



**JULY 2023 VOL. 39 NO. 3**

# **THE MONEYCHANGER**

*Information Deadline: Wednesday, July 12th, 2023 a.d.*

# USING SILVER & GOLD AS MONEY

*"The design of all this minuteness and strictness in the regulation of coinage is easily seen. It indicates the intention of the legislature to give a sure guaranty to the people that the coins made current in payments contain the precise weight of gold or silver of the precise degree of purity declared by the statute. **It recognizes the fact accepted by all men throughout the world, that value is inherent in the precious metals; that gold and silver are in themselves values, and being such, \* \* \* are the only proper measures of value; that these values are determined by weight and purity; and that form and impress are simply certificates of value worthy of absolute reliance only because of the known integrity and good faith of the government which gives them.**"*

Bronson v. Rodes,  
74 US (7 Wall.) 229, (1869)

The US supreme court case cited above is still valid US law, however much the government ignores it. It makes a point you must understand before you can begin to use gold and silver as money: *it is not the government stamp upon them that makes them money, gold and silver themselves are money.* Long before governments coined money, humanity had already named gold and silver money. The government stamp is merely a convenience to make their weight and purity known, an accommodation to commerce.

Literally every day someone asks me, "If the dollar fails, how will we use gold and silver as money? How will we know what our gold and silver is worth? How will others know?"

The truth is, I have no crystal ball, so my answers to these questions must be speculation, but speculation based on studying what has happened around the world when money failed through hyperinflation and other monetary catastrophes.

## WHAT PREVENTS GOLD & SILVER FROM CIRCULATING TODAY?

In short, *ignorance*. It has been 90 years or three generations since gold money circulated in the United States, and 58 years (two generations) since silver coin was removed from circulation. Accordingly, Americans' *numeraire* has changed. A *numeraire* is the money you think in paper dollars in the US, euros in Europe, yen in Japan, rubles in Russia. The *numeraire* is the money you measure value by, your mental yardstick of value. Our goal today is to change our *numeraire* back to gold and silver.

Most people just plain don't know what gold and silver are worth. However, just because someone lacks knowledge *today* doesn't mean that ignorance will last forever. People learn, and when their business and their life depends on it, they learn *fast*.

In the Mad Melt of 1980, I was a partner in a gold and silver buying operation. We

priced scrap gold in the obscure measure "dollars per pennyweight (pennyweight = 1/20oz)." Nobody outside the gold and silver business knew a pennyweight from Adam's off ox, *but* they could tell you what every buyer in town was paying, and who was paying the most. Markets are *very* efficient at transmitting valuable information.

Changing the currency won't happen all at once. Very few people now know how to value things in silver and gold. It will take time. Initially they'll cling to their dollar-numeraire and convert dollars to silver or gold. (You can do this already today at [www.silverandgoldaremoney.com](http://www.silverandgoldaremoney.com)) Over time people will shift and begin gauging value in terms of ounces and grams rather than *fiat* dollars. That's the natural progression.

## THE RIGHT TO CONTRACT

People actually ask if me if it's against the law to use silver and gold as money. *Absolutely not!*

You have an unalienable right and freedom to contract,

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specifying payment in any medium, from beans to goats to gold and silver. *Wait!* What about “legal tender” laws? Don’t they prohibit accepting anything but paper dollars as money?

*Not at all.* Legal tender laws only mandate what money must be used if a contract specifies no particular money. If you in the US make a contract to pay someone 1,000 “dollars,” then try to pay him in *Hong Kong* dollars, he’ll sue for US dollars and you’ll lose.

The United States code at title 31, Section 5103 provides, “United States coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) are legal tender for all debts, public charges, taxes, and dues. Foreign gold or silver coins are not legal tender for debts.” So, it is true that Federal reserve notes, which are merely evidences of bank credit, are “legal tender,” but the law also makes all US minted gold and silver coins legal tender as well.

The last clause, “Foreign gold or silver coins are not legal tender” changes nothing. You may still write a private contract or do a private transaction and pay with foreign gold or silver coin. Remember your right to contract? If the government is not involved, payment may be made in any medium of *your* choice.

### **IGNORANCE & CONVENIENCE BAIT THE TRAP**

So, if gold and silver are superior money, why does everyone use paper money and other *bank credit* like checks

and credit cards? Because the public generally does not know they have a right to gold and silver money, and because the government removed gold and silver coins from circulation in 1933 and 1965 & 1967. Once again, we bump up against ignorance. Besides, everybody already uses paper dollars, so they are *convenient*.

Before we move on, don’t overlook this: *we forge our own monetary chains*. Right this minute without any government action whatsoever you have an inalienable right to contract for payment in gold or silver, *even foreign gold and silver coins*. You only have to write into your contract that clause specifying the payment money. You could even put a sign up in your business, “We take only gold and silver coin in payment. If paying in other media, please talk to the proprietor.” Back in the early 1970s I knew a man in Little Rock who ran a barbecue joint. He actually posted *two* price lists, one in paper money and another in US 90% silver coin. If nothing else, his price list demonstrated how badly the paper money had been inflated.

### **ACCUSTOMING YOURSELF TO ANOTHER NUMERAIRE**

In 1972 I got a scholarship to the Free University of Berlin and my late wife Susan and I moved to Germany. At the time Germany used the *Deutschemark*, and US\$1 bought DM3.66.

In those days before handheld calculators, you had to figure out some rule of thumb shortcut to understand what things actually cost. DM3.66 to the dollar means each mark is worth 27.3¢ US, so call a mark a US quarter. If an item

in the grocery store was priced at DM10.00, mentally you could estimate, “10 x 25¢ = about US\$2.50.” Close enough for government work.

In the natural course of things, the longer we stayed in Germany, the more we became used to prices in *Deutschemark* and the less we bothered with that mental conversion. Over time our numeraire shifted from dollars to *Deutschemark*.

In the same way, today a one-ounce silver round costs *about* \$25. If you are shopping for a bicycle and you find one priced at \$200, you know it should cost *about* eight silver rounds. With spot gold at \$1,930, a one-tenth ounce gold coin would be valued at *about* \$200 (0.1 x \$1,930 = \$193).

### **CHANGE THE WORLD**

Your gold and silver are money. Anyone of average intelligence can use them as such. In fact, I recommend you begin trying to use gold and silver in your everyday transactions, for practice. Carry some silver rounds or silver half dollars or small gold coins with you and offer them to your mechanic or your farmer at the local market or to your waitress in a restaurant. At first they’ll be reluctant, but little by little they’ll catch on and you will, too. Additionally in this issue I’ve given you a long article about bartering with gold and silver which instructs you how to use them when you’re still converting from paper dollars to metals. The more you do it, the easier it becomes.

Money has become fatally *abstract*. We need an *analog alternative* to digital money, especially Central Bank

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Digital Currency, and we need to develop a *network of trust* for using it. Ideally, we could establish local depositories ("gold and silver banks") that can transmit gold and silver from payer to payee and serve as intermediaries in all the gold and silver transactions we might need. But until these arrive, every one of our little transactions chips away at the foundation of *fiat* currency and makes lasting change., even if it's only planting the seed of an alternative currency by offering it,

*Changing the world means changing one mind at a time.* We have reached a day I doubted I would ever see when minds are changing *en masse*. Millions of people, even nations, are fleeing the fractional reserve banking system and its paper dollar. Central banking is breaking down, its arteries hardened by poisonous policies and overreaching economic dictatorship. Gold is hovering around the wings of the international payment system trying to work its way back into the system. People are buying silver to use in daily commerce, the role it held for millennia. Bank credit money is dying: the future belongs to gold and silver, and you are at the leading edge of a change that will last centuries.

-- F. Sanders

# THE GOLD STANDARD IS NO STANDARD: FIAT MONEY IN DISGUISE

*"This is the end of Western civilization."*

-- Lewis Douglas (US Budget Director),

remark to James P. Warburg after President Roosevelt announced

that the US was going off the gold standard, April 18, 1933

When I hear intelligent and well-meaning people argue for a gold standard or gold backed money, I writhe inside, as if somebody had put broken glass under my skin. This sounds strange - until you know that *a gold standard is actually fiat money in disguise.*

## A CIRCULAR DEFINITION

What can I mean? Simply this:

A gold standard values gold in terms of paper dollars, not some objective standard.

## BUT

A bimetallic system keeps money honest because one objective standard independently measures the other's value. Gold is valued in terms of silver and silver is valued in terms of gold. It corrects itself.

The US Gold Standard Act

of March 14, 1900, defined a "dollar" as a *weight*.

25.8 grains of 90% pure gold or

.048375 ounce of pure gold or

1.5046 grams of pure gold.

That made one troy ounce of gold equal to (I should say "weigh") \$20.6718. After the Act a "dollar" was the paper bill that *represented* a dollar of gold stored in some bank or with the treasury. Still, it was the nose of the *fiat* money camel under the tent.

## IT CHANGED NOTHING PRACTICALLY

The Act didn't change anything in the US monetary system, it merely formalized the existing situation for the bankers and muffled the advocates of bimetalism. The Coinage Act of 1873 had already demonetized silver by ending the right of silver bullion holders to have their silver coined into standard silver dollars.

What brought all this about? Governments, including the United States, tried to fix the gold/silver ratio, but the supply and value of each metal is always changing. Like any other government price fixing

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scheme, this one was bound to fail.

### THE COINAGE ACT OF 1792

In the 1792 Coinage Act the congress *deliberately* set the silver-to-gold mint ratio *low* at 15 to one when the world ratio was 15.3 to one. This *overvalued* silver, so naturally people would buy cheap silver in Europe and sell it in the US for undervalued gold, pocketing a certain 3.2% profit for the mere cost of transportation.

But the men who wrote the 1792 Act *wanted* to draw silver into the US, because they believed it the more useful money that sustained daily commerce. They also established “free coinage,” *i.e.*, silver bullion owners could take their bullion to the US Mint and have it coined into silver dollars at no charge.

No sooner had Congress set the mint ratio at 15:1 than the price of silver went into a 40-year decline. Look at the Table, *Commercial Ratio of Silver to Gold 1793-1830*. Remember, this shows the gold/silver ratio, the number of ounces of silver needed to buy one ounce of gold. As that number gets bigger it, silver is losing value against gold.

### THE COINAGE ACT OF 1792, BIMETALLISM

In the Coinage Act of 1792 Congress made the standard coin of the United States the dollar of silver (0.7734 ounce, 371.25 grains pure silver, 24.055 gram, or \$1.2929 per ounce), with gold coins “valued in dollars,” but not paper dollars. Gold coins at this time were valued in silver ‘dollars’. Gold was valued in silver and silver in gold. This created a bimetallic system. When the

THE GOLD/SILVER RATIO	
How many ounces of silver buys 1 oz of gold?	
Reprinted from <i>Silver Bonanza</i>	
Menes, Egypt, 3200 BC.	2.5-to-1
Egypt, 2700 B.C.	9-to-1
Hammurapi, Mesopotamia, 2700 B	6-to-1
Egypt, 1000 BC. ....	10-to-1
Croesus, Lydia ca. 550 B.C	13.33-to-1
Persia under Darius	13-to-1
son of Hystaspes, father of Xerxes	
Plato (ca.445 B.C.)	12-to-1
Xenophon (in Persia) .....	11.66-to-1
Menander, ca. 341 B.C.	10-to-1
Greece, ca. 341 B.C.	10-to-1
Rome, 207 B.C.	14.5-to-1
Rome, 189 B.C. ....	10-to-1
Rome, 40 B.C. Julius Caesar	7.5-to-1
Rome, Claudius	12.5-to-1
Constantine the Great	10.5-to-1
Theodosian Code .....	14.4-to-1
Medieval England	11.1-to-1
Medieval Italy	12.6-to-1
Spain, 1497, Edict of Medina	10.07-to-1
Germany, 1500 .....	10.05-to-1
1600-1620	12.1-to-1
1700-20	15.1-to-1
1800-20	15.3-to-1
1821-1870 .....	15.6-to-1
1871-80	16.7-to-1
1881-82	17.6-to-1
1883-84	18.4-to-1
1885-86 .....	19.9-to-1
1887-88	21.2-to-1
1890	18.3-to-1
1932	75.0-to-1
1940-1941 .....	100.0-to-1
1980 January	16.0-to-1
1991 February	100.0-to-1
1998 February	42.1-to-1
2003 June .....	82.0-to-1
2006 April	43.4-to-1
2008 October	84.1-to-1
2011 April	32.0-to-1
2020 March .....	125.9-to-1
2021 February	63.4-to-1
2022 May	87.8-to-1
2023 July	83.4-to-1

world ratio rose too far above the US mint ratio, congress raised the ratio by reducing the gold coins’ weight *but leaving the silver dollar unchanged*. That’s what it did in 1834 and 1837, raising the ratio to 16:1 from 15:1. However, just about the time congress came to grips with falling silver, the price was about to reverse and climb.

The discovery of rich gold deposits in California and Australia *quadrupled* annual gold production from the 1840s to 1853.<sup>1</sup> That cheapened gold’s price against silver and raised the price of silver in gold. Silver flowed out of the country. Since silver bullion was worth more than the statutory value of \$1.2929, nobody brought silver bullion to the mint to be coined into dollars. They either sold it for jewelry or sent it overseas where it brought more than \$1.2929.

Look at the table *Silver Price in Gold Dollars, 1848 - 1900*. At any *market* price lower than \$1.2929, silver would flow into the US and gold would flow out. At any silver price *higher* than \$1.2929 silver would flow out of the US and gold into the US.

