



Forget Bitcoin: 2 Gold Stocks I'd Rather "HODL"

Description

Bitcoin and other cryptocurrencies continue roaring higher. Indeed, [hotter](#), newer cryptos like Shiba Inu coin and Dogecoin have enriched many speculators who got in early.

With the latest Squid Game cryptocurrency garnering mainstream attention after blasting off over 2,400% in the past 24 hours, there's no question that many beginners with the desire to strike it rich over the near term are all ears. *Squid Game*, the hit Korean show produced by **Netflix**, has been a profound phenomenon, and it's not a mystery as to why the coin has been surging of late. In any case, investors should mute their expectations, as, by the time most investors hear of a coin, it's probably already far too late to place an investment.

Still, speculating is fun, as long as you understand that you are, and you're not betting the farm on white-hot new cryptos.

It can be tough to watch someone else get rich from a 2,400% single-day run. But by staying on the sidelines, you won't be caught offside once the game of greater fools (that's based on the Greater Fool theory, which isn't related to us here at The Motley Fool) finally reverses course. Yes, hot cryptos like the latest Squid Game one are remarkable. Still, for beginner investors, I believe they're not actionable for anyone who'd be opposed to taking a spin of the roulette wheel or playing a few hands of high-stakes blackjack.

Bitcoin and its like may or may not be investments that deserve a place in your [portfolio](#). It's my opinion that it's not yet worth a spot.

Alternative assets have been all the rage amid higher levels of inflation. Lower correlations to the stock market are desired. Still, given Bitcoin's volatility and propensity to follow in the footsteps of the stock market during vicious meltdowns, I'd argue that as an alternative investment, it still makes more sense to own gold over Bitcoin, the so-called millennial gold.

Gold stocks to buy over Bitcoin or Squid Game crypto

Why? Gold has been around for millennia, and it's proven its store of value. Bitcoin has not. Moreover, with the recent slump in gold prices, I believe there's a greater risk/reward scenario to be had in gold stocks like **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) and **Agnico Eagle Mines**. Neither name will make you rich, but after enduring a painful, likely Bitcoin-driven pullback off 2020 highs, I'd argue that both stocks offer a greater risk/reward tradeoff to investors who aren't comfortable with risking the entirety of their principal on an asset that moves based on strange, unpredictable, exogenous factors.

Barrick Gold, in particular, is a well-run miner with an exceptional management team. Despite this, the stock has been on a vicious slide, because it couldn't steer clear of the pullback in gold prices. Undoubtedly, gold miners are a leveraged way to play the price of any given commodity. Whether we're talking gold miners or Bitcoin miners, the stakes are that much higher when you own the miners over the commodity itself.

Still, given Barrick's enviable assets and its talented managers, I think that the stock is well worth owning over the long run over the likes of physical bullion.

The bottom line

While I'm not against owning both gold and Bitcoin if you're so keen on the latter, between the two, I'd personally have to go with the former, because Bitcoin and its like remain nearly impossible to value.

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