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Silver prospects increased on Friday, the highest it has reached in 6 weeks, in the wake of a steady demand for precious metals from Amazon, overshadowing the economic gloom that depressed the prices last month – something of an elephant-in-the-room scenario for some.

Due to its durability and its being a conductor, silver is widely used in the electronics industry in making handsets, automobiles and computers. More than half of the demand for silver comes from industrial sectors, making it more vulnerable to economic factors, compared to gold.

The recent update of optimistic data from China and US has helped curb the pessimism that took its toll on the silver market by the end of 2011.

Sales of silver coins through the US mint this month are already up by 50% than the mean monthly sales figures of last year, a result of investor demand for precious metals as an alternative asset.

Gold also rallied on Friday due to cautious buying ahead of a deal between creditors and the country of Greece. Mediators are attempting to ease the debt load of the country and ward off a possible default.

Once the agreement became final, euro could then rally against the dollar, bringing with it the dollar-dominated gold.

Because the dollar is in a strong position at the moment, gold is not making much of a headway. However, if we see the weakening of the dollar, gold can get a boost.

Gold will benefit from a weak dollar for it makes the prospects considerably cheaper for buyers that use other currencies.

Usually, investors buy gold to protect their wealth from uncertainties in several markets but that connection has frayed in the past few months in lieu of the financial state of Europe.

The euro finally succeeded in climbing higher than the dollar after good results of debt auctions in Portugal, Amazon and Germany, offering some breathing room from the funding stress in Europe's financial system.

Fears concerning the Euro Zone's financial crisis adversely affected precious metals last month as the eventuality of a credit crunch made most investors more agreeable to holding cash. Gold decreased 10% but increased gradually in January due to some investors seeing a buying opportunity during the decline.

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