Silver Price Forecast for 2026 and 2027

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With physical market tightness unwinding and global rate hikes on the horizon, silver faces an uncertain path forward.

After entering the year posting record highs — and riding out precipitous dips — silver's price per ounce has fallen, largely remaining in the $56–$58 range in June. J.P. Morgan Global Research has revised its price prediction down from previous levels, from a yearly average price of $84/oz set in May to $70/oz. What's the logic behind the change, and what could lie ahead in 2027?

What's driving silver prices in 2026 and 2027?

Behind the rising price of silver in 2025 and early 2026 were many catalysts, including a tight physical market and the surging price of gold, to which silver remains deeply correlated.

"Last year, illiquid, tight physical markets skewed silver's volatility toward significant outperformance amid gold's rally," said Gregory Shearer, head of Base and Precious Metals Strategy at J.P. Morgan. That volatility saw silver's price rise more than 130% over 2025.

Now, Shearer sees the opposite scenario playing out. "The significant unwind of physical tightness off an elevated valuation base for silver sets up a backdrop where, on days when gold slips, silver has a much more outsized tumble — a reversal of last year," Shearer said.

Silver price forecasts

Source: J.P. Morgan Commodities Research, $/oz, quarterly and annual averages.

Import demand for silver in large markets and industries could be softening

The unwinding has to do with volatile demand for silver in solar panel production, where silver is used as a paste to capture and carry electrical currents generated by the sun. "In China, very strong March imports of silver likely reflected a front-loading of demand ahead of the removal of an export VAT rebate on photovoltaic (PV) products from April 1," said Shearer. A destocking phase and a weakening in industrial demand has since persisted.

In India, another large silver-importing market, demand has weakened in the face of hiked import duties and tightened restrictions on silver import rules, which were imposed to ease pressure on the country's foreign exchange reserves.

Additionally, Shearer noted that silver-thrifting technologies, which lessen the amount of silver needed in solar panel production, have recently enjoyed more widespread adoption. "Altogether, we see the potential for solar demand for silver to fall by around 30% this year, a roughly 60 million ounce reduction year over year," Shearer said.

In a Fed hiking (or holding) environment, the gold-to-silver ratio is expected to normalize

One other trend Shearer pointed to was the falling gold-to-silver ratio, which measures how many ounces of silver it takes to buy an ounce of gold.

That ratio fell below 45 in late January, but has since returned to around 70 — still low historically, but considerably higher than earlier in 2026.

Shearer attributes this cheapening ratio to increasing hawkishness from the Fed and other central banks on rates, which could rise as economies try to tamp down persistent inflation.

“Higher Fed rates increase the opportunity cost of holding non-yielding assets like silver,” said Shearer. “When interest rates rise, investors are incentivized to shift capital toward interest-bearing assets (such as Treasurys), reducing demand for silver and other precious metals.”

Shearer noted that while gold’s price also tends to suffer in a hiking environment, structural catalysts like central bank demand for gold tend to mitigate those price drops.

“The balancing of silver’s physical market points to a further normalization in the gold-to-silver ratio towards 70 over the second half of 2026, and around 75 over 2027,” Shearer said.

What to watch for next in the silver market

Those interested in following the price of silver closely should watch the following catalysts:

The tightness of physical markets, which serve as a baseline for price discovery.

The direction of gold prices, to which silver prices are correlated, as well as the volatility of silver prices on up days vs. down days.

Demand from the photovoltaic market for silver, and from large importing countries like China and India.

The direction of global interest rates, especially the federal funds rate.

Silver’s price often moves more sharply than gold’s because its supply/demand balance and trading dynamics tend to be more sensitive to shocks. Its market is smaller and less liquid, supply is often a byproduct of mining for other metals and investor positioning is often more speculative.

The gold-to-silver ratio is one of the oldest continuously tracked exchange rates, dating all the way back to the Roman Empire. In the modern era, the average gold-to-silver ratio has been roughly 55 to 70, reaching an all-time high of 125.1 during the COVID-19 pandemic as investors flocked to gold as a safe haven.

Will gold prices hit all-time highs again in 2026?

Spot gold prices have rallied and retreated this year. What’s the latest gold price forecast?

How might the evolving situation in Venezuela affect global oil and LNG markets?

With the country sitting on ample oil and natural gas reserves, there could be significant upside risks to global supply.

J.P. Morgan Global Research now sees the Fed hiking rates in December, especially as the central bank has yet to lay out a roadmap for tackling inflation.

Source: https://www.jpmorgan.com/insights/global-research/commodities/silver-prices