

Latin American Numismatics Mexican Coin Company

August / September 2013

Mexican & Latin American Market Report

COLLECTING THE MEXICAN WAR FOR INDEPENDENCE

By Max A. Keech

PART ONE:



1812 Oaxaca 8R

The Mexican War for Independence coinage is one of the most fascinating, diverse and complex series in all of Latin American numismatics. This short series is rich in history and can provide a rewarding experience for collectors at all levels. But beware; it is poorly cataloged, so a learning curve and some bumps along the way should be expected.

There is only one substantive numismatic reference on the War for Independence (WFI) series and it was written in 1938. Dr. Alberto F. Pradeau's "Numismatic History of Mexico" still stands as the "must have" reference for today's collector. Luckily, it was reprinted by Sanford J. Durst in 1978 and is widely available today. In addition, every English language reader should have Volume IV of "The Works of Hubert Howe Bancroft, History of Mexico". This history book was written in 1885 and covers Mexico from 1804-1824. It provides a detailed accounting of the major players and activities during the war. This is invaluable for any

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US MEXICAN NUMISMATIC ASSOCIATION SECOND ANNUAL CONVENTION

Things are shaping up really well for our upcoming convention and I hope you can attend. We are excited to add events to this year's agenda and think the convention will be even better than last year.

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COLLECTING ECUADOR

By Carlos Jara

PART TWO:

In 1856, the Ecuadorean authorities had seen enough of the debased circulating issues, and issued a new monetary law by decree of December 5, 1856. This decree ordered the implementation of the decimal monetary system, paralleling the one in France, with a coin of 5 grams with a 0.900 fineness valued at 1 Franc (or, more precisely, 1 Franco).

At first sight, it might seem strange that the first coins actually issued under this new decimal system still carried denominations of the old octal Spanish system. The coin we are referring to is a one year type of extreme importance and rarity; the 2 Reales issue dated 1857 (we currently offer the finer of the 2 known specimens, see below). However, these coins (still of 0.666 fineness and with a weight of 6.75 grams) were in fact a perfectly legal issue, since the December 1856 decree authorized (and thus tolerated the issuance of) coins which were equivalent in value to the new decimal coins. Since a 6.75 grams coin of 0.666 fineness equals (in intrinsic value) a 5 grams coin of 0.900 fineness: this meant that the 2 Reales coin of 1857 had the same intrinsic value of a 1 Franc coin of the new decimal system, and could therefore be issued under the 1856 law.



2 Reales 1857 Quito Mint. One of two known.

The above charming numismatic puzzle was clarified in our work on the 1862 issues published in 2004. Note that to further clarify matters, the Ecuadorean authorities formally forbade the issuance of coins bearing the old denominations of Escudos and Reales by another decree dated December 4, 1857. This resulted in the issuance of the 1858 5 Francos coin (a full size crown of 25 grams and 0.9 fineness), a coin which

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**MEXICO SILVER
PROCLAMATION
CHARLES IV MEDAL
8 REALES SIZE (42mm)
1789, NGC MS63**

Bust of the new King Charles IV on obverse, and bust of Queen Marie Louise of Parma on Reverse. Commissioned by the Archbishop of Mexico (hence the legend ALF ARCH MEX (Alfonso Bishop of Mexico) for the accession of new king Charles IV in 1789. [Insert Grade]. Truly rare in this wonderful condition. Old unmolested golden toning and a strong strike allowing to see all the exquisite work done by engraver Geronimo Gil. A wonderful addition for a collection of Proclamation or Bett's medals.

Priced at \$900.-



**CHILE SANTIAGO 4 REALES
1791/0, Choice Uncirculated, MS63**

One of the most spectacular Spanish Colonial coins we have seen, bar none. Already very rare in lower grades, either as a type or date coin (the 1789 is the most "available" date for this rare transitional type), but miles apart from any other of those pieces due to its wonderful and truly incredible condition. Choice strike which allows to see the very clear overdate without any need for a magnifying glass. A centerpiece for any collection of Spanish Colonial issues, this piece oozes "quality" and "specialness". Ex Garcia Burr-Emilio Ortiz and Tarapaca collections.

Price on request.

