



www.ustic.com



3500 Maple Avenue, 17th Floor
Dallas, Texas 75219

United States: 800-742-6000
Canada: 800-872-6467 ext. 308

For Further Information:

Burnett Marus, RFC
800-742-6000 ext 308 (US)
800-872-6467 ext 308 (Canada)
bmarus@ustic.com

David K. Goad, ChFC
800-992-7273
david@ustic.com

Dorann Lokash
Administration Manager
800-742-6000 ext.333
dorann@ustic.com

Paul Minshull
Chief Operating Officer
800-742-6000 ext 266
paul@ustic.com

Mar - Apr 2004 Trend Indicators

USTIC Generic Gold Index:	%Chg	Trend
MS65: \$36,090	↑ +12.95%	↑
MS64: \$13,615	↑ +12.84%	↑
MS63: \$ 8,385	↑ +8.19%	↑

Generic Morgan Dollar Index:	%Chg	Trend
MS65: \$96.00	↑ +11.62%	↑

CU3000 Index: (3/16/04)	%Chg	Trend
\$61,429	↑ +2.23%	↑

Gold Bullion Spot: (3/16/04)	%Chg	Trend
\$402.40 per oz.	↑ 0.0%	↑

Silver Bullion Spot: (12/05/03)	%Chg	Trend
\$7.17 per oz.	↑ +31.55%	↑

CCDN (+/-) Count (Total: 10074 listed prices):
Plus: 95 Minus: 49 Unch: 9930 ↑

Most active series:

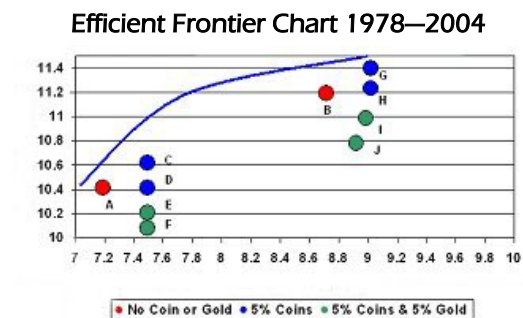
Morgan Dollars, Mint State Gold.

CCDN CMI Values: 3/14/03 to 3/15/04 %Chg			%Chg
Silver Commem	515.72	519.33	+0.77%
Gold Commem	532.75	572.15	+7.51%
Morgan Dollars	889.23	964.36	+8.43%
Peace Dollars	637.74	663.38	+4.08%
Mint State Gold	486.76	528.56	+8.64%
Proof Gold	737.20	837.18	+13.56%
Proof Singles	784.30	789.24	+0.63%

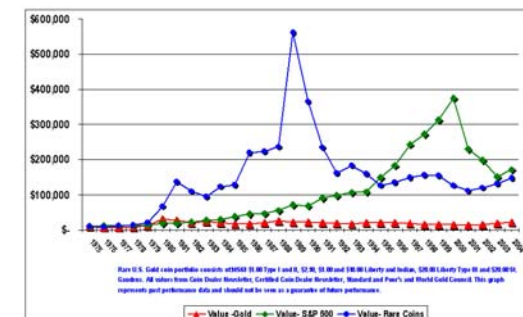
Asset Allocation Chart 1978-2004

Asset Classes	A	B	C	D	E	F	G	H	I	J
Stocks	33.3	50.0	31.7	31.7	30.0	30.0	47.5	47.5	45.0	45.0
Treasury Bonds	33.3	25.0	31.7	31.7	30.0	30.0	23.8	23.8	22.5	22.5
Treasury Bills	33.3	25.0	31.7	31.7	30.0	30.0	23.8	23.8	22.5	22.5
Coins (MS65)	0	0	5	0	5	0	5	0	5	0
Coins (MS63,64,65)	0	0	0	0	5	0	5	0	5	0
Gold	0	0	0	0	5	5	0	0	5	5
Average Return %	10.4	11.2	10.6	10.4	10.2	10.1	11.4	11.2	11.0	10.8
Standard Deviation	7.2	8.7	7.5	7.5	7.5	7.5	9.0	9.0	9.0	8.9

The colored columns above correspond with the matching colored dots on the chart below.



Rare Gold Coin Market Performance Jan 1975 - Jan 2004



Rare Coin Trends and Market Report is published 6 times per year. This publication may be reprinted with the permission of the publisher. Information contained herein is obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. Copyright 2004 U.S. Tangible Investment Corporation.

EDITOR: Burnett Marus
PUBLISHER: U.S. Tangible Investment Corporation

U.S. Tangible Investment Corporation

Rare Coin Trends and Market Report

Volume 16, Issue 1
March-April 2004

Rare Coin Performance: 14% Per Year, Zero Carbs

Inside this issue:

- Gold, Coins Perform 1
- New Headquarters 2
- New Brochures 2
- Market Comment 3

Historical Quote:

"The national budget must be balanced. The public debt must be reduced; the arrogance of the authorities must be moderated and controlled. Payments to foreign governments must be reduced, if the nation doesn't want to go bankrupt. People must again learn to work, instead of living on public assistance."

