

Coins As An Investment

by [Michael Marotta](#)

There is a lot of hype about "rare" coins as an "investment." As you will read, you can make money in numismatics. However, you won't do it by buying some magic coin and waiting for every- one else to beg it out of your hands...

- (1) While some coins do well regardless of owns them, whatever profits can be found in coins usually depend on the acuity of the investor in acquiring coins that other people want to buy.
- (2) Paper profits mean nothing. All that counts is the hammer price. Greysheet, Redbook, Trends, etc., are all OPINIONS while the only "opinion" that counts is the one of the BUYER.
- (3) You can make a lot of money in coins by following the advice of Scott Travers. He says:
 - a. Go to a lot of coin shows.
 - b. Know the markets.
 - c. Know the coins.
 - d. Buy the coins that are underpriced and resell them.
- (4) There are blessedly few investments that do not require WORK. Whether your choice is coins, equities, professional bowling or cake decorating, you can get rich if you work hard and work smart. To other people it will seem like you "picked the right market" and they will say that you "got rich over night." They will not sit with you while you sweat the losses and curry the gains day after day.
- (5) Markets *change*. Therefore, it is always possible for a spin artist to pick some commodity and some window and show monstrous profits for those who "knew what to do." Perhaps so. However, it is a basic fact of economics that the past has no affect on the future: yesterday's prices are meaningless.
- (6) When you read about some astronomical hammer price for a rare coin -- such as a 1913 Liberty Nickel or an 1804 Dollar, factor inflation into the equation. The real results are usually small gains or small losses.

Bottom line: Buy the coins you enjoy owning now. Hold them for a long, long time. When you sell them, you might not lose money.

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