

Silver and Gold: The Triumph of Experience over Hope

Posted on [August 11, 2015](#) Gary Christenson – [Thedeviantinvestor.com](#)

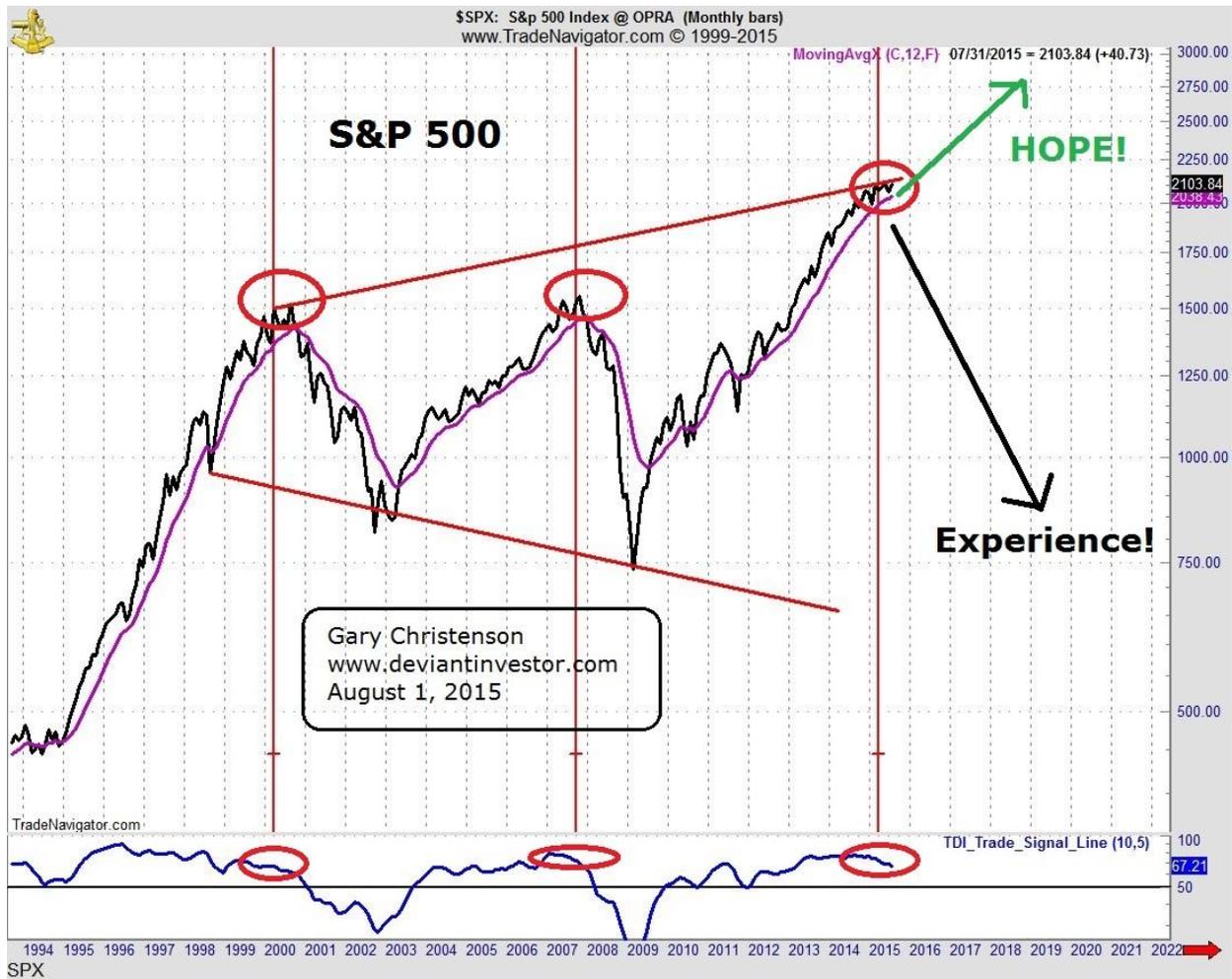
Rather than discuss the triumph of experience over hope regarding hard money, honest politicians, and free market economics, let's look at the OPPOSITE.

The Triumph of **Hope** Over Experience: (sarcasm alert...)

