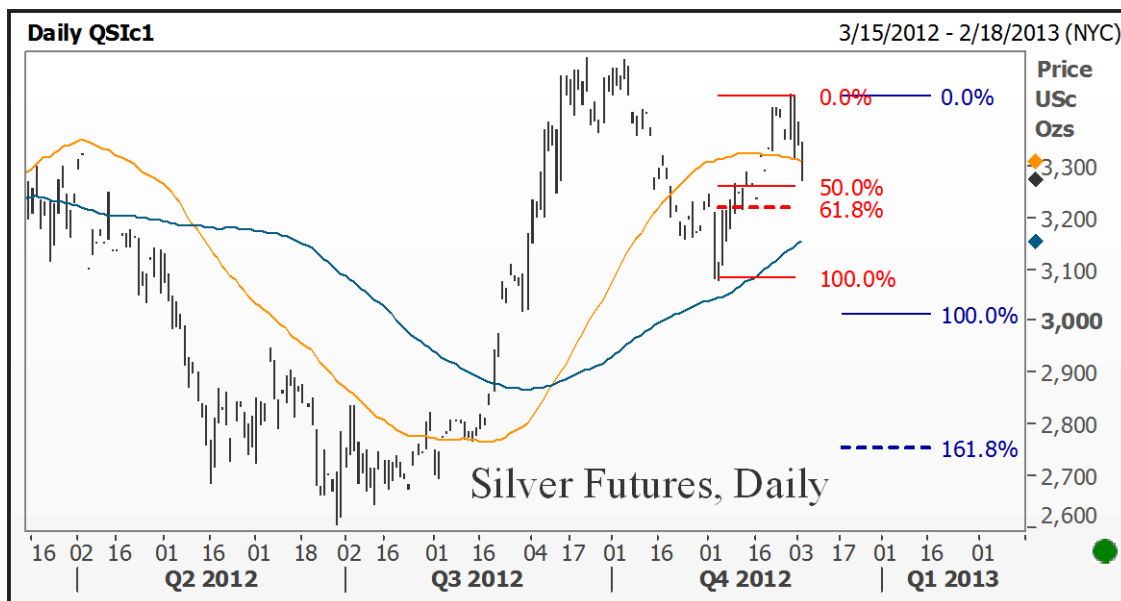


Update

Looking at a chart of silver today, price is breaking back below its 50-day moving average. I recently recommended tightening your stop-loss on the **ProShares UltraShort Silver Trust (ZSL)**. You were subsequently stopped out with a nice gain on that position.

After that it began to look like silver could run higher in a hurry. I was contemplating a bullish position in silver, perhaps using **SLV** or **AGQ**, until today. Silver bulls may want to give silver another day or two to recover and hopefully retake key support levels. But if that doesn't happen, it may make sense to revisit ZSL and play for a downside move.



A move below \$32 could easily make way for a move to \$30 ... and then we'll be looking at a potential extension down through \$28. Silver has about a dollar or so worth of breathing room from today's low – it had better hold up or the bears jump on.

Additionally, the VIX volatility index is popping above key daily levels today. The perceived uncertainty could be an added pressure to risk assets. But I'm still waiting to see a moving average cross on the VIX weekly chart for confirmation that a greater risk-off move is in order.

