



Oil and Gold Bull Market: 2 Top ETFs to Buy Today

Description

The Russia-Ukraine conflict has significantly ramped up volatility in global markets. It has also spurred a bull market in oil prices and for gold. Today, I want to explore the conditions that have led to the bull markets in both spaces. Moreover, I'll look at two [exchange-traded funds \(ETFs\)](#) that offer exposure to each. Let's dive in.

Oil and gold continue to show bullish signs in March

Earlier this week, I'd looked at the state of the [oil and gas market](#), as we approach the middle of March. The price of WTI crude managed to shoot above the US\$130/barrel mark in the early part of this month. However, it has since retreated in the face of some headwinds.

Some reports indicated that the United States and Iran were very close on yet another nuclear agreement. If reached, this could see the massive trove of Iranian oil flood into the market. However, recent reports suggest that U.S. demands over Russia have the potential to torpedo the talks. This could generate more upward momentum for oil, especially after the U.S. just moved to ban Russian oil imports.

Here's an oil-focused ETF to target today

Investors who want exposure to the oil and gas sector should consider **BMO Equal Weight Oil & Gas ETF (TSX:ZEO)**. This ETF offers exposure to Canadian oil and gas stocks. It is professionally managed by BMO Global Asset Management. Shares of this ETF have climbed 22% in 2022 as of close on March 10. The ETF is up 52% in the year-over-year period.

According to the fund facts, this ETF possesses a high-risk rating. Moreover, investors will also be paying a relatively high MER of 0.61%. Some of the top holdings in this account include Canadian energy giants like **Cenovus Energy**, **Canadian Natural Resources**, and **Suncor Energy**. These companies have thrived on the back of surging oil and gas prices over the past year. Indeed, their performance has propped up the energy heavy TSX in an otherwise highly volatile market.

Don't sleep on this gold-focused ETF

On the day Russia launched its full-scale invasion of Ukraine, I'd discussed [gold's performance](#). Indeed, gold has proven that it is still a trusted safe haven over the course of this crisis. The spot price of the yellow metal rose above US\$2,000/ounce for the first time since the spring of 2020. However, it has since retreated slightly below this mark at the time of this writing.

The ongoing geopolitical crisis shows no sign of abating. Indeed, a Russian military victory will do little to alleviate the economic pressure that has been put on the state by NATO and European Union allies. In this environment, investors should look to gold.

Junior gold miners may be more speculative, but these equities are also high-reward plays in a gold bull market. **BMO Junior Gold ETF** (TSX:ZJG) offers investors exposure to junior gold North American equities. Shares of this ETF have increased 22% so far this year. This has pushed the ETF into the black for the year-over-year period.

Some of the top holdings in this fund include **Royal Gold**, **Yamana Gold**, and **B2Gold**. It is also high risk and possesses a MER of 0.61%.

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