

## CHOPMARKED COINS

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Spain 1807 8 Reale - Mexico Mint, Numerous Small Chopmarks

**Chopmark:** a stamped symbol or letter punched into a coin to signify that it has been assayed for weight or purity by an Asian bank or trader.

China was the major trading partner in Asia for a large number of Western countries and a lot of the large silver trade coins were designed specifically for trade with China. The Chinese produced a large range of manufactured goods that were in demand in Europe but they were not interested in European goods, what they really wanted was silver. The 8 reale (in cob and milled form) was the trade coin of choice for hundreds of years until they stopped being minted in 1821 when Mexico declared its independence.



France 1887 1 Piastre - Dish shaped due to heavy central chopmark

To understand chopmarks you must understand the Chinese attitude to silver coins in the 17th through to the early 20th centuries. The Chinese saw silver coins as round pieces of bullion, tradeable silver, not money at all. In fact a lot of the time they melted such silver coins down into ingots called sycee that traders had traditionally traded with. Being bullion, traders and customers needed to have confidence in it and thus chopmarks, symbols, letters or Chinese characters were stamped into the coins with metal punches to signify that a trader or bank had assayed the coin and determined it to be genuine. This is little different to the practice of hallmarking silver and gold in Western countries. The practice of applying chopmarks became especially important because of the circulation of debased counterfeit 8 reale coins or base metal counterfeits with a thin silver coating. The punch used to create the chopmark could penetrate the thin silver out coating of these counterfeits and reveal the coin to be the fraud it was!

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In the second half of the 19th century and early 20th century a larger number of nations started producing 8 reale-sized silver coins to assist their traders in doing business with Asia. For example, the US Trade Dollar was produced to stop American traders having to purchase Mexican 8 Reale coins at a premium. This influx of new and unknown silver coins into China lead to an increase in the size and number of chops applied to silver coins in trade. These coins could be very heavily chopped to the point of having the design almost obliterated and the coin itself being formed into a 'dish' shape due to the large force applied when the chopmarks were made by traders.



**Mexico 1889 8 reale - Chinese character and Latin 'H' Chopmarks**

Chopmarked coins are (in my opinion) just bursting with character. The marks and resultant effect of the coin makes the coin itself a relic of another era where international trade depended on the quality of the silver rather than on electronic fund transfers. The chopmarks are exotic and strange and often completely at odds with the design of the coin they are on, providing an interesting contrast in the cultures of the time. One can only imagine English traders in the early 19th Century bartering for silk and porcelain from Chinese traders using Spanish colonial silver purchased with English silver or even stolen from Spanish ships by English privateers! These sorts of coins are part of what coin collecting is all about.



## The First US Nickel Coins Weren't Worth a Nickel!



The first US nickel coins were actually... cents! They began circulating in 1857.

But as our first nickel coin, the public immediately called this piece a "nickel"-- and so it was, until 1865, when the next nickel coin, worth three cents, appeared.

And the five cent nickel? 1866.

Finally... a nickel worthy of the name, at least to our ears.

But... the switch to nickel was not without problems.

### **For the US Mint, nickels were a bother!**

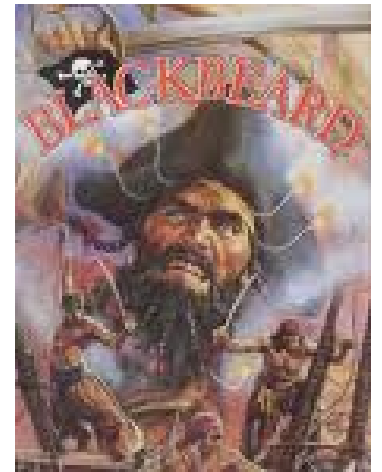
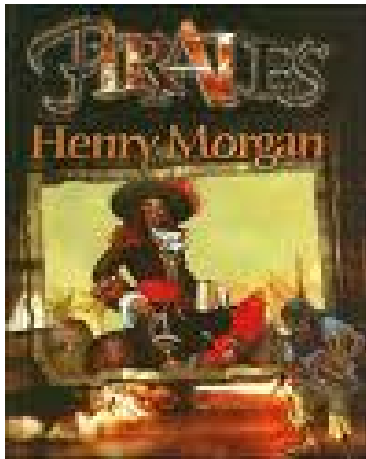
Nickel is an extremely hard metal, so coins made of nickel would be quite durable. But, coins with even a minor percentage of nickel are difficult to strike. Steel dies wear out more quickly. Designs that would strike well in copper, silver or gold often appeared weakly struck in nickel alloy. US nickel coins required a new sensibility on the part of the designer. And the pressmen were under a great deal of pressure as well. (Pun)

