

Silver Just Called the COMEX's Bluff

By **Matthew Piepenburg**, December 22, 2025

Feature	LBMA	COMEX
Market Type	OTC wholesale gold/silver trading	Futures contracts & price discovery
Main Bullion Type	400 oz gold bars, 1 kg gold bars, 1,000 oz silver bars	100 oz gold bars, 1 kg gold bars, 1,000 oz silver bars
Gold Purity Requirement	995.0+ (400 oz bars), 999.9+ (1 kg bars)	995.0+ (100 oz bars), 999.0+ (1 kg bars)
Silver Purity Requirement	999.0+ (1,000 oz bars)	999.0+ (1,000 oz bars)
Accepted Markings	Serial number, refiner hallmark, fineness, year of manufacture	Weight, fineness, bar number, brand mark, month & year of production (2025+)

December means many things: A year coming to an end, a time for reflection, a time for looking ahead. A time for family and friends, and of course, a time for holiday belly-expansion.

However, what many may have missed this December is that it was the month the paper markets in silver had yet another near-death experience.

Hiding in Plain Site

As usual, this critical turning point in metals, as well as its neon-flashing signal of a globally debt-sick financial and currency system, went largely unnoticed.

In financial markets, the daily buzz remained forever focused on the usual suspects, from BTC's massive falls, MicroStrategy's losing gambit (-59% YTD) and an over-stretched stock market to crude oil's annual loss or the never-ending deflation/inflation or strong vs. weak DXY debates.

These are, of course, important debates and topics. Most investors understand them, and thus most investors, bull or bear, have an opinion about them. That is why they fill headlines.

Hiding in Intentional Complexity

But often, in fact nearly always, the real and more nuanced signals, as well as market warnings, are deliberately omitted from the Zeitgeist.

This is not only because such signals are a threat to [the so-called “experts”](#) behind these failing and corrupted systems, but because, as such, they are made deliberately too complex for Joe Sixpack to see and hence critique. I’ve written about such [intentional obfuscation through intentional complexity](#) before.

And nowhere is this tactic put to better use than in trying to hide the legalized price-fixing masquerading as “hedging” at that oh-so complex beast otherwise known as the COMEX exchange.

For this reason, I’ve tried (as well as warned) for years to make simple sense out of the otherwise senseless COMEX mechanizations used to manipulate the paper price of gold and silver.

If needed, these “simplifications” of the “complex” can be chronologically revisited [here](#), [here](#) and [here](#) for a re-fresher course.

