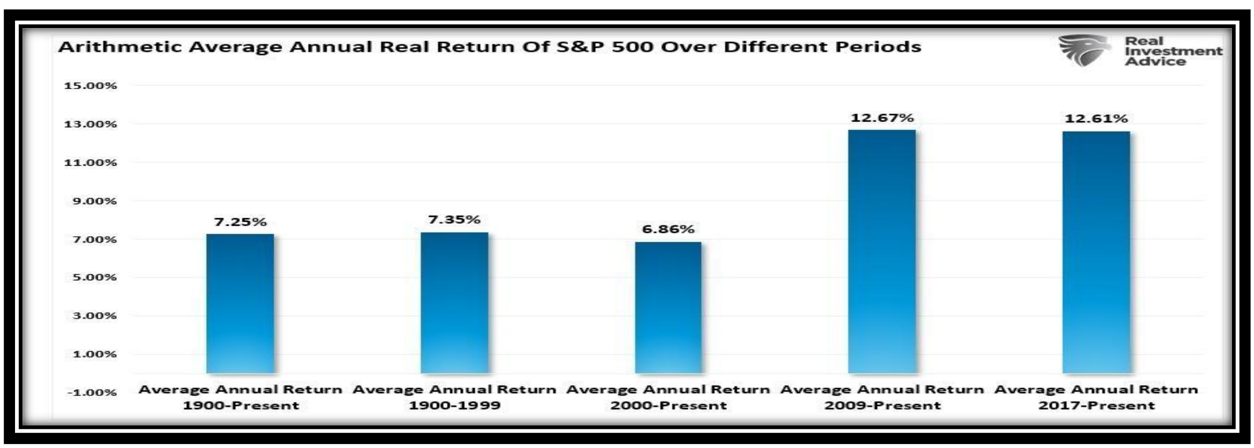
Silver Repricing & March Default?

Posted February 27th, 2026 - 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* *defraud and plunder the people."*
Freidrich A. Hayek, Austrian Economist (1899 - 1992)
*"****Money*** *is the most important subject intellectual persons can investigate and reflect upon."*
Robert H. Hemphill, President of Atlanta Federal Reserve Bank
"Of all the contrivances for cheating the laboring classes of mankind, none has been more effective than that which deludes them with ***paper money****."*
Senator Daniel Webster (1782 - 1852)

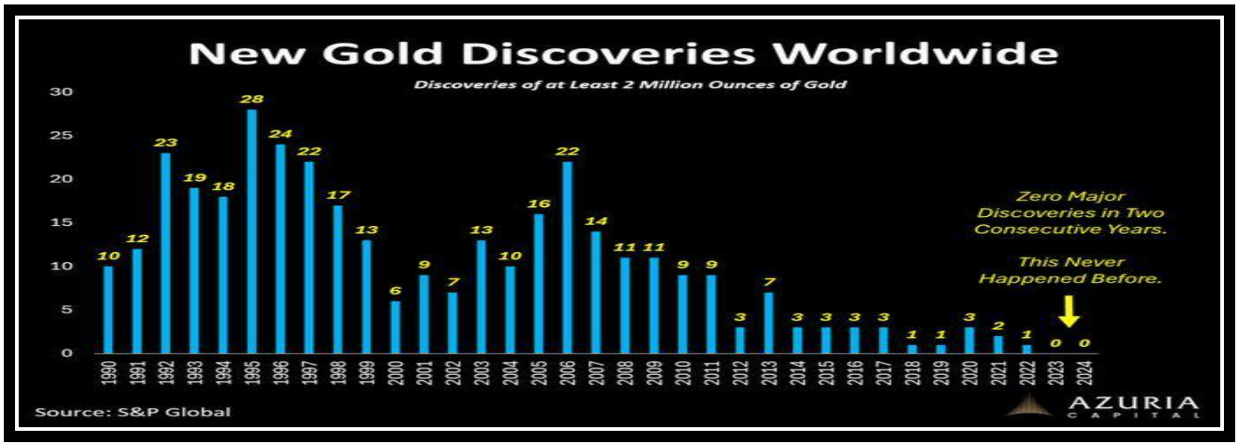
Greetings to All,

This same month I'm posing the **question** most relevant to **silver investors**, sovereign nations, miners, refiners, critical industries, currency traders, capital markets, eccentric billionaires and, of course, the evil banksters: What will happen when decades of price manipulation and criminal price suppression fail at the major exchanges in New York and London? Recent developments are suggesting that we are nearing an event that could finally allow for a "Fair Market Value" for silver along with other metals traded at the CME and Comex. In this update we will take a closer look into this timely issue.