CONTACT US

MexicanCoinCompany.com

LatinAmericanNumismatics.com

E-Mail: info@mexicancoincompany.com

Telephone: (480) 921-2562

FAX: (480) 575-1279

Mail and Registered Pkgs:
Mexican Coin Company
PO Box 5270
Carefree, Arizona 85377

FedEx and UPS Pkgs:
Mexican Coin Company
7275 E Easy St Suite B101
Carefree, Arizona 85377



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2013 CONVENTION UPDATE

Thursday October 17	Dealer Setup	1pm
	Early Entry	3pm (\$10 Donation)
	Cocktails & Silent Auction	6pm
Friday & Saturday	Bourse Hours	9am to 6pm
	Speakers	Three daily at 10am, 1pm and 2:30pm

Speakers will Include:

Dave Busse	Republic Silver Minors Die Styles
Max Keech	War for Independence Counterstamps
Richard Long	A Life in Mexican Numismatics
Kent Ponterio	Colonial Cobs of Philip 2nd & Phillip 3rd
Elmer Powell	Revolutionary Currency and other Collectibles
Dan Sedwick	Overview of Mexican Coin Hoards on Colonial Shipwrecks

This issue of our newsletter contains a very small portion of the content of the presentation on the War for Independence which will be given by Max Keech. Max is my partner in Mexican Coin Company and a recognized expert on the War for Independence. The presentation will be an hour in length and will cover lots of new ground in the area of counterstamps.

I am very pleased to tell you that we have rearranged the bourse floor to provide space for an extensive display of Revolutionary items being provided by Elmer Powell. The display will include items from his world-class currency and postcard collections plus other interesting memorabilia.

MAKE YOUR HOTEL RESERVATION NOW! OUR DISCOUNT RATE EXPIRES SOON!

We have arranged a special room rate at the Resort of \$159 per night. The easiest way to make a reservation is to go to usmex.org and follow the links. Last year, room rates were much higher after our block sold out.

The weather in mid October should be excellent with temperatures in the mid 80's during the day and mid 60's during the night. Don't forget we are located close to Fashion Square Mall, numerous excellent restaurants and casinos if you feel the need to make a donation.

The US Mexican Numismatic Association has 300 members dedicated to the collection of Mexican coins, currency and other collectibles. The Association publishes a quarterly journal on a variety of topics. For more information about the Association go to usmex.org.

Cory Frampton
Executive Director
US Mexican Numismatic Association
cory@mexicancoincompany.com
Cell: 602 228-9331



collector of this period who wants to do more than “scratch the surface”. We have accumulated a small number of the Bancroft volumes which are available at nominal cost based on condition. For Spanish readers there are additional historical references which we can recommend on request.

The biggest obstacle for most starting collectors is the organizational confusion surrounding the series. Pradeau offers relevant background on most of the issuers but this 1938 work is in need of updating. Krause is a mess. It is disorganized with a lot of confusing and/or misleading information. Since Pradeau provides a good historical treatment of the WFI issuers, I will not repeat that useful information in this article. Instead, I will attempt to supplement Pradeau with a big picture way to view and organize the WFI issues and issuers. Hopefully, this will allow the reader to approach collecting (and Krause) in an informed manner. If you are up for the challenge, a world of discovery awaits in the WFI!



Hidalgo Banner

mints started by either (1) issuing a Provisional coinage of local design or (2) casting coins from Mexico City hosts and then applying a validation stamp. Near the end of 1812 it appears that the authorities in Mexico City forbid the use of Provisional designs. To comply, the branch mints of Durango, Guadalajara, Guanajuato and Zacatecas began minting the Ferdinand VII draped bust design. The rarity of all these draped bust issues dated 1812 attests to this timing. Valladolid and Chihuahua were laggards, making the transition in 1813 or shortly thereafter.

In 1811 Insurgent groups also began producing their own coinage for commerce. Coined silver was much more useful than silver bars for purchasing supplies or paying soldiers. Both the Royalist and Insurgent necessity issues of this early period were crudely produced and of generally poor quality. Both weight and fineness could vary considerably.



1813 Morelos cast silver “SUD” 8R”]



**MEXICO NUEVA VISCAYA
8 REALES**

(1811) RM, PCGS Fine 15, KM#181

Although lacking the date, this is a superb strike of the rare provisional issue of Nueva Viscaya (Durango). To our knowledge, only 3 well struck presentation specimens of this 1 year type exists and any of these would set you back \$50,000 or more. Unfortunately, Krause has pictured one of these while listing price for the miserable production strikes. Ours is better than 90% of these at a small fraction of presentation money.

