



2 Metal Stocks to Buy Instead of Gold

Description

Gold is usually the premium metal choice for most investors, and there are quite a few reasons for that. Since investors flock to the tangibility of the gold when the stock market is in trouble, it makes for a fantastic hedge. Gold stocks, especially gold miners that offer relatively undiluted exposure to the underlying asset, follow the pattern and are a viable alternative to the metal itself.

However, gold stocks are not the only metal stocks worth considering. There are quite a few others that can be decent long-term holdings and not just as hedging stocks, but as relatively predictable and consistent growers in the right market conditions.

A base metal stock

Champion Iron ([TSX:CIA](#)) is an Australia-based [iron ore company](#) cross-listed in Canada thanks to its Canadian asset base. As a base metal, iron's demand and supply dynamics are radically different from gold's, which has relatively little utility as a metal besides being an investment asset and solid currency.

Iron, especially as the primary raw material for steel, has ample industrial and infrastructure use. But the supply and demand cycle, mainly thanks to the vast supply chain and production disparity among countries, where North America is aggressively outpaced by China, is not very consistent.

Still, a metal stock like Champion Iron can be pretty promising. In the last five years, the stock has mostly gone up, and despite its seasonal ups and downs, the overall growth has been quite marvelous — 596% in total. And if you consider its cyclical growth, it has grown over 100% three times in the last five years, and the fourth might be underway.

A radioactive metal stock

While uranium is usually counted in the energy sector, it's technically still metal and a metal stock worth considering for its [explosive growth potential](#). One stock that offers a solid exposure to uranium is **NexGen Energy** ([TSX:NXE](#)). The Vancouver-based company has positioned itself as an

environmentally focused uranium producer.

And it's currently the chief selling point for uranium — as a major power source until the renewables and clean energy sources like solar and wind catch up to meet the world's energy needs and get around their inherent weaknesses.

The stock has been on the rise since the 2020 crash, and it's one of the few that have experienced such a long bullish phase, though it has not been with its dips and falls. But the overall growth has been phenomenal — over 800% in just a little over two years.

Foolish takeaway

The two metal stocks, *if* they continue their current growth pace, can be powerful alternatives to gold stocks, especially in a healthy market. While the same cannot be said about Champion Iron, the NexGen stock is also a good buy from an [ESG investment](#) perspective. The environmental impact of uranium-based power is almost negligent compared to fossil.

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