



Forget Bitcoin: Buy These Gold Stocks Instead!

Description

Earlier this month, I'd discussed whether investors should stick with the [cryptocurrency boom](#) or go with gold ahead of the New Year. Today, I want to discuss why investors should be steadfast in betting on gold stocks going forward. Let's jump in.

Bitcoin has plunged over the past week

The spot price of Bitcoin has plunged over US\$10,000 from the all-time high of US\$68,990 it reached in the beginning of November. Investors should be used to the volatility in the crypto market at this stage. Bitcoin has gained more mainstream acceptance in recent months. Moreover, it has gained favour for its potential as a hedge against inflation.

Bitcoin and its [crypto peers](#) will no doubt have more to offer investors in late 2021 and beyond. However, this inflationary climate should also spur Canadians to look at gold stocks.

Here's why gold may be the better bet in 2022

Gold has also dipped sharply in the latter half of November. The yellow metal looked poised to challenge resistance levels at the US\$1,900 mark. However, it has since fallen below the US\$1,820 during this morning's trading session. The United States Federal Reserve recently reiterated its intention to pursue a rate hike in late 2022. This may have generated some downward pressure for the yellow metal.

Despite the dip, I'm looking to snatch up [discounted gold stocks](#) today. Below are three of my favourites.

Two gold stocks to snatch up as crypto takes a hit

B2Gold ([TSX:BTO](#))(NYSE:BTG) is a Vancouver-based gold producer with mines operating in Mali, the

Philippines, and Namibia. Shares of this gold stock have plunged 27% in 2021 as of early afternoon trading on November 22. The stock has increased 2.1% month over month.

In Q3 2021, B2Gold delivered record gold production at its Fekola and Okjitoko mines, totaling over 234,000 ounces altogether. Total gold revenue rose to \$510 million compared to \$487 million in the previous year. However, net income in the year-to-date period has fallen sharply from the first three quarters of 2020.

This gold stock possesses a favourable price-to-earnings (P/E) ratio of 10. Moreover, it possesses a flawless balance sheet.

Gran Columbia (TSX:GCM) is a Toronto-based gold producer engaged in the acquisition, exploration, development, and operation of gold and silver properties that are largely based in Columbia. This gold stock has plunged 33% in the year-to-date period. Its shares are up 4.5% from the previous month.

The company released its third-quarter 2021 earnings on November 11. Consolidated revenue fell marginally in the year-to-date period to \$289 million at the end of the third quarter. Meanwhile, adjusted EBITDA was reported at \$134 million — down from \$144 million in the prior year. Moreover, adjusted net income increased to \$69.8 million compared to \$68.2 million in the third quarter of 2020.

Shares of this gold stock last had a very attractive P/E ratio of two. That puts Gran Columbia in mouth-watering value territory.

One more gold stock that offers nice value right now

Torex Gold ([TSX:TXG](#)) is a Toronto-based gold producer that operates in Mexico. The gold stock has plunged 25% in 2021. However, its shares have climbed 5.3% in the month-over-month period.

In Q3 2021, Torex Gold delivered adjusted net earnings of \$42.9 million, or \$147 million, in the year-to-date period. Meanwhile, its adjusted EBITDA was reported at \$119 million in Q3 2021, or \$386 million for the first nine months of the year. This gold stock possesses a very favourable P/E ratio of 4.3. It also boasts an immaculate balance sheet.

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1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

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2. TSX:ARIS (Gcm Mining)
3. TSX:BTO (B2Gold Corp.)
4. TSX:TXG (Torex Gold Resources Inc.)

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