

With a Flip of the Euro Coin, Collectors Can Come Up Winners

By OTTO POHL

ECONOMISTS love the euro because it has the same value across Western Europe. Coin dealers love the euro because it doesn't.

Twelve nations, plus the small states of San Marino, Monaco and the Vatican, have issued their own versions of the currency — all legal tender throughout the euro zone. The bills look the same, but the reverse sides of the coins are different in each country. On the euro coins in Ireland, for instance, there is the image of a harp and "Eire," Irish Gaelic for Ireland. A bust of Mozart graces the one-euro coin in Austria.

Because the number of coins minted in each country roughly reflects the size of its economy, the coins of smaller countries are considered more valuable by dealers because of their relative scarcity.

A specially minted proof set of the eight coins issued last year by Vatican City has a total face value of 3.88 euros, but it sells for up to 2,000 euros, or about \$2,300.

The Vatican, the smallest of the euro zone members, mints just 670,000 euros a year and issues only 65,000 prepackaged sets of uncirculated coins. By contrast, Germany, with the largest economy in the European Union, mints roughly a third of the tens of billions of euros in circulation.

Last spring, police were called in to control an unruly crowd that had gathered at the Vatican to buy the latest issue of Vatican euro coins, each of which bears the image of Pope John Paul II. The Vatican regards the profiteering on the coins as unseemly.

Lorenzo Bini Smaghi, the director for international relations of the Italian treasury, which is responsible for negotiating euro issues with the Vatican, said: "It's a speculative position with the face of the pope. It creates a lot of embarrassment and



Otto Pohl for The New York Times

Klaus Priese, left, in Berlin, is one of the many dealers handling euro coins. He says he worries that too many commemorative versions of the coins could hurt the market.

annoyance."

But it also creates a lot of profit for coin dealers. Thomas Pollandt, a dealer here, says he sells proof sets of last year's eight Vatican coins for 1,999 euros. The German set of the same denominations, he said, costs around 15 euros. A set of mint uncirculated coins from San Marino or Monaco, whose coins are also scarcer than coins from larger countries, can cost up to 350 euros, he added. In 2002, San Marino issued only 120,000 sets of uncirculated coins; Monaco issued a mere 40,000.

"The euro beats everything else," said Mr. Pollandt, who has moved his euro coins to the spotlight in his showcases. Business

has doubled, he added, since the introduction of euro bills and coins in January 2002.

The Association of German Coin Dealers estimates that the number of coin dealers in Germany has doubled — quadrupled if those who handle only euros are included. Dealers elsewhere report similar increases, though there are no statistics for Europe over all.

The enthusiasm has gone beyond the euro zone's borders. Entrepreneurs have even produced British, Danish and Swedish "euros." While they are not legal tender, they show what euro coins in those countries might look like if they adopt the currency. The faux coins are offered online on eBay and elsewhere in high-quality blister pack-



While one side of the one-euro coin, at top left, is the same throughout the euro zone, the flip sides vary with the coins' origins, providing more interest for collectors. The Vatican's coin shows Pope John Paul II, while Austria's depicts Mozart and Ireland's carries the Celtic harp.

aging, as are the real euros sets. A set of faux euros runs for up to 100 euros, or around \$115.

Sweden plans a referendum in September on adopting the euro. Britain and Denmark have also expressed an interest in eventually adopting the currency, though neither has any immediate plans to do so.

Beyond the standard euro coins are commemorative versions. Last year alone, for example, the French introduced more than 100 variations of commemorative euro coins, depicting assorted French monuments, celebrating the 75th anniversary of Charles Lindbergh's trans-Atlantic flight and honoring children's books; a few have

production runs of only a few hundred copies. Some dealers, though, say that offering so many types is excessive. "They're going to ruin the market with their unserious policies," said Klaus Priese, another coin dealer in Berlin.

Dealers hope that the excitement for the euro will produce lasting growth in the collecting market. "Just wait until the U.K. gets the euro," Mr. Pollandt said.

And if governments that issue currencies linked to the pound, including Gibraltar, the Isle of Man, Guernsey, Jersey, Saint Helena and the Falkland Islands, decide to mint their own euros, he said, "that's when things really go crazy." □