



**RIO Silver Lining GBP** posted a strong final quarter of 2024, gaining 6.24%, whilst spot silver lost 0.90% in the same period. All those invested are aware that Silver Lining has had an exceptional year, with four consecutive quarterly gains producing 29.88%.

I had commented in the last quarterly factsheet that there were fundamental reasons why silver could produce a strong gain, at that time the price was around £23.09 per ounce, I had also stated that the statistics had shown that there has been a significant rise in industrial uses and, as such, shortages could see the metal easily rally to £26 an ounce or more. This was correct as silver rallied to £26.61 on the 14th of February before falling back to today's price of £25.74.

**RIO Silver Lining USD** posted a gain of 2.12% in the fourth quarter of 2024 whilst spot silver lost 7.52% in the same period. Again, all those invested are aware that Silver Lining has had an exceptional year, with four consecutive quarterly gains producing 12.49%.

In the final quarter of 2024, my manager comments drew attention to the fact that silver performs best in the late stages of a major rally for gold. I had correctly stated that with this in mind, silver may be setting up to begin what could be a very significant surge higher. The fundamental reasons why silver could produce a strong gain remain in place, at that time the price was around \$28.91 per ounce. I also said that statistics had shown that there has been a significant rise in industrial use and, as such, any shortages could see the metal easily rally to \$32 an ounce or more. My forecast was proven correct as silver breached \$33 on the 14th of February, moving to a high of \$34.34 before falling back to \$32.38 today.

### **Silver tends to rally strongly at the tail end of a gold rally!**

Precious metals demonstrated remarkable strength during 2024, posting strong gains amid a confluence of global factors driving international investor demand. As 2025 opened, the bull market in gold has remained very much intact, this as the metal posted yet another all-time high this month, closing in on the all-important \$3,000 an ounce.

The silver market also looks set to see yet another positive year. For example, I would highlight the fact that silver tends to perform best in the late stages of a major rally for gold, and this is the time which certainly suggests that silver is beginning what could be a very significant surge higher. Silver is likely to rally far higher should gold move to a new high, which is very possible.

There are fundamental reasons why the silver price could produce a strong gain from today's price of around \$32 per ounce. With industrial uses rising and shortages likely to occur, the metal could easily rally to \$34 an ounce or more. That said, I have over 20 years' experience trading and investing in physical silver and to date it's been a case of- if the metal can find a way to disappoint, it will.

Disappointment over the years has come in many guises, for example, there are many who have gone on record complaining about manipulation. Yes, over the years there have been legal actions and court cases against those who have been involved in the manipulation of the silver market. I would also point out that if all the longs on the futures exchanges were to hold out for delivery, the silver price would go shooting up. Why? Well simply there is not the physical supply to deliver on all the contracts

which are currently in place. This fact also applies to many commodities, although to none, it would seem as consistently as it applies to silver.

Although it is true today that a silver correction is possible, any correction is likely to be temporary. This because the range of silver's industrial applications is expanding- and expanding fast. The demand for solar energy will continue to drive interest in the precious metal. Additionally, silver's unique properties for being the most conductive metal for electricity and heat make silver a critical component in the high-tech evolution and electrification of the global economy.

To top it all off, the supply of silver has not kept pace with insatiable market demand. After several years of deficit in supply relative to demand, the physical shortage could soon trigger a price surge, which could see silver skyrocket.

So, with the above in mind, what should members expect in 2025? I expect to see silver post a positive performance this year. Today's bullish outlook remains despite the fact that silver tests initial support near \$32 an ounce. Some analysts have pointed out that silver struggles to get out from under gold's shadow, with the yellow metal trading near record highs. The gold/silver ratio (GSR) has declined from its one-year high but remains elevated above 88:1.

I would draw attention to the fact that the long-term historical average ratio is around 60:1, this making silver particularly attractive as an investment. During 2025 I would not be surprised if the GSR falls to 70:1. This prediction has recently been given additional credence since several precious metals experts are now predicting that silver will move closer to \$40 an ounce.

### **Monetary inflation and Global debt**

Silver also remains attractive as an inflation hedge as governments, led by the US, continue deficit spending to support a struggling global economy.

The US, led by Trump, wants to avoid a 'bust' at all costs to create a positive 'boom' sentiment. The price to be paid for continually stimulating the economy is monetary inflation. Simply put, this is an inflationary boom which creates an environment where commodity prices, including silver rally higher.

If that is not enough to underline the potential upside in silver, then add to the above the fact that the global debt level is now reaching new record highs. The money supply in the system is growing rapidly without any substantial growth being created, resulting in each monetary unit losing value, driving up the price of monetary metals like silver, it's that simple!

Members don't buy gold to become millionaires, they buy gold to protect the value of what we have already invested (wealth preservation). In today's backdrop gold will certainly continue to offer portfolio protection and security.

If your purpose is speculation and you want to capture potential growth, then silver certainly looks favorable in 2025. If your purpose is simply to protect what you have earned, then gold is the right choice. There is definitely a case for both metals in 2025.

Finally, I have written reports on gold and platinum, which will be circulated later this week.

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