



Looking for a Safe Haven? Look No Further: Here Are 3 Gold Stocks That Fit the Bill

Description

With a falling U.S. dollar, continued geopolitical tension, a stock market frenzy, [Bitcoin sinking](#) to well below \$10,000, and [marijuana stocks](#) showing weakness after bubbling with froth, it increasingly looks like markets may be setting up for an implosion of some degree.

Investors can turn to gold for safety.

Closing in on \$1,400 per ounce, gold prices are hitting three-month highs.

In late 2011, gold prices peaked at close to \$1,900 per ounce, then retreated steadily to levels of just over \$1,000 per ounce at the end of 2015 and are currently closing in on \$1,300 per ounce.

There are certainly many questions that remain with respect to where gold is going from here, but one thing is sure: the industry has suffered through a period of record production and declining demand, and in response it has worked hard to reduce costs and improve balance sheets, and this leaves it well positioned to reap the rewards of rising gold prices.

Here are my three top picks for investors who are looking for the “safe-haven” qualities of gold stocks.

Agnico Eagle Mines Ltd. ([TSX:AEM](#))([NYSE:AEM](#)) is a great place to start. The stock price has come a long way from January 2016 levels of under \$40, but it has pretty much flat-lined in the last year. But my expectations are for a sustained rally in 2018, as the company continues to perform ahead of expectations.

With the company reporting third-quarter results that were well above expectations (EPS of \$0.29 versus expectations of \$0.16), and guidance being increased again, this stock makes a great addition to investors’ portfolios.

The stock has a dividend yield of 1%, but the key here is that the dividend was recently increased by 10%, and the company continues to perform better than its guidance.

Goldcorp Inc. (TSX:G)(NYSE:GG) is also hitting its stride and is on the cusp of seeing increasing cash flows as a result of its heavy capital-investment program.

In the latest quarter, the company reported an 86% increase in EPS, an 18% increase in operating cash flow, and improving costs. In the next five years, the company is expecting a 20% increase in production, a 20% reduction in costs, and a 20% increase in reserves.

Lastly, for the investor who is looking for perhaps more risk for the potential of a higher return, attractively valued **OceanaGold Corp.** ([TSX:OGC](#)) is a good option for exposure to gold.

OceanaGold is delivering stellar results on the production side of things as well as on the cost side.

In the latest quarter, production increased 9%, and the company achieved an all-in-sustaining cost per ounce of \$748, which was up from last quarter but still compares very favourably to industry bellwether Agnico.

So, there you have it: a few “safe-haven” stocks to weather the financial storm.

CATEGORY

1. Dividend Stocks
2. Investing
3. Metals and Mining Stocks

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1. Editor's Choice

TICKERS GLOBAL

1. NYSE:AEM (Agnico Eagle Mines Limited)
2. TSX:AEM (Agnico Eagle Mines Limited)
3. TSX:OGC (OceanaGold Corporation)

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