- The world has a massive debt problem, but we hope our politicians and bankers will solve it by creating even more debt.
- The U.S. will elect a president in 2016. We hope he or she will primarily represent the needs of the people, instead of the corporations that paid several billion dollars to elect their servant.
- We hope that economic and political central planning in the US, UK, and EU is more successful than it was in the USSR and North Korea.
- [The F.A.S.B. in 2009](#) allowed banks to account for derivative values based on "mark to myth" instead of actual market values. We hope nothing goes wrong with \$500+ Trillion in interest rate derivatives.
- We hope massively over-printed debt based fiat currencies will retain their value and not collapse, as all other fiat currencies have eventually collapsed.
- Unfunded U.S. pension liabilities are measured in the trillions of dollars but we hope the pension problems will be resolved better than in Puerto Rico, Ukraine, USSR, Venezuela, and Argentina.
- We hope the crash of the Chinese stock market does not affect western markets.
- A cup of coffee costs roughly \$2.00 at Starbucks. We remember a cup of coffee costing \$1.50, \$1.00, \$0.25 and even \$0.10. But we hope the government statisticians are correct when they say there is almost no inflation.
- We hope that the powers-that-be don't crash the global economies and start a war as a distraction.
- [Goldman Sachs](#) is "doing God's work." We hope Lloyd Blankfein is telling the truth.
- Regulations allowing "bail-ins," such as bank confiscation of depositor money in Cyprus, have been enacted in many countries. We hope they are not needed in Greece, Spain, Italy, the UK, Japan, Canada and the U.S.
- We hope that those dollars, pounds, and euros we loan to our various governments for 10 – 30 years will be repaid.
- The social security trust fund was consumed long ago and replaced by IOU's from the US government. Do you remember the IOU's from the movie "Dumb and Dumber?" We hope the US government IOU's are more reliable than those signed by Mr. Dumb and Mr. Dumber.
- Bernie Madoff is doing prison time for running a Ponzi scheme. We hope that Social Security is not a Ponzi scheme.

- We hope the gold that was stored in Fort Knox in 1971 is unencumbered and still locked inside the vaults.

MARKETS: HOPE versus EXPERIENCE:



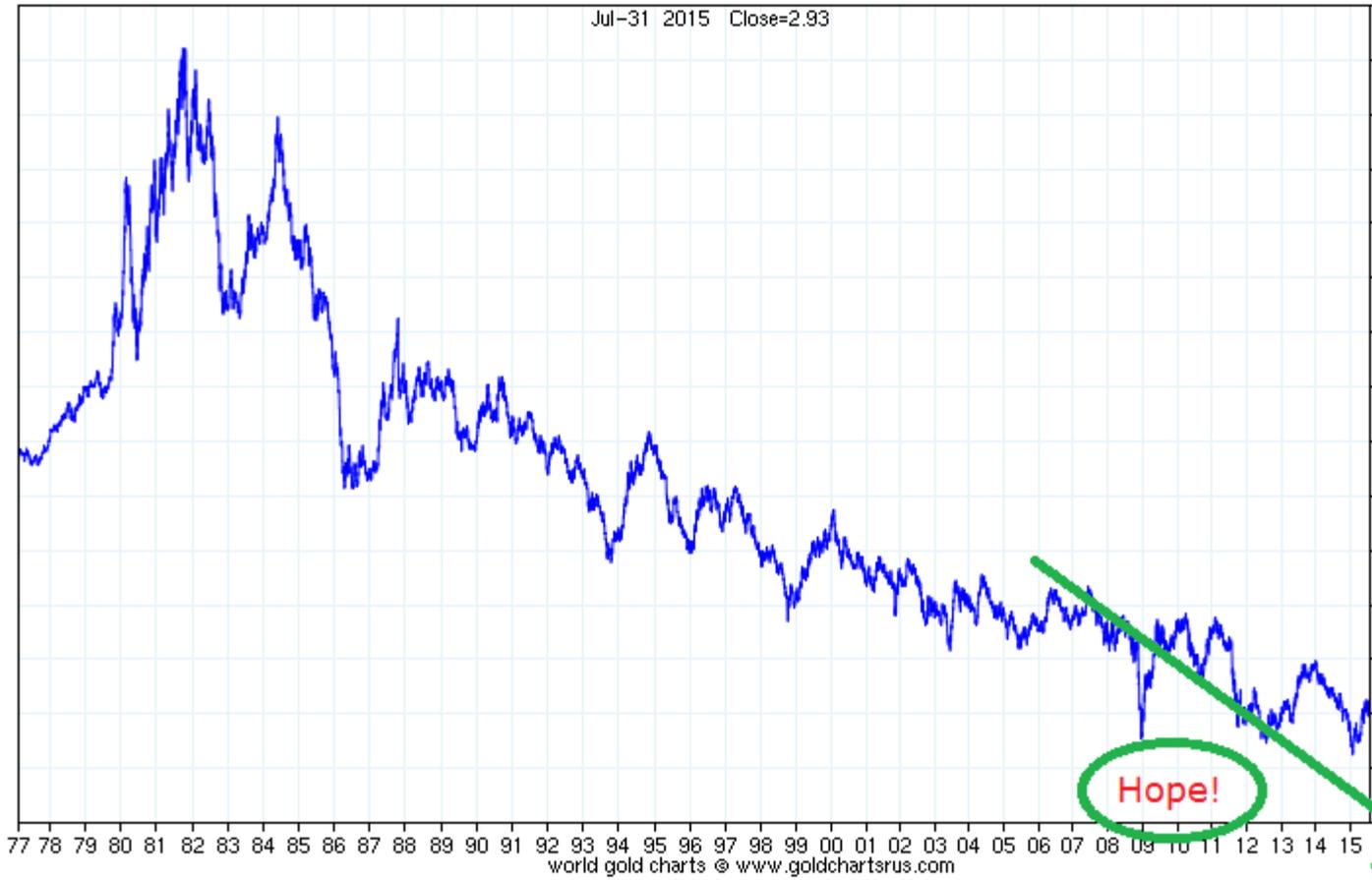


\$SSE: Shanghai Composite Index @ SHG (Monthly bars)
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MovingAvgX (C,12,F) 07/31/2015 = 3663.73 (-614.06)



