

Introduction

The Appeal of United States Gold Coins

Gold. The long-term ownership or even short-term possession of this precious metal has served as a universal indicator of wealth, power and prestige for centuries. What has been true for kings, governments and titans of industry throughout the ages is also true numismatists in the 21st century. The collector or investor who can count rare United States gold coins among their holdings is almost always a man or woman who has met with considerable success in life's endeavors. In addition, dealers who either dabble or specialize in gold coins have in their inventory an excellent calling card for success as a numismatic professional.

That even the short-term possession of rare gold coins is an important status symbol is even more obvious when you consider the typical sale conducted by one of today's leading auction houses. The financial success of a sale often depends on the number of gold coins consigned and the performance of these pieces on auction day. This makes perfect sense given the fact that consignments of gold coins constitute the majority of value embodied within an auction. What you might not realize is that the success of a sale in terms of its current and future marketing value for the auction house is also closely linked to the quality of its gold offerings. Pre-sale advertisements, highlight listings, catalog covers and post-sale news releases often devote generous amounts of space to gold coins. And rest assured that, if at all possible, the auctioneer will schedule gold coin lots to sell on a Friday and/or Saturday evening to guarantee maximum exposure among dealers, collectors, investors and, yes, future consignors. Clearly, much of the appeal of gold coins is the societal or industry status that accrues to those who own and handle them.

Gold coins are also popular because they possess greater intrinsic value than coins struck in virtually any other metallic content. Even non-numismatists automatically assume that a gold coin is a valuable coin, and with good reason. The most undesirable survivor of a common issue in the Gold Dollar series still has significant value due to its bullion content. In essence, the value of the precious metal within the coin establishes a baseline below which it cannot realistically trade. Many collectors and investors, particularly those new to the market, are drawn to gold coins because the intrinsic value of these pieces provides a sense of security when making purchases. "Even if numismatic demand for my gold coin suddenly evaporates, it will still retain at least some value due to its precious metal content," or so I have heard several collectors and investors remark.

Sheer beauty also explains why many gold coins enjoy such a strong following in today's numismatic market. The U.S. gold coin family includes many series whose designs are numbered among the most beautiful ever produced in our nation's Mint. The Indian Quarter Eagle and Half Eagle of 1908-1929, with their unique incuse design, and Augustus Saint-Gaudens' inspired designs for the Eagle and Double Eagle series of 1907-1933 are classic examples of United States gold coins whose beauty enjoys universal recognition

in numismatic circles. Other designs are desirable because they offer significant clues about the values and artistic tastes of our forebears. There are few other pieces of art more indelibly linked to the era of George Washington, John Adams and Thomas Jefferson than the Capped Bust Right gold coins struck during the late 1790s and early 1800s. Finally, even a relatively banal design such as that employed for the various Liberty gold series during the 19th and early 20th centuries can be extremely beautiful when represented by a high-grade, nearly blemish-free example.

Another solid foundation upon which the long-standing popularity of gold coins rests is rarity. Many issues in the U.S. gold series are rare in an absolute sense, and all are rare (or conditionally challenging) in the highest Mint State grades. The difficulty that you will encounter when searching for an attractive, problem-free example of many U.S. gold issues adds considerably to the “thrill of the hunt,” itself a motivating factor for many collectors and investors who decide to enter the numismatic market.

Throughout the pages of this book, you will encounter additional factors that help to explain the strong and seemingly ever-growing demand that rare United States gold coins enjoy in the numismatic market. It is probably true, nevertheless, that you will not be able to provide a comprehensive list of all the varied reasons that have attracted you to the U.S. gold coin series. In fact, there is probably only one thought running through your head at the time of purchase: “I did it. I achieved another milestone in the pursuit of the finest numismatic collection or investment portfolio that my money can buy.”

