Precious Metals & Market Update

Posted April 27th, 2024 - By Chuck Coppes

"With the exception only of the period of the ***gold standard****, practically all governments of history have used their exclusive power to issue money to* <u>*defraud and plunder the people*</u>*."*
Freidrich A. Hayek, Austrian Economist (1899 - 1992)
*"****Money*** *is* <u>*the most important subject*</u> *intellectual persons can investigate and reflect upon."*
Robert H. Hemphill, Atlanta Federal Reserve Bank
"Of all the <u>*contrivances for cheating the laboring classes of mankind*</u>*, none has been more effective than that which deludes them with* ***paper money****."*
Senator Daniel Webster (1782 - 1852)

Greetings to all,

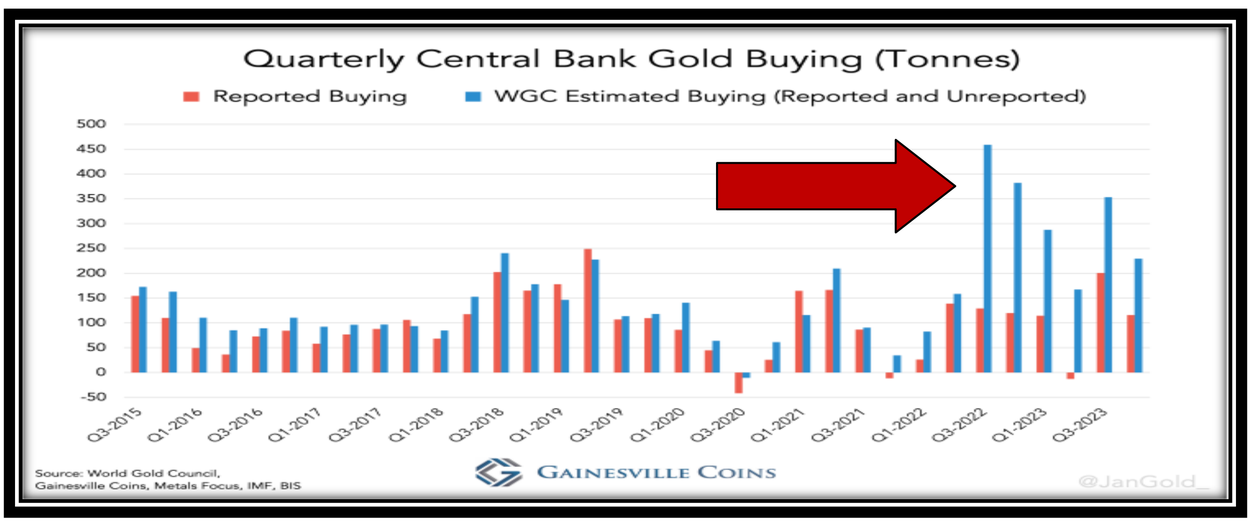
<u>Someone once said "there are **decades when nothing happens**, and there are weeks where decades happen</u>." Since early **March**, we have seen **gold** breakout to new highs and silver is up **26%** in recent weeks. As I will mention later, monetary metals have been suppressed and manipulated by bankster interventions for at least **50** years, but the resistance level for **gold** has finally risen above **$2,000**.

As **James Howard Kunstler** [recently commented], "Gold and silver are vaulting up suddenly like nobody's business (literally). This may be fun to see if you are sitting on a pile, even a small pile of the stuff. But to everybody else it's **a signal** that something is messed up in the complex engine of the economy. You know, of course, that our money is debt. So, debt is the fuel that drives that engine." Any rise in **gold** is noteworthy as an indication of *structural problems* in the financial labyrinth that connects our world. "But what is also worth noting," says bullion analyst **Jesse Columbo**, "is how gold's surprising recent rally has received very little mainstream attention by a press that is much more enamored with hot AI stocks as well as Bitcoin." Of course, this is not surprising since the financial media and banksters have a vested interest in maintaining the status quo casino on **Wall Street** and are *loathe* to comment on the **metals space**. For more of his analysis and charts go to [THIS LINK].

The mainstream may be focused on official narratives, political drama and the weather, but retail shoppers on **Main Street** are loading up on the barbaric relic. As I have reported, **Costco** has had a rush for **gold** (and silver) since they began offering it at their outlets with monthly sales of **$200 million** and a limit of five per customer. **Walmart** has also joined this trend and the reasons cited are geopolitical tensions and the unsustainable **US** debt that has mortgaged our future and hastening our financial reckoning day. **The Fed** is totally trapped and has become impotent as **MN Gordon** adds:

