

**From:** timothy.trott@ubs.com  
**Sent:** Wednesday, September 15, 2010 2:22 PM  
**To:** PosLimits <PosLimits@CFTC.gov>  
**Subject:** FW: POSITION LIMITS  
**Attach:** 1.htm; disclaim.txt

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Have previously corresponded with you regarding an important, pressing issue- Position Limits on certain commodities, specifically Gold and Silver. While encouraged by comments, actions and the passage of the new Financial Regulatory Reform bill, I continue to be troubled by ongoing developments and activities as reported by various sources. It appears as though certain market participants have not altered their approach and perhaps have even taken their activities to new heights. While I am aware that the CFTC has until January, 2011 to announce new guidelines, am also aware that current regulations exist that preclude firms from manipulatory trading practices. IF ( a big IF since I am no expert but rely completely on interpretation from third parties) what is being reported/extrapolated is even remotely accurate, these concentrated positions do indeed suggest that true market discovery of prices is being artificially influenced. Have also read, WITH INTEREST, the testimony presented earlier this year which described IN DETAIL how a large, institutional participant has used its concentrated position to impact market prices TO ITS ADVANTAGE. THIS NEEDS TO END NOW, not sometime 2011-2012. If current rules are not being enforced, what confidence should investors have that new rules will be??

Am forwarding this to you to encourage BOTH that current regulations be enforced and that new position limits be announced and implemented. Will leave to others the details of such a limit- do not feel enlightened enough to prescribe specifics. However, it does not seem necessary that either Gold or Silver receive special consideration. As such, limits on Gold and Silver should be consistent with those imposed for other commodities. Material deviation from other commodity limits and/or special exemptions would need to be fully explained by the CFTC so that all market participants can fully appreciate why these commodities receive special treatment.

Finally, the opinion expressed above and in all previous communications are my own and should not be interpreted as those of my firm or endorsed by my employer.

THANK YOU for this opportunity to present my personal views and will be carefully and anxiously monitoring events over the next few months.

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Manipulation Continuation

Posted: 09/14/2010 04:03:56

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### Nominal Records Mean Nothing

Try not to let today's nominal record gold price coax you into believing we have somehow broke loose into free market price territory, please remember what the definition of "nominal" means. Thanks to our drowning in fiat currencies, world markets will have to add a zero to today's \$1270 nominal record price of gold before we can begin threatening a true free market price level.

As silver threatens the resistance level of its \$21.40 March 2008 high, keep in mind that the white metal is the most dirt cheap heavily manipulated money and precious metal commodity in the world. Our data continues to scream that silver is destined for three and perhaps four figure prices in its future.

### The Manipulation Continuation

According to current commodity laws, big concentrated short positions are illegal. Regardless of regulations or lack thereof, the two-year anniversary of the CFTC's supposed silver manipulation investigation has come and gone and no true structural changes or position limits on futures contracts have come about. The silver and gold manipulation simply go onward in continuation.

## Days of World Production to Cover Net Short Positions of World Largest Traders



Source: Sharelynx.com

Despite recent news headlines about some of the large commercial banks winding down their proprietary trading desks, the extreme short positions by the largest traders in silver and gold continue onward and unabated.

Specifically there have been recent reports about JP Morgan closing its proprietary trading desk and potentially liquidating their suspected vast silver short positions, alleged at times to be close to 30% to 40% of annual world silver mining production.

### Wall Street Journal 9/1/2010

NEW YORK—J.P. Morgan Chase & Co. is winding down its proprietary trading operations and has given notice to its roughly 20 proprietary commodities traders about the elimination of their jobs, according to a person familiar with the matter.

The bank hasn't focused much on proprietary trading, but its small proprietary-trading desks are nonetheless affected by the Dodd-Frank financial-overhaul law, particularly by what is known as the Volcker rule, which curtails proprietary trading, private equity and other investments that banks make with their own capital rather than for their clients.

Contrary to recent industry speculations, one look at the latest Commitment of Traders report shows that JP Morgan's short positions in silver have not been liquidated; perhaps the bank will transfer their silver short positions to a newly acquired entity?

### Reuters 8/31/2010

J.P. Morgan has filled the newly created role of global head of commodities strategy following the takeover of RBS Sempra, a spokesman for the bank said on Tuesday.

Colin Fenton, previously chief executive officer at investment advisory firm Curium Capital Advisors started work on Monday, the bank said. The hire forms part of a broader reshuffle following the purchase of RBS Sempra Commodities' non-U.S. business, completed in July. Trade sources said last month that the bank cut between 40-50 positions in its commodities business.

The fact remains, commercial banks will not stand for new regulations killing their manipulating interests, for them high gold and silver prices are not good for business. The large commercial banks shorting silver and gold will battle precious metal price appreciations for as long as they possibly can.

### Bloomberg 8/31/2010

U.S. banks are exploring ways to comply with the new trading rules. Citigroup Inc. was looking at three options to meet the new rule, including moving a team of proprietary traders into its hedge-fund unit, people briefed on the matter said in July. The bank would set up the traders as hedge-fund managers and seed their funds, then raise money from outside investors to redeem its stakes, the people said.

Will the silver manipulation ever end? Will the spineless CFTC ever come down on the large commercial banks to end their price suppression schemes?



We are figuratively indebted to the silver and gold price manipulators of our day. It is largely due to their excessive downside pressure on precious metal price points that the current opportunity exists. It is their massive exceptional short positions in silver and gold futures contracts which allow us to continue to acquire these physical precious metals at what we discern will be long-term low price entry points.

Yes it sounds strange, but we are actually grateful for their price suppression schemes.

Long-term this situation cannot last. Short covering by the large commercial banks will come eventually; the free will of the financial markets will simply override manipulator interests, the prices of silver and gold will explode. Until that day comes we acquire.

How many physical ounces of silver and gold do you hold? That's the name of the game!

Worldwide awareness of the benefits to owning silver and gold continues to rise as the global fiat currency bubble blows ever larger – the history of paper currencies shows the coming bubble burst is woven into the house of cards, its implosion imminent.

If one simply takes into account the potential investment inflows of overprinted fiat currencies converting into physical silver and gold versus how little gold and especially silver remain for physical purchase, the upside price potentials are mind numbing.

An investor buying panic into silver and gold is coming. As central banks continue to print worthless papers, smart money continues to acquire physical silver and gold. How many ounces do you hold?

We aim to have high financial wellness. The ideas of permanent wealth providing an affluent dynasty for those we care for, this motivation coupled with where we are in the current precious metal cycle are the main underlying factors for why we acquire physical silver and gold.



Yes we are grateful to the manipulators, it is due to their actions that we continue to acquire and educate the public on this incredible opportunity.

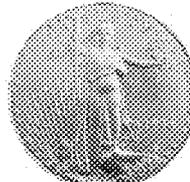
Whether you are new to our website or not, allow us ask you perhaps the most important and incisive financial question we can. How many ounces of physical gold and silver bullion coins and bars do you hold?

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