Silver drained out of the US causing a coin shortage. Until 1853 dimes, quarters, and halves weighed exactly one-tenth, one-quarter, and one-half of a silver dollar. The rising price of silver, however, enticed arbitrageurs to take silver coins, undervalued at the global price, out of circulation, melt them, and sell the silver overseas where silver bought more gold. To keep silver currency in circulation, congress in 1853 reduced the weight of dimes, quarters, and halves by about 6.5%, to 0.7234 ounce per dollar face value, making them subsidiary or token coinage.

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### COINAGE ACT OF 1873

The popular argument of the day was that bimetallism had to be abandoned due to vast amounts of silver coming from the Comstock Lode after 1859. This is wholly false.

The proof that silver was not cheapening against gold is found in the table *Silver Price in Gold Dollars, 1848-1900*. Any silver price *above* \$1.2929 indicates that silver was selling on the world market *higher* than its US statutory value. From 1848, the year gold was discovered in California, silver globally never traded below its statutory price until *after* 1873. In that year silver was demonetized in the US. That same year Germany, which had been on a silver standard, also abandoned silver for gold. It was *political action*, not supply and demand, that sent silver's price into a long decline after 1873.

This is why the Gold Standard Act of 1900 made no practical change because few silver dollars and almost none of the pre-1853 quarters, dimes and halves were circulating, and no one had brought silver bullion to the mint for coining in decades. The dimes, quarters, halves, a few silver dollars, and silver certificates after 1873 that were circulating were token currency - not redeemable in gold. The bimetallic standard was dead. By omitting free coinage of silver, the Act of 1873 had put the US on a *de facto* gold standard; the Gold Standard Act merely made the gold standard *de jure*.

Put the blame where it belongs: The real cause of any instability in bimetallism arose from governments trying to *fix* the silver price in terms of gold. A "mint ratio" is a price fixing scheme. The solution is to mint

COMMERCIAL RATIO OF SILVER TO GOLD 1793-1830	
YEAR	RATIO
1793	15.00
1794	15.37
1795	15.55
1796	15.65
1797	15.41
1798	15.59
1799	15.64
1800	15.68
1801	15.46
1802	15.26
1803	15.41
1804	15.41
1805	15.79
1806	15.52
1807	15.43
1808	16.08
1809	15.96
1810	15.77
1811	15.53
1812	16.11
1813	16.25
1814	15.04
1815	15.26
1816	15.85
1817	15.11
1818	15.35
1819	15.33
1820	15.62
1821	15.95
1822	15.80
1823	15.84
1824	15.82
1825	15.70
1826	15.75
1827	15.74
1828	15.78
1829	15.78
1830	15.82
SOURCE: Hepburn, A Barton, <i>History of Coinage &amp; Currency in the US &amp; the Perennial Contest for Sound Money.</i> New York: Greenwood Press, Publishers, 1968 (1903), p.32	

coins in both metals and let the market value the metals as it will, one metal against the other. Build the engine, yes, but let the market drive the car.

### THE GOVERNMENT DEFAULTS

The 1792 Coinage Act had set up a reciprocal, monetary system where silver was valued in gold and gold in silver: bimetallism anchored on a silver standard, but the Gold Standard Act took silver out of the picture and valued gold in paper "dollars." At first this was a weight of gold, but in fact it was the first step toward forgetting that gold and silver are money and substituting for them paper dollars, like replacing your car with the parking check that only *represents* the car. Banks were creating "dollars," remember, by fractional reserve banking, and congress was borrowing lots of dollars for World War I. When the Great Depression struck, people naturally ran to the banks to redeem their paper dollars for gold. They didn't trust the banks or the government to make good on their promise to pay gold.

It turned out they were right. In 1933, after declaring a bank holiday, President Roosevelt unlawfully confiscated gold. Then in 1934 Congress officially raised its dollar price from \$20.6718 an ounce to \$35 an ounce, devaluing the paper dollar to 59% of its former gold value, a loss to paper dollar holders of about 41%. The public's suspicions were well justified. Roosevelt and congress knew people didn't trust the dollar and would want gold, so they 'legally' gobbled up the gold and then reduced the value of the dollars everyone was left with.



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### HOW LONG DID IT LAST?

So how long did the glorious era of the monometallic gold standard last? If you count from the Gold Standard Act of 1900, a mere 33 years. That's how long it took for the US government to renege on its promise. If you count from the Coinage Act of 1873 demonetizing silver, sixty years. If you count from Great Britain's (sole) resumption of a gold standard in 1818, 115 years. Even that is nothing compared to the longevity of bimetallism, 7,173 years from the dawn of recorded history until the Coinage Act of 1873.

Critics of bimetallism maintain it was unstable, but 7,173 years against 115 years scarcely validates that criticism. Over that period the value ratio of silver to gold fluctuated from 2.5:1 to 16:1, it's true, but the ratio changed only very slowly. As I remember the ratio had risen to 10.07:1 in 1497, as testified by the Spanish mint ratio of that year. Still, even with the silver flood from the rich New World mines did not lift the ratio to 16:1 until the 1830s and it never went above 16:1 until after 1873. The ratio's instability in the 19<sup>th</sup> century can all be laid at the door of politics and governments, with the English wickedly angling for a monometallic gold standard and Europeans, led by the French, working for bimetallism.

Even then, the fluctuations in the value of gold versus silver wreaked no havoc on world commerce. From 1833 through 1873 – *four decades* – the London silver price in gold ranged from \$1.297 (in 1833) an ounce to \$1.36 an ounce (1859), against an official US price of \$1.2929 an ounce. That's a gigantic, colossal deviation of

– 4.86 percent! Today a 4.86% fluctuation in *fiat* money exchange rates in *one day*, never mind *four decades*, would put everybody to sleep.

It is not only foolish and presumptuous but also incredibly short-sighted to discount all of history's collective human experience and knowledge exhibited in bimetallism. Most persuasively, it *governed itself* for thousands of years. The failed monometallic gold standard and the *fiat* money standard we suffer under today warn us how dangerous it is to depart from traditional wisdom. They glare at us like a bright neon signpost, forever blinking "warning" down the halls of history.

--F. Sanders

### Endnotes

- 1 [https://en.wikipedia.org/wiki/Coinage\\_Act\\_of\\_1853](https://en.wikipedia.org/wiki/Coinage_Act_of_1853), under "Coin shortage." In 1859 Nevada's Comstock Lode was discovered and produced fabulous amounts of silver *and* gold. The false argument is often made that the flood of Comstock silver cheapened silver's value against gold, but about a third of the value taken from Comstock was gold and after 1874 Comstock production declined. Anyway, the proof is in the silver price, which never sank below the statutory \$1.2929 value until *after* silver was demonetized in 1873.

### SILVER PRICE IN GOLD DOLLARS, 1848 - 1900

The following are figures from Del Mar and Farmer, based on London silver quotations. Note that the period 1863 to 1877 was the productive period of the Comstock Lode. Lest Farmer be accused of cooking his numbers, his table was taken from *Bankers Magazine*. The prices quoted are the price of an ounce of silver in United States Gold coin.

YEAR	DEL MAR	FARMER	YEAR	DEL MAR	FARMER
1848	\$1.29	\$1.304	1874	\$1.28	\$1.278
1849	1.30	1.309	1875	1.24	1.246
1850	1.32	1.316	1876	1.16	1.156
1851	1.34	1.337	1877	1.20	1.201
1852	1.33	1.326	1878	1.15	1.152
1853	1.35	1.348	1879	1.12	1.123
1854	1.35	1.348	1880	1.15	1.145
1855	1.34	1.344	1881	1.13	1.138
1856	1.34	1.344	1882	1.14	1.136
1857	1.35	1.353	1883	1.11	1.118
1858	1.34	1.344	1884	1.11	1.113
1859	1.36	1.360	1885	1.07	n/a
1860	1.35	1.352	1886	.99	n/a
1861	1.33	1.333	1887	.98	n/a
1862	1.35	1.346	1888	.94	n/a
1863	1.35	1.345	1889	.94	n/a
1864	1.35	1.345	1890	1.05	n/a
1865	1.34	1.338	1891	.99	n/a
1866	1.34	1.339	1892	.87	n/a
1867	1.33	1.328	1893	.78	n/a
1868	1.33	1.326	1894	.63	n/a
1869	1.33	1.325	1895	.65	n/a
1870	1.33	1.328	1896	.68	n/a
1871	1.33	1.326	1897	.60	n/a
1872	1.31	1.322	1898	.59	n/a
1873	1.29	1.298	1899	.59	n/a
			1900	.61	n/a

SOURCE: Del Mar, Alexander, A *History of the Precious Metals* (New York: Augustus M. Kelley, Publishers, 1969, originally published 1902), page 400 ff., & Farmer, E.J., *The Conspiracy Against Silver or A Plea for Bimetallism in the United States* (New York: Greenwood Press, Publishers, 1969, originally published 1886), pp. 15 & 16.

# HOW TO BARTER WITH GOLD & SILVER COINS

Imagine the worst has happened. The banking and financial system is dead as a door nail. Pretty soon your food will run out, and you'll have no choice but to use your stash of gold and silver coins as money.

But how on earth do you do that?

*Relax, relax.* There's nothing to it. Many people throughout the world have, for one reason or another, at varying times, had to learn how to do business with a new form of currency – and you can, too. It doesn't matter whether you have all US coins or foreign coins, don't panic.

As a matter of fact, until 1857, dozens of foreign gold and silver coins were legal tender in the United States. In many regions, foreign coins were more common than US coins. Nobody thought anything of trading in *piezas de ocho, guineas, reales, shillings, ducatoons, pistoles*, or US gold or silver coin. Today, along the border with Canada or Mexico, Americans are used to trading in foreign currencies every day. If they can do it, so can you.

## A WORD ABOUT PRICES AND VALUES

A "price" is what a willing buyer pays a willing seller.

Remember that. Value is subjective.

If you are using gold and silver, *walk away* if the price doesn't please you. Vote with your wallet. Unlike dealing with a government, a free market doesn't hold a gun to your head to make you trade at some legally mandated price.

Two things have happened in the last 150 years to cheapen the value of gold and silver all out of kilter with historic norms.

*First*, the total money supply has been inflated by adding (a) government paper money and (b) bank credit money to the

stock of gold and silver.

*Second*, gold and silver have been politically demonetized and thereby devalued. History proves this. In Biblical times, a day's wage was one denarius, a small silver coin equal roughly to two US silver dimes, or about 15/100 of an ounce of

## Common Gold Coins

		FINE GOLD	GOLD DOLLAR		GROSS WEIGHT		NET WEIGHT	
		CONTENT	VALUE	FINENESS	TROY OZ	GRAMS	TROY OZ	GRAMS
AUSTRALIA								
Nugget/Kangaroo								
1 oz	(\$100)	1.0000	\$20.672	0.9999	1.0000	31.103	1.0000	31.103
1/2 oz	(\$50)	0.5000	\$10.336	0.9999	0.5000	15.567	0.5000	15.552
1/4 oz	(\$25)	0.2500	\$5.168	0.9999	0.2500	7.776	0.2500	7.7758
1/10 oz	(\$15)	0.1000	\$2.067	0.9999	0.1000	3.110	0.1000	3.1103
1/20 oz	(\$5)	0.0500	\$1.033	0.9999	0.0500	1.555	0.0500	1.5552
AUSTRIA								
100 Corone*		0.9802	\$20.262	0.9000	1.0891	33.875	0.9802	30.488
20 Corone*		0.1958	\$4.048	0.9000	0.2176	6.767	0.1958	6.0901
10 Corone*		0.0979	\$2.024	0.9000	0.1088	3.383	0.0979	3.0450
4 Ducats*		0.4427	\$9.151	0.9860	0.4490	13.965	0.4427	13.77
1 Ducat*		0.1106	\$2.286	0.9860	0.1122	3.491	0.1106	3.440
8 Florins/20 Francs*		0.1867	\$3.859	0.9000	0.2074	6.452	0.1867	5.807
4 Florins/10 Francs*		0.0933	\$1.928	0.9000	0.1037	3.224	0.0933	2.902
Philharmonic								
1oz	(€ 100)	1.0000	\$20.672	0.9999	1.0000	31.103	1.0000	31.103
1/2 oz	(€ 50)	0.5000	\$10.336	0.9999	0.5000	15.567	0.5000	15.552
1/4 oz	(€ 25)	0.2500	\$5.168	0.9999	0.2500	7.776	0.2500	7.7758
1/10 oz	(€ 10)	0.1000	\$2.067	0.9999	0.1000	3.110	0.1000	3.1103
1/25 oz	(€ 4)	0.0400	\$0.083	0.9999	0.0400	1.244	0.0400	1.2441
BELGIUM								
20 Francs		0.1867	\$3.859	0.9000	0.2074	6.452	0.1867	5.8070
CANADA								
Maple Leaf								
1 oz	(\$50)	1.0000	\$20.672	0.9999	1.0000	31.103	1.0000	31.103
1/2 oz	(\$20)	0.5000	\$10.336	0.9999	0.5000	15.567	0.5000	15.552
1/4 oz	(\$10)	0.2500	\$5.168	0.9999	0.2500	7.776	0.2500	7.7758
1/10 oz	(\$5)	0.1000	\$2.067	0.9999	0.1000	3.110	0.1000	3.1103
1/20 oz	(\$1)	0.0500	\$1.033	0.9999	0.0500	1.555	0.0500	1.5552
1 gram		0.0321	\$0.664	0.9999	0.0321	1.000	0.0321	1.0000
**All Maple Leafs minted before 1982 are .999 fine; 1/20oz began 1994; 1 gram began 2014								
CHILE								
100 Pesos		0.5886	\$12.17	0.9000	0.6540	20.342	0.5886	18.308
CHINA								
1 oz Panda		1.0000	\$20.672	0.9999	1.0000	31.103	1.0000	31.103
1/2 oz Panda		0.5000	\$10.336	0.9999	0.5000	15.567	0.5000	15.552
1/4 oz Panda		0.2500	\$5.168	0.9999	0.2500	7.776	0.2500	7.7758
1/10 oz Panda		0.1000	\$2.067	0.9999	0.1000	3.110	0.1000	3.1103
1/20 oz Panda		0.0500	\$1.033	0.9999	0.0500	1.555	0.0500	1.5552
1 gram Panda		0.0321	\$0.664	0.9999	0.0321	1.000	0.0321	1.0000
*Modern restrikes of original issues								



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silver. Today a working man's wages are roughly \$80.00/day. This amounts to 3.333 ounces of silver. Gold and silver have been cheapened, even allowing for the lower price of everything today.

