

Latin American Numismatics Mexican Coin Company

January / February 2014

Mexican & Latin American Market Report

COLLECTING CHILE SANTIAGO COLONIAL MINORS

By Carlos Jara

Among the Spanish Colonial silver coinage series, the Santiago issues have always been highly regarded and generally considered the 2nd rarest in the series, with only the issues from the Colombia mints of Nuevo Reino and Popayan being more difficult to obtain. In particular, and in this order, the pillar series, the series of bust 4 Reales (notably the Charles III issues and the transitional 1789-1791 issues) and the series of Charles III 8 Reales have been known as impossible to complete. We currently have available the finest known specimen of the four real transitional series which is shown below. For a more detailed study on the pillar series, please refer to my work "Las Primeras Acuñaciones de la Casa de Moneda de Santiago de Chile, 1749-1772". It is out of print, but our company website has 2 copies available at \$225.



Chile 4R 1791/0 Carolus IV
NGC MS63, Finest Known
Sku# 20834
Price: \$17,500

Few have ever attempted to pursue a date run in any of these series. In the 8 Reales series, the Faistauer, Ray Johnson, Karon, "Amat" and Fernandez (Aureo, March 2012) groups have been notable. A few years ago, noted collector and numismatist Jorge Ortiz Murias built relevant holdings of the bust Santiago 4 Reales, and incidentally a wonderful collection of Colombian colonial silver minors.

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LATIN AMERICAN BANK NOTES

By Carlos Jara

PART TWO:

Consolidation of the emission of banknotes: Bancos de Emision

The next wave of banknotes issues of the Latin American Republics started around 1850-1860. These issues more or less coincide with the introduction of the Decimal monetary system, which was an effort to clean up the often chaotic circulating coinage found at the time. This is not pure coincidence though, since in more than a few cases the transition to the Decimal system required the recall of low quality (or even debased) coinage from the old system that was in circulation, and banknotes were issued to help for that purpose. Cases in point are Ecuador, Bolivia and Peru. These new banknotes were issued in greater volume than the initial attempts that we mentioned in the first part of this article, and thus necessitated a firmer legal framework to regulate them. The entities issuing them were referred to as Bancos de Emision (or Banks that issued banknotes) in contrast with the earlier Bancos de Rescate (to "rescue" or buy raw metals) or other

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US MEXICAN NUMISMATIC ASSOCIATION CONVENTION REPORT

The recent annual convention was a huge success and everyone had a great time. For those of you who have not yet attended, I want to talk about the general environment. On top of the excellent facilities at the



US Mexican Numismatic Convention Floor - 2013

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Scottsdale Hilton Resort and the exceptional selection of local restaurants, it is hard to explain how different this is from a normal coin show. There is no public advertising for the convention and everyone who attends is a serious collector. The bourse area has more Mexican material than you can find at any other show. While the educational aspect alone makes it worth attending, the relaxed environment with everyone enjoying discussions about their favorite hobby puts it over the top.

The silent auction and cocktail party on Thursday night was a great addition to the convention. A surprising number of members attended, everyone had a great time.

Next year we are going to take the Convention to a whole new level by expanding the educational seminars to include subjects that you can't get anywhere else. We are still working on the activities, but chief among them will be a series of counterfeit detection seminars starting with the colonial era. The colonial counterfeit seminar will be presented by the most knowledgeable professionals in the field including Kent Ponterio, Dan Sedwick and Mike Dunigan.

We are also increasing the floor area by 50% to make room for more displays and a huge used book sale. The incredible Revolutionary display put on last year by Elmer Powell will be hard to beat.

**NEXT CONVENTION OCTOBER 16-18 2014
PLAN ON ATTENDING!!!!**

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If you are interested in selling, give us a call. If you decide to ship us your coins or currency, we will call you within 48 hours after receiving them with an offer. If you do not like our offer, we will pay the cost of immediately returning them by insured mail. If you accept our offer, we will mail a check with 48 hours. Wire transfer payment is available on transactions over \$10,000. We are happy to travel to view substantial collections.

