



COVID-19: These TSX Stocks Can Make You a Fortune This Decade

Description

The COVID-19 pandemic shook the world in 2020, and it is almost certain that it will have long-standing consequences. Those impacts go beyond the devastation caused by the virus itself. Nations around the world pursued [radical counter measures](#) that met with varying degrees of success. The economic costs of those measures are still mounting. Today, I want to look at TSX stocks in one sector that gained momentum in 2020. These stocks have the potential to make investors a fortune by the end of this decade.

TSX stocks that have thrived in the face of COVID-19

Precious metals have caught fire in 2020, largely on the back of the uncertainty that has been roused in investors during this crisis. Back in February, I'd discussed how fears over COVID-19 could [spur a run for gold](#). The yellow metal would surge to a seven-year high this spring. However, the spot price of gold has encountered some resistance at the \$1,750 mark.

Meanwhile, this rise in spot prices has provided a boost for gold mining stocks. TSX investors should seek exposure to these stocks as a hedge, but there are good reasons to exercise caution right now. Valuations in gold miners have soared in 2020, and investors may look to dump positions in preparation for another risk-off wave.

Two gold stocks to own for the rest of this decade

I'm still bullish on gold in the 2020s. The economic carnage reaped by COVID-19 will keep interest rates at historic lows across the developed world. Gold's status as a store of value will only be bolstered in this environment.

B2Gold ([TSX:BTO](#))(NYSE:BTG) is a Vancouver-based gold producer. Its shares have climbed 38% in 2020 as of close on June 2. The stock is up 95% year over year. B2Gold released its first-quarter 2020 results on May 5.

The company achieved consolidated gold production of 250,632 ounces in Q1 2020. This came in above budget by 7% and represented a 25% increase in production from the prior year. B2Gold reported record quarterly consolidated gold revenue from its three operating mines of \$380 million. Moreover, B2Gold also achieved record quarterly consolidated cash flow from operating activities of \$216 million and record quarterly low consolidated cash operating costs.

Shares of B2Gold last had a favourable price-to-earnings (P/E) ratio of 15 and a price-to-book value of 2.6. The company boasts an immaculate balance sheet. Value investors may want to wait on a better entry point, but B2Gold is a great hold in this sector. This is especially true as a potential second wave of COVID-19 looms.

Barrick Gold is the second-largest gold producer in the world. Its stock has increased 34% in 2020. Shares have climbed 94% over the past year. Barrick's gold production and costs were in line with its full-year guidance in the first quarter. The company possesses a very good balance sheet and is in attractive value territory with a P/E ratio of 9.8. Barrick last paid out a quarterly dividend of \$0.07 per share, representing a 1.2% yield.

CATEGORY

1. Coronavirus
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