



Gold Stocks Are Already Hitting 52-Week Highs in 2020

Description

Natural resources are likely to be a richer vein of upside in the early years of the 2020s. While uranium is still a possibility for growth if and when the clean fuel source comes back into fashion, electric vehicle batteries are going to continue driving capital gains. Lithium and copper stocks are likely to soar, and spot prices could stay strong, even if new mines come online to meet some of that demand.

Another play this year would be palladium, a metal that has been somewhat overlooked but is having its moment. The metal is heating up in large part thanks to its use in catalytic converters. An entire industry has sprung up to convert hydrocarbon cars in order to mitigate harmful emissions and, as such, forms part of the high-growth green economy.

Big names in gold mining are hitting 52-week highs

It may be breaking out this week, but **Newmont Goldcorp** is still [good value for money](#). The mega miner has been stripping out underperforming assets and strengthening its balance sheet, and with high-quality assets and key synergies bolstering its bottom line, the biggest gold miner in the world is a resounding buy at the moment.

Wesdome Gold Mines is also trending higher, and **Yamana Gold**, **SSR Mining**, and **Osisko Mining** are all breaking out as we slide into the new year. In short, 2020 is shaping up to be a good year for gold. Newmont and Wesdome are notably hitting not just year-long highs but all-time records.

Wesdome came in at number 19 on the TSX 30 last year, a new initiative set up to showcase the 30 best-performing stocks on the TSX in terms of three-year share price growth. The [pure play on Canadian gold production](#) rocketed 172% since 2016.

Cannabis continues its downward spiral

Just as gold miners feature on the year-long high points list, cannabis is a recurrent theme on the list of stocks hitting 52-lows as midnight chimed and 2020 dawned on the markets. **Charlotte's Web Holdings**

is scraping the barrel, as are **Dixie Brands**, **HEXO**, and the **Horizons Marijuana Life Sciences Index ETF**. The ETF is trading at an all-time low, signaling a mostly unattractive cannabis investment landscape.

Contrarians and cannabis longs may want to pick over the bargains on offer and double down on value, though, while precious metals investors may similarly wish to sell on gold strength. Conversely, casual investors with less time to spend on their portfolios may simply want to ditch the systemic risk of cannabis for the time being and ride the upward gold momentum, which looks set to continue through 2020.

The bottom line

The picture is fairly self-explanatory: risk is out and safe havens are in. The fact that gold miners are trending higher is not a great surprise, given the current performance of gold and the amount of uncertainty in the global markets. The still-cratering cannabis sector is also nothing new and looks like a trend that will continue — at least until the sector catches tailwinds from a new retail structure.

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