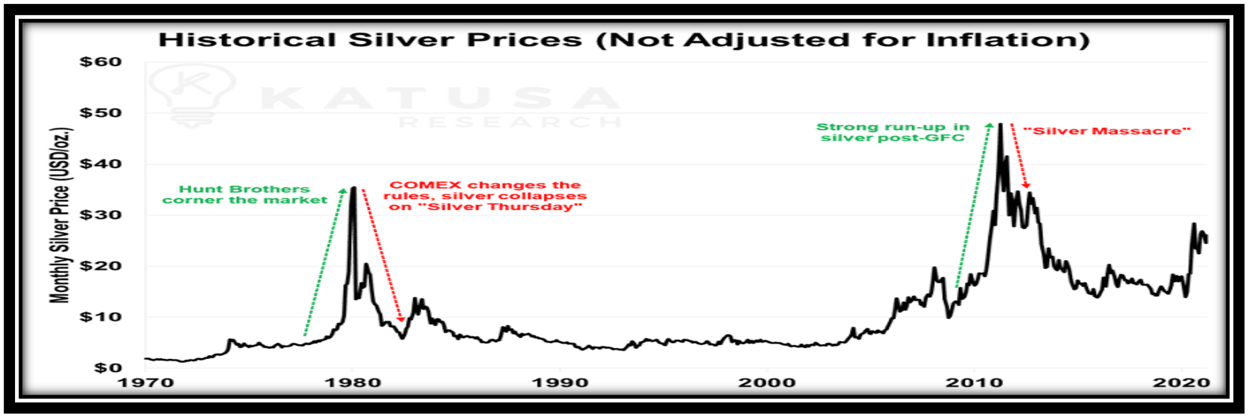


Perhaps you have noticed that financial media outlets have been rather reluctant to comment about gold and silver in the past year except to say that it is a speculative bubble. This is not a big surprise since their focus is on day trading in capital markets and avoiding metals altogether, but silver, platinum and gold respectively had gains of *145%, 130% and 65%.* As seen in **the chart above**, the average returns on the S&P 500 Index over the past 125 years have barely kept pace with real inflation not to mention fees, commissions and expense ratios. Silver and gold are merely trying to establish a fair value in the real world while stocks are in a massive bubble according to the Buffett Indicator.

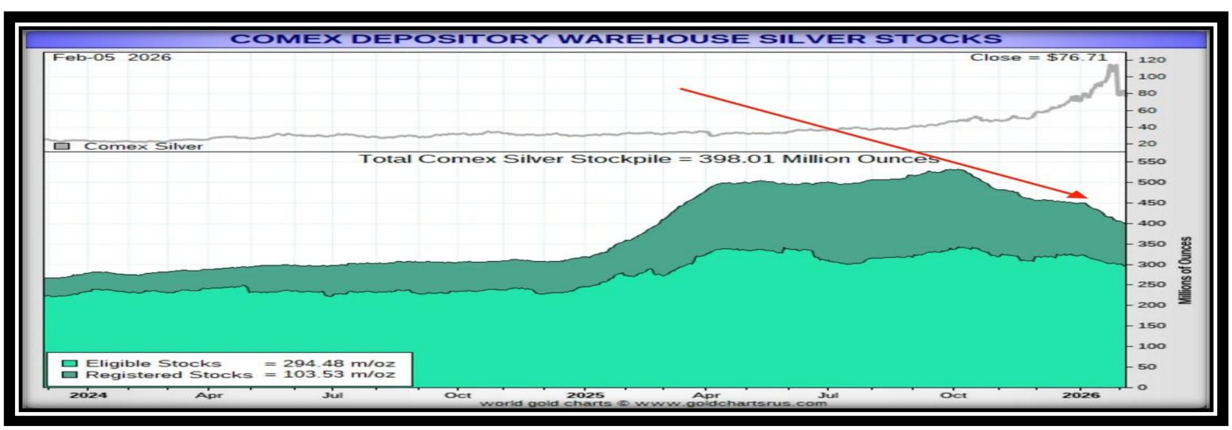
As I have illustrated many times in the past 15 years or so, the US stock indices have risen in tandem with the increase of the money supply by the Fed and this has created a "wealth effect" in the same way that rising water raises all boats. It is this currency debasement that is driving silver and gold to historic highs and the Trump administration is clear in their intent to lower rates, expand credit and monetize the debt. This will especially be true since the Supreme Court has finally ruled that the tariff tax upon the American people was illegal, unconstitutional and damaging. In addition, a third of US debt (*$13 trillion*) is due to mature this year at a higher rate accelerating the printing press. "The trajectory is clear," writes **Nick Giambruno**, "When monetary policy becomes a political tool and money printing turns permanent, the risks aren't abstract — they're personal. Currency debasement doesn't just distort markets; it quietly erodes savings, purchasing power, and individual freedom. The real question isn't whether this process continues — it's how prepared you are when it accelerates." In my business we always point out that monetary metals are not getting expensive, the currencies are getting *cheaper*. There is a huge gold rush and this is also happening as new gold discoveries are flat.



