

SILVER

(Data in metric tons¹ of silver content, unless noted)

Domestic Production and Use: Silver produced by about 120 mines in 18 States had an estimated value of \$250 million. The following four States accounted for nearly three-fourths of the 1995 mine production: Nevada, 44%; Arizona, 11%; Idaho, 11%; and Montana, 5%. Precious metal ores accounted for approximately one-half of domestic silver production; the other one-half was recovered from base metal ores. There were 22 principal refiners of commercial-grade silver. About 30 fabricators accounted for more than 90% of the silver consumed in arts and industry. The remainder was consumed mostly by small companies and artisans. The largest silver fabricators were principally in the Northeast. Approximately 50% of the refined silver consumed domestically in 1995 was used in the manufacture of photographic products; 20% in electrical and electronic products; 10% in electroplated ware, sterlingware, and jewelry; and 20% in other uses.

Salient Statistics—United States:	1991	1992	1993	1994	1995^e
Production: Mine	1,860	1,800	1,640	1,480	1,500
Refinery: Primary	1,880	2,160	1,790	1,810	1,800
Recycled	1,700	1,760	2,020	1,700	1,700
Imports for consumption ²	2,700	3,220	2,500	2,600	3,000
Exports ²	841	1,010	811	967	1,500
Shipments from Government stockpile excesses	255	356	404	186	300
Price, average, New York, dollars per troy ounce	4.04	3.94	4.30	5.29	5.30
Stocks, yearend: Treasury Department ³	1,030	775	912	882	850
COMEX, CBT ⁴	8,760	9,380	10,500	10,400	6,000
Department of Defense	23	29	34	15	20
Employment, mine and mill ⁵	1,900	1,600	1,100	1,000	1,000

Recycling: About 2,000 metric tons of silver was recovered from recycled material in 1995.

Import Sources² (1991-94): Mexico, 38%; Canada, 33%; Peru, 16%; Chile, 10%; and other, 3%.

Tariff: No duties are imposed on imports of unrefined silver or refined bullion.

Depletion Allowance: 15% (Domestic), 14% (Foreign).

Government Stockpile:

Stockpile Status—9-30-95

Material	Uncommitted inventory	Committed inventory	Authorized for disposal	Disposals Jan.-Sept. 95
Silver	1,450	—	1,450	232

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Events, Trends, and Issues: Domestic silver production remained essentially unchanged from the previous year, despite a slight improvement in the average price. Although analysts estimated that domestic silver consumption increased in 1995, it was believed that the increase was met through a decrease in investor-held stocks.

The Government continued to dispose of the silver held in the National Defense Stockpile, using it primarily for the production of commemorative coins and the Eagle silver bullion coins. In nearly 14 years, from 1982 through late 1995, the Government has reduced the quantity of silver held in the stockpile from nearly 4,300 metric tons to less than 1,500 metric tons.

In 1995, the average silver price remained essentially unchanged from the previous year. Through the first 9 months, the daily price ranged between \$4.39 and \$6.02 per troy ounce.

World Mine Production, Reserves, and Reserve Base:

	Mine production		Reserves ⁶	Reserve base ⁶
	1994	1995 ^e		
United States	1,480	1,500	31,000	72,000
Australia	1,060	1,100	29,000	33,000
Canada	758	900	37,000	47,000
Mexico	2,330	2,200	37,000	40,000
Peru	1,700	1,600	25,000	37,000
Other countries	<u>6,570</u>	<u>6,600</u>	<u>120,000</u>	<u>190,000</u>
World total (rounded)	13,900	14,000	280,000	420,000

World Resources: Approximately two-thirds of world silver resources are associated with copper, lead, and zinc deposits. The remaining one-third is in vein deposits in which silver is the most valuable metallic component. Although most recent discoveries have been primarily gold and silver deposits, significant future reserves and resources are expected from major base metal discoveries that contain byproduct silver.

Substitutes: Aluminum and rhodium substitute for silver in mirrors and other reflecting surfaces. Tantalum can be used in place of silver for surgical plates, pins, and sutures. Stainless steel is an alternate material used widely in the manufacture of table flatware. Nonsilver batteries being developed may replace silver batteries in some applications. Silverless black and white film, film with reduced silver content, and xerography are alternatives to some uses of silver in photography.

^eEstimated.

¹One metric ton (1,000 kilograms) = 32,150.7 troy ounces

²Refined bullion, plus silver content of ores, concentrates, precipitates, and doré; excludes coinage, and waste and scrap material.

³Balance in Mint only.

⁴COMEX: Commodity Exchange Inc., New York. CBT: Chicago Board of Trade.

⁵Source: Mine Safety and Health Administration.

⁶Includes silver recoverable as a byproduct of base metal ores. See Appendix C for definitions.