SILVER – WHERE'S THE LINING, PART II

I hope that members enjoyed Part I of the Silver Lining article.

Part II

After Andrew Maguire had already provided what can be described as a damning testimony to the authorities, was it a coincidence that on the 26th March 2010 he found himself the victim of a suspicious incident?

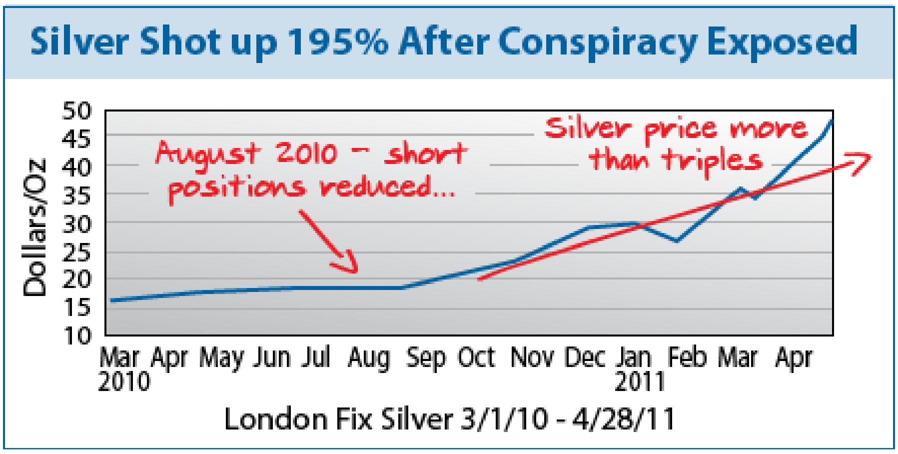
While he was fueling his car at a petrol station he certainly could not have anticipated what was about to transpire. He heard the unmistakable sound of howling car tyres as a speeding car from a side road careered straight for his stationary vehicle. Worse still his wife was sitting in the passenger seat when the unidentified car crashed directly into Andrew's parked car, almost causing him and his wife life threatening injuries.

The mysterious car did not stop as the driver drove off from the scene of the incident and then smashed into two other cars almost killing a pedestrian but continuing unchecked to skid along the road at high speed.

The police were summoned and were soon involved. They gave chase in patrol cars from the London police force and were joined by a helicopter to pursue the would-be perpetrator. The police apprehended the driver but matters did not follow the expected path. The identity of the attacker or his whereabouts remain unknown and have never been disclosed.

What about the alleged manipulation of the Silver market?

Facing lawsuits and an array of negative press from the surrounding accusations, JPMorgan quietly reduced their huge silver short position in August 2010. Is it coincidence that almost immediately, between September 2010 and April 2011, the price of silver TRIPLED? Facts show that this commodity moved from around $16 an ounce to more than $48 an ounce?



In just those 8 months, from September 2010 through April 2011 those aware that the downward pressure on silver had waned could have earned a very sizeable return as their investment value would have TRIPLED.

The stage is set for the Bull to bellow in the Silver market!

Suffering from significant losses in silver starting in September 2010, it looked as if the market movers had decided to re-enter the market by resorting to old antics.

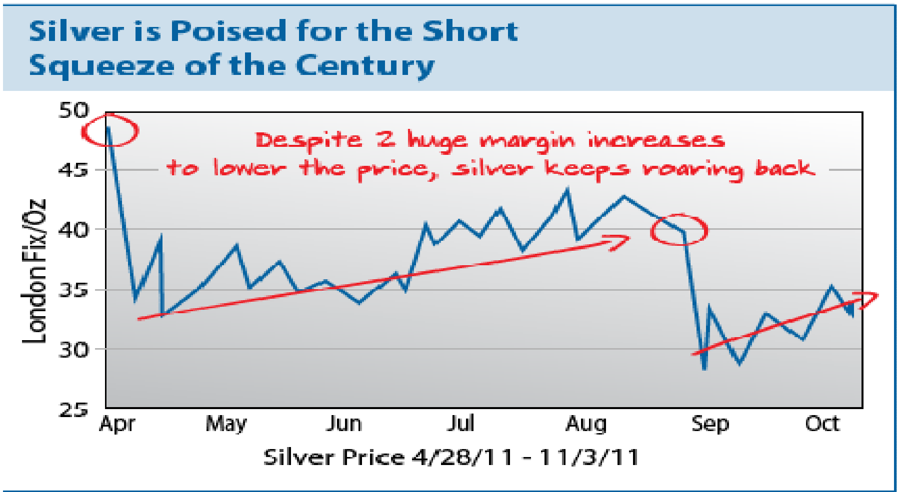
By March 2011, JPMorgan's net silver short position, which had decreased by 11,000 contracts over the preceding three months to 19,000, suddenly increased again to 25,000 contracts and suddenly on 2nd May 2011, silver was attacked by short sellers just as before. Within 15 minutes, the price of silver plummeted by 12%! By the close of trading on Friday, 6th May, silver had lost a significant percentage, falling 29.8%.

