The Essential Guide to

Silver Investing in Israel 🇮🇱

Why the World's Most Undervalued Metal
Deserves a Place in Your Portfolio

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Lavi SILVER GROUP

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CHAPTER 01

Essential Terminology

A Reference Guide to Precious Metals Nomenclature

Before we dive in, here's a cheat sheet. You don't need to memorize any of this — we explain everything as we go.

Spot Price	The live market price for silver. Moves throughout the day based on global trading.
Premium	What you pay above spot. Covers manufacturing, distribution, and market conditions.
Troy Ounce	Standard precious metals unit: 31.1g. About 10% heavier than a cooking ounce.
Bullion	Investment-grade silver in standardized forms — coins, bars, rounds.
Sovereign Coin	Government-minted coin (Eagle, Maple Leaf, etc.) with guaranteed weight and purity.
Round	Privately minted coin-shaped piece. Same silver, lower premium, no government backing.
Supply Deficit	When consumption exceeds production + recycling. Gap filled by drawing down stockpiles.
Gold:Silver Ratio	Silver ounces needed to buy one gold ounce. Currently ~60:1. Historical average ~47:1.
COMEX	Primary North American precious metals futures exchange (part of CME Group).
LBMA	London Bullion Market Association — the international wholesale market.
Fineness	Purity in parts per thousand. .999 = 99.9% pure. .9999 = 99.99%.
VAT (Ma'am)	Israel's Value Added Tax: 18%. Applied to silver purchases. Recoverable for businesses.
Counterparty Risk	Risk that whoever owes you something can't pay. Silver in hand = zero counterparty risk.

Quick Reference: Common Conversions

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1 Troy Ounce = 31.1035 grams          .999 Fine = 99.9% pure silver
1 Kilogram = 32.15 troy ounces         .9999 Fine = 99.99% pure silver
1 Tonne = 32,150 troy ounces           Sterling = 92.5% silver (not investment grade)
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Understanding Premium Structure

Premium is expressed as an absolute dollar amount (e.g., “$3 over spot”) or percentage (e.g., “10% above spot”). Premiums vary by product type: generic rounds carry lower premiums than sovereign coins. During periods of high demand or supply constraints, premiums can expand significantly beyond normal levels.

Sources: LBMA; CME Group (COMEX); Israel Tax Authority.

CHAPTER 02

Executive Summary

The Investment Thesis

Silver has quietly become one of the best-performing assets of the last decade. In February 2016, an ounce of silver cost about $15. Today it trades at approximately $83 — a 479% return in ten years, outperforming gold (+321%), the S&P 500 (+322%), and most alternative asset classes.[1]

Unlike most high-performing assets, this story isn't about hype or momentum. It's about what factories need.

About 57% of all silver produced on Earth goes straight into manufacturing — solar panels, electric vehicles, semiconductors, medical devices, 5G infrastructure. It gets consumed. Used up. And the world is running out of it.

The silver market has been in a physical supply deficit for seven consecutive years. The cumulative shortfall: approximately 1.2 billion ounces.[2] No new major mines are coming online anytime soon (average development time: 18 years).[3] China just restricted exports.[4] The US just designated silver a critical mineral and may be building a government price floor to protect domestic supply.

Three forces converging at once

1. Industrial demand is at record levels — and accelerating.

About 57% of all silver consumed globally goes to manufacturing. Industrial demand hit 680.5 million ounces in 2024 — a fourth consecutive annual record. And here's the part that makes silver fundamentally different from gold: it gets used up. Consumed in products. Unrecoverable at current economics. Gold sits in vaults. Silver goes into your phone, your car, and the solar panel on your roof.

2. Supply is stuck.

Global mine production peaked at about 900 million ounces in 2016 and has been essentially flat since. In 2024: 819.7 million ounces — still 7% below peak. The structural reason: 72% of all silver is mined as a by-product of copper, lead/zinc, and gold operations. Even if silver triples in price, a copper mine doesn't suddenly start producing more of it. And new supply takes a staggeringly long time. S&P Global data shows the average mine takes 17.9 years to develop. In the US: 29 years.

3. Governments are treating silver as a strategic asset.

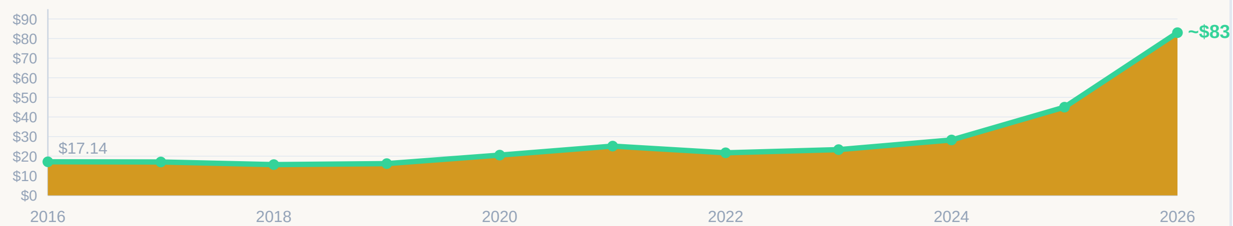
The United States designated silver a critical mineral in 2025. China restricted silver exports effective January 1, 2026 — requiring government licenses and effectively blocking smaller exporters. The Trump administration is building minimum price floors for critical minerals through the FORGE initiative, with 54 countries at the table. For the first time in modern history, silver is being treated the way oil has been treated for decades: as essential to national security.

Period	Silver	Gold	S&P 500
1 Year	+172.6%	+75.3%	+15.2%
5 Year	+215.2%	+186.7%	+89.5%
10 Year	+479.2%	+321.3%	+322.5%

Spot USD/oz close, date-to-date. S&P 500 Total Return (dividends reinvested). As of Feb 24, 2026. All returns are gross of transaction costs.

~$83/oz	+172.6%	7 Years	1.2B oz
Current Spot Price	1-Year Return	Consecutive Deficit	Cumulative Shortfall

SILVER PRICE: 2016–2026



LBMA Silver Fix annual averages 2016–2024; 2025–2026 approximate spot.

