



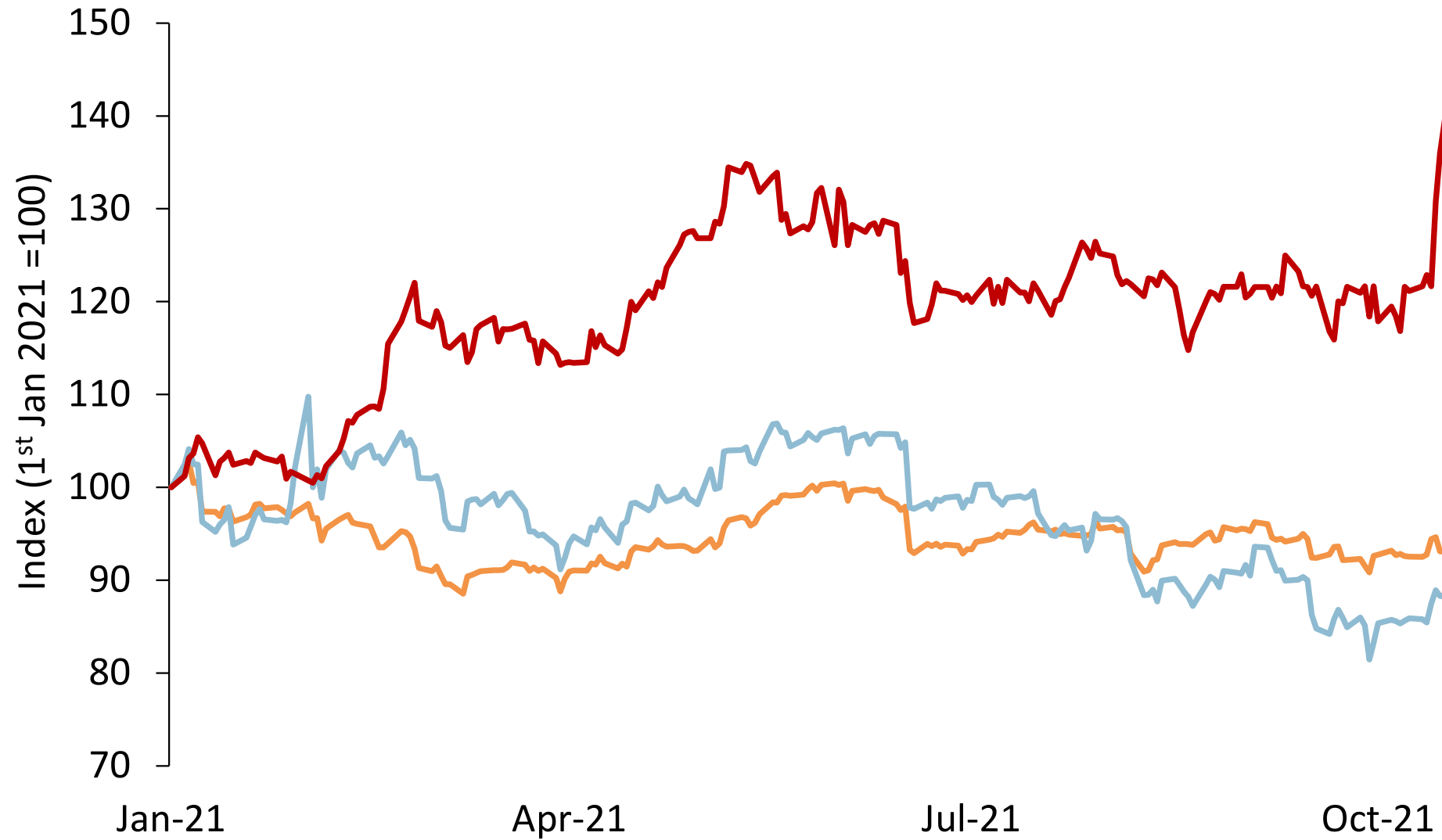
Silver Price Outlook – India Gold Conference

