

## August 2, 2023 – A Universal Truth

There aren't all that many of them when you get down to it, but there does exist a number of universal truths upon which absolutely no one would disagree. The one universal truth I will discuss today is that everyone hates being cheated. I don't care who you are or what your specific beliefs or make-up may be, I am dead solid certain that you abhor being cheated, or even the thought of being cheated. In fact, the only way you could possibly tolerate being cheated, is if you were completely unaware that you were being cheated.

Currently, many millions and tens of millions of silver investors worldwide, along with the countless numbers of companies that produce silver, are being cheated by a relative handful of people and organizations thanks to the ongoing price manipulation on the COMEX.

The mismatch is nothing less than staggering, with tens of millions (and perhaps hundreds of millions) being cheated by only 8 large commercial traders on the COMEX (accompanied by 20 or 30 additional commercial traders which collude with the 8 large traders) but with the handful of cheaters allied with the most powerful exchange organization in the world, the CME Group, as well the federal commodities regulator, the CFTC, and other US Government organizations.

Yes, this represents a change for me, as I always contended that no one in the US Government was capable of initiating the 40-year silver manipulation from the get go and I still believe that way. But enough time has gone by in which all relevant US agencies, including the CFTC, the S.E.C., the DOJ, as well as various units of the US Treasury Department (including the US Mint and the office of the Comptroller of the Currency), have demonstrated support for those suppressing the price of silver, as opposed to the vastly greater numbers of those expecting a free market price. In many ways, the support of the US Government for those manipulating the price of silver is the most infuriating fact of all. I'll get into why I believe the US Government has aligned itself with the COMEX commercial crooks in a moment.

But first, if you are a silver investor who is not angry at the continued manipulative death-grip that COMEX paper positioning has had on the price, then you are simply unaware of how the price is being manipulated. I fully-understand and accept this reality, since the mechanics of the COMEX manipulation are complex. That puts the onus on me to try and show how the manipulation works. That's why I'm focusing today on the great mismatch that exists between the many tens (perhaps hundreds) of millions of those who stand to benefit when silver prices are no longer manipulated and the literal handful of crooked traders and large organizations which would be hurt should silver prices trade at free market prices.

To be sure, I'm trying to choose my words carefully when I say those manipulating the price of silver are benefiting by the continued price suppression (particularly on sharp down days), but it is closer to the truth to say they aren't being damaged by the continued manipulation, as they surely will be as and when prices explode. This is an important distinction, as I no longer believe the motivation behind the continued manipulation by the very few is exclusively to make money, as much as it is that it put off as long as possible the loss of money and the reputational and legal damage that will occur when silver explodes in price. Buying time now appears to be the sole remaining motive.

The same goes for the CME Group and the various US Government agencies which have thrown in and cast their fates with the handful of crooked and collusive traders on the COMEX which originated this scam 40 years ago. This can be seen in the total radio silence the CME and CFTC have adopted to avoid commenting on recent developments in the silver manipulation. When silver does explode in price, in addition to the those which will be damaged by the monetary loss of holding short silver positions, the pressure and loss of reputation and credibility of the regulators will be just as great.

I was struck in listening to Chair Powell's Q&A with reporters a week or so ago, as he patiently and methodically answered and re-answered the same idiotic questions from show-boating reporters that he already fully answered many times over and can't help but compare that to the lack of even a peep of a response by the regulators to the far more substantive questions asked about the COMEX manipulation. It's as if these are two different worlds.

Because the actual numbers of those which stand to benefit when silver is no longer manipulated in price is lopsided to an extent hard to visualize (how does one express hundreds of millions to maybe 40 or 50 single entities on the other side?), the ongoing COMEX silver scam takes on an even uglier image. The word that comes to mind when just a few absolutely control the fortunes of the masses is enslavement maybe not the horrible instances of human slavery witnessed throughout history but a form of financial deprivation of the mass of silver investors and producers nonetheless. And to think that agencies of the US Government are on the side of those doing the price enslavement in silver is unacceptable and if you aren't angry about this then that is baffling to me.

The bottom line is that the US Government's undeniable involvement and interest in extending the COMEX silver manipulation has nothing to do with protecting the dollar or any such objective this is all about postponing the day of reckoning for the regulators as they will most likely be called to task when prices explode. Refusing to answer or even acknowledge legitimate questions, will become impossible after prices explode.

Every passing day, a few more learn of the COMEX silver scam and more residual anger is created as the fraud continues. But the end result also grows closer to fruition, as there's no way a physical shortage can get resolved with continued low prices. Those holding silver are growing daily, as is the resentment of being cheated by a very few a combination destined to lead to a violent overhaul at some point just as it has throughout history.

Over the last ten years, since 2013, the price of silver has been unable to decisively upwardly penetrate the \$30 level, whereas in gold and every other commodity and metal (excepting platinum), the price of all these other commodities has exceeded their respective price levels of 10 years ago. Again, a reasonable observer would ask why, particularly considering that the supply/demand fundamentals in silver have increasingly become exceptionally bullish.

So pronounced has been the inability of silver to decisively penetrate the \$30 level for an entire decade, that it has created an unusual technical set up in an investment world that has become increasingly technically and momentum price driven. While I'm not technically oriented or driven by price momentum, it seems to me that the collusive COMEX commercial price lid on silver has created a price line in the sand that once penetrated, will most likely to set off a buying binge of fairly epic proportions.