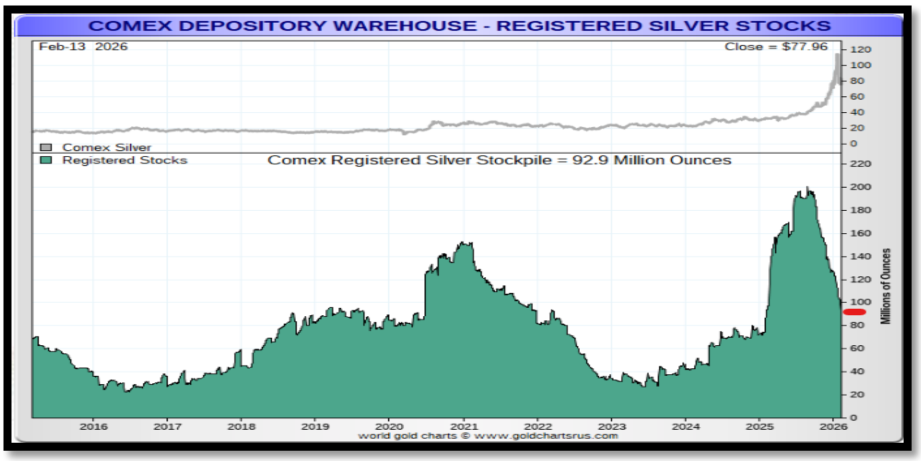
As mentioned, this has never happened before and central banks have become net buyers of gold since **2010**. There is also evidence that the central banksters are easing up on gold swaps and other means to cap the price of gold with a view towards repricing gold in the near future. The largest gold vaults are at the NY Fed and the Bank of England. These are mostly custody accounts for foreign nations while gold bullion is traded in paper contracts and the actual gold is encumbered with multiple claims. For a unique look inside the vault at the BOE click THIS LINK. "Historically, the global gold trade revolved around Western hubs," notes *The Asia Times*. "That began to change in 2002, when China established the Shanghai Gold Exchange, introducing a delivery-based, renminbi-settled model centered on physical possession and domestic custody. Unlike Western platforms, where unallocated claims often exceed the available bullion, the SGE-aligned trading system more closely aligns with metal held in vaults. This approach has reflected China's broader push for financial sovereignty and a reduced reliance on dollar-based reserves." In other words, the SGE is a more trustworthy exchange for physical delivery of both gold and silver and China is a major producer, importer and refiner of both metals. I will share more on this later. Meanwhile, silver has become the real story in the past several months and global forces are aligning to push silver to new heights. As covered daily by the **Silver Academy** (SA), "**Russia** has begun adding silver to its reserve strategy, treating it as a strategic monetary metal, not a mere byproduct of base metals. **India** has effectively re-monetized silver at the household level by allowing it as significant loan collateral, turning necklaces, bars, and coins into high-velocity banking assets. **China** is tightening exports and paying a premium for real metal at home, signaling that paper prices in the West are a quaint fiction, not a reference." The upside for silver is not just based on the fundamental law of supply and demand, but rather the collapse of the paper pricing schemes that have been used by the evil banksters for at least the past 50 years.



For some historical perspective, what is happening today in the silver market is *not* the same as 1980 or 2011. In **1979**, the Hunt Brothers fearing inflation began to corner the silver market with $100 million in physical silver and another $100 million in Comex futures contracts. Silver went from $11 dollars an ounce to $50 an ounce in early **1980** for a 354% increase. This caused systemic risks to supply chains and by March they imposed Rule #7 that you can only *sell* on Comex and this crashed the (fake) price and bankrupted the Hunt Brothers. In **2009**, China took some action against Western commodity-linked derivatives and silver went from $8.50 to $49.50 by April **2011**. At that time CME imposed five margin hikes in the pre-Asian market and smashed silver by 30%. This has been a favorite tactic used over and over and merely highlights regulatory capture and interference by the banksters to prevent genuine market forces to determine price. In 2020, JP Morgan was fined $920 million for "spoofing" activities from 2008 to 2016 and some went to jail. This, of course, was a token gesture since market rigging has continued up to this very hour. But things are different now as global forces led by the SGE are directly challenging the fake prices and fake inventory for silver at the Comex in NY. For the first time since 1980, silver finally broke through $50/oz. last Fall and January saw a peak of $120/oz. before they smashed the long positions with repeated margin hikes. As the guys at **SA** comment, "The manic spike of 1980, the echo high of 2011, and the grinding, demoralizing correction that followed were not random noise; they built a generational base. Once a market finally tears through a ceiling that has capped it for decades, that is not a trading signal; it is a verdict. It means an entire era of overhead supply has been absorbed. It means the old price regime has died." What is happening now is very good news for silver investors and very bad news for the evil banksters trying desperately to maintain the *status quo* (market distortions, naked shorting, spoofing, protection of the fiat fractional reserve system and the wash, rinse, repeat cycle of criminality). As **seen below**, the total silver inventory at Comex has dropped below 400 million ounces and the *registered silver* that is actually available for delivery is 103 million ounces as of February 5th and this is our focus.



As you can see, once silver broke $50/oz. in October there has been a steady decline of available silver and March is a major delivery month for silver contract holders. Normally perhaps 10-20% of contract holders demand delivery while most months they "rollover" into another month. This is not happening and **Jon Little** helps explain the stress level. "January 2026 was never supposed to matter. It's traditionally a quiet month in the silver calendar. Instead, it detonated into 49.4 million ounces of deliveries—an all-time record for a minor month. Why? Because participants are front-running the **March** chaos out of fear: they're worried the metal won't be there when the real delivery wave hits. Let that sink in. Registered silver—the metal actually deliverable—has collapsed from 167 million ounces in October 2025 to around 103 million now, draining at roughly 785,000 ounces per day. At that rate, available supply could fall to 85 million ounces by the March delivery start. The rest of the Comex *eligible* category remains untouched, because owners refuse to part with their metal at current suppressed prices. When people who *own* silver won't sell it to the exchange meant to trade it, it's not a functioning market. It's a countdown." So there you have it. What we are seeing now is a silver rush or more like a bank run! For some perspective, in **2024** total Comex silver deliveries were **202** million ounces. In **2025** total deliveries were **474** million ounces and **2026** is draining the vaults. As seen **below**, the registered stockpile has fallen below 100 million in one week and it is even lower now.