If the worst happens the US financial system and the dollar fails, you can expect to see gold and silver values skyrocket as the public turns to them for daily transactions. Therefore, it is in your interest to hold your gold and silver as long as you can and spend your paper money first. Depending on how bad things get, the paper dollar could sink to zero. That's not a prediction, merely a possibility.

### TABLE I, SILVER FINENESS STANDARDS

NAME	PURITY	FINENESS
Fine silver	99.99%	999.9/1000
Britannia standard	95.83%	958.3/1000
Sterling standard	92.50%	925/1000
Scotch standard	91.70%	917/1000
U.S. coin standard, 1834-1964	90.00%	900/1000
Latin Monetary Union Standard	83.50%	835/1000
Austrian Maria Theresa thaler	83.33%	833/1000
US half dollar, 1965-1970	40.00%	400/1000
US war nickels, 1942-1945	35.00%	350/1000

### SOME DEFINITIONS

**FINENESS** = The purity of a gold or silver item, expressed in percentage terms (99.9% pure), in parts of pure metal per thousand parts (900/1000ths

or 90% fine), or, for gold, in karats. The karat system states fineness as a fraction of 24 parts. 12 karat is twelve parts pure metal out of 24 parts, or 50% pure. 18 karat is 18 parts pure metal out of 24 parts, or 75% pure.

		FINE GOLD	GOLD DOLLAR		GROSS WEIGHT		NET WEIGHT	
		CONTENT	VALUE	FINENESS	TROY OZ	GRAMS	TROY OZ	GRAMS
NETHERLANDS								
10 Guilders		0.1947	\$4.024	0.9000	0.2163	6.728	0.1947	6.0558
5 Guilders		0.0974	\$2.013	0.9000	0.1082	3.366	0.0974	3.0294
1 Ducat		0.1106	\$2.286	0.9860	0.1125	3.500	0.1106	3.4400
PERU								
Libra		0.2354	\$4.866	0.9167	0.2568	7.987	0.2354	7.3217
RUSSIA								
10 Rubles 1898-1911		0.2489	\$5.145	0.9000	0.2765	8.602	0.2489	7.7416
5 Rubles 1898-1911		0.1244	\$2.571	0.9000	0.1382	4.299	0.1244	3.8692
SOUTH AFRICA								
Krugerrand								
1 oz		1.0000	\$20.672	0.9167	1.0909	33.931	1.0000	31.103
1/2 oz		0.5000	\$10.336	0.9167	0.5454	16.963	0.5000	15.552
1/4 oz		0.2500	\$5.168	0.9167	0.2727	8.482	0.2500	7.7758
1/10 oz		0.1000	\$2.067	0.9167	0.109	3.393	0.1000	3.1103
Two Rand		0.2354	\$4.866	0.9167	0.2568	7.987	0.2354	7.3217
One Rand		0.1177	\$2.433	0.9167	0.1284	3.993	0.1177	3.6608
SWITZERLAND								
20 Francs		0.1867	\$3.859	0.9000	0.2074	6.452	0.1867	5.8070
10 Francs		0.0933	\$1.928	0.9000	0.1037	3.225	0.0933	2.9035
UNITED STATES								
\$20	Pre-1934	0.9675	\$20.000	0.9000	1.075	33.436	0.9675	30.093
\$10	Pre-1934	0.4838	\$10.000	0.9000	0.5375	16.720	0.4838	15.048
\$5	Pre-1934	0.2419	\$5.000	0.9000	0.2687	8.360	0.2419	7.5239
\$2.50	Pre-1934	0.1209	\$2.500	0.9000	0.1343	4.178	0.1209	3.7604
\$1.00	Pre-1934	0.0484	\$1.000	0.9000	0.0537	1.673	0.0484	1.5054
American Eagle								
1 oz (\$50)		1.0000	\$20.672	0.9167	1.0909	33.931	1.0000	31.103
1/2 oz (\$25)		0.5000	\$10.336	0.9167	0.5454	16.963	0.5000	15.552
1/4 oz (\$10)		0.2500	\$5.168	0.9167	0.2727	8.482	0.2500	7.7758
1/10 oz (\$5)		0.1000	\$2.067	0.9167	0.109	3.393	0.1000	3.1103
Buffalo								
1 oz Began 2006		1.0000	\$20.672	0.9999	1.0000	31.103	1.0000	31.103
Commemoratives								
\$10		0.4838	\$10.000	0.9000	0.5375	16.720	0.4838	15.048
\$5		0.2419	\$5.000	0.9000	0.2687	8.360	0.2419	7.5239

The "Gold Dollar Value" converts the coin to gold dollars weighing 0.048375 oz (23.22 grains) per the Gold Standard Act of March 14, 1900, Statutes at Large XXXI, 45. This was the last time Congress exercised its statutory authority to 'regulate' the value of the gold coins under Article 1, Section 8 of the US Constitution. Under this standard an ounce of gold equals \$20.672.

### FINE GOLD OR SILVER CONTENT

("CONTENT") = The fineness or purity of the item times its gross weight. The Krugerrand, for example, is 22 karat (91.67% fine gold), has a gross weight of 1.0909 troy ounces, and a fine gold content of 1.0000 troy ounce. Don't miss this important point! This means that coins like the gold American Eagle and Krugerrand do not give you less than 1oz gold, even though they are not pure. Their gross weight is greater than 1oz, but their gold weight is 1oz pure gold. You don't pay for the alloy they put at the mint to harden the coins.

**SPOT PRICE** = The price of gold or silver in New York for a 100oz. gold bar or five 1,000oz. silver bars delivered – theoretically – "on the spot." The benchmark price off which every gold and silver wholesale and retail transaction takes place.

### THE MATH OF GOLD AND SILVER

Right now, you think in

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terms of U.S. paper dollars. When you see a quart of oil on the gas station shelf priced at five dollars, you mentally make the equation, *One quart of oil / five dollars*. In other words,

you always make US paper dollar the denominator of your equation.

Today when you buy US 90% silver coin, you will pay about twenty paper dollars for every face value dollar (two

halves, four quarters, or ten dimes) in silver coin. Mentally your equation says, (*One dollar face value silver coin / twenty dollars paper*). Because you are accustomed to valuing everything in paper dollars, it doesn't immediately occur to you that you can reverse this equation, and think in terms of silver money instead, but you can look at it either way.

*One face dollar silver / twenty dollars paper*

is the same as

*Twenty dollars paper / One dollar silver*

And that's the same as

*Five dollars paper / one quarter silver.*

Calculating the value of paper money relative to silver or gold doesn't differ at all from any other foreign exchange calculation.

*One paper dollar / four deutsche Marks.*

is the same as

*Four deutsche Marks / one paper dollar*

Or

*One deutsche Mark / one "paper" quarter*

These examples are simple because they use numbers we can easily calculate with. It gets tougher when the rate looks like this

*One Canadian dollar / 0.69 US paper dollar*  
which equals

*One US paper dollar / 1.445 Canadian dollars.*

If you were in Canada looking at prices, you could mentally multiply those prices by 0.70 to get a rough approximation of the US paper dollar cost. If you wanted to convert US prices to Canadian prices, for a rough idea you would multiply the US dollar price by 1.50.

TABLE 2	MINT CONTENT EACH, oz.	TRADE CONTENT EACH, oz.	TRADE CONTENT IN ONE DOLLAR oz.
COIN			
<b>Silver American Eagle</b>			
	1.0000	1.0000	1.0000
<b>Government or privately minted one ounce silver round or bar</b>			
	1.0000	1.0000	1.0000
<b>US 90%</b>			
Dollar	0.7734	0.765	0.765
Half Dollar	0.3617	0.3575	0.715
Quarter	0.1808	0.1788	0.715
Dime	0.0723	0.0715	0.715
<b>US 40%</b>			
Eisenhower dollar[1]	0.3163	0.3163	0.3163
Half Dollar (1965-70)	0.1492	0.1475	0.295
Quarter[2]	0.074	0.074	0.295
US 35% war nickel[3]	0.0563	0.055	1.1
<b>Canadian 80% (1920-67)</b>			
Dollar	0.6	0.6	0.6
Half Dollar	0.3	0.2925	0.585
Quarter	0.15	0.1463	0.585
Dime	0.06	0.0585	0.585
<b>Canadian 50% (mid-1967 - mid-1968)</b>			
Quarter	0.0937	0.3748	0.3748
Dime	0.0375	0.3748	0.3748
<b>Maria Theresa Thaler</b>			
Thaler	0.752	0.752	0.752
[1] Only found in mint or proof sets with "S" mintmark under Eisenhower bust. Only very few "S" mintmarked coins contain silver.			
[2] Only found in mint or proof sets in various dates 1976 or after, always with "2" mintmark.			
[3] Nickels dated 1942-1945 inclusive only with large "D", "P", or "S" mintmark over dome on reverse. Color is greenish.			

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In general terms, currency A divided by currency B = some exchange rate E. In other words  $A/B = E$ .

Going the other way and using currency A as the denominator, you'll find the exchange rate equals the reciprocal of the first exchange rate:

$$B/A = 1/E.$$

For example, if 4 deutsche marks buy one US dollar, then  $DM\ 4 / \$1 = 4$ .

Turn it around to state the result in dollars, and the exchange rate is the reciprocal of the first rate:

$$\$1 / DM\ 4 = \$0.25$$

TABLE 3, TROY TO AVOIRDUPOIS CONVERSION			
TROY		AVOIRDUPOIS	
***GRAIN = The smallest unit, identical in both systems = 0.0648 grams			
Pennyweight (dwt)	24 grains	1 dram	27.344 grains
Ounce	480 grains	1 ounce	437.5 grains
	20 pennyweights		16 drams
	<i>31.1034 grams</i>		<i>28.349 grams</i>
Pound	12 ounces	1 pound	16 ounces
	240 pennyweights		256 drams
	5,760 grains		7,000 grains

### NEVER MIND ALL THAT!

### HOW DO I FIGURE PRICES IN GOLD AND SILVER?

Here's what you'll need to know to make any conversion:  
Content -- The fine gold or

silver content in troy ounces of your coin

*Spot Gold or Silver Price* -- The current price paid for gold or silver in New York for delivery "on the spot" (the benchmark price).

### AN EXAMPLE

You need a bicycle to get around. At a flea market, you find someone selling an old bike you want for \$1,000 in US paper dollars. (Whoops! They've dropped a little, haven't they?) You haven't got any US paper dollars, but in your pocket are 15 gold British sovereigns, and in your bag \$100.00 face value US 90% silver coin. How much should you offer for the bike? (Don't panic, and wipe that "this is a word problem" cold sweat from your brow.)

### WHAT'S THE SPOT GOLD PRICE?

That morning on the radio you heard that spot gold was trading at \$3,000 an ounce.

*WHAT'S THE GOLD CONTENT?* Your sovereigns each contain 0.2354 troy ounces of fine gold.

### HOW MANY SOVEREIGNS SHOULD I OFFER?

Always multiply *cost times content*:  $\$3,000 \times 0.2354 = \$706.20$ . That's what each of your sovereigns is worth in US

		FINE GOLD CONTENT	GOLD DOLLAR VALUE	FINENESS	GROSS WEIGHT		NET WEIGHT	
					TROY OZ	GRAMS	TROY OZ	GRAMS
<b>COLUMBIA</b>								
5 Pesos		0.2354	\$4.87	0.9167	0.2568	7.987	0.2354	7.3217
<b>FRANCE</b>								
20 Francs		0.1867	\$3.859	0.9000	0.2074	6.452	0.1867	5.8070
10 Francs		0.0933	\$1.928	0.9000	0.1037	3.225	0.0933	2.9035
<b>GERMANY</b>								
20 Marks		0.2304	\$4.762	0.9000	0.2560	7.962	0.2304	7.1662
10 Marks		0.1152	\$2.381	0.9000	0.1280	3.981	0.1152	3.5831
<b>GREAT BRITAIN</b>								
Sovereign	(£1)	0.2354	\$4.866	0.9167	0.2568	7.987	0.2354	7.3217
1/2 Sov	(£1/2)	0.1177	\$2.433	0.9167	0.1284	3.993	0.1177	3.6608
Britannia								
1 oz	(£100)	1.0000	\$20.672	0.9999	1.0000	31.103	1.0000	31.103
1/2 oz	(£50)	0.5000	\$10.336	0.9999	0.5000	15.567	0.5000	15.552
1/4 oz	(£25)	0.2500	\$5.168	0.9999	0.2500	7.776	0.2500	7.7758
1/10 oz	(£10)	0.1000	\$2.067	0.9999	0.1000	3.110	0.1000	3.1103
1/20 oz	(£1)	0.0500	\$1.033	0.9999	0.0500	1.555	0.0500	1.5552
**All Britannias minted 2012 and before are .9167 fine, just like the American Eagle.								
<b>GREECE</b>								
20 Drachmai		0.1867	\$3.859	0.9000	0.2074	6.452	0.1867	5.8070
10 Drachmai		0.0933	\$1.928	0.9000	0.1037	3.225	0.0933	2.9035
<b>HUNGARY</b>								
100 Coronae*		0.9802	\$20.262	0.9000	1.0891	33.875	0.9802	30.488
20 Coronae*		0.1958	\$4.048	0.9000	0.2176	6.767	0.1958	6.0901
10 Coronae*		0.0979	\$2.024	0.9000	0.1088	3.383	0.0979	3.0450
1 Ducat*		0.1106	\$2.286	0.9861	0.1122	3.491	0.1106	3.440
<b>ITALY</b>								
20 Lira		0.1867	\$3.859	0.9000	0.2074	6.452	0.1867	5.8070
10 Lira		0.0933	\$1.928	0.9000	0.1037	3.225	0.0933	2.9035
<b>MEXICO</b>								
50 Peso		1.2057	\$24.924	0.9000	1.3396	41.668	1.2057	37.5014
20 Peso		0.4823	\$9.969	0.9000	0.5358	16.668	0.4823	15.0012
10 Peso		0.2411	\$4.983	0.9000	0.2678	8.332	0.2411	7.4990
5 Peso		0.1206	\$2.493	0.9000	0.1340	4.168	0.1206	3.7510
2.5 Peso		0.0603	\$1.246	0.9000	0.067	2.084	0.0603	1.8755
2 Peso		0.0482	\$0.996	0.9000	0.0535	1.666	0.0482	1.4991
<b>Libertad (Onza)</b>								
1 oz		1.0000	\$20.672	0.999	1.0000	31.103	1.0000	31.103
1/2 oz		0.5000	\$10.336	0.999	0.5000	15.567	0.5000	15.552
1/4 oz		0.2500	\$5.168	0.999	0.2500	7.776	0.2500	7.7758
1/10 oz		0.1000	\$2.067	0.999	0.1000	3.110	0.1000	3.1103
1/20 oz		0.0500	\$1.033	0.999	0.0500	1.555	0.0500	1.5552
**The Mexican Mint does not make many Libertads yearly - just 1,900 1oz coins in 2022								
*Modern strikes of original issues								

see **BARTERING** pg 12



from **BARTERING** pg 11

paper money.