This guide will walk you through all of it — the data, the context, and the practical how-to for buying, holding, and selling physical silver in Israel. It's the guide we wish we'd had when we started investing.

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1. LBMA Silver Fix, spot price close, Feb 2016 vs. Feb 2026.
2. World Silver Survey 2025, Silver Institute / Metals Focus.
3. S&P Global Market Intelligence, Mine Development Pipeline Report, 2024.
4. USGS Critical Minerals List, Federal Register, 2025; China Ministry of Commerce, Export Control Notice No. 54, 2025.

Sources: World Silver Survey 2025; Silver Institute; Metals Focus; S&P Global; USGS.

FOREWORD

A Note from Gavriel & Judah

We didn't start Lavi Silver Group because we thought the Israeli market needed another financial product. We started it because we'd been buying silver ourselves for years, and the experience of doing it from Israel was — frankly — terrible.

Limited options. High premiums. No reliable guidance on how Israeli tax law actually treats precious metals. Every time we wanted to add to our positions, we'd spend hours navigating import rules, comparing international dealer prices, and trying to figure out the VAT implications. We figured if we were dealing with this — with our combined 25+ years of corporate experience and reasonably good research skills — other Israeli investors had to be hitting the same walls.

So we built the firm we wished existed. One that sources directly from established US distributors to get better pricing. That actually explains the tax picture in plain language. That treats a ILS 50,000 first purchase with the same care as a ILS 500,000 portfolio.

> “ *We treat your wealth as if it were our own.*
>
> — Lavi Silver Group

Our approach is simple: we'd rather you understand silver deeply than buy it impulsively. Every data point in this guide is sourced from publicly available research — the World Silver Survey, LBMA pricing data, COMEX warehouse reports, analyst publications — and we've verified it across multiple sources. Where we've drawn conclusions, we've shown our work.

If, after reading this, you decide silver isn't right for your portfolio, that's a perfectly good outcome. An informed decision is always the right one. If however you decide to move forward with silver, we're here to help.

Judah Rosen
Co-Founder: Sales & Strategic Advisory

Gavriel Burger
Co-Founder: Operations & Compliance

PART I

The Industrial Story

The science, the deficit, and the forces at work

CHAPTER 03

What Makes Silver Irreplaceable

The Science Behind Industrial Indispensability

There's a reasonable question that comes up every time we talk to a new investor about silver's industrial demand story:

“Okay, but if silver gets expensive enough, won't they just find a substitute?”

It's the right question. And the answer is: they've been trying. For decades. It hasn't worked.

◆ FUNDAMENTAL

Superlative Conductivity

Silver possesses the highest electrical conductivity of any element: 6.29 × 10■ S/m at 20°C, approximately 6% higher than copper and 50% higher than gold. In applications where efficiency losses compound, this differential is operationally significant.

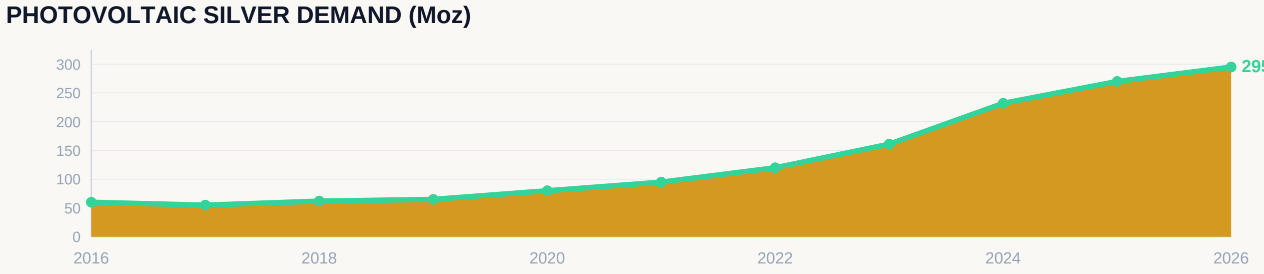
Property	Silver	Copper	Gold
Electrical Conductivity	Highest (100%)	97%	76%
Thermal Conductivity	Highest (100%)	93%	74%
Optical Reflectivity	97.5%	Low	Low
Antimicrobial	Broad-spectrum	Limited	None
Cost/oz (Feb '26)	~$83	~$0.30	~$5,100

Source: CRC Handbook of Chemistry and Physics; LBMA pricing data.

The solar story

Solar energy is the single biggest and fastest-growing source of industrial silver demand. Photovoltaic silver demand hit 197.6 million ounces in 2024 — up 142% since 2016. Solar now represents roughly 29% of all industrial silver demand.

Here's the counterintuitive part: the industry has been actively trying to reduce silver content per cell for years. The problem is that each time they develop a more efficient cell technology, the new design requires more silver, not less. A Ghent University study projects that by 2030, solar could consume 29–41% of total global silver supply.



Silver Institute / Metals Focus. 2025–2026 estimates.

EVs, AI, and the demand multiplier

Battery electric vehicles contain 25–50 grams of silver per vehicle (vs. 15–28g for conventional cars) — a 67–79% increase. Samsung's solid-state battery prototype uses a silver-carbon composite layer requiring up to 1 kg of silver per battery pack.

AI is compounding the picture. Microsoft, Google, Amazon, and Meta have collectively announced over $200 billion in data center spending. AI server clusters require 2–3x the silver content of traditional data centers. The economics are lopsided in silver's favor: the cost of silver per server is trivial relative to the value of the computing capacity. These companies will pay whatever silver costs. Demand is almost perfectly price-inelastic.

5G base stations use 3–5x more silver than 4G equipment. Silver wound dressings achieve pathogen kill rates exceeding 99.999%. Each of these demand sources adds incrementally. Collectively, they compound.

◆ **KEY TAKEAWAYS**

- Silver's physical properties aren't just competitive — they're the best of any element
- Substitution has been attempted for decades; it keeps failing commercially
- Newer, more efficient technologies use more silver per unit, not less
- AI and EV demand is price-inelastic — manufacturers will pay whatever silver costs

Sources: CRC Handbook of Chemistry and Physics; Silver Institute; Metals Focus; Ghent University.

