



Barrick Gold, Goldcorp Making a Stand

Description

It's still early in this hiccup of a day for the markets but for those of us who own some exposure to gold, it's nice to see it behaving as it's supposed to.

Weak Chinese PMI data and Fed comments yesterday that indicated they may soon retract from their open market actions have sent a ripple through global markets. Japan's Nikkei 225 index fell by more than 7% in Thursday trading, European markets are down more than 2% across the board, the U.S is off by close to 1%, WTI oil has declined by 2.1% and COMEX copper has taken a 3% hit, at the moment.

With much of the day still in front of us though, gold and gold stocks offer a rare glimpse of green in this sea of red. The commodity is sitting 1.6% above yesterday's spot close and companies like **Barrick Gold** (TSX:ABX,NYSE:ABX), **Goldcorp** (TSX:G,NYSE:GG) and **Yamana** ([TSX:YRI](#)) are up 1.5%, 1.5%, and 1.7% respectively.

This is in stark contrast to the last time there was a surprisingly bad economic number out of China and the price of gold, and all of the stocks that are tied to it, fell dramatically. This occurred back in the middle of April.

The Foolish Bottom Line

The theory and practicality of gold remains, and always will remain, open to debate. If you own gold or gold related equities for the theoretical safety that they provide, feel free to claim this morning's stock action as a small victory. I am!

While gold's performance in various market scenarios is debateable, one tried and true investment strategy that is a proven winner in all environments is dividend investing. The Motley Fool has prepared a [Special Free Report](#) that will have you rolling in dividend cheques before you know it. The report is called "**13 High Yielding Stocks to Buy Today**" and to download a copy at no charge, simply [click here now.](#)

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Fool contributor Iain Butler is short \$32 July puts on Goldcorp, short \$14 July puts on Yamana, and long Barrick Gold shares. The Motley Fool doesn't own shares in any of the companies mentioned.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)
3. TSX:YRI (Yamana Gold)

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Date

2025/08/12

Date Created

2013/05/23

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