

Insights Unwrapped

What's Powering the Surge in Silver Prices?



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What Drives Silver Supply?

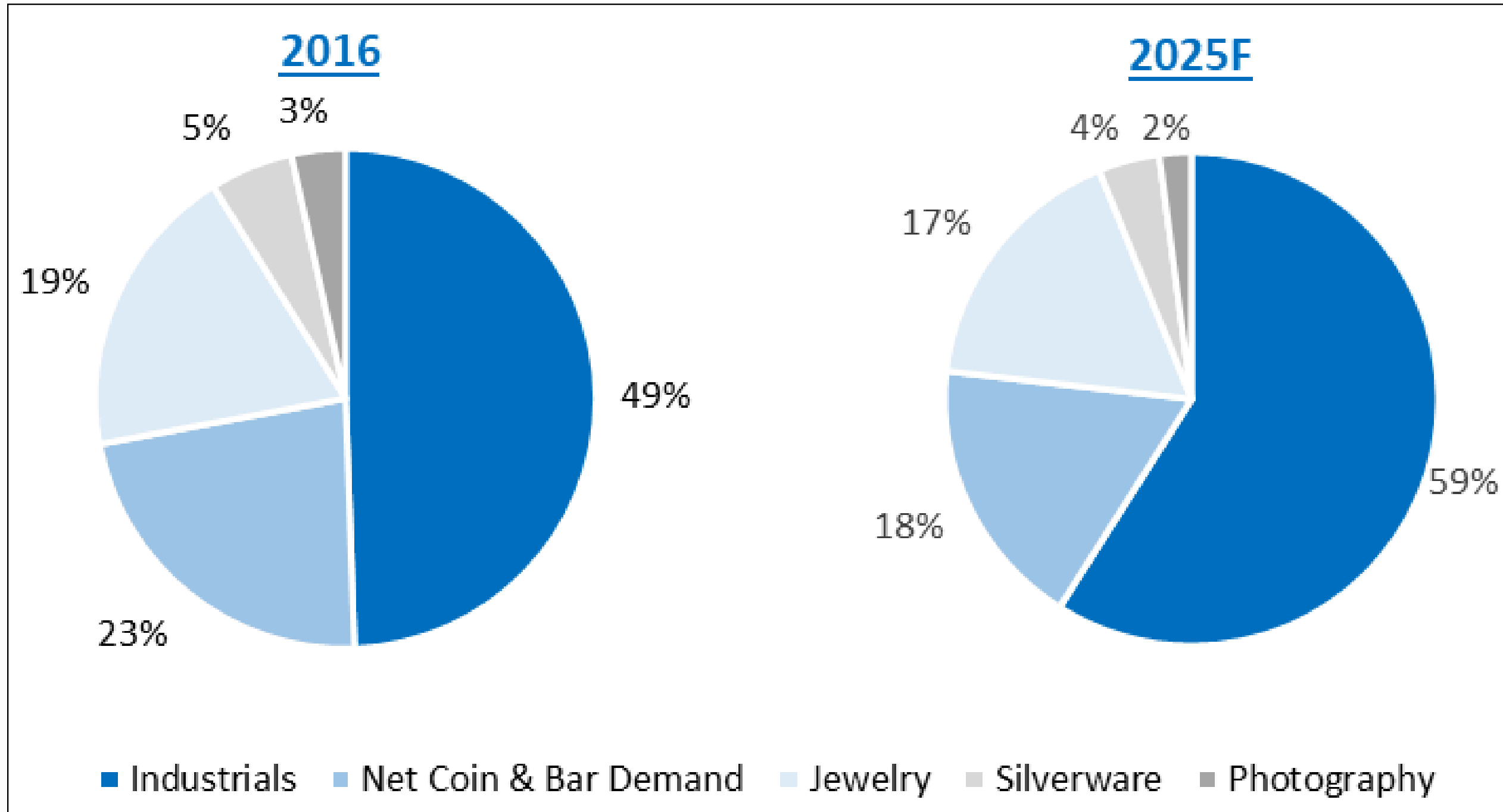
Million ounces	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025F
Supply										
Mine Production	900.1	863.9	850.8	837.4	783.8	830.8	839.4	812.7	819.7	835.0
Recycling	156.3	160.2	162.3	163.8	180.5	190.7	193.5	183.5	193.9	193.2
Net Hedging Supply	0.0	0.0	0.0	13.9	8.5	0.0	0.0	0.0	0.0	0.9
Net Official Sector Sales	1.1	1.0	1.2	1.0	1.2	1.5	1.7	1.6	1.5	1.5
Total Supply	1,057.4	1,025.1	1,014.3	1,016.2	974.0	1,023.1	1,034.6	997.8	1,015.1	1,030.6

