

By Jeff D. OPDYKE

When is a penny worth a million dollars?

When it's a 1795 reeded-edge U.S. penny, one of only seven known to exist. It recently sold for nearly **\$1.3 million at auction**—the first time a one-cent coin has cracked the million-dollar price barrier.

The coins at the focus of today's activity have generally held their value or are rising, either because of their gold value or because of their rarity. A September auction of rare, large U.S. pennies from the late 18th century established **world-record prices for one-cent coins, among them the penny that sold for nearly \$1.3 million**, including commissions—well in excess of presale estimates of about \$250,000, says Ira Goldberg, co-owner of Beverly Hills, Calif -based Goldberg Coins & Collectibles

Behind the trend are collectors like Robert Beckwitt, a 51-year-old New York money manager. He renewed his childhood fascination with collectible coins a decade ago because coins were cheap. Today, his interest in high-grade coins reflects an investor's mindset.

In recent years Mr. Beckwitt has snapped up some of the finest examples of coins available, such as **the highest-graded 1796 quarter, the first ever minted**. Over the summer he grabbed for an undisclosed sum the finest-known 1797 half-dollar. **"It wasn't cheap,"** he says. "But I love the history of these early coins."

Today's coin market is largely defined by high-end investors grabbing the rarest of coins that infrequently come up for sale; gold bugs snapping up gold coins; and speculators bidding up prices for coins whose grades they suspect are too low, in the hopes of securing a higher grade and selling them for more money.