CHAPTER 04

The Structural Deficit

Seven Consecutive Years of Supply Shortfall

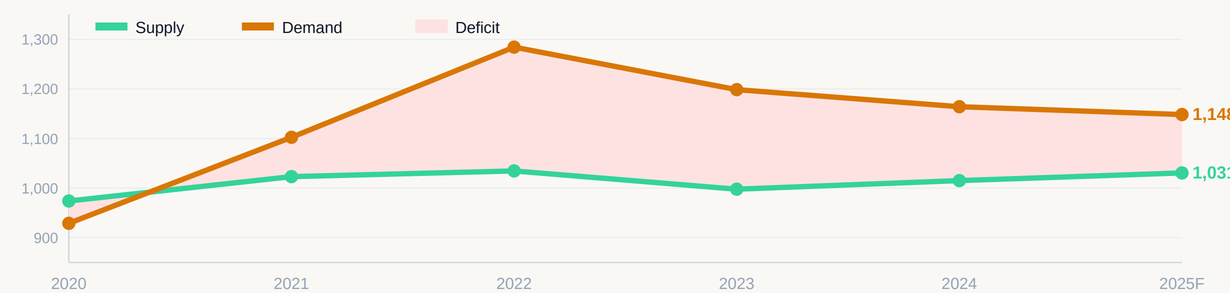
In any market, price is ultimately a function of supply and demand. You can have the most compelling demand story in the world, but if supply can easily expand to meet it, prices stay flat. Oil works this way: prices rise, drillers drill more, supply catches up, prices moderate.

Silver doesn't work this way. And understanding why is the most important thing in this entire guide.

The deficit nobody's talking about

The silver market has been in a physical supply deficit for seven consecutive years. Not headline-balance, accounting-trick deficit — actual, physical deficit, where more metal was consumed than was produced and recycled. The cumulative shortfall: approximately 1.2 billion ounces. Philip Newman, Managing Director of Metals Focus — the research firm behind the World Silver Survey — has described this trajectory as “clearly unsustainable.”

ANNUAL PHYSICAL SUPPLY DEFICIT (Moz)



Source: World Silver Survey 2025, Metals Focus. 2025F = forecast.

Year	Supply (Moz)	Demand (Moz)	Balance	Less ETFs
2020	974.0	929.0	+45.1	-286.1
2021	1,023.1	1,102.4	-79.3	-144.3
2022	1,034.6	1,284.2	-249.6	-132.2
2023	997.8	1,198.5	-200.6	-163.0
2024	1,015.1	1,164.1	-148.9	-210.5
2025F	1,030.6	1,148.3	-117.6	-187.6

Source: World Silver Survey 2025, Metals Focus.

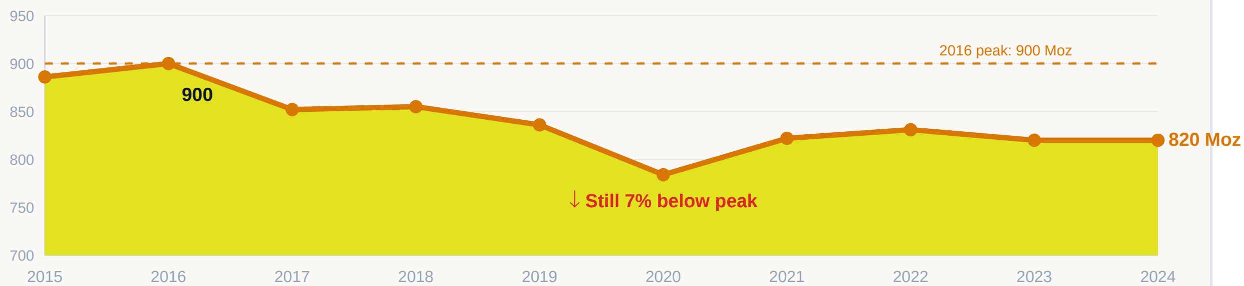
Why supply can't catch up

This is the structural core of the investment thesis.

72% of all silver is mined as a by-product of copper, lead/zinc, and gold operations. Only 28% comes from primary silver mines. A copper mine in Peru doesn't ramp up silver output because silver prices doubled; it ramps up (or down) based on copper economics.

Mine production peaked at approximately 900 Moz in 2016. In 2024, it was 819.7 Moz — still 7% below peak, eight years later. Recycling hit a 12-year high of 193.9 Moz in 2024, but that covers only about 19% of total demand. It helps at the margins. It doesn't close the gap.

GLOBAL SILVER MINE PRODUCTION (Moz)



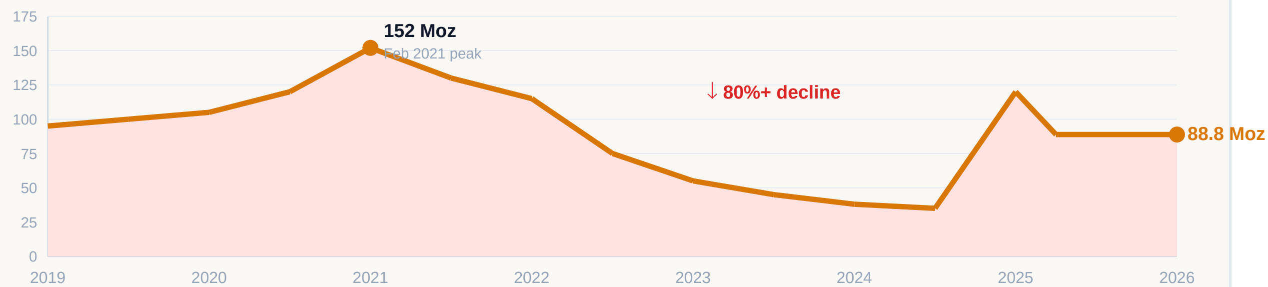
Source: World Silver Survey 2025, Silver Institute / Metals Focus.

The vault drawdown

When a market runs persistent deficits, the gap gets filled by drawing down existing stockpiles. COMEX registered silver — the metal actually available for delivery against futures contracts — stood at just 88.8 Moz as of February 19, 2026. That's down from 152 Moz in February 2021: an 80%+ decline. In early January 2026, 33.45 Moz was withdrawn in just 7 days — roughly 26% of registered inventory in a single week. London vault stocks have declined by 510.5 Moz from their 2021 peak.

