



United States Gold

Commemorative Coins (1903-1926)

This Swiss America Research Report was published in response to increased interest in the U.S. Gold Commemorative coin market and will examine the facts and figures surrounding the amazing growth of these investment-grade collector coins. Some eleven-coin sets have more than doubled since March 1999.

COMMEMORATING U.S. HISTORY

United States Commemorative coins are a mirror of history and art that tell the American story over the past 200 years by reflecting our social and economic triumphs and struggles. The creation of United States commemorative coins requires congressional legislation because they are usually not minted for public circulation, but rather, for collecting.

Swiss America has suggested high-grade U.S. Gold Commemorative coins to our clients for many years as part of a properly diversified tangible asset portfolio. U.S. Gold Commemorative coins have broad market appeal to both coin collectors and investors because of their low original mintage and low surviving population.

Why collectors are buying: Collectors tend to buy rare coins because of their history, romance and beauty. They understand the importance of acquiring rare coins with a limited mintage and are drawn to areas of the market that allow them to build a complete set, such as U.S Gold Commemoratives.

Why investors are buying: Investors tend to buy rare coins because of their value, historical growth and profit potential. They also consider the supply and demand dynamics that could propel coins back to, or above, previous market highs.

U.S. Gold Commemoratives embody the very best of both worlds; fulfilling the collector's desire to own a complete set of rare U.S. gold coins while also fulfilling the investor's expectation of a return on investment capital over a reasonable period of time.

1. SUPPLY/DEMAND

The shrinking supply and growing demand for U.S. Gold Commemoratives has made them one of the top performing investment-grade rare coin categories since the new millennium began. Keep in mind that only nine types of U.S. commemorative gold coins have been issued over the last two centuries.

U.S. Gold Commemoratives have been overlooked in recent years as demand for both lower-grade \$20 gold pieces and gold bullion has consistently moved up. Despite the recent volatility in the bullion and generic \$20 gold piece markets, U.S. Gold Commemorative coin prices have remained steadfast without a downward correction.

U.S. Gold Commemorative coins have extremely low original mintage, an average of 12,000. Original mintages range from 5,000 (1922 Grant \$1) to 45,019 (1926 Sesquicentennial \$2½). Collector appeal often creates more demand than the available supply will accommodate.

This supply squeeze can cause rare coin prices to rise even when gold bullion prices drop. Therefore, as a result of the limited supply and growing demand, the price must move upward.

To quote Blanchard & Co., another major coin dealer...

“Gold Commems bridge the gap between gold bullion and ultra-rare condition coins. U.S. Gold Commemoratives are influenced by factors, which are independent of the price of gold. For example, collector motivation can be a significant source of demand for these coins, a factor completely absent in the bullion market. These factors have enabled these sectors to appreciate during bear markets for gold bullion.”

2. MARKET VALUATION

The U.S. Gold Commemorative series is one of only a handful of rare coin collections that allow an individual to put together a complete set without paying a king's ransom. The consistency of growth during the last six years indicates that an increasing number of collectors and investors are assembling complete eleven-piece U.S. Gold Commemorative sets.

U.S. Gold Commemoratives experienced a very dramatic rise in price during the last bull market (1988-89).



Current market prices for investment-grade U.S. Gold Commemoratives are still only a fraction of the 1989 market highs. This indicates an extremely strong growth potential. These golden gems represent outstanding value, both as a long-term investment and as a currently undervalued asset.

Swiss America only deals in hand-selected or "sight-seen" U.S. Gold Commemoratives. The reason is simple; these coins historically command the highest premiums upon resale or liquidation.

3. PUBLIC APPEAL

At the onset of the new millennium, the public became more nostalgic as the baby boomers began to look toward retirement. The appreciation and romance of U.S. history is still rising. The recent growth of interest in other collectibles; such as fine art, antiques, stamps and classic automobiles clearly supports this trend.

The 1990s saw the rise of cable television auction-format programs featuring American collectibles. *USA Today* did a survey in 2001 and discovered that 40 percent of Americans are now collecting some type of commemorative coins.