Source: World Silver Survey 2025

- Of the 81% of silver supplied by mining, only 27% came from primary silver mines, with the rest produced as a byproduct of copper, lead, or zinc
- Global mine production rose in 2024 as Mexico rebounded, but is expected to peak in 2026 before declining as mines reach end-of-life
- Recycling hit a 12-year high in 2024, driven by silverware and industrial scrap from spent EO catalysts, but remains constrained by depleted stocks and declining photographic scrap

Industrial Demand Driving Silver

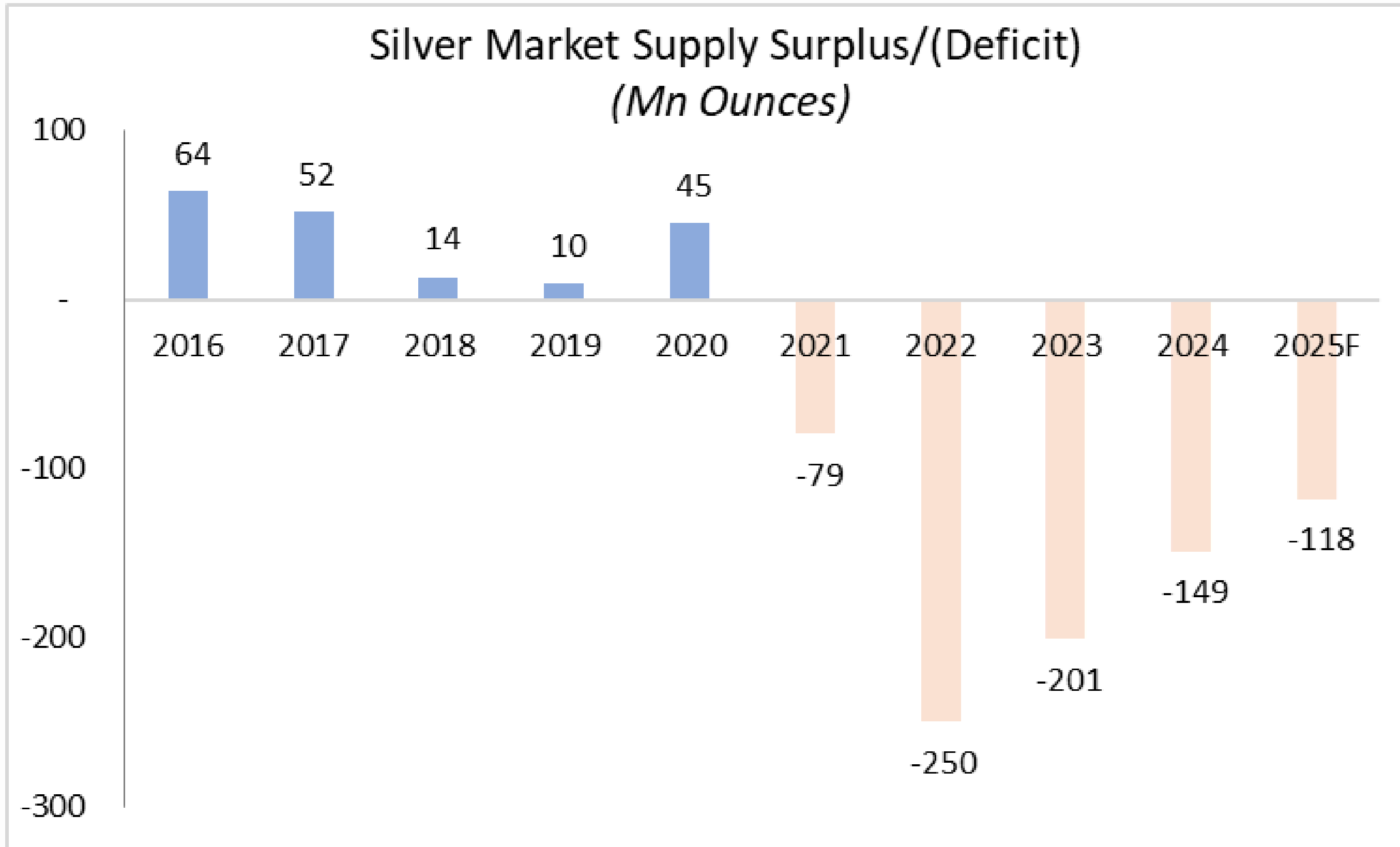
Silver - Demand Mix (% by Wt.)



