

Coin



Trader

Unlike
any other
tangible
asset firm.



COIN

TRADER

COINTRADERINC.COM



COIN TRADER is unlike any tangible asset firm that you may have worked with in the past. Our objective is to use outstanding service to match exceptional coin and bullion products with great people—our clients.

Our business is based on a solid commitment to excellence, unparalleled service, and total client satisfaction.

At Coin Trader, our goal is to establish long-term relationships with collectors and investors by helping them buy the right coins at the right time at the right prices.

Our relationships with our clients and their families often span generations. We'll be there for you in good times and bad. During rewarding bull markets and the inevitable bear markets that occur, **Coin Trader's** advisers will keep your best interest in mind. In contrast to the big, high overhead telemarketers who sell relatively common coins to a large volume of buyers, at Coin Trader we believe in personal service. When we make a recommendation for you, it will be based on your particular goals, objectives and circumstances and not on some "cookie cutter" portfolio philosophy tied to an inventory that must be liquidated.

Our depth of experience and extensive contacts throughout the investment world and across the tangible asset industry mean that we can provide unsurpassed access to market intelligence and the finest selections of museum-quality rare coins.

The foundation of our investment philosophy can be described in one word:

diversification.

THE COIN TRADER INVESTMENT PHILOSOPHY

The foundation of our investment philosophy can be described in one word: **diversification**. Tangible assets, like museum-quality rare American coins and precious metals bullion, are very effective in the control of risk and volatility in investment portfolios because they have a propensity to move in the opposite direction of traditional paper investments. While diversification of your overall investment portfolio is clearly essential, it is also vital that you properly diversify your tangible asset portfolio.

To effectively preserve and build your wealth in all phases of the economic cycle (growth, inflation, recession, and recovery) you should distribute your investment dollars across precious metals as well as rare American coins. The explanation for this is simply that the underlying market factors effecting the tangible asset sectors are diverse. Therefore, the various tangible asset sectors all have a place in the well-diversified financial plan.

GOLD & SILVER



GOLD

For more than 5,000 years, man has treasured gold for its utility and value during times of both prosperity and crisis. Through the rise and fall of powerful dynasties and great civilizations, gold has maintained its role as a solid store of value and trusted medium of exchange. Today, the demand for gold continues to flourish among world governments, industry, and individual and institutional investors.

Investment advisors and financial professionals include gold as part of their own well-balanced investment portfolios. Gold is an ideal foundation for a diversified financial plan because the price of gold often increases in response to events that erode the value of traditional paper investments like stocks, bonds, and cash. Among the many factors and events that can cause the price of

gold to rise are: increased industrial and investment demand for gold, bank failures, federal budget deficits, rising inflation or the expectation of rising inflation, devaluation of the dollar and other currency-related crises; increases in the price of other commodities, stock and bond market collapses, and international tensions.

Though the price of gold can be volatile in the short-term, the value of gold has increased over the long-term, serving as an excellent hedge against the erosion of the purchasing power of paper money. Periodically, there have been times when the performance of gold has outpaced all other investment sectors.

the value of gold has
increased
(over the long-term)

SILVER

Man's attraction to silver dates back over 50 centuries. Silver has been used as money for over 2,000 years. It has endured centuries of economic and political calamity, rising as a universally accepted currency and store of value.

Due to its scarcity and brilliant luster, silver has long been used in objects of value such as jewelry and coins. Silver has a great deal of utility. It boasts an unsurpassed blend of thermal and electric conductivity, malleability, and resistance to corrosion. Industrial applications include photography, medicine, electronics, chemistry, telecommunications, computers, and aerospace components.

The price of silver is correlated to factors related to the value of the U.S. dollar, the inflation rate, and monetary and fiscal policy. When there are developments in these areas there is also movement in the price of silver.

silver is now the 2nd most
used commodity on the planet
and it's used in over

30,000 applications.



**Silver Bullion Coins are
affordable investments,
beautiful collectibles,
thoughtful gifts and
memorable incentives or
rewards.**

THE BENEFITS OF
INVESTING IN RARE
AMERICAN COINS

RARE AMERICAN COINS:
THE ULTIMATE TANGIBLE ASSET INVESTMENTS

One of the most important keys to successful investing is *further diversification*. Tangible assets, such as rare American coins, are useful for proper portfolio diversification because they are not closely correlated with traditional investment categories. More importantly, rare American coins can help you achieve diversification *within* your tangible asset holdings.

