iShares Silver Trust
Form 10-Q
November 08, 2010
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the quarterly period ended September 30, 2010

¨ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the transition period from _____ to _____

Commission file number: 001-32863

iShares® Silver Trust

(Exact name of registrant as specified in its charter)

New York	13-7474456
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

c/o BlackRock Asset Management International Inc.

400 Howard Street

San Francisco, California 94105

Attn: Product Management Team

Intermediary Investor and Exchange-Traded Products Department

(Address of principal executive offices)

(415) 670-2000

(Registrant s telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer x	Accelerated filer ¨
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements

iShares® Silver Trust

Balance Sheets

At September 30, 2010 (Unaudited) and December 31, 2009

(Dollar amounts in $000 s)	September 30, 2010	December 31, 2009
ASSETS		
Current assets		
Silver bullion inventory (fair value of $6,944,156 and $5,185,449, respectively)	$ 4,523,858	$ 4,210,142
Receivable for capital shares sold	20,706	
TOTAL ASSETS	$ 4,544,564	$ 4,210,142
LIABILITIES, REDEEMABLE CAPITAL SHARES AND SHAREHOLDERS EQUITY (DEFICIT)		
Current liabilities		
Sponsor s fees payable	$ 2,536	$ 2,295
Total liabilities	2,536	2,295
Commitments and contingent liabilities (Note 5)		
Redeemable capital shares, no par value, unlimited amount authorized (at redemption value) 321,500,000 issued and outstanding at September 30, 2010 and 310,700,000 issued and outstanding at December 31, 2009	6,941,620	5,183,154
Shareholders equity (deficit)	(2,399,592)	(975,307)
TOTAL LIABILITIES, REDEEMABLE CAPITAL SHARES AND SHAREHOLDERS EQUITY (DEFICIT)	$ 4,544,564	$ 4,210,142

See notes to financial statements.

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iShares® Silver Trust

Income Statements (Unaudited)

For the three and nine months ended September 30, 2010 and 2009

(Dollar amounts in $000 s, except for per share amounts)	Three Months Ended September 30, 2010	Three Months Ended September 30, 2009	Nine Months Ended September 30, 2010	Nine Months Ended September 30, 2009
Revenue				
Proceeds from sales of silver to pay expenses	$ 6,789	$ 5,001	$ 19,815	$ 12,718
Cost of silver sold to pay expenses	(5,061)	(4,690)	(15,348)	(12,586)
Gain on sales of silver to pay expenses	1,728	311	4,467	132
Gain on silver distributed for the redemption of shares	4,389	19,617	114,595	19,006
Total gain on sales and distributions of silver	6,117	19,928	119,062	19,138
Market value recovery (Note 2B)				571,784
Total revenue	6,117	19,928	119,062	590,922
Expenses				
Sponsor s fees	(7,084)	(5,196)	(20,056)	(13,663)
Total expenses	(7,084)	(5,196)	(20,056)	(13,663)
NET INCOME (LOSS)	$ (967)	$ 14,732	$ 99,006	$ 577,259
Net income (loss) per share	$ (0.00)	$ 0.05	$ 0.33	$ 2.13
Weighted-average shares outstanding	304,032,609	285,969,565	303,503,114	270,971,612

See notes to financial statements.

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iShares® Silver Trust

Statements of Changes in Shareholders Equity (Deficit)

For the nine months ended September 30, 2010 (Unaudited)

and the year ended December 31, 2009

(Dollar amounts in $000 s)	Nine Months Ended September 30, 2010	Year Ended December 31, 2009
Shareholders equity (deficit) beginning of period	$ (975,307)	$
Net income	99,006	574,523
Adjustment of redeemable capital shares to redemption value	(1,523,291)	(1,549,830)
Shareholders equity (deficit) end of period	$ (2,399,592)	$ (975,307)

See notes to financial statements.

