

The Augusta Coin Club Meets on the 3rd Thursday of the Month at America's Best Value Inn on Washington Road

The Augusta Coin Club since 1959

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THE AUGUSTA COIN CLUB MONTHLY NEWSLETTER

February, 2008

Our Next Meeting is Thursday, February 21, 2008 from 6:30 to 9:30 PM

Gold rises above \$900 an ounce for New Record

Club Meeting Calendar for 2008

Jan. 17	May 15	Sept. 18
Feb. 21	June 19	Oct. 16
Mar. 20	July 17	Nov. 20
Apr. 17	Aug. 21	Dec. 18

Gold reaches \$936 an oz during month of January

For years gold languished around the \$400 an ounce mark even recently as January, 2005, but during the last three years it has steadily risen beyond the old 1980 record of \$880 to its current exalted position to around the \$900 and above. People buy gold as a hedge against instability in the financial markets. Here at home one concern has been the shrinking value of the US dollar against the major world currency. The pound has risen to almost \$2.00 against the dollar. The Canadian dollar, once valued at \$0.75 recently hit \$1.10. The continuing rise in oil prices is another concern which directly impacts the value of gold. Silver has also risen,--if not as spectacularly--to around the \$17.00 an ounce mark.

What impact, if any, does the volatility on the bullion markets affect the coin club collector? Not very much if one collects *clad* coinage such as the latest statehood quarters, the more recent Presidential dollars and annual *clad* proof sets. On the other hand, if one opts to collect either the modern commemoratives, some of which feature \$5.00 or \$10.00 gold issues or bullion coinage such as the annual gold eagle series or the more recent ongoing Indian Head/ Bison and First Spousal \$50 gold issues, each of the latter containing one-half an ounce of gold, these will cost you a lot more than the 2007 issues did.

Club News

The club began 2008 with the addition of five new members, Joan Sienkiewicz, John Mason, Jason Marshall, a currency collector, Bob Moody, who collects German coins, and Steve Nix who specializes in half and silver dollars. President Bill Myers welcomed them all. Bill also reported on the F.U.N. Show (Florida United Numismatists) that he and other club members recently attended in Orlando, Florida.

(Club news continued on page 3 middle of column 2)

The Transitional US Gold Coins of 1908

100 Years Ago By Arno Safran



The obverses of the 1908 \$5.00 gold Liberty and Indian Half eagles

For a collector who enjoys focusing in on transitional dates (*two types or sub-types struck during the same year*), 1908 continued where the previous one left off. In 1907, there were two design types for the \$10.00 Gold Eagle and \$20.00 Double Eagle. The outgoing Liberty Head designs by Gobrecht and Longacre respectively were replaced by Saint-Gaudens' new Indian Head Liberty Head on the \$10.00 and the resplendent Striding Liberty on the \$20.00 piece. These had been encouraged by President Theodore Roosevelt (1901-1909) who wanted our coinage to have a new 20th century look. After the successful reception of the Saint-Gaudens \$10 and \$20 gold coins, it was time to apply the same artistic principles on the \$2.50 and \$5.00 gold coins. The problem was that the great Augustus Saint-Gaudens had died in 1907, never having seen his coinage creations. Bela Lyon Pratt, a Boston engraver was asked to redesign the two smaller coins in 1908, not in the traditional way showing the central devices raised but sunken; (i.e., *incuse*.) Like Saint-Gaudens' \$10.00 coin, Pratt chose the Indian Head motif for the obverse (*although it looked entirely different*.) Pratt's portrayal of the Eagle for the reverse resembled Saint-Gaudens' \$10.00 rendering more faithfully however.



The reverses of the 1908 \$5.00 gold Liberty and Indian Half eagles

(Continued on page 2, column 1)

Transitional Gold Coinage of 1908: (100 Years Ago)

(Continued from page 1, column 2)

At the time, Charles Barber was the Chief engraver of the Mint yet despite the fact that he served at the will of the Mint Director who in turn was appointed by the President; he apparently had enough “clout” to resist the new directives when he chose. He held up production of the Indian \$2.50 and \$5.00 gold types on the grounds that the new incuse methods required some reworking of the designs. The last of the \$2.50 Liberties had been issued the previous year resulting in no transitional date pairings for the quarter eagle but while Barber was tinkering with the new Indian Head \$5.00 type, some 421,874 of the 1908 \$5.00 Liberties were struck at the Philadelphia Mint. The 1908 Indian Head type was coined at all three operating mints; Philadelphia (577,845), Denver (148,000) and San Francisco (82,000). While those from last named are considered quite scarce, enough of the Philadelphia and Denver issues survive in AU-58 thru MS-61 to be both available and affordable for those who wish to own one of each \$5.00 type.