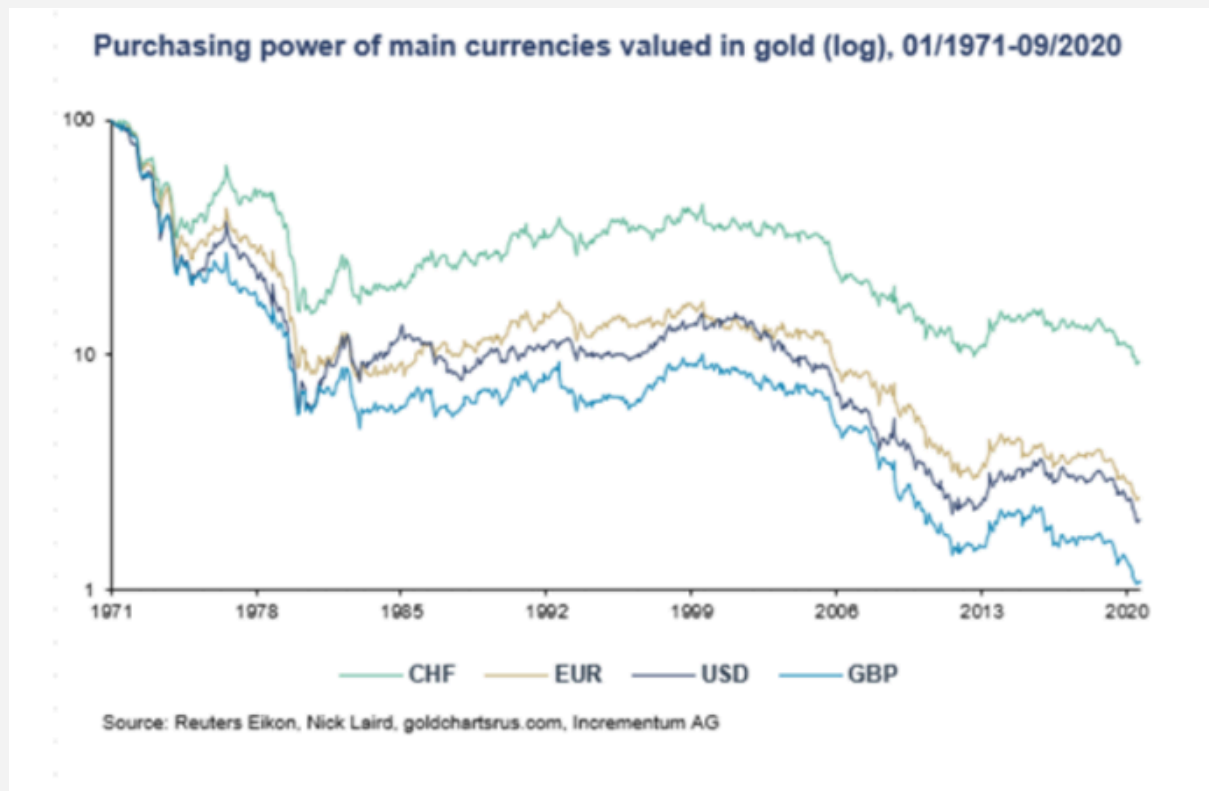
Making the Complex Simple

For now, however, let’s continue to derive the simple from the complex.

Toward this end, the core theme is very simple and worth repeating: Sovereign nations guilty of unprecedented debt addiction—and hence the currency debasement needed to monetize that addiction—are absolutely terrified of rising gold and silver prices.

This is because rising precious metals are an open middle finger to governments who have grossly and negligently mismanaged the national currencies by which most citizens measure their wealth.

Precious metals naturally rise when paper money, inflated to reduce debt burdens, unnaturally falls in purchasing power.



And when a currency loses its purchasing power, the natives get restless, and the government, fully to blame for the same, gets both nervous and dishonest.

Making the COMEX Simple

That is why the COMEX, in 1974, added futures contracts to allow massive levels of leverage in the hands of a small cabal of bullion banks to conduct equally massive shorts on the gold and silver price each and every day since. This keeps the prices forced down.

The COMEX, in short, was designed for no other reason than to manipulate gold and silver, for gold and silver, [promised by the U.S. Constitution as real money](#), had been taken away from the people in [August of 1971](#).

The cabal responsible for this crime didn't want this stolen "real money" to outshine the fake paper money that replaced it.

Since 1971, the fall of fiat money's purchasing power when measured against gold has been greater than 99%.

That was embarrassing, of course, but it was a slow frog boil which the media and even most citizens ignored for decades.

By December of 2025, however, the narrative of a robust USD had lost its credibility for so many reasons detailed elsewhere, but made most obvious by an astronomical, 2025 gold and silver price appreciation driven by global demand which openly preferred real money over the USD and USTs as the new strategic reserve asset.

Today, global central banks hold more physical gold than USTs.

In short, the world has caught on that precious metals preserve their purchasing power infinitely better than credit-based and openly melting paper dollars.

The Greenback, since it was [weaponized in 2022](#), has simply lost its prior hegemony.

Or stated even more simply: Uncle Sam was losing, and hence the COMEX was desperate to save face and buy time for his discredited dollar by attempting to kneecap the precious metals.

But as we've [warned all year](#), the COMEX was running out of the needed gold and silver to continue its legalized charades.

A COMEX NDE

Which brings us, at last, to December 12, 2025 and the COMEX' Near Death Experience (NDE)...

Unnoticed by nearly everyone, a desperate CME board raised the margin requirement (i.e., cost of leverage) for silver futures contracts by 10%, in what could be the first of more to come.

This may sound wonky, perhaps even boring, but its mechanizations and ramifications are very important.

What this crafty, 2:00 AM pre-weekend hike in margins by a so-called "neutral exchange" boiled down to was a deliberate and desperate attempt to force a massive liquidation (i.e., sell-off) in silver.

Thanks to an overnight hike in "buy-in" on that legalized and fixed casino otherwise known as the COMEX, the shadow-banking speculators going long silver at massive turns of leverage were immediately and electronically forced to cover the fee gap or have their positions sold automatically.

Needless to say, at 2:00 AM, covering was nearly impossible, so the sell-off was effectively forced.

Running Out of Control

If this seems crazy, it was. But sadly, the desperate tactic was nothing new. In 1980, a similar and overnight re-pricing of levered contracts took 50% off the silver price due to a massive sell-off in PAPER silver.

By May of 2011, the same tactic successfully crushed the metal when five consecutive margin hikes sent the silver price down in a matter of days from \$49 to \$33. Thereafter, PAPER silver stayed low for years to come. The COMEX had won.

Since then, similar margin hikes of 10% occurred in February of 2010, followed by an 11% hike in October. In both instances, silver dipped by 1.8% to 3.3% and then rose by 9% and 18% respectively, within 30 days. We saw similar patterns in August of 2020.

The COMEX had lost. Classic shakeouts were followed by major moves to the upside.

On December 12 of this year, unnoticed by most headlines and investors, the same trick failed yet again just as the metal closed at \$62.50.

