



Attention Investors: A Top Gold Stock to Buy for Dividend Growth and Safety

Description

Are you looking to increase your dividend income today? Well, I'm here to tell you that [dividend growth stocks](#) are not a thing of the past. Many gold stocks are awash in cash these days. Read on for the gold stock with the strongest dividend growth profile and the best investment case to buy.

Today, the world is in the midst of the crisis of a lifetime. The coronavirus pandemic has touched everyone and everything in a negative way. Are you wondering where to turn to escape the constant financial stress of it all?

Gold stocks are outperforming and gold companies are booming.

Gold prices come to life, soar 31% in 2020 so far

The year 2020 is a new era for gold stocks and gold prices. After a long period of weak and uninspiring gold prices, today the industry is booming. The price of gold has soared to new heights this year, up 31%. In fact, it's hitting all-time highs.

And of course, gold stocks have followed suit. The S&P 500 Gold Sub Index has soared 56% in 2020, and Canadian gold stocks are on a tear. This makes gold stocks the stocks to buy today.

This comes as no real surprise, as investment and economic risks today are at unprecedented highs. The coronavirus pandemic has shifted our whole economic structure into wildly unknown territory. The hit to the economy is unfathomable and the way forward is murky. With no real sense of how long this chaos will persist, we are in high-risk times, to put it mildly.

Naturally, investors are clamoring for safety. And gold is just the safe haven to provide us with this safety. Gold prices and gold stocks are rising in response to fear. Investors are buying gold stocks in response to rising gold prices.

Gold companies are generating increasing levels of cash flows as gold prices soar. This [momentum is building](#) and will continue to boost results and stocks in the coming months and years.

Agnico Eagle Mines: a top gold stock to buy

Agnico Eagle Mines Ltd. ([TSX:AEM](#))([NYSE:AEM](#)) is one of the lowest risk gold stocks to own today. Mining operations are located in politically safe areas such as North America, Europe, and Mexico. Agnico is a best-in-class operator that has achieved industry-leading costs. And this company maintains an exceptionally strong balance sheet.

Expect significant dividend growth from this gold stock to buy

Agnico Eagle's dividend has been a resilient part of the company, even in difficult times. In the last six years, the company has increased its dividend every year. When the gold industry was struggling a few years ago, Agnico Eagle didn't cut its dividend, though other gold companies did.

It is this dedication to its dividend and its financial strength that leads me to recommend Agnico Eagle Mines stock. According to management, we can expect significant growth in the dividend in the near-term. The momentum in the stock is just beginning.

Agnico Eagle's dividend yield is a mere 1.01%. Expect this to rise dramatically as the dividend rises. I would recommend buying the stock today to benefit from this dividend growth trend. And to provide us with a safe haven.

Foolish bottom line

Gold prices and gold stocks are rising significantly in this crisis. This safe haven sector is finally having its day after languishing for many years.

Agnico Eagle Mines stock is the gold stock to buy today for its dividend growth potential, unmatched asset quality and strong operational success.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing
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