



## Canadian Investors! Insiders Are Buying THIS Great Gold Stock

### Description

The TSX rallied this week with some of its biggest positive moves in history. Many stocks rallied in line with it — stocks like **Scotiabank** and **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD). But the difference between these stocks lies elsewhere. Today, we will take a look at why Canadian investors should own the gold miner instead of the banker.

For one thing, Barrick is positive by 17% year on year. Scotiabank, however, has lost 30% of its value since this time last year. That's an incredible state of affairs to be in. But the fact that the gold producer is the safer investment in the current economic climate should surprise nobody. Gold prices are up at 2008 levels, after all.

**Franco-Nevada** is also positive year on year, up 20% since March 2019. And **Shopify**, arguably Canada's best tech stock, has risen 21.7%. The online sales platform stock has been buoyed by Canadian investors buying names with social distancing built in.

### Insider buying is a strong indicator of confidence

The reason we're watching Barrick in this article, though, is insider confidence. Insiders have been buying shares in Barrick recently. This suggests that those in the know believe its share price will rise. That's a fairly straightforward assumption in the current economic climate. But seeing Barrick's inner circle snapping up shares is certainly encouraging.

Safety is the order of the day. But how do Canadian investors cope with a swathe of economic destruction of indefinite duration? Looking to [safe TSX dividend stocks](#) with inside buying could be a smart move.

Barrick is a solid gold buy this week for two reasons. First, it's seen recent insider buying, which is always a positive sign. Second, Barrick has a solid safety plan in place. This company has taken the threat of COVID-19 and rolled out a comprehensive response plan. The company has restricted access and increased sanitation at each of its mines. Barrick has also upped sanitation measures across all its offices.

## Gold is a long-term buy for Canadian investors

If you're looking for a second miner to add to that gold portfolio, consider **Yamana Gold**. This top name is solidly diversified across Canada, Brazil, Chile and Argentina. The company has been stripping back assets, making for a healthier balance sheet. It has also brought in its own COVID-19 response plan. This includes partially standing down its workforce. Yamana has also seen strong recent insider buying.

We're not out of the woods yet. Never mind the rallies and keep buying gold producers. **S&P** history shows that of rallies that topped 8%, 65% were mid-bear market. Statistically, then, rallies don't necessarily equate to recovery. These kinds of movements should not indicate to investors that the market crash is over. The takeaway? Canadian investors should get invested in gold.

## The bottom line

Barrick is are a great [defensive dividend stock](#) to buy and hold right now. If Canadian investors already hold this name, they should rest easy. If not, this is a key stock with recent insider buying to snap up on weakness. Buy the dips, go long, and hold through the potential recession.

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3. Gold

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1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)

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