At some point, you run out of stockpiles to draw down. We don't know exactly when that point is. But the direction is clear, and it's accelerating.

COMEX REGISTERED SILVER — AVAILABLE FOR DELIVERY (Moz)



COMEX warehouse reports, CME Group. As of Feb 19, 2026.

◆ **KEY TAKEAWAYS**

- 7 consecutive years of physical deficit — ~1.2 billion ounce cumulative shortfall
- 72% of silver is by-product mining; supply doesn't respond to silver price signals
- New mines take 18+ years to develop — no meaningful new supply before the 2040s
- COMEX registered inventory has declined 80%+ since 2021 and continues falling

Sources: World Silver Survey 2025; Metals Focus; COMEX / CME Group.

CHAPTER 05

The Forces Reshaping Silver

Geopolitics, Price Floors, and New Consumers

If the supply-demand fundamentals were the whole story, silver would already be a compelling investment. But there's a layer on top that's arguably even more significant — because it's the kind of structural change that doesn't reverse.

China just changed everything

On January 1, 2026, China implemented a new export licensing regime for refined silver. The practical effect: only state-approved companies with annual production capacity of at least 80 tonnes and consistent export records from 2022–2024 qualify for licenses. Hundreds of smaller and mid-sized Chinese exporters — the companies that historically supplied much of the world's industrial silver — are effectively locked out of the global market.

China controls between 60–70% of the world's refined silver supply. The new framework allows graduated escalation — from reduced quotas to complete prohibition — mirroring the playbook China used with rare earth elements starting in 2010.

> “ *This is not good. Silver is needed in many industrial processes.*
>
> — Elon Musk, X (December 27, 2025)

The US response

The American response has been swift. Silver was designated a US critical mineral in 2025. On January 14, 2026, Trump signed a Section 232 Proclamation with a 180-day negotiation deadline. On February 4, 2026, Secretary Rubio hosted a Critical Minerals Ministerial with 54 countries. The same day, VP Vance announced FORGE — the Forum on Resource Geostrategic Engagement — with government price floors for critical minerals.

> “
> *We will establish reference prices for critical minerals at each stage of production. These reference prices will operate as a floor maintained through adjustable tariffs.*
>
> — VP JD Vance, FORGE Announcement (Feb 4, 2026)

FORGE addresses critical minerals as a category. Silver was not individually named in VP Vance's remarks, but silver is on the USGS Critical Minerals List and falls within the scope of the Section 232 proclamation covering “processed critical minerals and their derivative products.”

Two billion new consumers

The global middle class is projected to reach 5.5 billion by 2030, up from approximately 4 billion today — roughly 1.5 billion additional people crossing into the middle class over the next five years. 87% of that growth is coming from Asia. India's middle class alone will hit 260 million by 2030. India imported $9.2 billion in silver in 2025 — a 44% year-over-year increase.

Every one of those new consumers buys electronics, benefits from solar-powered infrastructure, and in many cultures, accumulates precious metals as savings. This is a demographic shift, not a speculative trend. It doesn't reverse when interest rates change.

The manipulation era is over

Between 2008 and 2016, eight major banks systematically manipulated silver prices through spoofing — placing thousands of fake orders to artificially move prices, then canceling them.

Institution	Settlement
JPMorgan Chase	$920.2M (CFTC's largest ever)
Scotiabank	$127.5M (Closed metals business)
Deutsche Bank	Cooperator (350K documents provided)
Total (8 banks)	~$1.27B

The settlements are on record. The manipulation is over. Silver now trades on fundamentals.

◆ **KEY TAKEAWAYS**

- China's export restrictions remove major supply from the global market
- US price floors (FORGE) would create government-backed support for critical minerals including silver
- Emerging market demand is demographic — it doesn't cycle or reverse
- $1.27B in manipulation settlements; silver now trades on fundamentals

Sources: China MOC; White House; State Dept; CFTC; Brookings Institution.

PART II

The Comparison

Silver vs. gold, the S&P, and everything else

CHAPTER 06

Silver vs. Gold: The Real Comparison

Performance, Structure, and Portfolio Role

Gold is a terrific investment. Central banks are buying 1,000+ tonnes a year. It's the ultimate store of value, and it should probably be part of any serious portfolio. If you own gold, you're not wrong.

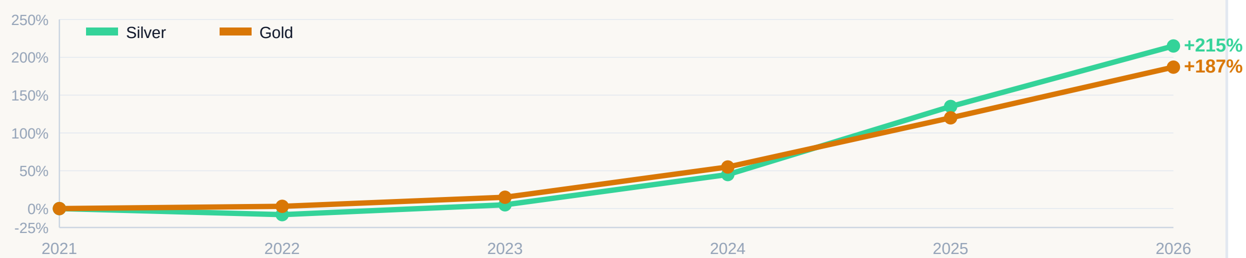
But the math of the two markets is fundamentally different. Gold's annual market is approximately $250 billion. Silver's is approximately $30 billion. Equivalent investment flows move silver roughly 8x more than gold. Silver is a much smaller boat, and the same wave creates a much bigger ride.

◆ FUNDAMENTAL

The Gold-to-Silver Ratio

This ratio expresses how many ounces of silver are required to purchase one ounce of gold. The 25-year average is approximately 66:1; the 100-year average is 47–55:1. Extreme readings (above 80:1 or below 40:1) have historically preceded mean reversion.

5-YEAR CUMULATIVE RETURNS (%) — SILVER vs. GOLD



LBMA Fix, cumulative from Feb 2021. 2025–2026 approximate spot.