Price on request.

Organizationally, the WFI can be separated into 2 periods – the necessity issues of 1810-1814, and the standardized issues of 1815-1822.

1810-1814 - Necessity Issues

From 1810 to 1814 both Royalists and Insurgents issued necessity coinage and counter-stamped issues. Prior to the start of the WFI in September of 1810, Provincial capitals shipped bullion to Mexico City, which was coined and then returned. But during this early period, Insurgents controlled large parts of Mexico, effectively severing these local mining centers from the Royal Mint. Out of necessity, local authorities resorted to casting or minting coinage for commerce and to pay the troops. Most branch

Because of this poor quality, the local inhabitants, who for generations had been accustomed to the excellent Mexico City coinage with its’ reliable silver content, were reluctant to accept these necessity issues. This led both Royalist and Insurgent authorities to counterstamp the necessity issues as official verification of their value.

1815-1822 - Standardized Issues

By 1815 the WFI had turned decidedly in the Royalists favor. Most Insurgent leaders had been either killed or captured. The few that survived controlled little territory and were generally reduced to “hit and run” banditry. After 1814, no Insurgent coinage was issued and neither Insurgent nor Royalist counterstamps were employed. This little recognized fact (especially as it relates to counterstamps) is usefully recalled when

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we think of WFI issues as either the pre 1815 Necessity issues or post Standardized issues.

From 1815-1822, only the Provincial capitals of Chihuahua, Durango, Guadalajara, Guanajuato and Zacatecas continued to issue struck coinage in the standardized style of Mexico City (draped bust of Ferdinand VII). The quality of this struck money is generally poor in the early years but improves significantly before the end of the WFI.



**MEXICO REAL DEL CATORCE
8 REALES**
1811, Well Struck XF, KM#169

A classic rarity of the War of Independence. Real del Catorce is a mining center in the present State of San Luis Potosi. During 1811, the crude 1 year provisional type was issued and approximately 8 specimens are known today. Our example is extremely well struck for the issue and is far superior to the Huntington specimen which realized \$68,000 in the October 9th, 2012 Jesus Vico auction. Some reverse tooling. Very attractive and reasonably priced. A real "show stopper"!

Price on request.

During this period, Royalist necessity issues of 1810-1814 were withdrawn from circulation and often used as planchets for the striking of standardized coinage. This is particularly true for Chihuahua where the "host" coin is generally visible on coins struck from 1815-1822. Often, earlier counterstamps "show thru" on these standardized struck coins and can be mistaken for a counterstamp produced after 1814. This mistaken identification has resulted in cataloging errors that begin in Pradeau and are rampant in Krause.

Royalist Issues

In addition to the 5 Provincial capitals described above, Monclova, Neuva Viscaya (Durango), Oaxaca, Real del Catorce and

Sombrerete issued necessity coinage prior to 1815. These 5 authorities issued only Provisional money dated 1810-1812 and ceased mint functions prior to making the transition to the draped bust design. Valladolid is a special case which issued an extremely rare provisional and draped bust design in 1813. The coinage of these 6 smaller authorities is very scarce to extremely rare. Together with the 5 larger authorities, these 11 issuers produced about 17 major types of crowns and 28 types of minors.

Insurgent Issues

Insurgent issues can be broadly categorized under the Supreme Junta,

Morelos and "other" authorities. Both the Supreme Junta and Morelos issued struck, as well as cast coinage in large quantities during the period between 1811 and 1814. The Supreme Junta issues are some of the most important in Mexican numismatics. They were issued in struck and cast silver as well as copper. For a more in-depth look at the first issue of the Supreme Junta and the evolution of Mexican symbolism, please consult "The First Issue of the Supreme Junta at Zitacaurio" and "The Evolution of Mexican Symbolism" published by the US Mexican Numismatic Association. The full article is available at www.usmex.org.

The Morelos issues, also known as "SUD's", are cataloged incorrectly as Oaxaca in Krause. These were issued in numerous locations following Morelos's campaigns in the Southern provinces. In addition to the Supreme Junta and Morelos, Insurgent struck issues include the extremely rare Zongolica 2 and 8 reales of 1812 (Krause catalogues as Veracruz), and 1813 copper issues of Osorno at Zacatlan (cataloged under Puebla). Together, these 4 issuers are represented by approximately 10 major types of crowns and 24 types of minors.