### **So...why nickel?**

Nickel was politically correct, in the nineteenth century sense. The US Mint, a controversial institution that generally needed all the political support it could attract, benefited from the kind regard of one Joseph Wharton, a well connected and influential Philadelphia businessman with significant holdings in western nickel mines.

So... never mind that the dies were crumbling and presses rumbling... just load the wagons with nickel and... Press On!

## Pirate Treasure – Economic Warfare on the High Seas



Pirate treasure was traditionally lost from ships whose misfortune was to meet sea-going men of action like Sir Francis Drake, or outlaws like Henry Morgan or Edward Teach (aka "Blackbeard").

Surprisingly, not all "piracy" was illegal, at least as far as sponsoring governments were concerned.

From the 16th to 18th centuries, ships of nations opposed in war were fair game for "privateers" – privately owned ships commissioned by a government to prey upon the merchant shipping of its opponents, for a share of the captured cargo.

When peace was achieved among the warring nations of the privateers, many of them, having developed a taste for their occupation, continued on as unsponsored pirates.

Spanish treasure ships were especially at risk from English privateers and outright pirates in the Caribbean and along the Atlantic trading routes. As most of the money encountered in the New World was coined under Spanish authority in Central and South America, the coins susceptible to pirate capture would most commonly be silver "pieces of eight" and gold four and eight escudo coins – doubloons. However, the coins of Britain, France and Holland were also in circulation.

The careers of these daring swashbucklers, together with the coins and other valuable objects they acquired, have an appreciative audience among collectors.

What could be better than possessing a coin that circulated in the mean streets and alleys of Port Royal?

Now... learn more about pieces of eight.

Then set sail with Sir Francis Drake, Henry Morgan, and Blackbeard.



## **June Club News**

The June meeting was called to order at 6:48 PM with 30 members and two new guests present. The Pledge of Allegiance was led by John Forrey. Neil Hoffman won the membership drawing of \$1, which he took in the form of drawing tickets. Prior to Neil's win, two other member's names were drawn—Al DeMasi and Samantha Pahl. They did not win because they were not present. The minutes of the May meeting and the Treasurer's report were approved. Our club now has 46 members, of which eight are YN's.

### **ANNOUNCEMENTS**

Garn A.—We have two types of gold tickets for sale: the Golden State Coin Club and our annual gold drawing.

Steve D.—The monthly North County coin show this Sunday, 6/13, in Anaheim and the upcoming Ontario coin show on June 24 & 25.

Garn A.—Our August meeting will be held one week late due to room scheduling problems. It will be held on August 19th. Reminders will be sent out ahead of time.

### **NEW GUESTS**

Mel ?.—His Dad left him a pre-confederation Canadian coin from Ontario.

Ross S.—Saw our club listed in the Daily Breeze. Came to see our club in action.

### **SHOW AND TELL**

Jack vB.—A complete set of series 1864 Confederate currency—\$1, 2, 5, 10, 20, 50, 100 & \$500.

Scott S.—A complete "short set" of PCGS "slabbed" 1941-1947 Walking Liberty Half-dollars in a green box with green labels. He purchased them about twenty years ago and they are now worth wholesale what he paid retail for.

Eric A.—A folder containing Mexican Peso coins for the period 1905-1990 along with a story about the debasement of the silver content from about 90% to zero percent over the term along with a 1000 to 1 devaluation on January 1, 1993.

George S.—Showed us a stamp album he purchased for \$1 at a swap meet that contains 19+ dollars of face value unused stamps. He uses the stamps for current postage.

Steve R.—Nine plastic currency bill holders that he is giving away. He received them in San Francisco while on a seven-day, 3,750 mile cross-country road trip. A stamp/coin dealer was throwing them away. He told us several interesting stories about events that occurred during the trip.

