

Silver's New Golden Age: Why Tech & Investors Can't Get Enough

Silver has evolved from being just a precious metal to a critical industrial asset. Today, it plays a vital role in cutting-edge technologies such as EVs, 5G, AI, semiconductors, and solar panels. Recognizing this, the US has officially classified silver as a "critical mineral," underscoring its strategic importance in these sectors. This designation is likely to tighten global supply chains, impact tariffs, and drive silver prices upward. Additionally, central banks have begun adding silver to their reserves—an area traditionally dominated by gold, signaling a major shift in its investment and strategic value.

A New Safe Haven:

Beyond industrial strength, silver has also benefited from investment flows:

- persistently high inflation
- geopolitical uncertainties
- weakening global growth outlook

Industrial Demand Surges

- Industrial applications have become the backbone of silver demand, especially in sectors aligned with the global clean-energy shift.



Solar Power: A Major Growth Engine

Silver demand from the solar panel sector has surged dramatically:

- 83 million ounces in 2020
- 196 million ounces in 2025

Solar installations driven by decarbonisation have boosted silver demand.



Electric Vehicle (EV) & Tech Boom

Silver is essential for EVs — used in:

- battery connections
- electrical contacts
- sensors

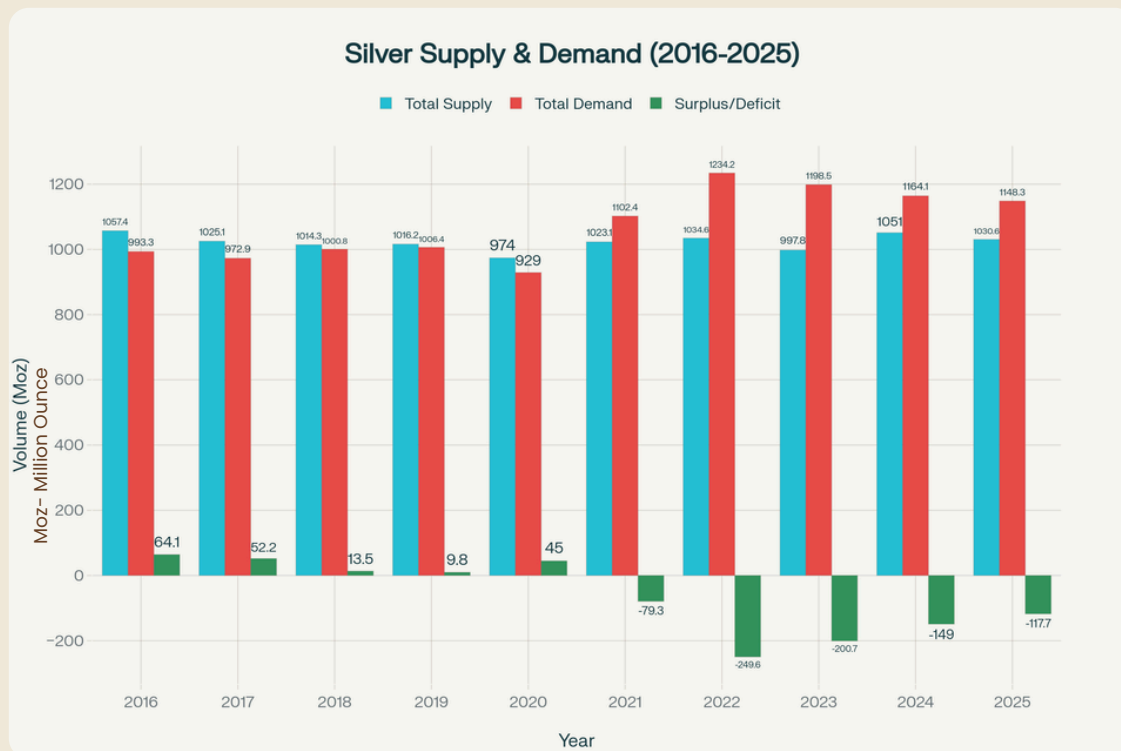
Combined with advancements in:

- electronics
- 5G
- semiconductors

Total industrial demand in 2025 is projected to reach 680 million ounces, accounting for more than half of all silver consumption.