Only at moments of greater reflection are you likely to recall all of the conscious and subconscious impulses that combined to create an unavoidable, uncontrollable desire to add that key-date Liberty Half Eagle or beautiful Saint-Gaudens Double Eagle to your set. It is also probable that during the Saturday morning trips to the bank’s safe deposit box, or the Sunday afternoons at home sharing the joys of collecting with children and grandchildren, the longing to leaf through the pages of the latest auction catalog or book an airline ticket to the next convention will start stirring in your soul. Pretty soon, you will reach for a copy of your favorite numismatic reference and start dreaming of the next coin to add to your collection or investment portfolio. And if you reach for this book, you have already decided that your next numismatic purchase will be a gold coin.

The Parameters of this Study

This book focuses on the United States regular-issue gold series struck from 1795 through 1933. These are the most popular and widely recognized gold coins in all of U.S. numismatics. The Commemorative gold coins struck from 1903-1926 have been excluded because the factors that determine their absolute and high-grade rarity are different from those that rule the fate of issues struck for use in circulation or, in the case of proof gold, yearly sale to a select group of advanced numismatists. The same can be said for modern gold Commemoratives struck beginning in 1984, a discussion of which you will also not find in the following pages.

Territorial gold coins, while subject to the same demands and rigors of commerce experienced by branch mint issues struck during the same era, are also not included in this book. The market for these rarities is distinct from that of the regular-issue United States gold series, with its own dynamics and a relatively small number of dedicated buyers. Such is also the case for most patterns and related issues struck in gold. A notable exception,

however, is the Four-Dollar Gold Stella. While all Stellas are technically patterns (Congress never authorized regular-issue production of this denomination), most numismatists consider the inclusion of an example a requirement for the completion of a type set of regular-issue U.S. gold coins.

Finally, and perhaps surprisingly, I have decided not to include an analysis of the United States Mint’s American Eagle gold bullion series. These coins can certainly be fun to collect, and the completion of a set of Mint State and/or proof examples is within reach for many buyers. These pieces are technically not coins, however, but rather bullion in coin form. With the exception of a few issues with slightly lower mintages or the Mint State examples struck from unpolished proof dies, these pieces really belong in the precious metals market. Investors, therefore, should probably view bullion coins as just that: bullion.

How to use this Book

By reading Chapter I, you will gain an understanding of the various strategies available for building a meaningful collection or investment portfolio of United States gold coins. Throughout the remainder of this book, I provide a detailed analysis of each major type in the classic U.S. gold series of 1795-1933 within the framework of these collecting and investing strategies. In each case, however, it is up to you to decide on the strategy that you want to follow for that particular type. Remember, you can choose to follow one strategy for all types in the entire U.S. gold series or select different strategies for different types. Both paths will lead to the formation of a desirable and rewarding collection.

Once you have chosen the path that you will follow in your pursuit of U.S. gold coins, the appropriate subsections in each chapter of this book identify the specific issues and grades that I believe are best suited to the attainment of your goals. Finally, I have also provided physical characteristics for individual types and issues, pricing data and, where relevant, words of caution to better equip you as your endeavor to build the finest collection or investment portfolio of United States gold coinage.

Methodology and a Disclaimer on Investing in Rare Coins

This book is based on my observation of countless gold coins as well as my evaluation of auction listings and published certified population reports. The number of coins graded and encapsulated by PCGS and NGC can also be a powerful tool in determining relative rarity. While PCGS and NGC publish this information, it has severe limitations when it comes to determining absolute rarity. In the quest for an ever-higher grade, or upgrade, a coin may be removed from its holder and resubmitted to a grading service. When the same coin is submitted more than once, it skews the figures reported by PCGS and NGC. The leading third-party certification services seek to track and adjust for resubmissions by encouraging dealers, collectors and investors to return the inserts. In theory, this merely requires submitters to retain the insert from the holder in which the coin was removed, or broken out of, and to send them to the grading service. In practice, however, many individuals simply toss these small, yet significant pieces of paper into the trash. Others store their old inserts and return them to the services at pre-determined intervals of time, for example, once every six months. During the intervening time period, the person’s inserts will still be listed as distinct coins in the PCGS and/or NGC population reports.