In 2009, a study published by Penn State University's Department of Economics indicated that, over the 29-year period stretching from 1979-2008, rare coins outperformed gold bullion by a wide margin. Rare coins demonstrated the ability to rise during periods in which the price of gold was falling. The average annual return from quality rare coins during the survey period was over twice as great as the return from gold and exceeded the return from stocks.

For this reason, rare American coins have a place in *every* investment portfolio. The professionals at Coin Trader can help you find the right mix to fit your goals and budget.

UNSURPASSED INVESTMENT PERFORMANCE

Historically, collections of rare American coins have generated considerable long-term earnings for their owners. For example, Harold Bareford invested in a collection of American gold coins for \$13,832 in the early 1950s which was resold at auction in 1978 for \$1.2 million. A more significant collector, Louis Eliasberg, assembled a collection that cost approximately \$300,000. In 1982, that collection brought \$12.4 million at auction.

This top investment performance is well documented by The Wall Street Journal, Consumer Reports, and an array of coin industry periodicals and guidesheets. These reports all show that wisely assembled portfolios of rare American coins have had an exceptional high rate of long-term appreciation.



The professionals at
Coin Trader
can help you find the right mix to fit your goals.

TOTAL SATISFACTION



DIVERSIFICATION

Rare American coins are an ideal investment for the sensible investor. Many financial experts advise that investors place 10% to 20% of their investment dollars in tangible assets to maintain an effectively diversified investment portfolio. Rare American coins have shown themselves to be an exceptional hedge against the impact of inflation. Renowned for their performance in times of high inflation, rare American coins have produced formidable long-term gains in every period of economic growth over the past thirty years. They are very helpful in reducing the overall volatility of an investment portfolio because they have a tendency to move in the opposite track of paper investment vehicles. Thus, rare American coins can offer investors safety and peace of mind.

PRIVACY

Rare coins are one of a small number of remaining investments that can be acquired *privately*. Coins are highly liquid and portable because an investor can take physical possession of his or her holdings. Coins are attractive to investors who do not care to let the rest of the world know what they own.

GOLD CONFISCATION PROTECTION

Under existing federal law, (*sec. 501 of the Emergency Banking Relief Act of March 9, 1933*) gold bullion can be confiscated by the federal government during a national crisis. As collectibles, rare gold coins do not fall within the provisions allowing confiscation and are specifically exempted by language in the confiscation law.

COLLECTIBLE



LIQUIDITY

Certified rare American coins are the most liquid collectible investments of all. On an average trading day, thousands of certified rare American coins are bought and sold on an electronic exchange. On this exchange, thousands of coin dealers nationwide can give bid and ask quotes for almost every certified rare American coin.

This degree of liquidity is possible because of independent grading by the Professional Coin Grading Service (PCGS) and the Numismatic Guaranty Corporation (NGC). No other collectible can offer such outstanding liquidity.

In addition, there are other options for taking your profits in coins, such as selling directly to a dealer and public auctions. At Coin Trader, we can facilitate any auction transaction at preferred rates.

TAX ADVANTAGES

Capital gains on the sale of coins are only taxed at liquidation when the profits are actually realized. There is no taxation on phantom or undistributed profits as there are with some investments. Unlike some other investments, there is no federal income tax liability on so-called “wash sales” or like-kind exchanges, which allow investors to trade their rare coins for other rare coins of equal or greater value.

Unlike some other investments, there is no federal income tax liability...

NO TAXATION.



INTRINSIC VALUE

Unlike paper investments such as stocks and bonds, rare American coins have tangible value that you can feel when you hold an historic gold coin in your hand. Rare American coins can provide two methods of building and preserving wealth. Wisely chosen coins offer the best advantages of bullion and numismatics in one investment. They include the intrinsic security of bullion combined with amazing profit potential regardless of what precious metal prices do. On the other hand, precious metal content is merely a minor factor in determining the value of many of the most valuable rare American coins. Their value is based almost completely on condition of preservation, demand and scarcity.



