of England’s largest gold coin, the Charles I Triple Unite (1642–46) exist.

Most coins are easy to find in circulated grades but much rarer in fine uncirculated condition. As with U.S. coins, condition plays a huge part in determining value.

Which means — in order to start your own collection in investment-grade coins — you have to have a firm grasp of how the quality of coins is measured.

U.S. vs. English Grading Systems

As noted earlier, coins sold in North America are graded on a scale from 1 to 70 by independent grading services such as PCGS or NGC.

This is very accurate for modern, mass-produced coins.



*1642 Charles I Triple Unite (60 shillings or £3)
The largest gold coin produced in England (27g in weight
and 4.6cm in diameter). Struck at Oxford during the
English Civil War, only about 200 are known to exist.
Good Very Fine. \$155,000*

However, grading is much more difficult and becomes more subjective with older coins — especially hammered coins where the quality of the strike makes each coin unique, even before any wear due to circulation is taken into consideration.

In England and Europe, there are essentially four grades of condition: Fine, Very Fine, Extremely Fine and Uncirculated (Fleur de Coin if exceptional). The terms “Good” and “About” can qualify these grades. Thus, Good Very Fine (GVF) is better than Very Fine (VF) which is, in turn, better than Almost Very Fine (AVF).

After grading, most U.S. coins are encapsulated or “slabbed” in a protective plastic case.

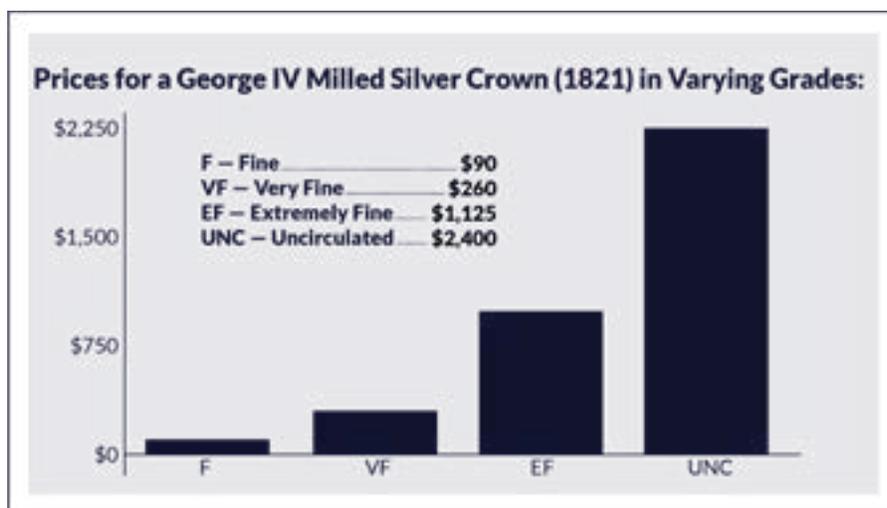
This practice is little used in Europe, because hammered coins are not of uniform shape or size — and it is even frowned upon by many collectors who like to handle their coins to fully appreciate their beauty.

As with U.S. coins, a small difference in grade can make a significant difference in the price of a coin, which is indicative of the rarity of better grades.

Most English coin catalogues only list prices for Fine to Very Fine for early coins. Extremely Fine coins are usually very rare, and hammered coins in Uncirculated condition are virtually unknown.



*Henry VII Gold Angel (1505)
Grade: AVF (top), GVF (middle), AEF
(bottom)*



Prices can be incredibly variable, depending on quality. Make sure you know what you’re getting before you make a purchase.

European Coins

Coinage in Western Europe was restricted to silver until the 13th century.

In the Middle Ages, many European cities had their own coinage — and it was issued not only by kings, but by nobility and high-ranking clergy.

Later, the large quantities of silver and gold flowing into Europe, first from the Middle-East after the Crusades and then from Spanish America, allowed large coins to be produced.

The Renaissance also brought improvements in minting techniques and quality of design.

Responding to the demand for a standard unit of value from traders in the Mediterranean in the 13th century, Florence and Venice issued the florin and ducat. These were widely imitated throughout Europe.