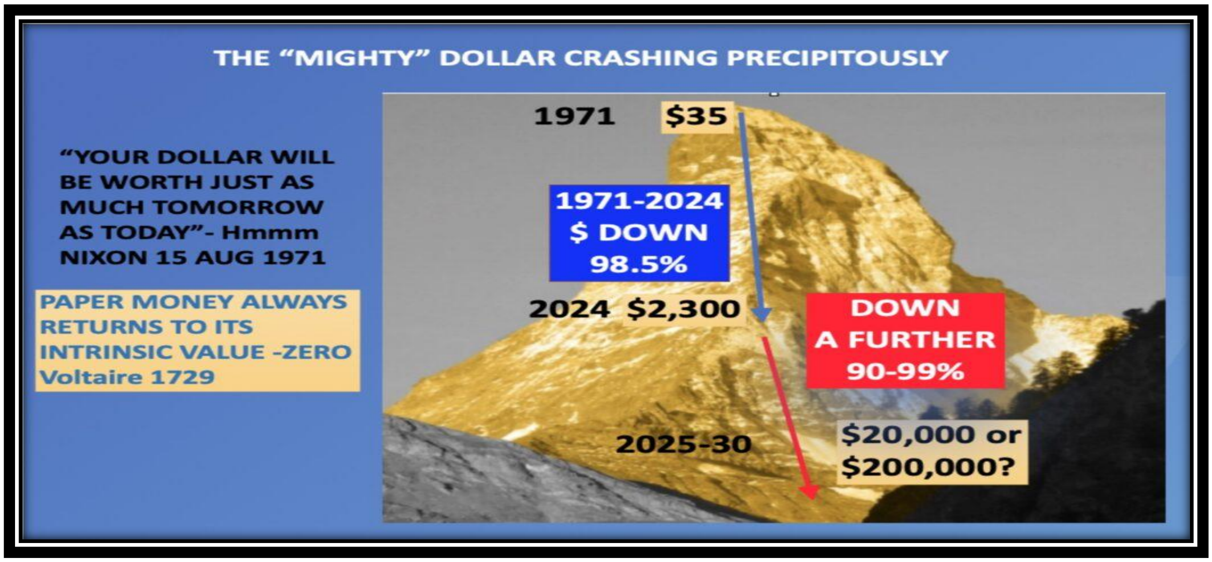
"Central bankers, like Fed Chair Jerome Powell, understand that they have only two options. Continue stimulating until the dollar loses all value and society breaks down into disorder and disarray. Or stop stimulating and cause a complete credit collapse and 1930s-style depression. Neither scenario is very appealing. *But, as you're likely aware, the choice has already been made. The Fed will continue inflating and debasing the dollar, with the hope of managing a slow burn into the ultimate hyperinflationary collapse. With a little luck, the Fed will be able to put this off for a few more years.* ***The goal is to postpone the day of reckoning until significant hoards of baby boomers have vacated the planet. Then, the younger generations will be left to pick up the pieces."***

The **central banksters** have no other choice but currency debasement and this late-stage collapse could be upon us in the rather near future as noted by *The Epoch Times*. "Given the increasing magnitude (in both nominal and real terms) of the debt problem, a financial crisis in **2024 or 2025** will have much worse consequences than anything that would have happened at the time of the financial crisis 15 years ago. On the eve of the 2008 crisis, U.S. federal debt to GDP was around 64 percent, the same level as in 1995. This allowed some flexibility. As of the most recent quarter, the ratio of debt to GDP is now nearly double that, at 122 percent." This is what happens when you create (fiat) money out of debt (bonds) and this fact is very well known among the **evil banksters** of the world. Just look at this **chart below**. The **World Gold Council** is an establishment mouthpiece, and supported by the banksters, but even they draw attention to massive **central bank gold hoarding** in recent months.

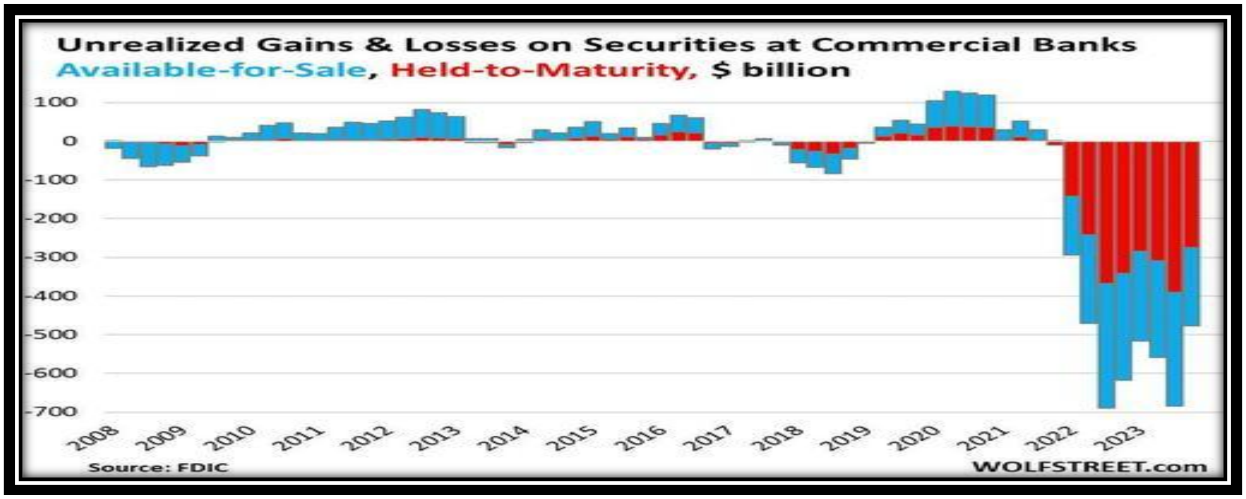


You will notice that **tons of gold** hoarding is going *unreported* in the shadowy world of global banking (see the blue lines). **China** has imported a record **735** tons of **gold** and the Chinese people have bought twice that amount in **2023**! And let's remember that **China** is also the number one producer of **gold** in the world and they are keeping it all to themselves. The **US** alleges that they have **8,100** tons of **gold** but that figure is *highly suspicious* and we are more likely flying by the seat of our pants with empty pockets. In **December, Rep. Alex Mooney** again asked the **Fed** to disclose its **gold holdings** and they flatly refused to comply. So Mr. Mooney can't find the Money. You can read about it HERE.

