



3 Top TSX Gold Stocks to Buy in October 2020

Description

Gold stocks have soared with the price of gold in 2020 after the COVID-19 pandemic weakened the economy and Federal Reserve banks globally announced a prolonged policy environment of low-interest rates. Will gold continue to soar this year on inflation concerns or has the commodity price hit a peak?

If you are still [bullish on gold](#), here are three of the top **TSX** gold stocks to buy for October 2020.

Barrick Gold: Warren Buffett's top gold choice

Barrick Gold Corp ([TSX:ABX](#))(NYSE:GOLD) rose from a 52-week low of \$17.52 to a 52-week high of \$41.09 after the March 2020 market sell-off. At the time of writing, the stock is trading for \$36.36 per share. The dividend yield is 1.15% annually.

Barrick Gold has been one of this year's top-performing gold stocks, attracting investors such as Warren Buffett. Nevertheless, Warren Buffett even loses money sometimes.

Analysts are saying that gold still has room to climb amidst economic uncertainty in 2020, especially with [Warren Buffett's approval](#) of Barrick Gold stock. At the same time, gold enthusiasts might be overly optimistic. Thus, if you purchase Barrick Gold stock for your Registered Retirement Savings Plan or Tax-Free Savings Account, be cautious.

The best time to buy this stock is on days where it is trading lower. We don't know where the price of gold will go from here. Avoid putting too many eggs in one basket and remember to diversify.

Kinross Gold Corp: an affordable gold stock

Kinross Gold Corp ([TSX:K](#))(NYSE:KGC) soared from a 52-week low of \$4.00 to a 52-week high of \$13.59 after the March 2020 market sell-off. At the time of writing, the stock is trading for \$11.78 per share. The dividend yield is 0.68% annually.

Like Barrick Gold, Kinross Gold has also performed extremely well this year. Investors are turning to gold as federal reserve banks around the world renew commitments to low-interest rates. They see gold as a good way to preserve the store of value of their currency.

At this point, gold stocks might not be the best way to earn top capital gains in 2020. Nevertheless, there's a good argument for gold as a commodity to preserve the purchasing power of your savings.

Gold stocks, like Kinross, might be headed down in price after the COVID-19 pandemic sent investors scrambling to protect their wealth. Thus, if you buy this top gold stock for October 2020, make your investments slowly. Pick up small amounts of shares when the stock is trading lower instead of placing one big bet on the same day.

B2Gold Corp: offers a high dividend yield on your investment

B2Gold Corp ([TSX:BTO](#))([NYSEMKT:BTG](#)) soared from a 52-week low of \$3.12 to a 52-week high of \$9.99 after the March 2020 market sell-off. At the time of writing, the stock is trading for \$9.00 per share. The dividend yield is the highest of the three top TSX gold stocks at 2.37% annually.

B2Gold Corp has also benefitted from the COVID-19 flight to safety this year. Even better: it offers shareholders a very nice dividend yield. The high dividend yield might be why this gold stock has the highest price-to-earnings ratio out of the three stocks at 16.65. By comparison, Barrick Gold has the lowest PE ratio at 11.08 out of these three stocks. Kinross comes in second at 12.62.

If you are thinking about buying B2Gold Corp for your TFSA or RRSP, then you might be placing a big bet. This stock is now above its 10-year high, foreboding trouble if the price of gold does fall during the last three months of 2020.

If you want to invest your spare savings in gold, it might be better to go with a gold stock offering more value like Barrick or Kinross. Then again, if this company can preserve shareholder confidence in its dividend, the stock might actually be a fairly safe investment.

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2. NYSE:KGC (Kinross Gold Corporation)
3. NYSEMKT:BTG (B2Gold Corp.)
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