We recommend that you ship your coins and currency by USPS registered mail and insure it. The maximum insurance per box is \$25,000, so be sure to divide the material up into more than one package if it is over that level.

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Our website contains thousands of items priced from \$20 to over \$20,000. Coins and currency can be purchased directly on our website or you can give us a call. We do not have a printed price list, but are happy to discuss your needs in person. We regularly acquire coin and currency collections and new items are first offered to individuals who have provided us with their want lists.

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The gold issues of Santiago range from a few issues that are easily obtainable to nearly impossible. While the common bust gold 8 Escudos are plentiful, the rat nose 1764-1772 and early issues not included in the "Nuestra Señora de la Luz" wrecks are much more difficult. The minor gold issues have been static in price recently despite their rarity. Curiously, only the earliest 4 Escudos dated 1749 and the latest 1,2 and 4 Escudos dated 1817 are available. The 1749 issues were even available prior to the recovery of the coins from the Nuestra Señora de la Luz shipwreck. The latter issues, all dated 1817, were in fact struck between 1817 and 1823, until republican dies were finally completed for the minor gold coinage in 1824.



Santiago 4 Escudos 1749 J (for Jose Larrañeta)

All other denominations and/or dates of the Santiago gold minor issues are either rare or very rare, with a few types being nearly impossible to obtain. Among these types the rarest are the 2 and 1 Escudos issued under the reign of Ferdinand VI. The 2 Escudos is a one year type issued only in 1758 with a very small mintage of 443 pieces of which only 3 specimens are known. The 1 Escudo type was struck for only three years also in diminutive quantities (1754: 680 pieces struck, 1755: 553 pieces struck, 1756: 108 pieces struck). Only the 1754 and 1755 pieces are now known (which grade VF and aXF respectively) making for a grand total of only two specimens for that type. Neither the famous pillar 1760 4 Reales (of which 4 are known), the 1758 2 Escudos (3 known as indicated above), or the rat nose type 4 Escudos (of which about 10 are



CHILE - 1754 1 ESCUDO
NGC AU DET, KM#A6
SKU# 50413

Rev. scratched - Unique, two known for type.

Price is \$18,000.-

known) are similar in rarity. Thus the Ferdinand VI 1 Escudo is in fact the rarest colonial type for Santiago, and among the very rarest types of the entire Spanish Colonial series. Needless to say, this type was absent in the extensive Norweb collection, the recent important Caballero de las Yndias collection, and the famed Jose Toribio Medina collection.

The 1755 piece (in fact an overdate 1755/4) sold for U\$ 19,550 at the Eliasberg sale including fees, and then for U\$ 21,800 (including fees) in Sedwick's 10/2010 sale.

The 1754, which is also the plate coin in Calicó-Trigo (Numismática Española, 9th edition, 1998, p. 453, No 208) is now being offered by Mexican Coin Company.



MEXICO - 1921 50 PESOS
1921, NGC MS50, KM#481
SKU# 21102

First year of issue and scarce grade with only one NGC graded higher.

Price is \$5,800.-

TELL US HOW WE CAN HELP YOU

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.

Bancos which were commerce establishments specializing in loans or similar operations. These Bancos de Emision were usually controlled by private firms, and they issued the bulk of banknotes currently catalogued in the Specialized Issues part of the Standard Catalog of World Paper Money or SCWPM. The pioneering Laws of Emission were similar among many of the Latin American Republics. Authorization to issue banknotes was given to these private banks, provided they were capable of maintaining a permanent reserve (representing a fraction of the total emission, usually in gold) to back them up. Most of the early issues of these private banks (some of which were active in many countries, such as the Banco de Londres, México y Sudamérica) were printed in France (home of the decimal system) and England. Printers from the United States and Germany were commissioned for many of the later issues.

completed with time, money and perseverance. These issues are also the only ones that can be completed as a type set, and in what is usually defined as "decent" grade.