In my business, we like to say that **metals** are not getting expensive, the currency is getting cheaper. It seems that people are becoming increasingly aware of this fact. In THIS brief blogger's video he explains how we are adding **a trillion** in new debt *every* ***100*** *days* and how entitlement/welfare programs cannot be sustained much longer. The **Fed** is trying to manage a slow burn of the monetary system, and as most of you know this goes back to **1971** when **Nixon** decoupled **gold** from the **US** dollar. At that time, gold was "priced" at **$35/oz**. and you can see the progression in **this chart**:

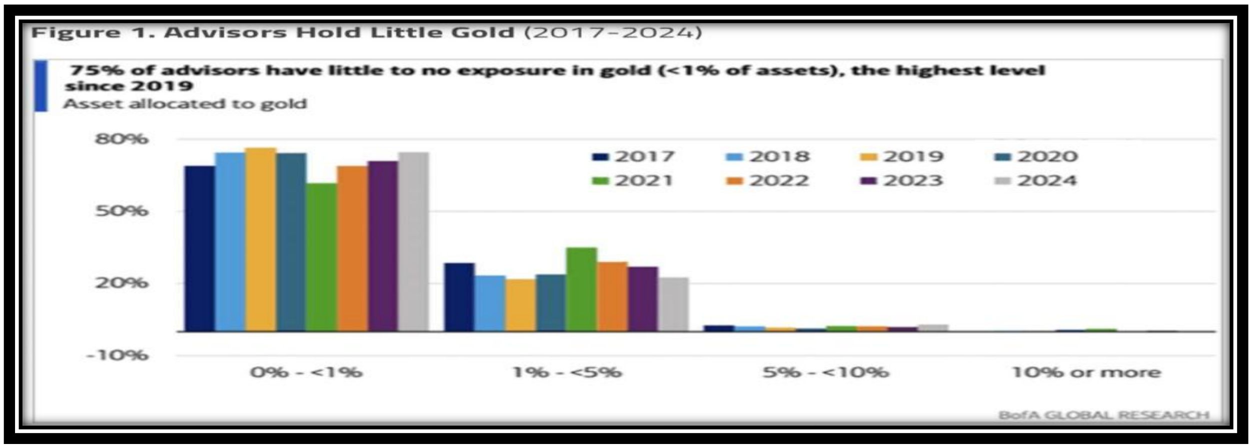


This is what currency debasement looks like. This is why people need hard assets with no counter-party risk. In **1980**, the **Dow Index** and price of **gold** had a **1:1** ratio of **800**. Swiss gold manager **Egon von Greyerz** likes to point out that adjusted for real inflation gold should be **$2900/oz**. today and why not? The **Dow Index** is at **38,000** points! We also know that the **US** banking sector still has huge exposure to low-yielding bond portfolios in addition to **trillions** in negative commercial real estate loans. Banks are making new rules to switch their bond holdings to the **HTM** (hold-to-maturity) category in order to hide **billions** in "unrealized capital gain losses" on their books. "But these new rules come at the expense of transparency," says Zerohedge. "We're never quite sure who is holding what, thus we can lose track of where the land mines reside. By allowing banks to not 'mark-to-market' we lose transparency and more importantly, we lose more price discovery.**"** This is similar to what Lehman Bros. did in **2008** to hide their losses but the **GFC** eventually exposed all of that.