The Transition from No Motto to With Motto



A 1908 \$10.00 Eagle with motto on reverse
(Courtesy of Heritage Auctions Archives)
[Magnify page to observe coin details.]

Since 1866 the motto IN GOD WE TRUST had appeared on most US coins; the notable exceptions being the Indian Head cent, the Coronet 3¢ silver and nickel pieces; also the Liberty nickel first coined in 1883 (even though the Shield nickel which preceded the Liberty type did have the motto atop the obverse through its entire run (1866-1883). Presumably, due to their small size the motto was left off the gold \$1.00, \$2.50 and \$3.00 pieces. When the Saint-Gaudens gold pieces were in the planning stages, inclusion of the motto may not have come up even though it had appeared on the \$5.00, \$10 and \$20 gold Liberties, but in 1908 members of the clergy, the public and Congress, noticing the motto’s omission argued for its return. President Roosevelt considered the placing of God on our coinage a debasement to the almighty and opposed the measure but Congress prevailed and the motto was put back on the \$10.00 Indian and \$20.00 Saint later in 1908. This resulted in two more transitional same date subtypes for collectors to consider.



A 1908-D \$10 Indian Head gold Eagle as it appeared in 1907 and the first part of 1908 without the motto, IN GOD WE TRUST”
(Courtesy of Heritage Auctions Archives)



The reverses of the 1908-D no motto and 1908-P with motto \$10.00
When magnified to 200% or more, note the D mint mark just above the olive branch on the coin at left. (Courtesy of Heritage Auctions Archives)

For the 1908 \$10.00 Eagle the *no motto* is the scarcer of the two varieties but on the 1908 \$20.00 Double Eagle it is just the opposite. In fact, the 1908, *no motto* Saint-Gaudens is one of the most common dates in the entire series (1907-1933).



The extremely common 1908 \$20.00 Saint Gaudens without motto
[Courtesy of Heritage Auctions archives]

The 1908-P *no motto* \$20.00 Saint-Gaudens has a mintage of 4,271,551 compared with just 156,258 for the *with motto* variety. This represents a better than 27 to 1 ratio and the population of mint state pieces tends to support these figures yet the price differences between the two in the certified grades from AU-58 through MS-62 are virtually nil. The ratio is much closer for the Denver Mint issues where the 1908-D *no motto* holds a 663,750 edge over the 349,500 *with motto* pieces or less than 2 to 1. While it is true that 1908-D *with motto* Saints are encountered more often than the 1908-P, the variety still pales in frequency when compared with the 1908 *no motto* variety.



The not so often seen 1908-D \$20.00 Saint Gaudens with motto
The mint mark is above the date. Magnify up to 500% to see the details.
[Courtesy of Heritage Auctions archives]

All of our other regular coinage issued in 1908 maintained the same designs going back to 1892. These included the Indian Head cent, Liberty Nickel, Barber dime, Barber quarter and Barber half dollar. The Morgan dollar had been suspended after 1904. One can therefore see why Chief Mint Engraver Charles Barber opted for the status quo. Of our five circulating coins excluding gold, his design types appeared on four of them. Since the gold coins discussed in this article are common enough up to MS-62, obtaining them will cost only a moderate numismatic premium over their current bullion value.

Share Your Story By Bill Myers



The face of a 1941 Chinese Bank of Communications 10 yuan note

I propose a challenge to the club members. I suggest that you spend a few dollars at the next coin show or at the coin shop you frequent, and buy a coin, note or token that you find of interest but know very little or nothing about. Then research what you purchased and write it up for our club newsletter. I have done it many times, and I find it a rewarding numismatic activity. Here is another example.

I recently came across an uncirculated 1941 Chinese Bank of Communications 10 yuan note. It had a square stamp on the face and back with four oriental characters on it. The note also had a pair of red serial numbers, on both the face and back. There was an interesting vignette of a train on the face. The price of the note, prior to the dealer's discount of 20%, was \$3 – the same amounts many people spend on their daily cup of coffee. I readily acquired the note, as I felt it might have something to do with World War II, an area I am interested in both in general and numismatically.

Counterfeiting the currency of the enemy has long been a tactic of wars, and was utilized in World War II by the Japanese in their east-Asian campaign. Unlike the Germans counterfeiting British notes in Operation Bernard (see book review in *Augusta Coin Club Newsletter – February 2007*), the Japanese did not have to start from scratch. When they captured Hong Kong in December, 1941 they also captured the Chung Hua Book Company and the Dah Tung Printing Company, which printed bank notes for the Chinese Nationalist Government.

The Japanese obtained the plates, paper, ink and presses, so they were able to make original notes. The captured materials were taken to the Togo Research Office in Tokyo in 1941. 1940 - 10 yuan notes from the Central Bank of China (P228) and the 1941 - 5 yuan (P157) and 10 yuan (P159) notes of the Bank of Communications of China were printed.

