



Why First Majestic Silver Stock Popped 12% Today

Description

What happened?

The shares of **First Majestic Silver** ([TSX:FR](#))([NYSE:AG](#)) surged well more than 10% Wednesday after trading on a negative note in the previous four sessions. This rally came a day after the company reported its solid Q4 production results. At the time of writing, FR stock was trading at \$14.84 per share with 12.1% gains for the day compared to a 0.3% rise in the **TSX Composite Index**.

So what?

First Majestic Silver is a Vancouver-based precious metals mining company with its main production operations in Mexico and the United States. The company currently has a [market cap](#) of about \$3.4 billion.

Yesterday, the silver mining company, in a press release, [revealed](#) that it achieved a new quarterly production record in Q4. First Majestic produced 8.6 million silver equivalent ounces during the quarter, showcasing a 17% sequential increase. This included 3.4 million silver ounces and 67,411 gold ounces. With the help of its solid Q4 production, the company also met its full-year 2021 guidance by producing a record 26.9 million silver equivalent ounces.

To add optimism, First Majestic Silver gave stellar production guidance for the full year 2022. The company expects to produce between 32.2 to 35.8 million silver equivalent ounces in the ongoing year. These positive factors boosted investors' confidence, driving a sharp rally in FR stock today.

Now what?

Apart from these company-specific factors, a recent rally in silver prices could be another reason for today's sharp gains in First Majestic stock. As I talked about the ongoing trend in silver in the ["TSX Today" series article](#) this morning, silver prices have jumped by about 5% in the last couple of sessions

amid investors' expectations of a tighter monetary policy in the United States.

Rising precious metals prices could help companies like First Majestic post significant improvement in their financial growth in the coming quarters. In addition, its consistently improving production levels could help FR stock soar in the near term.

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2. Metals and Mining Stocks

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Author

jparashar

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