



2 Explosive Gold Stocks Set to Outperform Again in 2020

Description

In 2019, gold charted its best year in 10 years. Also, the precious commodity ranked as one of the [best investments in 2019](#). Bonds and stocks in emerging markets were outperformed. Also, the World Gold Council remains bullish this year.

Besides its high price, [owning gold bars is difficult](#). Hence, the next best alternative for retail investors to have exposure to gold is through gold stocks.

On the TSX, the top gold stocks to own are **Ivanhoe** ([TSX:IVN](#)) and **Gran Colombia** (TSX:GCM). Both stocks should carry the similar dynamics of gold in recent years.

TSX 30 members

Ivanhoe and Gran Colombia were among the 30 top-performing Canadian companies. With three-year returns of +312% and +178%, respectively, both companies made it to the TSX 30 list, which was launched last year.

Vancouver-based Ivanhoe is a \$4.8 billion mining company building three of the world's best mines. Aside from gold, it's also exploring for the next copper giant in the legendary minefields of South Africa. There are early signs of another stellar year.

Management is excited about the prospects in the Platreef platinum, palladium, nickel, copper, and gold discovery in South Africa's Bushveld Complex. The spot prices of two essential metals — palladium and rhodium, found in the Platreef ore — have soared to new, all-time highs. The platinum and palladium deposit is of high quality.

This year, Ivanhoe will continue to advance its two other joint-venture projects at Kamoakakula and Kipushi mines in the Central African Copperbelt in the Democratic Republic of Congo.

The analysts' forecasts indicate the bullish sentiment on Ivanhoe. In the next 12 months, the price target is \$12.27, which represents a 204.46% climb from the current price of \$4.03.

Toronto-based Gran Colombia is a \$296.64 million mid-tier gold producer that focuses on the exploration, development, and operation of gold and silver mines in Colombia. It's operating in Segovia and Marmato, where the largest underground gold and silver resources can be found.

Last week, Gran Colombia reported setting a new high watermark for gold production. The company was able to produce a total of 239,991 ounces of gold in 2019, which is at the top end of its guidance for the year and 10% higher than the production level in 2018.

Gran Colombia's CEO Lombardo Paredes expects the company's free cash flow and balance sheet to improve if the solid operating performance continues and spot gold prices remain above an average of US\$1,482 per ounce.

Analysts covering the stock are estimating a price appreciation between the range of \$8.16 (+46.5%) and \$10 (+79.5%) in the next 12 months.

Pot of gold

Since 2020 is shaping up to be another strong year for gold, central banks are sure to load up on the valuable commodity. For regular investors, however, the current average of \$1,580 per ounce is too expensive.

With the Ivanhoe and Gran Colombia selling for \$4.03 and \$5.57 per share, respectively, you have the opportunity to build a portfolio of gold stocks. If gold is an attractive hedge for investors, so are the top TSX gold stocks.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. TSX:ARIS (Gcm Mining)
2. TSX:IVN (Ivanhoe Mines Ltd.)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Investing
2. Metals and Mining Stocks

Date

2025/06/29

Date Created

2020/01/24

Author

cliew

default watermark

default watermark