This Hotlist Stock Has Got The Bling: A-Mark Precious Metals Scores 100!

Posted by Ryan James | Mar 24, 2022 | Money Moves

Conquering the Market Starts Here ...

Our experts do the work to make investing safe and profitable for you. Sign up for FREE access to our Money & Markets daily emails and take control of the Markets!

Enter Join
Even with gold underperforming in the short-term, other precious metals are taking off—and companies like A-Mark that manage them offer a golden opportunity to investors.

It’s time for yet another Green Zone Ratings hotlist spotlight, where we here at Money Moves highlight one stock from our weekly Green Zone rating hotlist.

(If you’d like to have our Top 10 Green Zone rating hotlist emailed to you every single week, click here. We always get to talk about one of the picks, but there are nine other stellar options at your disposal. Let the FOMO guide you, as the kids say these days!)

This week’s Green Zone hotlist pick scores a perfect 100 on our Green Zone rating scale, which means that we are “Strong bullish” on the stock.
The stock is A-Mark precious metals. A-Mark operates through the following segments: Wholesale Trading and Ancillary Services, Secured Lending, and Direct-to-Consumer. The Wholesale Trading and Ancillary Services segment offers gold, silver, platinum, and palladium in the form of bars, plates, powder, wafers, grain, ingots, and coins.

The Secured Lending segment serves coin and precious metal dealers, investors, and collectors. The Direct-to-Consumer segment sells precious metals to the investor community.

And the company has been on a roll lately.

According to Zacks, “In its last earnings report on February 8,
2022, A-Mark reported EPS of $2.61 versus consensus estimate of $1.34."

For the current fiscal year, A-Mark is expected to post earnings of $7.93 per share on $7.86 billion in revenues.

And if you have noticed lately, precious metals are expensive... dang expensive!

As of this writing, gold is trading just under $2,000, palladium is trading for $2,500, and platinum is trading around $1,000.

On top of that, silver is trading for $25...and for those fans of William Jennings Bryan—who isn’t?—“You shall not crucify mankind upon a cross of gold.”

(See? I did pay attention in history class in high school!)

Precious metals companies like A-Mark are benefiting from the rise in price of metals like platinum,
which is used in jewelry, as well as converters for cars, trucks, and busses. This accounts for 50% of demand for platinum and is effective at converting emissions from vehicle engines into less harmful waste products.

The electronics industry uses platinum for computer hard disks and thermocouples.

You can say these companies are bringing in the “bling” as the kids used to say.

Then there is palladium, which is used to limit toxic exhaust in car exhausts and is also used to the production of electronics, dentistry, and jewelry.

Palladium is mined in South Africa and Russia. Oh, crap...Russia. Here we go again. Russia is just a big buzzkill for all things these
days, whether it be natural gas and oil or fertilizer. Russia is just all-around killing the vibe.

**Palladium** has already been in short supply over the past decade and has been unable to keep up with demand.

And now there is a war. Just when it didn’t seem like it couldn’t be more expensive to buy palladium, it did.

As far as gold goes, many investors view it as a hedge against inflation, which, clearly, we have a lot of right now.

But the historical data on gold being an effective hedge against inflation is mixed.

**Research conducted** by Duke University professor Campbell Harvey and Claude Erb found that gold only does a good job maintaining purchasing power over longer periods of time—as in over a century.
So, unless you are a vampire, this might not be the investment for you.

Also, over the last 40 years, gold has only had a yearly return of 3.6% per year compared to 8% for treasuries and 12% for the S&P 500.

Sorry to rain on the gold parade, but I am just the messenger. Don’t shoot me.

If you were planning on robbing Ft. Knox like Mr. Goldfinger, you might want to reconsider.
But if you are looking for a hot stock that will help you make out like a bandit, I present A-Mark for your consideration.
Conquering the Market Starts Here...

Don't get overwhelmed by the daily ups and downs of the stock market. Sign up for FREE access to our *Money and Markets* daily emails and take control of the markets!

---

**RECOMMENDED FOR YOU**

---

**ALSO ON MONEYANDMARKETS.COM**

- **Time To Go ...**
  - 4 days ago • 1 comment
  - Recently revealed data shows that US companies will be buying back …

- **Russia Threw ...**
  - 4 days ago • 1 comment
  - Renewable energy has been around for centuries, but global events like the …

- **He's E**
  - 8 days ago
  - The ma Starbu coffee …

---

**What do you think?**

- 3 Responses
Money & Markets is America's premier source for financial news, commentary and actionable research advice. Every day, Money & Markets gives you the information you need to protect your nest egg, grow your wealth, and safeguard your financial wellbeing. Learn more.

Learn More

Our experts do the work to make investing safe and profitable for you. Sign up for FREE access to our Money & Markets daily emails and take control of the Markets!