Structural differences that matter

Characteristic	Silver	Gold
Industrial Demand	~57% of consumption	~8–10%
Central Bank Reserves	None	~36,000 tonnes
Annual Market Size	~$30 billion	~$250 billion
Entry Point (1 oz)	~$83	~$5,100
Avg. Annualized Volatility	~29%	~16%
Physical Consumption	Metal is consumed	Metal is stored

The advantages of gold

Gold's advantages are real: lower volatility (~16% vs. silver's ~29%), negative correlation with equities during selloffs, massive central bank demand creating a structural floor, and the deepest precious metals market on earth. If you need pure crisis protection, gold has the edge.

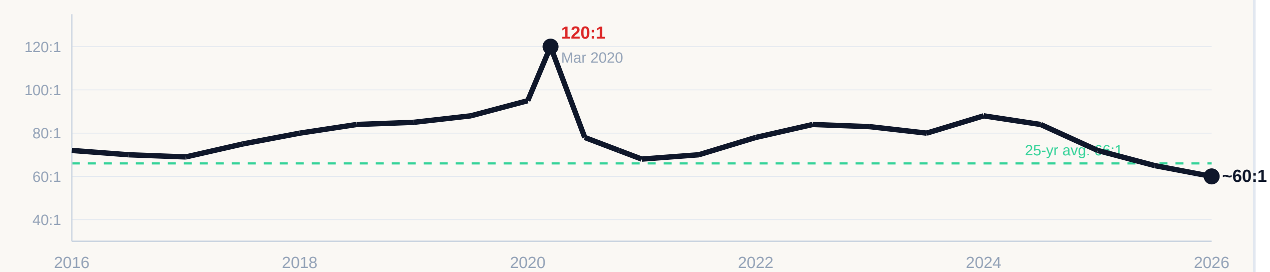
Where silver has the advantage

Lower barrier to entry. One ounce of gold costs ~$5,100. One ounce of silver costs ~$83. For investors building positions over time, silver lets you start accumulating real assets with smaller outlays.

More upside potential. Silver's smaller market means equivalent investment flows move prices roughly 8x more. In 2020, when the gold-to-silver ratio spiked above 120:1, silver then outperformed gold by more than 2:1 as the ratio compressed.

Industrial demand creates a floor gold doesn't have. 57% of silver is consumed by manufacturing. This demand isn't speculative — it's physics-driven. Manufacturers will pay whatever silver costs because the alternative is shutting down production lines.

GOLD-TO-SILVER RATIO: 2016–2026



LBMA Gold and Silver Fix. Dashed line = 25-year average.

◆ **KEY TAKEAWAYS**

- Gold is excellent; silver gives you gold-like protection plus industrial demand leverage
- Silver's lower price point makes it accessible — $83/oz vs. $5,100/oz
- Gold wins on stability and crisis hedging; silver wins on growth potential and industrial utility
- Both belong in a diversified portfolio; they serve different functions

Sources: LBMA; World Gold Council; World Silver Survey 2025.

CHAPTER 07

Silver vs. Everything Else

S&P 500, Bitcoin, and Alternative Assets

Silver vs. the S&P 500

Broad equity exposure should remain the backbone of most portfolios. We don't argue with that. The S&P gives you diversified earnings growth, dividends, and deep liquidity. It's earned its place.

But equities carry risks that physical silver doesn't. Earnings risk. Valuation risk. Correlation risk — stocks tend to fall together during crises, precisely when you need diversification most. A silver coin in your safe does not go to zero. It has zero counterparty risk.

A 10–15% allocation to physical silver adds an asset with a fundamentally different return driver to your portfolio. Not correlated to corporate earnings, not subject to management risk, and grounded in physical scarcity rather than financial engineering.

Metric	Silver	Gold	S&P 500
10-Yr Return	+479.2%	+321.3%	+322.5%
Real Return (CPI adj)	+330%	+214%	+215%
Counterparty Risk	Zero	Zero	Yes
Industrial Utility	Yes (57%)	Minimal	N/A
Dividends	No	No	~1.3%

All returns are gross of transaction costs. S&P 500 includes reinvested dividends. Real returns adjusted using BLS CPI.

Silver vs. Bitcoin

Bitcoin has created real wealth. But it's worth being clear about what Bitcoin is and what silver is, because they're fundamentally different kinds of assets.

Bitcoin's value is a function of consensus. Silver's demand is anchored by physics. The world's largest manufacturers will buy it at any price because the alternative is shutting down production lines. Both can have a place in a portfolio — but understanding the difference between an asset backed by consensus and an asset backed by industrial necessity matters for how you allocate.

◆ **KEY TAKEAWAYS**

- The S&P should stay in your portfolio; silver complements it with a different risk profile
- Silver = industrial necessity. Bitcoin = consensus value. Know the difference.
- Zero counterparty risk: physical silver in your hand cannot default

Sources: S&P Dow Jones Indices; BLS; Silver Institute.

PART III

Taking Action

The Israeli playbook and what's ahead

CHAPTER 08

The Israeli Silver Market

What You Need to Know

Why Silver, Why Israel, Why Now

Israel's economy runs on innovation, but its currency tells a different story. The shekel has experienced significant volatility over the past decade — driven by coalition politics, central bank policy shifts, regional conflict, and global dollar strength. For Israeli residents, this creates a quiet but persistent erosion of purchasing power that most traditional investments don't address.

Physical silver offers something unusual in the Israeli investment landscape: a globally priced, dollar-denominated, tangible asset that sits entirely outside the local banking system. It doesn't depend on the Tel Aviv Stock Exchange. It isn't tied to Israeli real estate valuations. And unlike a USD savings account, it carries no counterparty risk.

Here's what makes the timing worth paying attention to:

- **Shekel depreciation risk is structural, not temporary.** Defense spending, fiscal deficits, and political instability have put sustained pressure on the NIS. A dollar-denominated asset naturally hedges this exposure.
- **Silver is undervalued relative to gold.** The gold-to-silver ratio remains historically elevated. When that ratio compresses — as it has in every major precious metals bull market — silver outperforms gold by multiples, not percentages.

