

A silver lining for one technology metal



Did you know that up to 25% of hospital keyboards are contaminated with the Super Bug MRSA, a strain of staph bacteria resistant to antibiotics? That news was published earlier this year in the academic journal *Infection Control*, in an article from experts at

the University of North Carolina School of Medicine.

And why am I telling you this? Because it seems one metal can solve the problem – and it's a metal that at the moment is slightly unloved. It is, of course, silver, which today is just managing to stay above \$14/oz, partially dragged down by gold (which has shed 8.73% in the past 30 days). But this market move reflects the precious metals aspect of silver; the other aspect, silver as an industrial [and technology!] metal, is telling us quite another story.

WetKeys Washable Keyboards of Atlanta, Georgia, has now released a rigid plastic keyboard that can go in the dishwasher, coated as it is with a silver-based antimicrobial protection layer. Not only can it be washed regularly, but silver ions in the coating inhibit bacterial growth.

This is just another example of how silver's properties as an antimicrobial agent is propelling a whole new range of demand, from silver being imbedded in medical instruments to socks, and now playing a wider role in such things as water purifying.

A recent conference conducted by the Washington-based Silver Institute heard how the reflective and conductive qualities of silver were advancing the range of its industrial uses. For example, the metal is a critical element in the production of ethylene oxide, a basic chemical used in such products as polyester fibre. Silver is found in computers, cell phones, tablets. Silver threads are now being incorporated into underwear to combat body odour (Ralph Lauren is one company using this technology).

A report out this week, the regular Silver Market Review from London-based Thomson Reuters, says silver demand from the photovoltaic industry is forecast to rise by 17% this year, to 74.2 million ounces. Silver demand from ethylene producers is expected to increase by 49% this year to 8 million ounces, the highest since 2010.

Overall, though, this is being partially offset by other sectors. The drop in worldwide electronics demand – no fault of silver's, but symptomatic of sluggish demand in a stressed global economy – means use of silver in computers, etc., will fall by 2.5%. This is just one more example of how China's industrial woes are affecting the whole metal commodity scene: that country accounts for 28% of all silver used in global electronics fabrication, and China will use 7.9 million fewer ounces of silver in 2015 for this purpose.

As with gold, silver mine production is flat with Thomson Reuters expecting total output for 2015 to be 1.04 billion ounces, down 3% on 2014.

But the falling silver price has provided – well – a silver lining to the precious metals cloud. The slide in price in July and August to six-year lows triggered a surge in buying on the silver coin market, causing an unprecedented shortage of coins available from the world's largest sovereign mints.

The U.S. Mint, the Royal Canadian Mint, Australia's Perth

Mint, the Austrian Mint and the British Royal Mint recently put their silver coins on an allocation basis, with customers having to wait up to four weeks to receive their purchases.

In the September 2015 quarter, silver bullion coin sales reached 32.9 million, up 95% on the same period in 2014. Not everyone is giving up on the precious metal.