Back on February 5th, there was approximately 429 million ounce of open/speculative interest in NY against a little more than 100 million ounces of silver at Comex. These numbers are less now but here is what silver historian **Alisdair MacLeod** had to say about the potential for a delivery default:

But if it's not speculative interest, then a good portion of those 80,479 contracts will stand for delivery, in which case there's a significant possibility of contract failure. *This might not happen because large bullion banks such as JPMorgan will probably find some silver from somewhere to augment registered stocks. But that is borrowing from Peter to pay Paul, adding to all the other leased and swapped obligations to be unwound.* ***It is extremely unlikely that silver prices will remain this low with this deferred buying of physical overhanging the market.*** *Therefore, the squeeze on London and Comex continues, and is probably made significantly worse by a near-halving of the silver price entirely due to derivative instability.*

A delivery default is a *force majeure* that has to settle in cash not silver. This is an event that literally exposes the fraud of silver derivatives (paper contracts) rather than an actual exchange that trades in physical metals like the SGE. There is now approximately 240 million ounces of "open interest" against **88 million ounces** of registered silver at Comex and the sharks are circling for delivery. We must keep in mind that the eligible silver at Comex has counterparty ownership and is encumbered and very likely not for sale at the fake silver price being posted in both New York or London.

<u>So what does this mean</u>? London silver analyst **Clive Thompson** has produced a **brief video below** that carefully compares silver delivery for each month going back two years. In 2024, a total of 27 million ounces of silver was delivered in March. In 2025, there was 80 million ounces delivered. For the month of March in 2026 there could be more demand than all the silver that was delivered last year at Crimex! In January they already delivered 49 million ounces as mentioned earlier. As illustrated in this video, the first week of February saw 19 million ounces of "open interest" and *18 million ounces* were actually delivered early – in other words, ***99%*** of what was available was processed for delivery! Thompson estimates that a minor month like February could see another 50 million ounces for delivery as we head into March and the first "notice day" for March contract delivery is February 27th.

Comex Silver Delivery Notices

Comparing 2024 With 2025 Silver Deliveries

Month	2024	2025	2026	Change 2025 / 2024	Change. 2026 2024
Jan	1,360	2,370	9,889	1.74x	7.27x
Feb	1,308	4,788	3,744	3.66x	
Mar	5,487	16,149		2.94x	
Apr	1,652	3,193		1.93x	
May	6,133	15,122		2.47x	
Jun	1,339	3,389		2.53x	
Jul	6,175	9,344		1.51x	
Aug	1,035	2,192		2.12x	
Sep	5,099	13,600		2.67x	
Oct	1,442	7,913		5.49x	
Nov	946	3,866		4.09x	
Dec	9,166	12,946		1.41x	
Totals	43,166	96,897		2.24x	

Comex Silver Delivery Notices

Contracts converted to ounces

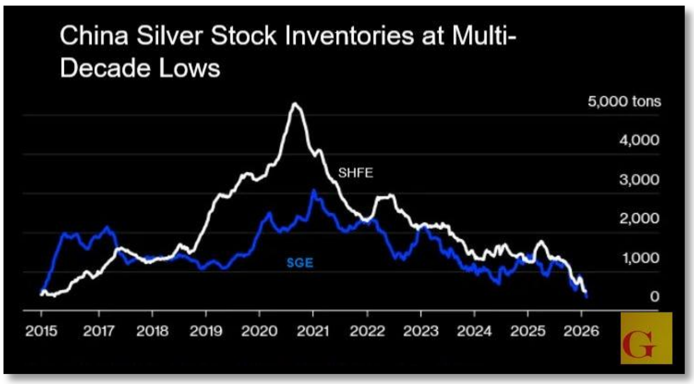
Month	2024	2025	2026	Change 2025 / 2024	Change. 2026 2024
Jan	6,800,000	11,850,000	49,445,000	1.74x	7.27x
Feb	6,540,000	23,940,000	18,720,000	3.66x	
Mar	27,435,000	80,745,000	-	2.94x	
Apr	8,260,000	15,965,000	-	1.93x	
May	30,665,000	75,610,000	-	2.47x	
Jun	6,695,000	16,945,000	-	2.53x	
Jul	30,875,000	46,720,000	-	1.51x	
Aug	5,175,000	10,960,000	-	2.12x	
Sep	25,495,000	68,000,000	-	2.67x	
Oct	7,210,000	39,565,000	-	5.49x	
Nov	4,730,000	19,330,000	-	4.09x	
Dec	45,830,000	64,730,000	-	1.41x	
Totals	205,712,024	474,362,025		2.31x	

<u>Clive Thompson: Comex Silver Delivery Crisis</u>

<u>We must remember that it was *never normal* that the silver/gold ratio should be 80-100:1 when a more market-driven ratio should be 15-20:1 or even **10:1**</u>**!** This is what is happening now and the pundits are warning that silver is overbought and in bubble territory and so on. But we are just getting started and people are waking up. People around the world know that currencies are getting cheaper and this is **Gresham's Law** at work – bad money drives out good money. As Senator **Daniel Webster** once observed, "Of all the contrivances for cheating the laboring classes of mankind, none has been more effective than that which deludes them with paper money." <u>To this I would add</u>; of all the schemes to cheat silver investors none has been more effective than that which deludes them with fraudulent paper futures contracts! The final day for physical deliveries for silver in March will be March 27th and it is possible that silver contracts can roll into the May delivery month but either way the end is near.

