

# SILVER!

THE BEST KEPT SECRET IN INVESTING



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## SILVER IS RISING

The fundamental case for investing in silver not only remains strong but boldly encouraging. As the dollar continues to weaken, Europe continues to stumble, and silver supplies continue to dwindle across the globe ... the perfect conditions exist for silver's inevitable rise.

### The Experts are Clear:

"Demand from investors will pick up, as we see continued deterioration of the world financial system." **David Morgan, Independent Precious Metals Analyst, Silver-Investor.com**

"Silver acts like a precious metal on the way up and an industrial metal on the way down ... it will move contrary to the trend of the U.S. (dollar)." **Gijsbert Groenewegen, Managing Partner of Silver Arrow Capital Management**

"Demand for silver will be sustained by global concerns about fiscal profligacy, political gridlock on dealing with the US budget deficit, long-term sustainability of the US dollar, potential inflationary consequences of highly accommodative monetary policies, and economic uncertainty." **HSBC**

"It would be foolish to talk about a top in precious metals because these conditions are precisely what will drive silver prices higher." **Hubert Moolman, Independent Analyst**

**The current price of silver is providing a rare window of opportunity for investors to establish a sound position before this "poor man's metal" makes its move higher.**

In the following pages, we have outlined the history of this practical metal from its early uses, through the Silver Standard, its industrial applications, its declining global stockpile, and its renewed retail appeal.

## SILVER'S PRACTICAL BEGINNING

The discovery of silver can be traced back to the Bronze Age where it was readily accessible to ancient civilizations. The Egyptians came across silver while mining for gold and the Greeks discovered rich deposits of silver near ancient Athens.

Much like the modern world, silver proved invaluable to the ancients. It's soft, malleable quality found immediate uses in jewelry, objects d'art, vases, bowls, figurines, amulets, and adornment. Once refined by the early Egyptians, silver's beauty and brilliance earned it the name "white gold."

Much like yellow gold, early silver was also durable, rust-free, and could be polished to a glistening shine. It quickly gained favor as a

noble metal preferred by the gods and ascribed with a variety of healing and medicinal



properties. The ancient world was quick to recognize silver's anti-microbial characteristics, as it became the material of choice for crafting wine and water vessels as well as food storage containers. The Romans understood that dropping a silver coin into water would keep it more pure and that spoiled food turned silver containers black. As a result, they were among the very first to craft dinnerware out of silver.

In terms of exchange, silver became the first metal used as currency when silver ingots were employed in early trade more than 4,000 years ago. The *tetradrachm*, a silver coin from Ancient Greece was the very first coin to be accepted throughout the Mediterranean.

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## OLD PERCEPTIONS AND A NEW WORLD



Despite this rich and noble past, silver has garnered little respect in the Modern Age. In the last, few centuries we have witnessed silver's systematic bullying by the more precious perceptions of gold and platinum. Silver has been effectively ignored, overlooked, undervalued and a virtual outcast on the precious metals playground.

But this naturally rare and fine metal has provided countless civilizations with a means of trade, exchange and value. Silver has seen human kind through the rise of kingdoms, the fall of empires, the founding of territories, the ebb and flow of wars, and the vanquished and victorious aftermaths.

The "Silver Standard" actually existed from the Fall of Byzantine Empire until the late 19th century when silver began to be demonetized in favor of gold. Both the US and China ultimately banished silver from their currency as vast new silver discoveries from the American West were dumped into the marketplace in the late 1800's, thereby widening the gold /silver ratio.

Ironically this "white gold" of the ancients is far rarer than yellow gold.

As a matter of fact, it's safe to say that silver is in crisis in our modern world. Our new found appetite for silver started about 60 years ago for industrial and electronic uses ... and in just six decades, the modern industrial machine has completely devoured the world's 5,000 year old stockpile of silver.