I have also used select numismatic reference books including *A Guide Book of United States Coins* by R. S. Yeoman, Walter Breen's *Complete Encyclopedia of U.S. and Colonial Coins* and *Encyclopedia of U.S. Gold Coins* by Jeff Garrett and Ron Guth during preparation of this study, but only to verify facts such as mintage figures, weight standards, etc. Unless otherwise stated, historical trends are based on prices realized or average prices realized as reported by leading rare coin auction houses, as well as my knowledge of select private treaty sales.

Bear in mind that I am offering my opinion about how and what to collect. Like any collectible or investment, there is no crystal ball listing future values for a collection or a particular coin. Gather enough numismatic experts in a room today and they will likely each hold different opinions about the current merits, attributes and even the actual value of a particular coin. In the end, the market dictates. With that said, most prices I list in this catalog are factual in nature, though I do make every effort to point out coins that I think are undervalued or that have greater potential to appreciate in value. I also make suggestions regarding how much you can expect to pay for certain coins. It goes without saying that ultimately the choice of what to buy and how much to pay is yours. Armed with the right information, you will make better choices. Reading this book is certainly a big step in that direction.

CHAPTER ONE

Popular Collecting and Investing Strategies

There are several ways to build a meaningful collection or investment portfolio of United States gold coins. Collectors that specialize in these pieces can pursue more than one strategy, sometimes simultaneously but more often sequentially as their passion for numismatics evolves, their interests shift or their collecting/investing budget changes. The strategies outlined here form the framework within which I have evaluated each type in the regular-issue U.S. gold series.

Short Type Set

A definite consideration for the new collector or investor, this is one of the easiest ways to assemble a meaningful set of United States gold coins. A short type set includes one example each of a select group of U.S. gold series that have at least one factor in common. Examples are numerous and include:

Popular 20th Century Types, a four-piece set that includes:

Indian Quarter Eagle
Indian Half Eagle
Indian Eagle
Saint-Gaudens Double Eagle

Liberty Gold Coinage, a four-piece set that includes:

Liberty Quarter Eagle
Liberty Half Eagle
Liberty Eagle
Liberty Double Eagle

Liberty Double Eagle Types, a three-piece set that includes:

Type I Liberty Double Eagle
Type II Liberty Double Eagle
Type III Liberty Double Eagle

This method of collecting offers tremendous flexibility in that you define the parameters of the set. Regardless of what short set you choose to assemble, I advise selecting the most common business strike issues of each type in the highest grade that your numismatic budget will support.

Complete Type Set

Assembling a complete type set is perhaps the most popular way to begin a pursuit of United States gold coins. In this form, type collecting involves acquiring a single representative of each major design in the U.S. gold series. You should seek an example of the most common business strike issue of each type in the highest grade that you can afford.

Type collecting can allow you to become familiar with the various gold series produced in the United States Mint, as well as their peculiarities in terms of strike, absolute rarity and grade distribution among surviving examples. In time, you might even develop an affinity for one particular type of gold coin and graduate to more specialized forms of set building.

A complete type set of United States gold coins includes 34 examples, one each of the following types:

Gold Dollar, Type I
Gold Dollar, Type II
Gold Dollar, Type III
Capped Bust Right Quarter Eagle, No Stars Obverse
Capped Bust Right Quarter Eagle, Stars Obverse
Capped Bust Left Quarter Eagle
Capped Head Left Quarter Eagle, Large Diameter
Capped Head Left Quarter Eagle, Reduced Diameter
Classic Quarter Eagle
Liberty Quarter Eagle
Indian Quarter Eagle
Three-Dollar Gold
Four-Dollar Gold Stella
Capped Bust Right Half Eagle, Small Eagle Reverse
Capped Bust Right Half Eagle, Large Eagle Reverse
Capped Bust Left Half Eagle
Capped Head Left Half Eagle, Large Diameter
Capped Head Left Half Eagle, Reduced Diameter
Classic Half Eagle
Liberty Half Eagle, No Motto
Liberty Half Eagle, Motto
Indian Half Eagle
Capped Bust Right Eagle, Small Eagle Reverse
Capped Bust Right Eagle, Large Eagle Reverse
Liberty Eagle, No Motto
Liberty Eagle, Motto
Indian Eagle, No Motto
Indian Eagle, Motto
Liberty Double Eagle, Type I
Liberty Double Eagle, Type II
Liberty Double Eagle, Type III
Saint-Gaudens Double Eagle, High Relief
Saint-Gaudens Double Eagle, No Motto
Saint-Gaudens Double Eagle, Motto

Advanced Type Sets

There are several possible ways to customize a gold type set so that the final product is better suited to your collecting or investing goals.