In response to **Clive Thompson's** explanation above, **Alan Hibbard** says that it is conjecture and Comex will not default because they can always draw eligible silver from a dozen vaults and make this available for registered delivery warrants. But what if counterparties don't want to sell at the cheaper price and there are *300* claims on the same ounce of silver (which is often the case)? He further says that we should not really want the CME or Comex to collapse or become irrelevant because this would be disruptive for price discovery, <u>but that is exactly what needs to happen</u>! You can see his remarks at <u>THIS LINK</u> and the comment section was not very supportive of his views. Someone has highlighted the warning signs for supply-demand imbalances are backwardation (willing to pay more now than later), elevated lease rates (the cost of borrowing physical metal to cover losses), premium expansion (currently 4-5 times normal), widening bid-ask spreads (at the wholesale level indicating stress) and delivery delays often taking 6-8 times longer. <u>These warning signs are now all flashing red</u>.

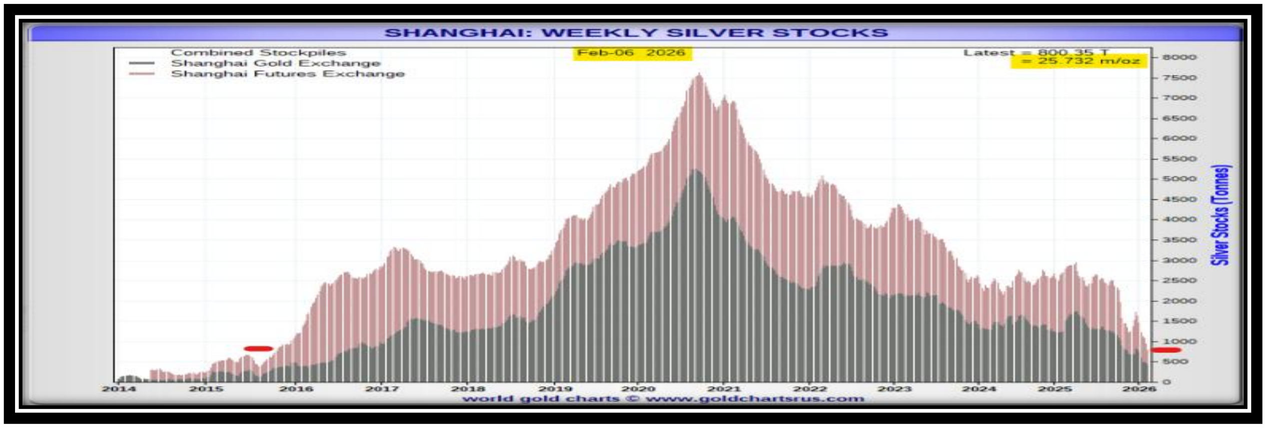
For a clue on how things may unfold in the coming days and weeks we might consider what happened to a base metal like **nickel** in 2022. When Russia entered Ukraine the US placed sanctions on Russia and gold spiked to $2,000. Russia produces 20% of refined nickel and prices went from $20,000 per ton to **$100,000 per ton** in a matter of three weeks. The world's largest nickel producer Tsingshan Group in China had shorted 150,000 tons of nickel and was facing a *$12 billion loss.* The London Metal Exchange (LME) halted trading for five days and voided or modified most contracts. The LME is owned by Hong Kong Exchanges & Clearing (HKEX) with ties to Beijing and this was an effort to protect bank losses in China and the UK. In short, this was a delivery default and it also shows how determined China is to maintain their monopoly on certain metals – LINK. As they say, when the tide goes out we will see who is swimming naked! The LME is not a trusted exchange anymore and soon the same will be said of Crimex in NY and operations in London. In THIS brief interview **Alsidair MacLeod** again emphasizes that "the end of Comex is in sight for the first time" and compares it to a Trojan Horse. In addition to the drawdown of silver in the West the same thing is happening in China.



The financial media in the West is completely **worthless and complicit** in downplaying the titanic struggle for silver between the East and West. Silver expert **David Jensen** has been reporting on the collapsing inventories in the West and also at the SGE and SHFE as seen above. According to Jensen, physical silver in Shanghai has now dropped to a mere 26 million tons! Jon Little and SA add this:

Those inventories are now visibly cracking. Comex registered silver—the metal actually available for delivery—has plunged below the psychologically critical 100-million-ounce threshold after a blistering multi-month drain. *Shanghai's visible stocks have fallen even faster, dropping roughly 90% from 2020 levels, with single-day drawdowns as high as 8% as industrial users and investors yank metal out of the exchange vaults. Arbitrage pressure is fierce:* ***Shanghai spot has been trading at a persistent multi-dollar premium to Western prices, creating a powerful incentive to ship metal East until Western vaults are stripped to the bone****. UBS and other banks now quietly talk about a multi-hundred-million-ounce imbalance in a roughly 1–1.1-billion-ounce annual market—numbers that simply cannot be reconciled without a far higher clearing price.* ***This is why the drawdown cadence is accelerating, not slowing, even after a sharp price correction. In a world where silver is mined largely as a by-product, supply cannot elastically respond to price or policy shocks. Industrial users tied to solar, AI, and electrification cannot substitute away without crippling performance. Households and institutions across Asia and the West are re-monetizing silver as a safe-haven asset in the teeth of an emerging currency and bond crisis.***

Are you getting a sense of how critical this is becoming? We are finally getting within reach of a real pricing mechanism to determine the Fair Market Value for truly precious metals in the world. The response in the West will be incredulous and dumbfounded as a new *status quo* shifts to the East.