Pricing and Currency

Silver is priced globally in US dollars. When you buy through Lavi, your quote reflects: the current spot price in USD, plus the product premium (which varies by type), plus 18% VAT, converted to NIS at the prevailing exchange rate.

Israeli silver investors have a dual exposure: to the silver price and to the USD/NIS exchange rate. For many Israeli investors, this is a feature rather than a risk — holding a dollar-denominated asset provides a natural hedge against shekel depreciation.

Your price is locked at the moment your funds arrive. There is no ambiguity, no floating quote, and no surprises.

What Happened to ILS 100,000 Over Five Years

February 2021 → February 2026

	Physical Silver	Gold	NIS Savings Account
Starting Value	ILS 100,000	ILS 100,000	ILS 100,000
5-Year Return	+215.2%	+186.7%	+11.5%*
Nominal Value Today	ILS 315,200	ILS 286,700	ILS 111,500
Real Purchasing Power	ILS 270,000	ILS 245,700	ILS 95,500
Net Real Gain / Loss	+ILS 170,000	+ILS 145,700	–ILS 4,500

*Israeli CPI 2021–2025: cumulative 16.7% erosion of purchasing power. Silver & gold: USD spot returns per LBMA Fix. NIS equivalent includes USD/NIS exchange rate exposure. *NIS savings: estimated blended deposit rate based on BOI key rate history. This comparison does not account for 18% VAT on silver purchases, product premiums, or 25% capital gains tax on real gains. Consult a qualified Israeli tax professional.*

Israeli Tax Overview

Tax	Rate	What to Know
VAT	18%	At purchase. Adds to cost basis. Recoverable for businesses.
Capital Gains	25%	On real (CPI-adjusted) gains. No holding period distinction.
High-Income Surtax	3%	Above ~ILS 721,560 annual income
Reporting	None	For individuals. Retain all invoices.

Consult a qualified Israeli tax professional regarding your specific situation.

Three Investors, Three Strategies

The Young Professional — ILS 15,000–25,000

Start with sovereign coins — American Silver Eagles or Canadian Maple Leafs. They carry the strongest buy-back value and are universally recognized. At current prices, ILS 20,000 gets you roughly 43 ounces of sovereign bullion. Think of this as the beginning of a long-term position. Buy consistently when you can, even in small amounts.

The Business Owner — ILS 250,000+

At this level, you're acquiring 540+ ounces — enough to meaningfully diversify your portfolio. Structure your purchase through your osek murshe to recover the full 18% VAT. Build a diversified portfolio: 50–60% sovereign coins for liquidity, 30–40% bars for cost efficiency. Consider professional vault storage and work with Lavi to time entries across multiple tranches rather than a single purchase.

The Retiree — ILS 500,000+

Prioritize sovereign coins (60%+) for maximum liquidity and strongest buy-back value. Use professional vault storage. Plan your exit strategy from day one: identify target price levels or gold-to-silver ratio thresholds at which you'll sell in tranches. Silver gives you something your pension cannot: a tangible, dollar-denominated store of value with no counterparty risk and no management fees.

Building Your Silver Portfolio

Type	Allocation	Premium/oz	Liquidity	Best For
Sovereign Coins	50–60%	$4–7	Highest	Core position
Bars & Rounds	25–35%	$1–3	High	Max ounces/$
Premium & Collectible	10–20%	Varies	Moderate	Long-term growth

Common First-Timer Mistakes

✗ Buying purely on price.

The cheapest silver per ounce often has the weakest buy-back value. A slightly higher premium on sovereign coins pays for itself in liquidity and resale.

✗ Ignoring the VAT math.

18% VAT feels steep, but it's a one-time cost. Business owners should explore VAT recovery through an osek murshe entity.

✗ No documentation.

Always retain your cheshbonit mas and purchase receipts. They establish your cost basis for capital gains purposes and prove authenticity on resale.

✗ Trying to import independently.

DIY importing means customs declarations, freight insurance, VAT at the border, and potential delays. The savings rarely justify the complexity. Let your dealer handle logistics.

✗ Storing improperly.

Silver tarnishes when exposed to air and moisture (though it doesn't affect metal value). Keep coins in original capsules. For larger holdings, use professional vault storage.

◆ KEY TAKEAWAYS

- Silver is a dollar-denominated, tangible asset with no counterparty risk — a natural hedge against shekel volatility
- 18% VAT raises entry cost but protects Israeli premiums on resale. Business owners can recover the full VAT.
- Build a tiered portfolio: sovereign coins for liquidity, bars for cost efficiency, collectibles for long-term growth

Sources: Israel Tax Authority; Israel VAT Law 5736-1975.

CHAPTER 09

Essential Guide to Investing in Silver in Israel

VAT, Keren Hishtalmut, and Israeli Tax

The Truth About VAT

Why 18% Isn't What You Think It Is

Every prospective investor asks the same question: “Do I really have to pay 18% VAT on silver?”

Yes. Israeli tax law classifies silver as a tangible commodity, not a financial asset. All silver purchases are subject to Ma'am (VAT) at 18%, regardless of form or dealer.

◆ FUNDAMENTAL

Silver's Tax Classification

Israeli tax law classifies silver as a tangible commodity, not a financial asset. This means all silver purchases are subject to Ma'am (VAT) at the standard rate of 18%. This classification applies regardless of the form — coins, bars, or rounds — and regardless of the dealer.

What about "VAT-free" dealers?

You may have heard about dealers offering silver through bonded storage in the Eilat Free Trade Zone. In practice, this involves a mandatory three-month storage period (during which you cannot access your silver), physical retrieval from Eilat, and additional storage fees and inflated premiums. By the time you account for the full costs, the real savings are often negligible.

Lavi maintains a lean operation specifically so we can remain competitive on price — even against Eilat-based dealers — with the benefit of direct delivery and no waiting period.

Why it matters less than you think

VAT on silver is largely recouped when you sell. Buyers in Israel pay premiums on silver that account for the costs of acquiring it locally: VAT, shipping, import logistics. Silver routinely commands premiums of 10–20% over spot price in the Israeli market, significantly higher than gold as a percentage. That premium structure means the VAT you paid on purchase is substantially reflected in the price you receive on sale.

