



## 2 Top Gold Stocks to Add as Portfolio Hedges Today

### Description

Gold has historically played a vital role as a tool for hedging financial risks. Considering the current market scenario, it appears that hedging a part of an investor's portfolio would be a judicious decision.

This has been the case due to the negative correlation precious metals have with the overall market. Gold has held up quite well in previous market crashes and appears to be doing its part to combat rising inflation concerns today. Accordingly, investors may be interested in upping their gold exposure right now.

For those looking to do so, here are two of the best gold stocks to consider today.

### Franco-Nevada

For investors who are looking for exposure to gold right now, I believe that **Franco-Nevada** ([TSX:FNV](#))([NYSE:FNV](#)) is certainly [an option worth considering](#). Although this stock's valuation is a bit high, it remains a relatively safer option out there on the TSX today.

The Toronto-based company isn't a gold miner. This company doesn't develop or operate gold mines. Rather, Franco-Nevada receives royalties on various projects as repayment for loans to help build out mines. This is more of a financing company that gets paid in gold. Indeed, for those bullish on where gold prices are headed, accepting payment in gold rather than fiat currency seems like a good idea.

Indeed, this business model has been successful over the long term. Looking at a long-term stock chart of FNV stock highlights my point. Indeed, Franco-Nevada's impressive margins and strong cash flows make this one of the best stocks, bar none, in the gold space today.

Franco-Nevada has been able to increase its dividend for the past 13 years. Recently, Franco-Nevada has increased its dividend by 3-4%, a meaningful amount. Moreover, this company's business model has enabled it to grow at a CAGR of approximately 18%, which is quite rare among gold miners.

## Barrick Gold

When it comes to gold miners, **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) is certainly one of the best options out there right now.

Indeed, Barrick is one of the giants in the gold mining space. The company's production volume and total gold reserves has given this stock a valuation of more than \$50 billion.

The stock price of the second-largest gold mining company in the world has seen some volatility in recent months due to the price of gold. However, with gold prices hovering around US\$1,900 per ounce, this stock has continued to surge higher in recent days.

Is the momentum done? I don't think so. I'm bullish on where gold is headed in the intermediate term and see too many catalysts for this not to take place. While I may be wrong, I think the upside with Barrick right now is worth the risk. This is a world-class miner with strong fundamentals and a cash flow growth trajectory that is mouth-watering for long-term investors.

Enough said.

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1. Investing
2. Metals and Mining Stocks

### POST TAG

1. Gold
2. investing
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### TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. NYSE:FNV (Franco-Nevada)
3. TSX:ABX (Barrick Mining)
4. TSX:FNV (Franco-Nevada)

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chrismacdonald

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