



The Coin Courier

"Official Publication of the Baltimore Coin Club"

**Baltimore Coin Club
P.O. BOX 43681
Baltimore, Maryland 21236**

March 2006

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BALTIMORE COIN CLUB

President:	Bill Stratemeyer
Vice President:	Don Curtis
Treasurer:	Don Kern
Secretary:	Bill Ayres
Editor, <i>The Coin Courier</i>	Nick Kurlick

COURIER COMMENTS

BCC recently conducted their annual election and the new BCC administration will consist of **Don Curtis is President, Larry Kuhn is Vice President, Joe Adam is Treasurer, and Bill Ayres is Secretary**. Courier will made the changes for the next edition.

Courier specially thanks **Don Kern** for his dedication and many years of service to BCC as he steps down from office of club's Treasurer. Don concluded his service at the first March meeting.

Request volunteers to conduct their coin interview.

BCC received Simcha Kuritzky's discussion of his recent visit to Smithsonian Institute. Courier appreciates this article for the BCC newsletter.

2005 Baltimore Coin Club Calendar of Events

6	April	Theme- Commemoratives
20	April	Program
4	May	Theme - Error on Coins & Paper Money Errors
18	May	Program
1	June	Theme – My Favorite Token
15	June	Program
6	July	Theme – US Proofs
20	July	Program
3	August	Theme – My Favorite Foreign Coin and Paper Money
17	August	Program – Youth Night
7	September	Theme - Elongates
21	September	Program

PRESIDENT'S MESSAGE

Baltimore Coin Club
President's Message

My time as your President is coming to an end. I have enjoyed it very much. No one individual can make the Baltimore Coin Club function as well as it does. All of the input from each individual, helps to make this club as strong as it is. Today many clubs are folding because of the lack of interest. Please give some thought to running for office or be involved in some committee.

Ed Craig, Tom Palmer, Ernie Turnes and I attended the Fun Coin Show in Orlando Florida January 5-9, 2006. What a great time we had. There were many very informative educational seminars scheduled during the show. Maybe next year we could assemble a group from the Baltimore area to attend this show.

Thank you and enjoy our hobby.

Bill Stratemeyer

RESULTS FROM THE BALTIMORE COIN CLUB \$10,000 PORTFOLIO CONTEST

In March of 2005, the Baltimore Coin Club (BCC) announced a year-long \$10,000 coin portfolio contest for its members. All members were eligible to use their imaginary funds to buy any numismatic items they desired, as valued in either Coin World's *Coin Values* or Numismatic News' *Coin Market* price guides for March, 2005. The portfolios were to be revalued according to the prices listed for the same items in the corresponding March, 2006 issues. The three entrants with the highest portfolio totals at the end of the year were to be given prizes. First prize was a \$10 gold American Eagle, second prize was a \$5 gold American Eagle, and third prize was a proof silver American Eagle dollar.

Twenty-two BCC members took part in the contest, and submitted their portfolios to program/education chairman Tom Palmer in April of 2005. Tom revalued the portfolios every quarter, and announced the results at club meetings throughout the year. Now that the March 2006 issues of the price guides are in hand, the final results have been calculated.

RESULTS

The best-performing portfolio reached \$15,000. The winning entrant, Miguel Lopez, selected a single coin with his \$10,000. It was a collector favorite, the 1916-D Mercury dime in MS62. This coin has scarcity, demand, and high grade in its favor, and outperformed all the other combinations of coins "bought" by other BCC members.

The second-best result was \$14,000. Roland Shephard selected a 1795 Flowing Hair dollar, 2-leaves variety, in XF40. This is a very rare item as its price increase indicated. Interestingly, this coin moved very little through most of the year, registering a \$4,000 gain in the last quarter of the contest.

Third place was won by Fred Cook, who ended with \$13,800. He chose a two-coin portfolio containing a 1913-S Barber quarter in VG and a 1916 Standing Liberty quarter in VF. Although both these coins gained value, the 1916 SL quarter registered the bulk of the gain, going from \$8,500 to \$12,000.

The fourth place entrant managed \$13,598 by choosing multiple lots of modern proof and mint sets, along with a 1916-D Mercury dime. The 1999 proof sets and mint sets

(spread among various options) all increased – but the 1916-D did the best, by registering a gain from \$6,000 to \$9,000.