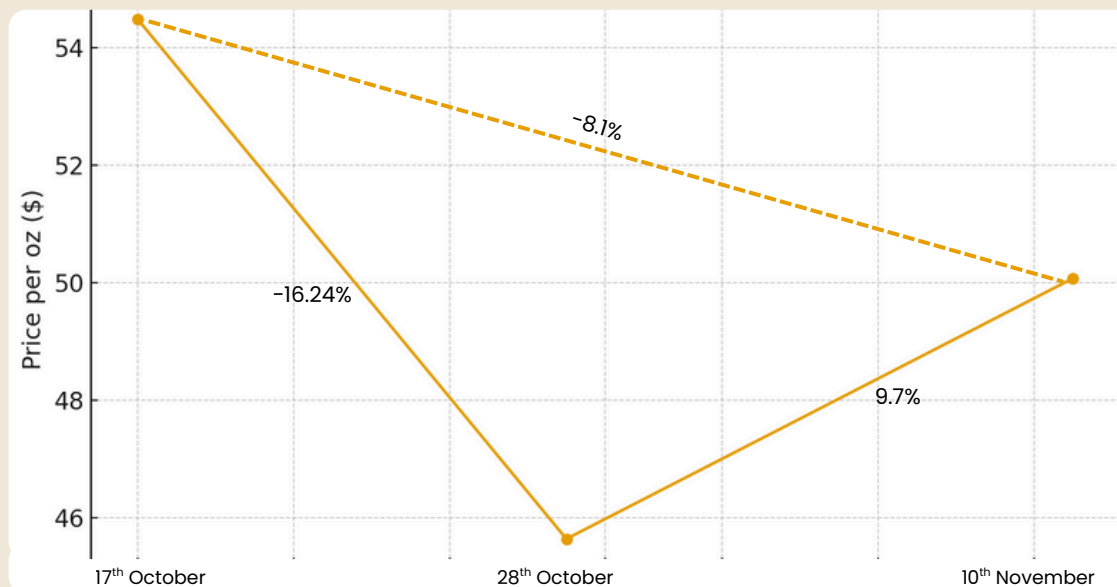
Global Supply vs. Demand Imbalance

- Global silver supply in 2025 is estimated at 1,030 million ounces, while demand is significantly higher at 1,148 million ounces.
- Over the past five years, cumulative demand has outpaced supply by nearly 800 million ounces, with another 187 million ounce shortfall projected this year. As most silver is produced as a byproduct, supply remains inelastic amid rising prices.



Silver ETFs Gain Momentum

- Global silver ETF holdings have reached 0.82 billion ounces, the highest since July 2022, up 15% YTD.
- Silver ETFs registered an unprecedented surge with their assets under management (AUM) growing by over four-fold to touch ₹12,331 crore in October 2024, up from ₹2,844.76 crore in October 2023. In the last one year, till September 2025, AUM has grown over three times from ₹12,331 crore to ₹37,518 crore.



✓ 100 Years of Silver – Key Milestones

1967 – \$2.02	Price doubles in 6 years.
1980 – \$35.52	6× rally driven by speculation (Hunt Brothers)
2011 – \$48.20	Post-financial-crisis peak.
2025 – Breaks \$48 again	Breaches 2011 peak after 14 years.

- Silver has become investors' darling in the last 3 years, elbowing out gold. It has delivered a stellar 64.03% return in the last one year and CAGR of 44.82% & 33.41% in the last 2 and 3 years respectively. YTD in 2025 alone it has surged by 73%.
- Silver prices had hit a peak of \$54.485/oz on 17th Oct'25 from which it corrected to touch the bottom of \$45.63 on 28th Oct. This was a fall of 16.24%.
- However, from there it has recovered by 9.7% as of 10th Nov to \$ 50.074.
- From the peak of 17th Oct, it is down only by 8.1% as of 10th Nov. The current price is only a tad above the peak of 2011.
- The current gold-silver ratio(kgs of silver that can be bought for the price of 1 kg of gold) is 81.3% which is well within the historical comfort level.

How to approach silver as an investment now?

Silver's importance as an asset class is growing with its growing significance, and it deserves a space in an investment portfolio, though at around mid to high single-digit levels to generate healthy long-term returns and as a hedge against inflation.

Silver as an investment also offers exposure to industrial growth particularly in the critical new generation technologies.

So far, gold has been the only precious metal that was part of investment portfolios and now silver can be given half of that space. The gold-silver combination by itself is a good hedge. One needs to be prepared to digest higher volatility with silver compared to gold.

That said, the months ahead are likely to be favourable to silver than gold, and it's time for investors to start taking exposure to silver if they still have not.