13th November 2021

Chirag Sheth — Principal Consultant South Asia : Metals Focus



Silver's relative performance



Source: Bloomberg

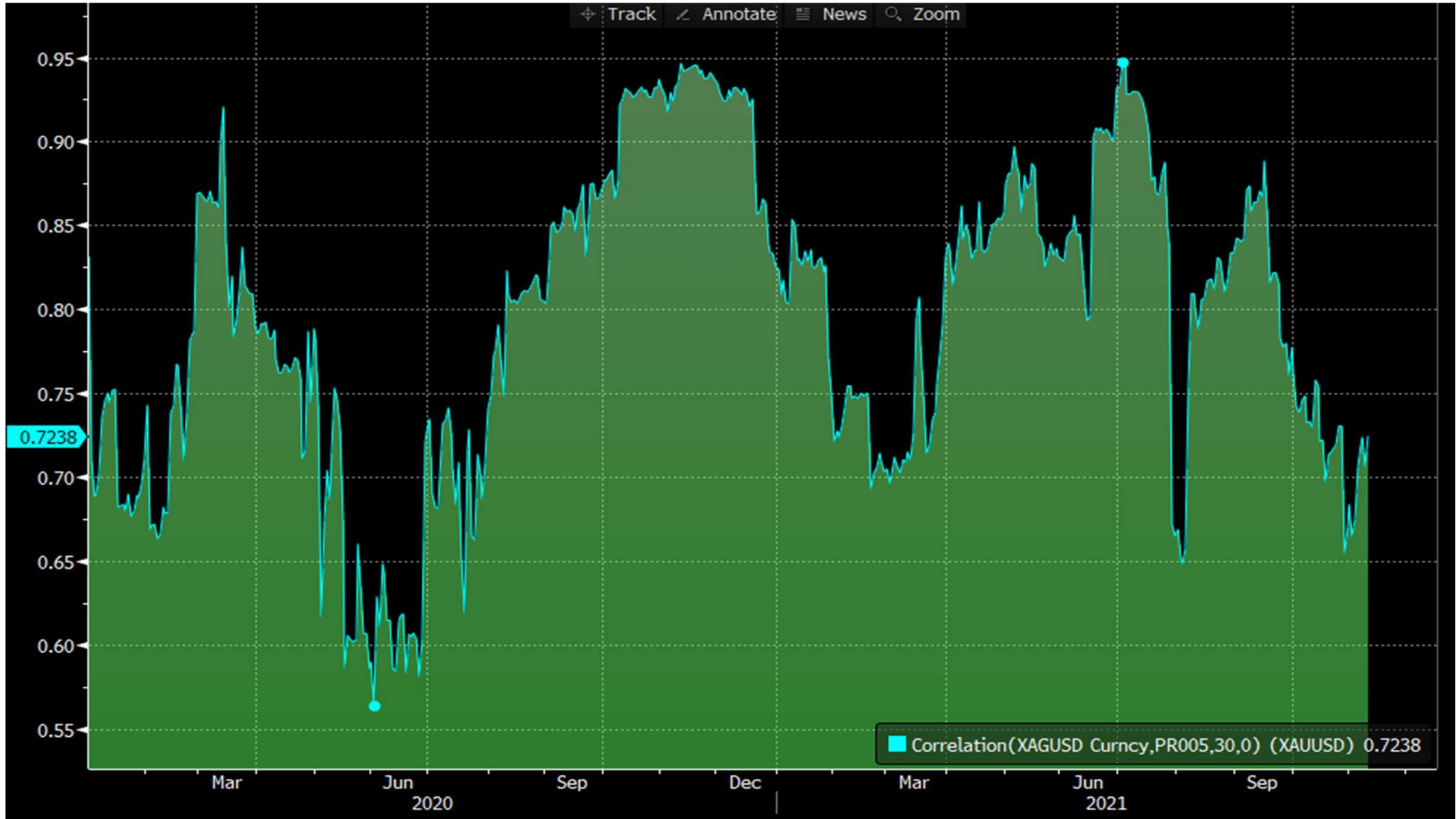
— Gold — Silver — Copper



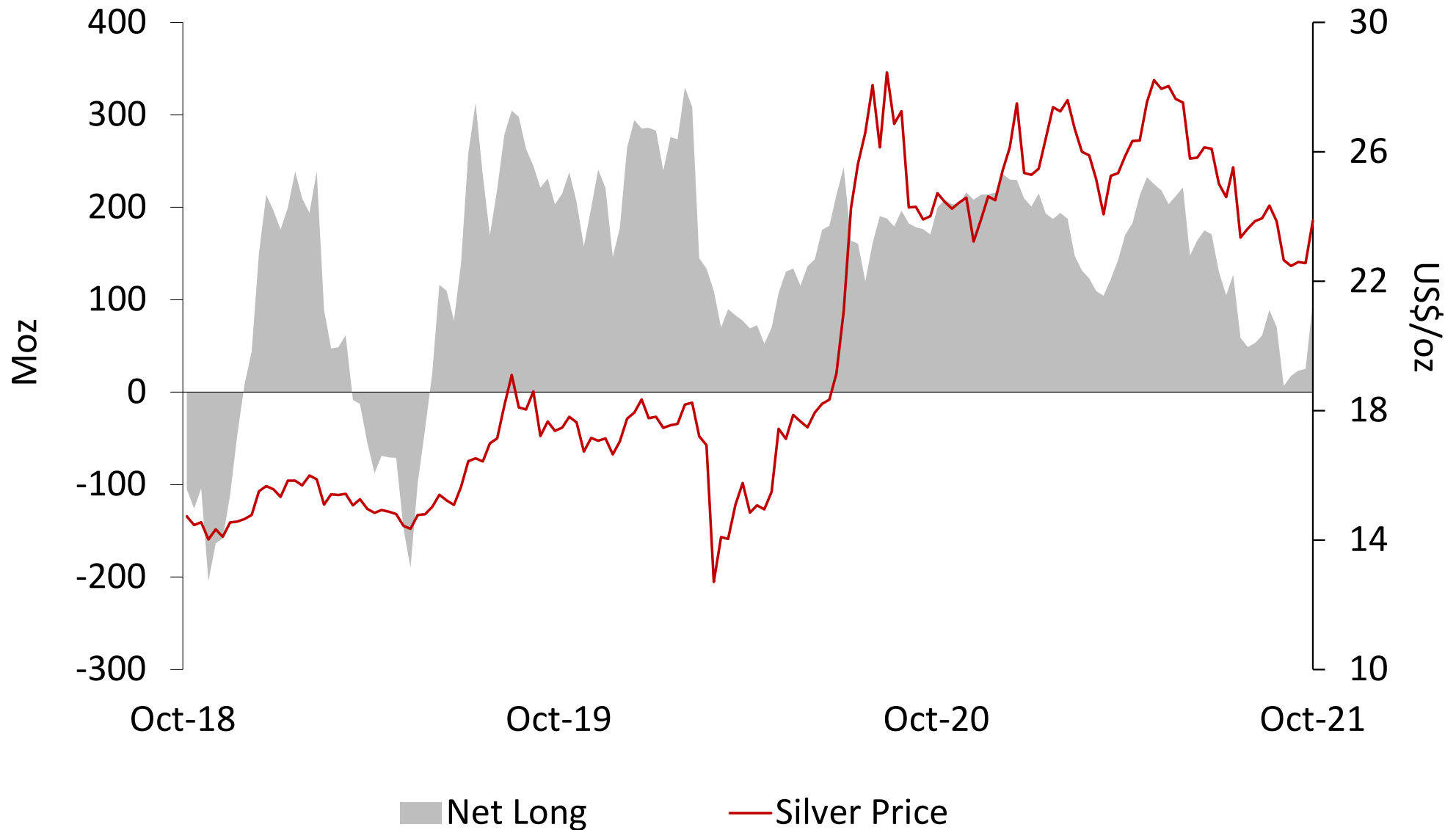
Silver and Base Metals Correlation



Silver and Gold Correlation



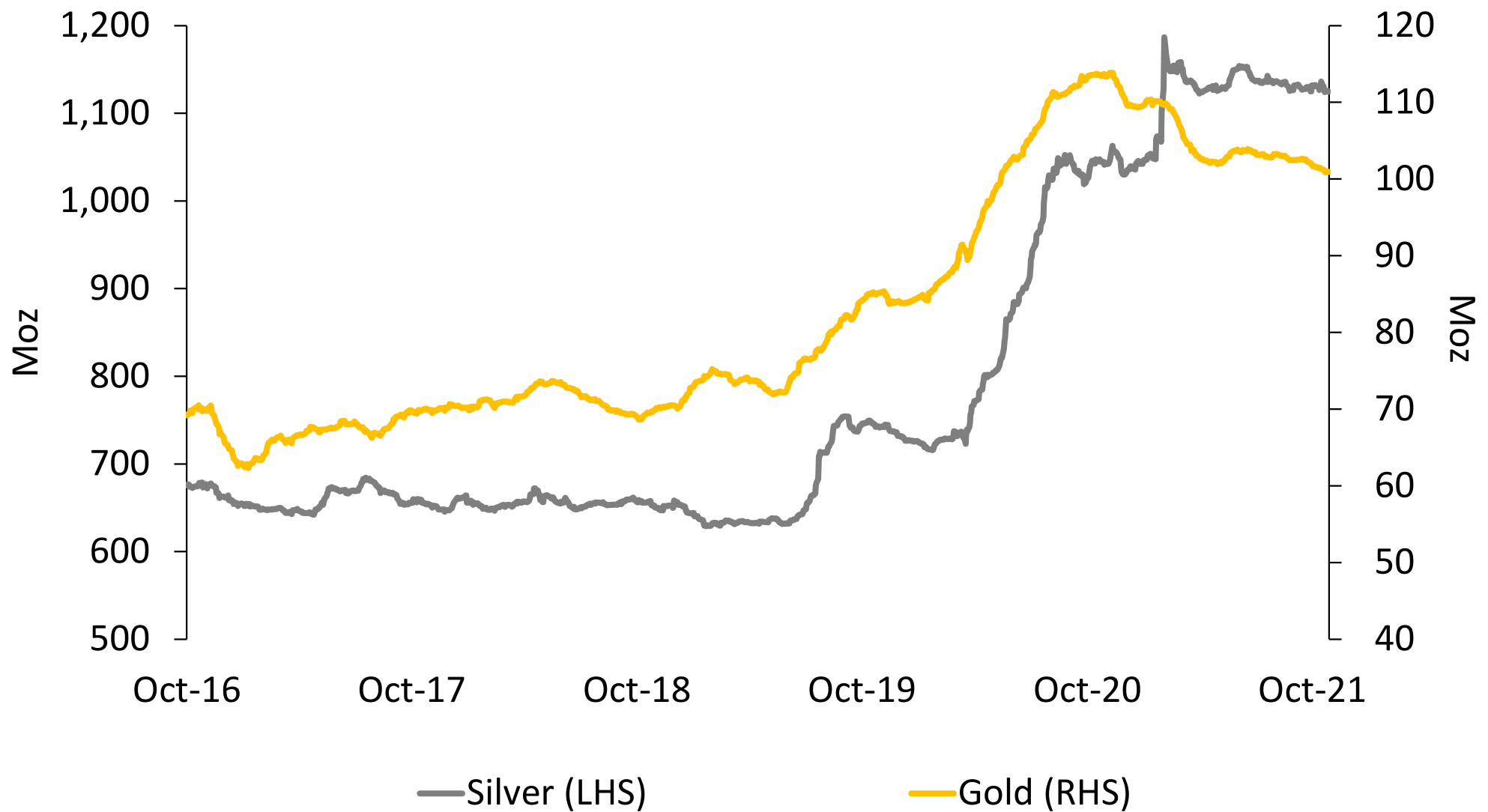
On COMEX, net managed money longs dropped to 14-month lows in September amid tactical shorting and long liquidation



Source: Bloomberg. *CFTC weekly managed money positions.



