



5 Top Silver Stocks Under \$10

Description

It's not easy nowadays to find cheap mining stocks, but there are still some deals around if you know where to look.

Screening through securities trading under \$10 is like combing through the market's bargain bin. Wall Street money managers are usually restricted from buying stocks in this group. That gives retail investors like us an edge.

Even better, smaller price tags can translate into bigger gains. After all, it's a lot easier for a share price to surge from \$1 to \$2 than from \$100 to \$200. And because of their cheap values, small investors are able to buy a larger number of shares.

Thankfully, low silver prices have turned some of these penny stocks into outright bargains. Here are five of my favourites:

Name	Stock Price	Market Cap
First Majestic Silver	\$6.43	\$615.5 million
MAG Silver Corp.	\$9.07	\$510.8 million
Silver Standard Resources	\$7.63	\$501.7 million
Fortuna Silver Mines	\$4.76	\$499.3 million
Endeavour Silver Corp.	\$2.64	\$219.2 million

Source: Yahoo! Finance

Let's say a few words about these companies.

First Majestic Silver Corp ([TSX:FR](#))([NYSE:AG](#)) and **Silver Standard Resources Inc.** (TSX:SSO)(NASDAQ:SSRI) are both well-run producers with operations throughout Latin America. With these two companies, you have to love the management teams, locations of the mines, and the production mix between gold and silver.

However, with the recent doldrums in commodity markets, investors have lumped these companies in with all the other operators out there. But if resource prices improve, these two stocks could deliver some of the best returns around because of the leverage built into their businesses.

Fortuna Silver Mines Inc. ([TSX:FVI](#)) is a name I have talked about before. This is a better stock for more risk-averse investors because there's a little more cash flow and earnings here in addition to a bit of exposure to lead and zinc. Better yet, production is expected to rise by another 20% or so over the next few years, which means shares could outperform even if silver prices stay flat.

The story is getting interesting at **Endeavour Silver Corp.** ([TSX:EDR](#))([NYSE:EXK](#)). Earlier this month, the company hired independent consultants to assess its Terronera mine. If given the green light, this property should be in operation for the next 10 years producing approximately two million ounces of silver annually. Needless to say, the mine looks promising and is quite likely to be the Endeavour's next producing asset.

Finally, **MAG Silver Corp** ([TSX:MAG](#)) has also been in the news with some interesting developments. In April the company released new exploration results from its Minera Juanicipio joint venture in Mexico. Investment house Raymond James called the results strong and believes the property could represent "a new, deep, silver-rich phase of mineralization."

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:AG (First Majestic Silver)
2. NYSE:EXK (Endeavour Silver Corp.)
3. TSX:EDR (Endeavour Silver Corp.)
4. TSX:FR (First Majestic Silver)

Category

1. Investing
2. Metals and Mining Stocks

Date

2025/08/18

Date Created

2015/05/25

Author

rbailleul

default watermark