Another portfolio containing early U.S. collector coins came in fifth place. Here, the choices were a 1793 half cent in VF30, and a 1796 large cent (LIHERTY variety) in F12. The half cent was a good performer, going from \$8,000 to \$11,000. But, the 1796 large cent price didn't change. This portfolio was in first place after the first quarter, but didn't follow up its early gains.

Sixth place was reached by a BCC member using another strategy. He chose the “quantity over quality” approach! He chose 50,000 2004-P “Peace Medal” Jefferson nickels in MS-63. The price went from 20c each to 25c each over the course of a year; if it had gone up to 30c each, this portfolio would have tied for the lead.

Another entrant used a precious-metals strategy. Tenth-ounce gold American Eagles, silver proof sets, and low-grade dimes, quarters, and half dollars were chosen. The percentage gains weren't enough to put this portfolio into the top three even though bullion prices went up.

Commemorative coins were prominent in one portfolio. Some key pieces were included, including a 1928 Hawaiian half, a 1900 Lafayette dollar, and an 1893 Isabella quarter. All three were in MS63 partly because of the \$10,000 limit of the contest. All these coins did go up, but not by enough to make it a winning strategy. Like many other scarce to rare coins, higher grade specimens of all three would have shown greater percentage increases.

What else was chosen in the contest? One BCC member's portfolio contained quite a few “variety” coins: an 1894 Indian cent (94/94), an 1858 Flying Eagle cent (8/7), 1938 Jefferson nickels (both D/D and D/S), and a 1939 Jefferson nickel (doubled Monticello). Sadly for his chances, all these selections remained unchanged during the course of the contest.

Perhaps half of the contest entries consisted of a broad mixture of collector coins in collector grades (VG to VF). While these might make good collections in themselves, their performance was only “average”. Gains ranged from about 6 to 11 percent. The downside from the Chairman's standpoint was looking up lots of coin values each quarter!

ANALYSIS

The best results were reached by “purchasing” a few high-grade collector coins in popular series. A number of also-ran portfolios selected popular collector coins, such as 1877 Indian cents, 1914-D Lincoln cents, and 1932-D & S Washington quarters, but not in top grades. In grades less than Fine, these coins didn’t go up significantly.

It was also important to choose coins from popular series. Rarity alone was not enough. For example, an 1805 quarter in AU55, an 1829 Bust dime in MS60, and an 1847-C Half Eagle in AU50 were all chosen by various members, but the prices on all three coins were unchanged over the course of the year.

There were some cases where high-grade coins in popular series didn’t move up. An 1877 Indian cent in Proof-65 went up only from \$4,900 to \$5,000. Also, a 1909-S Lincoln cent in MS63 R&B just inched up from \$2,800 to \$3,000. These coins may show increases in the future – as they say, timing is everything.

The strategy of buying large numbers of common items, on the hope that a small increase in unit price would lead to big gains through volume, didn’t work particularly well. Some portfolios using this scheme increased, but others didn’t. For example, one portfolio was composed of 1000 silver Wisconsin silver quarters in PF66. It started at \$10,000, and ended at \$10,000!

SUMMARY

The contest allowed BCC members to let their imaginations run free. Portfolios of all types were chosen, with practically everything of interest to a U.S. coin collector in someone’s portfolio. The bottom line is that portfolio gains ranged up to 50%, and none of the 22 portfolios lost money (although two stayed at \$10,000). The average portfolio value at the end of the year was \$11,770, and the median value (half did better, half did worse) was \$11,550. For comparison, the Dow Jones Industrial Average gained about 8% over the same period. This isn’t to say you should put your retirement earnings into coins, but it implies that we collectors can expect a reasonable reward when our collecting days are done. Special congratulations go to the three top performers in the BCC \$10,000 portfolio contest – but we were all winners in enjoyment!

Tom Palmer

Baltimore Coin Club Program/Education Chairman

Coin Show
Baltimore Convention Center
December 9-11, 2005

I want to thank the following Baltimore Coin Club members and their wives that helped at public registration.