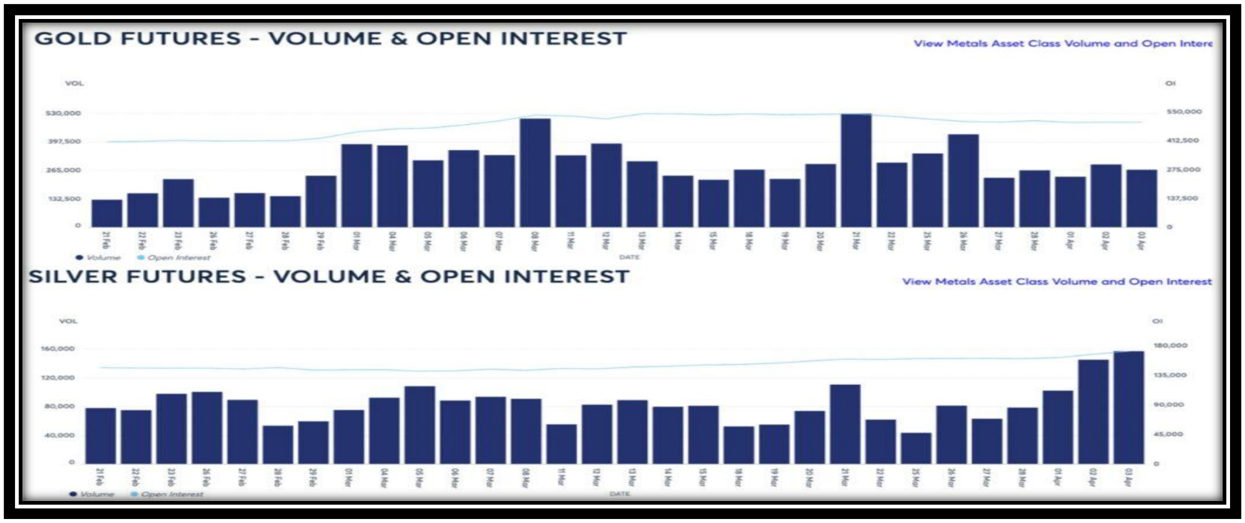


So what is the future for the **US dollar** – or more importantly the future of our nation? As covered by **Brandon Smith** in his most recent article, these two questions are inexorably linked. Since **1944**, the Bretton Woods Agreement has established the **US dollar** as the reserve currency of the world, but this is about to change. What **Nixon** did in **1971** has finally caught up with reality and this is also known as **Triffin's Dilemma** in monetary circles. Smith cites the rise of **central bank digital currencies** (CBDC) and plans for the **BIS** in Switzerland to manage this new platform. I think it will necessarily include the IMF-Special Drawing Rights (SDR) as a new settlement means with a **gold** component like the original **SDR** in **1969**. The repricing of **gold** will literally be in the thousands to restructure global debt to **GDP** and **gold i**s already proving to be a safe haven and anchor in uncertain times as seen in the current rally this year. As illustrated below, **gold and silver** represents real money and preserves wealth over time. What would you rather have? The delusion of **paper money** or shiny bars?

Unfortunately, the **majority of retail investors** in the world have very little knowledge or appreciation for precious metals and this is by design in the financial services industry. **As seen below**, advisers typically recommend *only a scant **1-5%** in metals* (and even this is in paper ETFs or funds they can manage). **Investopedia** dutifully warns that commodities are "risky" and the safest assets are cash, bonds, stocks and even futures and options. The **CFTC** (Commodity Futures Trading Commission), in their article **Gold is No Safe Investment**, reminds that "past performance is not a good predictor of future returns" and that most precious metals dealers are "setting you up for fraud" (certainly not the CFTC). And on it goes. The casino operators clearly want to steer you away from shiny bars.