*Russia — Peter the Great Silver Ruble (1720)
Good Very Fine \$3,250*



*Venice — rare Gold Osella (1706)
Good Very Fine \$15,500*



*Poland — Vladislav IV Silver Thaler (1638)
Good Very Fine \$3,000*



*Anglo-French "Salut d'Or" issued at Rouen
(1430)Extremely Fine \$3,000*

This was the age of exploration, trade and colonization. Portuguese coinage spread around Africa, and into India and China.

Spain's gold, from Latin American mines, financed its military conflicts.

Ducats from Dutch mints were struck for traders in Amsterdam.

French coinage became the model for currencies in Latin America. And of course, the British Sovereign spread throughout the Empire.

European coins have always had a loyal following amongst collectors. However, new wealth in Russia and Eastern Europe has resulted in an upsurge of interest in their coins and commemorative medals.

Rare, high-quality items have attracted enthusiastic bidding at auction. The Linden collection of Russian coins, auctioned by Baldwin's in New York, realized over \$5.3 million in January 2014.

Asian Coins

The first metal coins produced in China date from around 700 B.C., though they were initially spade- or knife-shaped, rather than round.

Circular coins with a hole in the center (so that they could be threaded on a rod or string) were introduced around 350 B.C.

WARNING! All the coins referred to here, from China or the rest of the world, are generally well over 100 years old and truly rare, numismatic coins – not modern “limited editions” or commemorative coins produced for collectors. Investors who buy recently minted gold and silver China Panda coins, for example, will find that they are worth little more than the bullion value of the metal. The coins may be beautiful, but they are not numismatic and the resale market is limited. The same as you find for U.S. commemorative coins.



In contrast to European hammered or milled coins, Chinese coins were cast in molds and usually made from mixtures of metals such as copper, bronze or iron.

From the late 1800s, Chinese currency and coinage went through many changes through the Republican period and Civil War. The most valuable Chinese coins today tend to be gold coins from the early 1900s, partially because very few were ever produced.



*Japan, Shogun Eoshi — Gold Hammered Koban
About Extremely Fine \$4,500*



*China (Yunnan) — General Tang 10 Yuans (1919)
About Extremely Fine \$3,750*



*China — Chang Tso-lin Gold 50 Yuan (1927)
Sold for \$529,000*



*China — British Gold Trade Dollar (1902)
Sold for \$236,000*

Increasing wealth in China, and Asia in general, has meant that Chinese coins have followed the same pattern as Chinese antiques, art, stamps and other collectibles – with dramatic auction bidding and world-record prices in the past five–10 years.

India & Ceylon

Coinage in India has a long and complex history: from the Kushan Empire in the first century A.D., the Gupta Empire from fourth to sixth centuries, the Islamic sultans of Delhi and the Mughal emperors.



Kushan India — Huvishka, Gold Dinar (A.D. 150) Extremely Fine \$6,250



India, Mughal Empire — Gold Mohur (1566) Good Very Fine \$3,000



East India Co. — Victoria Gold Mohur (1850s) Extremely Fine \$4,800



Ceylon — George III Pattern Rix-Dollar (1815) Uncirculated \$11,500

Many of India's independent sultanates and princely states also issued their own coins. Later, the East India Co., the Portuguese and British colonists all followed suit.

The neighboring island of Ceylon (now Sri Lanka) had gold coins from the ninth century, extending into British rule, and independence in 1948.

Despite price rises in recent years, early coins of India and Ceylon are still very much undervalued. The most expensive Indian coin, a 1939 Silver Pattern Rupee, was recently sold by Baldwin's for just \$200,000. It is still possible to purchase rare gold coins 500 or 1,000 years old and in superb condition for relatively modest sums.



Turkey — Sultan Muhammad V, 500 Kurush (1913)
Extremely Fine \$4,750



Yemen — Gold Half Ahmadi Ryal (1959)
Good Extremely Fine \$4,300



Umayyad Gold Dinar 105h (A.D. 724)
Probably the most important coin ever struck in the Arabian Peninsula —
made from gold from a mine on land owned by the Prophet Muhammad
Uncirculated \$2.75 million

Turkish & Middle-Eastern Coins

In parallel with the growing wealth of the region, coins of the Middle East are increasing in demand.

Coins were first issued here in the seventh century and, reflecting the tenets of Islam, they feature no images of individuals — simply Arabic script and numerals.

