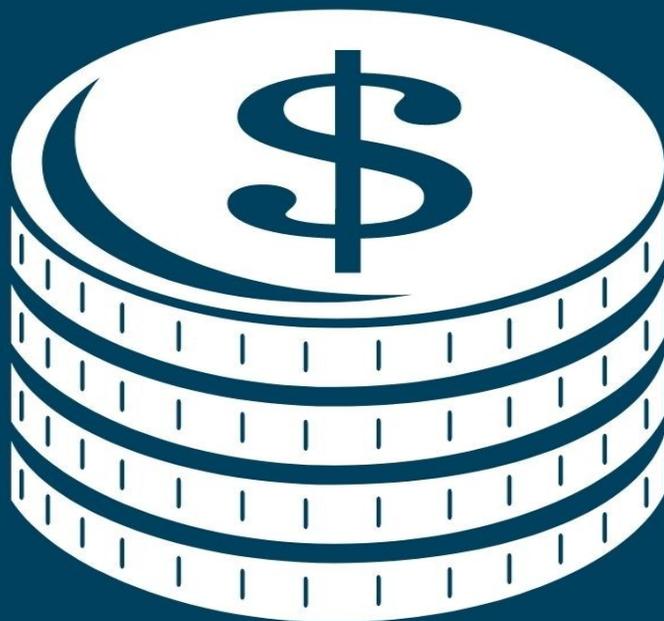


OptionProfessor.com Alert

July 15th, 2021

# SILVER PRICE



**BY THE OPTION PROFESSOR**

**OptionProfessor Alert:  
Silver Price  
July 15th, 2021**

Good Day Everybody!

There seems to be a lot of talk lately about Silver prices taking off by the end of the year.

Let's take a look at some factors that may help that cause as well as hurt it

## DEMAND

Silver is used extensively in Vehicle Electrical Control Units that manage a wide range of functions in the engine and main cabin. In Hybrids, Silver use is Higher at around 1-34g per light vehicle while Battery Electric Vehicles (BEV) are believed to consume in the range of 25-50g of Silver per vehicle.

According to the Silver Institute; Demand for Silver bars are 26% of total Demand UP from 8% a year ago.

Unusual option activity-this week saw 17X more call volume than put volume in the September contracts

## SUPPLIES

There is a belief that there is plenty of Silver above ground BUT some believe that there may be a risk that the amount of Silver contracted thru derivatives could potentially catch the supplies in a bit of a squeeze if we saw a sudden demand for delivery

## INFLATION & FIAT CURRENCIES & MEME TYPE TRADERS

There is no doubt the Inflation Numbers coming out of the pandemic are way OVER estimates on both the consumer side and the producer side which we saw announced this week. Things like lumber, used car prices and the like may be TRANSITORY BUT what about Wages (Black Rock just raised wages 8%)...Rents (UP 9.2% 1st half of 2021)...Housing Prices (UP 20%) and a lot more...may STICK with the Fed & world Central Banks printing record amounts of money (Fiat Money).

On CNBC; they reported some groups like Wall St Silver, Silver Apes, & Silver Stackers are positive on physical Silver and have a reported 123,000 people in

their groups. They indicated that paper money plus derivatives could spell Repricing.

## TECHNICALS

In the 20yr Silver Chart; we see the Moving Averages on the 1 yr at \$25.71 2yr, \$21.70 and 3yr \$19.48 inverted & RSI +50.

What does this all mean.....we see among the Risks to a rise in Silver coming from Deflation, a strong Dollar, EV demand going away, tight monetary policy, a break in price under the March lows & the moving averages and RSI under 50. Since none of that seems present currently; we're constructive and could see the potential for an exciting 6 months ahead!

REMEMBER There is risk of loss in all investing and it is not right for everyone. Consult your brokerage firm/broker/advisor to determine your own suitability, Past performance is not indicative of future results. Information and opinion is provided for informational purposes only. It is NOT advice.

### **- The Option Professor, 7/15/21 at 10:59AM ET**

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## **Bonus: \$NVDA Analysis**

We did an analysis of COMPARING the move AAPL had last year after it did a stock split August 2020 and to NVDA after it announced its stock split in 2021. We spoke of this BEFORE the big run NVDA had to its recent highs at \$835.

It worked like a charm on the NVDA UP move....now we'll see IF it works with NVDA DOWN move.

Here you go....the lows on AAPL last on July 24th before the split was about \$89 and we saw a move to about \$140 after the split or a \$51 dollar move almost a 58% move (close to a Fib 61.8%)

AFTER the run to \$138; there was a drop to \$107-\$103 area (about Fib 61.8% of the \$51 up move)

FIRST- we saw NVDA bottom at \$535 before the split and with NVDA trading at \$570 we said IF it trades like AAPL did we could see a run to around \$840--\$860 (Fib 61.8% area)..we peaked recently at \$835

NOW- IF it patterns out like AAPL did post split...we see the potential to of a correction of the \$300 UP move to give back as much as \$185 (Fib 61.8%) or back towards \$650-\$700 in the weeks ahead.....it has already lost about \$60+ in a week

Yes! it is a speculation; but we believe if your other research supports our thoughts and opinions, this is interesting.

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