In early 2000, the U.S. government started a multi-million dollar nationwide promotional campaign for modern U.S. Commemorative coins. The release of the U.S. State Commemorative Quarters marked the first time in many years that coin collecting had been once again elevated to a national pastime.

4. INSIDER PERSPECTIVES

CRAIG R. SMITH: President of Swiss America says;
"This niche of the U.S. rare coin market offers a true diversification of your portfolio of tangible assets. Due to the increase in demand and limited availability of high quality 'sight-seen' coins, we expect this series to continue performing for several years to come."

"All forms of gold are not created equal, nor do they perform equally. I consider U.S. Gold Commemoratives the perfect form of gold to own for long-term capital appreciation and 100% privacy. Consider their beauty, their rich American history and their global marketplace as the icing on the cake."

KEVIN LIPTON: Founder of Kevin Lipton Rare Coins in Beverly Hills, California says;
"Gold Commemoratives represent one of the best values in the coin market today. U.S. Gold Commemoratives are in high demand by those wise enough to look beyond the daily price of gold and demand the very best in quality rather than just quantity."



RECENT PUBLICITY

- “Continuing to showcase explosive support, the crowning accomplishment for many buyers is to extract a complete 11-piece set of Classic Gold Commems. In an attempt to bring this to fruition, a rousing display of moderate gains is shining on the entire cast in MS64 and better.” -1/20/06, *Coin Dealer Newsletter*
- “Classic Gold Commems remain hot, as multiple buyers are just waiting for the opportunity to claim virtually anything in Gem at present levels.” -4/7/06, *Coin Dealer Newsletter*
- “Gold Commems emerge as a force to reckon with as buyers are under siege with new demand for these scarce, low mintage American artifacts. There may be only 11 within the popularly collected series, yet virtually all are under concerted pressure.” -6/9/06, *Coin Dealer Newsletter*
- “Gold Commemoratives remain very strong. Nearly every issue in MS64 or better are posting higher offers.” -1/13/06, *Certified Coin Dealer Newsletter*
- “Gold Commems: Strong demand is attacking this short series with sweeping increases covering the higher grades from MS64 thru MS67. Increases ranged from 3-7 percent for a nice weekly move.” -5/5/06, *Certified Coin Dealer Newsletter*
- “Gold Commems sparkled this week. These ongoing advances stayed in a narrow 2 percent range for MS64 and better examples.” -5/19/06, *Certified Coin Dealer Newsletter*
- “Investors Flock to Coins”, reports the *Wall Street Journal*. “Rare coins are starting to attract investors more at home with stock brokers than coin dealers. The interest in coins comes as sophisticated investors are increasingly looking for assets outside of the U.S. stock market. In buying rare coins, individuals not only acquire a collectible asset, but they are also getting exposure to precious metals.”



CONCLUSION

The opportunities for successful collecting and investing in U.S. Gold Commemoratives are better today than at any time in the last 20 years. Investing in commemorative coins can be a very rewarding experience provided the investor is armed with the right attitude and adequate knowledge of the market.

Reflecting back on the last major bull market in gold and silver (1979-80) bullion prices rose an average of 721%, while investment-grade numismatics escalated 1222%. That equates to 60% more growth than bullion.

Of course past performance is no guarantee of future performance, since the size and scope of the rare coin and bullion markets have grown dramatically in the last 25 years.

Dr. Ray Lombra's 1998 study for Congress has proven that U.S. rare coins are a buy-and-hold investment which historically outperforms bullion over the long-term. This aspect is helpful to those investors and collectors who want the financial protection precious metals offer without the day-to-day worry of wild price fluctuations driven by ETFs or speculators.

If you've been waiting for just the right opportunity to diversify some of your paper or non-performing gold into quality-collectible gold, then wait no longer. Gold Commemoratives offer the safety of gold ownership along with the privacy and profit potential of a rare collectible. It's a win-win situation.