AFFORDABILITY

Investment-quality rare American coins are affordable for most private investors. In spite of their legacy of impressive profits and the periodic 7-figure coins and collections sometimes sold at auction, portfolios of rare American coins with outstanding track records and promising futures are accessible in a broad range of investment levels.

HISTORIC SIGNIFICANCE AND AESTHETIC APPEAL

Rare American coins are antique remnants of our nation's history. They are tangible links to America's important heritage as everlasting and dear as history itself. For well over two hundred and thirty years America's coins have been symbols of American strength and a reflection of national honor. Throughout America's history coins have paid tribute to our national heroes, great achievements, and significant events. These historic works of art commemorate past sacrifices made in the name of liberty.

The pleasure of owning a part of history from a long-gone era makes investing in rare American coins special. Each and every individual coin has journeyed on a unique course through time. Each coin is a distinctive incarnation of the principles and aspirations of America's founding fathers.

THE COIN TRADER DIFFERENCE

Every one at Coin Trader is dedicated to providing you with the personal level of service that you deserve. We are available with real time market updates and advice during business hours and are never further than a toll-free telephone call away.

We have established a robust web presence to help you keep abreast of the latest developments in the world financial markets which might impact the various tangible asset markets.

On our family of web sites, you will find a broad variety of special reports, newsletters, market alerts, and educational guides. We encourage you to visit these web sites any time for the latest news and information.

10 RED FLAGS

10 RED FLAGS TO WATCH OUT FOR WHEN INVESTING IN RARE COINS AND PRECIOUS METALS

- 1. High Pressure Sales Tactics:** No investment counselor should try to force you into a hasty decision. When it comes to investment scams, there is almost always some reason why you must “act immediately.” In the real investment world, a good deal is as good a deal tomorrow as it is today. If a salesperson does not treat you with the respect you deserve, you should not do business with that salesperson or their company.
- 2. Promises of Guaranteed Investment Returns:** There are NO guarantees in the investment world. If anyone guarantees you a return on a numismatic or bullion investment, remember the old saying: “If it sounds too good to be true, it probably is.”
- 3. No Written Buyback Policy:** Legitimate coin and bullion dealers make a two-way market in the products that they sell you. In other words, honest coin dealers both buy and sell. If a dealer does not have a written buyback policy, you should neither assume that they will buy your coins back nor should you rely on the verbal representations of a salesperson.
- 4. No Return Policy:** Honest coin dealers allow you to return your numismatic purchases for a full refund if you are not satisfied. The return period varies but usually falls somewhere between 7 and 10 days. If a dealer does not have such a written policy, you should not assume that they will allow you to return an item for a refund. You should not depend solely upon the representations of a salesperson. Keep in mind that such policies cannot and do not apply to bullion products, whose value changes from minute to minute.
- 5. High Prices:** With the advent of the internet, it is possible for a coin buyer to make sure they are not paying too much for a coin. Never pay retail! Disregard what a coin dealer tries to tell you as an excuse or justification for a high price.
- 6. Churning:** Beware of a coin dealer or salesperson who recommends that you trade too frequently. Coins are a long-term investment best held for 3-7 years. Excessive trading is seldom justified and often runs up commission expenses making a profitable investment experience impossible.
- 7. Shipwreck Coins:** Unfortunately some of the worst numismatic investments of the past 20 years have been associated with recoveries from shipwrecks. These coins are overhyped and sold at unjustified premiums. The marketing and sales techniques associated with treasure coins have also implied far greater rarity than is the actual case. If a shipwreck coin is a great deal, you do not have to buy it when it is first released.
- 8. Coins Graded by Obscure Grading Services:** You should only buy coins graded by NGC (Numismatic Guaranty Corporation) or PCGS (Professional Coin Grading Service.) Coins graded by other services involve too many risks.
- 9. Huge Advertising Budgets:** Someone has to pay for national TV and radio ad campaigns. If you buy from a dealer who does those things, that someone is you!
- 10. Dealers who insist you pay by credit card:** You should be able to pay for your coins by any one of several methods: check, money order, bank wire, or credit card. However, if a dealer insists that you pay by credit card, this can be indicative of something sinister.



Coin



Trader
mind your money

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