



3 Gold and Silver Stocks to Buy After U.S. Leadership Backs Low Dollar

Description

In the autumn of 2017, precious metals suffered a steep drop just as [Bitcoin and other cryptocurrencies began to enter a mania phase](#). The U.S. dollar fell steadily in 2017, but gold and silver failed to emerge from volatility for much of the year.

On January 24, the spot price of gold rose above US\$1,360 for the first time since early September 2017 — rising 1.3% on the day. Silver jumped over 3% to reach a high in 2018. Precious metals experienced a huge boost after comments by U.S. Treasury Secretary Steven Mnuchin plunged the U.S. dollar to three-year lows.

Mnuchin was optimistic about the impacts a weaker dollar would have on the U.S. economy in the short term. “Obviously, a weaker dollar is good for us as it relates to trade and opportunities,” Mnuchin said at a press briefing during the World Economic Forum in Davos, Switzerland. Commerce secretary Wilbur Ross attempted to walk back comments by Mnuchin later in the day, saying that the Treasury secretary was not “advocating” for a lower U.S. dollar.

Still, the damage was done as trading came to a close on January 24. With [gold and silver showing impressive momentum](#) to start 2018, we should check up on some of the top stocks that investors can dip in to at this stage.

Silvercorp Metals Inc. ([TSX:SVM](#))(NYSE:SVM)

Silvercorp rose 3.19% on January 24 and has climbed 8.5% in 2018 thus far. The Vancouver-based silver miner is the largest producer in China. In the second quarter ending September 30, 2017, Silvercorp reported net income of \$11.1 million, or \$0.07 per share, and saw sales increase 3% year over year to \$47.5 million. The stock also offers a modest quarterly dividend of \$0.01 per share, representing a 0.7% dividend yield.

Yamana Gold Inc. ([TSX:YRI](#))(NYSE:AUY)

Yamana climbed 2.48% on January 24, and the stock has increased 15.8% in 2018. On January 11, Yamana provided preliminary fourth-quarter and full-year results for 2017. Gold and copper production

exceeded the company's full-year guidance at 977,000 ounces of gold and 127 million pounds of copper, respectively. Silver also surpassed expectations at five million ounces compared to 4.7 million projected in February 2017. Yamana last offered a quarterly dividend of \$0.01 per share with a 0.5% dividend yield.

Pan American Silver Corp. ([TSX:PAAS](#))(NASDAQ:PAAS)

Pan American rose 1.67% on January 24, and shares have climbed 9.1% in 2018. The Vancouver-based miner has operations in the United States, Mexico, and South America. The company released its 2017 third-quarter results on November 8. It posted silver production of 5.89 million ounces, which was down from 6.36 million ounces in Q3 2016. Gold production was reported at 40,800 ounces compared to 50,400 ounces in the prior year. Zinc, lead, and copper production were all up as all three metals continue momentum in early 2018 on positive global growth.

Pan American also delivered a quarterly dividend of \$0.03 per share, representing a 0.6% dividend yield.

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