



## Attain Stable Growth in a Volatile Market

### Description

How [diversified is your portfolio](#)? An important, yet often overlooked component of every well-balanced portfolio is to have one more precious metal investment stocks. Precious metal stocks, such as **Wheaton Precious Metals** ([TSX:WPM](#))([NYSE:WPM](#)) can provide years of stable growth potential.

### Isn't crypto the new gold?

Cryptocurrencies have developed a reputation in recent years. Specifically, crypto-bulls see these virtual currencies as a store of wealth with immense growth potential. As an aside, note that the 'store of wealth' label is one that was typically used for gold investments.

To be clear, there is some truth in the growth potential of cryptocurrencies. Bitcoin has surged immensely in recent years, far outperforming even the best stocks on the market. But that growth comes with a massive amount of risk.

In recent weeks, investors have focused on the surge and then drop of cryptocurrencies. After hitting new highs over \$70,000, Bitcoin dropped sharply to a sub \$40,000 level. To be fair, volatility is nothing new for crypto investors. Furthermore, that high-risk / high-reward model isn't for all investors. It wasn't even enough for **Tesla**, which ceased accepting Bitcoin as payment for its vehicles recently as well.

### While Bitcoin remains volatile, gold prices are rising

What many investors haven't been watching closely in recent weeks are gold prices, which are on the rise. The yellow metal is now trading just shy of US\$1900 per ounce after trading at US\$1720 just last month. So where exactly does Wheaton fit into the picture?

Wheaton is a precious metals streamer, which means the company provides an upfront capital injection for a traditional miner to begin operations. That upfront investment entitles the streamer to purchase a portion of the metals from the mine at significantly discounted rates.

Those metals can then be sold onto the market at the current market rate. As a result, streamers such as Wheaton have lower overall risk over their traditional miner peers. This also means that streamers can quickly move on to consider other candidate sites for investment, leaving the day-to-day operations to the traditional miner.

This model works well with the stable growth objective outlined above and has allowed Wheaton, to invest in 23 different mines across the world. The mines produce different types of precious metals, providing a diversified revenue stream that can last up to a decade.

In terms of results, in the most recent quarterly update, Wheaton reported US\$320 million in revenue, representing a record for the company. Operating cash flow for the quarter came in at US\$232 million, representing a 31% bump over the same period last year.

## Can you see stable growth with Wheaton?

In my opinion, Wheaton is a great long-term investment that would be a great part of any well-balanced portfolio. You might not see the surging growth of cryptocurrencies, but you also won't see the immense volatility either. The company also offers a quarterly dividend based on its trailing earnings, but the current 1.09% yield hardly qualifies as a [stellar income stock](#). Again, it's about stable growth.

In short, buy it, hold it and let it grow.

### CATEGORY

1. Investing
2. Metals and Mining Stocks

### TICKERS GLOBAL

1. NYSE:WPM (Wheaton Precious Metals Corp.)
2. TSX:WPM (Wheaton Precious Metals Corp.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
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