The lack of imagery and difficulty in deciphering the script means that these coins have limited appeal to collectors outside the region.

Though Middle Eastern coins are widely available, this is a complex area for the novice.

Dates and mint marks are often absent or illegible.

Specific inscriptions that can tie a coin to a specific sect or a particular area will increase its value.

Coins struck in Mecca are sought after, as is anything connected with Saladin, the scourge of the Crusaders.

In 2011, an Umayyad gold dinar dated 105h (A.D. 723) and struck with gold from the Caliph's mine sold for a record \$5.8 million in London.

In the same auction, an extremely rare Umayyad silver dirham dated 90h (A.D. 709) struck in the Sultanate of Oman, sold for \$1.7 million. The total auction proceeds from the sale were **\$10.5 million** – shattering estimates by a factor of five.

Size of the Market: Liquidity and Volatility

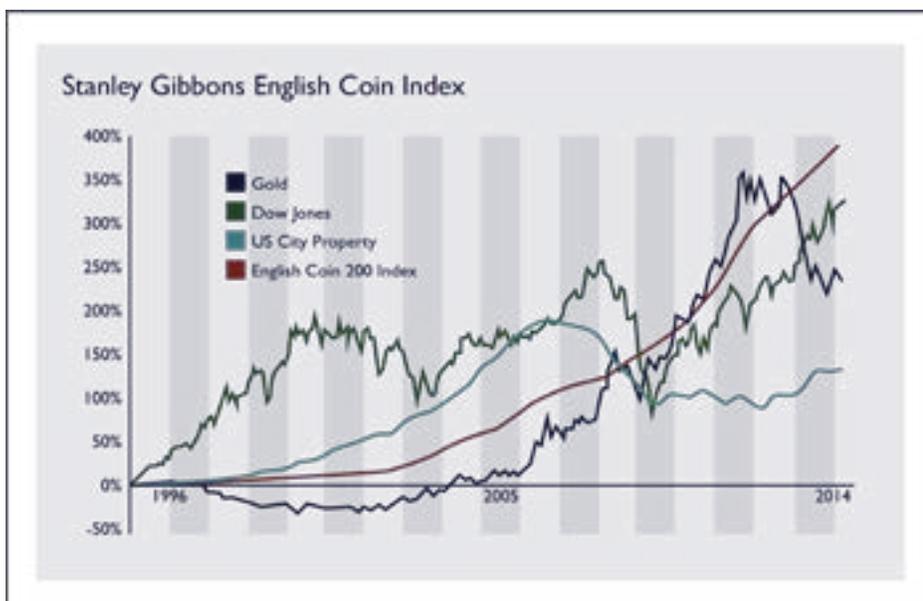
As noted before, the U.S. is the largest market for gold and silver coins, due to the numbers of collectors, investors, dealers and auction houses in North America.

Many investors own some U.S. numismatic coins, and most own U.S. bullion coins. Such coins are easily traded, and buy/sell prices are readily available.

The increased liquidity can add some short-term volatility — simply because it's so easy to move into and out of positions.

So if some outside jolt means a lot of people will need ready cash, U.S. coin prices may take a temporary hit. But — as long as you have a time horizon of five-plus years — those short-term wobbles shouldn't worry you.

The rare coin markets in other countries are (individually) much smaller — but, critically, these markets are driven by collectors, rather than investors. Very rare English, European and Middle Eastern coins sell for a fraction of the prices of their U.S. equivalents.



Performance of Rare English Coins vs U.S. Equities, Property and Gold 1995–2014

So it is possible to acquire rare coins from these areas for relatively modest prices... with much greater potential for big gains in the years ahead. Provided you have the patience to wait for the right coin.

Still, the market for English coins has shown stable, consistent returns for many years.

The Stanley Gibbons English Coin Index, which tracks 200 rare coins, has averaged 12.4% per year over the past decade — and it continued to increase in value through the 2008-09 financial crisis.

What You Need to Start Investing Today

Unlike many collectibles, coins don't require much in the way of equipment.

That's thanks to a few factors.

First, coins aren't that delicate. Of course they can be damaged, and exposure to the elements will take away luster, lead to wear and otherwise degrade your investment.

That said, they aren't as delicate as stamps, or autographs, for example.

