

[Don't Buy Gold](#) Three Commodities to Snap Up Now While Everyone's Distracted by Gold [www.DailyReckoning.com.au](#)

[The Truth About Silver](#) Yes, prices will climb. But don't buy the silver that won't pay off... [MoneyMorning.com/Silver_Report](#)

[Australian Stock Report](#) Our Team will show you which Shares to Buy & Sell Everyday - Free Trial [www.AustralianSto...](#)

Ads by Google



[home](#) [DARPA](#) [contributors](#) [news](#) [forums](#) [zh-tshirt](#) [store](#) [donate](#) [rss](#) [manifesto](#)

"WHAT ME PRESIDENT?...You're FiReD!"

Posted by: williambanzai7
 Post date: 04/22/2011 - 15:57
 Your friends will be hysterical when they see you wearing...

On the Relationship Between "Increased" Food Prices And Restaurant Margins

Posted by: Stone Street Advisors
 Post date: 04/22/2011 - 14:53
 Would you like cheese with that burger? Ok, sir, that'll be \$5.00...

McDonald's and Wal Mart Warn of Inflation Because Big Banks Use Trillions of Taxpayer Money as Gambling Chips for Speculative Commodities Plays

Posted by: George Washington
 Post date: 04/22/2011 - 13:56
 Hosed by Ben and Timmah, Bammy and Congress ...

User login

Home

Username: *

Password: *

Log in

Create new account

Request new password

Navigation

- Polls
- Donate To Zero Hedge

Shopping cart

View your shopping cart.

Ads by Google

How High Can Silver Go?

\$100, even \$150 according to our expert. Gold will lag behind. [www.wealthwire.com/silver...](#)

Buy Swiss Silver Bullion

Silver Bar, Silver Coin Shop Online 24/7 [www.goldderoyale.com.au](#)

Cash For Gold Australia

As seen on ABC TV Ch 2 & ACA Ch 9 Paying Over \$15 / 9ct & \$30 / 18ct [www.cashforgoldaustralia.c...](#)

Fine Silver 99.99% Pure

Fine silver wire, certified 99.99% Australian Manufactured [www.aemetal.com.au](#)

15 Reasons to buy Gold

Gold, two steps ahead: how the rich keep getting richer. New gold rpt [Wealthdaily.com/Gold_Rep...](#)

Zero Hedge Reads

- Angry Bear
- Bearish News
- Boom Bust Blog
- China Financial Markets
- Chris Martenson's Blog

25% Of Scotia Mocatta's Silver Transferred From "Registered" To "Eligible" Status: A 45% Reduction In "Physical"



Submitted by Tyler Durden on 04/20/2011 20:14 -0400

NYMEX

Something interesting appeared in the daily NYMEX report of its [silver warehouse stockpile](#) data: Canada's largest bullion depository (and one of five total) reclassified a whopping 5.2 million ounces of silver from Registered to Eligible status. In order to get a sense of how big this amount is, which amounts to just under \$238 million at today's fixing price, it represents just over 25% of the total silver stored at Scotia Mocatta, and about 5% of the total silver held across all depositories. The reason for this substantial shift is given as follows: "due to a reporting reclassification, 5,287,142 t oz was moved from Registered to Eligible." That's a pretty substantial reporting reclassification. Of course it could well be nothing but that, although one would imagine that a fat finger is somewhat unlikely when it comes to such a material amount. On the other hand, as those who follow the NYMEX data know too well, registered silver is actual physical Comex silver. Eligible on the other hand is sometimes called "someone else's silver" as it does not go through assays on exit/selling events. In other words, this is silver that can not be used to make delivery under a futures contract. As a result of this reclass, total registered silver dropped by 13% from 41.0 million ounces to 35.8 million. Assuming one does not have full faith in the simple error story, does this mean that deliverable silver just dropped by 13% overnight (this event occurred yesterday, but was reported as usual with a 24 hour delay)? And if so, is this effective transformation of physical to semi-paper silver indicative of what we may expect from other depositories in the next few days as the delivery notices start coming in?

Snapshot of silver holdings ([link](#)):

COMMODITY EXCHANGE, INC.						
METAL DEPOSITORY STATISTICS						
Report Date: 4/20/2011						
Activity Date: 4/19/2011						
DEPOSITORY	PREV TOTAL	RECEIVED	WITHDRAWN	NET CHANGE	ADJUSTMENT	TOTAL TODAY
BRINK'S, INC.						
Registered	14,108,919	0	0	0	0	14,108,919
Eligible	11,348,659	0	0	0	0	11,348,659
Total	25,457,578	0	0	0	0	25,457,578
SCOTIA MOCATTA						
Registered	11,834,822	0	0	0	0	6,547,680
Eligible	8,801,562	0	119,400	-119,400	5,287,142	13,969,304
Total	20,636,384	0	119,400	-119,400	0	20,516,984
HSBC BANK, USA (NEW YORK)						
Registered	9,630,350	0	0	0	0	9,630,350
Eligible	25,762,576	0	0	0	0	25,762,576
Total	35,392,926	0	0	0	0	35,392,926
DELAWARE DEPOSITORY						
Registered	5,470,185	0	0	0	0	5,470,185
Eligible	16,132,548	0	999	-999	0	16,131,549
Total	21,602,733	0	999	-999	0	21,601,734
JP MORGAN CHASE BANK NA						
Registered	0	0	0	0	0	0
Eligible	30,844	0	0	0	0	30,844
Total	30,844	0	0	0	0	30,844
TOTAL REGISTERED	41,044,276	0	0	0	-5,287,142	35,757,134
TOTAL ELIGIBLE	62,076,189	0	120,399	-120,399	5,287,142	67,242,932
COMBINED TOTAL	103,120,465	0	120,399	-120,399	0	103,000,066