How many sovereigns should you offer him for the bike?

$\$1,000 / \$706.20 = 1.41$  sovereigns.

Well, you can't cut a sovereign in two, so you have to make up the difference with silver coin. How much will you need?

$1 \text{ sovereign} \times \$706.2 = \$706.20$ . \$1,000 for the bike - \$706.20 for the sovereign leaves you short \$298.30 in paper.

### WHAT'S THE SPOT SILVER PRICE?

The radio announcer said today's spot silver price was \$190 an ounce.

### WHAT'S THE SILVER CONTENT?

Your US 90% silver coin

contains 0.715 troy ounce per one dollar face value.

### HOW MUCH 90% COIN SHOULD I OFFER?

Remember *cost times content*:  $\$190 \times 0.715 = \$135.85$  (in paper dollar value) per dollar face value US 90% silver coin.

You need to make up \$298.30 in paper, so

$\$298.30 / \$135.85 = \$2.20$  face value in US 90% silver coin.

To buy the bicycle, offer the owner one sovereign and \$2.20 face value US 90% silver coin. If he's smart, he'll take it, because you're offering him the full price in gold and silver. In fact, because you're offering him *better money than he is asking for*, you ought to trim his price a little and begin by offering just one sovereign. Yes, you're offering him considerably less than his

asking price, but you're also paying in money that will become *more valuable* in the near future.

### HOW MUCH IS HE OFFERING ME?

At the same flea market, a trader is offering to buy your silver money. He's paying \$100.00 in paper for a face value dollar in silver (two halves, four quarters, or ten dimes). Should you take the offer? Is it a good price?

Remember *cost divided by content*.

One dollar face value in US 90% silver coin contains 0.715 troy ounce of fine silver. Divide the price the trader is offering you (cost) by the content of the silver coin (0.715 troy ounce) to determine what price per ounce

## COMPARISON OF PHYSICAL SILVER INVESTMENTS

FORM	PURITY	CONTENT, OZ.	COMES IN	ADVANTAGE	DISADVANTAGE
BULLION	99.90%	1000 oz.	Bars	Compact; pure silver;	Not divisible for partial sales.
		100 oz.	Bars	suitable for large amounts.	1000 oz. bars hard to handle & ship,
		10 oz.	Bars		thin off-exchange market; off-brand
		1 oz.	Bars or rounds		& over-/underweight bars are hard to sell,
					so choose even weight Engelhard,
					Johnson-Matthey, or equal in 10 or 100 oz.
US AMERICAN EAGLE	99.90%	.999 oz.	rounds	Currently popular.	High premium, not divisible.
CANADIAN MAPLE LEAF	99.90%	1 oz	rounds	Currently popular.	High premium, not divisible.
US DOLLARS (before 1936)	90%	0.765/\$1.00	\$1000 face value bags or singles	Downside protection, price declines much more slowly than bullion; liquid; collector demand; survival/barter use.	High premium; coins should grade at least VG (Very Good); accept no holes or slicks; not as divisible as subsidiary coins.
US JUNK COIN (before 1965) dimes, quarters & halves	90%	0.715/\$1.00	\$1000 face value bags or any FV amt.	Liquidity, divisibility, wide market; no need to assay, survival or barter use; low premium.	Coins must have no holes and be readable; check for non-silver coins.
US HALVES (1965-1970 inclusive)	40%	0.295/\$1.00	\$1000 face value bags or any face amount.	Divisibility; no assay; survival or barter use; low ratio of cost to face value, i.e., low downside risk.	Not as liquid as other coins; tend to discount in stagnant or falling markets; bulky, hard to store.
US WAR NICKELS (1942-1945, mint mark over dome.)	35%	0.975/\$1.00	\$200 face value bags	Low premium; divisibility.	Who ever heard of them? Not nearly as liquid as other coins; thin market, wide bid/ask spreads. Bulky, heavily discounted
CANADIAN COIN & DOLLARS Before '67 or '68)	80%	0.585/\$1.00	\$1000 face value bags	Low premium; divisibility survival/barter use.	Discounted, very thin market south of the border; Wide buy/sell spread
CANADIAN COIN (some but not all 1968 dimes & quarters)	50%	0.375/\$1.00	\$1000 face value bags	Low premium; divisibility	Who wants to search a bag of coins checking dates? Thin market, wide spreads.
STERLING	92.50%	.925/oz.	Flatware	You can eat with it. Handsome.	Not liquid, thin market, high mark-

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he is offering.

$\$100.00 / 0.715 = \$139.86$   
per ounce in paper.

You heard on the radio this morning that spot silver was \$190.00 an ounce, so the trader is swindling you.

### DOES IT PASS THE STUPID TEST?

When you are calculating in a hurry, it's easy to make stupid mistakes. Before you make an offer, put it to the *stupid test*. Does it make sense? You know that dollars of paper are worth less than dollars of US silver coin. You didn't *reverse* the exchange rate, did you? You're not offering him more dollars of silver than the dollars of paper he asked for? Round and make a rough calculation and check that against what you're about to offer. Don't let your pride trip you. Carry a pad and pencil and work it out long-hand if you're not sure of what you're doing. And always, always double-check your math.

Markets transmit price information *very efficiently*. In the midst of the 1980 gold and silver spike, we saw that efficiency at work. One day people didn't know any more about a "pennyweight" than a hog knows about a side-saddle, but the next day they not only knew what it was, but also what every dealer in town was paying for 14 karat and 10 karat gold per pennyweight.

### SELLING SCRAP GOLD OR SILVER

In Genesis 23:16, Abraham buys a piece of ground to bury Sarah. Concluding the deal, he weighs out 400 shekels of silver, "according to the shekel of the

### CONVERTING KARATAGE INTO PERCENTAGE

Karatage is a system of expressing the fineness or purity of gold as a fraction of 24 parts. 22 karat gold is 22 parts of gold out of 24 parts, or 22/24 or 91.67%.

Fineness is the same as percentage, but with the decimal point two places to the right.

The fineness of a gold coin does not make it more or less valuable, since you are buying it as a coin and intend to keep it as a coin. In the Far East, however, buyers prefer 24 karat gold coins, so if you're headed to Hong Kong or India, take Maple Leaves, not Kruggerands. Otherwise, pick whatever coin has the lowest premium, regardless of fineness.

KARAT	=	FINENESS	=	PERCENT
24.00	=	0.9999	=	99.99%
23.67	=	0.9861	=	98.60%
23.60	=	0.9830	=	98.30%
22.00	=	0.9167	=	91.67%
21.60	=	0.9000	=	90.00%
18.00	=	0.7500	=	75.00%
14.00	=	0.5833	=	58.30%
1 Troy Ounce = 1.097 Avoirdupois Ounce = 480 grains = 31.1034 grams				
~ The Avoirdupois Ounce is the one we use on our bathroom scales ~				
~ The Troy Ounce is used for precious metals ~				

merchant."

What happens in any gold and silver transaction? You are exchanging a certain *weight* of metal for a certain *amount* of some commodity. Coinage offered a superb technological advancement in the use of money. Before coinage traders had to try every lump of silver and gold to determine its fineness, then weigh each piece to determine its weight. Coinage eliminated that bother by offering a guaranteed weight of silver or gold.

When you think about it, so does a 14-karat wedding ring or a sterling silver spoon! Don't

laugh – some day knowing how to figure out the gold or silver content of jewelry or sterling ware might save your life, so here are some simple lessons to determine what gold or silver items are worth.

### SILVER STANDARDS: HOW FINE IS FINE?

The critical question about any gold or silver object is, "How pure is it?" Purity varies widely, according to use, custom, and even legal mandates.

Purity or "fineness" is often

from **BARTERING** pg 13

expressed as a system of 1000 parts, or three or four numbers preceded by a decimal. Thus, sterling silver (92.5% pure silver) may be expressed as .925, 925/1000, 92.5, 92-1/2%, or simply "Sterling". "800 fine" silver is 80% pure. In most countries, these stamps or hallmarks are defined and regulated by law.

Theoretically the purest silver -- fine silver -- would be 100%. However, as a practical matter, even electrolytically refined silver is only 99.99% fine (.9999 or "four nines fine"). Because pure silver is very soft and wears rapidly under use, various alloys are used for silverware, hollow ware, and coinage. Look at Table 1, "*Silver Fineness Standards*."

#### **SILVER CONTENT OF ONE DOLLAR FACE VALUE IN COIN**

Over time, silver coins wear and lose a little silver content. To allow for circulation wear, the trade reduces the silver content. See Table 2, "*Mint Content Each, etc.*" Original mint values are given in one column, trade values in the second two columns. For some coins, the mint and trade content are the same because as a practical matter they never circulated. Note that \$1.40 face value US 90% silver coin (fourteen dimes) contains about one ounce of silver.

#### **OTHER FOREIGN SILVER COIN STANDARDS**

*Australia* maintained the sterling standard until 1946, when it reduced the silver content of its coin to 50%. With a few exceptions, silver

disappeared entirely from Australian coinage completely after 1963.

Until 1933, *New Zealanders* used British and Australian coinage. In 1933 the first New Zealand shillings were struck in 50% silver, but this standard was abandoned in 1947.

*Great Britain* minted pennies (tiny silver ones, not the huge coppers), 1-1/2 pence, 3 pence, 4 pence, 6 pence, shillings (12 pence), florins (24 pence), half crowns (30 pence), and crowns (60 pence) in sterling silver (92.5% pure silver) until 1920, and in 50% silver from 1920 through 1946. Until 1920, Canadian coins were also sterling silver.

*Germany* minted 90% silver 50 pfennig, half mark, 1 mark, 2 mark, and 5-mark coins until 1916. After World War II some (but not all) 5-mark coins are 62.5% silver.

France minted 83.5% silver coins before 1915 in denominations from 50 centimes to 5 francs.

From 1863, the silver standard for *Mexican Republican* coinage was 90.3%. In 1905 the standard for most coins of the United States of Mexico became 80% silver, which was further reduced to 72% in 1925, and with a few exceptions abandoned altogether by 1945. The peso coins 1947-1949 were issued in 50% silver, reduced to 30% in 1950, and 10% 1957 - 1967.

*Latin American* silver coins often reveal their silver content on their face. Look for legends such as "25-gram(os) ley .900" or "ley 0.900 gr. 12.5." The first indicates "25 grams of silver 900/1000ths fine by law;" the second, "12.5 grams of silver 900/1000ths fine by law."

#### **MISLEADING SILVER HALLMARKS**

The following hallmarks are misleading and do NOT indicate any silver content whatsoever. In the United States, silver containing items are legally required to bear the mark "sterling" or some variation of 925/1000. Items of coin silver (90% pure) must be marked "Coin silver," "coin," or 900/1000. Beware the following hallmarks.

*Alaska Silver*

*Brazil Silver*

*German Silver*

*Guaranteed 12 DWT*

*Mexican Silver*

*Nickel Silver*

*Peru Silver*

*Silverine*

*Silverode*

*Silveroid*

*Silverore*

Note well, however, that many fine sterling silver pieces are hand crafted in Germany, Mexico, and Peru. However, these will bear some variation of the "925" mark in addition to the name of the country. The marks "International Silver" or "Rodgers Bros. Silver" must be accompanied by the "sterling" mark, or they are not sterling.

#### **WEIGHING SILVER**

The troy system is used to weigh silver and gold. See Table 3, "*Troy & Avoirdupois Weight*."

The avoirdupois system is the weight system used in the United States, *i.e.*, the ounces used on your bathroom scale. Avoirdupois ounces weigh 28.349 grams. Precious metals are weighed in heavier *troy ounces* weighing 31.1034 grams. Be careful: grains are abbreviated "gr.," grams are abbreviated "g."



from **BARTERING** pg 14

## CONVERTING AVOIRDUPOIS AND TROY WEIGHT

Avoirdupois ounces to troy ounces:

437.5 grains = 1 avoirdupois ounce = 0.911 troy ounce

To convert avoirdupois ounces to troy ounces, multiply avoirdupois ounces by 0.911.