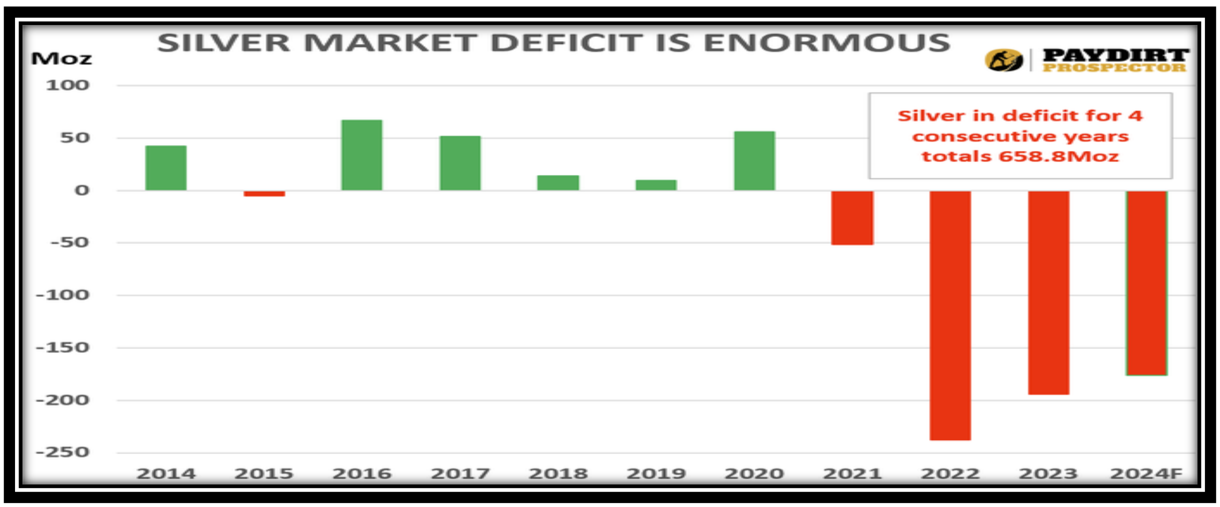


Historic Mining Squeeze & Outlook for Silver

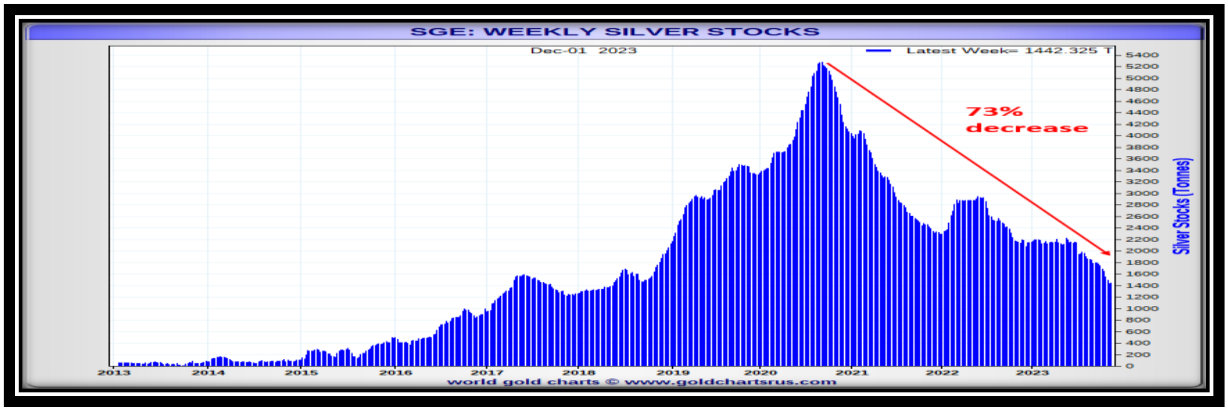


<u>**Let's now consider the outlook for silver this year**</u>. The above chart is from a few weeks ago and shows the open interest/volume with **gold and silver** contracts at the **Comex** in NY. Although **silver** activity was relatively high very little actually "stood for delivery" and traders suspect that foreigners are leading the rally in both metals this year. Traders are also confounded that metals are rising at the same time that **interest rates** are high or remain high (rising yields are supposed to discourage people from holding non-interest bearing assets like gold and silver). <u>So what's happening</u>?

<u>I'm glad you asked!</u> In addition to geopolitical tensions, overvalued stocks and insolvent federal, state and local governments, we also have **structural deficits** in the tiny **silver** market. An historic **silver mining squeeze** has been developing for the past four years and demand for **silver** keeps rising.



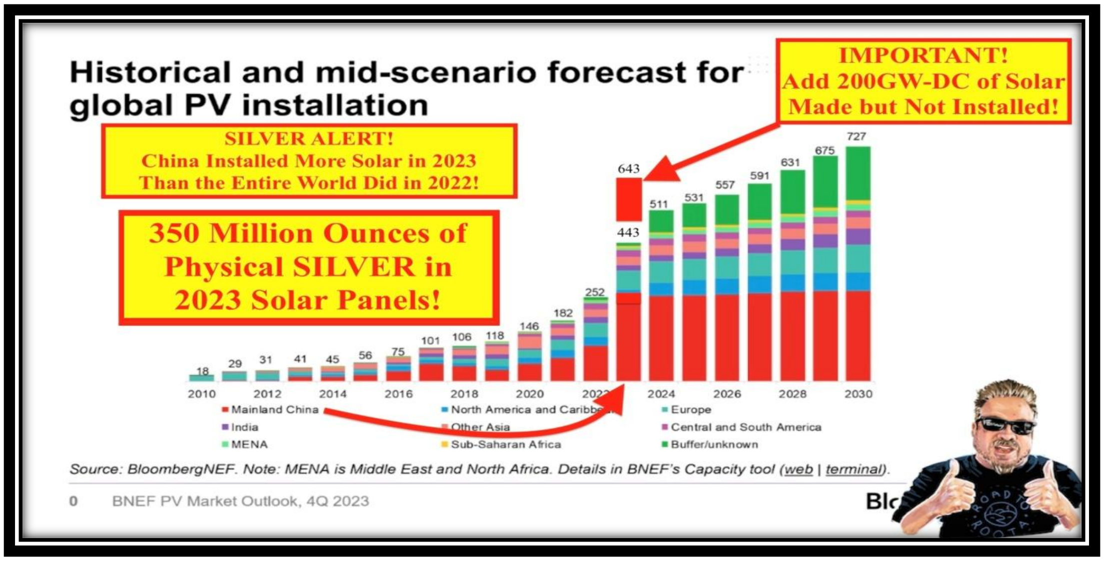
Unlike **gold** that has very few industrial applications if any, **silver** is used extensively with electronics and photovoltaics (solar). Last year industrial demand was **80%** and **20%** for investment and this has led to another shortfall. When it comes to **silver** we are talking a rather small market cap of only **$60 billion** compared to maybe **$7 trillion for gold** in the world. This also accounts for **silver** volatility, but not due to "market forces" as they would like you to believe, and I will address this in a moment.