Silver ETP outflows remain limited

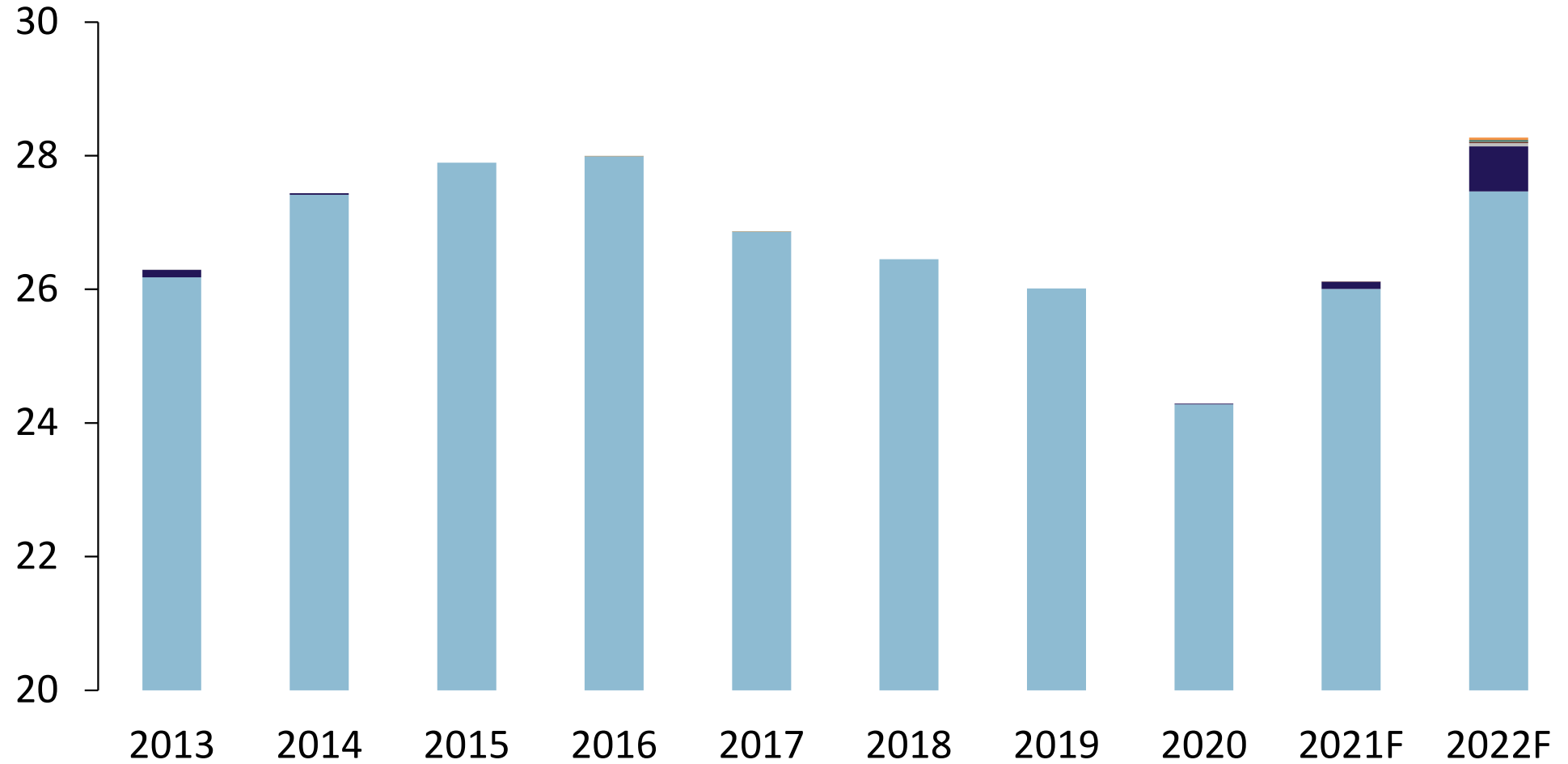


Source: Bloomberg



Mine Production Outlook

'000, tonnes

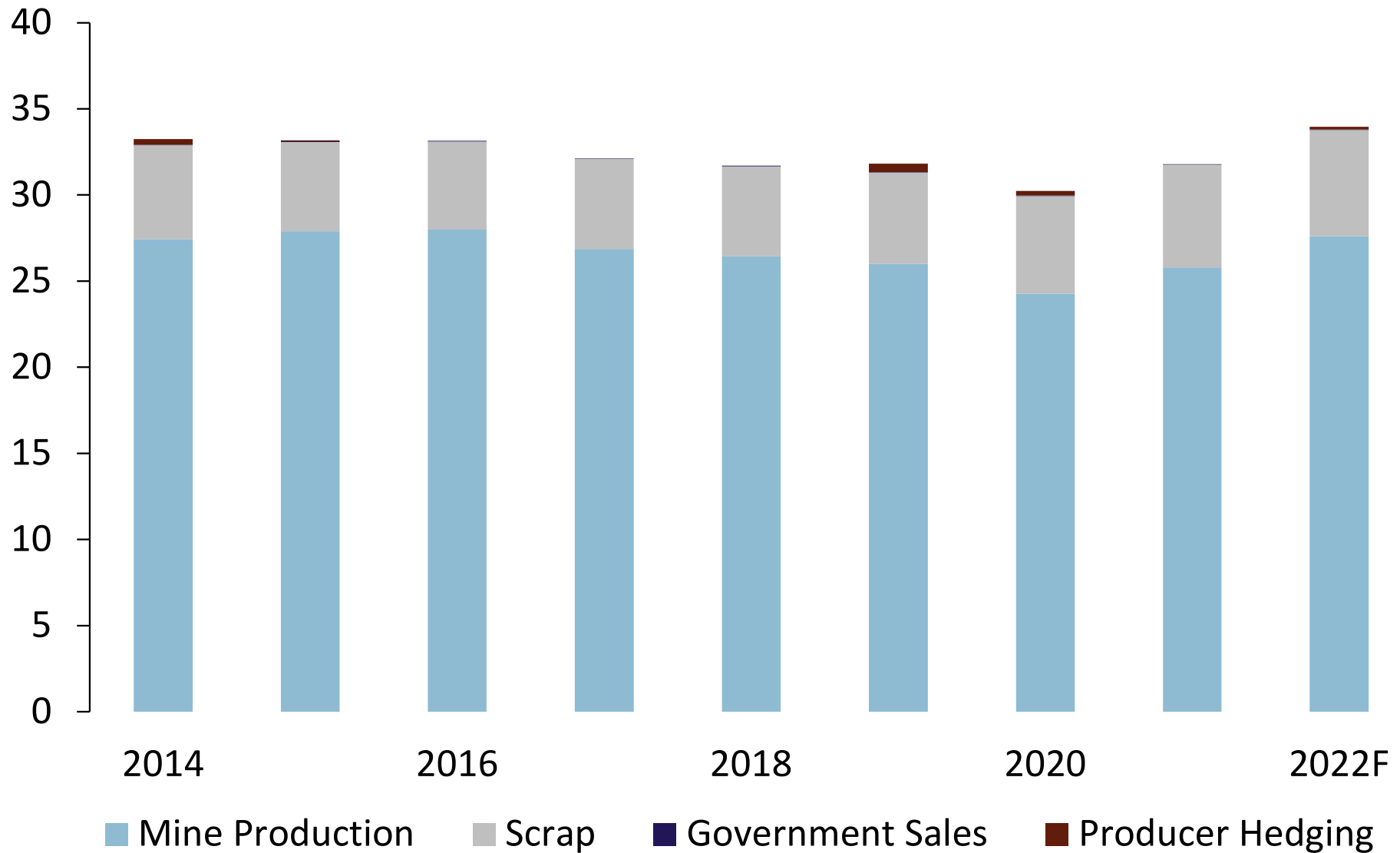


Operating & Historic Construction Feasibility
Pre Feasibility Scoping Other

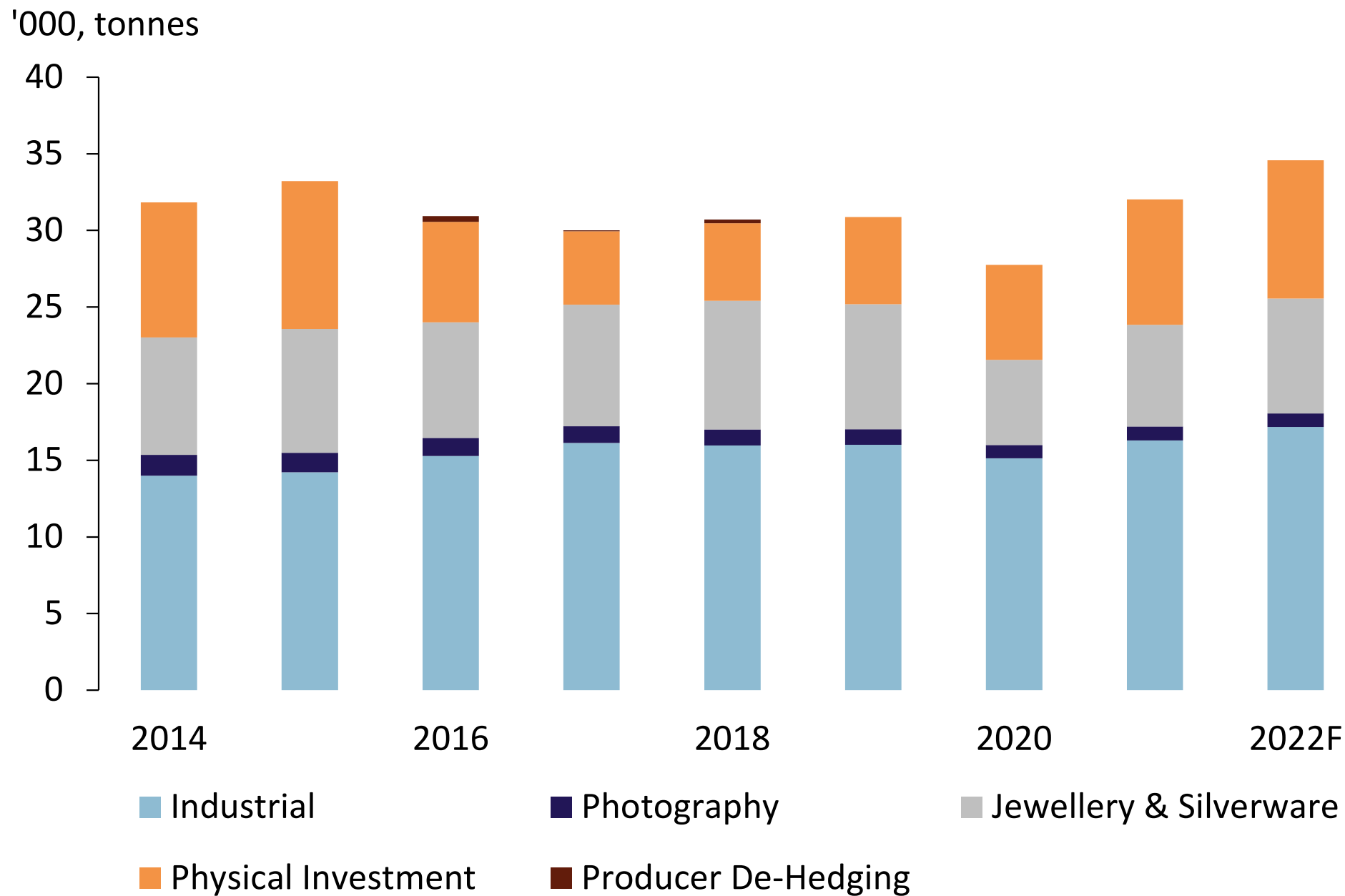


Global Total Supply

'000, tonnes

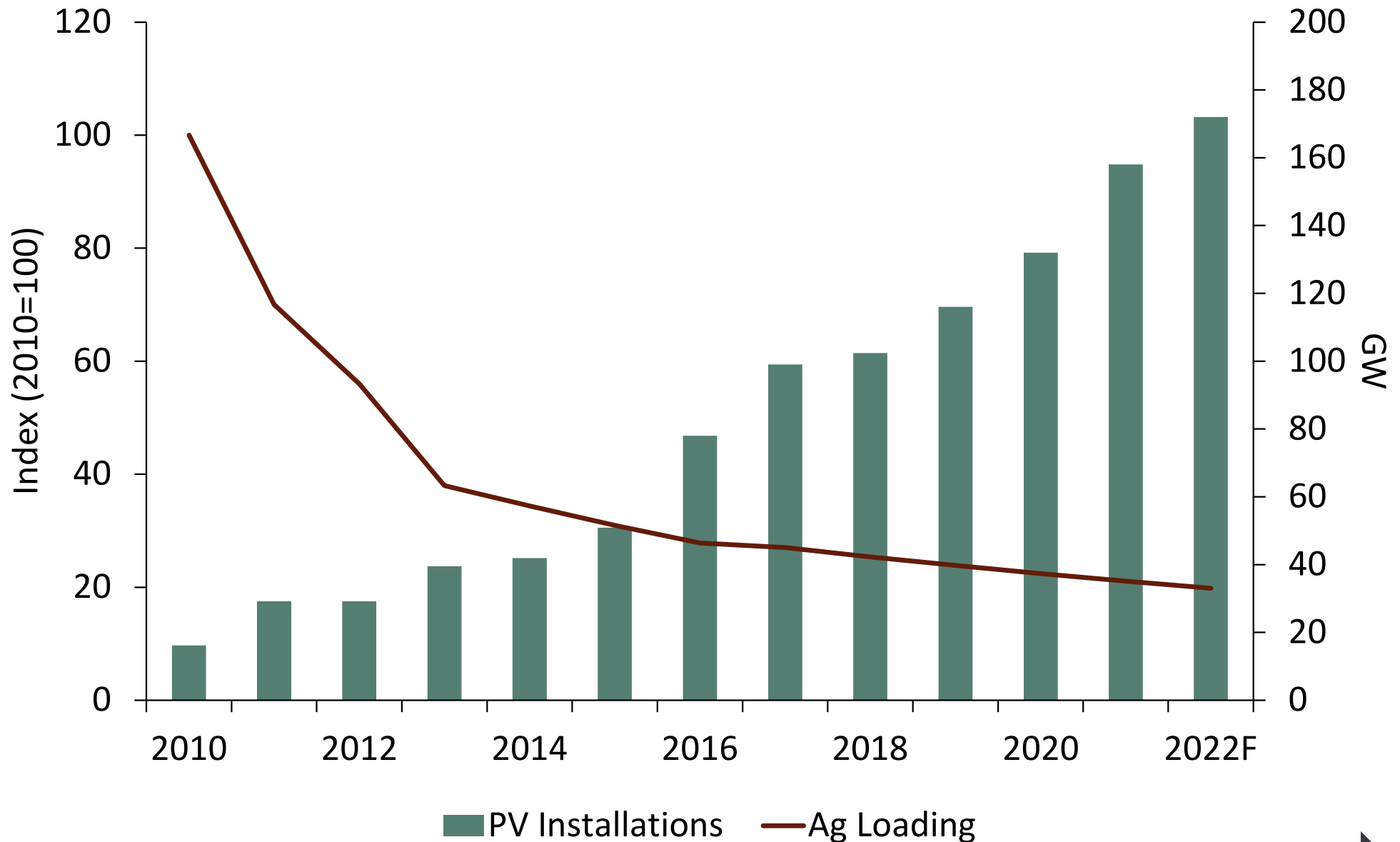


Global Total Demand



Source: Metals Focus

Industrial Demand Outlook: Photovoltaics



Source: Metals Focus



Global : becoming climate neutral by 2050

- Key milestones for renewables

Sector	2020	2030	2050
Electricity sector			
Renewables share in generation	29%	61%	88%
Annual capacity additions (GW): Total solar PV	134	630	630
Total wind	114	390	350
– of which: Offshore wind	5	80	70
Dispatchable renewables	31	120	90

