

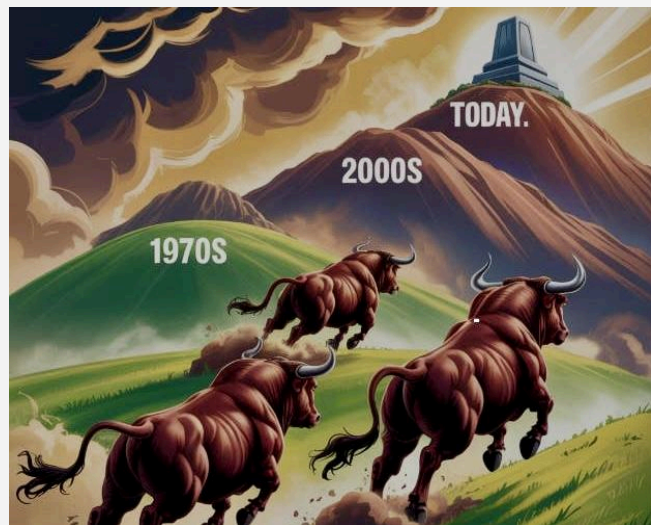
Silver's Bull Run Breaks the Mold: This Rally Won't Crash. Silver Price Becoming Price INSENSITIVE

—It's the Dawn of Perpetual Scarcity and a New Monetary Era"

THE SILVER ACADEMY
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Silver has experienced three spectacular bull runs over the past century, each driven by distinct macroeconomic, geopolitical, and supply-demand dynamics. Yet the present cycle is fundamentally different—a convergence of global mining stagnation and surging multi-sector demand threatens to ignite a much more consequential and potentially prolonged price explosion.



The Three Major Bull Runs

1970s Bull Run (1971–1980)

\$1.30 → \$50.00 → +3,746 % ($\approx 37\times$) over 9 years

1970s run: final ~ 1.5 years = 80–90% of gains

The first great silver bull began in 1971, triggered by the collapse of the Bretton Woods gold standard, runaway inflation, and geopolitical crisis. Silver meandered for years, trading below \$6 until late 1978. Then, within just 18 months, momentum exploded—rallying from \$6 to nearly \$50 per ounce as Hunt brothers' speculation, a weakening dollar, and global instability coalesced. Roughly **80–90% of gains** occurred in that brief parabolic period, revealing how silver can trade sideways for years before breaking upward in a frantic melt-up.

2000s Bull Run (2001–2011)

\$4.00 → \$49.80 → +1,145 % ($\approx 11.5\times$) over 10 years

2000s run: final ~2 years = 80–90% of gains

Silver's next major ascent began around 2001, with the metal languishing between \$4 and \$8 for several years. Gradual climbs followed, especially as de-dollarization themes and the 2008 global financial crisis fueled safe-haven demand. Yet it was only in the final two years, 2009–2011, when silver shot from \$9 to \$49.80—again, **80–90% of total gains happened fast**, as central bank interventions and monetary debasement sent investors scrambling for tangible assets.

Current Bull Run (2020–2025)

\$11.60 → \$52.00 → +348 % ($\approx 4.5\times$) so far over 5 years

This run is unlikely to peak because it will likely just keep going up (given supply demand fundamentals and growing monetary use.)

Silver's recent run arguably began at its COVID panic low in March 2020, bottoming near \$11.60. Over five years, it has risen to about \$52, a gain of roughly **348%**, but only a fraction of previous blow-off moves. Importantly, this surge so far has been steadier, not yet having delivered the classic parabolic spike characteristic of prior bull runs. WARNING, we are not very close to the time we will see the 80% to 90% gains kick in and it is better to be early than late. This is something none of us can time.

Why This Time Is Different

Stagnating Global Mining Output

Globally, silver mine production is essentially flat, hovering around 820 million ounces per year—despite rising prices and technology. Large deposits are depleting, grades are declining, and new discoveries are increasingly rare. Meanwhile the Trump regime is poking at Mexico threatening to send in troops while the Morena party is moving closer to seizing control of their valuable silver deposits.

Unlike the 1970s and 2000s, the world's geological bounty is failing to keep pace with demand, as capex and exploration remain subdued due to resource depletion

then compounded by so called “sustainable” pressures, resource nationalism, and capital constraints.

Structural Deficit: Demand Far Outstrips Supply

Current supply-demand estimates suggest annual demand for silver is now running near 1.2 billion ounces, a deficit of roughly **400 million ounces versus new mining output**. Secondary recovery (recycling) and stockpile drawdowns can only bridge this gap temporarily. The resulting shortfall is historically unprecedented, and, if sustained, threatens to exhaust above-ground inventories in the next two to three years—forcing a dramatic repricing regime as buyers scramble for scarce physical metal.

Technology-Driven Industrial Demand Shock

Unlike prior cycles, silver’s demand profile today is broader, more diverse, and less cyclical. New uses dominate:

- **Military and defense:** Smart weapons, silver zinc batteries, silver-ion batteries, communications, surveillance.
- **Electric vehicles:** Silver is critical for contacts, sensors, wiring, and battery tech.
- **Green energy:** Photovoltaic solar (where silver is irreplaceable), wind, and grid modernization.
- **Electronics, batteries, drones, robotics, AI data centers, 5G:** All are rapidly scaling operations and need ultra-conductive silver material.
- **Nuclear:** Requiring silver for neutron absorbers and specialized electronics.

This secular demand wave isn’t tied to traditional jewelry, coins, or speculative investment—meaning much of the new demand is price-insensitive, non-negotiable, and likely to accelerate regardless of financial market conditions.

Silver wasn’t Monetized in the 1970s and 2000s like today

During the 1970s and 2000s silver bull runs, the metal was not widely recognized or utilized as a monetary asset by governments or global financial institutions—its narrative was largely inflation hedge and industrial demand. Today, however, silver’s monetary role is rapidly resurging: Russia is reportedly considering adding silver to its central bank reserves, sovereign wealth funds are rotating capital into silver allocations, and India has begun permitting silver as collateral for

loans—unprecedented moves that elevate silver’s official financial status and encourage institutional accumulation on a global scale. This marks a profound break from previous cycles.

Parabolic Phase: Are We There Yet?

History suggests that silver bull runs spend years ranging and climbing gradually, followed by a wild, compressed parabolic phase that drives the bulk of total returns in just 1.5–2 years. If the 2020 bottom marks the beginning of the current run, we are about five years in, but the recent move to \$52—while impressive—is not yet the vertical explosion seen in past cycles’ final acts.

Given the scale of current deficits, mining stagnation, rapid technological adoption, monetary use and breadth of global demand, there is strong reason to believe the most dramatic leg of this bull run still lies ahead. In fact, this cycle could break historical patterns entirely, with **persistent structural shortages** forcing a “higher-for-longer” price regime and periodic price spikes as physical availability dries up.

More Thoughts

Silver’s prior booms were mostly about monetary crisis and speculative fervor; today’s run has fundamentals never seen before—chronic supply collapse, relentless new industrial uses, and a looming global inventory squeeze. While the next parabolic phase may mirror history’s final melt-ups, the underlying shortage and irreversible demand expansion mean this time really is different—and potentially much more consequential