



Top Precious Metals Stocks to Buy in the Summer

Description

Back in the early spring, investors were reeling from one of the fastest retreats into bear market territory in modern history. At the time, I'd suggested that Canadians should look to stock up on [precious metals stocks](#). The COVID-19 pandemic has led to economic devastation worldwide, prompting many investors to run to safe havens.

However, the bullish conditions for gold and silver were apparent even before the pandemic stirred economic and social upheaval.

Today, I want to look at some of my top precious metals stocks to pick up in the early summer. Let's dive in.

Precious metals: Silver is starting its run

The spot price of silver has managed to gain momentum in the late spring and early summer. [Silver has struggled](#) to keep up with the pace of gold's stunning run, but it is still worth targeting in this environment. Mining stocks in this space are starting to soar. If investors are focused on precious metals, they should start with silver in the summer.

First Majestic Silver is a large silver producing with strong assets in Mexico. Its shares have dropped 11% in 2020 as of early afternoon trading on July 9. However, the stock has surged 57% over the past three months.

The company released its first-quarter 2020 results on May 14. Revenues fell 1% year over year to \$86.1 million, which was primarily due to the suspension of sales in March in a bid to maximize future profits due to metals market volatility.

The bet looks like it will likely pay off as First Majestic should benefit from the spike in the spot price of silver going forward. Mine operating earnings increased 106% to \$21.1 million and reduced cash costs by 19%.

Silvercorp Metals is a top precious metals company with a large presence in China. The stock has increased 8.1% in 2020 and has climbed 67% over the last three months. In fiscal 2020, Silvercorp reported that its silver producer beat its initial guidance by 3%. Moreover, cash flow from operations rose 10% to \$77.2 million.

The company boasts a flawless balance sheet and is one of the most dependable silver producers on the **TSX**.

This gold stock has made fortunes over the past decade

Kirkland Lake Gold (TSX:KL)(NYSE:KL) is engaged in the acquisition, exploration, development, and operation of gold properties. Not only is Kirkland Lake Gold one of the best gold stocks, but it was also one of the best-performing TSX equities over the course of the 2010s. It has carried this momentum in 2020. Shares are up 12% so far this year.

In the precious metals space, gold has lived up to its reputation as the top safe haven in 2020. The yellow metal just breached the \$1,800 per ounce price point in July. In Q2 2020, Kirkland Lake Gold achieved consolidated production of 329,770 ounces – up 54% from the prior year.

Shares of Kirkland Lake Gold still have a favourable price-to-earnings ratio of 15. Meanwhile, it possesses a fantastic balance sheet. This is still one of the best gold stocks to own in the Canadian market.

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