

September 15, 2020

“Ask the Pros” – Top 5 Reasons We Love Silver

As we enter this exciting bull market for precious metals, we are sharing with you, various viewpoints from industry pros on why we like silver. Interestingly enough, everyone has different reasons as it's a very versatile metal, wanted for both its industrial applications and for its monetary thesis in turbulent times.

Galina Meleger, Director of Investor Relations, Endeavour Silver – Click [HERE](#) to watch the 8 Minute Short Video or the image below



Brad Cooke, CEO, Endeavour Silver



1. In every bull market for the monetary metals, gold leads and silver follows because gold is a primarily a monetary metal whereas silver is primarily an industrial metal
2. But silver typically outperforms gold in a monetary bull market because gold supply is balanced by monetary demand whereas silver supply is balanced by industrial demand so when investors come calling for silver, there is little available
3. Even though the silver:gold ratio has already declined from 125 to 75 since March, the old high of 2008 and 2020 was 85 so this cycle is just getting started – the low of 2011 was 31
4. In the last bear market, investor demand evaporated and mine supply declined the last 4 years due to the lack of new mines being developed
5. Rising demand and falling supply coupled with a small, tight market means silver is setting up for a “perfect storm” – that is why some institutional investors are calling silver the best investment sector for the foreseeable future

Ronald- Peter Stoeferle, Managing Partner, Fund Manager & Research, Incrementum



1. Silver's long history as monetary metal, with Austria's Maria Theresa thaler being a telling case in point
2. Silver's price inelasticity
3. Silver's price potential, as indicated by the still comparatively high gold/silver ratio
4. Silver's ability to predict inflationary tendencies
5. The possibility of acquiring certain silver coins tax-privileged

Peter Spina, CEO of Silver Seek, 24K Gold Fund



1. Silver as a store of value long-term - History makes this an asset to preserve wealth in over the long-term. Silver has been undervalued for a long period of time and is just starting to be revalued
2. Monetary attribute - Massive global debt bubble. Monetization of debt – devaluing fiat currencies makes precious metals a safe haven
3. Relative size to gold market - As capital moves into silver, the tiny relative size of this market will be overwhelmed by demand and create a huge price squeeze
4. Relative value to gold - Silver has been trading near historically cheap value relative to Gold. Gold is going to keep moving much higher, silver will too. Silver amplifies the moves of gold. 'High beta gold stock. As the gold price moves higher, silver will outperform and the ratio will from up towards 100, down towards 30 and possibly below towards the teens
5. Industrial Application, Intrinsic value - Silver has a strong commodity value in the modern world. Its industrial demands are the majority of the market and silver will continue to give the price a strong backstop when its monetary demand is not in style

Rohit Savant, VP of Research, CPM Group



1. Silver still relatively undervalued compared to gold
2. Elevated political risk (US elections, Brexit, US – China relations)
3. Zero and negative interest rates for an extended period of time
4. Increased reliance on renewable energy, which will benefit silver demand from solar panels
5. Increased electrification of automobiles