Marcus Tullius Cicero, 55 B.C.

The study on rare coin performance has been updated by LA Research at Penn State University and is available for review. The new charts have also been posted on the U.S. Tangible Investment Corporation website, www.ustic.com, in the "Performance Charts" section. In addition, the study is also available as a PowerPoint presentation on the site in the section entitled "Advisor Information". The 25 year history of rare coins has shown the strength of rare coins as a diversifying asset in financial portfolios performing at 14% per year according to the study.

The current study also notes the strong performance of gold bullion for the past year which has been a factor in the positive movement of the gold sector of the numismatic market, in particular the large gold pieces like the \$20 Liberty and St. Gaudens series, which have enjoyed very robust growth in the past two years.

The gold bullion market rocketed to \$425 per ounce on January 13th, 2004 and quickly retreated to \$406 per ounce (it's December 6th, 2003 level) two days later. The rapid drop was attributed to profit taking and central bank sales to depress the price. Since February 12, 2004, the gold price retreated from \$413 per ounce to \$399 per ounce on March 15, 2004. The DJIA decreased from 10,735 to 10,102 during the same period. That translates into a 3.3% loss for gold bullion and a 5.8% loss for the DJIA during that period. However, for the year of March 14, 2003 to March 15, 2004 gold bullion is up 18.2%, and the DJIA is up 24.3%, which are outstanding figures for both assets.

Numismatic coins have fared well during this period as well. The \$20 Liberty and St. Gaudens series have performed at stellar rates since January 2002 as the table below indicates.

Coin	Grade	Since 1/2003	Since 1/2002
\$20 Liberty Type III	MS63	46%	93%
	MS64	25%	84%
	MS65	34%	48%
\$20 Saint Gaudens	MS63	34%	59%
	MS64	48%	75%
	MS65	47%	49%

The question is, how long will this trend continue? The answer is ... no one knows. And if they know, nobody is talking. The key is to look at the overall market in both equities and hard assets. Is one asset overvalued based on economic factors, is another asset undervalued based on those same standards. What are the underlying strengths and weaknesses of each asset and market sector. Where is the asset in its present market cycle? These are the questions that should be asked in looking at the potential for future gains or declines in any investment decision. Gold has been in a flat market for 10 years and is now having a resurgence in growth. Similar circumstances seem to be in place for rare coins..

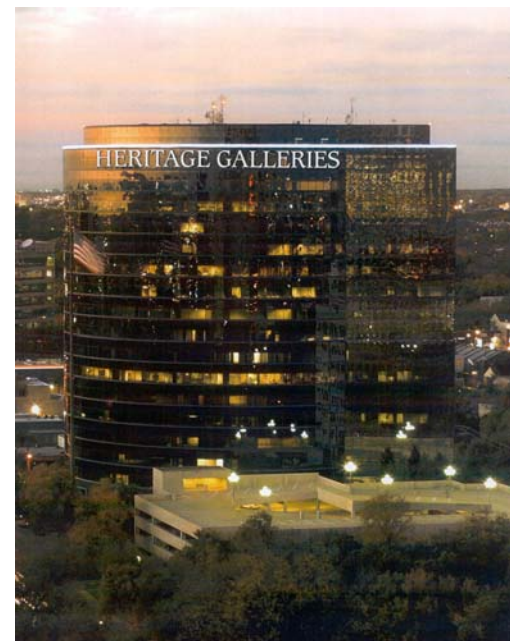


Heritage Completes Move to New Headquarters

Heritage Capital Corporation changed its name to Heritage Galleries & Auctioneers to reflect the direction of the corporation to establish itself as the world's largest collectibles auctioneers. In addition to rare U.S. coins, Heritage has strongly expanded into foreign and world coins, currency, sports cards and sports memorabilia, comics (setting a 2003 Guinness Book record for the largest comic book auction), original poster and illustrative art, rock and roll and Hollywood memorabilia, antique silver, watches and collectible toys.

In January 2004, Heritage Capital Corporation moved the corporate headquarters from their present 23,000 square foot facility at Highland Park Village to a 45,000 square foot location on Maple Avenue near downtown Dallas.

Located on the 17th and 18th Floor at 3500 Maple Avenue are Heritage Galleries & Auctioneers, Heritage Rare Coin Galleries, Heritage Numismatic Auctions, Heritage World Coin Auctions, Heritage Currency Auctions of America, Heritage Sportscards, Heritage Comics, Heritage Galleries and U.S. Tangible Investment Corporation.



**OUR NEW ADDRESS
EFFECTIVE JANUARY 26, 2004**

**U. S. Tangible Investment Corporation
3500 Maple Avenue
17th Floor
Dallas, Texas 75219**

**800-742-6000 National
800-872-6467 ext.308 Canada
800-992-7273 West Coast**

**Heritage Capital
Corporation will now
be Heritage Galleries
& Auctioneers .**

New USTIC Brochures for 2004

U.S. Tangible Investment Corporation has simplified the brochure package that is available to financial advisors and their clients. The 2004 brochures consist of the updated performance study "Managing Portfolio Risk", the "Advantages of Rare Coin Investments" and the "Trusted Choice of Coin Investors Since 1978". A guide for financial advisors is also available on request.

