



2 Cheap Gold Stocks With Dividends to Buy in 2022

Description

After reaching their all-time high in August 2020, gold prices have seen a sharp downside correction. In 2021, the yellow metal's prices dived by nearly 5% amid gradually easing concerns about COVID-19. Weakening gold prices also took a toll on the Canadian gold sector, as the shares of most gold miners slipped to underperform the broader market by a wide margin. Before I talk about two cheap gold stocks to buy in 2022, let me explain why investors should consider adding some [gold stocks](#) to their portfolios now.

Why invest in gold stocks in 2022?

Investors worldwide consider gold one of the safest assets to park their money. That's why the demand for precious metals tends to increase in uncertain times. Clearly, investors' worries about the global pandemic eased to a great extent in 2021. However, some pandemic-driven negative factors like the supply chain disruptions and labour shortages along with inflationary pressures still remain worrisome for businesses.

In 2021, most stock investors seemingly ignored these issues, as stocks continued to reach new heights. However, many experts expect the market to see a healthy correction in the near term. This expected downside correction in stocks could again increase the demand for gold, leading to a rally in its prices. Stronger gold prices usually positively impact precious metal miners' financial growth and profitability. That's why it could be the right time for investors to buy some cheap gold stocks now.

Barrick Gold stock

Barrick Gold ([TSX:ABX](#))(NYSE:GOLD) is one of the largest gold mining companies in Canada, with a [market cap](#) of about \$42 billion. Its stock is currently trading at \$23.56 per share with 16.3% year-to-date losses.

While Barrick Gold's annual adjusted earnings more than doubled to \$1.15 per share in 2020, they are expected to remain nearly flat on a year-over-year basis in 2021. Nonetheless, it's continuing to post

strong profit margins with the help of operational efficiencies and lower operating costs. The company's consistently improving production in Africa, the Middle East, and Latin America regions could also help it post stronger results in 2022. Apart from these positive expectations, this gold stock also has a decent 2% dividend yield at the moment.

B2Gold stock

B2Gold ([TSX:BTO](#))(NYSE:BTG) is a Vancouver-based gold producer with a market cap of about \$5.2 billion. Its stock has seen more than 30% value erosion in 2021 after rallying for the previous five years. By comparison, the **TSX Composite Index** has risen by more than 22% this year.

In the third quarter, B2Gold [achieved](#) record quarterly gold production at its Fekola and Otjikoto Mines. Despite higher production, weaker gold prices are affecting the company's bottom line. An expected near-term rise in the gold prices could help B2Gold post much stronger financial growth and profitability in 2022.

Moreover, the company's robust cash flows, operational efficiencies, and long track record of yielding outstanding returns for investors make this gold stock worth buying after the recent drop. B2Gold stock's strong dividend yield of around 4.2% makes it look even more attractive.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. NYSEMKT:BTG (B2Gold Corp.)
3. TSX:ABX (Barrick Mining)
4. TSX:BTO (B2Gold Corp.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. jparashar
2. kduncombe

Category

1. Investing
2. Metals and Mining Stocks

Date

2025/08/22

Date Created

2021/12/31

Author

jparashar

default watermark

default watermark