Public Registration

Friday December 7, 2005

Chairman: Bill Stratemeyer

1. Bill Lenz
2. Joe Adam
3. Joe & Margie Burford
4. Karl Keller
5. Jerry McConnel

Saturday December 10, 2005

Chairman: Nick Kurlick

1. Larry Goldman
2. Ron Sheridan
3. Larry Kuhn
4. Joe and Margie Burford
5. Jose C. Garcia-Garcia
6. Don Levin
7. Don Curtis
8. Bill Ayres

Need at least four members between 11:00AM to 01:00 PM that are not Maryland Tams Members

Sunday December 11, 2005

Chairman: Frank Murphy

1. Jim Nash
2. Bryce Doxzon
3. Sandon Cohen
4. Don Kern

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Parking expenses will be reimbursed

Smithsonian Visit

By: Simcha Kuritzky

Yesterday I visited the Smithsonian after work (I work about a mile from the Castle). The Legendary Coins exhibit is nice but small-half a dozen panels with no more than a dozen coins each. The text is good, clear and concise. I was able to get through the entire exhibit, reading everything and looking (sometimes gazing longingly) at each coin in about 20 minutes. There's a lot of gold in the exhibit, including the only two half union patterns, all 3 relief versions of the 1907 \$20, the only 1849 \$20 (no 1933, but they had a 1928 claiming it was almost as rare), territorial gold, and a CAL \$2.50. They also had a 1913 5c, 1974 1c, and all 3 types of 1804 \$1 in their infamous legends section, openly admitting that mint employees would sometimes make their own coins for sale (well, not the 1974 1c and type I 1804 \$1, but they had their own infamy). They also had an interesting section on money as symbols with some very cheap notes and real clam shell money (the 1933, not 1690, kind). It is definitely worth seeing if you are in DC between 9 and 5:30, but not worth a special trip all by itself. The exhibit will continue through early September. Also, it is in the Castle even though the web site lists it under the National History Museum (there is also a sign right outside the NHM to remind you of this).

The reason I went yesterday was to see the Asian gold exhibit at the Sackler, which is next door to the Castle. This exhibit will be taken down Presidents' Day Weekend. There are a variety of pieces, from Turkey to Japan, all made of gold. Many are gold leaf applied to jewelry or book covers, some are gold string woven into clothing or tapestries. There are only 4 coins and 1 medal. The medal is very nice, with a Sassanian king seated with courtiers over 2 lions. These medals are excessively rare. The coins are all standard Moslem pieces with inscriptions only, in nice condition but not exciting (yeah, yeah, we all know Muhammad is His prophet, you don't have to keep telling us).

Words From The Past - #11

By: Don Curtis

The Year was 1942

Excerpts from minutes of past Baltimore Coin Club meetings as written by the club Secretary Mr. Philip G. Straus:

November 19th, 1942 – *The regular meeting of the club was held on this date, with 11 members and 2 guests. Upon a motion by Mr. Straus and duly seconded by Dr. Schaefer it was unanimously carried that only one notice of meetings be sent to members each month unless something of importance should necessitate a special notice.*

The Secretary-Treasurer announced that the new proof five cents pieces are now available at the Philadelphia Mint. Mr. Duffield read an interesting clipping regarding the probable issuance of ½ dimes and three cent coins to offset the enormous demand for cents. Mr. Hutter read an excerpt regarding the value of gold in the Confederate States during the Civil War. The next meeting will be December 3rd; Mr. Austin would speak on and exhibit Papal Coins. There was then an Auction which netted the Club commissions aggregating 46 cents.

December 3rd, 1942 - *The regular meeting of the club was held on this date, with 14 members and 11 guests. The minutes of the previous meeting were read and approved.*

Mr. Duffield mentioned that the Club's subscription to "The Numismatist" expires this month and suggested that we continue our membership. Upon a motion made by Dr. Plummer and duly seconded by Mr. Stewart it was unanimously carried that we continue membership in the A.N.A.

The Secretary-Treasurer stated that the Federal Reserve are not receiving any more cents from the Mint and that they are expecting cents of a new composition to be issued shortly.