- Key milestones for electrification

Sector	2020	2030	2050
Share of electricity in total final consumption			
	20%	26%	49%
Industry			
Share of steel production using electric arc furnace	24%	37%	53%
Electricity share of light industry	43%	53%	76%
Transport			
Share of electric vehicles in stock: cars	1%	20%	86%
two/three-wheelers	26%	54%	100%
bus	2%	23%	79%
vans	0%	22%	84%
heavy trucks	0%	8%	59%
Annual battery demand for electric vehicles (TWh)	0.16	6.6	14

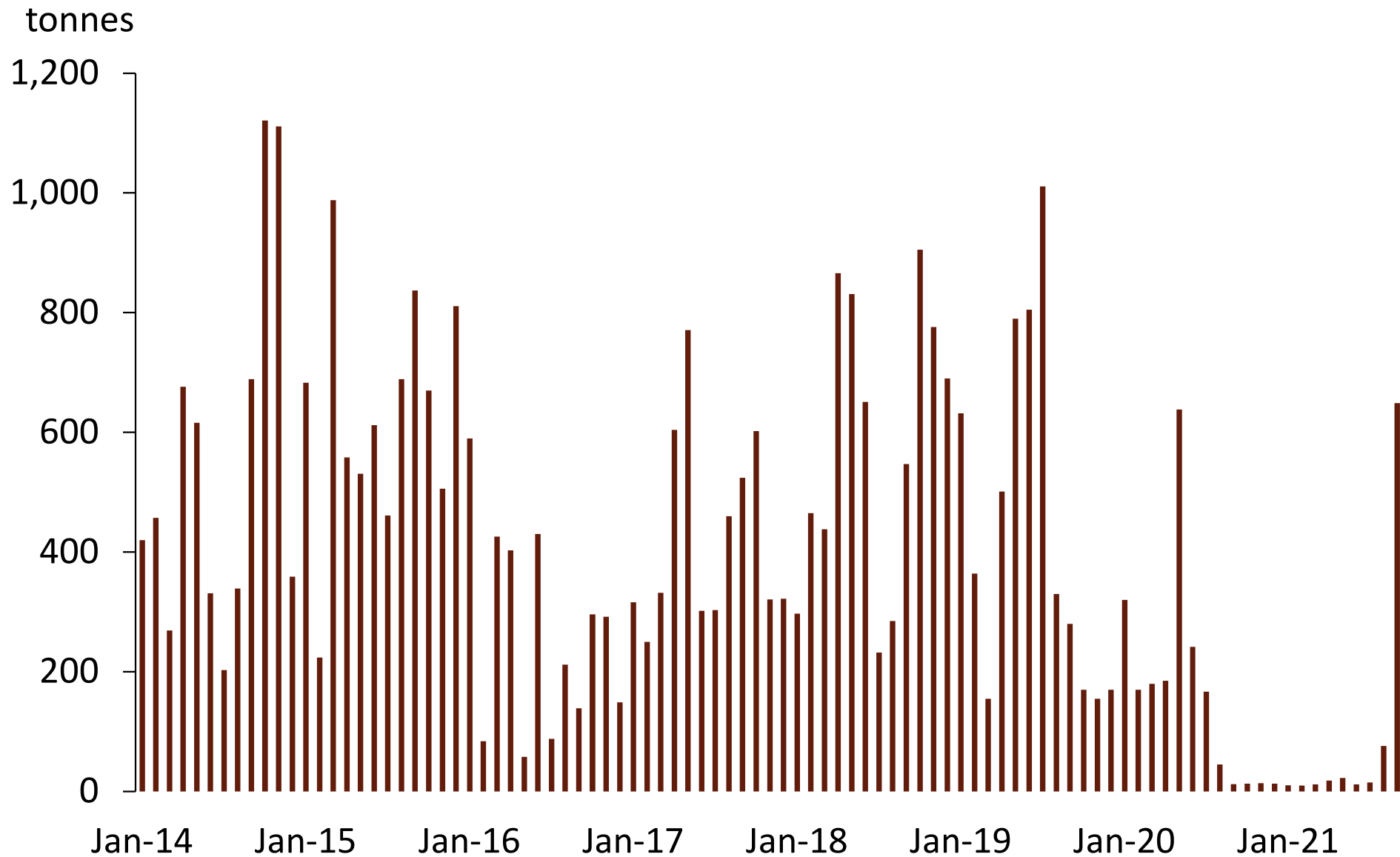
New industrial uses of silver

EV infrastructure and related applications

- With the growing popularity of EVs, the development of fast-charging, high-power, DC electric vehicle charging connectors is growing its importance. The volume of fast-charging modules is expected to increase five-fold by 2025, which can provide EVs/HEVs a near-full charge within 30 minutes.
- Given the current electroplated-silver connectors are difficult to meet the requirements of wear resistance and thermal dissipation in rapid charging applications, silver-copper alloy is expected to become the mainstream for connectors and cables to enhance the friction characteristics of contact surface and reliability amid high-current charging
- It is conceivable that the deployment of smart grid and related power management systems to achieve an effective use of energy will also greatly increase the use of silver.



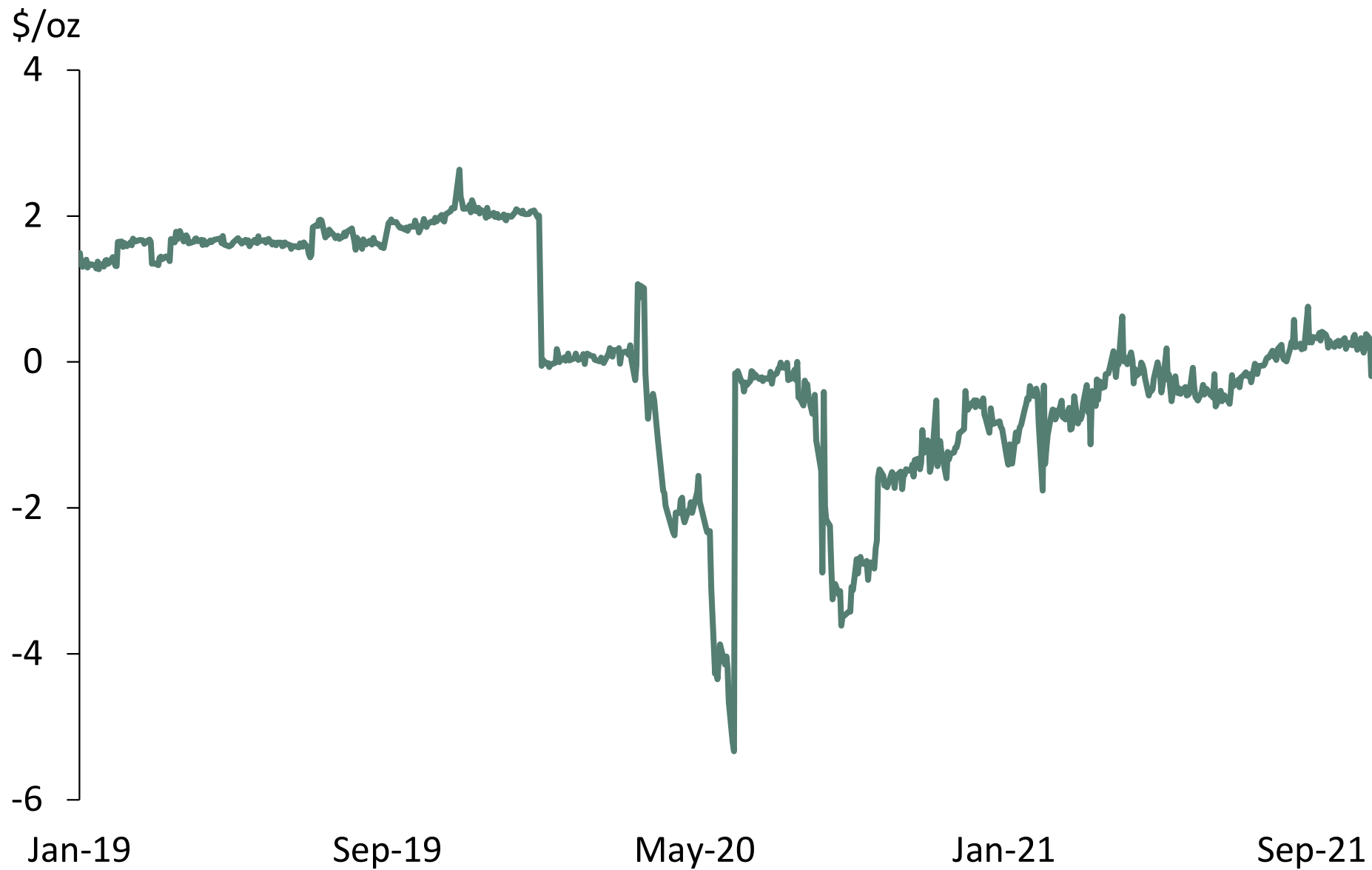
India: September Indian silver bullion imports show sharp pickup



