

Doubling the Value of Silver

By [The Mogambo Guru](#)

10/19/10 Tampa, Florida – With gold and silver going up in price like they are, I spend a lot of time secluded in the Big Mogambo Bunker (BMB), greedily calculating my profit with each little up-tick in price. I am so delighted that I alternate between, on the one hand, happily dreaming of happier days to come when [silver and gold](#) have gone up so much in the roaring inflation caused by the Federal Reserve creating so much money that I will have made So Freaking Much Money (SFMM), then, on alternatively, dreading the hyperinflation caused by the Federal Reserve creating so much extra money that it causes societal breakdown in a bleak and horrific post-apocalyptic nightmare of worthless dollars, violent clan rivalries, bloody warlords and weird alien invaders from some distant planet planting spores in our brains.

As a true government-conspiracy nut, I am suddenly paranoid that I may have said too much already, and so please forget I said anything about any invaders from other planets, and to divert your attention, I change the subject to the gold market by loudly saying, “To show you the power of the gold bull market, the 1-month, 2-month and 3-month lease rates for gold are, and have been for the past month, less than zero! The central bank is, literally, paying you to lease gold!”

As unbelievably rare and remarkable as that is, it is almost anti-climatic that the 6-month lease rate for gold is, heretofore remarkable, literally, zero.

I stand agog as gold rises in price, rising, as it does, against that kind of incentive for the commodity-exchange insiders, who are massively-short gold, to lease gold – at a discount! – and flood the gold market with it, driving the price down so as to profit on their massive leveraged short positions.

And what about silver, a third of the Brilliant Mogambo Investment Triumvirate (BMIT)? If you want a good forecast of silver, what better place to look than an outfit that calls itself SilverForecaster.com, and which has been correct about the [price of silver](#) going up, and for so long?

I suddenly don't know why I say this, because there may be other forecasters of silver out there, whose recommendations to similarly buy silver have proven also so presciently correct, and they, unlike SilverForecaster.com, may offer a newsletter containing photos of comely young ladies in various stages of undress, yet each with a look on their faces of “Take me and ravish me, my Hot Mogambo Stud (HMS)! Take me in your mighty arms and make me do naughty, naughty things all afternoon until your wife comes home!”

Well, SilverForecaster.com did not want to get into this pin-up/soft-core porn issue with me, even though I think it is a great marketing idea, but sticks to the business at hand, which is silver, and about which they say that “the silver price has broken to new highs and is set for a significant run to much higher levels with expectations to hold new high levels at around \$24-\$29 in the first run up.” Wow!

I love this because it has that compellingly subtle promise of even more delicious profits in silver after a potential price increase of 30% to \$29 an ounce “in the first run up”!

There is a wonderful potential inherent in the phrase “in the first run up,” which, in this case means “a breakout of eventually \$30 then \$50 an ounce,” which is a doubling from here! Whee!

And this is without mentioning the roaring inflation in prices that is guaranteed by the Federal Reserve creating so much money and the federal government borrowing that money and jamming it into the economy, which means that the [value of silver](#) will continue up and up from there as the dollar goes down and down from here.

Jim Sinclair of mineset.com is not so reticent about talking about inflation, and reminds us that “No amount of dollars, regardless of how many trillions it may be, injected into the financial system will stimulate anything except the unavoidable result of Currency Induced Cost Push Inflation.”

Then, on the other hand, I notice that Mr. Sinclair does not mention silver or gold, both of which will soar in price when inflation starts ramping up and up and up, and the Congress deficit-spends trillions more money than the Federal Reserve will create for them, making inflation in prices continue to go up and up.

As if to break the impasse, Mr. Sinclair addresses my concern about the federal deficit-spending, and calculates that “If the running up of deficits keeps on at current rates, the interest on the national debt will hit \$1 trillion” in the next four years!! Yikes!

This means that, unless GDP and tax revenues start rising like crazy, in four years “every cent collected in personal income taxes in this country will be spent on interest payments alone.”

Mr. Sinclair is too much of a gentleman to lay too much on you at one time, and does not mention that the government collected only \$1.3 trillion in personal and corporate taxes this year, which is not even enough to cover just the \$1.72 trillion in deficit-spending, which is not to mention the other \$3.5 trillion spent as part of the federal budget! Hahahaha! We’re Freaking Doomed (WFD)!

The reason I laugh so mirthfully while at the same time proclaiming our doom is because I will not personally be doomed, but instead I shall be rich because I am buying gold, silver and oil! Whee! This investing stuff is easy!

And if you, too, buy gold, silver and oil, then you, too, will profit handsomely and say, “Whee! This investing stuff is easy!”

Maybe we could do a little two-part harmony! Whee!