### RULE OF THUMB:

For a quick approximation, multiply avoirdupois ounces by 0.9 to get troy ounces.

Troy ounces to avoirdupois ounces:

480 grains = 1 troy ounce = 1.097 avoirdupois ounces

To convert troy ounces to avoirdupois ounces, multiply by 1.097.

### RULE OF THUMB:

For a quick estimate, multiply troy ounces by 1.1 to get avoirdupois ounces.

Avoirdupois pounds to troy ounces:

16 av. oz. = 1 av. lb. = 14.583 troy ounces

To convert avoirdupois pounds to troy ounces, multiply avoirdupois pounds by 14.583.

### RULE OF THUMB:

For a quick approximation, multiply avoirdupois pounds by 14.5 to get troy ounces.

Troy ounces to avoirdupois pounds:

1 troy ounce = 0.06857 avoirdupois pound

To convert troy ounces to avoirdupois pounds,

multiply troy ounces by 0.06857, or divide troy ounces by 14.583.

Sorry, there's no quick way to work this one out.

## CONVERTING TROY WEIGHT

### TO METRIC WEIGHT:

Grams to troy ounces:

1 troy ounce = 31.1034 grams

To convert grams to troy ounces, divide grams by 31.1034.

To convert troy oz. to grams, multiply troy oz. by 31.1034.

Troy ounces to kilograms:

32.1508 troy ounces = 1,000 grams = 1 kilogram

To convert troy ounces to kilograms, divide troy ounces by 32.1508.

To convert kilograms to troy ounces, multiply kilograms by 32.1508.

Metric tons ("tonnes") to troy ounces:

1,000 kilograms = 1 metric ton = 32,150.8 troy ounces

To convert metric tons (often spelled "tonnes") to troy ounces, multiply metric tons by 32,150.8.

To convert troy ounces to metric tons, divide troy ounces by 32,150.8.

Precious metals are always weighed in metric, never English, tons.

## HOW TO FIGURE THE MARKET VALUE OF YOUR SILVER SCRAP

To calculate how much silver an item contains, use the formula:

Weight in troy ounces X fineness =

fine silver content in troy ounces

Express fineness as decimal fraction, for example, 92½ % silver is 0.925.

How to convert:

**WEIGH** your silver item. If you have no small scales yourself, ask your jeweler or butcher to weigh it.

**CONVERT** the weight to troy ounces.

Avoirdupois Ounces X 0.911 = Troy Ounces

Avoirdupois Pounds X 14.583 = Troy Ounces

**CALCULATE** the net silver content. First, determine the fineness of your silver item. It will probably be sterling (92.5% pure silver), but it may be coin silver (90% pure), or 800 fine (80%), or even 750 (75% pure). Then multiply the gross weight in troy ounces by the percentage purity (fineness).

Weight in troy ounces X fineness =

silver content in troy ounces

To calculate the melt or market value of your silver item,

you must use the formula.

*Silver content in troy ounces*

X spot metal price =

market value

Example:

**WEIGH** You have a sterling silver goblet. You take it to the grocery store and ask the butcher to weigh it for you. He thinks you're crazy, but smiles, and puts it on the scale. "0.48 pound," he says.

**CONVERT** The butcher's scale uses avoirdupois pounds, so you multiply his avoirdupois pounds by 14.583 to get the weight to troy ounces:

0.48 avoirdupois pound X 14.583 = 7.00 troy ounces.

### DETERMINE FINENESS

To find the net silver content in troy ounces, you have to know the fineness of the silver goblet. When you look on the bottom, you see the word "sterling" stamped there, so you know the goblet is 92.5% pure silver. Now you multiply again, expressing the fineness as a decimal:

7.00 troy ounces X 0.925 fineness =

6.475 troy ounce fine silver.

from **BARTERING** pg 15

### **CALCULATE**

To calculate melt or market value, you must multiply the number of fine troy ounces by the market or spot price. For the current market price, look in your newspaper on the page with commodity quotations, or call your local stockbroker or silver dealer and ask him for the "spot price of silver." He tells you spot silver is \$190. Now you're ready to multiply.

6.475 troy ounces fine silver  
X \$190 spot silver price =

\$1,230.25 melt or market value

Be warned – if you are selling to a refiner or retailer, they will always pay less than melt value, to account for their costs and commission.

### **HOW TO FIGURE THE MARKET VALUE OF SILVER COINS:**

The process is identical to finding the melt value of silver scrap, except that fineness is different. U.S. silver dimes, quarters, and halves minted before 1965 and U.S. dollars minted before 1936 are 90% silver by weight. We take a short cut here because we already know the silver content of coin in troy ounces. To allow for wear, we use the trade weights rather than the mint weights (See chart on page 6):

#### **U.S. 90% SILVER COIN:**

You have \$250.00 face value U.S. silver dimes, quarters, and halves.

First, calculate how much silver that represents.

$\$250.00 \times 0.715 \text{ oz. per dollar face value} = 178.75 \text{ t. oz. silver}$

Now, what's the spot price of silver? For this example, \$20 an ounce. Calculate the melt value:

$178.75 \text{ troy ounces} \times \$20 \text{ per troy ounce spot price} = \$3,575.00 \text{ melt value}$

#### **U.S. 40% SILVER HALVES:**

You have \$400.00 in U.S. 40% half dollars minted between 1965 and 1970. First, calculate how much silver that represents:

$\$400.00 \times 0.295 \text{ troy ounces per dollar face value} =$

118.00 troy ounces fine silver

If the spot price of silver is \$20, multiply the number of ounces times the spot price:

$118.00 \text{ troy ounces} \times \$20 \text{ per troy ounce spot price} =$

$\$2,360.00 \text{ melt value}$

Canadian 80% silver coin:

You have \$525.00 in Canadian 80% silver coin. First, calculate the silver content:

$\$525.00 \times 0.585 \text{ troy ounces per dollar face value} =$

307.125 troy ounces fine silver

Silver's spot price of silver is \$20, so multiply the number of ounces times the spot price:

$307.125 \text{ troy ounces fine silver} \times \$20 \text{ spot price} = \$6,142.50 \text{ melt value}$

### **HOW TO FIGURE THE MELT VALUE OF GOLD SCRAP:**

You calculate the market value of gold scrap such as gold teeth, rings, or jewelry exactly as you calculate silver's value, but the weights are a bit different. Instead of ounces you will deal with pennyweights or grams.

Weigh your 14-karat ring. Suppose it weighs one tenth of a troy ounce (0.1097 avoirdupois ounce). Since there are twenty pennyweights in an ounce, one

tenth ounce equals two pennyweights. More often nowadays scrap dealers quote the price in grams. Two pennyweights or 1/10 troy ounce equals 3.11 grams (see chart below).

Most dealers quote their prices in "dollars per gram of such-and-such a karat." If you have a 14-karat ring weighing two pennyweights, and the dealer is paying \$7.58 a pennyweight, your ring will fetch \$15.16. The same \$7.58 a pennyweight for 14 karat equals \$4.87 a gram. Expressing your 2 pennyweights as grams, then 3.11 grams X \$4.87 = \$15.15.

By the way, \$7.58 a pennyweight equals 20 X \$7.58 or \$151.60 an ounce. Since 14 karat gold is only 58.33% pure, we divide \$151.60 by 0.5833 to calculate what price we are getting per pure ounce: \$259.90. At \$400 an ounce gold this would be about a 35% discount, about what you can expect to realize for scrap gold.

Dental gold is always unmarked, and dealers are reluctant to buy it. However, they can usually test it, and most dental gold is 16 karat or better. Beware: there is no such thing as white dental gold.

The *color* of gold tells you nothing about its purity, only about its alloy. When alloyed only with copper, for example, gold turns a beautiful rose color, like the Krugerrand. The very bright yellow of pure gold looks almost phony.

### **HOW TO CALCULATE THE MELT OR MARKET VALUE OF GOLD COINS:**

Calculate the melt value of gold coins exactly as you figure the melt value for silver coins (see above), by multiplying the fine gold content by the spot price of gold.

from **BARTERING** pg 16

Fine gold content is the net weight of gold the coin contains. To figure fine gold content, multiply the coin's gross weight by its fineness (purity), or you cheat and read fine gold content off the charts in this *Moneychanger*.

To calculate the premium on a gold coin, divide cost by content. Then divide the result by the spot price of gold and convert to percentage. Here's the long way:

If spot gold is at \$400 and your Austrian 100 coronae costs \$400 but has a fine gold content of only 0.9802 troy ounce, you are actually paying  $\$400/0.9802 = \$408.08$  per troy ounce.  $\$408.08/400 = 1.0202$ , and the laborious way to calculate the premium is to multiply by 100 to convert to percentage ( $100 \times 1.0202 = 102.02\%$ ), then subtract 100 ( $102.02\% - 100\% = 2.02\%$ ).

You can forget all that tedious work, however, and look like a genius to your relatives if you'll just divide the coin's price per ounce by the spot gold price, knock off the 1 and move the decimal point over two places:  $\$408.08/400 = 1.0202$ , or, knocking off the 1 and sliding the decimal point two places to the right,  $1.0202 = 2.02\%$  premium.

### QUICK CONVERSION TABLE:

To convert ...

Avoirdupois ounces to troy ounces, multiply av. oz. by 0.911.

Avoirdupois pounds to troy ounces, multiply av. lbs. by 14.583.

Grains to grams, divide grains by 15.4324.

Grams to grains, multiply grams by 15.4324.

Grams to troy ounces, divide grams by 31.1034.

Kilograms to troy ounces, multiply kilograms by 32.1508.

Metric tons to troy ounces, multiply metric tons by 32,150.8

Troy ounces to avoirdupois ounces, multiply tr. oz. by 1.097.

Troy ounces to avoirdupois pounds, multiply tr. oz. by .06857.

Troy ounces to grams, multiply troy ounces by 31.1034

Troy ounces to kilograms, divide troy ounces by 32.1508.

Troy ounces to metric tons, divide troy ounces by 32,150.8.

## Common Silver Coins

		FINE SILVER	SILVER DOLLAR		GROSS WEIGHT	NET WEIGHT
		CONTENT	VALUE	FINENESS	TROY OZ GRAMS	TROY OZ GRAMS
<b>AUSTRALIA</b>						
Kangaroo		1.0000	\$1.292	0.999	1.0000 31.103	1.0000 31.103
<b>AUSTRIA</b>						
Philharmonic		1.0000	\$1.292	0.999	1.0000 31.103	1.0000 31.103
<b>CANADA</b>						
Maple Leaf		1.0000	\$1.292	0.999	1.0000 31.103	1.0000 31.103
<b>CHINA</b>						
Panda		1.0000	\$1.292	0.999	1.0000 31.103	1.0000 31.103
<b>GREAT BRITAIN</b>						
Britannia		1.0000	\$1.292	0.999	1.0000 31.103	1.0000 31.103
<b>MEXICO</b>						
Libertad (Onza)		1.0000	\$1.292	0.999	1.0000 31.103	1.0000 31.103
<b>SOUTH AFRICA</b>						
Krugerrand		1.0000	\$1.292	0.999	1.0000 31.103	1.0000 31.103
<b>UNITED STATES</b>						
American Eagle		0.9990	\$1.291	0.999	1.0000 31.072	1.0000 31.072
<b>CIRCULATED OR 'JUNK COIN'</b>						
Silver Dollar <sup>1</sup>		0.7650	\$1.000	0.9000	0.8500 26.438	0.7650 23.794
Half Dollar <sup>2</sup>		0.3575	\$0.500	0.9000	0.1000 3.110	0.1000 3.1103
Quarter Dollar <sup>2</sup>		0.1788	\$0.250	0.9000	0.1980 6.178	0.1788 5.5597
Dime <sup>2</sup>		0.0715	\$0.100	0.9000	0.0790 2.471	0.0715 2.2239
40% Half Dollar (1965-70)		0.1475	\$0.204	0.4000	0.3680 11.469	0.1475 4.5878
War Nickels		0.0488	\$0.063	0.3500	0.1610 5.000	0.0488 1.7500
<b>UNCIRCULATED COIN</b>						
Silver Dollar <sup>1</sup>		0.7734	\$1.000	0.9000	0.8590 26.728	0.7734 24.0566
Half Dollar <sup>2</sup>		0.3617	\$0.500	0.9000	0.4010 12.500	0.3617 11.2501
Quarter Dollar <sup>2</sup>		0.1808	\$0.250	0.9000	0.2010 6.250	1.8080 5.6250
Dime <sup>2</sup>		0.0723	\$0.100	0.9000	0.0800 2.500	0.0723 2.2500
40% Half Dollar (1965-70)		0.1475	\$0.204	0.4000	0.3680 11.469	0.1475 4.5878
<b>SILVER BULLION</b>						
Silver Rounds		1.0000	\$1.292	0.999	1.0000 31.103	1.0000 31.1034
10 oz Bar		10.0000	\$12.929	0.999	10.0000 311.03	10.0000 311.034
100 oz Bar		100.0000	\$129.290	0.999	100.0000 3110.3	100.0000 3110.34
1000 oz Bar		1000.0000	\$1,292.90	0.999	1000.0000 31103.4	1000.00 31103.4

\*\*\*Take careful note - 1,000oz bars weigh within 5% above or below 1000oz, but never exactly 1000oz

<sup>1</sup> The statutory content of a standard dollar of silver is .7734 troy oz of 99.9% fine silver ( aka 371.25 grains or 24.0577 grams), per the Coinage Act of April 2, 1792. The weight stated under "Circulated or Junk Coin" accounts for weight loss due to circulation wear.