Prospective buyers are encouraged to devote ample time consulting with their Swiss America representative at **1-800-289-2646** to discuss both the opportunity and risks of investing in U.S. Gold Commemoratives. While other areas of the numismatic market continue to track bullion, U.S. Gold Commemoratives remain an independent market-mover.

For more information visit

www.swissamerica.com

or call 1-800-289-2646

1. Swiss America Trading Corporation, its principals and representatives, in no way guarantee a profit or guarantee against a loss on any coin purchased. 2. The rare coin market is volatile and thinly capitalized. Significant price swings in a short period of time are possible. 3. Certification by PCGS or NGC does not guarantee protection against the normal risks associated with potentially volatile markets. 4. The degree of liquidity for certified coins will vary according to the general market conditions and the particular coin involved. For some coins, there may be no active market at all, at certain points in time. 5. Population report information is provided for information purposes only. Population figures should not be the sole reason for purchasing a coin. Population figures are constantly changing as services grade coins on a daily basis.



1903 LA Purchase Jefferson \$1

Starting in 1903, two gold dollars were struck to commemorate the 1803 purchase of the Louisiana Territory featuring Presidents Thomas Jefferson and William McKinley. Portrayed on the first coin is the image of Jefferson, who was responsible for the \$15 million land purchase from France. Only 17,500 minted.



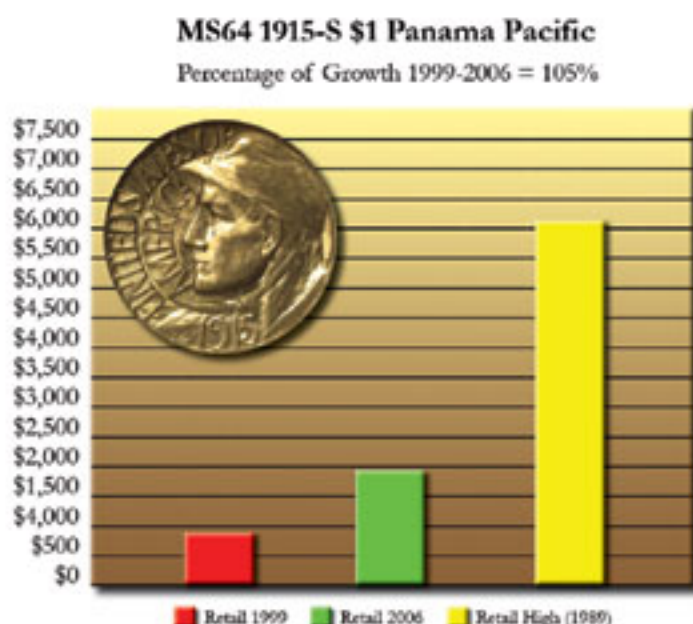
1903 LA Purchase McKinley \$1

The second gold dollar, to commemorate the 1803 purchase of the Louisiana Territory, was to honor President William McKinley. It was McKinley who sanctioned the Louisiana Purchase Exposition in St. Louis, 100 years after the great land purchase from France. Only 17,500 minted.



