



Forget Bitcoin! This TSX Gold Stock Has a Superior Store of Value

Description

Bitcoin (BTC) would be no match for gold if you were to read between the lines of the recent statements by Mark Bristow, CEO of **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD). Mr. Bristow did not mince his words when told *FOX Business*, “They look like bubbles; they act like bubbles; they smell like bubbles.”

The behaviour of the world’s most popular cryptocurrency in May 2021 somehow confirms the criticism of Bristow. From US\$57,828.05 on May 1, BTC sunk 34.7% to US\$37,772.42 on the 25th. Barrick Gold’s CEO believe cryptos are made out of thin air and, therefore, have an inferior source of value than gold.

Substantial price crash

Loyal BTC followers fell back to earth following the substantial price crash this month. It only proves that the crypto didn’t lose its volatility, even if it hit a record-high US\$63,503.46 on April 13, 2021. According to Coin Metrics, BTC has 14 down days in May alone.

Some strategists warn of more wild trading ahead. Peter Berezin, the chief global strategist at BCA Research, said, “Crypto markets will continue to face tighter regulation.” He added, “In the near term, the pain in crypto markets could drag down other speculative assets such as tech stocks.”

For Adam Crisafulli, founder of Vital Knowledge, BTC remains comically volatile. He said, “The economic utility of nothing shifts this rapidly.” Even analysts at **JPMorgan** believe the worst correction is not yet over. However, any further downside volatility presents a [buying opportunity](#), according to Julian Emanuel, BTIG chief equity and derivatives strategist.

Gold is unprintable

Mark Bristow questioned Bitcoin’s [store-of-value](#) status. He asserted that, unlike digital assets, no one can just print gold. It’s also wrong for Bitcoin bulls to postulate that Bitcoin is a better hedge against

inflation than gold because of limited supply and eye-popping growth.

Bitcoin is mined like gold, although digitally. Regarding supply, miners are restricted to 21 million. According to cryptocurrency blockchain explorer service Blockchain, more than 19 million coins are currently in simulation.

Based on the count of the United States Geological Survey, about 244,000 metric tonnes of the world's most precious metal have been mined to date. For this reason, Bristow said gold continues to be a rarity in its own right. Since the turn of the century, gold miners haven't replaced the reserves they have mined. If ever, it only replaced 50%.

No contest

Bitcoin remains up year to date (+30.2%), while Barrick Gold holds steady (+3.2%). Don't take the outperformance of the crypto versus the gold mining stock as a vote of confidence. The \$52.6 billion gold mining company owns some of the highest-quality mines and gold reserves on Earth.

While BTC appears to be a better investment for short-term potential gain, the chances of losing a lot of money are higher. Regarding history as a basic fundamental building block of global money, gold is time-tested, while Bitcoin is highly speculative. Thus, it's no contest if you were to pit the crypto against gold.

The yellow metal is undoubtedly a stable investment. If you can't own physical gold, the next best choice is a top-tier gold stock. At \$29.79 per share, the mining company pays a modest 1.49% dividend. Between BTC and Barrick Gold, you should know which one is the safer choice.

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