January 3, 2024 – Putting It All Together

Iâ??m not sure what tripped off my reference to former commissioner Bart Chiltonâ??s last interview in Saturdayâ??s review, in which he revealed for the first time the frantic activity behind the scenes back in 2008-09 concerning JPMorganâ??s extremely large and concentrated short position in COMEX silver futures. Unfortunately, in my haste in bringing this up, I donâ??t think I recalled matters correctly.

For one thing, I had the date wrong, as Chilton passed away in 2019, a year earlier than I stated and I had previously written about the interview publicly when it first appeared and, obviously, about a month before his untimely passing. So please consider this previous article, as it includes a breakdown of what commissioner Chilton said for those not favoring long audio interviews â??

https://silverseek.com/article/confirmation-outrage-and-disgust

Bart Chiltonâ??s passing, now approaching the five-year mark, was notable, not only because it took him at a fairly young age (58), but also due to the circumstances in which he clearly knew he didnâ??t have long to live. As a result, itâ??s hard not to conclude he was making peace with himself and setting the record straight before his passing, which I noted in an article at the time â??

https://silverseek.com/article/voice-grave

While Chiltonâ??s interview and untimely passing had a powerful impact on me at the time, it has continued to resonate strongly to this day. As I recalled in the first article posted, my communications (all by email) with Chilton began in 2007, when I challenged him on his assertion that the CFTC was a tough cop on the beat about the circumstances that existed in COMEX silver. Much to his credit, Chilton never shied away from responding to my allegations and Iâ??m convinced that he was instrumental in getting the infamous five-year formal investigation of a silver price manipulation in late-2008 started by the Enforcement Division, asÂ result of my writings about the August 2008 Bank Participation Report which indicated that JPMorgan was the big manipulative short seller in COMEX silver (and gold).

Even though that silver investigation resulted in a white-washed termination in 2013, Bart Chilton must be remembered for his role in getting it initiated in the first place. Still, I canâ??t help but feel that he must have been strongly conflicted in the years preceding his death about not doing more to end or at least reveal the actual circumstances surrounding JPMorganâ??s obvious manipulation of the price of silver. Or why else would he take the time to speak openly of the events at the time (in 2008) other than to set the record straight?

Most revealing about Chiltonâ??s last interview is how little was revealed at the time (2008-09) and subsequently by the scores of regulators involved back then and to this day. If it werenâ??t for Chilton, no one would be aware of the turmoil behind the scenes back then and, in my opinion, to this day about the serious continuing â??problemâ?• the regulators confront in silver. In fact, itâ??s remarkable how closed-mouthed everyone from the CFTC, DOJ, US Treasury Dept and the S.E.C. is about the increasingly-obvious COMEX silver manipulation.

I know they all have little choice but to pretend there is no such thing as an ongoing 40-year silver price suppression emanating from the COMEX, as if ignoring it will make it magically go away. But what would you do in their place? Suddenly admit to having dropped the ball for decades and thereby exposing yourself to the shame and ridicule (if not worse) that would result from such an admission? And what about the potential damage to JPMorgan and the CME Group, as being complicit and instrumental in the silver scam â?? would you willingly take the responsibility for what might result to the US (and world) financial system for initiating the inevitable wave of lawsuits that could easily bring both JPM and the CME to their knees?

As shameful as the regulatorsâ?? failure has been to end the COMEX silver manipulation for the past 40 years, not for a moment should you conclude that the manipulation will never end and end abruptly in a price explosion difficult to adequately quantify. Take the fresh price smash today. Short-term price moves are difficult (impossible) to predict, but when it comes to silver (and gold) such price smashes are simple to explain in hindsight.

In the case of silver, there was obvious (in hindsight) potential managed money selling below the moving averages, which were decisively penetrated today. I did mention on Saturday that if we did experience a sharp selloff in gold, it would be due to collusive commercial positioning. While itâ??s still an open question whether Â the commercials can rig gold prices below all of its key moving averages, the question has been settled in silver. Now itâ??s just a question of how many brain-dead managed money traders will be willing to add new shorts in silver – since, the managed money longs are mostly liquidated by now.

Please understand that it is not misplaced bravado or stubbornness that leads to my conviction that silver will soon explode in price â?? no, not just despite this current price rig lower, but because of it. What will cause the coming price explosion in silver is not any regulatory action but something more powerful and profound than any economic force in this world â?? the law of supply and demand. I know itâ??s painful and frustrating to witness the COMEX commercial crooks smash prices lower at will and for the regulators to sit by, doing worse than nothing â?? but that doesnâ??t change by one bit the power of the law of supply and demand.

In fact, the crooked and collusive COMEX commercials, as well as the regulators have no choice but to see as many managed money and other speculative positions sold as possible to finally clear the decks for a silver price liftoff.Â What else can they do â?? allow a rally in which many new commercial short positions would need to be established, only to be followed by an even deeper selloff? At this point, this decades-long silver price manipulation is so obvious that every sudden price selloff must be considered for what it is, namely, an even shorter fuse to the explosion.

