



## Worried About Volatility? Here Are 2 Gold Stocks to Buy Today

### Description

Volatility is once again picking up in the markets. For long-term investors concerned about the [potential for a correction](#) from these levels, gold stocks are excellent places to look for diversification.

Indeed, gold and [gold miners](#) tend to be a very safe place to hide in times of trouble. Adding a little defensive exposure in overheated markets is something that may help boost near- to medium-term returns, if not allow investors to sleep better at night. Either result is worth the investment, in my view.

Two top gold miners I've got on my watch list right now are **Kirkland Lake Gold** (TSX:KL)(NYSE:KL) and **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD). Here's why these gold miners could potentially be game-changers for investor portfolios today.

### Gold stocks remain undervalued

The price of gold has been stabilizing of late. Indeed, stabilizing can take many different meanings, depending on one's investing time frame.

Compared to where gold was trading just a few years ago, these higher prices ought to make gold miners much more attractive compared to years past. I certainly think this is the case, despite many gold miners seeing relatively muted capital appreciation in recent years.

Yes, both Kirkland Lake and Barrick Gold have run quite a bit over the past few years. However, compared to these miners' earnings potential, I think the market is still providing a hefty discount for these companies. Indeed, all signs are that commodities could be well-positioned for a continued run from here.

I think the stimulus train is far from leaving the station. Global central banks are likely to leave the taps open for a very long time. Part of the calculus for this analysis comes from the fact that government debt has exploded. Raising interest rates is tantamount to raising the interest payments governments pay on their debt. With trillions of dollars of debt being added each year, such a move would prove very painful for the global economy, not just stocks.

Accordingly, gold miners provide some of the best leverage to this upside in gold prices. Both Kirkland Lake and Barrick Gold have some of the best operating fundamentals in the industry. Accordingly, these are two stocks with tremendous upside for those believers in higher gold prices over the long term.

## Bottom line

Gold miners such as Kirkland Lake and Barrick Gold provide both a portfolio hedge as well as some meaningful near- to medium-term upside in this environment. Accordingly, I'm of the view these stocks should be on the radar of all investors today.

Even a small allocation to gold miners could prove to be a safe, sleep-at-night trade. These are stocks I'm watching closely right now, and will continue to do so in the months to come.

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1. Investing
2. Metals and Mining Stocks

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1. Gold
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3. growth stocks
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### TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)

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