The second thing that takes away the need for a lot of specialized equipment is the standardized grading system. Once a coin has been graded by one of the reputed organizations out there — like the Professional Coin Grading Service (PCGS) or Numismatic Guaranty Corp. (NGC) — you can feel confident in the quality of any coin you own.

Those services even have convenient online searches, where you can verify the identity of any coin using the equivalent of a serial number the companies assign every graded coin.

The companies are also all too happy to grade any coin you might bring them. So if you see a fine-looking coin at a flea market — as long as you pay a price commensurate with a low grade — you can then get the coin appraised and easily resell it at a later date.

So you don't really need any special equipment to grade your coins. All you need is a bright lamp for viewing the coins. And a magnifying glass or lens, to see any imperfections invisible to the naked eye.

That's just about it.

You might need to purchase coin slabs or snap boxes to protect your investments... but most coins come already sealed in a protective shell.

If yours doesn't, they are easy to find and purchase.

Another unusual aspect of investing in coins is these are collectible assets you can handle without damaging their value. As long as you do it right.

Touching the face or back of a coin even once can affect luster, as the oils your fingers naturally produce will dull sheen. And repeated contact will inevitably lead to wear and possibly scuff marks or other imperfections.

But if hold a coin by its rim, between two fingers, you can avoid doing any damage. Just don't squeeze too hard, especially if you're dealing with a 24k gold coin or an ancient coin that might be softer than you think.

If you want to study your coin in greater detail, you can roll it around in your fingers, eventually bringing it to a 45-degree angle with your eyes — the best way to see the design, along with any wear or marks. With minimal risk of damage.



The proper way to hold an investment-grade coin.

Indeed, because coins are relatively hardy, some collectors will never sheath their coins. They get too much pleasure out of handling them.

That's certainly not what we recommend. The elements alone will eventually degrade your coin — even if it's just humidity affecting luster.

Given enough time, exposure and handling, something will eventually happen to your coin.

But if you want to study one now and again — or just enjoy it — using the above method, you should be relatively safe. So long as you keep your coin well protected the rest of the time and take it out sparingly.

You also should have a minimum of \$5,000 that you won't need for at least five years to invest in coins. It's the 5/5 rule.

Five thousand dollars because that's enough money for you to buy three to five truly investment-grade coins — the sorts that will reliably increase in value.

And five years because prices in the collectible world are lumpy. Coins average around 12% gains a year... but that could easily mean the price of any coin is flat for three years and then jumps 93% the fourth.

Five years is enough time for most lumps and clumps to smooth out. If you have a longer time horizon, all the better — the longer you hold your coins, the closer to a guarantee profits are.

Beyond that, you've now got everything you need to start investing. Because most of what you need is knowledge — the exact knowledge that fills this report. If you've read up to this point, you're ready.

How to Invest in Coins: Three Strategies

Unless you wish to start collecting coins — as opposed to using them as investments — you shouldn't try to put together "sets." At least not a set that aims to cover a particular area or time period.

Sets purpose-built as investments are another matter — as we'll cover in a moment. The important thing here is you shouldn't feel tied to any one theme.

It's fine to have an area of interest and stick to that. You might love ancient coins or antebellum American coins — that's wonderful.

But if you find yourself seeking out one particular coin to complete a set — say, a coin from each of the original 13 Colonies of America — you're not investing, you're collecting.

The difference? Once you start pursuing particular coins, you lose price consciousness. You are very, very likely to overpay for a coin.

Whether it's an investment-grade coin that you have to have. Or it's a collectible coin that is more or less without value... except to you, as part of a set.

Additionally, a set of similar coins will tend to rise (and fall) in value at the same rate.

Because — we can't stress this enough — **similar coins tend to move in lockstep.**

This is especially true when talking about the coins from a particular region, though it can occasionally be true of an era as well.

So if you have all American coins, you could miss the big moves in numismatics happening in Asia. Or vice versa.

Coins are a great way to diversify your portfolio. But only if you diversify your holdings of coins.

That said, there are large trends currently underway that should hold up for the next few years. Which leads us to our recommended portfolios, for different types of investors.

Portfolio #1: Safety and Strength

Are you most interested in coins as a store of value? Do you want them to act as the backbone for the rest of your portfolio, with minimum drama? Is profit from coins a nice byproduct but not the primary reason you're investing?