Rarer Issues: Instead of opting for the most common date in the series, you might want to select a rarer issue to represent the type. I have even encountered a few collectors that are assembling gold type sets using key-date issues — a challenging task, to be sure, but one that offers many rewards as long as you have deep pockets and considerable patience.

Major Subtypes: Several series in the U.S. gold family include significant subtypes, or major design changes, that are not represented in basic type sets due to rarity and/or cost. The 1838 and 1839/8 Liberty Eagles, for example, feature a noticeably different obverse portrait than the other issues in the No Motto series. Another example is the No Motto Indian Eagle of 1907. The Wire Rim, Rolled Edge and No Periods coins represent different designs along the evolution from Augustus Saint-Gaudens' original vision for this coin to the version that Mint officials believed would serve best for mass production. The inclusion of these major subtypes can add considerably to the parameters and, hence, desirability of a type set.

Issuing Mint: The first branch mints opened their doors in 1838 at a time when there were only two gold series in production: the Classic Quarter Eagle and Half Eagle. From that year forward, virtually all U.S. gold denominations were struck not only in the main coinage facility in Philadelphia, Pennsylvania, but also in one or more of the six branch mints that operated at various times during United States history. (I have excluded the West Point Mint from this study because it opened 51 years after the end of the classic U.S. gold series in 1933.) A popular alternative to assembling a basic type set is to add one example from each mint in which a particular series was produced. The result will be a much larger collection that includes 89 coins, as follows:

Gold Dollar, Type I: (5) Coins

Philadelphia Mint
Charlotte Mint
Dahlonaga Mint
New Orleans Mint
San Francisco Mint

Gold Dollar, Type II: (5) Coins

Philadelphia Mint
Charlotte Mint
Dahlonaga Mint
New Orleans Mint
San Francisco Mint