¹Due to a reporting reclassification, 5,287,142 t oz was moved from Registered to Eligible.

For questions regarding this report please contact the Registrar's Office at (212) 299-2904.

For those who are confused about the distinction between the two categories, [SilverAxis](#) has done a good analysis:

For those who aren't familiar with the terminology, the registered category of COMEX warehouse bullion stocks generally refers to

Search

Search this site:

Macquarie Prime online trading
 Borrow to invest at 8.35% pa[^]

Latest News From RAN Squawk

- 04-21 16:40: RANSQUAWK AUDIO CLOSED FOR THE WEEKEND; THE DESK WILL REOPEN MONDAY 0630 (LONDON TIME).
- 04-21 16:39: RANsquawk 'Market Wrap Up': Video uploaded to [www.youtube.com](#):
- 04-21 16:27: Desk Easter holiday & Royal Wedding schedule 2011
- 04-21 16:23: US EQUITY WRAP
- 04-21 16:16: AMD (AMD) Q1 non-gaap EPS USD 0.08 vs. Exp. USD 0.06
- 04-21 16:05: SanDisk (SNDK) Q1 adjusted EPS USD 1.03 vs. Exp. USD 0.99
- 04-21 16:00: US RPX Composite 28day (Feb) Y/Y - 4.27% vs. Prev. -3.39%
- 04-21 15:56: US Bakes Hughes Rig Count (Apr 21) W/W 1800 vs. Prev. 1772

Latest News From The Fly On The Wall

- 04-22 08:46: DJ Transportation Average: Pivot points
- 04-22 08:45: DJ Utility Average: Pivot points
- 04-22 08:45: Dow Jones Industrial Average: Pivot points
- 04-22 08:45: ISHARES DJ TRANS AVG: Pivot points
- 04-22 08:45: Technology Select Sector SPDR: Pivot points
- 04-22 08:45: Energy Select Sector SPDR: Pivot points
- 04-22 08:45: Consumer Discretionary Sector SPDR:

- ◉ [Contrary Investor](#)
- ◉ [Coyote Blog](#)
- ◉ [Credit Writedowns](#)
- ◉ [Daily Capitalist](#)
- ◉ [Daneric's Elliott Waves](#)
- ◉ [DealBook](#)
- ◉ [Dealbreaker](#)
- ◉ [Dr. Housing Bubble](#)
- ◉ [ETF Digest](#)
- ◉ [Falkenblog](#)
- ◉ [Fibozachi](#)
- ◉ [Fund My Mutal Fund](#)
- ◉ [Gains Pains & Capital](#)
- ◉ [Global Economic Analysis](#)
- ◉ [Gonzalo Lira](#)
- ◉ [Hedge Accordingly](#)
- ◉ [Implode-Explode](#)
- ◉ [Infectious Greed](#)
- ◉ [Investing Contrarian](#)
- ◉ [Jesse's Café Américain](#)
- ◉ [Market Folly](#)
- ◉ [Max Keiser](#)
- ◉ [Minyanville](#)
- ◉ [Mises Institute](#)
- ◉ [My Budget 360 Blog](#)
- ◉ [Naked Capitalism](#)
- ◉ [Of Two Minds](#)
- ◉ [OilPrice.com](#)
- ◉ [Pension Pulse](#)
- ◉ [Shanky's TechBlog](#)
- ◉ [The Burning Platform](#)
- ◉ [The Daily Crux](#)
- ◉ [The Economic Populist](#)
- ◉ [The Mad Hedge Fund Trader](#)
- ◉ [The Market Ticker](#)
- ◉ [The Technical Take](#)
- ◉ [The Underground Investor](#)
- ◉ [Themis Trading](#)
- ◉ [Wall St. Cheat Sheet](#)
- ◉ [Washington's Blog](#)
- ◉ [Wealth.net](#)
- ◉ [When Genius Prevailed](#)

gold and silver bars against which COMEX warehouse receipts are outstanding. The COMEX publishes these stocks on a daily basis and they can be found here: [Silver | Gold](#). The registered category is the total pool of gold and silver available at any time to meet delivery requirements under expiring futures contracts or to establish initial futures contract positions through a transaction called exchange-for-physicals (I'll explain this another time). It is important to realize, however, that many parties holding COMEX gold and silver in registered form have no intention of making their holdings available for delivery. By this I mean that such parties are neither (1) holding a short futures position against the warehouse receipt nor (2) willing to sell their registered metal (warehouse receipts) to a party with a short futures position. Indeed, a substantial portion of those holding registered metal would have acquired the COMEX warehouse receipts by holding long futures positions for delivery. In other words, these registered stocks are held for investment and not for commercial purposes.