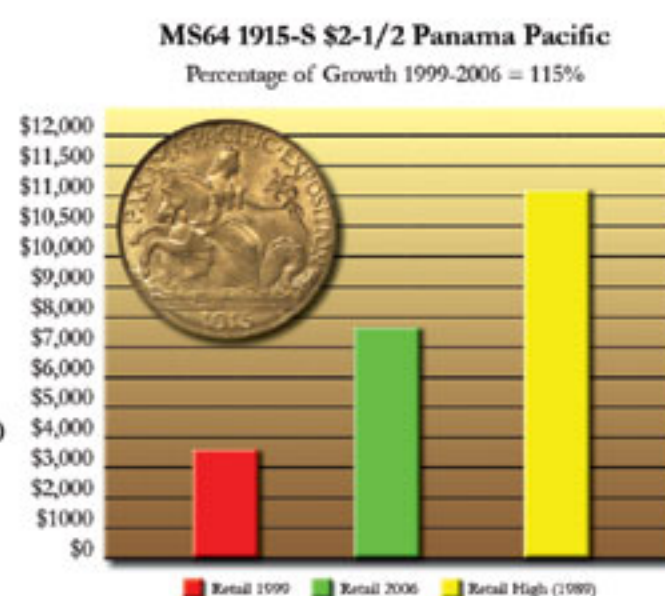
1915-S Panama Pacific \$1

The 1915-S \$1 Panama Pacific gold coins were struck to commemorate the opening of the Panama Canal, the greatest engineering achievement of its time. The coins were offered with half-dollar and octagonal \$50 "slugs" at the Panama Pacific Exposition. 15,000 minted.



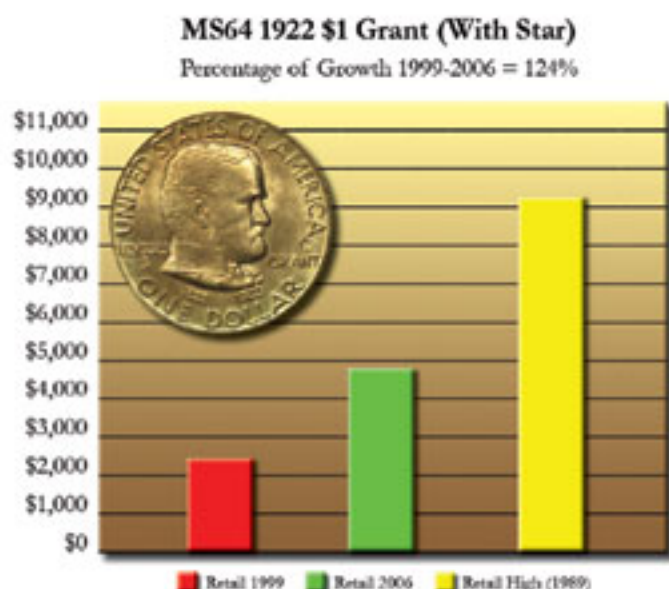
1915-S Panama Pacific \$2½

The 1915-S \$2½ Panama Pacific gold coins were struck to commemorate the opening of the Panama Canal. The coins were offered with a half-dollar and the rare round and octagonal \$50 "slugs" at the Pan Pac Exposition held in San Francisco in 1915. Fewer than 7,000 minted.



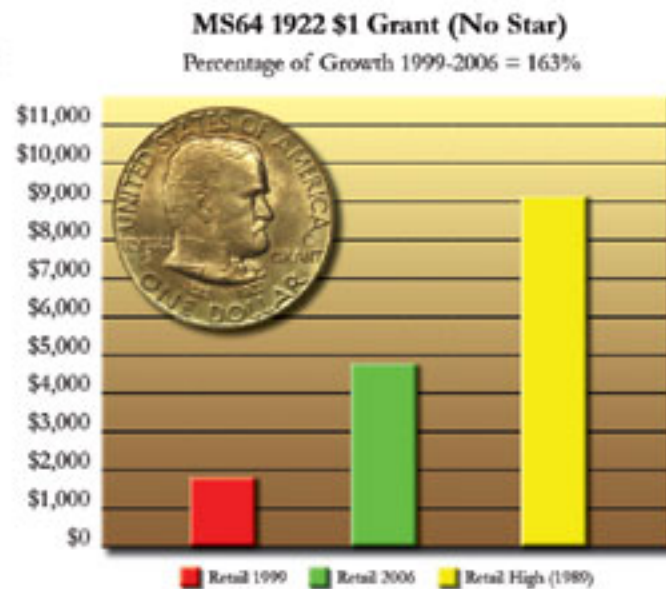
1922 Grant \$1 (With Star)

In 1922 the U.S. minted a coin commemorating the birth centennial of Ulysses S. Grant, the great Union general and post-Civil War president. Just 5,000 of each variety were made; the first 5000 were issued "with star" on the obverse.



