



Forget Dogecoin: Barrick Gold (TSX:ABX) Is Shining Right Now

Description

Dogecoin has been making the headlines for several months now. Like all of its peers in the cryptocurrency world, the meme-based cryptocurrency is volatile. Many investors have started treating Dogecoin and Bitcoin as alternative safe-haven assets to gold and other precious metals.

If you are bullish on the potential of [cryptocurrencies](#), you may want to buy Dogecoin and Bitcoin to diversify your investment portfolio. However, gold and gold stocks could be better picks right now if you want to grow your capital by investing it in a safe-haven asset.

Inflation fears and volatility

Many investors fear that the Fed could be more aggressive with its commentary. There is a chance that the Fed chair, Jerome Powell, can go from not considering raising rates to have no choice to do that under the pressure of heightening inflation fears.

The Consumer Price Index (CPI) numbers are not looking favourable, sparking increasing inflation fears, and it is not helping the case for holding equities and bonds. Of course, cash is not the ideal place to be when inflation rises.

With **Tesla** reportedly stopping its acceptance of Bitcoin for environmental reasons, the current volatility in the cryptocurrency market might be the start of worsening conditions for digital currencies.

It is possible that the inflation fears could be overdone, and we may not see rates rise until 2024. Investors should not overreact by going too far off course in their long-term investment goals. However, anything can happen in the markets. It is crucial to ensure that you are well positioned to weather the storm should the inflation fears drag down high-growth investments.

A good time to consider gold stocks?

Gold prices have been pulling back in recent weeks, as inflated bond yields continue going through a

pullback. It could be an ideal opportunity to invest in gold and gold-related securities like **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD). As gold prices continue to rise, Barrick could be well positioned for a sustained rally to higher prices as investors grapple with rate hikes and inflation fears.

Gold has long been an inflation-resistant and safe-haven asset. It is unlikely that gold will lose that position because cryptocurrencies are seen as the go-to alternative asset today. Barrick Gold is trading for \$30.49 per share at writing, translating to a 28.36% increase from its February 2021 bottom.

Inflation fears are likely to persist until the Fed can offer reassurance regarding rising rates. Until that happens, gold and the top gold mining companies could see a massive surge. Barrick Gold is the best-in-class company in the Canadian gold mining industry. It boasts a 1.45% dividend yield that could [continue rewarding investors](#) in a strong environment for gold prices.

Foolish takeaway

Inflation fears have sparked another unrelenting bearish market for cryptocurrencies. As the fears of inflation and market declines continue to ramp up, it might be the right time to re-evaluate what might be a better safe-haven asset.

Cryptocurrencies like Dogecoin and Bitcoin may be too volatile to offer the hedge against inflation that gold can offer. As gold prices continue to rise, investing in gold stocks like Barrick Gold could offer you the safety your capital needs during a volatile market.

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