Bernie M.—A very nice \$10 1922 Gold Certificate that he purchased for \$230 at the recent Long Beach Coin Show. He also brought in a newspaper article about a 1794 dollar coin that recently sold for \$7.85 million. The coin is believed to be the very first silver dollar coined at the U.S. mint. He attended the Long Beach Coin Show both on Thursday and again on Friday.

John F.—Brought in his latest metal detecting finds from a dump in Tonopah, NV. He said he had a run-in with a snake while there. He found some Chinese coins, some Buffalo nickels—a 1909 V nickel and a 1924-S Buffalo nickel. In the jewelry department he found a 1/2 carat diamond ring that is worth about \$1,200. He also found a whole porcelain doll, minus arms. Someone found a gold coin there a short time ago.

### **MEMBER SPOTLIGHT—ART WINTER**

Oops—Art was a no-show at the meeting, so maybe he will give us his presentation at the July or some future meeting. Hope all is well, Art.

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## ***June Club News-Continued***

### **BREAK**

Jack den Braber & Richard Navarro brought the refreshments. Jack dB. brought a large carrot cake that was scrumptious. Richard N. brought two containers of fried chicken, two kinds of chips, a veggie tray and sodas. Wow, what a spread—many thanks guys.

### **AUCTION**

We had 16 lots from four groups that were auctioned off.

### **COIN RAFFLE**

- |                                     |                                   |
|-------------------------------------|-----------------------------------|
| 1.) 1946-P—Lincoln 1c-Jack vB.      | 09.) 1969-D—Kennedy 50c-John F.   |
| 2.) 1913-P—"V" 5c-Bernie M.         | 10.) 1933-S—Walker 50c-Eric A.    |
| 3.) 1941-S—Mercury 10c-Danny R.     | 11.) 1934-S—Walker 50c-Jesse S.   |
| 4.) 1946-D—Roosevelt 10c-John F.    | 12.) 1951-S—Franklin 50c-Danny R. |
| 5.) 1901-P—Barber 10c-John R.       | 13.) 1889-P—Morgan token-Danny R. |
| 6.) 1927-P—St. Liberty 25c-Tyler G. | 14.) 2010—Silver Eagle-Danny R.   |
| 7.) 1955-P—Proof Wash. 25c-Scott S. | 15.) 1879-P—Morgan \$1-Steve D.   |
| 8.) 1909-D—Barber 25c-Ryan P.       |                                   |

Meeting adjourned at 8:42 PM.

## **2010 American Buffalo Gold Proof Coins Earn \$22.7M in Sales Debut**



The US Mint started selling the 2010 \$50 American Buffalo Gold Proof Coins on Thursday, June 3, 2010. Their opening \$1,510.00 price did not deter buyers who placed 15,071 orders as of Thursday, June 10, according to U.S. Mint reported sales. That equates to \$22,757,210 in gross revenue for the Mint with a premium on release day of \$295.00, or 19.5 percent — lower than the 2009s, based on the London fix gold price of \$1,510.00.

By comparison, 2009 Buffalo proofs opened with 19.5K in sales during a shorter stretch of days. They enjoyed a more receptive environment as a result of their early November launch — a time when collectors are more active in the hobby and quicker to spend money. Just as significantly and perhaps more so, the cost of gold was significantly cheaper than which contributed to a less expensive \$1,360.00 coin price. However, and worth highlighting in red, back then gold was only \$989.50 an ounce and the Buffalo premium was actually substantially higher at \$370.50, or 27.24 percent.

The 2009 Buffalo gold proofs eventually sold out at 49,388.

The collector proof Buffalo is sold directly by the Mint to the public, with a higher premium and a price fixed weekly — it can change once every Wednesday or Thursday based on how gold prices have moved during the prior seven days. The current proof price is based on a gold fix average of between \$1,200.00 – \$1,249.99

## *President's Message*

Happy 4<sup>th</sup> of July Independence Day. It is a unique time of year sandwiched between a holiday memorializing our fallen war veterans and a holiday celebrating the labor movement and the social and economic achievements of American workers. Putting them all together it is a continuous remembrance of the cost of gaining our freedom and the recognition of what a free people can achieve. It is a wonderful thing to remember in a time when so many want to take our freedoms away.