<sup>2</sup> The statutory content of dimes, quarters and halves is 0.7234 troy oz of 99.9% fine silver per dollar. The weight stated under "Circulated or Junk Coin" accounts for weight loss due to circulation wear.

<sup>3</sup> Half Dollars minted 1965-70 contain .295 tr oz of 99.9% silver per dollar. They are 40% silver by weight.



# HARDER TO GET AND MORE EXPENSIVE: THE FED WRECKING THE INSURANCE MARKET

*This letter was passed on to me by friend who writes insurance. It warns that 2023 and 2024 will be hard years for insurance underwriters and consumers thanks to several factors, notably inflationary cost increases and huge claims. Notice also that the Federal Reserve's interest rate increases have hit insurance company reserves as badly as they hit banks. Since almost every one of you must buy auto, home, or business insurance, I thought you'd appreciate a warning. Insurance is going to become more expensive and harder to secure. Be careful not to let coverage lapse lest you lose it altogether. At the end is a list of ways you can protect yourself.*  
— F. Sanders

## CAUSES FOR HIGHER INSURANCE RATES

### WEATHER

Weather trends for both frequency and severity of weather events across the US. Fires in the west, winds, and hailstorms in the Midwest plus floods and droughts in the west in addition to rain and melting snowpack, storms in the coastal states from Texas to New York with particular attention to vulnerable areas in lower coastal areas in LA, FL, Southwest TX, NC, SC, GA, VA and north. Freezing storms in the Midwest and

northern states. With all the building growth in these areas in the last 20 or so years, there is a much higher concentration of property there now than before. In 2022 there were 18 of these storms that exceeded \$1 Billion in insurance claims.

### RISING COSTS

Costs to repair and rebuild have risen at the highest rate in over 25 years, thanks to high inflation and supply chain issues, many of these caused by high levels of pandemic spending by the world's governments. Labor rates have never been higher for skilled trades. Material prices are likewise higher than ever. This hasn't happened like this in over 40 years.

### REINSURANCE COSTS

Reinsurance costs that insurance carriers purchase went up an average of 40% from 2022 prices reflecting these new costs from above. If the carrier writes in coastal states, the increase was even higher. Most all reinsurance treaties [were] renewed with not only a large increase, but with many [new] exclusions for any high limits or large frame-built buildings.

What is limited or excluded in the reinsurance treaty needs to get Facultative Reinsurance, which means case by case [consideration]. Requests for quotes [have increased] 2000% over

2022. If a carrier wants to write a new policy or renew an existing one with a reinsurance exclusion or limit, they will need to get a quote to buy that back. This quote arrives now the day before it is due, if we are lucky. Nothing can be quoted with a long lead time due to the sheer volume. [Underwriters who can quote] an average 50 accounts a month, now are being asked for 300. [Since] they cannot get to them all, they cherry pick either the best ones or the most complete submissions.

### UNDERINSURING

Insurance carriers must maintain a premium to surplus (investments) ratio of 4 to 1. This means a carrier can typically write \$4 of premium for every \$1 in reserve surplus to pay claims. The average premium for property will increase in 2023 and 2024 by about 10-30%. If coastal properties are included, even more.

If premiums in general rise 25% that means if an insurance carrier keeps all he insures today, his ratio will be \$6 to \$1. When the ratio becomes higher as in this example, the regulators will no longer grant an A rating to any carrier that gets this high, so they have to get rid of premium by not renewing business and not taking much in new business. Carriers must retain at least an A rating to insure most businesses. They

from **INSURANCE** pg 18

*also stop reinstating cancelled policies for non-payment [emphasis added - FS]* in addition to getting very tight on underwriting for eligibility and for rating including making sure properties are insured for the correct value to rebuild. Most properties are grossly underinsured. For example, most homes are insured for about \$100-\$150 per square foot when the true replacement cost is closer to \$200-\$500 . . . Look for most carriers to raise the insured values this coming year by 20-30% to fix this underinsured problem. This will increase premiums but also pressure the ratio mentioned above.

### **COMPANIES ARE NOT RENEWING**

Many carriers have already started to reduce their book size by not renewing accounts with issues such as high loss histories, tough classes of business, and businesses with pay history issues. It isn't intuitive for the average consumer to see a company actively try to reduce business by 20%, but that is exactly what several carriers will be doing. This also increases the number of accounts wanting to obtain quotes, so the quoting activity is up over 200% without any increase in people or systems to handle it. Many quotes if they are received will be just in time for the policy expiration due to these factors. . . .

### **MARK TO MARKET**

This is a big issue as well. Regulators require the securities and real estate that carriers hold for investments (surplus) to be marked to the market price. Let's say a carrier

purchased a bond three years ago for \$100,000 with a 3% coupon rate. Insurance carriers buy bonds, so they have predictable cash flow to pay claims and also real estate which provides a flow of rental income. Today that same bond has coupon rate of 6% so if they went to sell their 3% bond today instead of holding until maturity, they would receive only \$50,000 for it so the effective yield to maturity would also be 6%. *[This results from the Fed raising interest rate so high and fast and is the same problem that brought down three banks in March - FS]* Mark to market means their investment is now worth half as much, which again raises the premium to surplus ratio, further exacerbating the problem. The rapid 10 time increase in the Fed interest rate has really become a huge problem for both banks and insurance companies.

### **INSURERS MUST RAISE RATES**

Insurance rates cannot be raised quickly since each state Department of Insurance must approve them. Carriers are now focusing on insured values as they will no longer permit underinsured buildings to remain underinsured. Look for most carriers to demand a 30-50% increase in insured values based on today's cost to rebuild. Carriers are adding large separate wind and hail deductibles, limits for margin, maximum aggregates for claims, and other endorsements to limit their exposures to large claims on property lines.

### **AUTO INSURANCE**

*[The top auto insurers]* are bleeding money. Drastic actions are coming. Progressive just announced they will no longer

insure Hyundais or Kias due to their high theft rate. More will follow their lead soon. In addition, we are starting to see some carriers being downgraded on their AM Best ratings as well. Although this *[is bad]* on auto insurance, it is worse on the property lines.

### **ADVICE TO CONSUMERS**

How can consumers navigate this?

*Re-think risk.* Make sure you understand your risk picture and have an agent that can recommend the best combination of coverages and price.

*Higher deductibles.* Consider taking higher deductibles simply due to inflation.

*Don't skip and watch your credit rating.* Do not skip on coverage and make sure you have the best credit rating possible which will help keep your premiums as low as possible.

*Do not let policies lapse.* Make sure you do not let any policy lapse because carriers are trying to lose business and they will not reinstate you now easily and certainly will no longer waive late pay fees. If you need to be placed with a new carrier or the existing will rewrite you, the terms will likely be different from your old policy and at a higher price.

*Mitigate risk.* Consider adding risk mitigation devices for your home such as security systems, water shut off devices, generators and smoke/fire detection devices to lower premiums and improve your risk picture.

*Don't file small claims.* Eliminate filing small property claims if you can pay them and nobody is injured. Make sure you discuss this with your agent so they can help you navigate this process.



## Dear Readers,

After 24 years, the tulip poplar siding on our log house, The Shoe, was beginning to need replacing. We found some workman to replace the tulip poplar bat-and-board siding with cypress, which will last 200 years. Now my wife Nancy – we've been married five years on July 13<sup>th</sup> – does not favor snakes. In fact, first year she was here she was pulling weeds in a flowerbed and almost grabbed a rather large copperhead sunning himself. She was not pleased and sentenced the snake to immediate execution – by me with a shovel. This experience has led to her general sense of mistrust toward anything but bare ground.

A few days ago, the siding workmen were cleaning up and lifted a board on the ground to find the well-fed copperhead pictured, handsome if you are a



herpetologist, loathsome if you are Nancy or Franklin. A lady who was working with the crew graciously shot it. (Yes, there is a high probability in Wayne County that ladies go armed.) Where these copperheads keep coming from, I cannot guess. Nancy has put out solar powered buzzers that intermittently emit a high pitched buzz, which

is supposed to frighten them away. I reckon all our copperheads around here are deaf.



### BOYS

As y'all have no doubt noticed, a war is being waged against masculinity and the so-called "patriarchy" and lately I've been reading about it. Part of that war is all the nonsense about choosing your gender, *etc.*, and everything possible is being done to make men look like perennial, hopeless tyrants and to suppress manhood. Worst part of this is that in public schools and elsewhere the authorities try to work the BOY out of boys.

That's hopeless. Nature will out,

A few weeks ago, my youngest daughter Mercy and her husband Dave with their two year old son, Theo, came to supper. After supper I watched Theo and realized that he is 100% all boy. He has curly hair, broad shoulders, and narrow hips and never stops moving. He was throwing a cloth snake up and down with dancing and shrieking. Nobody had to train him to act like a boy or look like a boy, it just floods out of him *by nature*.

The war against masculinity

is a revolt against nature and is doomed to fail.

### SPEAKING OF BOYS

Speaking of boys, my late wife Susan and I had five of them, so I know a little bit about them. They can tear the horns off an anvil. They get into everything. They lose all your tools and drive you crazy, but then they grow up to be men you love and admire. When they started having children, and for the longest time had only boys – one granddaughter out of 15 grandchildren and she was the fourteenth. I began to think they could have anything but boys, but finally we got three more to bring the score to 16 boys and four girls. The great grandchildren are two and two.

In 2018 Justin and Christian (sons #1 and #4) decided to open their own precious metals business, Volunteer Precious Metals, so they could provide continuous service to *Moneychanger* customers. That delighted me, and they've done a superb job.

Then they needed another pair of hands and hired Justin's son and my grandson, Elijah. Now they've hired two more of Justin's sons, Andrew and Philip.

If you are waging war against masculinity, you won't like our office. You'll get testosterone poisoning.

### ADD A LITTLE GARLIC

In the summertime flies pester cattle relentlessly. Justin's latest trick for keeping away the flies is *garlic*. He's adding it to their minerals. We will see how that works.

Y'all enjoy your summer.

*Franklin*



# UNFORGETTABLES

## THE HATE INDUSTRY

*"The most dangerous terrorist threat to our homeland is white supremacy."*

— President Joe Biden, speaking at Howard University, May 13, 2023

In the aftermath of September 11, 2001, when establishment politicians started to make common use of the term "homeland," they told us the most dangerous threat to Americans was foreign terrorists. But today, we are instructed to fear the enemy within. A new iconic date, January 6, 2021, is inscribed on our collective consciousness. From coast to coast, Americans are being herded into two camps.

*There are the "white supremacists," those bad people who purportedly hate good people. And then there is everyone else, good people who are encouraged to hate the bad people...*

This is agenda-driven hype. The agenda, perfectly expressed by author Michael Shellenbeger... is to "manufacture a fake 'hate' crisis as [a] pretext for mass spying, blacklists, and censorship." The hype... is underscored by the fact that over the past 10 years, hate crime convictions, as opposed to "criminal complaints of hate crimes," have not increased at all. In [California] with 40 million people, hate crime convictions were a minuscule 109 in 2021, and a negligible increase from 107 in 2012.

The hate industry is a vast agglomeration of lucrative hustles, now institutionalized and expanded into multiple and overlapping sectors. There is the diversity, equity and inclusion (DEI) sector; the equity, social, and governance (ESG) sector; the activist sector comprising countless groups, including

Black Lives Matter and Antifa; the corporate, academic, and government sectors; the media sector; the politicians; and the pundits. All of these sectors have spawned scores of thousands of well-paying jobs.

If these institutions weren't able to point to rising levels of hatred in America, then their specialty, the business of hate, would no longer be a growth industry. *Where there is no hate, they must manufacture it.* Where hatred has diminished, they must discover new forms of hate, often so subtle that we foolishly fail to recognize it without their assistance...

*America's hate industry employs a diabolical strategy, whereby everything they do to supposedly eliminate hate actually creates more hate.* In the name of fighting hate, the hate industry demands tolerance when it is not actually promoting every abnormal, deviant, debauched, destructive, indolent, criminal, or bizarre behavior. It normalizes the strange and then accuses anyone of questioning the health or the efficacy of mainstreaming the marginal of being haters. It continuously ups the ante, creating as much disruption as possible, while monetizing the controversy in the form of bigger DEI departments, more "environmental, social, governance" criteria, more bureaucrats, more thought police, and bigger audiences for their salacious, indignant cable and online shows.

If there aren't enough adverse reactions against the hate industry's campaign to deconstruct American culture and traditions, they make them up. Increase the scale and scope of this deconstruction while at the same time lowering the level of

reaction necessary to trigger accusations of hate. Eventually, declare a state of emergency. Game over.

Several years ago, a refugee from the Soviet Union said something to me that I didn't immediately understand. "The only perfectly safe place," he said, "is a prison." -- Edward Ring, *American Greatness*, 17 May 2023, <https://amgreatness.com/2023/05/17/the-hate-industry/>

## US COURT ORDERS \$146M PENALTY OVER 500,000 MISSING SILVER COINS

A US court has ordered two precious metals companies to pay almost \$146m after more than 500,000 American Silver Eagle coins went missing. The firms and their owner Robert Higgins have been accused of running a "fraudulent and deceptive scheme". They had allegedly promised to store the coins for customers. However, when investigators entered vaults that were meant to hold the coins, they were nowhere to be found.

Under the court settlement, precious metals dealer Argent Asset Group and First State Depository Company, which were both owned by Mr. Higgins, were ordered to make restitutions of \$112.7m and pay a penalty of \$33m.