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iShares® Silver Trust

Statements of Cash Flows (Unaudited)

For the nine months ended September 30, 2010 and 2009

(Dollar amounts in $000 s)	Nine Months Ended September 30, 2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Proceeds from sales of silver	$ 19,815	$ 12,718
Expenses Sponsor s fees paid	(19,815)	(12,718)
Net cash provided by operating activities		
Increase (decrease) in cash		
Cash, beginning of period		
Cash, end of period	$	$
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net income	$ 99,006	$ 577,259
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on silver distributed for the redemption of shares	(114,595)	(19,006)
Cost of silver sold to pay expenses	15,348	12,586
Increase in Sponsor s fees payable	241	945
Market value recovery (Note 2B)		(571,784)
Net cash provided by operating activities	$	$
Supplemental disclosure of non-cash information:		
Carrying value of silver received for creation of shares	$ 734,842	$ 1,038,742
Carrying value of silver distributed for redemption of shares, at average cost	$ (385,072)	$ (267,069)

See notes to financial statements.

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iShares® Silver Trust

Notes to Financial Statements (Unaudited)

September 30, 2010

1 - Organization

The iShares® Silver Trust (the Trust) was organized on April 21, 2006 as a New York trust. The trustee is The Bank of New York Mellon (the Trustee), which is responsible for the day to day administration of the Trust. The Trust s sponsor is BlackRock Asset Management International Inc. (the Sponsor), a Delaware corporation. The Trust is governed by the Depositary Trust Agreement (the Trust Agreement) executed at the time of organization of the Trust by the Trustee and the Sponsor.

The objective of the Trust is for the value of its shares to reflect, at any given time, the price of silver owned by the Trust at that time, less the Trust s expenses and liabilities. The Trust is designed to provide a vehicle for investors to own interests in silver bullion.

The accompanying unaudited financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for interim financial information and with the instructions for Form 10-Q and the rules and regulations of the U.S. Securities and Exchange Commission (the SEC). In the opinion of management, all material adjustments, consisting only of normal recurring adjustments, considered necessary for a fair statement of the interim period financial statements have been made. Interim period results are not necessarily indicative of results for a full-year period. These financial statements and the notes thereto should be read in conjunction with the Trust s financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2009 as filed with the SEC on February 26, 2010.

2 - Summary of Significant Accounting Policies

A. *Basis of Accounting*

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements in conformity with U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and these differences could be material.

B. *Silver Bullion*

JPMorgan Chase Bank N.A., London branch (the Custodian), is responsible for safekeeping the silver owned by the Trust.

For financial statement purposes, the silver bullion held by the Trust is valued at the lower of cost or market, using the average cost method. Should the market value of the silver held be lower than its average cost during the interim periods of the same fiscal year, an adjustment of value below cost (market value reserve) is recorded by the Trust. Should the market value of the silver held increase subsequent to the market value reserve being recorded, a market value recovery is recorded by the Trust. Gain or loss on sales of silver bullion is calculated on a trade date basis. Fair value of the silver bullion is based on the price for an ounce of silver set each working day by three market making members of The London Bullion Market Association (The London Fix).

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The following table summarizes activity in silver bullion for the three months ended September 30, 2010 (all balances in 000 s):

	Ounces	Average Cost	Fair Value	Realized Gain (Loss)
Beginning balance	294,356.8	$ 4,121,504	$ 5,516,245	$
Silver contributed	21,625.1	441,843	441,843	
Silver distributed	(979.0)	(13,722)	(18,111)	4,389
Silver sold	(360.5)	(5,061)	(6,789)	1,728
Adjustment for realized gain			6,117	
Adjustment for unrealized gain on silver bullion			1,004,851	
Ending balance	314,642.4	$ 4,544,564	$ 6,944,156	$ 6,117

The following table summarizes activity in silver bullion for the nine months ended September 30, 2010 (all balances in 000 s):

