

Silver market probably in deficit again



For the second time in a row, there will be a deficit in the silver market. Physical demand will reach a record level.

This is the conclusion of the Silver Institute's latest report. The current year's deficit will be about four times that of the previous year. Some 194 million ounces of silver shortfall will even ensure a multi-decade high in terms of deficit. The fact that the silver price has been rather weak in the current year is mainly due to weak investment demand in funds and paper silver products. However, physical demand in 2022 is high due to the fundamental strength of the precious metal. From a global perspective, silver demand in the current year is likely to reach a new record of 1.21 billion ounces, 16 percent more than in 2021. This is due in particular to industrial demand from the energy transition, electromobility and the 5G technology sector. Physical investments are expected to increase by 18 percent year-on-year. Silver bullion products were in extremely high demand, with premiums on coins rising to a record level.

India leads the global demand for silver. Imports of around 10,000 tons of silver are expected. This is double the average imports of the past five years. Down went silver holdings in global ETFs, this to a significant extent. The silver price gained about 21 percent in the last two months. Co-decisive for the silver price in the new year will be the industrial use, a point still uncertain due to recession fears. Those who want to bet on silver can take a closer look at MAG Silver or Summa Silver.

MAG Silver - <https://www.youtube.com/watch?v=Ji1VkbzYjc0> - is developing the Juanicipio project in Mexico together with its partner Fresnillo. Underground mine production started in 2020.

Summa Silver - <https://www.youtube.com/watch?v=TbIYs0luh4A> - has an interest in the Hughes property in Nevada and an option on the Mogollon property in New Mexico (both at 100 percent) - both previously successful producing properties.

Current corporate information and press releases from MAG Silver (- <https://www.resource-capital.ch/en/companies/mag-silver-corp/> -) and Summa Silver (- <https://www.resource-capital.ch/en/companies/summa-silver-corp/> -).

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