In comparison, the eligible category of COMEX warehouse bullion stocks generally refers to bullion held in the warehouses that meets the specifications of an acceptable COMEX bar (proper weight, size, purity and refiner) but does not have a COMEX warehouse receipt issued against it. For example, an investor might purchase several 1,000 oz. bars of silver from a dealer and then deliver the bars for allocated storage at a COMEX warehouse. This is a private arrangement and has nothing to do with the COMEX. Unless these bars are officially registered (the easiest way to do this is through the aforementioned exchange-for-physicals), they will remain in the eligible category until withdrawn from the warehouse by the investor. Thus, the appropriate way to treat eligible COMEX warehouse bullion stocks is that they represent metal that could potentially be registered at some point in the future but cannot presently be used to make delivery under a short futures contract.

We will follow this curious development which had not occurred prior to silver entering its "parabolic" phase.

P.S. For those curious, Scotia Mocatta had a comparable "glitch" affecting its gold stocks, [where 13% of its registered gold mozzied off to eligible status](#).
h/t DrDerivative

Your rating: None Average: 5 (22 votes)


[Login](#) or [register](#) to post comments
[Printer-friendly version](#) [Send to friend](#)



by FunkyMonkeyBoy

on **Wed, 04/20/2011 - 20:19**
#1190550

Fook'n Banana republic USA... everyday it reaches a new low.

[Login](#) or [register](#) to post comments



by Id fight Gandhi

on **Wed, 04/20/2011 - 20:26**
#1190573

Obama on the trillion dollar bill. Zimbabwe here come.

When do you think we will see dxy with a 73 handle? This week?

[Login](#) or [register](#) to post comments



by Arkadaba

on **Wed, 04/20/2011 - 21:06**
#1190684

I would guess within two weeks.

[Login](#) or [register](#) to post comments



by Long-John-Silver

[Pivot points](#)

04-22 08:45: [S&P Select Materials SPDR: Pivot points](#)

The Zero Hedge Team

[tips](#) [at] [zerohedge](#) [dot] org - [Our Reader Tips Mailbox](#)

Make sure to read our "[How To \[Read/Tip Off\] Zero Hedge Without Attracting The Interest Of \[Human Resources/The Treasury/Black Helicopters\]](#)" [Guide ads](#) [at] [zerohedge](#) [dot] org - [Advertising Inquiries](#).

[abuse](#) [at] [zerohedge](#) [dot] org - [Abuse / Infringement Issues](#)

It would be very wise of you to study our [disclaimer](#), our [privacy policy](#) and our (non)policy on [conflicts / full disclosure](#).

Mr. Durden retains sole power to bind Zero Hedge. No other person shall have actual or apparent authority to bind Zero Hedge to any contract. For any questions regarding this policy, or any other policy, contact legal [at] zerohedge [dot] com.

copyright ©2009, 2010, 2011 zero hedge - limited reproduction (with attribution) permitted by request

zero hedge's redundancy powered by:



on Wed, 04/20/2011 - 21:15
#1190711

You are an optimist

[Login](#) or [register](#) to post comments



by Id fight Gandhi

on Wed, 04/20/2011 - 22:29
#1190914

Maybe tomorrow. Looks bad right now.

[Login](#) or [register](#) to post comments



by Pool Shark

on Wed, 04/20/2011 - 23:14
#1191079

How about *tonight*?

(Currently at 74.06)

[Login](#) or [register](#) to post comments



by Mr Lennon Hendrix

on Thu, 04/21/2011 - 01:49
#1191381

....and \$46.

[Login](#) or [register](#) to post comments



by Michael

on Thu, 04/21/2011 - 02:51
#1191479

Get this strait you fucking morons, not you LH; It is impossible for Ben Bernank to stop QE to infinity, for the exact second he does there will be an immediate complete and total worldwide economic collapse of biblical proportions that will make the great depression look like a fucking picnic. Got it? Keep buying silver like there is no tomorrow, WHEREVER YOU CAN FIND IT. There's no more physical silver on the store shelves. IT'S OVER, GOT IT?

[Login](#) or [register](#) to post comments



by bushboy

on Thu, 04/21/2011 - 06:48
#1191690

True tthere will be a collapse, this is why people will look for a form of capitol preservation, PMS seem to fit this bill for all the aformentioned topics/replies on ZH. so we are not all Fin Morons, we are smart people. Whatever you do is/will be your problem. I have never felt more secure then being fully invested in Gold and Silver physical.

[Login](#) or [register](#) to post comments



by joe.schmuck

on Thu, 04/21/2011 - 03:47
#1191536

Down to 73.85 - 0.7% for the day - wow

[Login](#) or [register](#) to post comments



by natty light

on Wed, 04/20/2011 - 23:37
#1191149