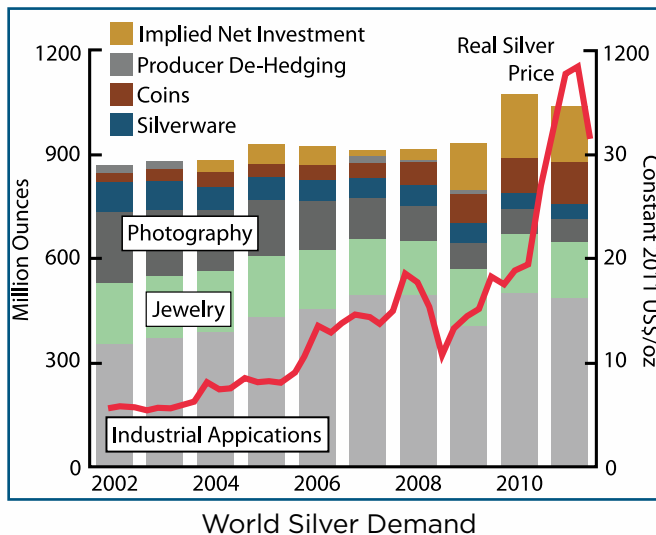


## SILVER TODAY: SUPPLY, DEMAND AND EXTINCTION?

Modern Silver boasts a variety of uses that are inextricably linked to modern life. The industrial demand for silver is soaring since almost all electronics are configured with silver. As a matter of fact if it has a switch, chances are silver plays a role in making it turn on or off! Silver possesses exceptional conductivity and is a reliable electrical pathway. It is found in circuit boards, TV sets, solar panels, telephones, microwave ovens, CD's, DVD's, batteries, hearing aids, film, medical instrumentation, etc.



*While gold is held, hoarded, and stored ... most of the world's silver is consumed. A majority of the gold ever mined is still with us, but silver is disappearing at an alarming rate!*



Aside from its commercial uses, there is growing investment interest in silver as well. In conjunction with their steady push into electronic fabrication and industrialization, both China and India have been acquiring unprecedented amounts of silver as a viable asset. Now one of the largest silver-consuming countries in the world, China has taken the additional step of encouraging its citizens to purchase silver bullion, even making it available for sale at local banks. So if the dramatic increase in industrial demand for silver were not enough, silver is also being rediscovered as a secure investment vehicle worldwide.

## AN INDUSTRIAL METAL WITH INVESTMENT ALLURE

With Silver holding a unique position as both a precious and an industrial metal, it becomes an alluring investment choice. If we consider its current scarcity and anticipated shortages, there's no doubt that global demand for silver is up and still rising. Echoes of shortages, scarcity and inventory short-falls have been further roused by the US Mint itself which halted production of the American Eagle Silver Bullion coin in 2011 when inventory failed to meet demand:



*"...because of the continued demand for American Eagle Silver Bullion Coins, 2010-dated American Eagle Silver Uncirculated Coins will not be produced. The United States Mint will resume production of American Eagle Silver Uncirculated Coins once sufficient inventories of silver bullion blanks can be acquired to meet market demand for all three American Eagle Silver Coin products."*

*– US MINT, March 2011*

Silver continues to be the affordable and low priced precious metal with impressive, safe haven credentials. It tends to increase along with the value of gold but is less expensive than gold. As a matter of fact, from 2005 to 2008 as gold outperformed a bullish market, silver outperformed gold. Silver has enjoyed an average growth of 20% per year over the past decade while outperforming the Dow Jones by 86%.

Most experts agree that silver remains under-priced, creating an ideal investment window. Because of its more reasonable price, investors can opt for an initial investment of as low as \$5,000 to as much as \$100,000 to diversify their portfolio and provide peace of mind in the event of financial and economic calamity. Silver's



appeal as an investment metal also rests with its liquidity. Since it is priced so much lower than gold, silver is surprisingly easy to convert to cash. It remains attractive to both first-time precious metals buyers as well as seasoned investors.



## CRAFTING A SOUND SILVER INVESTMENT STRATEGY

The silver market offers a variety of investment products including Coins, Bars, and Rounds. Silver bullion coins are by far the more popular investment medium. They are typically 99.99% pure and yet relatively inexpensive. They are easy to store and transport and can instantly be converted to cash. In addition, they are recognized legal tender and internationally negotiable.

Popular silver coins include the *American Silver Eagle* and the *Canadian Silver Maple Leaf*. Both offer affordable portfolio protection. The *American Silver Eagle* was first released in 1986 and is .999 fine silver. It features the “Walking Liberty” design and is considered the finest silver coin ever minted in the United States. The *Canadian Silver Maple Leaf* boasts purity of four nines (99.99% pure) and the high face value of five Canadian dollars. First minted in 1988, the Silver Maple Leaf is now held in the same high esteem as its Gold Maple Leaf counterpart. It is easy to buy or sell anywhere in the world.



These coins and many more are available through Lear Capital. At Lear, helping investors add the protection and diversification of precious metals to any financial portfolio is our specialty. We offer a full range of silver and gold bullion (in the form of coins, bars and ingots), as well as gold or silver-backed IRA's and numismatic coins for investment and retirement protection.



Through our *Precious Metals Partnership*, we help first-time investors find an ideal entry point into the precious metals market and allow seasoned investors to directly combat the volatility of economic forces unfolding around the globe. We take a market-view approach of silver, gold, the world, and you! Whether you are looking to realign your asset allocation, secure key retirement protection, or maintain an aggressive hedge against global instability, a Lear Representative is standing by with a clear plan for your future.

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You may contact a representative at [LearCapital.com](http://LearCapital.com) anytime from  
9:00am to 6:00pm PST at 1.800.576.9355 or by fax at 310.571.0194.

We invite any suggestions and feedback on our products and services.



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