Here is a better look at the shrinking inventories in China. The **gray lines** reflect the more physical side and this is now the lowest in a decade. This chart is from earlier this month and likely below 30 million ounces of silver, and this reveals the industrial and consumer demand in China. It is worth noting that the LBMA had to suspend trading in late October and implied lease rates spiked from .25% to 40% and even 100% when their inventory got down to 153 million ounces! We are also aware that China has restricted silver exports to the West on January 1st of this year. As I noted earlier, the SGE was created in 2002 to avoid "unallocated claims" and "more closely align with metal held in vaults." This was done to "reduce their reliance" on Western platforms and now the SHFE has announced new trading rules effective *this week* that are directly aimed at Crimex in NY. China is purging speculative traders from overseas non-members and I will let the guys at **SA** analyze this strategic blow: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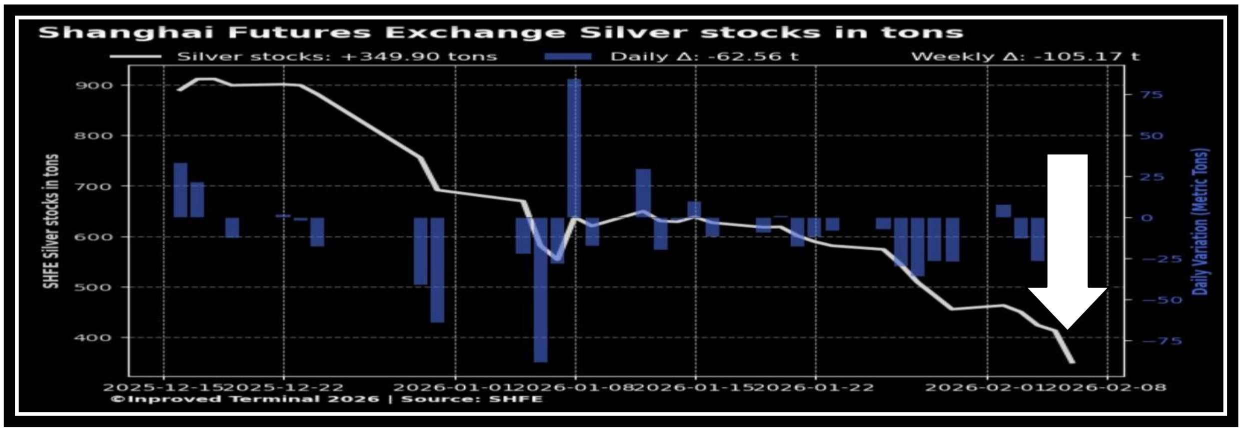
Shanghai Futures Exchange Adjusts Silver Futures Hedging Limits for Non-Members from Feb 2026

Published: Feb 11, 2026 10:52 Source: SMM Share Save

The Shanghai Futures Exchange issued a notice stating that, after research and decision, in accordance with Article 13 of the "Shanghai Futures Exchange Hedging Transaction Management Measures," for all silver futures contracts, starting from the last trading day of February 2026, non-futures company members, overseas special non-broker participants, or clients who have not obtained near-delivery month hedging transaction open interest limits will have their general-month hedging transaction open interest limits automatically converted to near-delivery month (the month before delivery and the delivery month) buy and sell hedging transaction open interest limits temporarily adjusted to 0 contracts.

"Starting February 27, all hedging positions in both the delivery month and the month prior will be forcibly reduced to zero—unless an entity has a pre-approved special hedging quota. Only bona fide industrial users — refiners, electronics producers, and solar manufacturers — will be allowed to maintain positions through physical delivery. Speculative traders must roll out early or liquidate. The message is unmistakable: China will no longer allow paper speculation to drain its remaining physical supply. The ripple effects will be immediate. Western exchanges like Comex and LBMA, already scraping bottom-tier inventories, now face the prospect of sharply lower inflows from China. The physical silver that once trickled from Shanghai vaults into global supply chains is staying home. Speculative liquidity may remain in New York and London, but the real metal — the stuff that powers factories and industries — is moving East. As China exerts physical control, the Western paper markets will increasingly reveal their hollow core." In other words, the West is rigging markets for fun and profit while the Chicoms are playing **3D Chess** – a reference to complex game strategy with deep understanding of your opponent. You can see that the rules of engagement are getting harder.



Again, silver inventories in China are becoming critical and have fallen more than **50%** in just the past few months. This is the same period that the evil banksters smashed silver on January 30th and this only caused more demand for silver! I will be watching all of this very closely, and I came across an article written by the late **Bob Chapman** after the Great Financial Crisis (GFC) in **2008** that I think it is relevant today concerning the long-range mindset of the Chicoms and their quest for hegemony:

