

Silver could benefit from the shortage in 2024



Several factors point to rising silver prices, especially if the economy picks up.

Unfortunately, silver has not yet been able to keep up with the record high of the gold price in 2023. The precious metal peaked at a good 48 US dollars per troy ounce of silver back in 2011, but the time could now be ripe for higher silver prices. On the one hand, the expected interest rate cuts in the USA - even if the latest inflation figures have provided a retarding moment - will not only be good for the gold price, but also for the silver price. On the other hand, the increase in renewable energies will also consume more silver. After all, silver is an indispensable component of photovoltaic technology. However, the silver market has been in a deficit for years. And since about half of silver is used as an industrial metal, an upturn in the economy should also lead to higher prices. Although China, a major economic power, is still struggling, aid packages from the government should ensure an upturn. In the USA, fears of recession have also diminished. According to the silver-gold ratio, silver is currently cheap, so there is potential to catch up.

If interest rates on bonds fall and the US dollar weakens, this is also positive for the silver price. Like gold, silver is traded in US dollars. Chart technicians see a medium-term resistance zone at a price of around USD 26 per troy ounce of silver. Silver currently appears to be oriented towards this resistance. If the silver price were to fall to around 20 US dollars, chart technicians believe this would be an opportunity for a trend reversal. If inflation picks up again and the economy shows stability, we could soon see higher prices. It is also worth taking a look at companies with silver in their projects.

Endeavour Silver - <https://www.commodity-tv.com/ondemand/companies/profil/endeavour-silver-corp/> -, for example, has projects in Mexico, Chile and Nevada. The company plans to produce between 5.3 and 5.8 million ounces of silver and gold in 2024.

Discovery Silver - <https://www.commodity-tv.com/ondemand/companies/profil/discovery-silver-corp/> - owns various silver and silver-zinc-lead projects in North America. The highlight is the Codero project in Chihuahua with very large silver resources.

Current company information and press releases from Discovery Silver (- <https://www.resource-capital.ch/en/companies/discovery-silver-corp/> -) and Endeavour Silver (- <https://www.resource-capital.ch/en/companies/endeavour-silver-corp/> -).

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