	Ounces	Average Cost	Fair Value	Realized Gain (Loss)
Beginning balance	305,206.0	$ 4,210,142	$ 5,185,449	$
Silver contributed	38,343.3	734,842	734,842	
Silver distributed	(27,803.6)	(385,072)	(499,667)	114,595
Silver sold	(1,103.3)	(15,348)	(19,815)	4,467
Adjustment for realized gain			119,062	
Adjustment for unrealized gain on silver bullion			1,424,285	
Ending balance	314,642.4	$ 4,544,564	$ 6,944,156	$ 119,062

C. *Redeemable Capital Shares*

Shares of the Trust are classified as redeemable for balance sheet purposes, since they are subject to redemption. Trust shares are issued and redeemed continuously in aggregations of 50,000 shares in exchange for silver bullion rather than cash. Individual investors cannot purchase or redeem shares in direct transactions with the Trust. The Trust only transacts with registered broker-dealers eligible to settle securities transactions through the book-entry facilities of the Depository Trust Company and which have entered into a contractual arrangement with the Trust and the Sponsor governing, among other matters, the creation and redemption processes (such broker-dealers are the Authorized Participants). Holders of shares of the Trust may redeem their shares at any time acting through an Authorized Participant and in the prescribed aggregations of 50,000 shares; *provided,* that redemptions of shares may be suspended during any period while regular trading on NYSE Arca is suspended or restricted, or in which an emergency exists as a result of which delivery, disposal or evaluation of silver is not reasonably practicable.

The per-share amount of silver exchanged for a purchase or redemption is calculated daily by the Trustee, using The London Fix to calculate the silver amount in respect of any liabilities for which covering silver sales have not yet been made, and represents the per-share amount of silver held by the Trust, after giving effect to its liabilities, sales to cover expenses and liabilities and any losses that may have occurred.

When silver is exchanged in settlement of a redemption, it is considered a sale of silver for financial statement purposes.

Due to the expected continuing sales and redemption of capital stock and the three-day period for share settlement the Trust reflects capital shares sold as a receivable, rather than as contra equity. Shares redeemed are reflected as a contra asset on the trade date. Outstanding Trust shares are reflected at redemption value, which is the net asset value per share at the period ended date. Adjustments to redemption value are reflected in shareholders equity.

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Net asset value is computed by deducting all accrued fees, expenses and other liabilities of the Trust, including the Sponsor s fees, from the fair value of the silver bullion held by the Trust.

Activity in redeemable capital shares is as follows (all balances in 000 s):

	Three Months Ended September 30, 2010		Nine Months Ended September 30, 2010	
	Shares	Amount	Shares	Amount
Beginning balance	300,400	$ 5,514,003	310,700	$ 5,183,154
Shares issued	22,100	441,843	39,150	734,842
Shares redeemed	(1,000)	(18,111)	(28,350)	(499,667)
Redemption value adjustment		1,003,885		1,523,291
Ending balance	321,500	$ 6,941,620	321,500	$ 6,941,620

D. *Federal Income Taxes*
The Trust is treated as a grantor trust for federal income tax purposes and, therefore, no provision for federal income taxes is required. Any interest and gains and losses are deemed passed through to the holders of shares of the Trust.

3 - Expenses

The Trust pays to the Sponsor a Sponsor s fee that accrues daily at an annualized rate equal to 0.50% of the adjusted net asset value of the Trust, paid monthly in arrears. The Sponsor has agreed to assume the following administrative and marketing expenses incurred by the Trust: the Trustee s fee, the Custodian s fee, NYSE Arca listing fees, SEC registration fees, printing and mailing costs, audit fees and expenses, and up to $100,000 per annum in legal fees and expenses.

4 - Related Parties

The Sponsor and the Trustee are considered to be related parties to the Trust. The Trustee s fee is paid by the Sponsor and is not a separate expense of the Trust.

5 - Indemnification

Under the Trust s organizational documents, the Sponsor is indemnified against liabilities or expenses it incurs without negligence, bad faith or willful misconduct on its part. The Trust s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred.

