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Subject: CFTC Signals Open-Season On Silver Market Manipulation and NYSE:SLV ETF: $500 Million Dollar Payday on Manipulated Silver Price Takedown on COMEX Futures Market

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CFTC Signals Open-Season On Silver Market Manipulation and NYSE:SLV ETF:

$500 Million Dollar Payday on Manipulated Silver Price Takedown on COMEX Futures Market

CTFC Commissioners continue their two and a half year long "on-going" investigation of silver price manipulation and illegal trading practices by the JP Morgan Chase and HSBC banks. All the while during the past three weeks, non-commercial traders added 6,000 new contracts to their silver short position. Then, utilizing computer automated High-Frequency-Trading (HFT) software, proceeded to flood the market with huge day-trading volume equivalent to the entire world annual silver mine production in a single day. Resulting in artificially driving down the spot price of silver by 8% in a single day. Repeated daily HFT attacks within the last two weeks have resulted in the takedown of the COMEX spot price of silver by 30 percent. Then, the same non-commercial traders bought back more than 8,300 silver contracts, netting $500 million dollars over the 3-week period.

The CME Group, owners of the COMEX exchange, following the CFTC Commissioners lead, have benefited greatly from the huge trading volume generated by the HFT phenomena, which collects fees on every silver contract traded. In addition, the CME Group has acted to the benefit of the HFT JP Morgan Chase and HSBC banks, who maintain an extraordinarily large concentration of silver short contracts, amounting to about 25% of the entire silver market size, by repeatedly raising silver contract margin requirements while the spot price of silver was increasing, to the detriment of the long silver contract holders, rather than while the spot price of silver was declining as would be expected. The subsequent liquidation of long silver contracts on margin, benefiting the closing of short silver contract holders at a depressed price, rather than at a going market price.

The BlackRock company, the Trust sponsor of the NYSE iShares SLV ETF, likewise following the CFTC Commissioners lead, have consistently ignored the explicit legal terms of their iShares SLV Trust, requiring same-day deposit of one ounce of silver for each SLV share purchased. Neglecting the short sale of 36 million shares of the SLV ETF, all without deposit of the legally required physical silver. The 30 percent takedown of the COMEX spot price of silver has resulted in a huge liquidation of NYSE SLV shares, which triggered the removal and subsequent sale of the corresponding Trust held physical silver according to the legal terms of the iShares SLV Trust, again benefiting the closing of short silver contract holders at a depressed price, rather than at a going market price.

The reoccurring theme, is that the CTFC Commissioners refusal to enforce the law has signaled to all parties in the physical silver COMEX futures market, the NYSE and all the various other exchanges in which the trading of silver-related stocks and options are conducted, is that it is open season for manipulation of the silver and silver related markets, regardless of how illegal and blatant it has become, and regardless of how damaging it has been and will continue to be to the multitude of small private investors.

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