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**Sent:** Monday, November 15, 2010 9:41 AM  
**To:** PosLimits <PosLimits@CFTC.gov>  
**Subject:** Silver Market Manipulation at the COMEX, and Position Limits

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Dear Sirs and Madame,

I would like to send you a comment, about the recent COMEX silver market events, specifically last week's, and it's possible relation to the absence of position limits.

First point, the market participants causing this market pattern are very cunning. And they are helped by the CME, as evidenced by the CME's latest criminal timing, in forwarding their new margin requirements, in silver, designed to the benefit of the big silver shorts.

When we get this kind of market behavior, of the sudden and dramatic downturns, in the price of silver, it is the marks of the silver price "engineers", primarily of JPM's.

They have various tricks up their sleeve, of how to manipulate the price of silver, but I'll tell of one way, here, that they have, historically, well under their belt.

It, of course, requires collusion.

When they aim at covering shorts, in this way, they act to make the price of silver fall dramatically, in the COMEX silver market place.

The mechanics of such an action can take the following route:

First, they signal to the market that they intend to sell a vast amount of (paper) silver, into the market place. This unsettles margin long holders of silver.

Then they carry out trades, among them selves, at lower prices, to get the price moving down, and advertising the intent to sell much more. This starts weak long holders to sell silver, if they are on the margin.

Then the market short manipulators, in collusion, pull their bids, causing the market price of silver to fall further.

The aim, of the market manipulators is to reach the certain price levels of silver, which they know, where the "technical funds" (the funds being managed by computer programs, that automatically buy silver, at predetermined levels, when silver goes up, in price, and sell, at predetermined levels, when the price goes down, of silver) will sell from their long holdings. When these levels are reached, the technical funds start selling their longs, which puts further pressure on the price of silver, down. When the silver market price manipulators are "lucky", they can succeed in "flushing out" all the silver longs, of the technical funds, that can be "flushed out", from them.

The silver longs, floated into the market, are then acquired by the collusive market manipulators, to

cover short positions they hold, or to unload them, when the price of silver goes up, and the tech funds become buyers again, making the COMEX silver market price manipulators a neat net.

I suspect that that is what took place, last week.

Case in point, the above actions, by the big silver market criminals, foremost JPMorgan, would not have been possible, were it not for the absence of legitimate position limits, in the COMEX silver market. This is what can happen, when big bullion banks are let loose, unbridled, in the market.

In the case of the COMEX silver market, this *has* happened.

Legitimate position limits are urgently needed, in the COMEX silver market, to protect the honest market participants against the big silver bullies.

The limits, in the COMEX silver market, should be, reasonably, set at 1,500 contracts, per market participant, or, if a general formula, that comprises all commodities, traded at the COMEX, is wished to be applied, it could, reasonably, be set at 1% of world production, per market participant.

Exemptions should only be allowed to legitimate hedgers, (producers and users).

Best regards,

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Sweden

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