6 - Concentration Risk

Substantially all of the Trust s assets are holdings of silver bullion, which creates a concentration risk associated with fluctuations in the price of silver. Accordingly, a decline in the price of silver will have an adverse effect on the value of the shares of the Trust. Factors that may have the effect of causing a decline in the price of silver include a change in economic conditions (such as a recession), an increase in the hedging activities of silver producers, and changes in the attitude towards silver of speculators, investors and other market participants.

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7 - Subsequent Events

In connection with the preparation of the financial statements of the Trust as of and for the period ended September 30, 2010, management has evaluated the impact of all subsequent events through the date the financial statements were issued and has determined that there were no subsequent events requiring adjustment or disclosure in the financial statements.

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Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations

This information should be read in conjunction with the financial statements and notes to financial statements included in Item 1 of Part I of this Form 10-Q. The discussion and analysis that follows may contain statements that relate to future events or future performance. In some cases, such forward-looking statements can be identified by terminology such as may, should, expect, plan, anticipate, believe, estimate, predict, potential or the negative of these terms or other comparable terminology. Neither the Sponsor, nor any other person assumes responsibility for the accuracy or completeness of forward-looking statements. Neither the Trust nor the Sponsor is under a duty to update any of the forward-looking statements to conform such statements to actual results or to a change in the Sponsor s expectations or predictions.

Introduction

The iShares® Silver Trust (the Trust) is a grantor trust formed under the laws of the State of New York. The Trust does not have any officers, directors, or employees, and is administered by The Bank of New York Mellon (the Trustee) acting as trustee pursuant to the Depositary Trust Agreement (Trust Agreement) between the Trustee and BlackRock Asset Management International Inc., the sponsor of the Trust (the Sponsor). The Trust issues shares representing fractional undivided beneficial interests in its net assets. The assets of the Trust consist primarily of silver bullion held by a custodian as an agent of the Trust responsible only to the Trustee.

The Trust is a passive investment vehicle and the objective of the Trust is merely for the value of each share to approximately reflect, at any given time, the price of silver owned by the Trust less the Trust s liabilities (anticipated to be principally for accrued operating expenses) divided by the number of outstanding shares. The Trust does not engage in any activities designed to obtain a profit from, or ameliorate losses caused by, changes in the price of silver.

The Trust issues and redeems shares only in exchange for silver, only in aggregations of 50,000 shares or integral multiples thereof (each, a Basket), and only in transactions with registered broker-dealers that have previously entered into an agreement with the Trust governing the terms and conditions of such issuance (such dealers, the Authorized Participants). A list of current Authorized Participants is available from the Sponsor or the Trustee.

Shares of the Trust trade on NYSE Arca under the symbol SLV.

Valuation of Silver; Computation of Net Asset Value

On each business day, as soon as practicable after 4:00 p.m. (New York time), the Trustee evaluates the silver held by the Trust and determines the net asset value of the Trust and the net asset value per share. The Trustee values the silver held by the Trust using the announced price for an ounce of silver set each working day by three market making members of The London Bullion Market Association (The London Fix). Having valued the silver held by the Trust, the Trustee then subtracts all accrued fees (other than the fees to be computed by reference to the value of the Trust or its assets), expenses and other liabilities of the Trust from the value of the silver and other assets of the Trust. The result is the adjusted net asset value of the Trust, which is used to compute all fees (including the Sponsor s fee), which are calculated from the value of the Trust s assets. To determine the net asset value of the Trust, the Trustee subtracts from the adjusted net asset value of the Trust the amount of accrued fees computed from the value of the Trust s assets. The Trustee also computes the net asset value per share, by dividing the net asset value of the Trust by the number of shares outstanding on the date the computation is made.

Liquidity

The Trust is not aware of any trends, demands, conditions or events that are reasonably likely to result in material changes to its liquidity needs. In exchange for a fee, the Sponsor has agreed to assume most of the expenses incurred by the Trust. As a result, the only ordinary expense of the Trust during the period covered by this report was the Sponsor s fee. The Trust s only source of liquidity is its sales of silver.

