

# WHERE DO WE GO FROM *HERE* ?



By AGWire™  
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Just three months ago, our economy was steaming along at a record pace, with stock market all time highs, housing start highs, unemployment all time lows, interest rate lows with strong and growing consumer optimism. That was three short months ago, which now seems like an eternity. Enter COVID-19...

As a kid growing up in the latter half of last century, I remember hearing the word Billion, and I had to see it written down to fathom how many zeros were contained in the enumerated word. One Billion has 9 zeros to be exact, 1,000,000,000. It was a huge number way back then, and only a few of the largest corporations in the world could claim a valuation with the 'B' word. The wealthiest individuals were multi-millionaires, and THAT at the time was jaw dropping! Remember Jed Clampett's deposits in Mr. Drysdale's bank totaled some unfathomable amount like \$26 million?

Today 7.2 million households are 'millionaires', and there are about 700 billionaires in the US. The word Billion has become almost ho hum, as the new Trillion is quickly taking over. A Trillion has twelve zeros, yes, 1,000,000,000,000. And with the US Government printing more money in the past 3 months than the total money printed since US currency started, there is reason for all of us to worry. The Trillion word will be short-lived, only to be replaced by Quadrillion (15 zeros, a thousand trillions, but who's counting!).

But the funny thing is, the value of currency and money always comes back in conversation to two things, Silver and Gold. We're focusing on Silver because the current Gold/Silver ratio is at an historic peak of +/- 120/1 (120 ounces of Silver to 1 ounce of Gold) NEVER has Silver been sooooo undervalued, both in relation to Gold and at its current spot price. And if we estimate that the world has 2.5 Billion ounces of silver in all forms currently above ground, at a spot value of \$15.50 per ounce, that is a total Silver commodity value of \$38.75 Billion dollars. There are many billionaires in the world today who could theoretically purchase all of the silver in the world. The difficulty with that, though, is that there is very little physical silver available to purchase. And the silver that is available is offered at substantial premium over spot price. This is because with Silver (and Gold) there are two markets, the Physical metals market (i.e. the real thing) and the Paper market (i.e. hypothetical, think 'carbon copy'). If your 'owned' silver is not physical, then you better hope it is backed by physical silver or you only own an iou that is as good as Lloyd Christmas's box of \$6M iou's in "Dumb & Dumber".

Would you rather have a digital file on your computer screen that says you own X amount of Silver? Or would you rather have Physical Silver in hand? We truly hope that you know the answer at this point!

If you can find generic physical silver to buy today, even at a 20% premium, you are buying real value and real money. Physical silver at \$20/ounce today will look like the bargain of the century in the coming years, possibly even the coming months. One thing is for sure, it won't get any cheaper, relatively. And if you can find collectible bullion at a reasonable premium, all the better! That's how it all started for us.

No one knows how the effects of COVID-19 will play out in our US and World economy, but most folks know that defaults, bankruptcies, homelessness, etc. will likely get worse before it gets better, and we may be in for a long long recovery, which will mandate the printing of trillions and trillions of new unbacked dollars to keep things afloat. Every day it becomes easier and easier to understand how silver could **easily** jump to \$50/ounce, or perhaps \$100/ounce, or likely even higher. Some studies have shown that there is actually more above ground Gold in the world than Silver. Could Silver ultimately be worth More than Gold? We'll spare ourselves the fantasy on that until it becomes a reality, which it might. Until then, the thought of \$10,000/ounce Gold and \$500/ounce Silver doesn't seem so far fetched any more!

Quintillions,

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