

growth during past few months. Volumes in gold ETFs are posting over 100% growth for past several months. This shows that awareness about retail investment products like ETFs is gaining momentum and we can expect further growth in it," Kothari said.

Even though several companies have been wanting to start Silver ETFs, the launch of the exchange traded funds in the white metal has been stuck in regulatory frameworks.

"Unlike Gold ETF, it has not been an easy sailing for Silver ETFs in India. The matter has stuck into regulatory disputes. Typically, ETFs operate in a format similar to equities, as they are traded on equities exchanges. While Gold ETFs are regulated by equities market regulator, Securities and Exchange Board of India (SEBI), the Silver ETFs are argued to be regulated by Forward Markets Commission (FMC), the commodities market regulator in India. We are awaiting for a approval from the regulators but nothing so far has been received. The matter is currently with the Indian Central government," Kothari said.

Mumbai-based Benchmark Mutual Fund which was the first company to start a Gold ETF in 2007 and has the largest collection of more than five tonnes may be the first to launch Silver ETFs also in India.

Benchmark Mutual Fund officials said that the company is all set to launch Silver ETFs in India as soon as the government approval comes. "We are ready to launch Silver ETFs any day. We want to spread the ETF investment options to several commodities in India. After Gold ETFs, it is now the turn of Silver ETFs," a senior Benchmark official who did not want to be named told *Commodity Online*.

Silver like gold is a hot investment in India. Jewellery chains across India are promoting silver as affordable and modern jewellery in place of gold.

India's silver imports, which in US dollar terms were \$309.8m in June 2010, up 854% on the year, while in the first six months of 2010 they are up 579%, at \$1.69bn. India's appetite for silver has been boosted because gold has become too expensive at current prices.

Globally, with gold prices having just scored a new all-time record high and with silver futures prices still not even close to the all-time high, many investors reckon silver futures are still a buying opportunity with still more upside price potential in the coming weeks and months.

On Thursday, the March Comex silver futures contract this week hit a fresh three-week high of \$28.88 an ounce. The silver bulls have gained good upside near-term technical momentum recently and prices are now within striking distance of strong technical resistance at the November high of \$29.405, which is also a 30-year high.

Globally, silver looks set to record its seventh quarterly advance which would be its best performance since 1974. Technical traders and fundamentals investors are now looking at "poor man's gold" and scent an opportunity. Silver, unlike gold and most other commodities, remains well below its record (nominal) high of \$50.35/oz.

According to *goldcore.com*, silver looks set to record its seventh quarterly advance which would be its best performance since 1974. Technical traders and fundamentals investors are now looking at "poor man's gold" and scent an opportunity. Silver, unlike gold and most other commodities, remains well below its record (nominal) high of \$50.35/oz.