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Critical Accounting Policies

The financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements relies on estimates and assumptions that impact the Trust s financial position and results of operations. These estimates and assumptions affect the Trust s application of accounting policies. Below we describe the valuation of silver bullion, a critical accounting policy that we believe is important to understanding our results of operations and financial position. In addition, please refer to Note 2 to the financial statements for further discussion of our accounting policies.

Valuation of Silver Bullion

Silver bullion held by the Trust is recorded at the lower of cost or market. For purposes of this calculation, market values are based on The London Fix. Should the market value of the silver bullion held be lower than its average cost, an adjustment of value below cost (market value reserve) is recorded by the Trust and The London Fix is used as the value for financial statement purposes. Should the market value of the silver held increase subsequent to the market value reserve being recorded, a market value recovery is recorded by the Trust. As indicated above, The London Fix is also used to value silver bullion held for purposes of calculating the net asset value of the Trust, which in turn is used for the calculation of the redemption value of outstanding Trust shares.

There are other indicators of the value of silver bullion that are available that could be different than that chosen by the Trust. The London Fix is used since it is commonly used by the U.S. silver market as an indicator of the value of silver, and is required by the Trust Agreement. The use of an indicator of value of silver bullion other than The London Fix could result in materially different fair value pricing of the silver in the Trust, and as such, could result in different lower of cost or market adjustments or in different redemption value adjustments of the outstanding redeemable capital shares.

Results of Operations

The Quarter Ended September 30, 2010

The Trust s net asset value grew from $5,514,003,303 at June 30, 2010 to $6,941,619,637 at September 30, 2010, a 25.89% increase. The increase in the Trust s net asset value resulted primarily from an increase in The London Fix price, which rose 17.77% from $18.74 at June 30, 2010 to $22.07 at September 30, 2010 and an increase in outstanding shares, which rose from 300,400,000 shares at June 30, 2010 to 321,500,000 shares at September 30, 2010, a consequence of 22,100,000 shares (442 Baskets) being created and 1,000,000 shares (20 Baskets) being redeemed during the quarter.

The 17.59% increase in the Trust s net asset value per share from $18.36 at June 30, 2010 to $21.59 at September 30, 2010 is directly related to the 17.77% increase in The London Fix price.

The Trust s net asset value per share increased slightly less than the price of silver on a percentage basis due to the Sponsor s fees, which were $7,084,302 for the quarter, or 0.13% of the Trust s average weighted net assets of $5,636,757,587 during the quarter. The net asset value per share of $21.59 on September 30, 2010 was the highest during the quarter, compared with a low during the quarter of $17.19 on July 20, 2010. The net asset value of the Trust is obtained by subtracting the Trust s expenses and liabilities on any day from the value of the silver owned by the Trust on that day; the net asset value per share is obtained by dividing the net asset value of the Trust on a given day by the number of shares outstanding on that day.

Net loss for the quarter ended September 30, 2010 was $966,787 resulting from a net gain of $1,728,069 on the sales of silver to pay expenses, a net gain of $4,389,446 on silver distributed for the redemption of shares offset by Sponsor s fees of $7,084,302. Other than the Sponsor s fees the Trust had no expenses during the quarter.

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The Nine Months Ended September 30, 2010

The Trust s net asset value grew from $5,183,153,950 at December 31, 2009 to $6,941,619,637 at September 30, 2010, a 33.93% increase. The increase in the Trust s net asset value resulted primarily from an increase in The London Fix price, which rose 29.90% from $16.99 at December 31, 2009 to $22.07 at September 30, 2010 and an increase in outstanding shares, which rose from 310,700,000 shares at December 31, 2009 to 321,500,000 shares at September 30, 2010, a consequence of 39,150,000 shares (783 Baskets) being created and 28,350,000 shares (567 Baskets) being redeemed during the period.