1922 Grant \$1 (No Star)

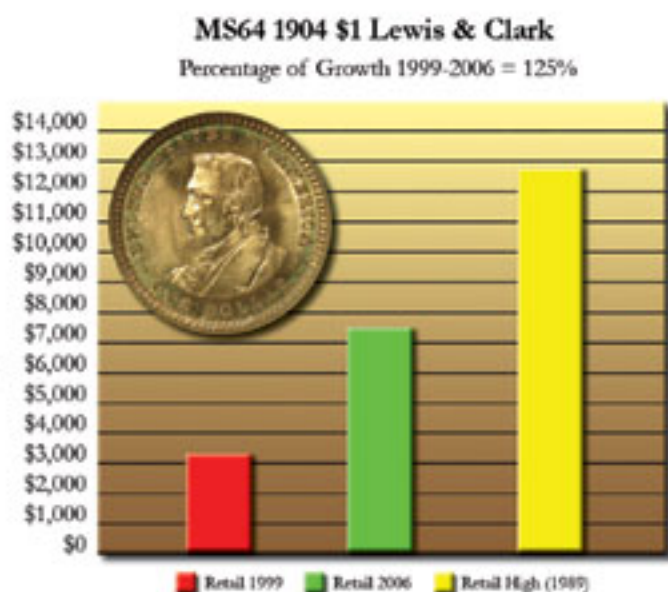
In 1922 the U.S. minted a coin commemorating the birth centennial of Ulysses S. Grant, the great Union general and post-Civil War president. Just 5,000 of each variety were made; the second 5000 were issued "with no star."



1904 Lewis & Clark \$1

The 1904 Lewis and Clark gold dollar was struck to commemorate the 100th anniversary of the exploration of the northwest United States. The

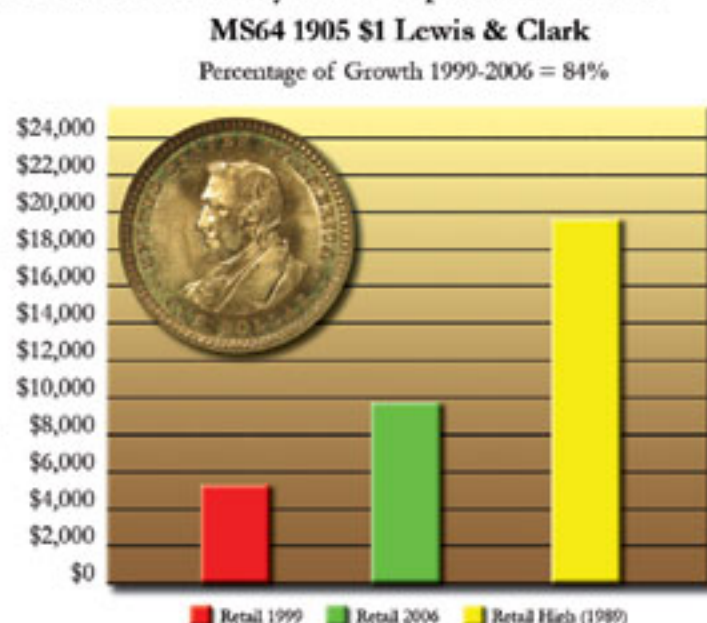
1904 and 1905 Lewis & Clark coins are the only two headed U.S. coins ever minted. Only 10,000 minted.



1905 Lewis & Clark \$1

The 1905 Lewis and Clark gold dollar was also struck to commemorate the 100th anniversary of the exploration of the northwest United States. This

