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Analysis Strategy Resources
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Total capitalization of silver mines

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The objective of these calculations is to know the valuation total of silver mines to know what they represent with regard to the other traditional stock. I grouped together silver mines of Europe, Africa, America, Australia and Asia. I misses, certainly some small silver mines of Asia.

Capitalization of the company of silver

A. Companies with reserves.

I listed 45 silver mines which have defined deposits of silver. They are included in this list. Their silver in reserve just has to represent more than 1st 1 % of their total reserves of materials. For example, a very big golden producer was included in this list, he is nevertheless only 13 % (+/-) of his silver reserves, but those represent more than a third of the total capitalization of silver mines. These companies live on five continents and exploit deposits of silver all around the world. The Canadian companies are the most present in this domain. Some small silver mines are missing, doubtless, but the main companies are present. I agreed to integrate into the group of the companies which had no silver in reserve. On the other hand, they had enormous market capitalizations to obtain a group on estimated and a total rather on estimated than under estimated.

- In this group, the biggest goldmines to the world are inserted. They are mainly golden producers but no silver. What counts, it is that they have silver in reserve, even if, finally, their stock-exchange valuation represents especially gold reserves, zinc, copper and lead.

B. Company of investigation.

This category includes forty five mines which make some investigation in the sector of the silver. The total capitalization of these companies of investigation is 1 765 million dollars. Small companies of investigation are certainly missing, but fortunately it is eased by a weak relative average capitalization.

C. The total.

For summary, we have 25 909 millions dollars (25.9 billion dollars) for silver mines with reserves and 1 765 million dollars for the companies of investigation of silver.

$1\,765 + 25\,909 = 27\,674$ millions dollars.

The total capitalization of silver mines is 27.6 billions dollars.

In brief, I include in my study all which contains some silver, even if it enlarged in a disproportionate way the total capitalization of the group.



The value of the silver in the capitalization of silver mines

A. The value in stock exchange of the silver of silver mines.

There is little primary producer of silver, the silver is extracted almost always in under product of the gold, the zinc, the copper and the lead. Consequently, the stock-exchange valuation does not represent only silver in reserve, but also reserves copper, of gold, zinc, lead. This means that silver in reserve is even less valued than these 27 billion dollars.

B. The part of the other metals.

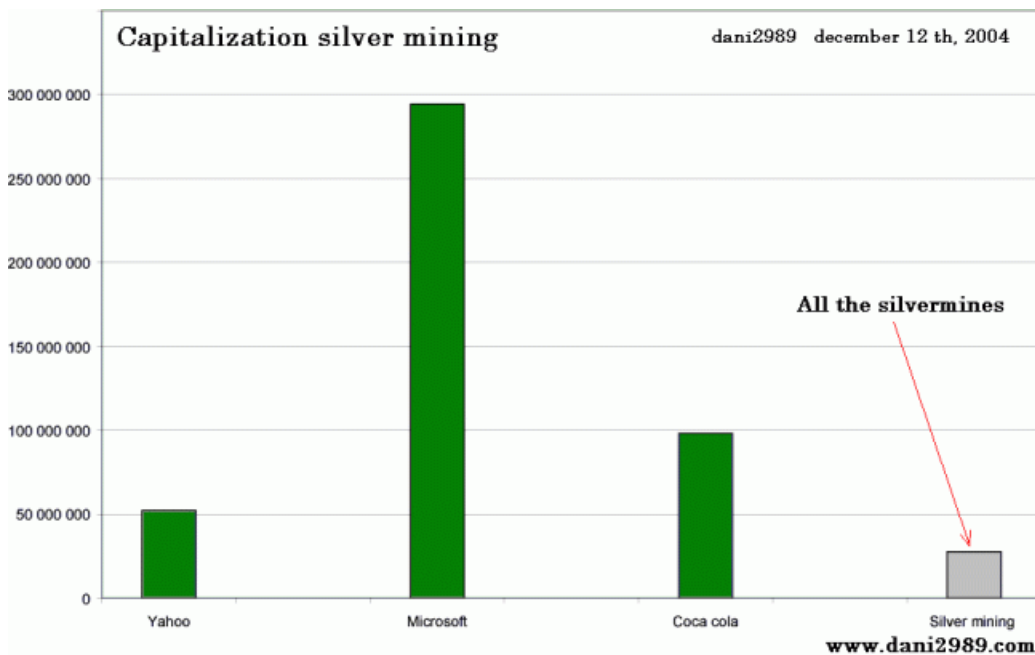
- In one precede article [The silver in reserve of silver mines](#), I had an average of 42 % of silver in reserve for silver mines. However, this figure still falls a little lower if we take into account the stock-exchange valuation of the companies.

- My statistical tables gives an average valuation of $\frac{1}{2}$ for the zinc, the lead and the copper, $\frac{1}{4}$ for the gold and $\frac{1}{4}$ for the silver; this for one ounce of gold in 434 dollars, one ounce of silver in 6.67dollars, the zinc in 1 122 dollars the ton, the copper in 2972 dollars the ton and the lead in 942 dollars the ton. A company of silver has on average a distribution of the reserves which is divided

for $\frac{1}{4}$ golden, $\frac{1}{4}$ silver and the $\frac{1}{2}$ the zinc, the copper, the lead. We can thus deduct that from it on the 27 674 million dollars of market capitalization of silver mines, only $\frac{1}{4}$ is the result of their silver in reserve. Be careful!! This is not really precise, it is just a question of giving an order of height.

It is difficult to create a group for silver mines because most of the silver mines above all produce gold, zinc, copper, lead. I thus adopted a very wide definition to accept the most possible.

One time group it mines of defined silver, it is necessary to underline that one part of its value is nevertheless golden, zinc, copper, lead.



Comparison

A. Comparison of the total valuation of silver mines with big capitalizations.

Here are some big market capitalizations.

- Yahoo: 52 300 million dollars.
- Microsoft: 294 400 million dollars.
- Coca cola: 98 100 million dollars.

All the silver mines of the world thus represent only half of the valuation of Yahoo or quarter of the valuation of coca cola.

B. A reduced capitalization.

The quarter of the capitalization of coca cola is enough for buying all the silver mines and the companies of investigations in the sector of the silver. But, if we subtract from the capitalization of silver mines, the value on behalf of the gold reserves, of the copper, of zinc and of lead, it does not stay more than $\frac{1}{4}$ of these 27 billions, it is to say 6.75 billion dollars, what makes no more than $\frac{1}{14}$ of the capitalization of coca cola. The total capitalization of silver mines represents only $\frac{1}{4}$ of the capitalization of coca cola.

To end, the total capitalization of the silver mines of the world, in the broad sense, represents that the quarter of the capitalization of coca cola. Nevertheless, if we reduce the capitalization to the fact that represents the silver in the total reserves of these mines, we obtain $\frac{1}{14}$ of the valuation of coca cola. These calculations were already making not numerous authors, however I wanted to verify with my own figures. It confirms that the capitalization of silver mines is reduced and that there will be no place for all the investors.

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