Source: The Silver Institute, Metals Focus

Industrial applications now account for 59% of global silver demand, up from 49% in 2016, reflecting a clear decade-long shift toward industrial usage as the share of coins, bars, and jewellery has declined.

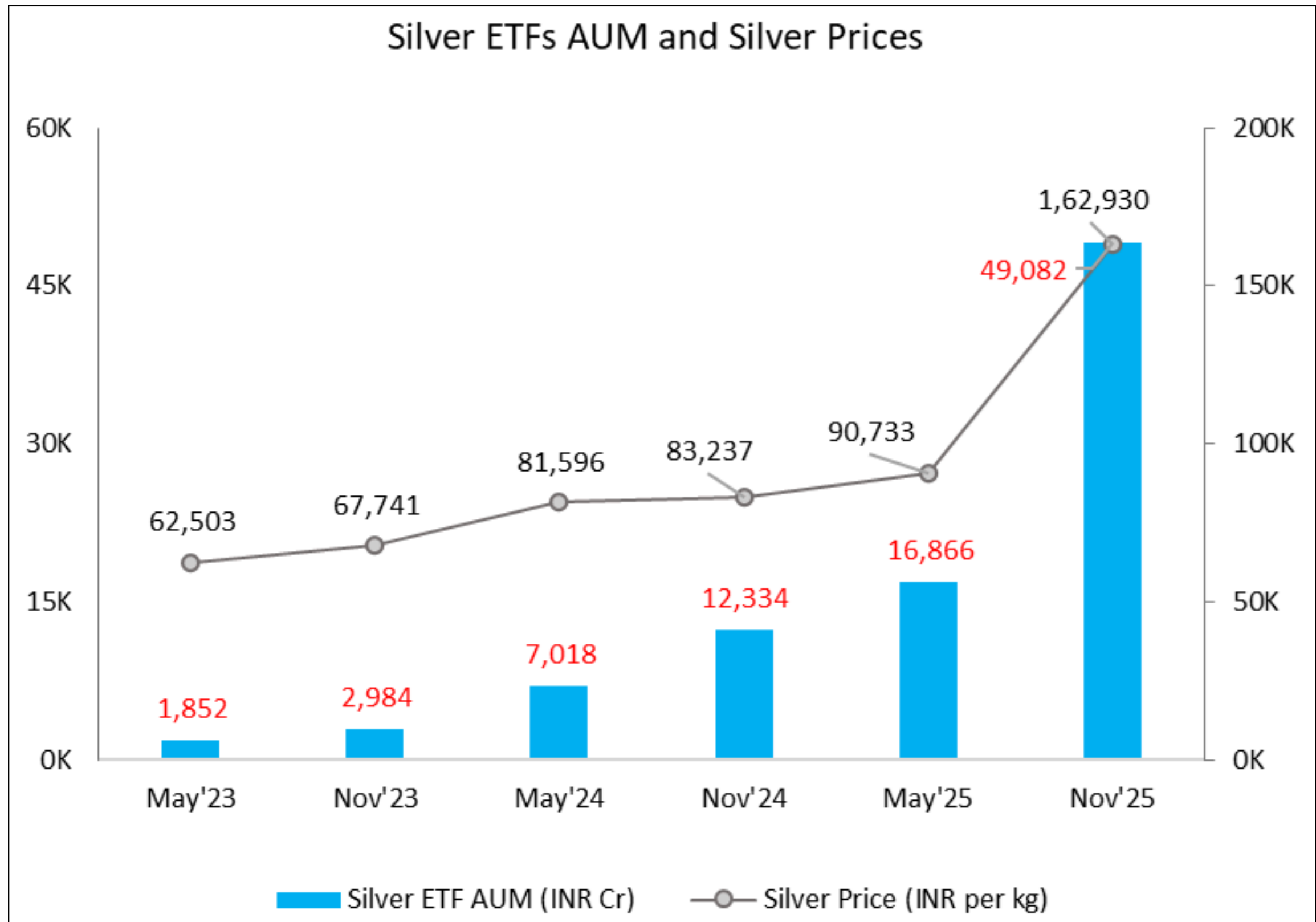
Silver Demand Outpaces Supply.



2025 will mark the fifth year in a row of silver seeing a hefty deficit, which, for 2021-25, totals almost 800Moz (25,000t)

Source: The Silver Institute, Metals Focus

Demand driven by ETP Holdings



Source: amfiindia, www.bullion-rates.com

- Silver Exchange Traded Products (ETPs) in India were first launched in January 2022.
- Investors shifted to ETPs to avoid the hassles of storage, security, and the 3% GST.
- Holdings surged significantly, with holdings (as of end-June) exceeding 58 Moz (1,800t), a jump of 51% since end-2024.
- AUM has grown at a CAGR of 271% since May '23, driven by a low base, while silver prices rose at a CAGR of 47% over the same period.

