

**From:** Steve Hickel <smhickel@gmail.com>  
**Sent:** Monday, May 2, 2011 6:29 PM  
**To:** AG-COD <AG-COD@michigan.gov>; O'Malia, Scott <SO'Malia@CFTC.gov>; PosLimits <PosLimits@CFTC.gov>; Sommers, Jill <JSommers@CFTC.gov>; Dunn, Michael <MDunn@CFTC.gov>; Gensler, Gary <GGensler@CFTC.gov>; DRUDGE@drudgereport.com; squawk@cnbc.com; kudlow@cnbc.com; antitrust.complaints@usdoj.gov  
**Subject:** JP Morgan Portrait of Desperation

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<http://jessescrossroadscafe.blogspot.com/2011/05/portrait-of-desperation.html>

The Comex is facing a default, and the powers that be are very nervous since it involves at least one of the TBTF monstrosities. ( JP Morgan)

That does not mean it is going to happen, but with less than 12,000 contracts of silver left in the dealer category, it remains a distinct possibility unless prices go much higher to free up the inventory held by stronger hands.

Nine out of ten Americans might realize that dwindling supply coupled with growing demand tends to result in higher prices, or rationing and other methods of dampening demand, or all of the above. Well, maybe not that high a percentage of the people would notice, given these days of truthiness in thinking and the power of spin.

Perhaps there is some 'Plan B' to handle this growing scarcity of inventory. The only plans I am aware of from the exchange are forced settlements in cash or SLV.

Shock and awe in the thin Sunday night trade, running the stops of the new futures holders whose options were filled. Even more heavy handed and blatant than usual.

Run it up, and then smack it back down.