



2 Gold and Silver Stocks to Buy Amid Russia-Ukraine Conflict

Description

Amid an escalation of the Russia-Ukraine conflict that is unlikely to be resolved anytime soon, gold and silver prices have soared, resulting in precious metals stocks rising swiftly. The gold and silver prices are now trading solidly above US\$1,900 and US\$25 per ounce, respectively. Here are some of the biggest movers among gold and silver stocks you can consider buying today.

Pan American Silver stock

Pan American Silver ([TSX:PAAS](#))(NASDAQ:PAAS) stock jumped 9.5% yesterday. Pan American Silver calls itself the world's premier silver mining company. It has diversified assets with nine operations in the Americas. Its revenue breakdown is approximately 44% in Peru, 29% in Mexico, 15%, in Canada, 7% in Argentina, and 5% in Bolivia. The company stands out as having large silver reserves — specifically, mineral reserves of 529 million ounces of silver (plus 4.2 million ounces of gold).

Its 2021 revenue breakdown by commodity was 60% gold, 26% silver, 8% zinc, 4% copper, and 2% lead, while its mineral reserves are diversified as follows: 48% silver, 29% gold, 14% zinc, 6% lead, and 3% copper. In 2021, it was able to boost silver and gold production levels by 11% year over year. Consequently, it increased revenue by 22% to \$1.6 billion and increased its cash and cash-equivalent balance by 70% to \$283.6 million.

The precious metals stock is cheap and can potentially revisit the \$50-per-share level over the next few years, which implies upside potential of 52%. Additionally, management increased investor confidence by raising PAAS stock's dividend by 20%. The improved dividend provides a nice bonus yield of about 1.5% on top of its price-appreciation potential.

Wheaton Precious Metals stock

Yesterday, **Wheaton Precious Metals** ([TSX:WPM](#))([NYSE:WPM](#)) stock rose 5.2%. It is a more conservative precious metals holding than miners, as it neither explores nor operates mines. It's able

to keep operating costs low. And it's, therefore, worthy to be considered as a core holding in the precious metals space. It's better than buying physical gold and silver because the latter requires storage costs. Additionally, WPM stock yields 1.3%. It's no accident that total returns of [WPM stock](#) have consistently outperformed gold and silver over various multi-year periods.

Recently, Rick Rule commented on the precious metals stock.

“[Wheaton Precious Metals] should be a core holding in a precious metals portfolio – a quality company. It's extremely well run with spectacular profit margins. It can act quickly for companies that need capital.”

Rick Rule, president and CEO of Rule Investment Media LLC

As a precious metals streaming company, WPM enjoys predictable costs and high margins from buying by-product precious metals and cobalt from mines. It would make an upfront payment and an additional payment upon delivery of the metal. Its trailing 12-month net margin is 51.3%.

Interested investors can watch out for the company's fourth-quarter and full-year 2021 results that are scheduled to be released on March 11. Last month, management revealed 10-year average annual production growth of 20%. WPM stock could revisit the \$75-per-share level for 28% upside if the Russia-Ukraine conflict persists.

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1. Investing
2. Metals and Mining Stocks

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2. NYSE:WPM (Wheaton Precious Metals Corp.)
3. TSX:PAAS (Pan American Silver Corp.)
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