Gold Dollar, Type III: (4) Coins

Philadelphia Mint
Charlotte Mint
Dahlonaga Mint
San Francisco Mint

Capped Bust Right Quarter Eagle, No Stars Obverse: (1) Coin

All struck in the Philadelphia Mint

Capped Bust Right Quarter Eagle, Stars Obverse: (1) Coin

All struck in the Philadelphia Mint

Capped Bust Left Quarter Eagle: (1) Coin

All struck in the Philadelphia Mint

Capped Head Left Quarter Eagle, Large Diameter: (1) Coin

All struck in the Philadelphia Mint

Capped Head Left Quarter Eagle, Reduced Diameter: (1) Coin

All struck in the Philadelphia Mint

Classic Quarter Eagle: (4) Coins

Philadelphia Mint

Charlotte Mint

Dahlonaga Mint

New Orleans Mint

Liberty Quarter Eagle: (5) Coins

Philadelphia Mint

Charlotte Mint

Dahlonaga Mint

New Orleans Mint

San Francisco Mint

Indian Quarter Eagle: (2) Coins

Philadelphia Mint

Denver Mint

Three-Dollar Gold: (4) Coins

Philadelphia Mint

Dahlonaga Mint

New Orleans Mint

San Francisco Mint

Four-Dollar Gold Stella: (1) Coin

All struck in the Philadelphia Mint

Capped Bust Right Half Eagle, Small Eagle: (1) Coin

All struck in the Philadelphia Mint

Capped Bust Right Half Eagle, Large Eagle: (1) Coin

All struck in the Philadelphia Mint

Capped Bust Left Half Eagle: (1) Coin

All struck in the Philadelphia Mint

Capped Head Left Half Eagle, Large Diameter: (1) Coin

All struck in the Philadelphia Mint

Capped Head Left Half Eagle, Reduced Diameter: (1) Coin

All struck in the Philadelphia Mint

Classic Half Eagle: (3) Coins

Philadelphia Mint

Charlotte Mint

Dahlonaga Mint

Liberty Half Eagle, No Motto: (5) Coins

Philadelphia Mint

Charlotte Mint

Dahlonaga Mint

New Orleans Mint

San Francisco Mint

Liberty Half Eagle, Motto: (5) Coins

Philadelphia Mint

Carson City Mint

Denver Mint

New Orleans Mint

San Francisco Mint

Indian Half Eagle: (4) Coins

Philadelphia Mint

Denver Mint

New Orleans Mint

San Francisco Mint

Capped Bust Right Eagle, Small Eagle: (1) Coin

All struck in Philadelphia Mint

Capped Bust Right Eagle, Large Eagle: (1) Coin

All struck in Philadelphia Mint

Liberty Eagle, No Motto: (3) Coins

Philadelphia Mint

New Orleans Mint

San Francisco Mint

Liberty Eagle, Motto: (5) Coins

Philadelphia Mint

Carson City Mint

Denver Mint

New Orleans Mint

San Francisco Mint

Indian Eagle, No Motto: (2) Coins

Philadelphia Mint

Denver Mint

Indian Eagle, Motto: (3) Coins

Philadelphia Mint

Denver Mint

San Francisco Mint

Liberty Double Eagle, Type I: (3) Coins

Philadelphia Mint

New Orleans Mint
San Francisco Mint

Liberty Double Eagle, Type II: (3) Coins

Philadelphia Mint
Carson City Mint
San Francisco Mint

Liberty Double Eagle, Type III (5) Coins

Philadelphia Mint
Carson City Mint
Denver Mint
New Orleans Mint
San Francisco Mint

Saint-Gaudens Double Eagle, High Relief: (1) Coin

All struck in Philadelphia Mint

Saint-Gaudens Double Eagle, No Motto: (2) Coins

Philadelphia Mint
Denver Mint

Saint-Gaudens Double Eagle, Motto: (3) Coins

Philadelphia Mint
Denver Mint
San Francisco Mint

Proof Type Set

One of the more challenging forms of type collecting is to assemble a set of each design in the U.S. gold coin family in proof format. For many collectors, however, proof type collecting as defined in the preceding sentence is not a realistic goal. Many early gold types are unknown in proof, while all pre-1859 gold coins that are universally accepted as proofs are exceedingly rare. A more inviting goal, therefore, is to build a proof type set comprised solely of those gold series that were either in production in 1859, or were first struck in a later year. Even then you will have your work cut out for you, as all proof issues in the regular-issue United States gold series are rare. While individual examples of such later types as the Liberty Half Eagle with Motto and Indian Quarter Eagle do appear in the market fairly often, they always command significant premiums that are commensurate with their rarity. If you have considerable financial resources and above-average patience, however, the completion of a 15-coin proof type set of U.S. gold is an obtainable goal. This set must include one example of each of the following types:

Gold Dollar, Type III
Liberty Quarter Eagle
Indian Quarter Eagle
Three-Dollar Gold
Four-Dollar Gold Stella
Liberty Half Eagle, No Motto
Liberty Half Eagle, Motto
Indian Half Eagle

Liberty Eagle, No Motto
Liberty Eagle, Motto
Indian Eagle, Motto
Liberty Double Eagle, Type I
Liberty Double Eagle, Type II
Liberty Double Eagle, Type III
Saint-Gaudens Double Eagle, Motto

Assembling a Complete Set

This will likely be the final level of collecting that you reach after experimenting with one or more forms of type collecting. Before beginning to assemble a complete set of a specific U.S. gold coin, you should make sure that you have become so enamored with that series that there is no longer a desire to acquire examples of any other type. Your goal now will be to assemble a specialized collection that is as complete as possible for your chosen series. This form of collecting could take one of several forms:

Complete Year Set: A prevalent form of series collecting in the U.S. gold market involves assembling a complete date and mint set of a chosen type. The Mint in which a specific example was struck is irrelevant, but I advise selecting the most common issue of the date.

Date and Mint Set: One of the most prevalent forms of series collecting in the U.S. gold market is to assemble a complete date and mint set of a specific type. Examples include a complete set of Three-Dollar gold pieces, a complete set of No Motto Liberty Eagles and a complete set of all types of Liberty Double Eagles.

