Poor Richard's Report

MISSION STATEMENT

My mission: Over the past 55 years I have observed the good, bad, and beautiful in the world of financial markets. Today unconditional greed dominates the market place while stock brokers are legally forbidden to print the truth. I have resigned from that profession and believe I can awaken our legislators. The Lord detests GREED! I believe I have the solutions for today's abuse.

THE PHOENIX (SILVER) SHALL RISE AGAIN

I have two reliable sources that have written that the price of gold has turned upwards. One is Ted Butler-the "World's Foremost Silver Expert" who I have consulted with in the past. He started with Merrill Lynch in 1970. He has been quoted as an authority on Silver in the Financial Times.

The other is James Richard's, an economist, lawyer, bestselling author of several books including the Currency Wars, and advisor to the CIA. He current writes "Jim Rickard's STRATETEGIC INTELLIGENCE".

There are several other instances -----that over 58 years of experiences have "rung my bell" several times.

I missed the run up on silver and gold in the1970's because our economy was solid and interest rates were going up. I was still a young man. I had a family. All the safeguards were still enforced upon Wall Street.

Bear Stearns was a fine trading firm headed by the legendary trader "Ace" Greenberg. He started with the firm in 1949 as a clerk and rose to be Chairman of the Board until 2001.

In 2008------- the Bear Stearns fairy tale ended into a real life disaster in the silver market. "ACE" helped With the US Government in the Merger with JP Moran Chase. (Please remember this.)

Meanwhile Sandy Weil appointed his protégé, Jamie Dimon, president of Smith Barney, as having climbing upon the rungs on his leadership ladder. In an effort to make the firm more efficient and profitable, he fired the manager of the mutual fund department. The only problem there was that she was Sandy Weill's daughter. Blood being thicker than water, guess who made an exit?

Jamie cooled his heals for about a year before becoming CEO of Bank One, a major bank in Chicago, with the Charter Credit Card business.

JP Morgan was looking for a new President and approached Jamie. Jamie's reply was "the bank goes with me or no deal." The rest is history.

Now as bank president, Jamie had quite a resume. With his Shearson/Smith Barney background, he was well versed in securities and COMMODITIES. Don't forget that he learned from Sandy how to manipulate our elected officials. Sandy was a master at that. Jamie now has a graduate degree.

Since 2011 the commodity markets have been rigged by JP Morgan. First they lobbied the Dodd/Frank Act with all kinds of goodies for position limits. Banks wanted an unlimited number of contracts while others sought the usual numbers. This still has not be resolved because JP Morgan pays attorneys thousands of dollars in fees to gum of the Commodity Future Rate Commission with all kinds of "points of order" trivia to underpaid staffers that have to be research and commented on before decisions are made. UGH!

So the commission has failed to rule on position limits and this leaves JP Morgan free to do what they want to do and when. Acquire silver at the lowest price possible.

So with Silver at the high forties market price JPM would enter high frequency fictitious orders on the sell side. Keep in mind that margin players operate on very low margin rates and the slightest change in price direction can change a profitable trade into a loss or wipe out. Long term to a commodity trade is just after lunch.

So a high frequency trading can happen in a Nano-second and can also be withdrawn just as quickly.

So commodity traders seeing these fictitious orders withdraw their buy orders and the commodity sell orders drops into a basket held by you know who.

Now when they sell short, they acquire funds and hope to buy back at a much lower price. At one point, it was estimated that it would take JP Morgan 110 days to cover their shorts in silver. When a price hits an upper or lower limit they stop trading and go home. The NYSE et al have adopted a similar plan called "circuit breakers". Ha Ha!

That did not happen because JP Morgan took their funds from the higher price silver shorts and went over to the silver exchange traded fund (SLV) and purchased silver from the fund for delivery. To whom you ask?

While the dumbfounded traders who were counting their profitable sheckles ahead of time. Never count your profit until you have cash in your hands. This broke all the rules and they gladly paid the fines.

Mr. Butler claims that now JPMorgan has accumulated six million ounces of physical silver. If silver rises $10 JPMorgan stands to make $10 billion dollars.

