



## Global Turbulence Could Drive Gold Investment Through The Roof

### Description

Two solid Canadian mining stocks are rising to the top of investors' wish lists as bearishness creeps into international markets and the global economic outlook begins to darken. Investors are already starting to scramble to the safety of gold, and that situation shows no signs of abating. Let's take a look at these two superb TSX stocks and review what's going on the precious metals scene as investors flock towards classically safe assets.

### The yellow metal is going to rule the rest of 2019

Gold futures have broken a six-year high, with everything from the unrest in Hong Kong to the U.S.-China trade war and everything in between piling on to make for a mountain of market stressors. While gold prices are ticking upwards at the moment, however, there could be a mass exodus towards safety if the situation continues.

The big investment banker **Goldman Sachs** has updated its gold price outlook, with trade war woes likely to push investors further into the safe-haven commodity. With prices in the yellow metal expected to hit \$1,600 an ounce in six months, shareholders may want to double down on their mining stocks, or make some last-minute purchases if they're not yet exposed.

However, even this is possibly an overly conservative estimate and does not account for the complex situations currently unfolding. As usual, pundits are late to the game when it comes to calling the market, with a whole team of macroeconomic stressors set to add a whole new level of chaos to an already crowded playing field.

Just wait until a recession is officially announced until a trade dispute becomes a currency dispute (or worse), or until the U.K. goes crashing out of Europe without a deal. The sheer number of alarming situations about to hit their own tipping points could lead to gold [soaring beyond all expectations](#).

### A tale of two world-class miners

**Newmont Goldcorp** ([TSX:NGT](#))([NYSE:NEM](#)) has been falling behind its peers, such as **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD), trailing the sector by between 20% and 30% in the months after its famous merger. However, this period could be coming to a close, and last orders might be imminent for investors seeking anything resembling a ground-level entrance. Given a few quarters, Newmont Goldcorp could really start to take off, and long-term investors will be quids-in.

On the other hand, you have a better short-term play for capital gains in Barrick Gold, with a potentially quicker turnaround thanks to tightly managed overheads and rising gold prices. Its production was in the higher range of expectations, as reported in its most recent quarter, with the perfect combination of falling costs and rising commodity prices. Indeed, you could say that [the rest of 2019 belongs to Barrick Gold](#).

## The bottom line

Combining high quality with classic safety, Barrick Gold is an ideal stock to add to a portfolio ahead of a potentially deep and dangerous market correction. Newmont Goldcorp is also a strong choice, though investor will have to be patient and be prepared to hold through some turbulent times. At the end of the day, though, both stocks are excellent examples of safe-haven investments and a smart play on higher gold prices.

### CATEGORY

1. Investing
2. Metals and Mining Stocks

### TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. NYSE:NEM (Newmont Mining Corporation)
3. TSX:ABX (Barrick Mining)
4. TSX:NGT (Newmont Mining Corporation)

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### Date

2025/07/22

### Date Created

2019/08/16

### Author

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