Die Variety Set: Despite the tremendous accomplishment achieved by Harry W. Bass, Jr. (the only numismatist to assemble a nearly complete collection of early U.S. gold coins by die variety), this method of collecting remains in its infancy as far as regular-issue U.S. gold coins are concerned. The issues delivered in the Philadelphia Mint from 1795 through early 1834 contain many of the most dramatic and easily distinguishable die varieties in the U.S. gold series. Unfortunately, examples of even “common” die marriages are expensive coins. As a result, and assuming a grade of AU-55 for each coin, it will cost at least \$550,000 to acquire a complete set of the seven-known die varieties in the 1795-1797 Capped Bust Right, Small Eagle Ten-Dollar series. Die marriages in the later U.S. gold series are mostly minor and not all that noteworthy, although there are some interesting varieties in the Charlotte, Dahlonega, New Orleans and Carson City gold series that are gaining steadily in popularity.

Proof Set: A more challenging way to assemble a complete year set of many series in the U.S. gold family is to acquire one example of each proof delivery. As with proof type collecting, the year 1859 is a realistic cutoff point for this strategy. Even California industrialist Ed Trompeter did not go back beyond 1858 when assembling his legendary collection of proof gold. The task is already formidable enough when confined to the 1858/59-1915 era.

A Complete Set by Issuing Mint: Yet another variant of series collecting is to focus on all coins struck within a particular Mint, sometimes regardless of denomination and/or type. A few examples include: a complete set of Charlotte Mint Gold Dollars, Quarter Eagles and Half Eagles; a complete set of New Orleans Mint Half Eagles; and a complete

set of Liberty Double Eagle struck in the Carson City Mint. The Charlotte, Dahlonega and Carson City Mints are the most popular coinage facilities for this kind of series collecting, followed by the New Orleans Mint in the second tier. On the other hand, the Denver and San Francisco Mints have hardly any adherents among series collectors, while the Philadelphia Mint is usually not considered a candidate for this type of collecting. (An unstated prerequisite for many series collectors assembling sets by issuing mint seems to be the presence of a mintmark!) The San Francisco Mint, in particular, offers considerable opportunities. Many early S-mint gold coins are similar in rarity to Charlotte, Dahlonega and Carson City Mint issues, yet they often sell for considerably less. What's more, the gold coins struck in the San Francisco Mint during the 1850s, 1860s and 1870s possess considerable historic appeal due to their association with the California Gold Rush and the taming of the frontier.

Investing Tips

In today's market of high, seemingly ever-increasing prices for rare coins, the line that used to divide collectors and investors is becoming more blurred. This is perhaps nowhere more evident than in the market for U.S. gold.

Collectors no longer freely dole out a few hundred dollars for a gold coin without first conducting research into the issue's past price performance. Indeed, I am meeting more and more collectors who are more accurately described as collector-investors. This newer breed of numismatist is often defined as a person whose primary interest in coins is their history, beauty and/or rarity but who also desires to protect his or her financial investment in collecting as much as possible. Pure investors, on the other hand, usually focus on the future growth potential of the coins that they buy and sometimes believe that other numismatic considerations such as historical appeal are of only secondary importance.

With both types of numismatists in mind, the investing sections of this book will highlight a few issues that have the best potential for future price appreciation given the right market conditions and general economic circumstances.

CHAPTER TWO

Considerations before Buying Rare U.S. Gold Coins

As the value of rare United States coins has steadily increased, so too has the number of sellers in the market. Most dealers are honest, reputable experts who thoroughly enjoy buying, selling and studying coins. Many of them even got their start in the industry as collectors, and almost all possess tremendous knowledge of rare coins and the market in which they trade. What's more, reputable dealers are usually very willing to share their expertise and offer sound advice that can prove invaluable when building a meaningful collection or investment portfolio. The benefits of a relationship with a recognized industry expert are numerous, and you should get to know as many reputable dealers as possible and enlist their aid in the attainment of your collecting and/or investing goals. This advice is particularly sound if you are planning on specializing in a certain type of U.S. gold coin. Many dealers also specialize in particular types of coins, their buying and selling activities providing them with comprehensive, up-to-date information that may not be available in print.