Source: Indian Customs, Ministry of Commerce



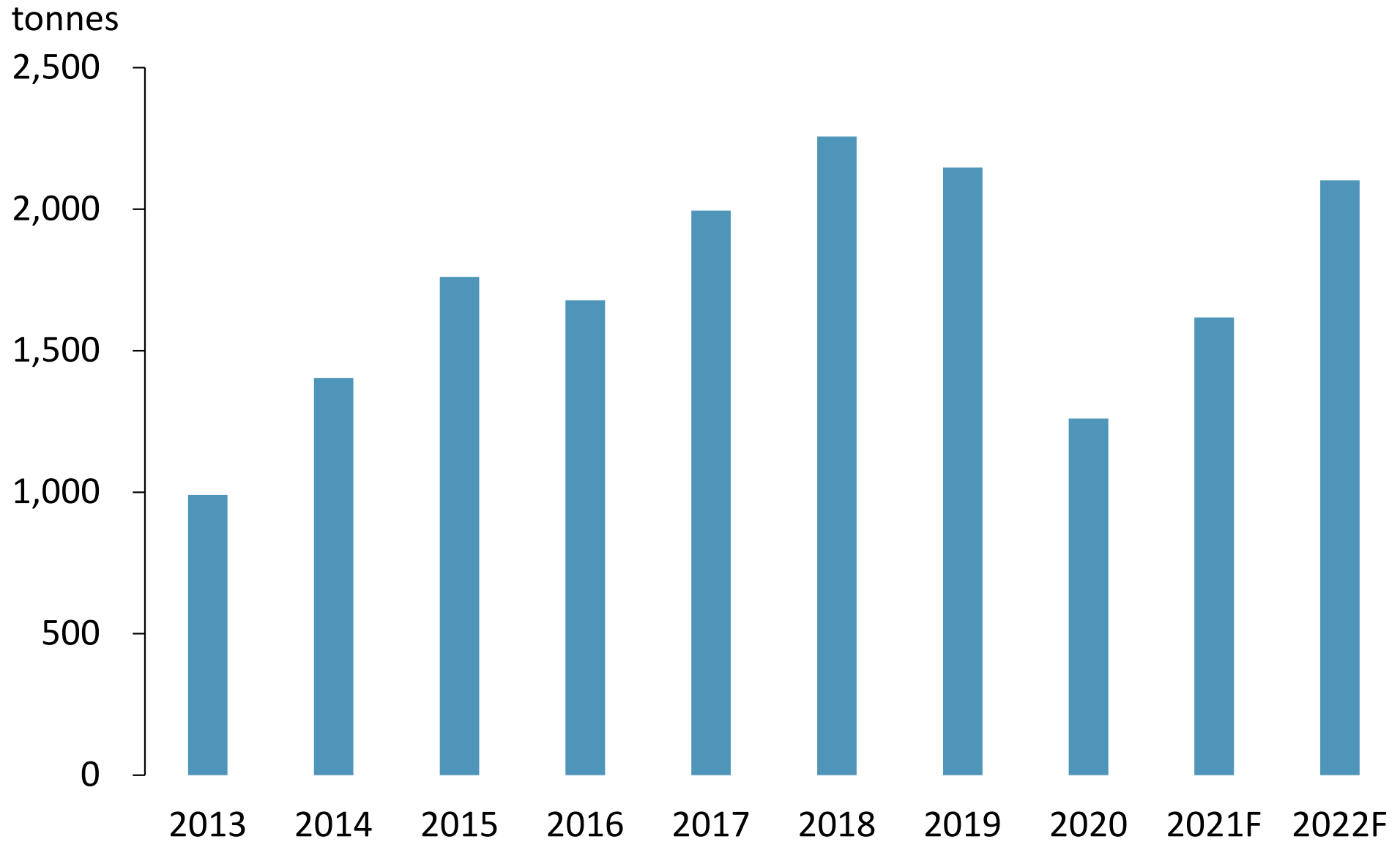
Indian Silver Premium Discount



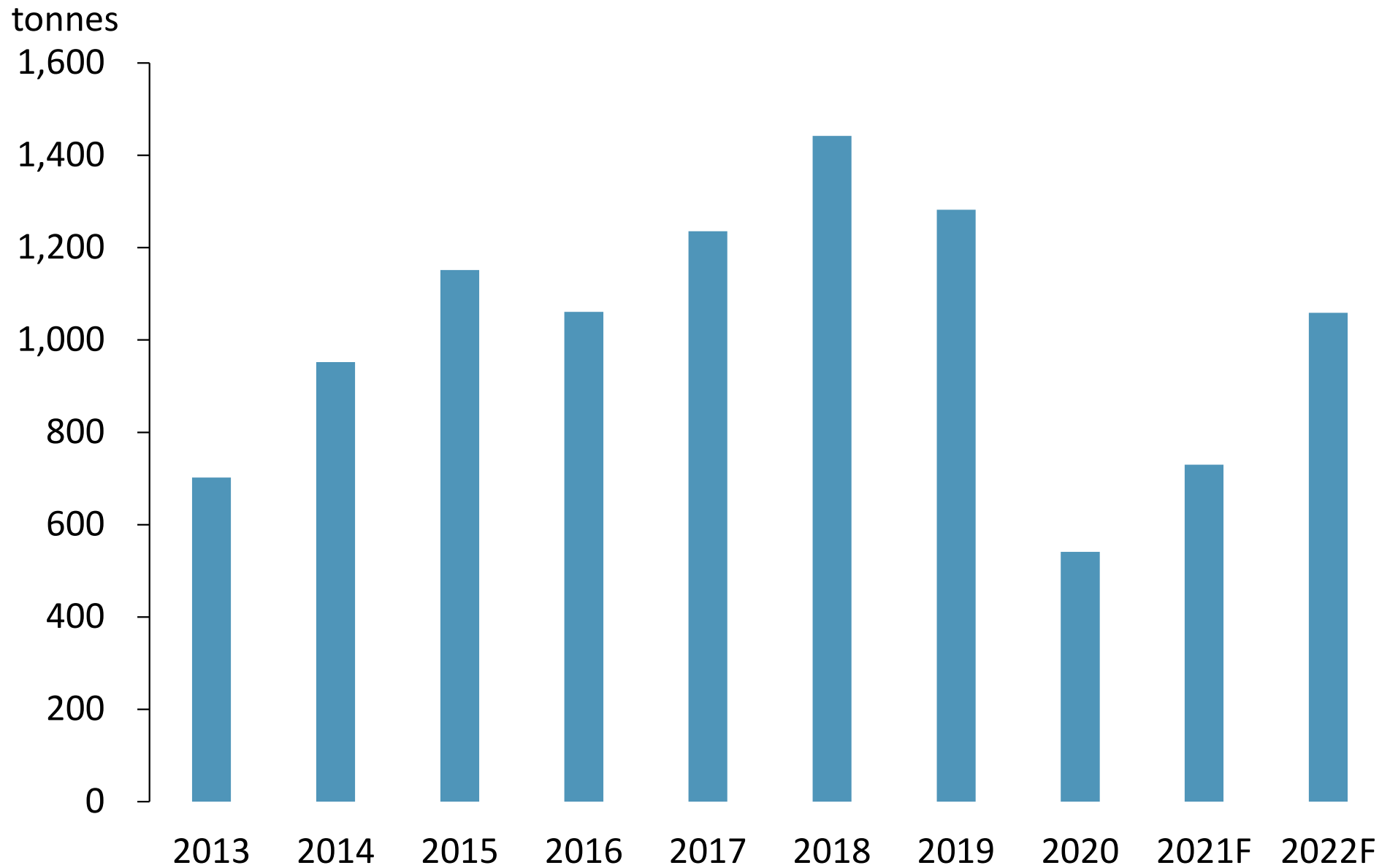
Source: Metals Focus



Indian Jewellery Fabrication