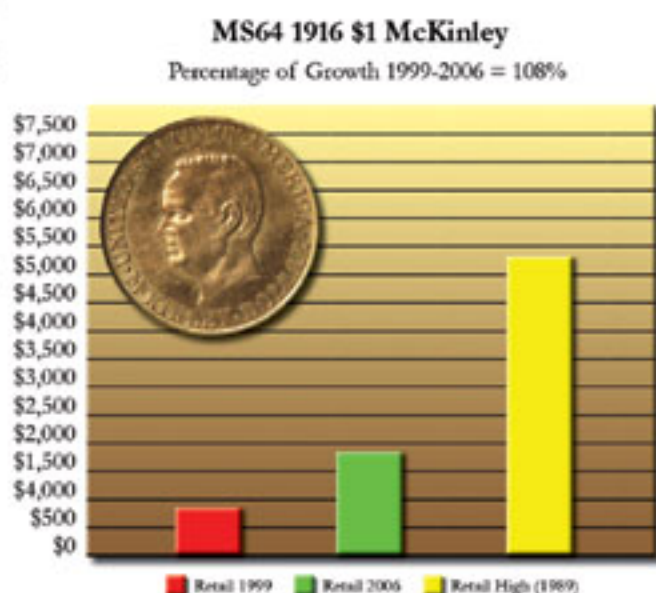
issue is currently the rarest of all U.S. gold \$1 commemoratives. Only 10,000 minted.



1916 McKinley \$1

In 1916 and 1917 U.S. gold dollars were struck to commemorate President McKinley. The obverse contained a portrait of the assassinated President, while

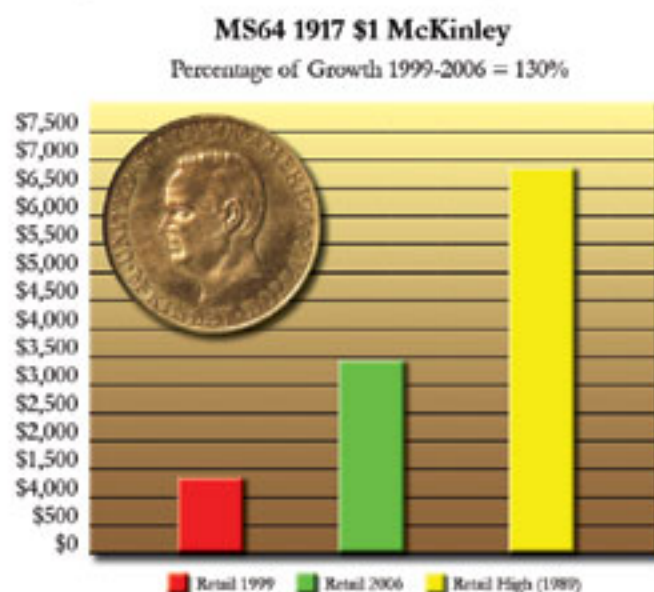
the reverse portrayed his memorial building in Niles, Ohio. 15,000 each were struck.



1917 McKinley \$1

In 1916 and 1917 U.S. gold dollars were struck to commemorate President McKinley. The obverse contained a portrait of the assassinated President, while

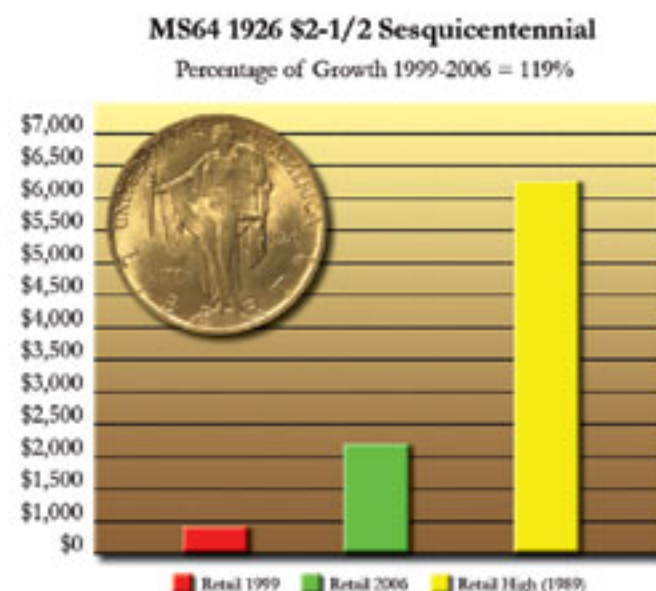
the reverse portrayed his memorial building in Niles, Ohio. 5,000 of each were struck.



