



This 1 Solid Gold Stock Is Trade War-Proof

Description

This week could be critical for the markets, as the deadline for a U.S.-China deadline — December 15 — fast approaches. However, a prototype deal is already in the making — one that centres around agricultural product sales.

A good reason to be bullish on China trade

While tariffs are still an option, a [deepening of the trade war](#) would have a damaging effect on markets, especially with investors' patience already being tested with wave after wave of positive announcements that lead nowhere.

However, a *de facto* trade deal has already been hammered out, though the markets seem largely to have disregarded it. The crux of the trade war has come down to agriculture, with the U.S. keen for China to buy into American agri products before a trade deal is agreed.

In theory, even if the deadline comes and goes without a deal, the U.S. may put off slapping extra tariffs on China. China's response, then, could be tit-for-tat agri purchases commensurate with the number of delayed tariffs.

With the agri deal coming close towards reality, America may already be looking at a quarterly review process that will monitor these proposed agri sales.

This gold stock is a catch-all investment

Should investors be buying gold miners right now? While this week has seen **Wesdome** hit a year-long high, gold spot prices have been on hold, while investors eye the potential for market disruption heading into the middle of the month. With political upheaval ratcheting up on both sides of the Atlantic, the potential for gold to either rocket or crater is putting risk-watching investors in a wait-and-see mood.

Barrick ([TSX:ABX](#))(NYSE:GOLD) is a particularly strong play in the gold space either way. The company is currently in divesting mode, stripping out assets that don't do much for its bottom line or that are too small to bring meaningful synergies to the table. The latest sale is the Massawa gold project, which is due to change hands for US\$430 million (around \$569 million in Canadian money).

Having gobbled up Rangold Resources earlier in the year, Barrick is still settling into its position as a mega-miner. The company is also potentially looking at [moving deeper into a copper](#) — a move that would make Barrick a solid all-rounder for investors seeking a combination of the classic safe haven of gold with the steep upside potential of the red metal.

Copper could be looking hot for 2020 with the possibility of bottlenecks from geopolitical tensions coupled with the rising demand for the base metal from the green economy. Copper is a key component in new technologies that form part of the drive to cut harmful emissions and reduce dependence on energy derived from hydrocarbon-rich fuel source.

The bottom line

Barrick is a good way to play the trade war, whichever way it shakes out. Gold is a classically low-risk investment, and Barrick is well-placed to grow into its position as a world-class producer. Meanwhile, the possibility of extra copper exposure makes this a one-stop stock for both commodities and green economy investors.

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