



You Should Buy Bitcoin, Gold, and Silver Before the Next Recession

Description

Governments are destroying currency at an incredible rate. Lowering borrowing rates to zero and below, pumping cash into the system, and increasing government debt has led to a huge increase in potential risk to the financial system. As a result, it might be a good idea to add to your holdings in gold, silver, and Bitcoin.

The case for gold

Of the three, gold should make up the largest percentage. There are three ways to invest in gold. You can own physical gold, a gold ETF, or shares in gold companies. While investing in physical gold is the best way to be protected in an actual emergency, it can be expensive, or even risky, to store.

A gold ETF can make this more convenient. There are many to choose from, but **Sprott Physical Gold and Silver Trust** is one of the best that you can buy in Canada. This fund provides an excellent way to own gold and silver, since you can actually redeem your units for physical gold. Of course, there is a fee for getting the gold delivered to you, but this option makes owning the ETF more appealing.

Of course, you can also invest in the miners if you want a more leveraged way to buy gold. **iShares S&P TSX Global Gold Index ETF** is a pretty good way to get exposure to the miners. With a small dividend of 0.16% and a management expense ratio (MER) of 0.61%, this is a pretty good way to gain exposure to the sector.

Of course, you can always try your luck at picking an individual stock. One that I have held in the past and have recently decided to check out once again is **Centamin PLC**. This stock [appears to be good](#) for a number of reasons. First, it operates debt-free. It also has a pretty significant yield of around 5%. The biggest knock against the company, though, is that it operates overseas in Africa and could therefore be exposed to geopolitical risks.

Silver can't get any love

If gold has been out of favour until recently, silver has been totally ignored. Recently, silver has begun to experience a bit of a resurgence, but it is still far less desired as a safe haven. This dissidence may

in fact be the best part of silver as a safe haven. If gold continues to climb higher, silver may eventually become the best place to be for precious metal investors.

In order to capitalize on the leverage silver may have in the future, investors can look at owning the metal, a silver trust, or a miner like **Pan American Silver Silver**. Personally, I prefer to [own the miner](#) due to its leverage to the price of silver.

The company currently trades close to its 52-week high after reporting pretty good earnings earlier this month. The company beat earnings estimates by \$0.25 a share and reported revenue that increased by 87.6% year over year. The company also pays a small dividend of about 0.76%, which is paid out in U.S. dollars.

What about Bitcoin?

I have a bit of a far-out theory that might support owning a little bit of the cryptocurrency, especially the first-to-market leader Bitcoin. With all the shenanigans being performed by central banks, it is entirely possible that people might begin to wonder, "Hey, we have an alternative right now that bypasses banks, intermediaries, and even central banks? Why don't we use that instead?"

If people really got sick of central banks and began to move towards cryptocurrencies en masse, it would be handy to have a stash of the stuff ready to use. Of course, I am not talking about putting all your life savings into Bitcoin. But having a small supply may be useful in the future.

For this, I would only buy Bitcoin itself, not a company that operates in it, another crypto, or a Bitcoin trust. Just start accumulating a small amount to have in case it's needed someday.

Be prepared

It is very handy to build an emergency stash ahead of time. Have some gold, silver, and Bitcoin to protect yourself if hard times come.

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