Validation Stamps

In our next newsletter we will explore issues with validation stamps. Often referred to as "counterstamps" this series is quite complex and is the area where current catalogs are most inadequate. We will attempt to break it down by the issuing authority and purpose and shed some light on this fascinating area! We will then conclude with a survey of current market conditions.

ABOUT US

Mexican Coin Company and Latin American Numismatics are located in Carefree, Arizona and owned by Cory Frampton and Max Keech. Scott Drummond manages the office which is open from 8 am to 4:30 pm Monday thru Friday. Carlos Jara manages our Latin American operations and lives in Chile. Carlos travels throughout Central and South America and attends the major shows here. We are a leading buyer and seller of Mexican and Latin American coins and currency and we stock the largest inventory in North America. Our primary focus is on quality material and rarities dated prior to 1930. Our inventory consists of hundreds of certified coins along with thousands of raw coins and thousands of notes. We have just published "Mexican Paper Money", a 424 page color reference book on Mexican currency which is available directly from our website. We attend many of the major shows, including Mexico City, Long Beach, New York International, the Money Show of the Southwest and others.



1811 Supreme Junta struck 8R

is very scarce and popular, with the top graded pieces being very rare. The beautiful example pictured below is currently available.



Ecuador 1858 5 Francos: the country's first decimal crown. Among the very finest known.

The lack of circulating media allowed a final issue of debased silver coins in 1862, up to a total of 200,000 pesos. These coins were also issued under the decimal system (see the reasoning shown for the

The Ecuadorean authorities' plan was to issue sufficient coins of full 0.900 fineness of the new decimal system to recall the debased coins, which amounted by contemporary estimates to a hefty 10 million Reales. This plan came to naught after the massive earthquake that hit Quito in March 22, 1859, and left the mint practically abandoned.

1857 2 Reales issue) and were authorized by a monetary decree of 1861. Their minting was undertaken by a conglomerate of privateers, which had formed a financial consortium named El Banco de Particular de Descuento de Guayaquil, and hoped to recover the mintage costs with the difference between the coins nominal and intrinsic value (amounting in theory to roughly 41.800 pesos if the full 200.000 pesos of 0.666 fineness were issued). The project was carried out with enthusiasm, with dies being commissioned to the well known Paris Mint's engraver Albert Barre. While the dies were being finished in Paris, other provisional dies were commissioned at the Quito Mint, which were used to strike coins of ¼, 2 and 4 Reales, all of which are great rarities today.

In the end, the only regular issue coins struck with the beautiful dies engraved by Barre were an issue of 4 Reales dated 1862. These are the only Ecuadorean coins dated 1862 which can be located without much difficulty (if one

settles for a VF grade!). However, from a numismatic point of view the Barre dies are extremely important since they also produced full 0.900 fineness (to distinguish them from the



Ecuador 50 Francos 1862, Quito Mint. Perhaps unique and one of the rarest coins of the Americas.

planned regular issues) patterns of 2 and 4 Reales, and also a pattern crown, all dated 1862. The latter piece, which bears no indication of value, is traditionally referred to as an 8 Reales coin, but logic (see again the reasoning for the 2 Reales 1857!) forces one to conclude that if such a crown had been struck, it would have weighed 25 grams of full 0.900 fineness and was rather a 5 Francos coin. The total combined amount of all the patterns dated 1862 is less than 10 pieces, so it is correct to refer to them as extremely rare.

The icing of the cake for the 1862 coins is the gold 50 Francos piece, of which only one is presently confirmed (with a 2nd specimen rumored to exist). Although the Quito Mint produced many numismatic treasures, the undertaking of the issuance of the 1862 coinage was an economic failure, and resulted in the temporary closure of the Quito Mint. Readers who wish to further investigate these issues might read my work on them, or consult my old blog entry at www.lanumismatics.blogspot.com

Later issues might seem uninteresting in comparison but we still can mention many worthy pieces, such as the 1884 Proof issues, very rare in any of the known denominations.

A special mention should be made of the known Ecuadorean countermarks. Both the 1831 MdQ monogram



PERU 2 PESOS GOLD PATTERN
1855, Choice Proof PF63 NGC

This extremely rare coin is part of the series that initiates the Decimal monetary standard for the Peru series. It's hard to overstate its importance, both as a Peru gold type coin, and also as part of the first patterns struck at the Philadelphia Mint for a foreign State. A choice Proof, with nice toning and, fittingly for a Proof coin, very well struck details. One of the key gold types for the whole Latin American series, and recognized as such by Harry Williams in his pioneering work published in 1915.

