



Precious Metals Just Aren't Expensive Enough

Description

When it comes to silver streaming, no one comes within sniffing distance of **Silver Wheaton** (TSX: SLW, NYSE: SLW). Despite the idea behind the business seeming sound, the market simply hasn't allowed it to flourish with silver and gold prices remaining so low. Based on remarks during the conference call, however, management appears to believe that prices are set to rise over the medium- to long-term due to pressures being placed on high-cost producers. Because of this, supply could be constrained to the point of affecting the supply-demand balance leading to price escalations.

Recently, Silver Wheaton has begun to diversify into gold streaming which hasn't fared much better than its silver business. When examining this market, \$1,200 to \$1,300 per ounce appears to be the floor that many of the major miners are basing capital project and impairment decisions on. We have been climbing away from this range, so if it continues, look for some of Silver Wheaton's partners to begin shipping more gold the company's way.

The Canadian market is dominated by resource oriented companies like Silver Wheaton. To help open your eyes to what else might be out there, the Motley Fool Canada created a special **FREE** report that profiles 5 great Canadian companies that are a perfect fit for every portfolio. In fact, one of these 5 just got taken out a huge premium. Simply [click here now](#) to learn all about the other 4.

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Fool contributors Joel South and Taylor Muckerman do not own shares in any companies mentioned at this time. The Motley Fool doesn't own shares in any of the companies mentioned.

CATEGORY

1. Investing

TICKERS GLOBAL

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

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Date

2025/08/23

Date Created

2013/08/16

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