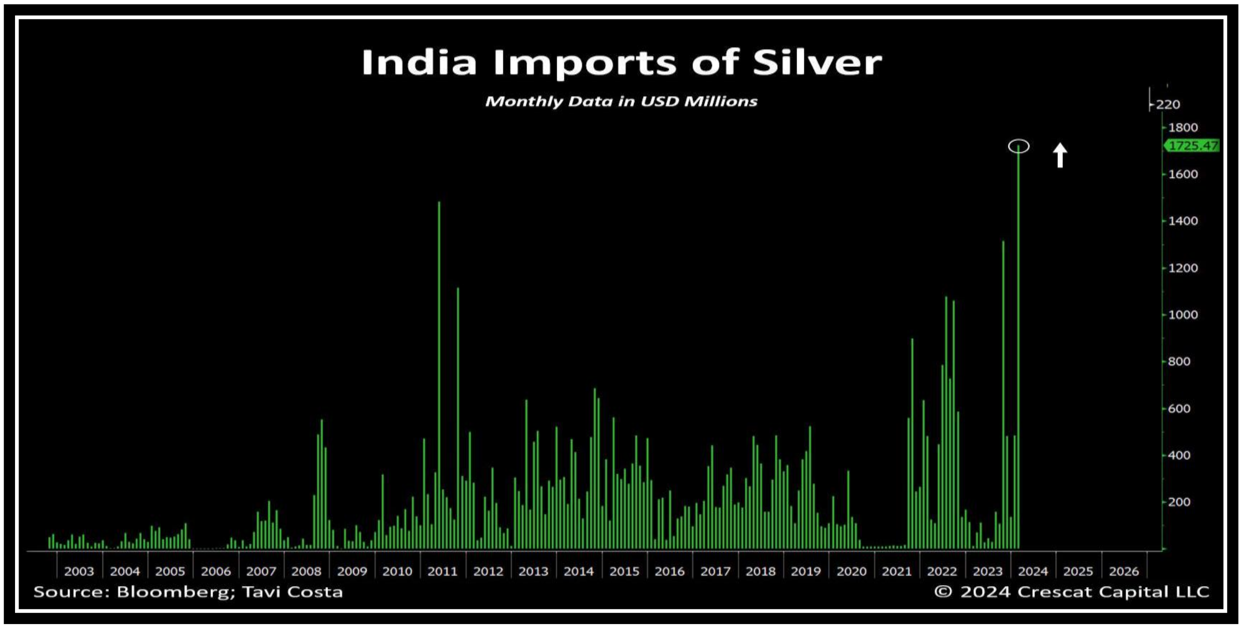
Again, **the facts** don't lie (only the market riggers). **Silver stocks** have been on a sharp steady decline since the **Covid** hysteria and it is only getting worse. The current silver/gold ratio is too high and this makes silver the single *most undervalued asset* in the world. **Jesse Columbo** provides this perspective:

*"During the Roman empire, the **gold-to-silver price ratio** was set at **12 to 1** by government decree. In much of Europe throughout the Middle Ages and the Renaissance, the gold-to-silver price ratio was set at similar levels. In 1792, the newly formed U.S. government set the ratio at **15 to 1**. When the gold-to-silver ratio differs greatly from its long-term historical average, there are reasons to believe that **something is amiss** and that the ratio will eventually revert back to its historical average. In recent decades, the gold-to-silver price ratio has ranged from approximately **50 to 100**, which is much higher than its historical average. The current gold-to-silver ratio is a lofty 84:1, which means that **silver is extremely undervalued** relative to gold based on historical standards. If the ratio were to revert to its average since 1915 of 52, that would result in silver being priced at a respectable $45 an ounce. **If the ratio were to revert to 15:1, as it was in the U.S. in 1792, that would result in silver trading at $158.87 an ounce — an incredible 464% increase from the current price!** For this reason, many investors expect silver to perform even better than gold during the coming precious metals bull market and revaluation that they expect to occur **when our unsustainable global paper money system collapses**."*

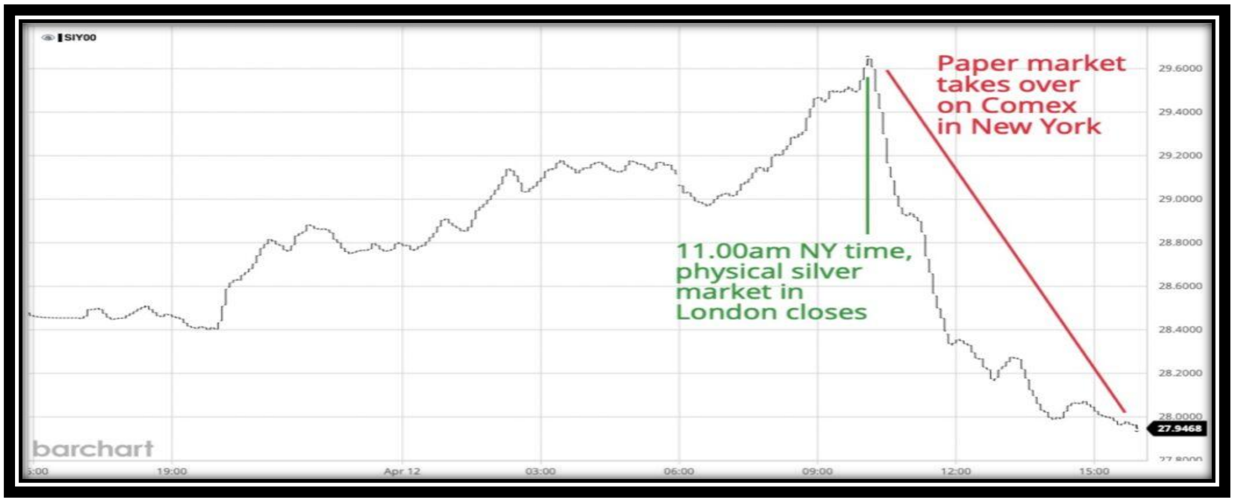
Let's remember that the silver/gold ratio in **2011** was **30:1,** and that would suggest **$78/oz**. today. It is just a matter of time before genuine market forces come to bear and **solar demand** is leading the way. **Just look at this chart!** No wonder **The Silver Institute** calls solar the **central bank of silver!**