As and when we get that decisive upside penetration of the \$30 price level in silver, the expected buying surge should result in an equally pronounced price surge – unless, of course, the collusive COMEX commercials resort to aggressive new short selling. I know that may sound like another instance of just the prelude to another manipulative smash down for silver prices, but so much water has gone under the bridge in terms of the progressing physical shortage that such a set up is more likely than ever to turn out differently – and spectacularly so.

No doubt that an eventual penetration of gold's previous all-time price highs will set off additional momentum buying of sorts, but considering that has become, more or less, a recurring event over the past few years, there is no similar comparison to penetrating the decade-long price line of demarcation in silver. Besides, even when silver does penetrate the \$30 mark decisively, it will still be 40% below the price peak of 43 years ago. The next time gold achieves new price highs, it will be nearly three times higher than the price highs in 1980. Maybe I'm reading this wrong, but silver's coming break of the \$30 price mark seems much more consequential, given all the above.

Turning to other matters, price action suggests to me that the collusive COMEX commercials are doing everything they can to rig a deep enough selloff to flush out as many as the managed money technical fund longs which plowed in on the recent upward penetration of silver's 50-day moving average as possible (same in gold). The game seems the same for the commercials which sold into the technical fund buying (both by adding shorts and selling out long positions) to try to harvest the new technical fund longs by rigging prices lower to induce them into selling. But I sense other things have changed.

Certainly, there have been no supply/demand developments to justify the sharp day-to-day up and down price spikes, as it's generally impossible for such fundamentals to turn on a dime, particularly without widespread awareness. Plus, all the actual developments I see are very much on the bullish side and wouldn't account for downward spikes in the price.

That leaves (as always), COMEX futures contract positioning as what sets the price, as everyone should know by now. – Downward spikes in the price of silver are always – I repeat always – the result of the collusive commercials' attempts to rig prices lower to induce the managed money traders to sell. And so has been the case over the past week or so. The only question is how successful the commercials' rigging efforts may be.

So far, the commercials have succeeded in forcing the liquidation of a number of the 22,259 new managed money longs put on during the reporting week ended July 18, when silver prices jumped by two dollars and upwardly penetrated the 50-day moving average (part of my Code Red warning). Over the last reporting week, some 5650 managed money long contracts were liquidated, about 25% of the new longs put on the prior reporting week. My guess (actually my hope) is that more managed money longs were liquidated in the reporting week ended yesterday and to be reported on Friday. Clearly, that leaves many more potential new managed money longs to be liquidated (on lower prices) for the collusive commercials to succeed in a full flush out (which appears to be in full progress as I write this in the AM).

Thus, silver investors and mining companies are, once again, being subjected to the same universal truth which is despised by every one in the world – that of continuing to be cheated – all while the regulators sit by and pretend not to notice. Having fully-allowed for the potential of this downward smash (one of only two possibilities) brings me no comfort.

In fact, this price smash only confirms my take on the silver market being in an emergency condition that must result in price violence of some type. If the violence was to be on the downside, resulting in the commercials flushing out the requisite number of managed money technical longs, it would be followed (when completed) by the just as violent surge higher. This is all based upon the deepening wholesale physical shortage of silver in 1000 oz bar form and the impossibility that the shortage can be resolved by continued suppressed prices. After all, the shortage has been brought about by the long-term suppressed price of silver.

Particularly grating, of course, is the manner by which the collusive commercials rig prices lower – in sudden spurts, when the COMEX is the only world market actually open – like today. This makes a mockery of those claiming that silver prices are set in any other venue, like London, China or Timbuktu – or by changes in actual supply and demand. The COMEX commercials will be intent on gunning silver prices lower in order to penetrate the 50-day moving average, as well as the 200-day moving average, now less than a dollar lower.

In addition to the hoped-for improvement (managed money selling and commercial buying) in Friday's new COT report, we'll get the latest on both the big managed money short, as well as the latest on the silver whale in the other large trader reporting category. Of course, there's absolutely no way (that I'm aware of) to forecast what these changes might be, as it's strictly a case of dissecting the report after it has been released. I put enough caveats in my silver whale article acknowledging this is a situation that can change at any time without warning.

<https://silverseek.com/article/new-silver-whale>

There's no sure way to know in advance how successful the commercials will be in inducing as much managed money selling as they seek or what impediments may prevent a complete flush out of the managed money traders. I suppose it's also reasonable to assume there will be many more wash, rinse and repeat cycles ahead (since there have been so many to this point). I continue to see it differently, namely, that we're at the end of this 40-year suppression of the price of silver at the hands of the COMEX commercial crooks due to the deepening physical shortage. I suppose I'll also continue to look very wrong as long as the price suppression lasts and very smart as and when silver explodes in price. Guess what – I'll be at the same level of dumb or smart as I ever was – it will be just the price that changes.

Lastly, I believe the only thing delaying a near "pitchforks and torches" popular uprising against the CFTC, the CME Group and other regulators for their abject failure in allowing the silver manipulation to persist is the difficulty for the average investor and silver mining company to fully-understand the complexities of the COMEX silver manipulation. This is another way of saying that if the understanding of the silver investment community as to how and why they are continuing to be cheated increases enough, the public outrage should be sufficient to "out" both the few crooks running the scam as well as those supposed to be doing the regulating. After all, no one tolerates being cheated, unless they are unaware of it.

Ted Butler

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Silver @ 23.84 (200-day ma – \$23.03, 50-day ma – \$23.85, 100-day ma – \$24.04)

Gold – \$1972 (200-day ma – \$1989, 50-day ma – \$1959, 100-day ma – \$1976)

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