Mysteriously, the price drop corresponded exactly to a rapid series of margin increases excerised by the COMEX.

Some analysts believe the margin increase was timed to keep the massive short positions from losing money, although it has yet to be proved. The trade was astonishing in that, in all, 43 million ounces were held in short positions in a market that was heading higher once again. What does that sound like?

Thousands of private investors had no choice but to dump their silver holdings at any price they could obtain, no matter how low or how much money they would lose.

During the summer of 2011 RIO's research found that in an interview with Eric Sprott, CEO of Sprott Asset Management LP, with $8.5 billion under management, experts in the metals market declared that the above trades had been manipulated.



Even so, silver has stood up to these large attacks as this market tries to find its true position. I forecast that the silver market looked like the next hot metal and that Silver would likely see an upward trend and that I had added Silver to the commodities to be traded within the RIO Professional Investors Fund. In fact during December 2011 I placed RIO's first trade in silver and as per my predictions this metal has risen over 20% in just a few weeks.

As I write this report I have just posted further trades in silver and will continue to trade this metal for those invested in the Fund as I have with Gold. Should my research and predictions be correct my trading in this commodity could produce significant gains for the RIO Professional Investors Fund over the next few months. I predict that silver could rise far above $50 an ounce.

How to profit from this opportunity:

1. **Members could invest directly in silver.** I predict that silver will climb from around $30 an ounce to over $50 with the usual corrections as it does so. Members could invest using a silver specific ETF, that said you'd have to ride the waves of ups and downs, it would be wiser to invest in the RIO Professional Investors Fund and avoid the volatility and stress, putting all into one basket no matter how good that basket looks can be rewarding but it can also end in tears.

   With RIO Professional Investors Fund members benefit from my 18 years of trading experience, not to mention the diversified nature of this Fund. Then consider that I myself have been researching and studying this opportunity and accordingly I am better placed to trade.

   Facts show that I have correctly predicted every move in the Gold market and have a 100% record over the past three years trading this metal - to avoid confusion I mean that all trades place closed in profit over that period to date.

2. **Members, who are prepared to take risk, could pick a silver producer** I would recommend that you select a company which has already commenced pulling the silver out of the ground, since their cost is mostly fixed and the financing settled. The gains to these companies could be quite substantial but be warned of the **RISK.**

There are numerous ways to invest in this opportunity which I have highlighted; my recommendation is keep it simple. Direct metal holdings are less risk and more transparent than many other options for investing in the gains predicted in this metal.

<u>Why $50 an ounce is realistic</u>

Firstly when analysts need to assess the global demand for silver, they turn to GFMS Ltd. and The Silver Institute. These two organisations are the 'gold standard' for above-ground supply, inventory and usage statistics. That said GFMS and The Silver Institute acknowledge that their reported data for 'implied net investment' (that means institutional and retail demand for physical silver) is not an 'observed' figure, which basically highlights the fact that their numbers do not account for the huge demand coming from hedge funds or ETFs that must back their investments with hard silver.

Members positioned correctly in silver today could see very considerable gains!!

The final Part of this trilogy details the statistics and facts which when read you be excused if you saw this opportunity as one of the best investment opportunities in years. Part three will be released next week and contains support data that underpins Silver as a good buy and makes a very compelling case for purchase, don't miss it!

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