Then this portfolio is for you.

It's neatly divided into thirds.

One-third of your portfolio should go into bullion coins.

It doesn't really matter what kind of bullion coins — who minted them, or what kind of metal you're buying. Remember, bullion coins are just an easy, convenient way to own the underlying precious metal.

So having one-third of your portfolio in bullion coins is a great way to diversify your holdings. The prices of gold and silver aren't tied to the numismatic market, and are tremendous hedges against financial markets, as well.

One-third of your portfolio should go to rare, investment-grade American coins.

Remember — the American coin market is by far the most mature in the world. Prices are steadier than they are elsewhere, and the demand is well developed.

Adding to the appeal, the American coin market is remarkably liquid. So if, for whatever reason, you needed to sell a coin quickly, you could do so.

Returns are less likely to be eye-opening. You're looking at high-single-digit or low-double-digit annual gains.

But on the other side of the equation, you've eliminated almost all risk. American coins are well priced and demand is such that downsides are limited.



This coin is well priced. It won't shoot up in value quickly but will gain steadily over time.

Your final third should go to English coins. Simply because English coins are halfway between American coins and the rest of the world.

English coins aren't nearly as popular as American coins. But they have been rising in popularity and making faster gains.

And English coins are far more popular than coins from just about anywhere else.

They are a safe area to invest in for a little extra juice without exposing yourself to much risk.

Portfolio #2: Balanced and Steady

Do you want the best of both worlds — safety and gains at once? Do you want your coin portfolio to pull double duty in your larger investment portfolio — acting as a backstop in bad times and a profit machine in good? Does the simplest approach to coins appeal?



Ancient Japanese coins. The hole in the middle was for rope to loop through — the long-ago equivalent of a wallet for carrying currency from a belt loop.

Then you want to employ this portfolio.

It's similar to Portfolio No. 1 — except we're swapping out bullion coins and replacing them with international coins.

The reason is simple — international coins are the most undervalued part of the market. And it's the part of the coin market that has seen the greatest gains in recent years.

So you want exposure to this market, to try to capture some of those gains.

And you'll get enough stability from American and English coins that you don't need slow-moving bullion coins as well.

To be clear — you shouldn't invest in coins from just anywhere. The international market is quite diverse — and different sections are more volatile or moribund than others.

We recommend you focus on developed or nearly developed nations. Such as any stable country in Western Europe or the giants of Asia like China and Japan.

These are countries that have plenty of wealth, which helps prop up prices. But they have room to grow in terms of interest and demand.

All these countries have seen increases in recent years, and that trend is likely to continue.

But there is more volatility than you'd find in more established markets. If you choose this portfolio, having a minimum timeline of five years is crucial.

Portfolio #3: Big Movers and Wild Rides

Do you have a strong appetite for volatility? Are you most interested in numismatic coins as a moneymaker and have the patience to wait for the payoff? Are you excited by the prospect of investing ahead of the herd and profiting when the rest of the world catches up?

Then this last portfolio should be your cup of tea.

Once again, we're swapping out the most stable part of the previous portfolio for a more volatile area of investment.

Specifically, we're keeping English coins as one-third of the portfolio. And we're keeping one-third in rich markets that have a burgeoning numismatic coin interest — like China and Western Europe.

But we're taking out the well-priced American coins. And replacing them with some bigger swings.

The last third of this portfolio will go to developing markets. India and Ceylon are our favorite bets to emerge quickly from this bunch with the greatest profit potential.

But Eastern Europe, the Middle East and Africa all are untapped and good bets to do well in the coming years.

The Middle East is the biggest risk, with the biggest payoff. As noted earlier, there isn't much interest in Middle Eastern coins outside the area.

So if you think that the region will remain relatively quiet and financially stable, they'd be a great bet to go up. Especially as the market is severely underpriced, thanks to regional volatility.

But that regional volatility also represents your risk. There's little doubt — if the powder keg explodes, it could be year before you see a profit.

The same goes for Africa, to a lesser degree.

Eastern Europe is the most established coin market in this volatile segment. Politically, it's relatively calm. And financially, it's one of the fastest-growing parts of the world

That's why we like Eastern Europe most of all as a place to get coins at a significant discount and watch them rise.

