



2 Top Gold and Silver Stocks to Own for the Rest of 2019

Description

Earlier this week I'd discussed the response to yield curve inversions in the United States and Canada. This sparked a sell-off late last week and has generated some anxiety in the investing world. The spot price of gold and silver experienced an uptick after the [bearish signal](#), but momentum has since tapered off.

Economic anxiety and a commitment to low rates from central banks equals a bullish environment for precious metals, which is why it is worth owning gold and silver equities for the remainder of this year. Today we are going to look at two top stocks to stash in your portfolio this spring.

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

Silvercorp Metals is a Vancouver-based silver miner that owns producing mines and development projects in mainland China. Shares of Silvercorp have surged 29% in 2019 as of close on March 28. The stock is up 6% from the prior year.

Silvercorp released its fiscal 2019 third-quarter results on February 14. Back in early February, I'd called Silvercorp a [sneaky pick up](#) ahead of its earnings release. Shares have climbed double-digits percentage-wise since its Q3 earnings release.

In that report Silvercorp announced that it had sold 1.7 million ounces of silver, which was up 13% from the prior year. The company saw an uptick in its cash and cash equivalents to \$125.2 million. Silver prices climbed in late 2018 and early 2019, but have since flattened out. Silvercorp is trading at the high end of its 52-week range, but it boasts an RSI of 49, which suggests that it is not necessarily overpriced right now.

Silvercorp is one of my favourite silver equities with its solid management, steady production, and attractive price. Investors should look to stack on the dips as tailwinds build up for precious metals.

Barrick Gold ([TSX:ABX](#))(NYSE:GOLD)

Barrick Gold is the largest gold producer in the world. Shares of Barrick had climbed 1.1% in 2019 as of close on March 28. The stock was up 16.6% from the prior year.

Full-year gold production at Barrick reached 4.53 million ounces in fiscal 2018. Total debt fell 11% for the year to \$1.6 billion. Barrick had declared proven gold reserves of 62.3 million ounces as at December 31, 2018. The company is well-positioned to be a revenue monster if gold prices can threaten the \$1,400 threshold.

The low rate environment should produce good returns for the yellow metal, as the greenback has weakened on the policy U-turn. Oddsmakers have raised the possibility of a rate *cut* in 2019 for the U.S. Federal Reserve and the Bank of Canada. If the U.S. Fed pursues this, or another round of quantitative easing, gold would likely experience a serious uptick.

Investors should not be building their portfolios around PM equities, but in this environment, every portfolio should have some exposure. Barrick boasts monster production and has consolidated its position ahead of fiscal 2019. It is well worth snagging in the spring.

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