When you sell, your cost basis includes the VAT you paid. Proper records — your cheshbonit mas, purchase agreement, and receipts — establish that basis and protect you from overpaying capital gains tax. Lavi Silver Group provides full tax invoices and complete documentation with every transaction.

Your Keren Hishtalmut in Context

How Your Savings Vehicle Has Performed

Israel's keren hishtalmut is a valuable savings vehicle. The employer match and tax-free status are real advantages, and we'd never suggest you stop contributing.

But it's worth understanding how your liquid balances have performed relative to other assets:

Keren Hishtalmut vs. Silver

	KH General Track (Avg)	Silver (USD Spot)
5-Year Cumulative	~37%	+215.2%

Sources: Calcalist/Globes (KH industry averages, general track); LBMA Silver Fix (spot USD). KH returns are nominal, gross of management fees.

Even after silver's 25% capital gains tax, the difference is substantial. On a hypothetical ILS 200,000, the keren hishtalmut investor would hold approximately ILS 274,000 (tax-free), while the silver investor would hold approximately ILS 522,800 (after tax).

What we recommend

Keep contributing for the employer match and tax deductions. Keep locked funds locked — early withdrawal penalties aren't worth it. But if you've passed the six-year mark and are sitting on liquid balances earning single-digit returns in a good year, it's worth considering whether a portion of those funds could work harder in a fundamentally different asset class.

This is a conversation best had with your financial advisor and tax professional. We're happy to provide the silver-specific data and analysis to support that discussion.

◆ **KEY TAKEAWAYS**

- Silver is classified as a commodity in Israel, subject to 18% VAT — no legitimate exemptions exist
- VAT is largely recouped on sale through Israel's higher silver premiums (10–20% over spot)
- Proper documentation is essential: retain all tax invoices and receipts
- The average keren hishtalmut returned ~37% over five years vs. silver's +215% — but tax-free status is a real advantage worth weighing carefully
- Keep contributing to your KH. Consider whether liquid balances past the six-year mark are optimally allocated.

Sources: Calcalist; Globes; LBMA Silver Fix; Israel Tax Authority.

CHAPTER 10

What Happens Next & How to Buy

Five Things to Watch and How to Buy

If you've read this far, you know the story.

Seven years of consecutive physical deficit, with no structural fix in sight. Record industrial demand, growing across solar, EVs, AI, and 5G. China restricting exports. The US building price floors. COMEX inventory at historic lows. A metal that the world's largest manufacturers literally cannot operate without, trading at a fraction of gold's price per ounce.

The question we hear most from investors who've gone through the data is some version of: “Why doesn't everyone know about this?”

Part of the answer is narrative inertia. Gold has thousands of years of brand recognition. Bitcoin has captured the imagination of a generation of digital-native investors. Silver doesn't have a marketing department. It doesn't have a charismatic CEO. It doesn't trend on social media. It just quietly goes into every solar panel, every EV, every data center, every 5G tower — and disappears.

Part of the answer is that for a decade, bank manipulation actively suppressed silver prices and distorted market signals. That era is over — $1.27 billion in fines made sure of that — and the repricing is underway.

And part of the answer is simply that most investors haven't seen the data presented clearly. That's what this guide has attempted to do.

Five things to watch

Indicator	What to Watch For
1. China export policy	Will licensing tighten further? Full prohibition = major supply shock.
2. FORGE price floor progress	180-day deadline: July 13, 2026. Watch for bilateral agreements.
3. Solar installations	400 GW added in 2024. Each GW requires significant silver.
4. COMEX inventory	88.8 Moz and falling. Below 50 Moz = acute physical stress.
5. Gold-to-silver ratio	~60:1. Below 50:1 = silver outperforming; compression accelerates.

> *A decade ago, silver was $15/oz and very few people were paying attention. Today it's $83/oz and governments are calling it a strategic asset. The question isn't whether silver will perform. It's whether you'll be positioned when it does.*
>
> —

◆ KEY TAKEAWAYS

- Supply deficit is structural, with no near-term fix
- Demand is multi-vector and accelerating: solar, EVs, AI, emerging markets
- Government policy is now a tailwind for the first time in modern history
- Price locked at receipt of funds. Lavi handles all sourcing, import, insurance, and customs.
- In-person verification before every delivery.
- Buy-back program with in-person drop-off in Jerusalem/Tel Aviv or insured shipping.
- Full lifecycle coverage from purchase through exit strategy.

How to Buy: The Lavi Process

Buying physical silver through Lavi is a structured, transparent process designed around your goals — not a shopping cart.

◆ THE LAVI PROCESS

From Inquiry to Delivery

Contact for quote → KYC (orders >ILS 50K) → Sign purchase agreement → Wire funds → Price locked at receipt → Lavi sources & imports (insured) → In-person verification & testing → Delivery + cheshbonit mas + documentation.

1. Request a Quote

Contact Lavi by phone or WhatsApp. We issue on-demand quotes referenced to live spot prices and discuss your investment goals, timeline, and budget.

2. KYC & Purchase Agreement

For orders over ILS 50,000, we require a short Know Your Customer document — standard anti-money-laundering compliance. You sign a purchase agreement detailing what you're buying, the locked price, and the terms.

3. Fund & Lock

Wire funds to Lavi's account. Your price is locked at the moment funds are received. The exchange rate (NIS/USD) is taken at the prevailing rate at time of order.

4. Sourcing & Import

Lavi handles all shipping and import logistics. We source exclusively from established wholesalers and government mints — APMEX, the Royal Mint, the Royal Canadian Mint. All silver is fully insured in transit. Delivery typically takes a few weeks.

5. Verification & Delivery

Before delivery, we test the silver together with you and verify metal purity using professional-grade equipment. You receive a cheshbonit mas and all purchase documentation.

Selling Your Silver: The Lavi Buy-Back Program

Your exit matters as much as your entry. Lavi Silver Group clients receive priority access to our buy-back program.

1. Request a Quote

Contact our trading desk. We provide a price based on live spot markets with clearly disclosed premiums.

2. Ship or Drop Off

Securely ship to our insured facility, or visit our physical locations in Jerusalem or Tel Aviv for in-person drop-off.

3. Test & Verify

We conduct metal testing to confirm purity and authenticity.

