



In this issue of our newsletter, we have another great article from Jeff Garrett on the subject “population reports revolutionized the hobby.” Our next meeting will be held on Monday, May 20, 2019 at 6:30 PM at our new location at the Embassy Suites at Lexington Green, 245 Lexington Green Circle. As a reminder, they have asked that we not bring in outside food or drink when attending the meetings. Instead, there are several convenient locations within the facility to purchase soft drinks, coffee, or food items.

DOOR PRIZE TO BE GIVEN AWAY!

You won't want to miss this meeting! Jeff Garrett at Mid-American Rare Coin will be donating another door-prize item to be given away. Also, Jeff had a really nice deal for any club members who would like to become members of the American Numismatic Association. Jeff will pay 100% of the first year's basic membership dues (the online version of The Numismatist, a \$28.00 value) for any club member who wants to become an ANA member for the first time. The ANA offers members many outstanding benefits including discounted coin insurance, life insurance, library use, on-line delivery of The Numismatist Magazine, and a great numismatic convention each summer.

POPULATION REPORTS REVOLUTIONIZED THE HOBBY

By Jeff Garrett

Decades ago collectors and dealers relied on standard numismatic references, such as the Guide Book of United States Coins (Redbook), for much of their information. Most of today's collectors take the massive amount of numismatic information they have at their fingertips for granted. With a few clicks of your cell phone you can know more about a coin than most experts of the past. There is

an amazing set of tools available for collectors and dealers to use when making a purchase decision.

One of the most important tools for today's collectors is the grading census of coins that have been certified since the inception of third party grading. These are known as the "Population Reports" among most users. It is hard to overstate the importance and impact of Pop Reports in numismatics. For many buyers it is one of the first things they check.

Since NGC was founded in 1986, they have certified over 30,000,000 coins. The NGC grading census details each series, and how they have graded every coin submitted since 1986. This is an amazing store of vital information about coin rarity. Over the last three decades the true rarity, or lack of rarity, has been revealed by the population reports. In general, common date Morgan Silver dollars are much more common than collectors and dealers thought thirty years ago. NGC has graded nearly 3.5 million Morgan Silver dollars over the years. Rare date Morgans are another story, as the true rarity of many of these was confirmed by three decades of submissions. As an example:

1881-S Morgan Dollar MS65 (56,305 graded)

1884-S Morgan Dollar MS65 (2 graded)

A student of numismatics can gain an amazing amount of knowledge about the rarity of the series they have chosen to collect by carefully studying Pop Reports. Before third party grading the best barometer of rarity was the study of auction records. David Akers ground breaking books on United States gold coins that were published in the 1970's and 1980's noted auction records for different grades. For the first time many collectors were enlightened on the true rarity of many United States gold coins. The standard references of the day all had prices for coins that did not exist in Mint State.

The Pop Reports are carefully studied now by those who compose pricing for a multitude of price guides. The value of a coin is greatly impacted by the information gained by checking on how many have been graded. This is a moving

target as thousands of more coins are being graded by NGC daily. The number and pace of rare coins being graded has been a huge factor over the years.

When third party grading began in the 1980's, lots of coins had low population numbers and seemed very rare. This was one of the factors that attracted Wall Street Money in the late 1980's and early 1990's. As third party grading took a firm hold, and millions of coins flooded in for grading, populations jump sharply. This led to the rare coin crash of the early 1990's. For amusement, check a Greysheet from 1989 and look at classic United States Commemorative prices. Coins that traded for \$5000 in 1989 can now list for under \$250.

There are many anomalies that can be found in the population reports for United States coins. One of the more confusing situations is when the number of coins graded exceeds the stated mintage. This is not uncommon with many rare Proof United States gold coins. One explanation is that the mintage figures for some United States coins are incorrect. In the 1870's and 1880's it is known that US Mint officials struck extra coins as collector demand dictated. More about this fascinating subject can be found in the excellent books about Proof United States coins that have just been published by John Dannreuther.

A much more common explanation for strangely high population numbers are re-submissions. Over the decades there have been dozens of incredibly talented rare coin dealers who attempted to make a living by re-submitting coins. Some have been quite successful, while others have not. The subject of re-submissions is complicated, and may be the subject of a future article soon.

One of the consequences of re-submissions is that many rare coin dealers do not return the tags so that the rare coin census can be updated. There have been attempts to financially entice submitters to return tags over the years with mixed results. Some dealers are just too lazy or disorganized to send back tags once coins have been broken out and re-submitted. As can be imagined, this can greatly skew population numbers. For some "top pop" issues, this can have a dire financial impact.

One rare coin dealer told me years ago that he did not return tags because he wanted to be the only one who knew the true rarity of a certain coin. Thankfully, that is the exception, as most rare coin dealers know that numismatic transparency is important for the market to operate efficiently.

Because tags are returned to the third party grading services on a regular basis, the population numbers actually **decrease** occasionally. A dealer might save tags for years (not uncommon) and then send them to NGC for updating the census.

Serious collectors should check population reports on a regular basis. Much can be gleaned from these reports that can have a serious impact on your collection. As mentioned in my last article, there has been an influx of United States gold coins into the country over the last several years. Hoards and coin finds might quietly enter the market, but they eventually are revealed in the population numbers. Last year at least one roll (50 coins) of 1909-S VDB cents entered the market. The coins were amazing, and the number of coins at the top end of the grading reports increased dramatically.

Population reports are also very carefully watched by those who participate actively in Set Registry collecting. The population numbers are vital to those trying to assemble the top set of any series. When a new "finest known" coin is graded, the grading census reports the information, and the status of someone's set could be impacted.

In my opinion, the creation of grading population reports has been one of the most important advances in numismatic knowledge. Collectors and dealers would be lost without them. The hobby is fortunate that NGC and others spend the money needed to maintain this vital pool of information. Collectors should spend time going over the census for coins they collect- it will be time well spent!

This important information and disclaimer about the grading census is found on the NGC website:

The utilization of this report as a tool for assessing the population and value of certified numismatic coins in any character or grade is unreliable. The following characteristics inherent in the marketplace undermine the accuracy of this report:

Inexpensive coins which are not generally submitted for certification may appear scarce but are not.

Numismatic coin certification services are predominantly utilized for higher grade coins.

Certified coins are often removed from their holders without notice to the grading service. Therefore, computer tallies utilized to provide population reports may be misleading.

Rarity is only one factor which must be weighed in determining the market value of a numismatic coin.

Numismatic Guaranty Corporation of America encourages all coin collectors to seek the counsel of qualified numismatists familiar with the certified coin marketplace before making any purchase based on this report.