

CRY *UNCLE*? NOT ON YOUR LIFE!

By AGWire™
September 15, 2018



Imagine you're a winemaker, and you've spent the last twenty years grooming and cultivating the finest old Bordeaux vines in the region. The fruits of your labor have been aged in the finest French oak barrels, and bottled at the perfect climax of acidity, body and finish. Your bottles are labeled, cased and ready for market. But strangely, the world wide wine market is in a bad slump, flooded with fine wines at cheap prices. And you're sitting on the finest reds in the region and you can't sell your bottles for enough to cover your production costs. Do you run away from it all and cry Uncle? Or do you take a step back, and tell yourself that your wines are of the finest available anywhere, they will only get better in time, and the market will improve, and when it does you will be sitting prettier than ever? Hope so. After all, you're sitting on "gold" with these liquid investments.

Sound familiar? So here we sit, all in, all storage areas packed to the hilt with now cheap silver, and with little powder left to buy and no coins left under the mattress. You're trying to maintain one iota of patience in a crazy world where nothing seems to make sense. We've worked so hard to build our collections and stack our generic shiny, only to see prices plummet as if metals were toilet paper, used toilet paper at that. Last week's price drop to a new decade low did confirm one positive and very important piece of information -- *Buyers are now coming out of the woodwork in droves*, with many dealers running out of their staple inventory. We also saw dealers raising

premiums on common bullion items, a firm statement that physical silver commands a higher price than paper silver. Think about that. In terms of currency, not that paper currency is real by any means, but would you rather have a crisp new \$100 bill or a photocopy of that same bill? There will come a day when paper silver, the very 'metal' by which the market price is set, is worth the same as that Benjamin photo-copy. Bottom line, what's real is REAL, and what's not is NOT. As the musical chairs fantasy game continues to play out, we're almost **there**, and we'll likely experience more pain before we get there, but when we do, finding physical metal will be more difficult than catching a runaway train.

But from a Bordeaux glass half-full perspective, how could we possibly have a better opportunity than we have today? Physical silver is dirt cheap **and** available, so you can either say "ho hum . . . maybe I'll wait a bit and buy it if it hits \$10/oz," or you can take action now! History has repeatedly shown us that little or no silver is available for sale when silver hits bottom, so *if you wait **it's too late***. If you cost-average your purchases, it always makes more sense to *buy more for less* than to buy less for more! Weren't you buying at \$48, and \$40, and \$30, and \$20, then \$18, then \$16, and now <\$15? It's still the same rare hunk of metal, it just costs less at the moment to buy it. In 2011, \$4800 would buy you 100oz of silver. Today that \$4800 will buy you 310+oz of silver. And when we're again back to 2011 levels, you can sell your 100oz for \$4800 and still have 210+oz worth of 'free' silver at \$48/oz. Of course, we think \$48 is an extreme underestimate of where prices will jump to, but this was just a simple math illustration to show how exciting the silver play could actually be if you buy in at today's prices. Certainly the stock market is doing well also, but you're relying 100% on trust in the reported Wall Street numbers, in other words you have zero control over your financial destiny with stocks.

And the best part for us is that *collectible bullion* is still dirt cheap in relation to where it has been. We all know that rare ingots are very limited in production and that many, perhaps most, were melted over the years. So if you can pick them up today for a crazy discount, you're buying that \$100 bottle of vintage Bordeaux for \$15.

This is not intended to be investment advice, but it's what we're doing, and it's just good old fashioned common sense. We've been through more than a few cycles over the past many decades, and today's market movements seem all too familiar. Maybe it's time to call uncle and tell him about the tremendous opportunity looming in the silver market. Patience is our greatest virtue.

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