US financial watchdog the Commodity Futures Trading Commission (CFTC) said Mr. Higgins' companies ran "fraudulent silver leasing programs" from 2014 to 2022. These were known as the Maximus Program and the Silver Lease Program. Through the schemes, the companies "solicited and misappropriated at least \$7 million in funds and silver from at least 200 customers," the

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regulator said. The firms also made “false and misleading excuses for why assets could not be withdrawn”, according to the CFTC. The regulator said that over 500,000 American Silver Eagle coins and more than 9,000 gold coins were missing from customers’ accounts. In their place, investigators said that they found “IOU” slips in empty boxes marked to indicate a customer’s account, yet containing no assets.” 4 July 2023, <https://www.bbc.com/news/business-66094057>

### **BIDEN ENJOINED FROM CONSPIRING WITH BIG TECH**

Federal Judge Terry Dougherty released opinion in *Missouri v. Biden* on July 4th, finding the government likely violated the First Amendment by conspiring with Big Tech in a “far-reaching and widespread censorship campaign.”

Judge Dougherty grants preliminary injunction blocking the DOJ, FBI, and DHS from working with Big Tech to censor content. He wrote,

“If the allegations made by Plaintiffs are true, the present case arguably involves the most massive attack against free speech in United States’ history,” the judge wrote. “In their attempts to suppress alleged disinformation, the Federal Government, and particularly the Defendants named here, are alleged to have blatantly ignored the First Amendment’s right to free speech,” he maintained.”

### **STATE OF EMERGENCY DECLARED IN NETHERLANDS**

#### **AS RULERS ATTEMPT TO STOP FARMERS FROM PROTESTING**

The Hague, the seat of the ruling class in the Netherlands, has declared a state of emergency to prevent farmers from driving their tractors into the city to protest the government’s

mandatory fertilizer reduction targets. Farmers say that their rights and freedom are being trampled on by a totalitarian system of rule we all know as “democracy.”

Democracy worldwide is, even if run perfectly, nothing more than mob rule and nothing less than slavery. All freedom is an illusion as long as governments exist, people will be deluded into being their slaves.

The organizers of Thursday’s protest are the Farmers Defense Force. They said the state of emergency was a way to squash their democratic rights and freedom of assembly. Of course, their government, like all governments, sees them only as slaves meant to obey, so they don’t care about rights or freedom. The rulers think they own their slaves. It would be like believing your cow has a right to vote to keep it from being eaten. The notion of government gets more absurd by the day and yet, slaves still hold the system that’s oppressing them up.

[The Netherlands is the world’s 2nd biggest exporter of farm produce, yet the Dutch government are sabotaging their own farmers. Dutch government proposals for tackling nitrogen emissions mean an estimated 11,000 farms will close.]

The Dutch farmers have decided to disobey and make their way to The Hague to protest regardless of the state of emergency. . . .

Greenpeace co-founder Dr. Patrick Moore explained how globalist rulers, including Klaus Schwab and the United Nations, are using the climate scam as an excuse to cut off fossil fuels and nitrogen fertilizer, to deliberately depopulate the planet.

In a broad-ranging discussion including whether the earth is headed for another ice age, the maximum number of people the globe can handle, what would happen if the population were to double in size,

whether our masters care about the future or just their time lording power over others and the importance of sustainable energy, Dr. Moore said:

“Carbon dioxide [and] temperature [ ] are actually slightly negatively correlated in the long historical record. In other words, it is not a cause-effect relationship ... There is no historical relationship between the level of CO2 in the atmosphere and the temperature of the earth ... The climate has changed long before humans could have been any factor in it. It’s been changing all through the history of the earth.” -- 8 July 2023, *Mac Slavo, SHTF Plan*, <https://www.lewrockwell.com/2023/07/mac-slavo/state-of-emergency-declared-in-netherlands-as-rulers-attempt-to-stop-farmers-from-protesting/>

### **YOU’RE NEXT**

In the British parliamentary system, elected politicians enjoy much greater freedom of speech than average citizens enjoy, despite the country’s strict libel laws. Members can say practically anything in parliament without fear of legal consequences.

Politicians regularly abuse this privilege “to score cheap political points using dirty tricks.” In parliament they say whatever they want, but never repeat it outside.

“In the weeks after Putin launched his illegitimate invasion of Ukraine, having had any prior business associations with Russia suddenly became a potential liability. In the rush to sanction all things Russian, several politicians hurried to take cynical advantage of the developments. Among the more enthusiastic opportunists was Chris Bryant, [Labor Party] Member and chair of the Committees on Standards and Privileges. In mid-March 2022, Bryant took to the floor of the House to launch a vindictive missile at an old rival (emphasis added throughout):



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"I am mystified at why some people are still missing from the [imposed sanctions] list, including some of the broadcasters... I simply point out that Nigel Farage received £548,573 from Russia Today in 2018 alone—this is from the Russian state."

"The problem? All evidence indicates this was a bold and knowing lie. Bryant offered zero proof to back up his curiously specific (and easily falsifiable) assertion."

A Eurosceptic since the 1990s, Farage was the main force behind Brexit that took the UK out of the European Union in 2016. "As charismatic as he is controversial, Farage has long been a particularly effective thorn in the side of the British political establishment. Call him what you will, but with more than half of British voters siding with him in that historic referendum, he is anything but a member of a 'fringe minority' with 'unacceptable views.'"

"It seems Bryant's smear may have at last achieved his goal of levying financial repercussions. In an unsettling six-minute video posted to Twitter last week, Farage broke his silence on what he claims has been a months-long campaign on the part of the British banking system to make him a financial 'unperson.' Without explanation, his longtime banking partner abruptly informed him they would close all his accounts, and no other bank seems willing to accept his business. This is from a follow-up column Farage published in The Telegraph shortly after he posted his Tweet:

"In my case, I was told by the banking group with whom I've been a customer since 1980 – and with which all of my business and personal accounts have been held – that a letter would follow the call I received. It would offer a full explanation. The letter arrived, but it merely re-stated the impending closure and supplied the date by which

I should remove my money.

"I kept this to myself while I sought a different bank. After many hours of trying, this has come to nothing. I've been rejected by seven other banks. Apparently, I am a 'politically exposed person' and carry too much risk and too many compliance costs.

"I smell a rat and am certain something much bigger is going on. For years, I have been falsely accused of having financial links to Russian funding. Even though this is nonsense, MPs have used parliamentary privilege to accuse various people associated with the Brexit campaign of the same thing. Last year, the Labour MP Sir Chris Bryant claimed in the Commons chamber that I received £548,573 in one calendar year 'from the Russian state.' Despite my pleas to him and the Speaker to correct this assertion, there has been no retraction."

"Three members of Farage's family have also seen their accounts targeted for closure, along with at least two other members of the Brexit Party—both of whom are former Members of the European Parliament (MEP)."

"Left with few options, Farage decided to use his formidable social media platform to fight back, and his public stand may pay off. The Financial Times reported yesterday that the UK government is investigating the blacklisting—which is great for Farage & Co., but hardly comfort for similarly maligned individuals without Farage's megaphone. (Conversely, Farage tweeted yesterday that he faced his ninth bank rejection, so the hit order is still apparently active.)" – 4 July 2023, Doomberg, paraphrased and quoted from [https://doomberg.substack.com/p/youre-next?utm\\_source=post-email-title&publication\\_id=343139&post\\_id=132823890&is\\_freemail=true&utm\\_medium=email](https://doomberg.substack.com/p/youre-next?utm_source=post-email-title&publication_id=343139&post_id=132823890&is_freemail=true&utm_medium=email)

Here is a foreshadowing example of what life will become under Central Bank Digital

Currencies, and yet another example of how completely untrustworthy banks are. I could recount multitudinous stories from our customers about how difficult banks make it to get your money out of their hands. Be warned: the banking system is a gigantic racketeering organization. – FS.

## THE GREAT & DEMOCRATIC ZYLENSKYY

Ukrainian president Volodymyr Zelenskyy has announced that parliamentary elections scheduled for 2023 and presidential election for 2024 would occur only if martial law had ended by that time. In other words, he is making himself dictator for life.

Zelenskyy is a puppet of the neocons of the US deep state and is quite willing to destroy his own country to carry out their war to destroy Russia. Don't believe the media reports you hear about Ukrainian victories. There are none, and the country has been devastated and eight million people have fled. – From Martin Armstrong, 8 July 2023, <https://www.armstrongeconomics.com/international-news/ukraine/zelensky-cancels-all-elections-become-dictator-for-life/>

## THE NEXT NUKE TO THE ECONOMY: COMMERCIAL REAL ESTATE

Not long ago the two most luxurious hotels in San Francisco voluntarily went into foreclosure: they turned their properties back to the lenders. But that's just the beginning. In the wake of the Covid "pandemic" workers shifted away from offices to working at home. Commercial real estate, especially office building, is in deadly surplus. Thirty percent of office space in San Francisco is vacant, and those offices are not coming back. Owners are simply letting buildings go into foreclosure and walking away.

Many of those mortgages were bundled and securitized into Commercial Mortgage Based



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*Securities (CMBS). “Mortgage Based Security” may ring a bell when you cast your mind back to 2006-2008 when Residential MBSs and their derivatives tanked, igniting the Great Financial Crisis. Today Commercial MBSs are exploding, thanks to the Fed’s relentlessly raising interest rates. The ever-vigilant Wolf Richter of Wolfstreet explains:*

“After blowing through the pandemic with no more than a squiggle, the delinquency rate of Commercial Mortgage-Backed Securities (CMBS) backed by office properties jumped to 4.5% by loan balance in June, up from 1.6% just six months ago in December 2022, according to Trepp, which tracks and analyses CMBS.

“Office mortgages that had been packaged into CMBS went through a horrendous default cycle following the Financial Crisis, with the delinquency rate topping out at over 10% in 2012/2013. But this current six-month 2.9-percentage-point spike from 1.6% to 4.5% is the fastest six-month spike in Trepp’s data going back to 2000.

“So, this is going to be interesting because we’re just at the beginning of a massive structural change – not a temporary blip – that is impacting office towers; turns out, companies have figured out they won’t ever need this vast amount of vacant office space. . .

“CMBS have real advantages. They allow lenders, such as banks, to sell high-risk commercial mortgages during times of low interest rates to yield-chasing investors, such as bond funds, life insurers, etc. For banks, these mortgages might be too risky to keep on their books.

“So, they package them, sometimes just one big mortgage, but often several or many mortgages, into a pool of mortgages that then gets structured into different slices

that investors buy, with the junk-rated slices taking the first losses in return for slightly higher yields . . .

“The mortgages – as we have seen in the current wave of defaults, including those where the landlord has just walked away from the property – are often variable-rate.

“Landlords liked variable-rate mortgages because they offer a lower interest rate, compared to fixed rate mortgages. And investors liked them because when rates go up, investors get a higher return, and the market value of the mortgage is largely protected.

“But when rates go up a lot, as they have done since March 2022, the interest payments go up a lot, and by late last year, *these interest payments began to double, and suddenly the building doesn’t pencil out anymore because rents, especially at office towers that are partially vacant, won’t cover the interest payments.* [What hath the Fed Wrought? Emphasis added. FS] And then landlords might walk away and lose the equity. And CMBS holders end up with a defaulted mortgage and an office tower whose price at a sale will be far below the loan value.

“And so even landlords – giant landlords such as private equity firm Blackstone and private equity firm Brookfield – have defaulted on the mortgages and then walked away from the property. They lose the equity in the property, and the lenders then have to sell the office tower for whatever they can get.

“[I]t’s structural, not a market blip; it’s an issue that will have to be dealt with over many years, such as by tearing down office towers or by converting them into residential buildings where possible. Even lower interest rates won’t make vacant or half-vacant office towers economically viable.” – 5 July 2023, Wolf Street, <https://wolfstreet.com/2023/07/05/cre-nightmare-for-cmbs-holders-office-mortgage-delinquency-rate-has-biggest->

[six-month-spike-ever-and-its-just-the-beginning/](#)

## **NEW POLL SHOWS AMERICANS OPPOSE CBDC**

Only 16% of Americans support the U.S. government adopting a Central Bank Digital Currency or “CBDC,” according to the new Cato Institute 2023 CBDC National Survey Report. The national survey of 2,000 Americans conducted by YouGov found that twice as many Americans—34%—oppose adopting a CBDC, while 49% don’t yet have an opinion. Nevertheless, the survey finds that Americans are more concerned about a CBDC’s risks than they are enthusiastic about its benefits. . .

When Americans learn of the potential benefits and risks of a CBDC they express stronger opinions about whether the U.S. should adopt one. Strong majorities of Americans would oppose adopting a CBDC if it meant that the government could control what people spend their money on (74%), that the government could monitor their spending (68%), that a CBDC would lead to the abolishment of all U.S. cash (68%), that a CBDC would attract cyberattacks (65%), that the government could charge a tax on those who don’t spend money during recessions (64%), or that the government could freeze the digital bank accounts of political protesters (59%). Americans were marginally opposed (52%) if a CBDC would cause some people to stop using private banks, resulting in some banks going out of business. -31 May 2023, Cato Institute, <https://www.cato.org/blog/new-poll-only-16-americans-support-us-adopting-central-bank-digital-currency-68-would-oppose>

Here’s another indication that the Fed’s attempt to impose a CBDC will meet fierce and truculent opposition. -- F. Sanders





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to the conclusion the Fed will now stop raising interest rates, stocks took off. It's not clear yet if this will push stocks higher or if it is merely a one-day goose, but it appears stocks will keep rising. I expect them to peak before August begins.

It bears remembering that the S&P's outperformance in the last few months has been thanks to the latest mania, Artificial Intelligence related stocks. Most of the S&P's gains have come from a skinny eight megastocks out of 500 others.

Seize the opportunity! Swap stocks for gold and silver.

### GOLD

Since 2021 began gold has traded in a range between \$2,050 and \$1,620 (November 2022 low), with support/resistance at \$1,800. On this chart I've drawn the uptrend line below the latest low, assuming that is indeed the low of this correction. If it breaks that low, not much of what I say next will be valid.



