

Comex Changes Foretell Silver Shortages

Paul A Drockton M.A.

One of a Handful in the world to score perfect scores on various, professionally administered, IQ Tests.

Change in Futures Trading Confirms Silver Shortages

The little guy has been kicked out of the precious metals futures market. Effective mid-July only professional investors with a net worth of 1 million dollars (not counting primary residence) will be able to trade the futures contracts in Silver or Gold. This does not effect anyone's ability to buy or sell physical silver/gold, for now.

As of 6/17/11, Comex registered silver warehouse inventories were at 27,983 million ounces. Down from the over 100,000 million ounces a decade ago and down from the previous day's stockpiles as well. One thing is certain, their isn't enough silver in Comex vaults to meet the demand for the contracts already floating around. One estimate places the ratio of paper silver (Options and Futures Contracts combined) at 100:1. That means 100 paper ounces of silver for every real ounce being traded.

This fact has been covered up by permitting futures and options contracts to be settled in cash, instead of physical silver. The fact that almost all of the Comex Depositories are owned by Rothschild Concerns (JP Morgan, HSBC, etc.) makes this shell game even more murky and harder to follow. Who knows how much physical silver is really in the depositories' vaults? One thing is certain, it is not more than 27,983 million ounces.

Normally, when you kick out the little guy, it means the big guys are ready to make whole lot of money that they have no intention of sharing. Watch for spot prices to climb through the roof, with JP Morgan and other hustlers going long in the futures market after mid-July.

What impact will this have on actual silver? Availability will be the #1 concern following the run on the metals. You better make sure you are buying all that you can before July 15th. I think by this Fall, the dollar collapse, stock market collapse, real-estate collapse, bond market collapse and insurance industry collapse, will drive prices through the roof and suck up any and all stores of precious metals that are available for resale.

Floor of the Commodities Exchange (COMEX)