1926 Sesquicentennial \$2½

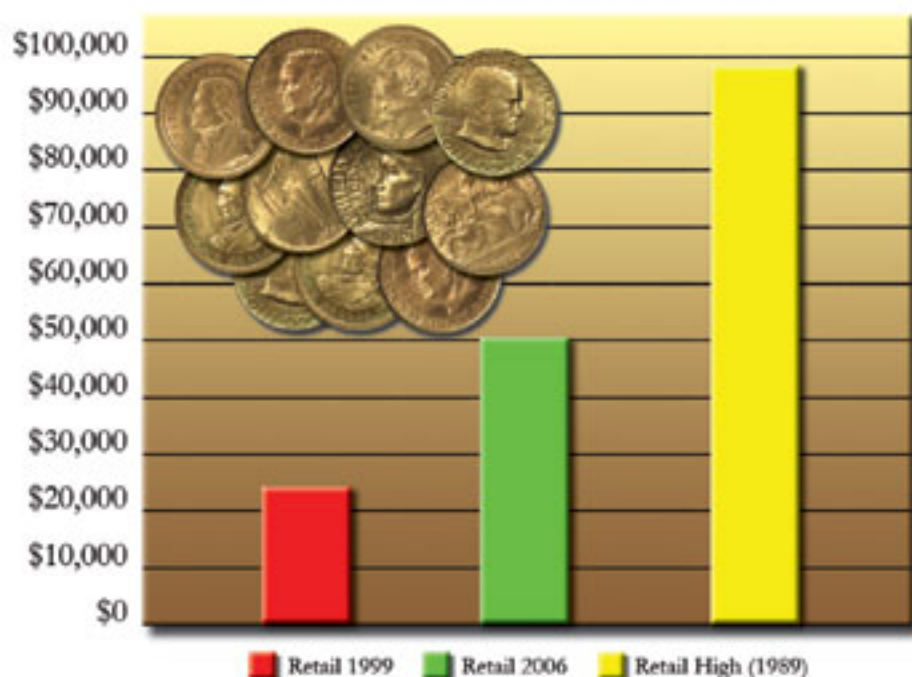
In 1926 the final gold commemorative was struck for the sesquicentennial (150th) anniversary of our Declaration of Independence.

The obverse portrays Lady Liberty; the Freedom Hall in Philadelphia is pictured on the reverse. This quarter eagle has mintage of 46,000.



MS64 11 Piece Commemorative Set

Percentage of Growth 1999-2006 = 119%



UNITED STATES GOLD COMMEMORATIVES COINS (1903-1926)