There are many possible ways to find a reputable United States coin dealer. Chartered by Congress in 1891, the American Numismatic Association (ANA) is the leading hobby organization in U.S. numismatics. The association's website, www.money.org, maintains a searchable database of member dealers. Another excellent source is the Professional Numismatists Guild (PNG), an organization of rare coin and paper money experts whose members are held to high standards of integrity and professionalism. Members of the PNG can be found at the organization's website, www.pngdealers.com. Both the ANA and the PNG are non-profit organizations.

One of the most underutilized methods of finding a reputable numismatic dealer is simply to ask other collectors and investors for recommendations. Word-of-mouth can be a powerful tool. Honest, knowledgeable dealers will enjoy a good reputation among veteran buyers, while less-trustworthy individuals or companies are often treated accordingly in the collector and investor communities. A prerequisite for carrying out this kind of research might be to join a local, regional or national numismatic association. Not only can membership in an organization such as the ANA put you in touch with other collectors and investors, but it could provide access to research tools, current events and other useful technical and market information.

Many of the coins that trade in today's numismatic market pass through auctions instead of being bought and sold outright by dealers. Auction houses are also excellent places to buy rare gold coins. The catalogs that these firms produce not only strive to provide detailed descriptions of a coin's physical attributes, but they often contain a wealth of historical and analytical information. The best sources for finding reputable auction houses are the ANA, PNG and by word-of-mouth.

Auctioneers offer another powerful, yet underutilized tool for the gold specialist: the lot viewing sessions that take place in the weeks or days leading up to an auction. Through these venues, you can view large numbers of gold coins in all price ranges. And the more coins that you view, the more familiar you will become with third-party grading standards and issue-specific characteristics such as strike, luster and color. If schedules and budgets permit, I strongly suggest spending some time at auction lot viewing. Registration is required to participate, but it is usually free and there is almost never an obligation to bid.

After finding a reputable dealer and/or auctioneer, what else should you consider before buying your first gold coin? Whether you are a veteran collector or a beginner, it is a good idea to acquire only those pieces that have been graded and encapsulated by Professional Coin Grading Service (PCGS) and Numismatic Guaranty Corporation (NGC). Founded in 1986 and 1987, respectively, these two firms revolutionized the numismatic industry. Coins submitted to these services are evaluated by teams of professional numismatic graders and authenticators. Pieces that are determined to be genuine, unaltered and problem-free for their respective level of preservation are assigned a numeric grade on a 1-70 scale. The coins are then sonically sealed in tamper-evident plastic holders with a paper insert that lists the date, denomination, grade, variety (if applicable) and a unique barcode for identification purposes. Once certified by PCGS or NGC, a coin carries a grade that can help to determine the level at which it will trade in the market. PCGS and NGC-certified coins enjoy universal acceptance, and they also have a high level of liquidity due to the strong reputations that these firms enjoy. In short, PCGS and NGC are the standards for the rare coin industry of the 21st century. They provide a measure of confidence for both novice and veteran collectors when trading in a dynamic market.



An 1808 Quarter Eagle certified by NGC, and the King of Siam specimen of the 1804 Plain 4 Eagle in a PCGS holder. I strongly recommend acquiring only those pieces that have been graded and encapsulated by these two services due to the reputations that PCGS and NGC enjoy in most numismatic circles. (Images Courtesy of Rare Coin Wholesalers)

You should consider one additional point as far as certified coins are concerned. Grading is subjective, particularly since eye appeal can be an important component of a coin's value. A characteristic that I consider attractive might be construed as a negative in your eyes, or vice versa. For example, I might prefer prooflike coins with a degree of reflectivity to their surfaces. You, however, could be assembling a set with coins that possess uniform mint frost on both sides. It is always a good idea to evaluate coins — even certified pieces — firsthand before buying. In-person inspection will allow you to get comfortable with a coin's assigned grade and determine whether or not the piece will make an attractive addition to your set.