Check out the Crossroads Forum article from around Christmas or New Years. We discuss the state of metals. Here it is.

The Silver Question….

How many of you think Electric cars will be a big thing? Do you think they will take over the market? In Whitewood the Petro Canada removed their charging location. If you think EV will fail, then do not speculate on Silver because at the end of the day car batteries will set the price of Silver.

There are five main markets for silver. These five markets influence the price for Silver.

1. Banks
This is where the battle is at. Banks have sold paper silver for many years. Banks are crooks and they sold silver IOU's without ever thinking the day would come when they would have to deliver. They just stole money. But now there is not enough physical silver and they are poised to lose billions. When people know their silver is fake there will be a run on the bank and it will fall. But never fear if they do lose and go down, the Central Banks will take over, print money, and bail them out leaving the central bank in control. If this happens it will enable the central bank to put a stop to the run on the banks by switching to CBDC. The precious metals play could be the trigger for digital currency to move in. Don't gloat too much, silver may bring about what we do not want.

2. Warheads
Warheads use a couple monster boxes each of silver. If a war in Venezuela, or Taiwan, or Israel starts and we see crusie missiles and Tomahawks start raining down on our "enemies", you will see a massive need for silver. Don't fear a rise in silver prices. When the defence industry needs silver they will turn to the government for it.

3. National Governments
Right now the biggest demand for silver is by National Governments buying it to stock the national treasury and meet the possible warhead demands. They are not paying big money. As supply tightens due to low production and higher industrial demands, do not think that the countries will pay big dollars. They are paying at a discount to spot. If spot or supplybdries up they will seize silver. In several countries like China they have closed the borders to export silver and the next step will be seizure. Lucky for us, we don't know what warheads are in Canada so our silver is getting bought and melted by foreign governments. If countries start seizing silver, many people wilp

4. Retail market.
This is interesting and should warn many people. There is not a huge demand for silver in the retail market. There are very few speculators buying silver. With the run up you would think brokers are run off their feet. But they aren't. Or more correctly they are being ran off their feet by people who wish to sell at these high prices. Today brokers instead of selling minster boxes of silver to Sally and Joe, they are instead buying high priced silver from clients who want to cash out. Silver is selling at discount to spit and then being melted into bars and sold to national governments. This is what speculators should know. When governments feel they have enough and they stop buying the market will crash. There is not the retail support to keep it up.

5. Batteries and Industrial
This is the support line. The battery market uses allot of silver for the new technology. There is not enough silver to meet the demand so silver prices will increase. But only to the point where a competing technology can become more valuable. If EV cars do not go to production in the levels everyone thinks then silver will not be needed. If mining companies find more silver than the price will not go as high. Remember, the mandates for EV car sales is in 2030 and 2035. There is allot of time to build mines.

Battery manufacturers are contracting silver at $75-78 per oz USD. Not $100, not $200 because they can buy it at that price and because they need it below $100. Their market will not support a higher price.

Many people think $200 per oz is possible. Well, several years ago that we had the same issue and we reached $200 per ounce in inflation adjusted dollars. During the solar boom prices hit $200 per oz and then commodity markets balanced out. (See attached chart). Technology overcame the silver demand, production increased and the price dropped. Commodities always close the gap.

So Silver will probably increase in value more than today. But it also could drop back to $60 mark once technology catches up. It takes time for technology to change and for new production to come on line. Speculators should realize that they could lose their position once this happens.

We do not promote silver as a speculative asset. Our mandate is to develop a currency and for that reason buy silver and gold. Do not buy it to make a quick dollar. Buy silver to use in transactions.

Realize that if Silver gets into the $150 per oz price, then other technologies will replace silver-carbon batteries. If prices go much above that, countries will seize silver. I believe seizure to be very unlikely. It is just the type of action tyrants will do. As prices increase mines with lower efficiency will come back on line increasing supply. Prices will then drop to the retail value. Commodities always close the gap.

There may be a $200 bump coming but we will see technology and supply adjust and bring it back to the new industrial value.

Since retail demand is low there is no support for speculation above the industrial value. Industrial value will drop as supply increases.

The fact that Silver has a strong industrial value makes silver (and other precious metals) a good currency of trade. It has a value itself. Paper fiat currency has no value.

It is quite possible that the current scenario could be used to crash the banking system and usher in digital currency as the saviour of the banking system. It could be that to build trust in the future system, precious metals and cryptocurrency is stocked in the vaults using todays printed money to buy it by the central banks. This is why some countries are buying silver and gold and platinum, to compete for stores (as well as ensure they can produce warheads). In the meantime inflation takes place, metals increase in spot price value.

Do not let fear, greed, or hype dictate your life. We may promote silver and gold as currency, but we do not trust in any thing other than Jesus. Keep that in mind.

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