Make no mistake — this is a riskier portfolio than the others. The value of some of your coins might gyrate like a paint can getting mixed at Home Depot.

But over a long enough time horizon, you're likely to see the biggest rewards as well.

If you've got the fortitude for the ride — and won't need your investment back for at least five years, but preferably even longer — this could easily be the most profitable portfolio of the three.

But it's not the one to lean on for safety.

Where to Invest in Coins

For bullion coins and American coins, we recommend our partners at Asset Strategies International (ASI).

In business for decades, ASI is the premier provider of investment-grade coins in the States. They've been doing this for so long... and with so many different types of clients... that they'll be able to build a customized portfolio, perfect for you, in no time flat.

With rare assets like coins, that's unusual.

In fact, just for *Unconventional Wealth* readers, they're putting together coins for two different types of portfolios.

The first type you can think of as a starter kit — the coins in there will be highly valuable, but entry level for investment-grade coins. You can get started with as little as \$1,000 (and you need much less to secure your portfolio with a deposit).

The second type of portfolio will be for anyone ready to put together a larger investment right away. These will be the sorts of coins you see in glossy auction magazines, because of their rarity, beauty and value.

Most first-time coin investors won't jump into these premier coins. But they are ready when you are.

Take these two portfolios — and ASI's expertise with bullion coins — and you don't need to shop anywhere else to start your American collection.

For the rest of the world, though, story is different. ASI doesn't carry international coins, and trustworthy information is harder to come by.

Spink Auctions publishes the standard catalog and reference work "Coins of England" for your U.K. needs. There is a multitude of books and catalogs covering coins of the rest of the world. Krause publishes several guides, including the "Standard Catalog of World Coins" in several volumes. "Gold Coins of the World" by Arthur Friedberg is also a good general reference.

But really, you want a personal guide to help you invest outside the U.S.

Which is why we've partnered up with [JustCollecting](#), the premier company catering to numismatic investors interested in international coins.

JustCollecting isn't just a place to purchase coins. It's a full-service shop that can help you build, protect and, someday, sell your portfolio.

And they make it as easy to do as it is to buy a stock from an online broker.

Because we've vetted JustCollecting, we know that the coins they deal in are trustworthy (and your purchase is insured against any errors or misrepresentations, anyway).

And we know they offer you the best price out there. Because JustCollecting builds their business around your financial success — making them unique in the numismatic world.

Basically every other company is looking out for collectors (and concerned with completing sets, over profits on prices).

Only JustCollecting truly sees the profit potential of this market... and gears everything they do around maximizing your portfolio's value.

They even have personalized advisers who will listen to your own wants and needs and will craft a portfolio of rare, investment-grade coins just for you.

There is simply no better place to build your coin portfolio. Which is why we've partnered up with them — [and secured a discount on your first purchase](#), only for readers of this report.

If you want your own portfolio of investment-grade coins growing by double digits annually, you should [speak with them today](#).

Conclusion

Numismatic coins aren't often thought of as investments by those in the industry. But that's exactly what they are.

Indeed — averaging nearly 12% a year, coins are one of the best earners in the investment world.

Even while they're backed by their own precious metals... along with the demand and interest from collectors.

You'd be hard-pressed to find a better investment. Which is why we created this report — to give you all the tools you need to get started today.

American coins are your safest bet — and a good place to get started. Though the market is mature and unlikely to grow by huge leaps and bounds.

Rare English, European, Middle Eastern and Asian coins are very **undervalued** in comparison with their U.S. counterparts. Yet these markets are seeing increased interest from collectors around the world. This represents a **unique opportunity** for investors who are seeking to diversify into rare world coins.

It may take longer to realize profits. But when all is said and done, those profits are likely to be higher.

Remember, rare coin markets are driven by collectors, not investors — which means that they are **stable and uncorrelated with mainstream investments** such as equities, bonds, property and gold.

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Rare collectibles were one of the few investments which actually went up during the 2008–09 financial crisis.

For many centuries, coins have been collected by some and hoarded by others.

In times of uncertainty, they have provided security against war, disaster, inflation and panic.

And in times of plenty, they've proven one of the most profitable instruments out there.

This is the sort of investment that the world's wealthiest make. It's time you followed their lead — and started profiting off rare tangible assets like coins today.

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