



OUTLOOK

"Silver Falls Short to Gold"
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Silver fell short of our forecasted target of \$14.25 as investors showed a strong preference for Gold over Silver as a safe haven for their assets. Year to date, Gold has a positive return while Silver is down over 20%. We attribute Silver's weakness to its role as more of an industrial commodity than Gold, making it more vulnerable in an economic downturn. Gold, on the other hand, is more of a monetary commodity than Silver, serving as an alternative to paper currencies. As a result, Gold has benefited more than Silver from the massive printing of dollars by the government which is trying to inflate its way out of this economic crisis.



There is still a place for Silver as an investment but its performance, thus far, has shown that Gold is a far better choice in a recessionary environment. When the economy strengthens and inflation picks up, Silver will have its moment to shine.

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