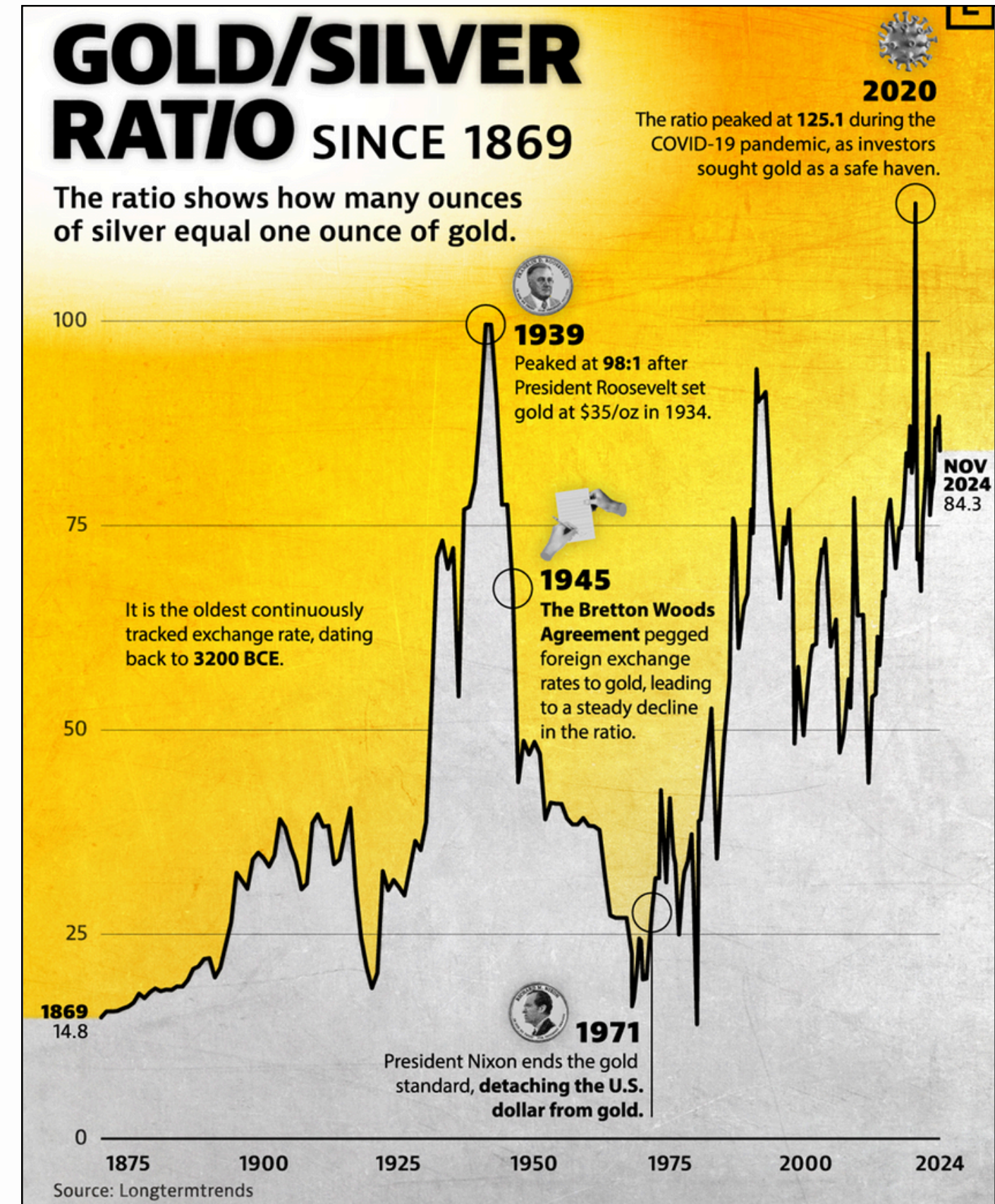
Gold-Silver Ratio Near Historical Averages

Gold- Silver Ratio (x)

	Current Levels	100-Yr Mean Average	50-Yr Mean Average	25-Yr Mean Average	10-Yr Mean Average	1-Yr Mean Average
Gold-Silver Ratio (x)	66.2	56.1	63.3	69.1	81.3	87.1

Source: <https://www.macrotrends.net/1441/gold-to-silver-ratio>

The gold-silver ratio has now reverted to its historic mean after being significantly skewed over the past year. This suggests a high possibility of a prolonged consolidation phase for both metals in the near term.



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