In addition, notes and printer's waste were also liberated at the captured printing plants. The printer's waste consisted of notes with errors, such as mismatched serial numbers, which prevented them from being released into circulation. These had cancellation stamps put on them to prevent them from being spent. They were worthless, but they were not destroyed, and years later were somehow released into the collector's market.

The note I have is a 10 yuan from the Bank of Communications that has the Chinese cancellation stamp, but matching serial numbers. However, there is a crease in the upper left corner of the note that is actually a fold in the paper that occurred prior to printing. If the paper is pulled open at this crease, there is an unprinted white area. It is probably due to this error that the note was cancelled.

My note was printed by the Chinese in 1941, cancelled due to an error, captured by the Japanese, stored throughout World War II, then released to the collector's market and, finally, 67 years after its release managed to make its way into my collection.



The back of a 1941 Chinese Bank of Communications 10 yuan note

This note is packed with history, but at a small price. What story do you have to share?

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Shafer N, Bruce CR. Standard Catalog of World Paper Money General Issues. Volume two. Krause Publications. 9th Ed. 2000. Pg 253

Club News

(Continued from page 1, column 1)

A Record number of club members received 2007 clad proof sets at the December 21, 2007 meeting. The award is given for perfect attendance at the end of each year.



The twelve Perfect Attendance winners for 2007 pose for photo. Each member was presented with a 2007 clad Proof Set. From left to right are Carl Clark, Robert Anderson, Xavier Pique, David Chism, Howard Black, Lynn Jennings, Gary James, John Attaway, J.C. Williams, Jack Seech, Glenn Sanders and Earl Sleeth. (Photo, courtesy of Bill Myers)

(Club News continues on page 4, column 1)

More Club News (continued from previous page)



Treasurer Xavier Pique, (left) receiving Certificate of Appreciation Award from VP Arno Safran, (right) for his PowerPoint presentation on "Heraldry: Coats of Arms on Coins" Xavier's talk was presented at the December 21, 2007 meeting of the Augusta Coin Club.

Five Members present Show & Tells at Jan. 17 Meeting

Gordon Farmer brought in not one but five sets of Maundy Money; a custom began by King Charles II of England of issuing four small denomination silver coins to the poor on Holy Thursday. These were struck in denominations of 1, 2, 3 and 4 pence; the first known as a silver penny. The tradition continues to this day. Gordon displayed Maundy sets of Charles II (1660-85), William and Mary (1688-94) (*of the Glorious Revolution fame after the death of James II*), Queen Anne, (1702-14) (*who followed William III, Mary's surviving husband and sister of Mary*), William IV (1830-37) (*who followed George the IV, the last of the four Hanover King Georges*) and Queen Victoria (1837-1901). The last were all proofs. It is not often that one sees such a collection.



A four piece Maundy Money Set of Charles II (1660-85) Similar to the set brought in by Gordon Farmer From left to right: the 1 penny, 2 pence, 3 pence and 4 pence (Courtesy of Heritage Auctions Archives)

Member Earl Sleeth brought in a Costa Rican counter stamped 50 centavos .720 fine silver coin. Originally struck in 1880, the date 1923 was counter stamped on the coin. Don Youngs was at the FUN show in Orlando and displayed an autographed colorized \$10.00 bill. Bob Ward reported on the latest scam to surface at the FUN Show in which counterfeit NGC holders containing altered coins were being touted. Will wonders never cease? President Bill Myers reported on his latest successes at the FUN show. He received awards for one of his exhibits and a plaque for his presentation of his PowerPoint programs on "AAFES Pogs". He also added some unusual foreign bank notes to his collection. This was one of the more varied interesting Show & Tell segments and members are encouraged

to continue what the club hopes will be a trend in sharing numismatic interests with each other.

The Program

Arno Safran presented a new PowerPoint presentation on "US Gold Types from 1849 to 1933 intended for Circulation". Photos included examples of the types I, II & III gold dollars, the Liberty and Indian \$2.50 quarter eagle, the \$3.00 gold piece which was originally authorized in 1854 for users to purchase one hundred 3¢ postage stamps and examples of late 19th century Liberty and 20th Century gold types. Lastly he displayed the *no motto* and *with motto* Saint-Gaudens \$20.00 double eagle reverses as show below.



The reverses of the \$20 Saint-Gaudens Double Eagle showing the No motto at left and the with motto rising just above the sun at right [Magnify page to 200% to observe details more clearly.]

The 50/50 was won by Ed Peters, a record \$93. The door prize silver eagle winners were Tom McBurney and Arno Safran. Congratulations to the winners. Our next meeting will be Thursday, Feb. 21. Hope to see you there.

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