

# Silver: From Ore to Ornament

Silver is a precious metal with a dual nature: both an indispensable industrial metal and an investable safe haven. In 2025, this white metal's market is characterised by record industrial demand, a structural deficit, and soaring prices that are attracting the attention of investors worldwide.

## 1. From Mine to Industrial Use

Silver is extracted either as a primary metal in dedicated concessions or as a by-product of copper, lead, or zinc mines. Processing involves refining and purification, before its use in a multitude of applications:

<b>Jewellery and Silverware</b> Traditional segments.	<b>Electronics Industry</b> Conductive components, printed circuits.
<b>Renewable Energies</b> Photovoltaics, electrical infrastructure.	<b>Storage &amp; Technologies</b> Contacts, sensors, batteries.

Supply also includes a significant portion from recycling, particularly from electronic waste or end-of-life products.

## 2. Dynamics of Global Demand

The global silver market is structured around demand constantly driven by industrial uses:

- In 2024, industrial demand reached a record level of **680.5 million ounces**, supported by the photovoltaic and electronics sectors, for the fourth consecutive year.
- The same report indicates that growth is expected to continue in 2025, with industrial demand exceeding **700 million ounces** for the first time.
- According to market data, global consumption recently represented over 1.14 billion ounces, with more than half used in high-value-added industrial sectors, such as solar panels and electronics.

These trends favour long-term demand sustainability, particularly in the face of global electrification and energy transitions.

## 3. Supply, Deficit, and Prices

The silver market has experienced a prolonged period of structural deficit, where demand exceeds mine supply plus recycling, maintaining upward pressure on prices.

### Recent Prices and Current Dynamics

In 2025, silver reached historically high price levels, exceeding **≈ 60 USD per ounce**, amidst supply constraints, strong industrial demand, and investor interest as a safe haven.

This significant rise has been fuelled by a combination of factors: a multi-year supply deficit, increased use in clean technologies, and an unstable macroeconomic and geopolitical context that favours precious assets.

## 4. Volatility Factors & Market Risks

For investors, several key elements influence the silver market:

<b>Dual Nature (Industry + Safe Haven)</b> This characteristic makes silver an asset highly correlated with industrial cycles while reacting to macroeconomic uncertainties.	<b>By-Product Supply Structure</b> Silver supply is highly dependent on the production of other metals, which makes the supply's reaction to price signals slower.
<b>Green Technologies</b> Demand related to solar, electric vehicles, and digital infrastructure contributes to supporting prices in the long term.	<b>Reduced Physical Stocks</b> Visible stock levels in international markets are low, which amplifies price sensitivity to fluctuations in supply and demand.

## 5. Investment Outlook 2025-2030

In the medium term, several structural factors favour a bullish outlook on silver:

- **Growth in industrial demand**, particularly in solar and electronics.
- **Potentially prolonged structural deficits**, maintaining upward pressure on prices.
- **Appeal as a safe haven asset** during uncertain economic environments.

However, volatility remains high, and price reversals are possible depending on global macroeconomic conditions and production trends.

## Conclusion

From ore extracted underground to glittering jewellery and advanced industrial applications, silver asserts itself as a strategic, dual, and dynamic raw material. Its strong industrial dependence and structural tensions between supply and demand attract the attention of investors seeking assets exposed to the energy transition and global technological growth.

## Sources

### Silver: From Ore to Ornament

• Silver Institute, World Silver Survey & Industrial Demand. <https://silverinstitute.org/wp-content/uploads/2025/05/Silver-News-Apr-2025-Draft-FINAL.pdf>

• Silver market size & trends. <https://www.industryresearch.biz/fr/market-reports/silver-market-102608>

• Silver market & prices. Various financial analyses 2025. Times of India / FT / Washington Post.

<https://www.ft.com/content/c68c708f-282d-45fe-a9cd-b8871e43ed93>