Banco Central de Guatemala 1 Quetzal

An exception to the above general rule is the Haitian series, for which no notes issued by private banks exist, since the Government flooded the country with successive emissions since early on (after the initial 1813 series, the first Fiscal emission occurred in 1826). Shown below is a very scarce pair of Haitian notes:

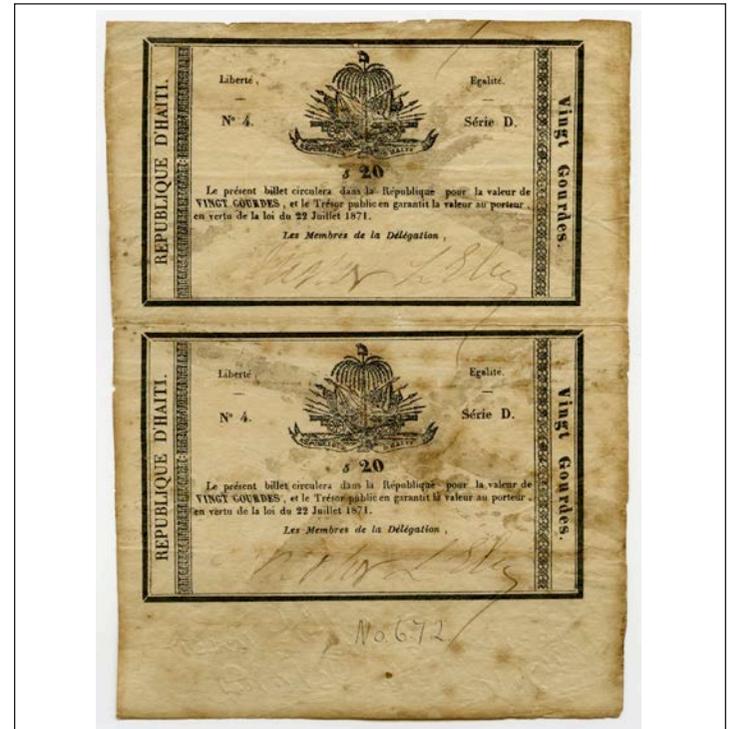


Ecuador Banco de Luzarraga 1 Peso

All of these issues were of better manufacture than the cruder issues mentioned previously and with the same printing company providing notes to different banks within several countries in the same area, they represent a harmonic body of issues with the occasional provisional locally printed issue to spice it up and give it a touch of fantasy. During this period it was common to see a particular vignette used by different banks in several countries. Sometimes, these similar designs had unforeseen consequences: noted paper money scholar Leon Burstyn showed me a rare Banco de Panama 5 Pesos altered to circulate as a Banco de Chile issue!

The Fiscal emissions (meaning notes issued by the Central Government Authority, usually catalogued in the General Issues volume of the SCWPM) usually occurred after the issues of the private banks, and both groups of notes circulated alongside for a period spanning a few decades. The Laws of Emission were eventually rescinded, usually starting near the turn of the 20th Century (the Chile 1898 law being a case in point, with the Fiscal issues of that year printed over remainder unissued notes of the Private Banks). This gave way to a scenario where only the Central Government was authorized to issue paper money. Later, and usually around the 1930's following the 1929 crash, Central Banks were constituted in Latin America, starting the Banco Central (or the like) issues for each country.

It is usually these latter Banco Central issues that are most avidly searched for by local collectors, because they represent a better known body of notes, which can usually be



HAITI GOVERNMENT of SOUTH HAITI
20 GOURDES VF, P#65, SKU# 50265

Price is \$1,000.-

When going down the more difficult path of collecting earlier emissions including the notes issued by private banks, remember that in general collectible banknotes are much rarer than collectible coins for most Latin American countries. The collector must keep in mind that many issued notes are only known in low grade and simply do not exist in grades above VG or Fine. "Type" collectors need not apply here unless they are willing to buy remainders, specimens or proof notes. Plated

Continues on page 5

following is a scarce pair of notes from the Peruvian Banco de Arequipa issues:



PERU - EL BANCO de AREQUIPA
1 SOL UNC, S#117, SKU# 50196

Price is \$140.-



PERU - EL BANCO de AREQUIPA
40 CENTAVOS UNC, S#116, SKU# 50195

Price is \$90.-

The appearance in the market of these latter items (mostly from the American Bank Note Company archives, Waterlow, and to a lesser extent Bradbury and Perkins Bacon) has undoubtedly transformed the market, since designs and denominations which were basically unknown are now available and in higher grades. However, keep in mind that the Latin American collector market still favors the issued note. Plated below is a rare Costa Rican Banco Herediano remainder. This is an important item, since all know issued notes of this bank are permanently impounded in the collection of the Museo del Oro in San Jose.