Since 1975 I have been watching gold and I don't know how many times July and August have been the year's pivotal months, either high or low. Much of the time gold comes steaming up from a July low through August and rallies into October. I'm expecting that this year. Friday, July seventh, gold struck its downtrend line. This chart shows the August futures contract. Friday it closed at \$1,932.50, not far beneath the 20 DMA at \$1,944, positioning

gold to crack that 20-day line and rally. Tuesday, 11 July it pierced the downtrend line and then today, Wednesday, 12 July it exploded upward \$24.90 (1.3%). The August futures closed at \$1,961.70 and spot gold closed at \$1,956.20. Perhaps this time it will finally pierce \$2,100, it's next big milestone in a bull market that will last another eight years or more.

Gold has confirmed a rally by closing over its 20 DMA and





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needs only move up \$600 more to clear the 50 DMA, a second confirmation. Momentum indicators point strongly up. The rule is "Buy the breakout," so this is your chance.

The summer doldrums have sucked buying out of the market as evidenced by falling premiums on gold coins. In the one-ounce range coins, Austrian 100 coronas (0.9802) remain cheaper than one ounce gold bars (don't need to think long to make a decision, do you?) In fractional coins the modern gold coin series like American Eagles, Maple Leaves, *etc.* remain high, but at wholesale we have been buying quarter Krugerrands at 6.5% over melt. That's the cheapest of the even 0.2500-ounce coins, but not very cheap when you can buy South African two rands (0.2354 ounce) at 1.8% over spot, or Netherlands 10 guilders (0.1947) or Austrian 20 coronas (0.1960) at 2.4%. French 20 francs come next at



4.7%. Premiums change continually, so when you call VPM at (888) 661-4093 ask what is cheapest.

### SILVER

Premiums on all silver items have been falling for more than a month. The insane \$9.50/oz. wholesale premium on silver American Eagles has now fallen to a slightly less maniacal \$5.90/oz. US 90%-coin premium has fallen to \$2.90/oz, its lowest since the bank failures in June ran premiums up.

*What meaneth this?* Falling

premiums equals fewer buyers and I attribute that to the summer doldrums. Folks are vacationing and can't be bothered to think about silver or gold. It also means that the industry is catching on about producing more product. And, from the wild ride with premiums over the last 3-1/2 years, wholesalers and dealers are gun shy of loading up on anything with high premium. Once those premiums crack, they drop like a meteor and leave them holding inventory priced well above market. That premiums



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always disappear is the basis of our recommendation always to buy the lowest premium item possible, so you get the most gold or silver for your money.

Glance at the silver chart. Support and resistance stand at \$21.50, \$23, and \$24.50. Last week silver finally stayed above – slightly -- \$23.00. I believe silver posted its low when it pierced the 200 DMA for two days, rose, then re-touched it for a final kiss good-bye. Looking at silver's March dance with its 200 DMA makes me a little nervous because it pierced it twice, but I will swallow hard and take a leap.

Today silver removed all doubt by pole-vaulting 103.3¢ (4.5%) to 2411.9¢. By that move silver cleared the downtrend line and the 20- and 50-day moving averages, confirming a rally. Look at how silver acted at its 200 DMA in March. Once it bottomed below the 200 DMA it came *roaring* out of that hole and climbing straight up until May. This foreshadows how silver's rally just begun will unroll, so either buy silver or stay out of its way.

Blue vertical lines mark August 2022 and August 2023. I am speculating that this year silver has begun a rally that will



reach into October/November.

Wholesale premium on one ounce .999 fine silver rounds has fallen to \$1.45, making them your lowest cost in small silver versus \$2.80 on 90% coin. However, if you already have silver rounds and coins, you can buy 100-ounce bars at 95¢ over spot (wholesale) and save 50¢ over the rounds.

*Weight. Think weight.* After you have enough small silver, you are only trying to buy *more weight*. Lowest price per ounce makes sense to me, given you already have small silver.

### GOLD/SILVER RATIO

What's the use of following the gold/silver ratio? *Generally*, when it is rising silver and gold are falling, and when it falls, metals rise.

The ratio has been trending down since March 2020, so the chart here is developing under a larger downtrend. It peaked on June 23, right before both metals bottomed. On 12 July it plunged with a gap through the ganged 20-, 200-, and 50-day moving averages, turning momentum irrevocably down. It's rolling in our direction, now and will speed up when it drops through that uptrend line.

### US DOLLAR INDEX

The one fly in my ointment is the US dollar index. It had fallen nearly to support about 101, and with another gigantic 121.1 basis point plunge today to 100.521 (basis cash) it is ripe to hit 100 and turn up to plague a gold and silver rally. However, to do that it must not close below 100, and to prove a rally it must conquer 105.50. Today's close was technically a new low close for the move and could be a breakdown. This continuation chart shows the September futures contract that closed today at 100.193 versus previous lows at 100.68 (February) and 100.42 (April). but a technical breakdown must be confirmed by dropping farther to prove it was not a one-day fluke. – F. Sanders



LISTEN TO THE FAT LADY SING									
			% chg	All-Time	All-time	% change	LAST LOW	LAST	LAST HI
	4-Jan-00	12-Jul-23	frm 1/00	High	High Date	From High	DATE	LOW close	DATE
DJIA	10,997.93	34,347.43	212.31%	36,799.65	4-Jan-22	-6.66%	23-Mar-20	28,725.51	30-Sep-22
DUA	278.51	927.13	232.89%	1,071.75	20-Apr-22	-13.49%	23-Mar-20	860.51	13-Oct-22
DTA	2,862.17	15,915.85	456.08%	17,039.38	7-May-21	-6.59%	23-Mar-20	11,999.40	26-Sep-22
S&P500	1,471.21	4,472.16	203.98%	4,796.56	3-Jan-22	-6.76%	23-Mar-20	3,577.03	12-Oct-22
NasdaqComp	5,457.44	13,918.96	155.05%	16,057.44	19-Nov-21	19-Nov-21	23-Mar-20	10,417.10	13-Oct-22
Nasdaq100	3,755.74	15,514.77	313.09%	16,573.34	19-Nov-21	19-Nov-21	20-Mar-20	10,690.60	3-Nov-22
US\$ Index	100.41	100.521	0.11%	121.02	2-Jul-01	-16.94%	16-Feb-18	106.40	15-Nov-22
Disoz	2,059.54	1,424.08	-30.85%	2,566.04	7-Jun-01	-44.50%	22-Aug-11	248.16	22-Aug-11
Dow/GoldOz	38.903	17.56	-54.87%	44.77	25-Aug-99	-60.78%	22-Aug-11	5.71	22-Aug-11
Gold	282.70	1,956.20	591.97%	2,051.50	6-Aug-20	-4.65%	18-Mar-20	1,627.30	3-Nov-22
Silver	5.340	24.119	351.67%	48.584	29-Apr-11	-50.36%	18-Mar-20	17.550	1-Sep-22
Gold/Silver	52.94	81.106	53.20%	125.888	18-Mar-20	-35.57%	4-Apr-18	75.367	20-Dec-22
Platinum	413.70	948.90	129.37%	2,276.10	5-Mar-08	-58.31%	19-Mar-20	804.00	1-Sep-22
Palladium	441.90	1,271.20	187.67%	2,985.40	3-May-21	-57.42%	18-Mar-20	1,346.40	8-Mar-23
<b>Bold face items in "Latest Low" and "Latest High" are new from last month.</b>					Last major low in Gold/Silver ratio occurred 30 April 2011 at 32.000.				
<b>"Latest" high or low means "last significant," not the very last in time.</b>					Last major high in Gold/Silver ratio occurred 18 March 2020 at 125.888				
<b>"Dow/GoldOz" is the DJIA exprest in gold ounces. Disoz is the DJIA valued in silver oz.</b>									



<b>AftMkt Wednesday</b>		<b>12-Jul-23</b>			<b>DiG\$</b>
<b>Gold:</b>	<b>1,956.20</b>	<b>DJIA</b>	<b>34,347.43</b>	<b>86.01</b>	<b>\$362.96</b>
<b>Silver:</b>	<b>24.180</b>	<b>S&amp;P</b>	<b>4,472.16</b>	<b>32.90</b>	
<b>Ratio:</b>	<b>81.05</b>		<b>DJIA/GOLD:</b>	<b>17.56</b>	<b>oz.</b>
<b>Plat</b>	<b>948.90</b>	<b>FINE</b>	<b>WHOLE-</b>	<b>WHOLE-</b>	<b>PREMIUM</b>
<b>Palladm</b>	<b>1,271.20</b>	<b>METAL</b>	<b>SALE</b>	<b>SALE</b>	<b>OVER</b>
<b>DJIA/A</b>	<b>1,420</b>	<b>CONTENT</b>	<b>BUY</b>	<b>SELL</b>	<b>CONTENT</b>
<b>AUSTRIA 100 cor.</b>	<b>0.9802</b>		<b>1,913.75</b>	<b>1,923.09</b>	<b>0.3%</b>
20 corona	0.1958		384.70	393.73	2.8%
4 ducat	0.4438		865.45	871.95	0.4%
1 ducat	0.1106		215.70	225.44	4.2%
<b>BRITAIN sov'rn</b>	<b>0.2354</b>		<b>473.05</b>	<b>486.24</b>	<b>5.6%</b>
<b>CANADA Mpl Leaf</b>	<b>1</b>	<b>1,977.00</b>		<b>1,992.24</b>	<b>1.8%</b>
1/10 ML	0.1	211.65		220.98	13.0%
<b>FRANCE 20 francs</b>	<b>0.1867</b>		<b>367.90</b>	<b>382.81</b>	<b>4.8%</b>
<b>SWITZ 20 francs</b>	<b>0.1867</b>		<b>374.90</b>	<b>386.91</b>	<b>5.9%</b>
<b>MEXICO 50 peso</b>	<b>1.2057</b>	<b>2,395.50</b>		<b>2,421.44</b>	<b>2.7%</b>
20 peso	0.4823	935.80		984.26	N/A
10 peso	0.2411	467.80		496.53	N/A
5 peso	0.1206	234.00		257.36	N/A
2.5 peso	0.0603	117.75		138.18	N/A
2 peso	0.0482	95.50		114.47	N/A
<b>S.AFRICA K'rand</b>	<b>1</b>	<b>1,963.25</b>		<b>1,984.27</b>	<b>1.4%</b>
1/2 Krugerrand	0.5	994.65		1,024.05	4.7%
1/4 Krugerrand	0.25	502.22		521.82	6.7%
1/10 Krugerran	0.1	203.85		209.71	7.2%
Two Rand	0.2354	456.75		469.36	1.9%
<b>USA \$20 gold pieces, pre-1935:</b>					
St. Gaudens MS62	0.9675	2,020.00		2,120.00	12.0%
Liberty MS62	0.9675	2,070.00		2,170.00	14.7%
St. Gaudens MS61	0.9675	1,990.00		2,090.00	10.4%
Liberty MS61	0.9675	1,990.00		2,090.00	10.4%
rawSt. G. MS60	0.9675	1,965.00		2,065.00	9.1%
rawLib. MS60	0.9675	1,965.00		2,065.00	9.1%
St.G XF	0.9675	1,925.00		2,025.00	7.0%
Liberty XF	0.9675	1,925.00		2,025.00	7.0%
<b>USA Buffalo</b>	<b>1</b>	<b>2,013</b>		<b>2,024</b>	<b>3.4%</b>
<b>USA American Eagle, post-1985:</b>					
Amer. Eagle	1	2,009.25		2,022.62	3.4%
1/2 Amer. Eagl	0.5	1,031.40		1,053.45	7.7%
1/4 Amer. Eagl	0.25	525.50		534.07	9.2%
1/10 Amer. Eag	0.1	212.65		219.02	12.0%
<b>GOLD BULLION</b>	<b>1</b>	<b>1,969.70</b>		<b>1,977.90</b>	<b>1.1%</b>

	<b>FINE</b>	<b>WHOLE-</b>	<b>WHOLE-</b>	<b>PREMIUM</b>
	<b>METAL</b>	<b>SALE</b>	<b>SALE</b>	<b>OVER</b>
	<b>CONTENT</b>	<b>BUY</b>	<b>SELL</b>	<b>CONTENT</b>
<b>PLATINUM Englhar</b>	<b>1</b>	<b>959</b>	<b>995</b>	<b>4.8%</b>
Noble	1	n/a	n/a	n/a
Koala	1	999	1,024	7.9%
Maple Leaf	1	992	1,012	6.6%
Amer. Eagle	1	1,039	1,074	13.2%
*****				
<b>SILVER, US COIN:</b>				
90% coin,\$1000ba	715	18,576	19,291	11.6%
40% 1/2s,\$1000ba	295	6,912	7,104	-0.4%
Dollars,\$1000 ba	765	25,750	26,750	44.6%
Silver Am.Eg.	1	28.83	30.08	24.4%
<b>SILVER BARS &amp; COINS, .999 FINE:</b>				
Engelhard/plasti	100	2,513	2,513	3.9%
Miscellaneous	100	2,458	2,513	3.9%
Eng. or JM	10	247.30	251.80	4.1%
Misc. rounds	1	24.83	25.63	6.0%
Can. Maple Leaf	1	26.08	26.48	9.5%

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**PLEASE READ THIS FIRST!**

- 1. All prices are wholesale. Add 3.5%-2.5% commission plus shipping when applicable.**
- 2. Not all the gold coins listed are always available, e.g., Austrians, fractional Krugerrands, Mexicans.**
- 3. Fractional gold Maple Leaves are available & priced as American Eagle fractionals.**
- 4. Small quantities subject to surcharge.**
- 5. US\$20s MS-61 or better are PCGS or NGC (our choice) certified ("slabbed"); MS-60 & below are not slabbed.**