



3 Skyrocketing Canadian Gold Stocks to Buy in June 2021

Description

The broader market continues to reach [new heights](#) in 2021. The **S&P/TSX Composite Index** rose by 3.3% in May, posting its fourth consecutive monthly gains. The ongoing economic reopening process and improving business outlook are helping stocks to soar this year. Interestingly, gold prices have also rallied sharply in the last couple of months. In May alone, gold prices rose by more than 7%, making it the precious metal's best month since August 2020.

The ongoing rally in the gold prices has raised investors' expectations from the precious metal mining companies. Here are three of my favourite gold stocks to buy right now that could help you get solid returns in the near term.

Endeavour Silver stock

Endeavour Silver ([TSX:EDR](#))([NYSE:EXK](#)) is a Vancouver-based metals mining firm with a market cap of \$1.5 billion. Its stock skyrocketed in May and settled with more than 40% gains for the month. In the second quarter so far, the stock has risen by 45%.

On May 11, Endeavour [reported](#) its much better-than-expected Q1 results. In the quarter ended March 2021, the company's adjusted earnings per share rose by 164% YoY (year over year) to US\$0.07. Its latest quarterly earnings were also 133% better than the estimate of US\$0.03 per share. In Q1, Endeavour Silver's profitability also improved as it registered a solid 266% YoY rise in its adjusted EBIT to US\$14.3 million. Higher metal prices and increased production boosted its revenue, as it rose by 58% from a year ago.

Endeavour Silver's management is focusing on reducing the company's operating costs this year that could boost its profitability in the near term. Its significantly improving fundamentals amid rallying gold prices make this stock one of my favourite stocks to buy in June.

Victoria Gold stock

The shares of **Victoria Gold** ([TSX:VGCX](#)) rallied by 32% in May 2021, outperforming the broader market by a wide margin. The company reported its far better-than-expected Q1 results in mid-May. For the quarter, its earnings per share stood at \$0.25 — nearly double compared to analyst estimates.

Increased gold production and ore stacking boosted Victoria Gold's overall financials, while falling unit costs resulted in improved profit margins. The company's management recently informed investors about a number of improvements related to the material handling that it has achieved within the process circuit. These improvements will help the company reduce its production costs and boost profitability going forward.

Its stock is currently trading at \$17.62 per share with about 48% year-to-date gains. The stock could soar further in the coming quarters, as its profitability and overall financials continue to improve.

New Gold stock

New Gold ([TSX:NGD](#))(NYSE:NGD) is another Canadian gold mining company, and its stock is currently trading with about 31% quarter-to-date gains. In May alone, the stock rose by 27%.

While the company missed analysts' earnings estimates in the first quarter, its future growth outlook remains strong. During the quarter, its revenue rose by 16% YoY to US\$165 million. Last month, New Gold's management said that it expects the financial position to improve in the coming quarters with the help of rising gold and copper prices. Moreover, it continues to focus on optimizing its operating performance in maximizing free cash flow. These measures are likely to enhance New Gold's financial flexibility and drive its stock upward.

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1. Investing
2. Metals and Mining Stocks
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2. NYSEMKT:NGD (New Gold Inc.)
3. TSX:EDR (Endeavour Silver Corp.)
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