COSTA RICA EL BANCO HEREDIANO
25 PESOS, UNC, S#183P, SKU# 50272

Price is \$1,000.-

Knowledge remains sparse in general, with the SCWPM providing very limited coverage. However, specialized references are slowly being published. Two recent works of notable interest are the Rudman/Estrella beautifully presented volume on the Dominican Republic issues, and Carranza's updated reference on the notes of Costa Rica (this is available from our website and really worth acquiring).

As a result, and also because of the rarity of the more interesting notes - which are still unknown to most of the body of collectors - the demand for Latin American banknotes remains lower than the demand for the Latin American coinage series. Thus, the banknotes are generally much cheaper than coins of similar rarity and importance. Bargains are still available, and a diligent collector can be well rewarded for his knowledge if he is patient.

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BANCO DE MEXICO
500 PESOS, XF, M#4620g, SKU# 25210

Series H, rare grade for this high denomination note.

Price is \$9,500.-

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.



DOMINICAN REPUBLIC EL BANCO NACIONAL de SANTO DOMINGO
2 PESOS, VF+, S#132a, SKU# 50048

Dominican Republic Banco de Santo Domingo 2 Pesos

Price is \$100.-



DOMINICAN REPUBLIC EL BANCO NACIONAL de SANTO DOMINGO
5 PESOS, VF-, S#133, SKU# 50049

Dominican Republic Banco de Santo Domingo 5 Pesos

Price is \$350.-



ARGENTINA BUENOS AIRES 1844
1 PESO, G, S#377, SKU# 50050

Argentina Buenos Aires 1 Peso 1844

Price is \$150.-

The series of Latin American banknotes are undeniably difficult to collect, and it is also difficult to gather a deep knowledge for even a single country within them. They are nevertheless rewarding in many unique ways. Their historical importance is on par with the coinage series, rarities are still comparatively underpriced (but have witnessed a slow but steady rise in value) and it is not uncommon to still make relevant discoveries in this field. Provided good references become more readily available, they will undoubtedly grow in popularity.



BANCO DE MEXICO
50 PESOS, XF/AU, M#4618g, SKU# 25208

Series H, rare in this condition.

