

PERSPECTIVE

By AGWire™

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One of our core collectors sent us this story which we thought was very insightful, inspiring, and time appropriate. Enjoy! AE

In the year 1999, I had a business partner-friend "Jim" who was a former Stanford graduate and once one of the top seeded collegiate golfers in the Country. Stanford fell short by not encouraging Jim to play the real sport of tennis, but his team match partner was Tom Watson, need I say more. Jim was connected in the Silicon Valley, and when the Dot Com boom started, Jim knew everyone. He made a lot of money investing in the stocks of young companies where he was not only golfing buddies with the principals of the companies, but he knew they had solid ideas that were on the cutting edge of tech innovation. I was Jim's partner in several real estate developments, and I told Jim I had about \$600k in retirement funds to invest, and he outlined a stock investment portfolio plan for me that he said would make me a multi-millionaire quickly (not a goal of mine, but if it happened I would welcome it). I was really just looking for a solid investment where my money would grow over time, so I opted in and followed his plan. By mid 2001 my investment had grown to over \$1M and I was very happy with the program, but then the fateful day of September 11, 2001 came upon us, and life as we knew it forever changed. The human loss that day related back to me on a personal level, and still reverberates to this day. But at the same time, the focus was on protecting our family and our personal freedom. And while we were doing so, almost instantly my then \$1M+ stock portfolio evaporated down to less than \$10k in a matter of days, all but a few companies filing for bankruptcy. I kept saying to myself, "There has to be a better way."

I happened to watch Bloomberg that week and saw that Gold had closed at \$280/oz and Silver at \$4.20/oz, and I thought to myself, these metals are clearly not in fashion right now, and I vividly recalled the 1980 spike up to near \$50 silver and \$850 gold, and these current numbers looked like an absolute bargain, and somehow I just knew they would come back strong. I was partial to silver, maybe from the silver dimes, quarters and halves that were real money when I was a kid. So I did a small bit of research, and found that Engelhard Industries produced retail bullion bars and they were at the time the most recognizable bullion name in the world. So I went on a mission of buying Engelhard bullion bars for investment purposes when silver was \$4.50+/-/oz. I bought whatever I could find at a time when the market was slow and nobody seemed to want silver except Warren Buffet, and he seemed to be ridiculed for doing so even though he amassed millions of ounces, but that's another story. Silver climbed to \$6/oz, then \$8/oz, and I was still buying but kicking myself at the same time for not buying more when it was \$4.50/oz. Long story short, I kept buying and cost-averaging all the way up to \$48/oz in 2011, and yet my cost average still managed to be in the low teens.

Fast forward to today. We've seen silver pretty stagnant between \$16-22/oz for several years, and now it has made a pronounced move over \$30 again, and this time it may not look back. But still, some investors are saying they are now sellers at \$30 and they'll jump back in when it's back in the mid-\$20's. I see that as a huge risk to take, because history tells us that a significant correction may not happen. In the early 2000's I felt that same way when Silver spot hit \$5/oz, and then \$6/oz, and then \$8/oz, all the while I waited for that drop back down to \$4-5/oz, and it never happened. And now the fundamentals and real value are SOOOO much stronger than back then. I honestly don't see a major correction happening at this point. So I'm now thinking \$30/oz is the \$4.5/oz where I started. \$40/oz is the next move, and then \$50/oz and then \$80/oz, and then \$100/oz, and so on. We can't go back to yesteryear's prices, but we can try to understand trends and values, and recognize that the real value of silver *SHOULD* be multiples of where it is currently. Ted Butler is famous for saying that Silver is **THE MOST UNDERVALUED ASSET ON THE PLANET**. Given that there are tens of thousands of asset classes on the planet, that's a *BOLD* statement. For the record, I'm still buying while it's still on sale. If you're not on board, you could always buy GameStop! Do you think that will be around in 25 or 50 years? Or Bitcoin for that matter? This is all just my opinion, and maybe I'm biased, but if it ain't broke, don't fix it!

Perspectively,

Silvero Goldman

WISHING YOU ALL A SAFE, FUN AND FESTIVE MEMORIAL DAY!



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