Mr. Austin requested that his talk on Papal coins slated for this meeting be postponed to a later date and the President thereupon introduced Mr. Zug who spoke, his subject being "Changing Fashions in Coin Collecting" Mr. Zug stressed how certain coins were most popular during different periods, commencing with "Colonials" in 1850 and subsequently by Large Coppers Cents and ½ Cents. Around 1870, collecting of numismatic items became more intensified, especially in earlier issues, Proofs and Medals, particularly those relating to Washington and Lincoln. In 1880, collecting of Proof Coins was still widespread, but the earlier coins still retained popularity. Mr. Zug then covered the years from 1880 to the period when Commemorative Half Dollars were the craze and everyone seemed to enjoy his talk immensely. His remarks pertaining to the three issues of Fractional Currency were enlightening and surprised was expressed when he informed us that these notes were originally sold by the Government in full sets at face value plus 2 cents and that the Fractional Currency Shields were made by the Treasury for use by Banks to detect counterfeits, at face value plus \$1.50 which was the cost of framing.

Upon a motion made by Mr. Smythe and duly seconded by Mr. Lohrfinck, a rising vote of thanks was accorded Mr. Zug for his most instructive and entertaining talk.

The meeting was concluded by an auction and the Club netted commissions aggregating 61 cents.

December 17th, 1942 - *meeting of the club was held on this date, with 9 members present.*

Letter from "The Belvedere" offering us their facilities was read.

Captain "Bob" Hall, U.S.A., whose presence at previous meetings during the past year has been greatly missed, addressed the Club regarding his War experiences and his talk was both amusing and interesting.

The next meeting of the Club will be held on Thursday, January 7th, 1943 at which time Mr. Austin will display Papal Coins and give a discourse relative to them. Mr. Lohrfinck will also give a brief talk (subject unknown).

The meeting was concluded by an auction and the Club netted commissions aggregating 71 cents.

NOTE: *An un-dated article from the News Paper was part of the minutes – Titled: U.S. Treasury Has to Borrow \$5 Gold Pieces” – Washington, Dec. 14, (AP) – The Treasury owns \$22,743,838,112.03 worth of gold, but nary a \$5 gold piece. So the United States had to borrow from Canada the gold coins which were supplied to the American troops in Africa for dealing with the natives, Henry Morgenthau, Secretary of the Treasury, disclosed today. All our gold coins were melted down when the President called in gold currency, and only those held by collectors or illegal hoarders are now outstanding.*

Coin Interview by Nick Kurlick

1. What numismatic material do you collect?

I collect different types of coins from modern day series consisting of Sacagawea dollars, Kennedy halves, Washington quarters, Roosevelt dimes, Jefferson nickels, and Lincoln cents. I have other types of collections to include Panda silver dollars, Australian astrology series, and general coins from the different nations. I have commemoratives coins from the two different series. I am emphasizing my collection on two themes of state and America heritage for the commemorative.

2. How long have you been collecting and how did you get started?

I have been collecting coins since I was kid serving newspapers. When collecting money for payment I received many of the various silver coins that are not in circulation today such as Walking Liberty and Franklin halves, Mercury dimes, to mention a few coins. Unfortunately, I could not keep all the coins received in payment I sorted the coins and kept the various dates that I needed.

3. In what other numismatic clubs do you belong?

I belong to a few local and national clubs to include Baltimore Coin Club, BelMar Coin Club in Harford County, Maryland State Numismatic Association, America Numismatic Association, Jefferson Full Step Club, and Lincoln Cent Society.

4. What are you most prized or interesting numismatic items?

I take pride in my complete collection with special emphasis on the mint and proof sets that I have assemble through the years. I collected proof sets every year and started to obtain those early sets. My collection starts from 1955 until the present proof sets with the state quarters.

5. What was your most interesting find in circulation?

I guess the most unusual coin that I receive in circulation was when I served newspapers and one customer paid their bill using a Booker T. Washington halve dollar. I first thought this coin was a counterfeit coin, for I never seen one in circulation and thought that the commemoratives were a special issue for collectors and not intended for circulation.

6. What are your non-numismatic collections?

I even collect US stamps specializing in yearly commemoratives. I have assembled yearly stamp collection from 1940 to 1960's. Yearly commemoratives have different themes to recognize famous individuals, historical locations, landscapes, and other various subjects.

7. Why did you join the Baltimore Coin Club?

After I attended the first BCC meeting and listened to the various members talk about their coins on theme night that it was a club oriented for information and learning of its membership. Then, the membership was very friendly and made me comfortable in hope that I return and provide my perspective of numismatic. Of course, the refreshments and donuts provide the extra snack time.