Of course, there is the other thing about the 4<sup>th</sup> of July. A close friend of mine says "...there are only 170 shopping days left before Christmas." She has already started her list and checking it twice.

For some time now, I have expressed concern about the shrinking Long Beach coin show. The June show was about the worst I've seen in a long time. When we walked into the show at 10:00 a.m. on Saturday morning, the first thing I noticed is how many empty booths there were along the front of each row. All of the endcap booths were empty and most of the rows had empty booths near the front. It wasn't until I walked back into the middle of the rows and the rear of the arena that the booths were filled up.

I asked several dealers if the absences were due to dealers leaving the show early or whether they just didn't come to the show. I got two answers. First, was that the front booths were empty on the first day of the show. Which means the large dealers that usually take those booths didn't come to show. Second, because of the higher cost of booths near the front of each row, many dealers moved into the middle and rear sections to keep their costs reasonable. Most of the dealers I talked to were concerned that the Long Beach show would survive. Several also added that the show was so poorly attended by the public that they doubted they would come back for next show.

A few dealers that travel around the Western United States said that the shows in Southern California are the worst attended of any of their shows. Every other area, Northern California, Oregon, Washington, Idaho, Nevada, Utah, Arizona and New Mexico all have heavy attendance at their shows. One dealer I've known for years originates from Southern California but moved to Oregon four years ago. He said he could no longer afford to come to Southern California shows, so likely won't be back. This is a scary message and something we all need to think about. I wish I had the answers.

On a more positive note, I recently read in Numismatic News that there is a die break error in several Washington Quarters since 1965. These have a missing date with raised metal where the date should be. In addition, there are letters missing from the corresponding side of the reverse. Therefore, it's time to search your quarters again to see what you can find. Quarters with this die break error are worth \$40 to \$50.

Again I have to apologize for messing up our meeting schedule in August. I misplaced the phone number and by the time I found it again and called the library, someone else had beat me to the punch. The only option was to take August 19<sup>th</sup>. So again, please make a note that our August meeting will be on Thursday the 19<sup>th</sup>, not on the 12<sup>th</sup>. In the meantime, I look forward to seeing everyone at our next meeting on July 8th. Until then...

***Collect Early and Often***

*GARN*



## The Mexican Peso and the Dollar Sign

The **peso** (sign: \$; code: **MXN**) is the currency of Mexico. The peso was the first currency in the world to use the "\$" sign, which the United States dollar later adopted for its own use when the United States adopted the peso as currency during a period before adopting the dollar. The peso is the 12th most traded currency in the world and by far the most traded currency in Latin America and third most traded in all the Americas. The current ISO 4217 code for the peso is *MXN*; prior to the 1993 revaluation (when it was revalued at 1,000 old pesos to one new peso), the code *MXP* was used. The peso is subdivided into 100 *centavos*, represented by "¢". The name was originally used in reference to *pesos oro* (gold weights) or *pesos plata* (silver weights). The literal English translation of the Spanish word **peso** is **weight**.

### Refreshments

**July**—Mark Mussman & Steve Demmer

**August**—Jack von Bloeker & Garn Anderson

### Member Program

**July**—Jack von Bloeker & Art Winter (?)

**August**—Tyler Gobble

### Coin Shows

#### Aug 1 Anaheim

Embassy Suites Hotel, 3100 Frontera St. (91 Fwy @ Glassell)

Hrs: Sun. 10AM-4PM FRE Free parking

#### Aug 15 Van Nuys

Van Nuys Masonic Hall, 14750 Sherman Way

Hrs: 10AM-5PM FRE Free parking

#### Official Mailing Address:

Bay Cities Coin Club  
c/o Steve Demmer  
P.O. Box 813  
Culver City, CA 90232

Meetings are normally held at the El Segundo Library,  
111 West Mariposa Avenue, El Segundo, CA 90245  
Next meeting is on Thursday, July 8th @ 6:30 PM

#### 2010 OFFICERS

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Items of interest for this newsletter  
can be mailed to:

The BCCC Journal  
c/o Jack von Bloeker III  
5714 Apia Drive  
Cypress, CA 90630

or emailed to:  
[jvonb3@ca.rr.com](mailto:jvonb3@ca.rr.com)