Coin Description Gold Commemoratives	MS	Retail 3/31/99	Retail 9/26/06	Pop 9/26/06	% 7YR. Increase	Retail 1989
1903 LA Purchase	64	\$1,201.00	\$3,100.00	1338	158%	\$ 6,545.00
Jefferson \$1 Gold Coin	65	\$2,115.00	\$4,690.00	1006	122%	\$ 11,555.00
17,500 Minted	66	\$3,665.00	\$6,150.00	771	68%	\$ 21,850.00
	67	\$8,800.00	\$11,400.00	123	30%	\$ 66,200.00
1903 LA Purchase	64	\$1,201.00	\$3,100.00	1338	158%	\$ 6,545.00
McKinley \$1 Gold Coin	65	\$2,225.00	\$4,350.00	792	96%	\$ 12,625.00
17,500 Minted	66	\$3,525.00	\$6,000.00	703	70%	\$ 24,325.00
	67	\$10,725.00	\$11,400.00	138/1	6%	\$ 69,300.00
1904 Lewis and Clark	64	\$3,284.00	\$7,400.00	938	125%	\$ 12,705.00
\$1 Gold Coin	65	\$6,200.00	\$14,200.00	379	129%	\$ 33,880.00
10,000 Minted	66	\$9,500.00	\$22,500.00	179	137%	\$ 61,900.00
	67	\$22,880.00	\$41,000.00	31/1	79%	\$130,900.00
1905 Lewis and Clark	64	\$5,236.00	\$9,650.00	972	84%	\$ 19,635.00
\$1 Gold Coin	65	\$14,300.00	\$20,500.00	302	43%	\$ 61,000.00
10,000 Minted	66	\$25,740.00	\$39,500.00	91	53%	\$112,400.00
	67	Very Rare		4		\$154,000.00
1915 S Pan Pac	64	\$963.00	\$1,975.00	2178	105%	\$ 6,045.00
\$1 Gold Coin	65	\$2,115.00	\$3,425.00	1613	62%	\$ 11,550.00
15,000 Minted	66	\$3,665.00	\$6,000.00	1038	64%	\$ 41,425.00
	67	\$11,800.00	\$15,900.00	85	35%	\$109,325.00
1915 S Pan Pac	64	\$3,542.00	\$7,600.00	854	115%	\$ 11,011.00
\$2 1/2 Gold Coin	65	\$4,800.00	\$9,500.00	691	98%	\$ 17,225.00
Less than 7000 Minted	66	\$6,345.00	\$10,900.00	568	72%	\$ 40,800.00
	67	\$17,875.00	\$25,500.00	69/1	43%	\$ 97,500.00
1916 McKinley	64	\$878.00	\$1,830.00	1821	108%	\$ 5,313.00
\$1 Gold Coin	65	\$2,115.00	\$3,200.00	1169	51%	\$ 13,244.00
About 15,000 Minted	66	\$3,735.00	\$5,500.00	755	47%	\$ 28,000.00
	67	\$12,870.00	\$16,000.00	97	24%	\$ 92,400.00
1917 McKinley	64	\$1,478.00	\$3,400.00	1070	130%	\$ 6,892.00
\$1 Gold Coin	65	\$2,610.00	\$5,250.00	733	101%	\$ 13,700.00
About 5,000 Minted	66	\$4,795.00	\$7,650.00	439	60%	\$ 38,100.00
	67	\$19,300.00	\$17,000.00	79	-12%	\$ 84,700.00
1922 Grant	64	\$1,879.00	\$4,950.00	751	163%	\$ 9,086.00
\$1 Gold Coin No Star	65	\$2,960.00	\$5,850.00	596	98%	\$ 13,275.00
5,000 Minted	66	\$1,800.00	\$7,400.00	561	311%	\$ 26,750.00
	67	\$9,300.00	\$12,000.00	164/1	29%	\$ 96,250.00
1922 Grant	64	\$2,187.00	\$4,900.00	813	124%	\$ 9,279.00
\$1 Gold Coin With Star	65	\$2,280.00	\$5,750.00	727	152%	\$ 13,090.00
5,000 Minted	66	\$3,535.00	\$6,400.00	765	81%	\$ 22,475.00
	67	\$7,050.00	\$8,600.00	285/3	22%	\$ 54,650.00
1926 Sesquicentennial	64	\$980.00	\$2,150.00	5611	119%	\$ 6,237.00
\$2 1/2 Gold Coin	65	\$3,800.00	\$6,200.00	1839	63%	\$ 36,325.00
46,000 Minted	66	\$18,590.00	\$25,000.00	153	34%	\$ 92,400.00
	67	Very Rare		3		
11-pc Gold Commem Set	64	\$22,829.00	\$50,055.00		119%	\$ 99,293.00
11-pc Gold Commem Set	65	\$45,520.00	\$82,915.00		82%	\$237,469.00
11-pc Gold Commem Set	66	\$84,895.00	\$143,000.00		67%	\$510,425.00
1915S Pan Pac Round	64	\$40,000.00	\$110,000.00		175%	\$105,000.00
1915S PanPac Octagonal	64	\$36,000.00	\$105,000.00		192%	\$100,000.00

Prices subject to change. Statistics compiled by Swiss America Research Department 9/28/06 and are believed to be accurate.