

## Silver market summary Apr 7-12

BEIJING (Asian Metal) 15 Apr 13 – The worse date from the US employment and economy gave some support to Bullion prices and silver price rebounded slightly during the week after a large decline last week. Loco London Silver increased slightly but still oscillated below USD28/oz. In Chinese spot market, silver price rebounded to about RMB5,700/kg on Wednesday from RMB5,550/kg on Monday. Smelters still released silver conservatively and deals were relatively thin during the week.

### Company news

Hunan Huaxin Nonferrous Metal Co., Ltd only produced about 10t of silver in March as the company maintained equipment in March and operated with about 50% of the production capacity. The company produced 150-160t of silver in 2012 and the schedule production is 200-250t in 2013. They produced 30,000-40,000t of lead ingot in 2012 and plan to increase lead production to 60,000t in 2013.

### Chinese domestic market review

Silver prices rebound during the week but still stayed below RMB5,800/kg. The latest US economy data released on Tuesday was worse and the easing hope in global gave momentum for bullion price to rebound temporarily, and silver price in China increased to RMB5,700/kg on Wednesday. Silver trading remained stable despite of the fluctuating prices but the demand was not very strong.

Chinese silver ingot 99.99%min market prices by region on 12 Apr

City	Item	Spec	Price	Up/Down	Unit	Basis
Hunan	Silver ingot	99.99%min	5,600-5,620	+10	RMB/kg	Ex works
Shanghai	Silver ingot	99.99%min	5,610-5,630	+10	RMB/kg	Free market
Zhejiang	Silver ingot	99.99%min	5,600-5,620	+10	RMB/kg	Ex works

Henan	Silver ingot	99.99%min 5,600-5,620	+10	RMB/kg	Ex works
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### International market review

The non-agricultural employment data released last Friday was worse than expected and Japanese Central Bank strengthened easing monetary policies. The favorable news for gold and silver did add little confidence in bullion market. However, the voice of terminating quantitative easing policies in advance within FED became stronger. Large amounts of fund flowed out of bullion market with the decreasing of gold ETFs inventory. Loco London Silver fluctuated at a low level of USD27.15-28.08/oz during the week. On Tuesday, a report released by IMF showed that central banks continued easing monetary policies and the worse economic data in the US gave bullion prices support and Loco London Silver increased to USD28.08/oz, the highest point of the week.

### Gold inventory of 8 main ETFs in global

Unit: t

Date	Inventory	Change
8-Apr-13	1,761.713	0
9-Apr-13	1,756.775	-4.938
10-Apr-13	1,739.927	-16.848
11-Apr-13	1,737.821	-2.106
12-Apr-13	1,714.956	-22.865

### Silver inventory of iShares Silver Trust

Unit: t

Date	Inventory	Change
8-Apr-13	10,497.59	0
9-Apr-13	10,497.59	0
10-Apr-13	10,497.59	0
11-Apr-13	10,497.59	0
12-Apr-13	10,497.59	0

**Outlook for next week**   down ↓   **Chance**   60%   **-RMB400/kg**

Goldman Sachs lowered gold expectation. Large investors and banks showed little confidence in bullion market. Loco London Gold broke down USD1,500/oz on Friday night. Pessimistic attitude existed in bullion market and will envelop the market for a long time. After this decrease, bullion prices will stay at a low level for some time. However, a slight rebound after the large decline of Loco London Silver will appear in the coming week. It is predicted that Loco London Silver may fluctuate around USD26/oz.