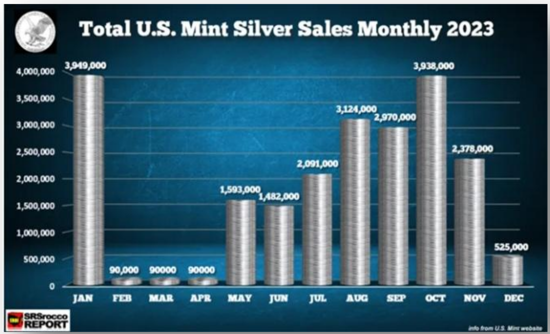
The above is from the one and only *silver aficionado* **Bix Weir** who often says that the silver/gold ratio should actually be **1:1** due to the artificial price suppression and manipulation by the **evil banksters**. He also likes to call silver *"unobtainium"* since **$60 billion** would buy all the **silver** in the world and there is more than ***$200 trillion*** sitting with the banksters and financial advisers and brokers.

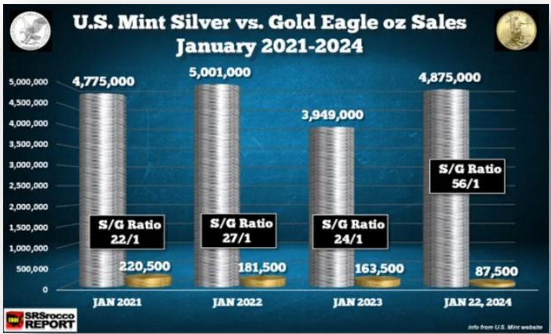


And then we have record-smashing silver demand from India! I would venture to say that you have probably not heard about this little "import matter" in the mainstream. What's going on here? **India** has traditionally had a lower tariff on **silver** than **gold,** and as the **gold** price has gone up they are switching to **silver** – the poor man's gold. **China** has led the way in **gold** and now we have word that "the Chinese government is advertising and telling its loyal people to buy silver instead of gold." These are huge developments and we saw **silver** almost break **$30/oz**. on Friday, April 12th and then suddenly the index dropped **as seen below**. It was almost anticipated that the-powers-that-should-not-be at **Crimex** intervened to smash **silver** as soon as the paper market opened in **NY**. A significant rise on Friday would only signal more buying on Monday so they dumped more than *a billion ounces* of **paper silver** on the market. Please keep in mind, that this is **more** than the annual mining production by the entire world. How can this legitimately be called a marketplace? **It is a crime scene.**