The 10% margin hike this month didn't shake silver. 67 million ounces of paper silver sold off in minutes, only to be absorbed by purchasers of the physical metal. Less than a week later, silver was at new highs above \$66.00.

The reasons why silver (which has seen a >100% upside for the year) prevailed speaks volumes not only about precious metals, but the state of the broken financial system in which we are all trying to navigate.

What Went Wrong in New York?

So why had the COMEX lost more steam in December of 2025?

Despite the exchange's complex plumbing, the answer is simple, and boils down to this: The demand for physical silver is stronger than the COMEX's once unstoppable paper market shorts.

In 1980 and 2011, for example, the COMEX vaults still had enough of the actual metals—i.e. a “silver float”—to lever the same.

But as we've argued since November of 2024, the metals have been exiting the COMEX at historical levels because, in a world of dying paper currencies, counterparties (i.e., sovereign nations) now want to own the physical metal.

In addition, the industrial bid for a tightly-supplied basket of genuine, physical silver at places as diverse as Samsung or Tesla is much stronger than the paper games played in New York.

These industrial buyers of silver need the metal for circuit boards, photovoltaic panels, e-vehicles and even nuclear reactors.

When they saw last weekend's attempt by the COMEX to manipulate the price down, rather than get spooked out of the trade (like hedge funds and other speculators), they had standing orders to buy rather than sell the artificial dip.

Industrial bidders also knew that once this physical silver is bought, it is melted into use and never coming back, which means that the silver price (based on tight supply and rising demand) will move higher over time—and thus all the more reason to rejoice rather than panic whenever a CME dip is manufactured in New York.

Rock Now Beats Paper

Tying this altogether, the failed December attempt to create a massive silver sell-off was nothing more than a clearing of the PAPER speculators from the space and major buy signal for the physical metal buyers who now have more power, patience and leverage than an increasingly tapped-out COMEX exchange.

As warned for years, the COMEX is slowly dying because demand for physical metals is outpacing their empty vaults and increasingly impotent paper games.

Or as I stated months ago: "Rock now beats paper."

The Long Game Wins

Of course, the foregoing but largely ignored trick in the COMEX has larger ramifications for investors playing the long game in physical rather than paper silver.

Those mocked for years as "stackers" will be getting the last laugh over time. Like industrial bidders or sovereign wealth funds who want real rather than paper silver for actual use as well as superior monetary value, physical silver *owners* don't have to worry about the paper version of the metal.

They have always known that paper silver is not silver, it's merely a levered and largely impotent "claim" on silver.

More importantly, the ability of exchanges like the COMEX to beat down physical silver via paper contracts is getting weaker and weaker, which means free price discovery is returning to the metals after decades of legalized COMEX fraud.

Or stated even more simply, COMEX was always about managing (manipulating) the paper price of silver, but the real-world demand for the physical metal represents a massive and now more powerful wall of money.

In a 2025 backdrop of culminating distrust for debt-soaked bonds, currencies and policies, global demand for physical silver—and, of course, physical gold—has outpaced the power and tricks of that COMEX paper tiger in New York.

This, of course, is yet another critical signal in the [historically familiar cycles](#) of dying fiat money and rising precious metals.

Keeping It Real

But this does not mean silver or gold will only go up in straight lines from here. Not at all.

Bull markets in metals have seen retracements, even large ones, in the middle of their rising cycles. A Tanking stock market, which is equally inevitable, can also cause temporary pullbacks in precious metals, which no one can time or predict. No one.

But owners of precious metals know this much: Gold and silver store their value better than paper currencies over time. And time is on their side.

A Couple Tricks Left

Nor is the increasingly desperate and openly gasping COMEX out of tricks. It still has a couple up its tattered sleeves.

For example, its next move could be position-limits whereby it will limit the number of silver contracts held by ETFs or family offices who still confuse paper metal with actual metal. Such position limits would induce sell-offs and southern price moves.

But as occurred this month, any such "discount" made in New York would later be bought rather than sold.

The final move we could expect from the COMEX is the most desperate. That is, it could go into liquidation mode, a “nuclear option” by which parties to the COMEX could only be sellers rather than buyers of silver.

In such an extreme scenario, the paper price of silver would, of course, sink.

Silver buyers in such a scenario would likely move to other metals desks in Shanghai or London for fairer pricing, a move which would only make the COMEX even less relevant.

Back to Simple

Ultimately, all these signals and sounds from the once all-powerful COMEX are the signals and sounds of a dying system in not only paper contracts, but so-called “paper money.”

The global financial system, after decades of buying time and unprecedented debt levels with mouse-clicked currencies, is finally hitting its inflection point (or [Waterloo Moment](#)) as physical silver and gold rise steadily above the rubble of a broken monetary system led by the home (and central bank) of the world’s weaponized reserve currency.

Silver was simply calling the bluff on a failed system in general and a discredited COMEX in particular.