

**From:** Michael Royea <mproyea@hotmail.com>  
**Sent:** Friday, April 2, 2010 3:11 PM  
**To:** Metals Hearing <metalshearing@CFTC.gov>  
**Subject:** metals position limits

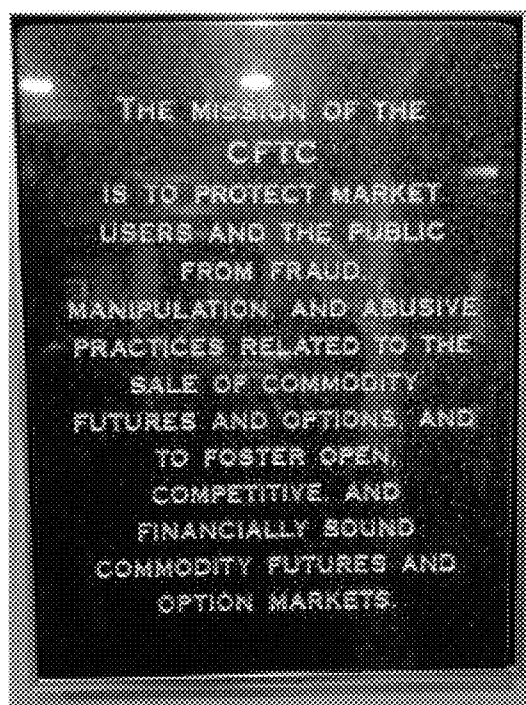
---

# CFTC: Obey Your Plaque!

**(Stop the Fraud!)**

**Silver Stock Report**

**by Jason Hommel, April 1, 2010**



The Plaque reads:

THE MISSION OF THE  
CFTC  
IS TO PROTECT MARKET  
USERS AND THE PUBLIC  
FROM FRAUD,  
MANIPULATION, AND ABUSIVE  
PRACTICES RELATED TO THE  
SALE OF COMMODITY

FUTURES AND OPTIONS, AND  
TO FOSTER OPEN,  
COMPETITIVE, AND  
FINANCIALLY SOUND  
COMMODITY FUTURES AND  
OPTION MARKETS

CFTC, obey your plaque!

When the open interest in silver futures contracts exceeds 800 million oz., and when the silver on deposit for delivery is a mere 50 million oz., it does not take a genius to figure out that something is out of balance. That's only a 6% backing!

When the London OTC market trades in excess of 125 million oz. of silver per day, and only has 75 million oz. of physical in the vaults, again, it does not take a genius to figure out that something is out of balance there, too. The BIS notes that the OTC "over the counter" other precious metals derivatives exceed \$200 billion, which is about 12 billion oz. of silver, or almost 24 years worth of mine supply, and 160 times the 75 million oz. they have left!

It should not take any hearings or investigations. But the investigations serve the purpose of revealing the numbers to CFTC commissioners who may not otherwise know.

The London fraud is easier to understand, even though it is bigger. Why? In Europe, there is the VAT, and on silver, it's about 17% if you take your silver out of the banks, and take delivery. Therefore, most people leave it with the banks. But there is no "it", no silver.

YES, THIS IS THE WORLD'S BIGGEST FRAUD! BIGGER THAN EVERY OTHER FRAUD, EVER!  
PERHAPS BIGGER THAN ALL OTHER MONETARY FRAUDS IN THE HISTORY OF THE WORLD,  
COMBINED!

The world's gold market is like a Ponzi scheme, or bucket shop. Around 100 years ago, there were brokerage houses (bucket shops) that let you buy stocks, and they would give you a receipt, but they would not buy the stock, they would simply buy back your receipt if the stock went up, and if you cashed in your receipt. Two big "ifs". Jesse Livermore wrote about the bucket shops in his famous book, "Reminiscences of a Stock Operator".

<http://www.amazon.com/reminiscences-stock-operator-edwin-lefevre/dp/0471059706>

The government eventually put the bucket shops all out of business, because they were all fraud. (Also, the government banks don't like competition.)

Jesse notes that the bucket shop trading was different than a real market, as you would not move the market price of stocks you bought or sold, and so, you could buy the stocks cheaper, not paying such large commissions, and also, not moving the market price up against yourself as you were buying.

Same thing in the gold and silver markets. The big brokerage houses promise silver at lower commissions, but only if you don't ask for delivery.

The gold and silver markets are no different than a bucket shop, it's cheaper, but if you don't take delivery, your silver does not exist.

GATA seems stunned by the admissions of Jeff Christian at the CFTC hearing, where Jeff admitted that the leverage of paper gold to physical gold is over 100 to 1 in the London Market. Listen as they explain:

[http://www.kingworldnews.com/kingworldnews/Broadcast/Entries/2010/3/31\\_GATA\\_files/GATA%203%3A31%3A2010.mp3](http://www.kingworldnews.com/kingworldnews/Broadcast/Entries/2010/3/31_GATA_files/GATA%203%3A31%3A2010.mp3)

I was not stunned by that, because I've read the CPM Group's reports, and I've read the BIS reports, and I've been mentioning the BIS report for nearly a year now, since April 6th, 2009.

BIS Admits \$190 Billion Silver Fraud  
<http://silverstockreport.com/2009/OTC-silver-fraud.html>.

I don't know why a verbal admission by an idiot has more weight than the written reports of the BIS, but there it is.

More stunning than the plaque is the BIS report. It puts the fraud in writing! See the OTC "other precious metals" derivative obligations at **\$203 billion!**

<http://www.bis.org/statistics/otcder/dt21c22a.pdf>

Second table, towards the bottom, middle of the page.

Heading is "Notional Amounts Outstanding"

Column: Jun 2009

Row on left, "Other Precious Metals"

It's right there, black and white, full admission, by PEOPLE IN POWER, the BANK OF INTERNATIONAL SETTLEMENTS. This is not a secret.

It should be daily front page business news, but the report only comes out once every 6 months. Also, if the media don't know where to look, and if they never learned how to read a chart, then what chance is there of coverage? At least the CFTC hearings put this on center stage from many who were in denial.

Sincerely,

Jason Hommel

In case you miss an email, check the archives:

<http://silverstockreport.com/>

**If you found this email useful, please Forward this email to your family and friends.**

 **SafeUnsubscribe**®

This email was sent to mproyea@hotmail.com by j@silverstockreport.com.  
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Email Marketing by



---

The New Busy is not the too busy. Combine all your e-mail accounts with Hotmail. Get busy.