



## BEGINNERS ALERT: 2 Gold Stocks Beating Warren Buffett's New Investment

### Description

The legendary investor Warren Buffett and his long-time investment partner Charlie Munger are known to dislike gold as an investment option. Surprisingly, they seem to have changed their views on gold and gold-related investments during the ongoing COVID-19 crisis. Buffett-led **Berkshire Hathaway** recently [revealed](#) that it bought around 20.9 million shares of **Barrick Gold** ([TSX:ABX](#))([NYSE:GOLD](#)) — a Toronto-based gold and copper mining company with a market cap of \$68.3 billion.

### Other gold stocks are beating Buffett's new investment

As the news of Buffett's stake in Barrick Gold came out, its stock surged by 11.3% on Monday. The stock couldn't maintain all these gains though and lost nearly 4% in the next couple of days. Barrick Gold has gained about 3.2% in the last month. However, many other gold stocks have outperformed Barrick Gold as well as the broader market by a wide margin during this period.

Let's take a look at two top TSX gold mining stocks that are beating Barrick Gold stock — Warren Buffett's new investment. These two gold stocks could be perfect for new investors or stock market beginners.

### The first gold stock to buy now

**Agnico-Eagle Mines** ([TSX:AEM](#))([NYSE:AEM](#)) is a Toronto-based gold producer that has led the gains in the **TSX60 index** lately. Its stock has risen by nearly 17% in the last month, and it's trading with 33% year-to-date gains.

Agnico-Eagle is most reliant on its home market, as nearly 72% of its total revenue in 2019 came from the Canada segment. After COVID-19-related temporary shutdowns earlier this year, the company recently ramped up its operations. As a result, Agnico-Eagle Mines increased its 2020 production guidance in July. It expects its gold production to be between 1.68 to 1.73 million ounces this year.

In the second quarter, Agnico-Eagle's revenue rose by 5.8% year over year (YoY). The company also

reported a massive 80% YoY rise in its Q2 adjusted earnings to US\$0.18 per share.

Agnico-Eagle Mines's focus on fast post-COVID-19 ramp up, solid 2020 production outlook, and stable financials make it a great gold stock to consider buying for stock market beginners right now.

## My second gold stock to buy now

When it comes to investing in gold stocks, I find the Canadian gold mining and exploration firm **Kirkland Lake Gold** (TSX:KL)(NYSE:KL) to be [among the top](#). It currently has a market cap of nearly \$19.2 billion.

While Kirkland Lake isn't as big as Barrick Gold or Agnico-Eagle Mines in terms of market capitalization, it certainly has proved to be a much better investment option when it comes to yielding solid returns in the long term. The shares of Kirkland Lake have yielded over 2,900% positive returns in the last five years — making it one of the top TSX stocks to consider buying for new investors.

Kirkland Lake's fundamentals remain strong, with a 58% rise in its Q2 adjusted earnings to US\$0.79 per share. The company also reported US\$581 million revenue in the second quarter — more than double from a year ago.

## Foolish takeaway

While it's always a good idea for beginners to follow great investors like Warren Buffett's value investing principles, it's not always wise to buy exactly the same stocks that he's buying. Instead, I would encourage new investors to look for good buying opportunities themselves. The key to making big wealth from the stock market is to start saving money right now and start investing it in good stocks to hold for the long term.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:AEM (Agnico Eagle Mines Limited)
2. NYSE:B (Barrick Mining)
3. TSX:ABX (Barrick Mining)
4. TSX:AEM (Agnico Eagle Mines Limited)

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