



3 Top Gold Stocks to Buy Now

Description

Gold can be a good hedge in periods of stock market volatility.

We are at the late stage of the economic cycle. Usually, at this point in time, having a defensive positioning in an asset like gold is a good move. Interest rates will eventually start to tip down as the economy slows down, and that's when you want to have a hedge in a product like gold.

The gold price is now trading above US\$1,300 per ounce, up 9% compared to six months ago. I think investors' interest in gold as a safe haven from the volatile stock markets will increase this year.

You can have some exposure to gold by buying gold stocks, which are more liquid than owning gold itself.

Kirkland Lake Gold (TSX:KL)(NYSE:KL), **Torex Gold Resources** ([TSX:TXG](#)), and **Eldorado Gold** ([TSX:ELD](#))([NYSE:EGO](#)) are three gold stocks that have performed well recently, and that I expect to keep performing well in the coming months.

Kirkland Lake Gold

Kirkland is a Canadian gold miner that owns and operates four underground gold mines, including the Macassa mine, the Holt mine, and the Taylor mine in Ontario; it also owns the Fosterville Mine in Victoria, Australia, as well as three milling facilities in Canada and Australia.

In February, Kirkland announced a record 2018 fiscal year. The gold miner saw a strong net earnings growth of 107% to \$273.9 million. Revenue increased by 23% to \$915.9 million.

Kirkland also had a record gold production from its mines in northeastern Ontario and Australia.

The Toronto-based global miner produced 723,701 ounces of gold in 2018 at its three cornerstone mines — an increase of 21% from 2017.

In a press release, the miner said that there is potential for a million ounces in 2019, as guidance was increased to 920,000-1,000,000 ounces from the previously announced 740,000-800,000 ounces.

Revenue is expected to reach \$1.24 billion in 2019 — up 35.2% from a year ago. Earnings are estimated to rise by 51.5% to \$2.06 per share.

Kirkland started paying a [dividend](#) in 2017, which now yields 0.3%. Kirkland's stock has risen 25% year to date.

Torex Gold Resources

Torex engages in the exploration, development, and operation of mineral properties in Mexico. The company explores for gold, silver, copper, and carbon deposits.

In 2018, Torex had [record gold](#) production at the top end of guidance of 353,947 ounces. Revenue was \$442.9 million for the year. Net income and adjusted net income were \$23.2 million and \$19.7 million, respectively.

According to Fred Stanford, president and CEO of Torex, 2018 was also a good year on the growth front, as the firm advanced successful exploration drill programs and introduced new technology into its mining operations.

Such growth allowed Torex to forecast production guidance of 430,000 ounces for 2019, with the bulk of the production expected for the second half of the year.

Revenue is expected to reach \$561 million in 2019 — up 27% from a year ago. Earnings are estimated to rise by 174% to \$0.63 per share.

Torex's stock has risen 35% year to date.

Eldorado Gold

Eldorado is a Canadian mid-tier gold and base metals producer operating mines in Europe, Asia, and the Americas.

For 2018, gold production was ahead of plan, with an annual gold production of 349,147 ounces of gold compared to an original guidance of 290,000-330,000 ounces of gold. Guidance for 2019 has been increased by 27% from 2018 to 390,000-420,000 ounces of gold.

Total revenue during the year was \$459 million — up 17.2% from 2017 — due to higher gold production. Gold revenue was \$386 million — up 15.8% from a year ago.

Revenue is expected to reach \$614.07 million in 2019 — up 33.8% from a year ago. Earnings are estimated to rise by 164.7% to \$0.11 per share.

Eldorado's stock has risen 55% year to date.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:EGO (Eldorado Gold Corporation)
2. TSX:ELD (Eldorado Gold Corporation)
3. TSX:TXG (Torex Gold Resources Inc.)

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