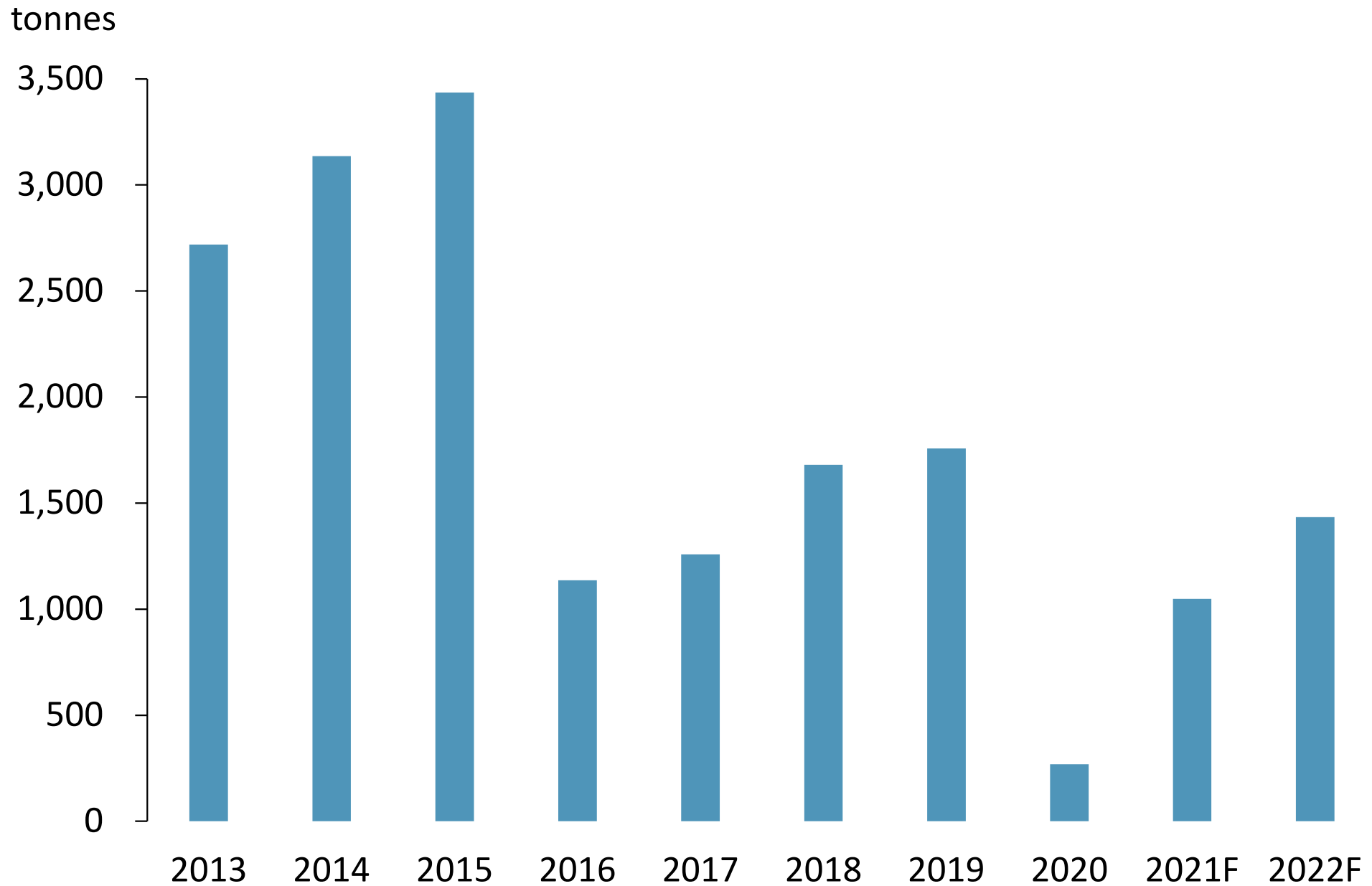
Indian Silverware Fabrication



Source: Metals Focus



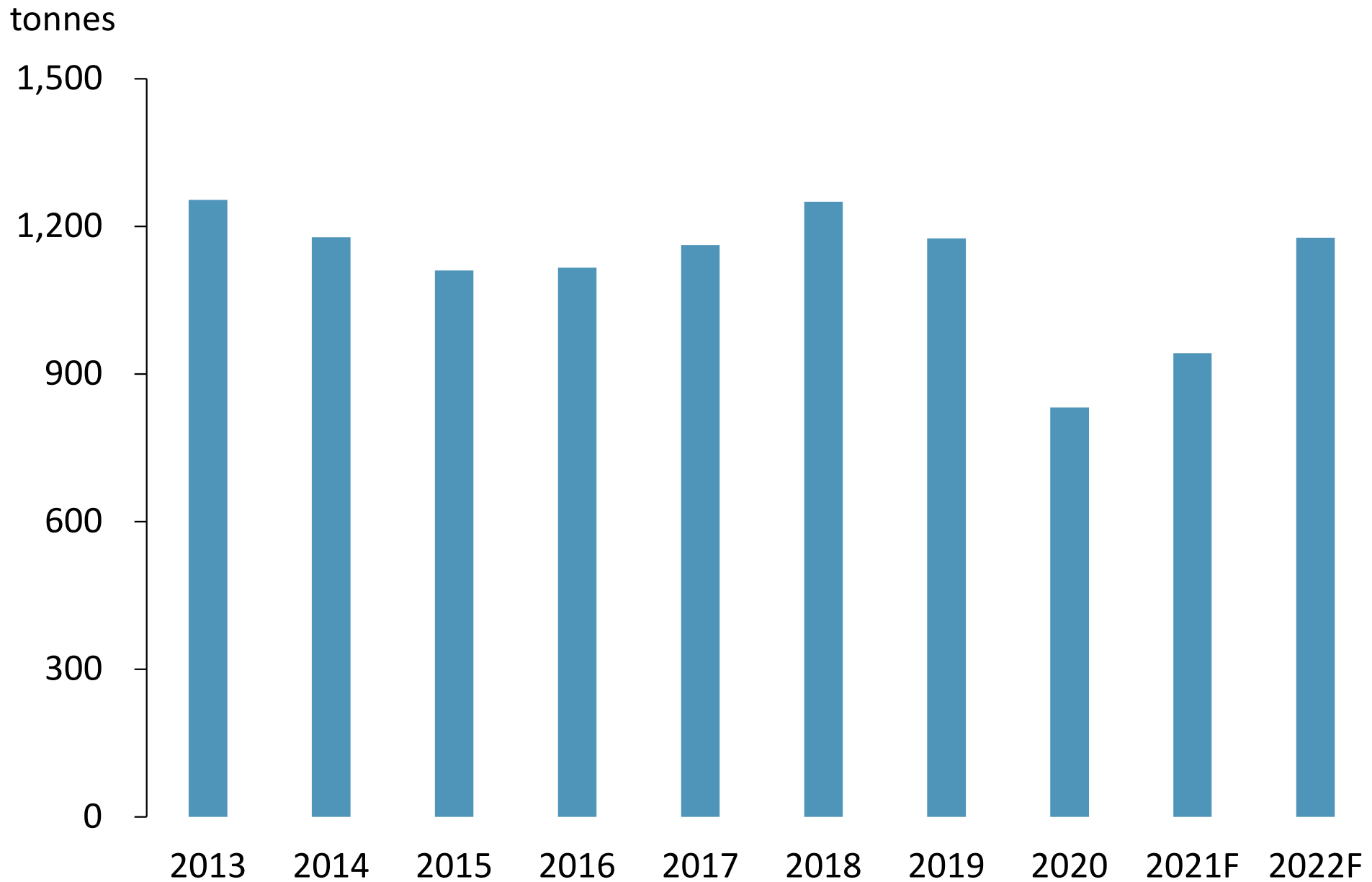
Indian Investment Demand



Source: Metals Focus



Indian Industrial Demand

