

Silver - the calm before the storm

Silver has become a little quiet lately. But that is likely to change soon. Investors should therefore not underestimate silver investments

India is currently a good example. Above all, the broad population, especially in rural areas, does not have a large income. The weak currency and the gold price, which rose over three years, made gold much more expensive. As a result, Indians are increasingly buying silver for investment and hedging purposes. What can already be seen as a trend in India could be seen worldwide. But since the gold market is much larger than the silver market, a switch from gold to silver as an investment would do the silver price good. Gold would probably not be weakened.

This is all the more the case as it is likely to involve additional investments. More and more savers and investors are realising that the low interest rate phase and even the negative interest rate phase are slowly but surely nibbling on the purchasing power of their investments. Precious metals have been the natural hedge for this for centuries.

Whether the German 20 euro silver coins, for example, prove to be a wise investment as a hedge seems questionable at the moment. But in the long run they should also be a good investment. For example, the latest 20-euro coin ("100 Years Weimar Constitution" with a coloured German flag in the middle) weighs 18 grams and has a silver content of 925/1000. 16.65 grams of silver are thus included. This is currently a pure material value of 8.40 euros. If silver rises to 45 US dollars per ounce, the material value would already be higher than the face value of the coin. However, some silver experts see much higher prices for silver in the coming years.

In this case, however, shares of good silver companies would probably be an even more lucrative investment. Silver shares usually have a leverage on the silver price. Examples of interesting silver companies

are MAG Silver - <https://www.youtube.com/watch?v=YUDQ1IKq8BQ=55s> - and Endeavour Silver. MAG Silver together with the large Mexican silver producer Fresnillo owns the Juanicipio Project in Mexico. Initially, 4,000 tons of rock are to be processed daily in the near future, and more later.

Endeavour Silver - <https://www.youtube.com/watch?v=c8o8bR8yESA=21s> - is also active in Mexico. From 4 mines the Canadians got their silver. In Q3, 1.7 million ounces of silver equivalent were produced.

Current corporate information and press releases from MAG Silver (<https://www.resource-capital.ch/de/unternehmen/mag-silver-corp/>) and Endeavour Silver (<https://www.resource-capital.ch/de/unternehmen/endeavour-silver-corp/>).

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