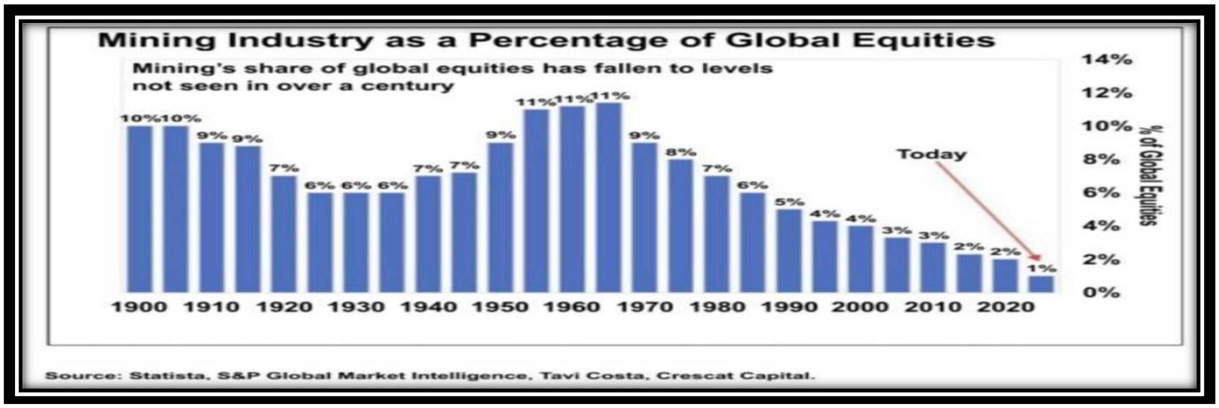
"In 2009, China opened up various exchanges for investment in both gold and silver to the Chinese public, which previously was not allowed to invest in gold and silver. The Chinese government is actively touting both gold and silver as an investment to the Chinese public, and with good reason….Chinese government officials are now attempting to protect themselves by dumping large portions of their dollar denominated fiat reserves for gold and silver, and they want the Chinese public to be able to do the same with gold and silver, for maximum possible protection – and, more importantly, for avoidance of revolution." This is always a major concern for the CCP and Chapman also notes that the Chicoms are well aware of naked shorting of metals by the West and they have been accumulating and under-reporting their holdings to this day. Chapman then concludes, "If the Chinese government and the Chinese public go on a gold and silver investment binge, and Americans sit idly by like bozos as dumb as a box of rocks and continue to ignore gold and silver, all we can tell you is that you had better start learning Mandarin and teaching it to your children as well. China will recover very quickly from this disaster if it avoids revolution, as will the other major gold and silver holder, **India**, and you will be in depression for two decades." How prescient are these words today?

People in the West are oblivious to what is going on in the metals space. Chinese industrial demand for silver is historic and India has always been a major importer and now preparing to recognize silver for their citizens as reported by **Laurent Maurel**. "India's new banking rules recognize silver as collateral, unlocking liquidity for 250 million Indian silver holders. For the first time, family stacks in vaults and temples are becoming part of formal capital flow. That's a once-in-a-century structural shift. India is not quietly stacking anymore; it's monetizing silver within its financial system."

In 1978, **Chairman Deng** said, "China must hide its capacity and bide its time." **Napoleon** famously said China was a sleeping giant and "when she awakes she will shake the world." That moment has arrived. China claims to have 2,308 tons of gold. It is generally understood that they have *30,000 tons* and who knows how much silver. China is also stockpiling other commodities and **crude oil** and our intelligence agents see this as a chess move prior to attacking Taiwan – LINK. It also appears that China has launched a series of very informative AI-generated channels aimed at the West to build the awareness and consensus that Western platforms are fraudulent and failing. Here is a **recent video**:

Asian Guy: $500 Ounce Silver & Silver Miners

In this presentation he cites **Michael Oliver's** prediction of **$500/oz. silver** by this summer and the enormous upside potential for mining shares. As **seen below**, undervalued mining shares represent *just **1%*** of global equities! In a recent article analyst **Willem Middelkoop** has also predicted **$500/oz. silver** and points out, "In the real world, today's actual mine production runs around 9 ounces of silver for every ounce of gold or 9:1 ratio. That is the flow reality. Historically, under metallic monetary standards, the traded ratio sat much closer to 10:1–17:1 for centuries. In other words: geology and history are both in the same ballpark – and the current paper ratio [60:1] is in another universe."

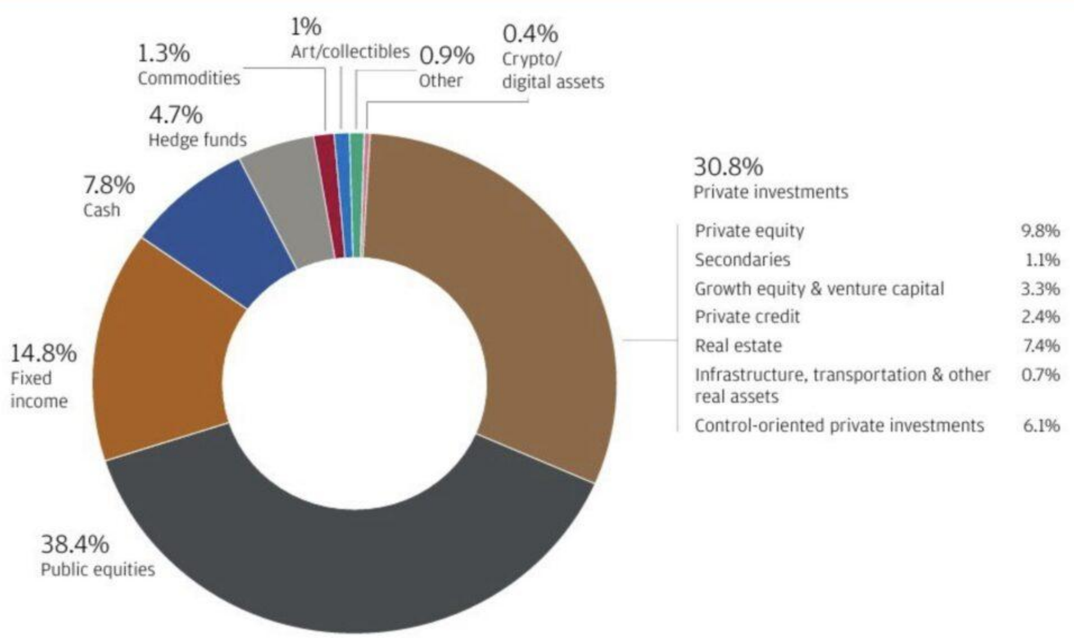


"Silver has finally snapped its chains, and almost nobody understands what that truly means," writes **SA**. "The metal just broke out of a 45-year prison of price suppression and neglect, right as the world slides into a structural shortage, geopolitical chokehold, and monetary reset in real time. This is not a 'story' anymore; it's a math problem with a fuse attached. And silver mining stocks sit directly on top of that fuse. For years, the market quietly burned through more silver than it could produce, pretending deficits were a temporary quirk instead of a permanent feature. Now the illusion is over." We can see the **commodity index** is up and especially after the US weaponized the dollar in 2022.