The information can be used with the new, expanded website which contains more information for both financial advisors and clients. Also on the site are downloadable order forms in PDF format so advisors will now have up-to-date applications on demand that can be locally printed .



Coins in IRAS...the Details of Pending Legislation



Burnett Marus, RFC

Many have asked about the pending legislation to include rare coins in defined contribution plans, such as IRAs, 401ks and Keogh Plans. The following is exact text from HR 1820 and additional information on the Senate Bill (S935) in consideration.

H.R. 1820

Title: To amend the Internal Revenue Code of 1986 to allow certain coins to be acquired by individual retirement accounts and other individually directed pension plan accounts, and for other purposes.

Sponsor: Rep Vitter, David [LA-1] (introduced 4/11/2003) **Cosponsors:** 3

Latest Major Action: 4/11/2003 Referred to House committee. Status: Referred to the House Committee on Ways and Means.

Cosponsors (3), By Date:

Rep Crane, Philip M. - 4/11/2003 [IL-8]

Rep McCrery, Jim - 4/11/2003 [LA-4]

Rep Lampson, Nick - 9/24/2003 [TX-9]

To amend the Internal Revenue Code of 1986 to allow certain coins to be acquired by individual retirement accounts and other individually directed pension plan accounts, and for other... (Introduced in House)

108th CONGRESS, 1st Session

H. R. 1820

IN THE HOUSE OF REPRESENTATIVES

April 11, 2003

Mr. VITTER (for himself, Mr. CRANE, and Mr. MCCREERY) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow certain coins to be acquired by individual retirement accounts and other individually directed pension plan accounts, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.

CERTAIN COINS NOT TREATED AS COLLECTIBLES.

(a) IN GENERAL- Paragraph (3) of section 408(m) of the Internal Revenue Code of 1986 (relating to exception for certain coins and bullion) is amended-

(1) in subparagraph (A), by striking 'or' at the end of clause (iii) and by inserting after clause (iv) the following new clause:

(v) any coin which-

(I) is certified by an independent third-party grading service,

(II) is, or was at any time, legal tender in the United States, and

(III) is traded on a nationally recognized electronic coin trading network or listed by an independent wholesale reporting service, or,

(2) in subparagraph (B), by inserting 'in coin or bar form' after 'bullion', and

(3) in the matter at the end, by striking 'bullion in the physical possession' and inserting 'coin or bullion in the physical possession or under the administrative control'.

(b) EFFECTIVE DATE- The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

A similar bill has been introduced in the Senate. A synopsis follows:

S.935

Title: A bill to amend the Internal Revenue Code of 1986 to allow certain coins to be acquired by individual retirement accounts and other individually directed pension plan accounts.

Sponsor: Sen Breaux, John B. [LA] (introduced /29/2003)

Cosponsors: (none)

Latest Major Action: 4/29/2003 Referred to Senate committee. Status: Read twice and referred to the Committee on Finance.

To amend the Internal Revenue Code of 1986 to allow certain coins to be acquired by individual retirement accounts and other individually directed pension plan accounts. (Introduced in Senate)

SECTION 1.

CERTAIN COINS NOT TREATED AS COLLECTIBLES.

(a) IN GENERAL- Section 408(m)(3) of the Internal Revenue Code of 1986 (relating to exception for certain coins and bullion) is amended-

(1) by striking 'or' at the end of subparagraph (A)(iii),

(2) by inserting after clause (iv) of subparagraph (A) the following new clause:

(v) any coin certified by a recognized grading service and either traded on a nationally recognized electronic network or listed by a recognized wholesale reporting service, and which is or was at any time legal tender in the United States, or,

(3) by striking 'such bullion' in the matter following subparagraph (B) and inserting 'such coin or bullion (in either coin or bar form)'.

(b) EFFECTIVE DATE- The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

So what happens now? Actually, nothing unless there is a major groundswell of support for the measures by the voters. This particular action will not be debated upon in Congress. It is not a key issue. If these bills become enacted it will be in a committee meeting with this provision as a "throw-in". When collectibles were removed from defined contribution plans in 1981, it was accomplished by the addition of three paragraphs in a 3000 page bill (ERTA) in a staff committee meeting. It was a bargaining chip ploy that caught the entire tangibles industry unawares. The action was responsible for the formation of The Industry Council for Tangible Assets, a lobby organization to protect the industry from further such actions.



Since 1981, activities of ICTA have helped repeal state taxes on coin purchases in certain instances, restored the use of bullion coins in self-directed pension plans and protected the interests of rare coin collectors, investors and dealers. The passage of a coins in IRAs bill will be due to strong lobby efforts by ICTA, however, support from the public sector will contribute greatly.

Call or write your representatives; the passage of this measure will help both investors and collectors in the rare coin market.