



## Why Barrick Gold Is the Perfect Cheap Stock for 2023

### Description

The metals and mining industry had a strong start to 2022, aided by some commodities reaching record-high prices, supply chain issues, and increased demand due to the energy transition. But as the year progressed, macroeconomic conditions deteriorated, resulting in weakened short-term demand forecasts and downward trends in commodity prices.

Experts look at some of the major industry dynamics as the new year rings in, emphasizing that supply-side possibilities connected to medium-term restrictions can only get stronger when considering short-term, adverse threats. In 2023, when this industry is set to soar, **Barrick Gold** ([TSX:ABX](#)) has emerged as one of the top investment choices.

Here's why I think Barrick Gold is worth buying in this uncertain market.

### Barrick Gold is an absolute favourite among investors

The second-largest gold mining firm in the world, Barrick Gold is presumably the one best positioned for long-term growth. The new Barrick Gold was created four years ago by the merger with the Africa-focused Randgold, which also included Dr. Mark Bristow, founder of Randgold and current chief executive officer and public face of Barrick.

Although production has decreased from 5.4 million ounces in the first year of the combined firm to 4.4 million last year, the company's management did this on purpose to focus on profitability, by selling non-core assets.

Barrick's balance sheet contains the most noteworthy accomplishment since Bristow assumed leadership. Barrick has increased its net cash position from the \$6.3 billion it had at the time of the deal and is currently making dividend payments. The company's [dividend yield](#) as of now is over 4%.

### Upcoming opportunities for Barrick Gold

In addition to its core mines in Nevada, this mining giant also has a number of substantial organic prospects, such as an expansion of the Pueblo Viejo mine located in the Dominican Republic, starting of Porgera in Papua New Guinea, and a multi-generational copper mine situated in Pakistan. It has played the merger and acquisition market with great discipline.

This undervalued stock is [currently trading](#) at 18 times earnings, 1.2 times book value, and only 12 times price to free cash flow. When compared to other major miners, and measured against its own past, this valuation is lower. However, Barrick will profit from the sector's resurgence of interest.

## Bottom line

As experts predict an absolute growth of Barrick Gold, this is the best opportunity to buy this stock at this price. Barrick stock is currently trading at \$19, which is comparatively lower.

Investors with long-term capital-appreciation objectives should definitely have this stock in their portfolio.

### CATEGORY

1. Investing
2. Metals and Mining Stocks

### TICKERS GLOBAL

1. TSX:ABX (Barrick Mining)

### PARTNER-FEEDS

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

### PP NOTIFY USER

1. chrismacdonald
2. kduncombe

### Category

1. Investing
2. Metals and Mining Stocks

### Date

---

2025/06/27

Date Created

2023/01/14

Author

chrismacdonald

default watermark

default watermark