The 29.44% increase in the Trust s net asset value per share from $16.68 at December 31, 2009 to $21.59 at September 30, 2010 is directly related to the 29.90% increase in The London Fix price.

The Trust s net asset value per share increased slightly less than the price of silver on a percentage basis due to the Sponsor s fees, which were $20,056,462 for the period, or 0.37% of the Trust s average weighted net assets of $5,369,604,923 during the period. The net asset value per share of $21.59 on September 30, 2010 was the highest during the period, compared with a low during the period of $14.86 on February 8, 2010. The net asset value of the Trust is obtained by subtracting the Trust s expenses and liabilities on any day from the value of the silver owned by the Trust on that day; the net asset value per share is obtained by dividing the net asset value of the Trust on a given day by the number of shares outstanding on that day.

Net income for the nine months ended September 30, 2010 was $99,006,343 resulting from a net gain of $4,467,410 on the sales of silver to pay expenses, a net gain of $114,595,395 on silver distributed for the redemption of shares offset by Sponsor s fees of $20,056,462. Other than the Sponsor s fees the Trust had no expenses during the period.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4. Controls and Procedures

The duly authorized officers of the Sponsor performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, and with the participation of the Trustee, have evaluated the effectiveness of the Trust s disclosure controls and procedures, and have concluded that the disclosure controls and procedures of the Trust have been effective as of the end of the period covered by this quarterly report.

There were no changes in the Trust s internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Trust s internal control over financial reporting.

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PART II OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

There have been no material changes to the Risk Factors last reported under Part I, Item 1A of the registrant s Annual Report on Form 10-K for the year ended December 31, 2009, filed with the Securities and Exchange Commission on February 26, 2010.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

a) None.

b) Not applicable.

c) 1,000,000 shares (20 Baskets) were redeemed during the quarter ended September 30, 2010.

Period	Total Number of Shares Redeemed	Average Ounces of Silver Per Share
07/01/10 to 07/31/10		
08/01/10 to 08/31/10	1,000,000	0.9790
09/01/10 to 09/30/10		
Total	1,000,000	0.9790

Item 3. Defaults Upon Senior Securities

None.

Item 5. Other Information

None.

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Item 6. Exhibits

Exhibit No.	Description
4.1	Depositary Trust Agreement is incorporated by reference to Exhibit 4.1 filed with Registration Statement No. 333-156506 on December 30, 2008
4.2	First Amendment to Depositary Trust Agreement is incorporated by reference to Exhibit 4.1 filed with Current Report on Form 8-K on December 2, 2009
4.3	Standard Terms for Authorized Participant Agreements is incorporated by reference to Exhibit 4.2 filed with Registration Statement No. 333-156506 on December 30, 2008
10.1	Custodian Agreement is incorporated by reference to Exhibit 10.1 filed with Registration Statement No. 333-156506 on December 30, 2008
10.2	Sub-license Agreement is incorporated by reference to Exhibit 10.2 filed with Registration Statement No. 333-156506 on December 30, 2008
10.3	Amendment No. 1 to Custodian Agreement is incorporated by reference to Exhibit 10.3 filed with Registration Statement No. 333-137621 on September 27, 2006
10.4	Second Amendment to Custodian Agreement is incorporated by reference to Exhibit 10.1 filed with Current Report on Form 8-K on February 10, 2010
31.1	Certification by Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification by Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification by Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification by Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned in the capacities* indicated thereunto duly authorized.

BlackRock Asset Management International Inc.

Sponsor of the iShares® Silver Trust (Registrant)

/s/ Michael A. Latham
Michael A. Latham
President and Chief Executive Officer
(Principal executive officer)
Date: November 8, 2010

/s/ Geoffrey D. Flynn
Geoffrey D. Flynn
Chief Operating Officer and Chief Financial Officer
(Principal financial and accounting officer)
Date: November 8, 2010

* The Registrant is a trust and the persons are signing in their capacities as officers of BlackRock Asset Management International Inc., the Sponsor of the Registrant.