

16:13 11 Oct 2018

Fear bolsters gold stocks as volatile markets generate safe-haven buying

Pervasive fear of a market rout is driving shares of major gold companies higher as investors flee to the traditional safe haven of the yellow metal, data compiled by Proactive Investors showed Thursday.

From South Africa to Canada, the United States to Australia, stocks of the biggest gold producers in the world lifted higher one day after the Dow Jones Industrial Average posted its third-biggest single-day point loss in history as the index dove 830 points during the session.

Barrick Gold (TSX:ABX) stock climbed 9.76% to settle at C\$16.475. Barrick was ranked as the biggest gold mining company in the world in 2017, according to specialist website Mining.com. Goldcorp Inc (TSX:G) saw its shares in Toronto climb 7.42% to close at C\$14.18.

Like most major gold companies, the two have their shares also listed in New York.

Goldcorp (NYSE:GG) stock in New York was up 6.92% to finish at US\$10.81 while those of Barrick (NYSE:ABX) jumped 9.57% to end at US\$12.60.

"Gold is finding a bit of support from the global sell-off seen in equities. If this (sell-off) persists, we will start seeing more of a move to gold as a safe-haven asset," ING analyst Warren Patterson said in a report by Reuters.

READ: US economic strength has been purchased at the price of a massive monetary expansion, which in turn puts a floor on the gold price SPDR Gold Shares (NYSE:GLD), the largest physically backed gold exchange-traded fund in the world, was 2.52% higher to end at US\$115.72.

South African gold company DRDGold Ltd's (NYSE:DRD) US-listed shares added 4.48% to settle at US\$2.33.

In South Africa, AngloGold Ashanti Ltd (JSE:ANG) (NYSE:AU) stock jumped 9.18% to close at 13,688 rand. The stock of the third-biggest world miner in New York rose 9.52% to settle at US\$9.66.

Gold Fields Ltd (JSE:GFI) (NYSE:GFI) rose 6.95% to finish at 3,860 rand. In New York, the stock closed up 6.27% to US\$2.80.

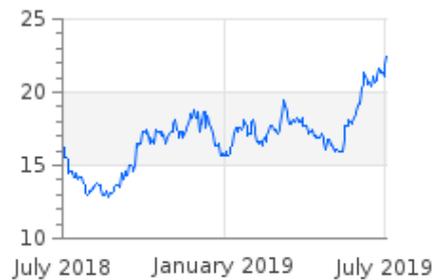
READ: Barrick Gold and Randgold Resources merge to create world's largest gold miner but questions still remain In the US, shares of Denver-based Newmont Mining (NYSE:NEM) went up 7.04% to end at US\$32.71. The company is ranked as the second biggest gold mining company in 2017.

Stock of Kinross Gold Corp (TSE:K) (NYSE:KGC) in Canada gained 4.31% to conclude at C\$3.87 while rising 4.59% to end at US\$2.96 in New York.

Price: C\$22.46

Market Cap: C\$39349.51M

1 Year Share Price Graph



Share Information

Code: ABX

Listing: TSX

52 week High Low
C\$22.64 C\$12.54

Sector: General Mining - Gold

Website: www.barrick.com

Company Synopsis:

On 1 January 2019 a new Barrick was born out of the merger between Barrick Gold Corporation and Randgold Resources. Shares in the new company trade on the NYSE (GOLD) and the TSX (ABX).

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

Newcrest Mining Ltd (ASX:NCM) (OTC:NCMGY) was the only stock so far on Thursday not to post gains as it ended in Australia nearly flat at A\$19.30, off A\$0.01 for the day. In New York, the share was up 3.46% to close at US\$14.12.

"Rising US yields and general strength in the dollar have meant that investors have largely ignored gold. But people are seeing fairly good value at current levels on the back of some macro concerns," Patterson said.

Reporting by Rene Pastor, contactable at rene.pastor@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

Proactive Investors is a publisher and is not registered with or authorised by the Financial Conduct Authority (FCA). You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.