In this environment all mining shares will do well but silver shares in particular and **Jon Little** explains why, "A year ago, the average all-in sustaining cost (AISC) for a silver miner was around $20 per ounce. At $25 silver, that meant a razor-thin $5 margin. A decent-sized producer turning out 10 million ounces per year earned roughly $50 million in operating profit. That's a good year, not a great one. Now, run that same model at $85 silver. The same cost base — $20 per ounce — now earns a $65 margin per ounce. That same miner suddenly generates $650 million in operating profit. That's a 1,200% increase in cash flow on a 240% move in the underlying metal. That's what real operating leverage looks like. So why haven't silver miners exploded yet? Because analysts, funds, and institutions are still looking in the rear-view mirror. They're valuing these companies as if silver still trades at $35 or $40. Their valuation models use conservative decks that are 6–12 months stale. The market is about to rediscover what it somehow forgot: silver miners are leveraged instruments on a monetary metal with structural scarcity. When the physical shortage converges with the reporting season, the repricing will be swift, brutal, and historically obvious in hindsight." **Below** is a typical high-net worth portfolio with a standard allocation that completely under weights commodities.

Exhibit 2: Average portfolio asset allocations (net)

Global



If silver mining shares are profitable at $85/oz. just imagine triple digits! **Little** concludes, "Silver at triple digits doesn't just make miners 'go up' – it rewrites their entire business model. Every dollar on the metal drops like a hammer onto their margins, cash flow, and reserve valuation. A move toward $250–300 silver is the difference between 'interesting upside' and obscene, generational wealth creation for properly positioned mining portfolios." Talk about a **silver repricing** event! Today we see gold at $5,200/oz. and a 15:1 silver/gold ratio would suggest silver at $346/oz. and I think this is coming soon. Perhaps we should remember that the US Mint established a 15:1 ratio in 1792 to reflect the historical and geological mining of monetary metals and this should be the norm today. Silver is not in a bubble. The financial services industry is just not used to seeing silver break out of a 45-year price suppression scheme and their valuation models will be slow to acknowledge this new reality. As I have often said, gold and silver is like **kryptonite** to the evil banksters and they are desperate to keep you from a generational opportunity to accumulate real wealth not just the "wealth effect" appearing in your inflated quarterly statements. Keep your eye on this market and particularly on **March**.

Summary and Conclusion. The upside for silver is truly remarkable and the returns for mining shares will far exceed most other asset classes. For the past 20 years I've referred clients to Meixler Investment Management, Ltd. if you have $100,000 or more to open an account. **Mike** is an RIA that actively manages your account and it's a good exit strategy if you have substantial gains with precious metals holdings. You can learn more HERE or call **928-537-8700**. This has been a rather technical newsletter but these are very unique times and not like 1980 or 2011. Since we surged through **$50/oz. silver** in October we have had steady backwardation/arbitrage, shortages, high lease rates, premiums, spreads and shipping delays. Silver peaked at **$121/oz**. and the evil banksters smashed the rally with heavy margin penalties a month ago. And now it is the end of February and the critical delivery moment begins for Crimex. Right now there are **364** ounces of silver at Comex, but only **87** million ounces are registered for delivery and there are 22,966 contracts, or **114** million ounces ready for delivery – this is *32% more* than they have available. On Wednesday CME had a "technical glitch" and suspended trading for metals. This was resumed but we remember the "glitch" in November that halted world trading for *ten hours*. This came on a holiday when a massive delivery demand was made and we now know it was a panic move in response to a Chinese entity – LINK. Soon after the IT issue with CME, **Nick Moretti** (SA) was quick to respond, "The arithmetic is straightforward: there is far more paper silver than physical silver, and every day that passes sees more metal leaving the vaults. CME's 'technical issue' today — whatever its true cause — buys time. Whether that time benefits the shorts, the exchange, or both, is the question the market is no longer politely ignoring. The world's largest derivatives exchange cannot seem to keep the lights on when silver gets interesting. Once is a cooling malfunction. Twice starts to look like a feature, not a bug." As we go into March, we will see if CME and their agents in NY attempt to do something similar to the Nickel debacle in 2022 when the LME tore up contracts *and halted trading for five days!* Should something like this occur or a *force majeure* announcement, Western platforms would lose all credibility and never recover again.

"May you live in interesting times" is an old Chinese proverb and things are about to get interesting as they shake the macroeconomic world. Since last Fall we have had a bifurcation for silver. The *fake* price in NY and the *real* price at the SGE. As **Thomas Paine** once said, "Money is money and paper is paper. All the inventions of man cannot make them otherwise." Indeed. This is a bifurcation of logic and fantasy. My advice is to hold firm, don't panic and realize the trend is your friend. The repricing for silver will be swift and brutal. In the meantime you may want to pass this along.

Until next time, your Messenger from Sandpoint,