4. Get Paid

Receive payment via bank transfer (shekel or USD) or secured check. Sovereign coins command the strongest buy-back prices. Existing clients receive priority service and preferred rates.

Lavi buys back all products we sell. Existing clients receive priority service and preferred rates.

◆ BUY-BACK PROGRAM

Lavi Exit Strategy

Lavi actively buys back silver from our clients and we make every effort to offer competitive pricing based on live spot rates. While buy-back availability is subject to approval and current market conditions, our goal is to make your exit as smooth as your entry. We evaluate each request individually and work with you to find the best outcome.

Your Exit Is Part of the Plan

At Lavi, we don't just help you buy silver and walk away. Your exit strategy is something we think about from day one — because when and how you sell matters as much as when you bought.

Some clients hold for years and sell in a single transaction when the gold-to-silver ratio compresses. Others sell periodically, converting silver gains into shekel cash flow. Whatever your plan, we structure the relationship so your exit is seamless.

Insurance and Storage

For home storage, most Israeli homeowner's insurance policies can cover precious metals — check your policy about adding a rider for valuables. A quality safe bolted to a floor or wall works well for positions up to several hundred ounces.

For larger positions, Lavi has a partnership with Brickstone — one of Israel's most advanced private vault facilities, with locations in Jerusalem and Tel Aviv. Biometric access, client-only key control, full insurance baked into the storage fee. Preferred rates for Lavi clients.

Sources: World Silver Survey 2025; COMEX / CME Group; White House.

CHAPTER 11

Frequently Asked Questions

What Investors Ask Us Most

Q **Who is Lavi Silver Group?**
A boutique precious metals advisory based in Jerusalem, founded to serve Israeli investors who need a trustworthy, English-speaking partner. When you work with us, you speak directly with our founders.

Q **How does Lavi's pricing stay competitive?**
Lean operations, low overhead, and direct sourcing from the most reputable wholesalers in the USA and London. We pass those efficiencies to you.

Q **Do I need to wait months for delivery?**
No. Unlike suppliers who defer VAT with mandatory storage periods, Lavi ships directly. Your silver arrives within a few weeks.

Q **Do I have to pay VAT?**
Yes. All silver imports are subject to 18% VAT. The upside: when you sell, buyers pay above international spot because they understand acquisition costs here.

Q **What about capital gains taxes?**
All profits are subject to a 25% capital gains tax on real (CPI-adjusted) gains. Taxes are self-reported when you sell.

Q **Does Lavi buy back silver?**
Yes. We buy back all products we sell, referencing verifiable spot rates. Sovereign coins get the strongest buy-back prices. Existing clients receive priority.

Q **Can I buy from Lavi if I live in the USA?**
Yes. We work with US investors who want to grow their wealth in Israel. Silver can be delivered to an Israeli address or stored in our Brickstone vault.

Q **How should I store my silver?**
Most clients store at home in a quality bolted safe. For larger positions, our Brickstone vault in Jerusalem offers biometric access, full insurance, and preferred rates.

CHAPTER 12

About Lavi Silver Group

Our Firm, Philosophy, and Approach

We built Lavi because Israeli investors deserved a partner who picks up the phone. Direct access to the founders who know your portfolio and remember your last conversation.

Before Lavi existed as a registered entity, we spent more than five years personally helping dozens of Israeli investors buy, hold, and sell physical silver — sourcing metal, explaining the tax picture, arranging storage, and guiding people through their first purchases. That hands-on experience is the foundation everything at Lavi is built on.

Transparency over profit
We prioritize your understanding of the market above our own bottom line.

Relationship-first approach
No high-pressure sales. Long-term relationships, not commissions.

Built for the Israeli market
Clear guidance, competitive pricing, deep market insight.

Personal advisory
Personalized coin selection matched to your investment goals.

> “ *We treat every investment as if it were our own.*
>
> — Lavi Silver Group

Judah Rosen
Co-Founder: Sales & Strategic Advisory

A silver investor for over five years, Judah has studied the market from every angle — fundamentals, industrial demand, and the unique dynamics facing Israeli investors. With 15+ years in enterprise sales — managing relationships with clients like HSBC, Meta, eBay, and Uber — he brings a consultative, relationship-first approach to every client.

Gavriel Burger
Co-Founder: Operations & Compliance

With 7+ years of hands-on silver investing experience, Gavriel has built direct sourcing relationships with wholesalers across three continents and developed competitive pricing models. Having managed $100M+ in revenue and scaled multiple businesses, his expertise in logistics and operations ensures seamless execution on every order.

YOUR NEXT STEP

Ready to Get Started?

15 minutes with Gavriel or Judah.

No pressure. No obligation. Just a conversation.

Phone / WhatsApp

+972 (0) 54-828-5597

Call or message anytime

Email

judah@lavisilver.com

Response within 24 hours

Online

lavisilver.com/contact

Book a 15-min call

Book a Free Consultation →

Monthly Webinar

Free, live session on market conditions and Q&A

https://lavisilver.com/webinar

Learning Center

Articles, guides, and market analysis

https://lavisilver.com/insights

Lavi SILVER GROUP

IMPORTANT DISCLOSURES

This guide is provided for educational and informational purposes only and does not constitute investment, tax, or legal advice. Information is derived from sources believed reliable, including the World Silver Survey 2025 (Silver Institute/Metals Focus), LBMA, COMEX (CME Group), USGS, IEA, S&P Global, Fraser Institute, White House, State Department, and other sources cited. Accuracy and completeness are not guaranteed.

Past performance does not guarantee future results. Precious metals investments involve risk, including potential loss of principal. Prices are volatile. Tax treatment depends on individual circumstances and may change. Consult qualified professionals.

All return comparisons in this guide are gross of transaction costs. Silver returns do not reflect premiums, VAT, storage costs, or insurance. S&P 500 returns do not reflect brokerage commissions, fund management fees, or taxes. Keren hishtalmut returns are gross of management fees. Actual net returns will vary by investor and circumstance.

Analyst forecasts represent published opinions and are subject to change. Lavi Silver Group does not endorse any specific forecast. FORGE references critical minerals as a category; silver was not individually named in FORGE announcements but is on the USGS Critical Minerals List.

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