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# \$1000 Star Notes

It's been over 10 years since we last wrote about \$1000 Federal Reserve Star Notes. Today, with the assistance of in-depth auction archives, and a growing database of new serial numbers, we are able to provide a much clearer picture as to the true rarity of these high denomination replacement Notes. Also blended into this article's information is this author's observations and findings with over 20 years of data collection and assimilation specifically in high denomination Notes. As the reader may imagine, \$1000 Star Notes are extremely rare items. The BEP took particularly strict precautions during the printing of high denomination Notes. This extra care resulted in far fewer error Notes, and therefore fewer Star Notes necessary to replace these error Notes. \$1000 Star Notes fall into three classes, each offering a very distinct "frequency of encounter" over the various Federal Reserve Banks. As might be expected, these classes are represented by the year or Series of a given Banknote. They are Series 1928, 1934 and Series 1934A \$1000 Federal Reserve Star Notes – Friedberg numbers 2210★, 2211★ and 2212★, respectively.

Series 1928 \$1000 Star Notes are exceedingly rare with only 15 examples known on just five of the 12 issuing Federal Reserve Banks. At first glance this may seem perplexing as 1928 \$1000 regular issue (non-Stars) were printed in enormous quantity. Surely, with these huge print numbers, there would be a need for more than a dozen or so replacement Notes. How could so few 1928 \$1000 replacement Notes exist? The answer may lie in the fact that the vast majority of the regular printings of 1928 \$1000s never reached circulation. It is further theorized that the vast majority of 1928 \$1000s (regular issue Notes) were destroyed. This would certainly explain why 1928 \$1000 Star Notes are so incredibly rare. Further evidence offering credence to the theory is that almost all of the 1928 regular issue Notes are low (serial) numbered. The higher numbers were printed, but never released, and destroyed. One of the highest prices recorded for a 1928 \$1000 Star Note was a New York District example graded PCGS CH CU 63 PPQ. The Note brought \$76,375 at Heritage Auctions in January of 2013.

Series 1934 (plain) \$1000 Stars are the most "common" replacement Notes of the three classes previously mentioned. There are just under one hundred 1934 (plain) \$1000 Federal Reserve Star Notes known. Each of the 12 issuing Districts is represented in Star format including the notoriously tough Dallas (2211-K★) and the clandestine Boston (2211-A★). This author was briefly the

print owner of both, but even with about 100 1934 \$1000 Stars known, the print figures for all regular issue 1934 \$1000s (all 12 Districts combined) is just under one million! This suggests or implies a survival rate for the Stars of .0001% or 1 in 10,000 — not that "common" after all. Then again, we know that hundreds and thousands of the regular issue \$1000 FRNs were turned in and destroyed during redemption periods and are still being turned in and destroyed to this day. One of the most important examples of a 1934 (plain) \$1000 replacement Note is actually a neat consecutive pair of Fr. 2211-C Stars. These Philly replacements are graded PMG GEM 65 EPQ and PMG GEM 66 EPQ. They sold for \$30,550 and \$37,375 respectively in 2014 and 2008. What most people don't know about this pair is that they were pulled from a ten piece consecutive run of 1934A Philly \$1000s. The take away here is that all the printed 1934 (plain) Stars were not used up during the 1934 printing era.

The additional 1934 plain Stars were inserted into runs of the 1934A thousands. No wonder 1934A \$1000 Stars are so rare. When there was need for a Star in the 1934A runs, the BEP inserted leftover 1934 (plain) Stars.

1934A \$1000 Stars are among the rarest replacement Notes known. With a paltry 18 survivors known, they are ranked as the 2nd toughest class of Stars after the Series 1928 \$1000 replacements. What makes the 1934A Stars so prohibitively rare is their distribution over Federal Reserve Banks. Incredibly, only two of the 11 issuing districts of 1934A \$1000s are known in Star format. The discovery of four new examples to the 1934A \$1000s Star Note census was really the inspiration for this article. They are consecutive, all on New York District and grade PMG 63 and 64. (Two are pictured here.) The rarity and importance



of these Notes can really not be overstated. All elements of "cool" come together in this group: Rarity, Grade, and Type.

In conclusion, all \$1000 Star Notes should be considered rare. Survival rates and population reports indicate that \$1000 Star Notes make up the smallest fraction of an enormous print run of regular issue high denomination Notes. Circulated examples of Series 1934 (plain) \$1000 Star Notes can be purchased for as little as \$5,000 or even less. This presents great value in this hugely popular segment of currency collecting. At current price levels, high denomination Star Notes may very well be undervalued.

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## GRADING

Sight-Seen wholesale prices are for accurately graded Notes – Certified or Raw.

Superb Crisp Uncirculated-67	A nearly flawless Note with perfect centering. Full wide margins all around. Colors are totally bright, crisp and vibrant. Quality is outstanding.
Gem Crisp Uncirculated-65	An almost perfect Note. Better than average margins. No aging or fading.
Very Choice Crisp Uncirculated-64	A bright Note that's slightly below Gem quality. Margins and color are above average. A Note that may have slight centering problems.
Choice Crisp Uncirculated-63	A nice new Note but not quite Gem. Centering may be a little off. May show some aging or light counting smudges or wrinkles.
Crisp Uncirculated-60	No trace of circulation. Can have centering problems, pin holes, counting smudges, wrinkles, close margins, or a corner tip fold (not into design).
Almost Uncirculated-50	(Almost new) These will be much the same as a "new" Note except for a single fold or several corner folds.
Extra Fine-40	Circulated; may have some folds; still has some crispness.
Very Fine-20	Some circulation; may show several folds and will have lost some of its crispness and color.
Fine-12	Well-circulated with little crispness remaining; edges may be rough.
Very Good-8	Will be fairly well-soiled; may be significantly worn; might have roughness around the edges with only minute problems.