This is the only example currently known in private hands (other is in the Philadelphia Mint's collection, which includes the whole series from 20 to 2 Pesos), from a reported mintage of only 6 pieces.

Price on request.



LIMA 8 REALES ROYAL COB
1720

Lima 8 Reales Royal Cob 1720. Holed at 12:00 as usual, XF for wear and very nicely struck, in particular on the shield side. Unique as a date for the royal type. Strike is full and the coin is well centered with clear legends, resulting in an exceptionally attractive piece which represents a wonderful type coin among Lima Royals. Golden tone patina. Cover plate coin in Calico's "Numismatica Española" where it was obviously selected as a truly special piece.

Price on request.

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countermark (found on debased coins of Colombia with the Indian head design) and the RA monogram (supposedly issued by Rogelio Alvarado for a prisoner colony in the Galapagos island) have been extensively counterfeited. Any interested parties should study these series in detail before buying them. Feel welcome to give us an email or call about them!

The Ecuadorean series include many extreme rarities, which may never be seen by even most enthusiast collectors, but few series are more rewarding to attempt completing. The main reason is very simple, and instead of trying to explain it, let us quote Herman Melville's Moby Dick description of an Ecuador 8 Escudos glanced upon by Captain Ahab:

Now this doubloon was of purest, virgin gold, raked somewhere out of the heart of gorgeous hills, whence, east and west, over golden sands, the headwaters of many a Pactolus flows. And though now nailed amidst all the rustiness of iron bolts and the verdigris of copper spikes, yet, untouchable and immaculate to any foulness, it still preserved its Quito glow....

Now those noble golden coins of South America are as medals of the sun and tropic token-pieces. Here palms, alpacas, and volcanoes; sun's disks and stars, ecliptics, horns-of-plenty, and rich banners waving, are in luxuriant profusion stamped; so that the precious gold seems almost to derive an added preciousness and enhancing glories, by passing through those fancy mints, so Spanishly poetic.

It so chanced that the doubloon of the Pequod was a most wealthy example of these things. On its round border it bore the letters, REPUBLICA DEL ECUADOR: QUITO. So this bright coin came from a country planted in the middle

of the world, and beneath the great equator, and named after it; and it had been cast midway up the Andes, in the unwaning clime that knows no autumn. Zoned by those letters you saw the likeness of three Andes' summits; from one a flame; a tower on another; on the third a crowing cock; while arching over all was a segment of the partitioned zodiac, the signs all marked with their usual cabalistics, and the keystone sun entering the equinoctial point at Libra.

After this beautiful description, we rest our case. Feel free to contact me at carlos@latinnumismatics.com to discuss

the Ecuador issues or any Latin American numismatic topic.



**MEXICO 8 ESCUDO
1849 GUADALUPE CALVO
1849, NGC AU58**

The NGC population report as of this date shows this as the only one graded. A very nice example of a very scarce coin.

Priced at \$5,700.-



**CUBA SILVER 1 PESO
1915, NGC Proof MS62**

Struck at the Philadelphia Mint and thus very important both for both the crown collector and the collector of issues struck in US mints. From a tiny original mintage of just 100 pieces. Beautiful dark metallic toning and well struck, as expected for a Proof coin. One of the key type silver coins for Cuba.

Priced at \$2,500.-



**MEXICO CABALITTO
1914, NGC MS63**

Well struck with light attractive toning. Only one coin has been graded higher by NGC as of the date of this newsletter.

Priced at \$6,800.



**MEXICO 2 REAL
1830, NGC MS65**

This early date gem is a well struck flashy example. The NGC population report indicated this is the finest example they have graded.

Priced at \$750.-



**MEXICO 4 ESCUDOS
1713 J 4, NGC MS63**

This coin from the 1715 Fleet is very choice with a bold date.

Priced at \$8,300.

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If you collect Mexican or Latin American coins or currency, we want to stay in touch with you. Please include a want list if you have one. Our website mexicancoincompany.com is interactive. If you take a couple of minutes to set up an online account and let us know what you collect, you will receive a weekly email notice listing new inventory items in your area of interest. You can very simply cancel this service at anytime.

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