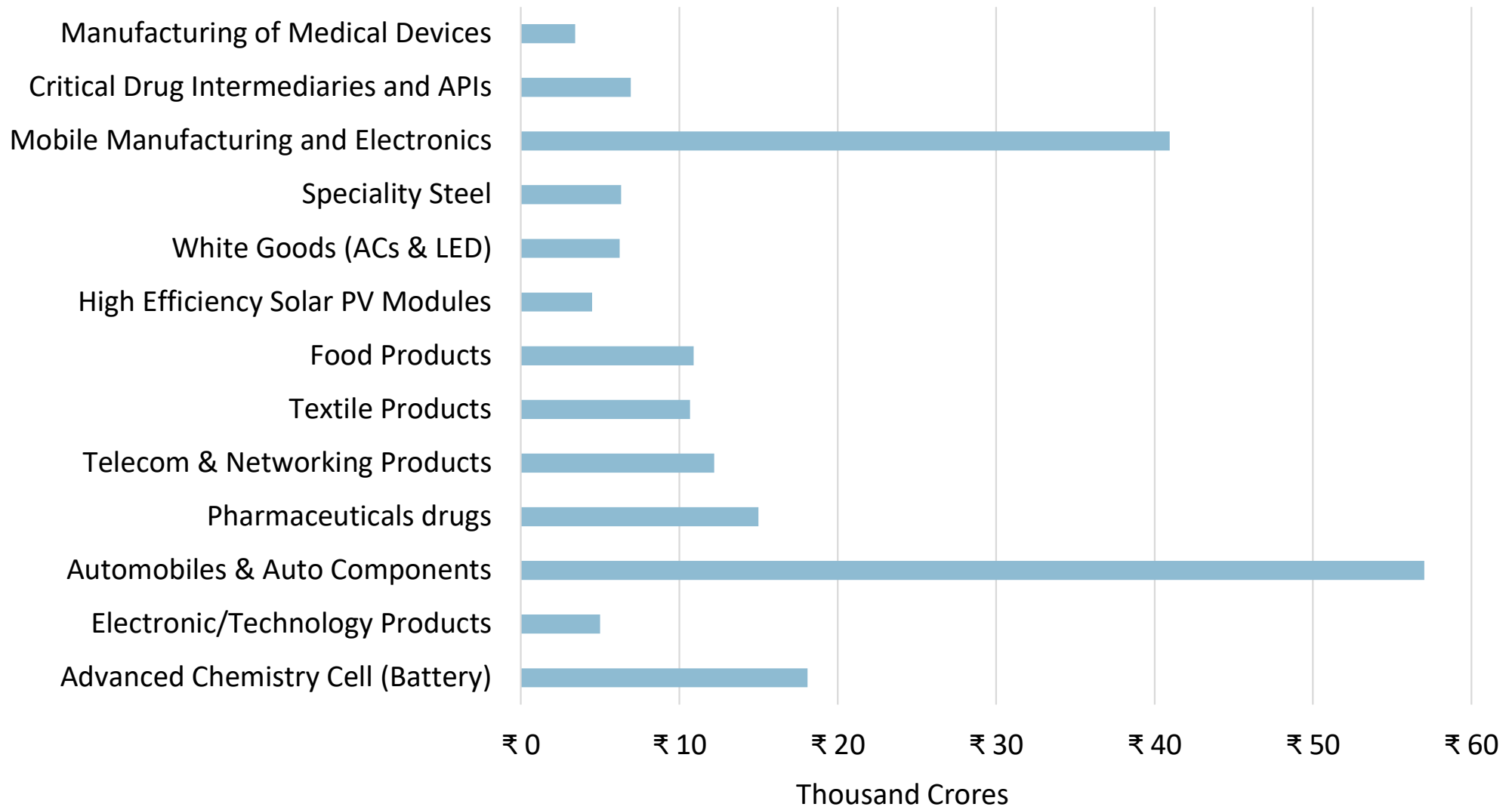


Source: Metals Focus

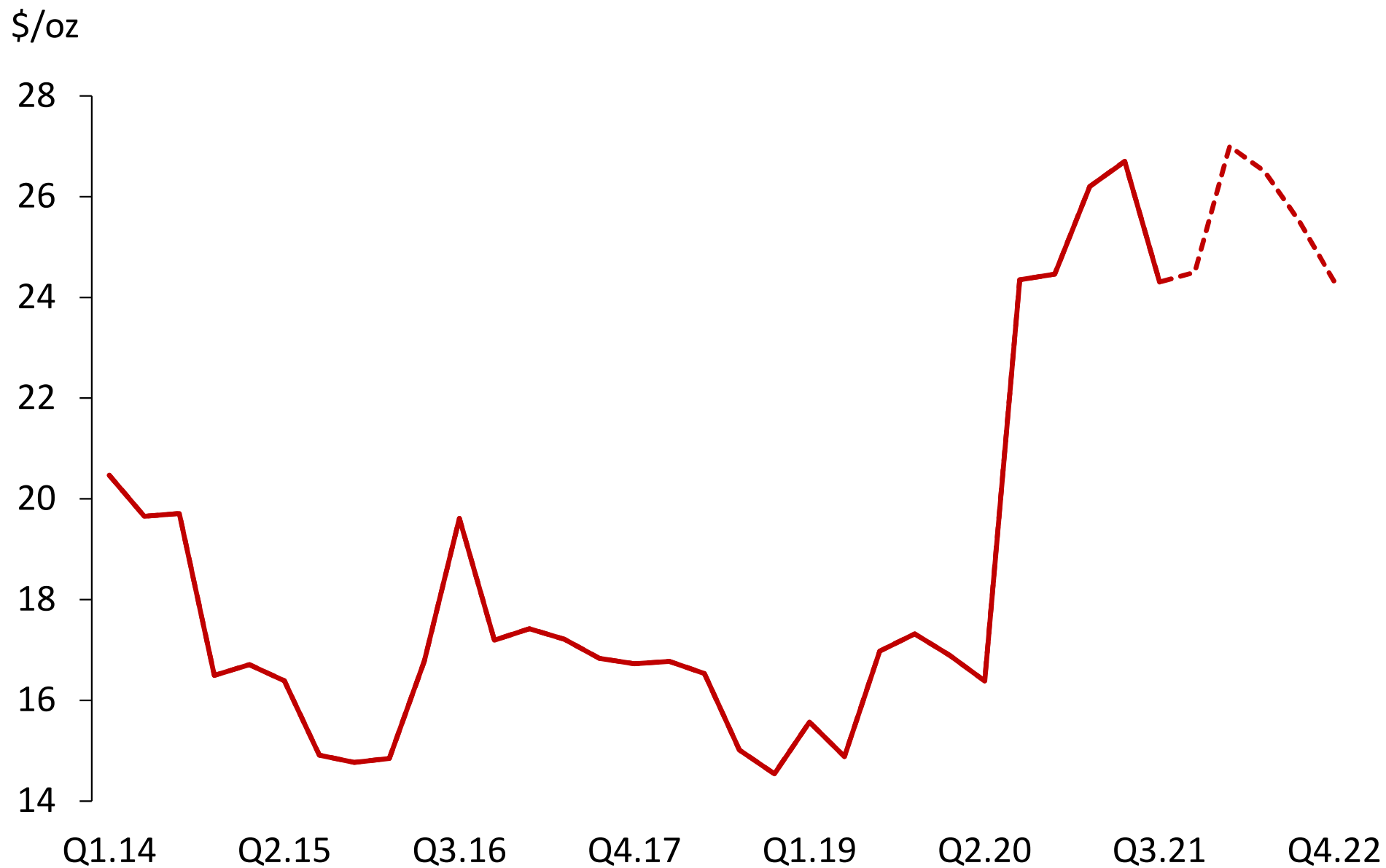


PLI Scheme Driver of Future Indian Demand

PLI Scheme Outlay



Price outlook



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