



The 3 Best Gold Stocks of 2018 So Far

Description

Gold prices have fallen by 5% since the beginning of 2018. Since the profitability of gold-mining companies is related to the price of gold, many gold stocks have been brought down by the [gold price decline](#). However, while many gold stocks have had negative returns so far this year, a few have managed to produce very high returns. Those are mostly exploration and development-stage companies.

The three gold stocks that I present below all have returns over 40% so far in 2018 — much higher than the TSX, which presents a return of only 0.8% year to date. It's time to buy gold stocks, as rising [geopolitical risk and other factors](#) are expected to drive up the price of gold in the coming months.

Wesdome Gold Mines ([TSX:WDO](#))

Wesdome Gold Mines is the gold stock that has the biggest gain on the TSX so far in 2018, with a gain of 68% year to date. The company has a market capitalization of \$475 million.

Wesdome Gold Mines is 100% Canadian-focused with a pipeline of projects in various stages of development. The gold producer has three projects: two in Ontario and one in Quebec. The Eagle River complex in Wawa, Ontario, is currently producing gold from two mines: the Eagle River underground and the Mishi open pit gold mines. Exploration activity continues at its Kiena Mine Complex located in Val d'Or, Quebec.

On June 26, the company announced positive drilling results from the ongoing underground drilling of the Kiena Deep A Zone that sent the share price rallying over 5%.

On July 12, Wesdome announced that it had achieved a gold production of 16,628 ounces in the second quarter of 2018 and 34,576 ounces in the first half of 2018.

Wesdome's production guidance for 2018 stands at 62,000-68,000 ounces of gold, and all-in sustaining costs per ounce between US\$1,100 and US\$1,160 are expected.

The gold miner is targeting future gold production between 150,000 and 200,000 ounces per year

while lowering costs.

Asanko Gold (TSX:AKG)(NYSE:AKG)

Asanka Gold's stock has a return of 47% year to date.

Asanko is an African-focused gold producer with an operating mine, the Asanko Gold Mine, and highly prospective land packages on the Asankrangwa and Sefwi belts in Ghana, West Africa. The gold miner currently has a market capitalization of \$290 million and has the potential to become one of the largest gold miners in Ghana. After only beginning commercial production in mid-2016, Asanko produced 205,047 ounces of gold in 2017.

On June 22, Asanka received approval from the government of Ghana on the closing of a US\$185 million joint venture transaction with **Gold Fields** for a 50% interest in the company's 90% interest in the Asanko Gold mine in Ghana, West Africa.

On July 13, Asanko announced that it had achieved the upper end of production guidance for the first half of its financial year, with a production of 101,731 ounces. The gold miner had forecast a production between 90,000 and 100,000 ounces for the period.

Corvus Gold (TSX:KOR)

Corvus Gold's stock shows a gain of 42% year to date.

Corvus is a gold-focused junior exploration and development company that has a market capitalization of \$254 million.

In the second quarter of 2018, the gold miner was focused heavily on its Mother Lode project in Nevada. Corvus also owns a number of royalties on North American gold, silver and copper exploration projects.

On June 7, Corvus announced that it had closed a US\$4.5 million financing deal to advance its Mother Lode project through 2019.

On July 12, the company announced that it continued to expand its Mother Lode deposit, drilling 109.7 metres at 1.4 grams per tonne gold, including 54.8 metres at 1.86 grams per tonne gold.

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1. Editor's Choice

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1. TSX:GAU (Galiano Gold Inc.)
2. TSX:WDO (Wesdome Gold Mines Ltd.)

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