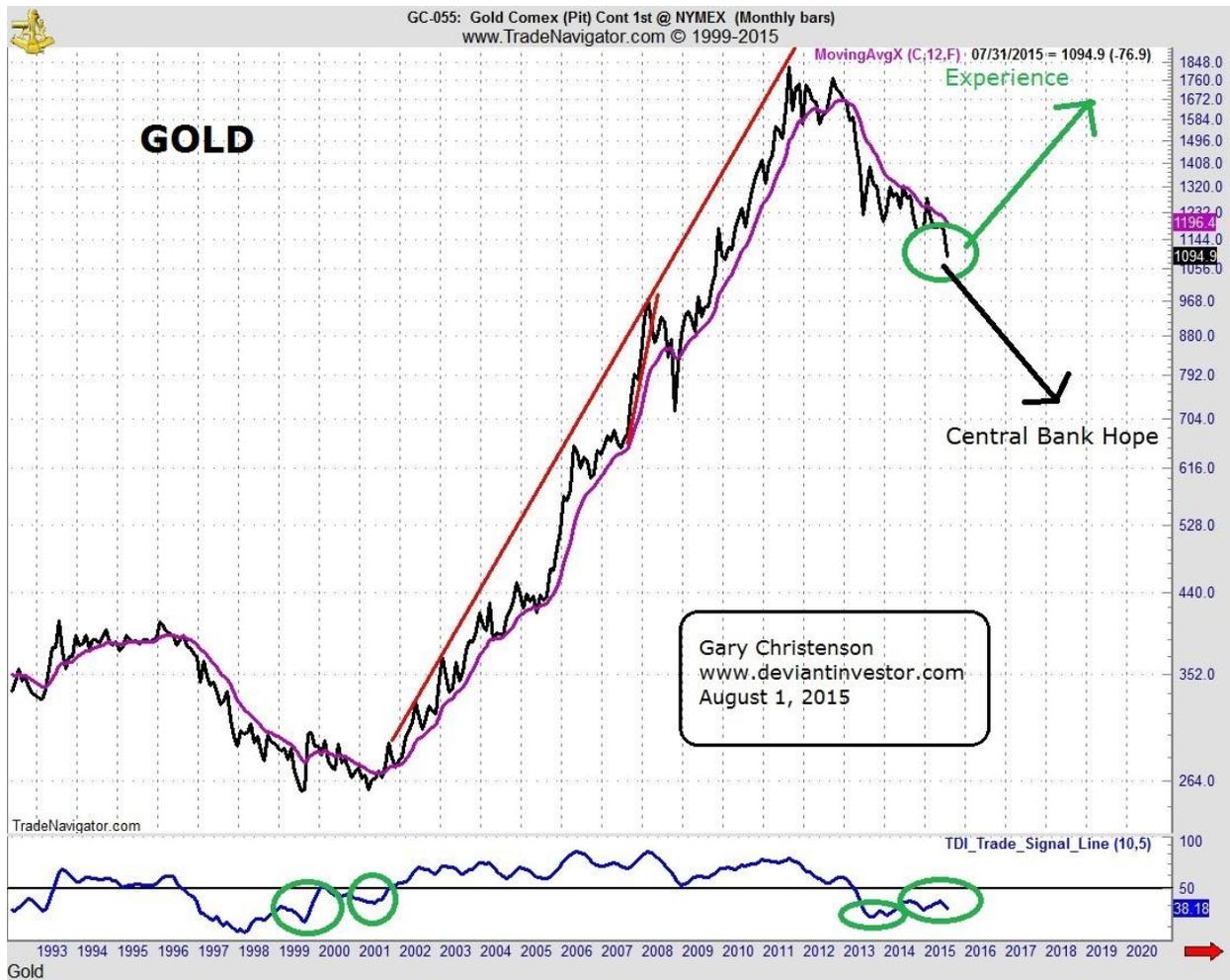
30 Year US T-Bond Yield





SI-055: Silver Comex (Pit) Cont 1st @ NYMEX (Monthly bars)
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Rather than face what our experience tells us is real, many of us prefer hope. Perhaps that is because our experiences with debt, promises, fiat currencies, and wars have been disastrous, and we hope for a better outcome.

I submit that experience will triumph over hope, gold and silver will triumph over debt, and clear thinking will triumph over delusions.