Once the deepening physical silver shortage has reached the advanced stage it is at currently, even the idea that a sharp additional price selloff could occur should seem absurd on its face. A physical shortage can not be remedied with even lower prices. The regulators and the collusive commercials know this and also know that such economically-absurd selloffs are manipulative by definition. Itâ??s not up to me to point this out to them â?? this is the regulatorsâ?? prime mission â?? preventing exactly what we are all witnessing.

Thatâ??s why they are all silent, not only in the face of repeated direct allegations of an ongoing silver price manipulation, but also because they shouldnâ??t need outside complaints to see the manipulation on their own. It took Bart Chiltonâ??s certain coming rendezvous with his maker to come clean. After all, who tells lies on his deathbed? This is what makes the COMEX silver manipulation the big darn deal I allege it to be, namely, because of all those regulators over the years that kept quiet and deliberately looked the other way. At least Bart Chilton felt the weight of responsibility to speak up before his passing â?? which tells you a lot about all those who have kept it to themselves

Despite todayâ??s intentional price smash, the signs of physical silver shortage continue to multiply. Slightly more (by 100,000 oz) silver was deposited into the COMEX warehouses last night, than left the SLV, keeping the combined totals up by a bit. But some 240,000 oz were withdrawn from the PSLV, suggesting (if it wasnâ??t a reporting error) that the Sprott silver ETF is being used as a source for physical silver, much in the same manner SLV has been for quite some time.

There were a rather hefty 317 silver contracts (1.5 million oz) issued last night on the January COMEX contracts, following two days where only 37 total contracts were issued. JPMorgan stopped 313 of last nightâ??s notices for customers, making JPM the total stopper of 350 (99%) of the 354 total contracts issued over the first three days â?? much better, in my opinion, than if JPM was the big issuer. That would leave more than 900 contracts still open in the January contract. There have been a large number of Jan contracts traded today, but it canâ??t be known until tonight whether those contracts involved liquidation or new contract creation.

My hunch is that the stone-cold crooks at JPM may have liquidated some Jan contracts, as it was getting to be pretty obvious it had a death-grip on the January contract, making it time for these vermin to slither out of the delivery limelight. Regardless, the signals suggest continued physical tightness and if tonightâ??s data show an increase in new January contracts, the heat will definitely be increased in COMEX delivery tightness. Â In fact, everything points to physical silver tightness, even in a sick, perverted way, todayâ??s counterintuitive price smash.

Of course, the only real question is how much todayâ??s price smash in silver generated in managed money selling and commercial buying, as well as the corollary question of how much more may be left to go? The answers, it appears to me, are plenty and not much more. I base this on todayâ??s heavy trading volume and what was silverâ??s not-so-terrible market structure going into this selloff (particularly when compared to goldâ??s market structure) and how much managed money selling was likely accomplished on this price beat-down.

Further, itâ??s hard to imagine how much more managed money long liquidation could be left after today, making the precise question more a case of how many managed money traders could be lured onto the short side? It seems not to matter that much that the managed money traders have never collectively profited when getting heavily short silver, so all we can do is watch and wonder.

One thing that can be gleaned from todayâ??s price smash in silver and gold is the origin of why I call the COMEX commercials collusive. While there can and should be no doubt that the commercials have been net buyers on todayâ??s price smash and that the managed money traders have been the big sellers â?? what makes the COMEX commercials the collusive crooks I allege them to be is the manner of the commercial buying. These crooks never reach up to buy, they always wait collusively until the managed money traders come to them. In other words, thereâ??s never any real competition between the commercials when they buy on days like this â?? they all just sit â?? silently and patiently â?? waiting for the managed money traders to reach down in price to meet the collusive commercialsâ?? bids.

Please think about this for a moment. Itâ??s a well-established fact that the commercials are always big net buyers on sharp price selloffs in silver and gold, with the managed money traders always as the big sellers â?? as confirmed in COT data over the decades. If the commercials werenâ??t the collusive market criminals I allege them to be â?? then how else could the commercials always turn out to be the consistent buyers they have always proven to be on big selloffs? Iâ??m not really asking you, of course, Iâ??m asking the regulators, whose main mission is to disallow the illegal practices of the commercials operating in full view.

So, for now, all we can do is accept the reality of the ongoing COMEX price manipulation and the regulatorsâ?? monumental failure to uphold their oaths of office to uphold the law and await the verdict of the higher law of supply and demand. Itâ??s hard to see how the wait will be too much longer.

Ted Butler

January 3, 2024

Silver – $23.23Â Â Â (200-day ma – $23.80, 50-day ma – $23.78, 100-day ma – $23.44)

Gold – $2045Â Â Â Â Â Â (200-day ma – $1975, 50-day ma – $2016, 100-day ma – $1970)

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