



Where I Would Invest \$1,000 Right Now

Description

During this time of market uncertainty, there is a lot of information out there about what to do with your current investments. But what if you have some money stashed away and you're looking to make some safe investments?

It's not an easy task. Stock markets are [falling around the world](#), leaving many wondering if there is any safe place to store their cash. But as the stock markets sink lower, there is one area that seems to be on the rise: gold.

As the markets fall, the United States Federal Reserve and other banks around the world will likely start going on the opposition. That means trying to calm the fears of investors and would likely mean lowering the interest rate to stimulate the economy. This would put the price of gold in a solid position.

Of course, you won't be the only one turning to gold as a good investment during turbulent times, but you could be getting a good bargain if you're looking into **Kirkland Lake Gold** (TSX:KL)(NYSE:KL).

After reaching all-time highs back in August 2019, Kirkland has been on a decline. That might have you wondering why I would recommend this stock in the first place. Basically, the company kept reporting solid earnings and growth but wasn't doing much with that cash — that is, until recently.

Kirkland recently reported \$185.3 million in adjusted earnings for its fourth quarter and gold production of 974,615 ounces for 2019. Both of these areas not only were a significant improvement the same time the year before but were also record-breaking statistics.

The company brought in \$463 million in free cash flow from a combination of lower production costs and the increased volume, but things should only get better. That's because Kirkland made two major announcements that should have investors drooling. First, the acquisition of Detour Goldcan, which will lead to even more record-breaking growth. Then the company announced it would be buying back 20 million shares in the next year or two and doubling its dividend.

With the stock now about 30% lower from its all-time high at the time of writing, at about \$43 per share, analysts believe the company will have no trouble reaching those levels again. So, not only is Kirkland

an ideal place to store your cash during a turbulent time, but it could also see your investments rise significantly over at least the next few years.

Foolish takeaway

The numbers speak for themselves. Since 2016, Kirkland has [more than tripled](#) its gold production from 314,000 ounces to 975,000 ounces. During that time, all-in costs have actually lowered to an incredible \$584 per ounce, with the company amassing a huge amount of free cash flow. The Detour Goldcan acquisition could only be the beginning for this company that not only has tonnes of cash to spend but is choosing to spend some of that cash on buying back shares.

So, for the investor looking to tick all the boxes, it doesn't get much better than Kirkland. Now is a great time to buy while the stock price is at lows not seen since early 2019, and with analysts believing the stock price should hit at least fair value of around \$55 per share in the next year. That's a potential upside of 28% as of writing.

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