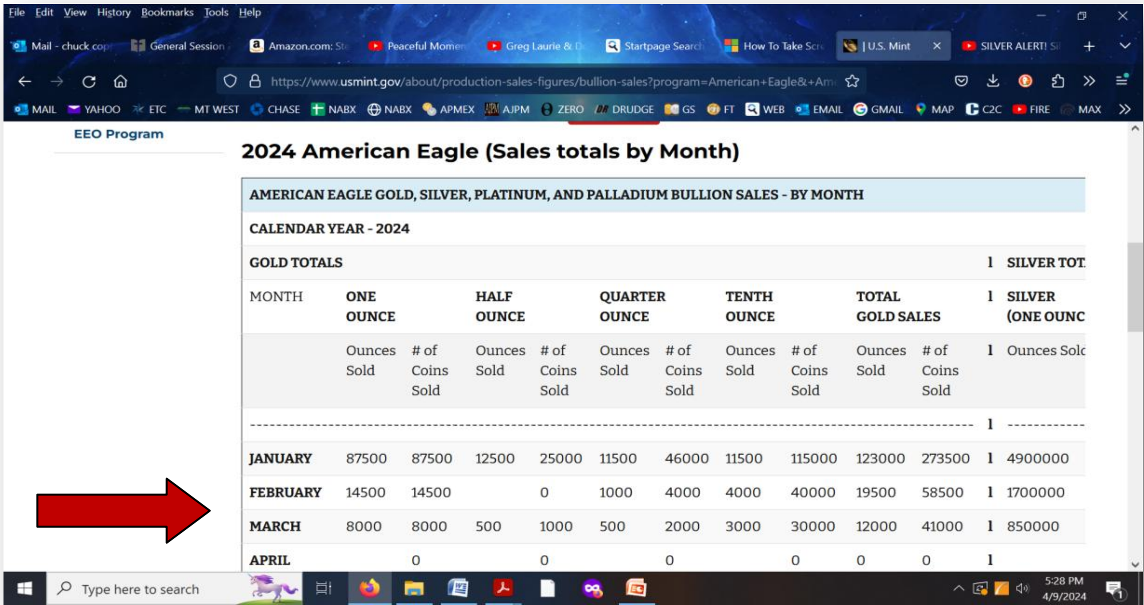


Silver expert Ted Butler was quick to respond to this daring drive-by shooting in broad daylight. **Ted** recounts that the collapse of **Bear Stearns** in **2008** was due to their huge naked short position on **silver** and the same thing is about to happen here. He concludes, "The shorts' backs are still up against the wall and many are fighting for their financial existence and that's not something to be taken lightly. But even if they do succeed in rigging prices lower (as the regulators stand by), with a physical silver shortage already evident, lower silver prices will only aggravate the shortage. If there is one thing to be certain of it is that silver prices are still cheap as dirt and that won't stand for long." The only "market forces" on April 12th were fat fingers on the keyboard somewhere in **Manhattan**. Both **Comex** and the **CFTC** were created in **1974** for the purpose of rigging these metals (regulatory capture like we see with Big Pharma). For a quick understanding of this collusion you should **CLICK HERE**.





I would also like to draw your attention to **American Silver Eagle** sales in the **US** and something definitely does not seem right here. As indicated on **the right**, we saw **87,500 oz**. sold in **January** and this is *less than half* in previous years. How can this be with record demand? The **US Mint** sold **16** million in **2022** and **25** million in **2023**, and you think we would be on track to sell **35 million!?**



EEO Program

2024 American Eagle (Sales totals by Month)

AMERICAN EAGLE GOLD, SILVER, PLATINUM, AND PALLADIUM BULLION SALES - BY MONTH

CALENDAR YEAR - 2024

GOLD TOTALS											SILVER TOT
MONTH	ONE OUNCE		HALF OUNCE		QUARTER OUNCE		TENTH OUNCE		TOTAL GOLD SALES		SILVER (ONE OUNC
	Ounces Sold	# of Coins Sold	Ounces Sold	# of Coins Sold	Ounces Sold	# of Coins Sold	Ounces Sold	# of Coins Sold	Ounces Sold	# of Coins Sold	Ounces Solc
JANUARY	87500	87500	12500	25000	11500	46000	11500	115000	123000	273500	4900000
FEBRUARY	14500	14500		0	1000	4000	4000	40000	19500	58500	1700000
MARCH	8000	8000	500	1000	500	2000	3000	30000	12000	41000	850000
APRIL		0		0		0		0	0	0	

Above is a screenshot I took from the **US Mint**. Sure enough, we have **87,500** sold in **January** but then only **14,500** in **February** and a *mere* **8,000** in **March**. This is the lowest figure in history. Some are concluding that they are unable to source **silver** for the eagle program and have suspended sales.

I will have more on this **curious matter** in my next **Precious Metals & Market Update**. In the meantime, **keep stacking** as they say. It truly is remarkable (and downright suspicious) why **silver** is the only asset in the world that has never broken its former high of **$50/oz.** set in **1980**. As we can see in **this chart**, gold always leads the way and then **silver** – like a slingshot – overshoots the trajectory for **gold**. Someone once likened the **gold** market to a **747 jumbojet** gaining elevation, but **silver** is more like an **F-16** when it takes off. We did see **silver** test the **$50/oz**. mark in early **2011,** but the **evil banksters** ambushed the pre-Asian market with multiple margin calls and shook out the weak hands.

So, where do we go from here? Since past performance is a good predictor of future returns (to mock the CFTC) we can observe that the "divergence" between **gold** and **silver** today is *considerably* greater than back then, thus we can expect what **Mike Maloney** calls the largest wealth transfer in history.

It has also been observed that since **1980**, we have seen a "cup and handle" formation that peaked in **2011**, and now we have another cup and handle that portends a greater breakout when **silver** finally closes above **$30/oz. or $40/oz.** and most certainly **$50/oz**. This is sort of the magic number and psychological barrier that is being fought in the **silver** market and I think we can do it this year.

Concluding, the battle for **$28/oz. silver** is underway and eventually the naked paper shorts at **Crimex** will fold. **Jeffrey Christian** (seen here) is the quintessential establishment shill for the **evil banksters** and how they use paper futures to "tamp" down the fake **silver** price. We call them *evil* because they "cheat the laboring classes of mankind" with their fiat currency schemes and continual inflation that is theft on a grand scale! "For the love of money is the root of all sorts of evil" (1 Tim. 6:10). **Gold** and **silver** is real honest money and despised by the lords of finance. The fact that metals are rising is a signal that "something is messed up in the complex engine of the economy" and they want to hide this fact. The **Fed** will likely keep monetizing debt and we will either have hyperinflation or a **1930s**-style depression…or both. When the global paper money system collapses we can expect a revaluation of **precious metals** that will be historic. It is also likely that during a monetary crisis the banksters will launch a new **CBDC** platform and all the more reason to have metals – watch **THIS** urgent video.

Finally, I will have more on **CBDC** in my next mailing (along with the US Mint). You will notice that I have a **new format** for my newsletter that will narrowly focus on the **metals space**. Earlier this year I was harassed for using stock photo images and I prefer to use generic charts and graphs anyway and I am totally burned out discussing the culture wars and other issues. Going forward this is what will matter along with faith, prayer and the battle for truth. 'The truth will set you free" (Jn. 8:31-32).

Until Next Time, Your Messenger from Sandpoint