That is one side of the equation.

Today, and I am quoting from a brochure that Mr. Butler has endorsed along with others, that there is more gold above ground in existence than silver. For hundreds of years, the ratio of gold to silver was 16 to 1. Just recently over just a few years, that ratio has widened to over 70 to 1. Put that in dollar terms and there is $7 trillion of gold to just $30 BILLION of silver.

Gold has two main uses. Jewelry and Central Banks, and may be used as dental fillings? Too expensive and no one wants their mouth robbed for a gold filing.

Silver's rarity has exceptional uses as compared to gold. Silver is the best electrical conductor of all metals and is widely used in conductors, switches, contacts, and fuses. Virtually all appliances, batteries, timers, and thermostats use silver. This remarkable metal does not corrode or overheat. Nothing else combines the strength with the softness that allows it to be formed and stretched. Silver also has plentiful medical applications because it kills bacteria. Silver reduces friction and resists wear. It is used to make plastic, adhesives, resin, plywood, textiles and auto parts. It reflects light and is used in mirrors, building exteriors, solar panels and more.

The article goes on to state that the above ground supply has been shrinking. Almost all the silver mined has been mined over that past 3,000 years has been used, while all the gold ever mined is still with us.

At the beginning of WW II, the US Government had 5 billion ounces of silver. Today we have none, JPM has 600 million ounces. The US Mint now has to buy silver for its coinage.

I have now have provided you, dear reader, with the history of silver albeit that I left out that in ancient Egypt it was considered more valuable than Gold. I have written about its tarnished recent past and how the US Government rescued Bear Stearns and merged it with JP Morgan.

I have summarized its indispensable uses in our everyday use of economic activity. That ratio could be 70-1 in favor of Silver!

I will now attempt to put the pieces of the puzzle together.

DO NOT BUY PAPER GOLD OR SIVER. Stay with the kind that you can feel.

My first conclusion is that President Obama is guilty of illegal acts in the name of the Federal Reserve Act of 1913. The Act's main purpose was to support the US Dollar by all LEGAL means available. He is making President Trump look like an angel.

JPMorgan acted illegally and unethically and its Board of Governors were made aware of their misdeeds by letter by the world's foremost Silver Consultant-Theodore Butler.

I have ventured into the basic reasons why silver is the primary metal over gold because of its industrial power. It is needed.

Now to put the pieces together of the puzzle, if the price were able to rise freely, it would skyrocket to that above gold in a thermal powered rocket. We would experience an inflationary spike never seen before in the world's history. The reason simply stated is that governments should not interfere in basic business fundamentals unless they are socialists, or communists, despots.

My humble solution is for the US Government, currently the most powerful country both militarily and economically, to raise the price of gold from the antiquated $43+ to the current range of $1,200 to $1,300. This would alleviate the debt to GDP ratio problem (we currently borrow to pay interest on existing debt), but at the same we would have to return to the Gold Standard and balanced budgets. Congress would swoon.

The price of Silver would spike up over the price of Gold and then seek its own.

How would we handle JPMorgan?

That is easy. All profits from silver would be returned to the US Government. In return Congress would modernize a new Glass-Steagall Act to protect the individual investor.

We as individuals should contact the USMINT.GOV and purchase 10% of our free cash in current Gold coins and purchase 40% (the remainder of our free cash reserves of 50%) in to current silver coins. That should leave you with 50% cash reserves and 50% in Gold and Silver coins.

Please remember to buy the current year coins only. If I am entirely correct and the price of Silver spikes above the price of Gold, then you have a double problem. Selling quickly which you and I could subject to the buyers spread where there is a commission to be made. Or to get a fair price, you would have to put the coin(s) up for auction and this could be time consuming and you might miss the spike in price.

When will the price of silver rise above $20 an ounce? I do not know exactly, but in this case I would much rather be on JP Morgan's team at the present time - February 2018.

Price as of Jan 27, 2018 GOLD $1,350/oz. Silver $17.51/oz.

Caveat Emptor !!!!

CHEERIO !!!