Price is \$1,700.-



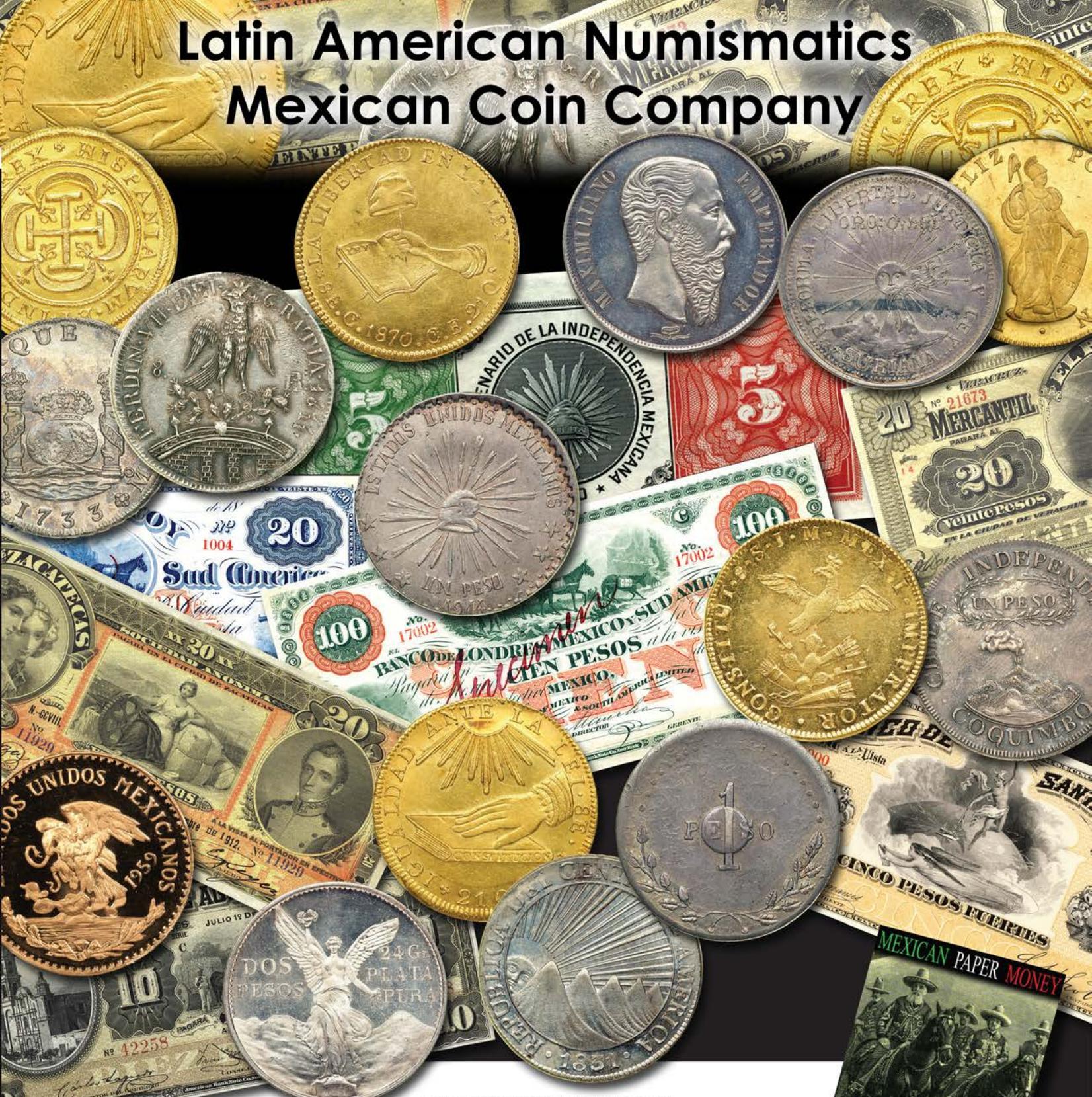
BANCO DE MEXICO
100 PESOS, VF+, M#4619d, SKU# 25209

Series D, scarce condition.

Price is \$1,900.-

While the series of some countries may appear relatively dormant, I believe this is not the case for truly rare items. For instance, if an early Buenos Aires (1, 3 or 5 Pesos) or a Vernet Malvinas note from Argentina would become available, they would undoubtedly create huge interest, although commoner items from that country are perhaps not as avidly collected as they were 25 years ago. Bolivia and El Salvador are other cases in point, with most available items for these two countries being commoner post-1900 notes. On the other hand, all of Chile's series (which have become avidly sought in the last 15 years) are very much in demand and Guatemala and Costa Rica are other similarly "hot" countries at the present time. Other Central American series like those of Nicaragua are bringing strong prices. This also reflects the rarity of the Latin American banknotes series. In many cases the rise in prices is due to only three or four new collectors bidding prices up. While the demand can be thin, it is sufficient to drive prices higher when many issues only have two or three specimens known.

Latin American Numismatics Mexican Coin Company



MEXICAN PAPER MONEY

Mexican Paper Money, edited by Mexican currency specialist Cory Frampton, is the first serious effort in over twenty years to catalog all known Mexican Currency. This major reference book is hardbound, contains more than 400 pages and is printed in 9"x12" color format to enlarge the more than 2,500 color images obtained from major public and private collections. It contains a wealth of general information about Mexican currency together with current value estimates on all known issues, which will prove invaluable to the serious collector. The next edition of the book will be printed in 2015.

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