

## **Gold Investments: Stock or the Real Stuff?**

Recent economic conditions in the United States and worldwide have drawn the attention of many investors away from the traditional investments of stocks and bonds toward commodities. Certain types of large scale resource investments are inextricably tied to the fate of economic and political conditions. These include such energy sector goods as crude oil and natural gas.

However, the value of a precious metal such as gold is not necessarily tied to these factors, at least not inevitably tied. Due to its inherent value, the price of gold can continue to rise in the face of depressed economic conditions. One question for the investor to determine is whether or not it's more advantageous to invest in gold bullion or gold stock, such as the kind of shares offered to investors via **gold mining companies**.

### **The Security of Gold Investments**

Gold has stood the test of time as a reliable and trustworthy investment. Regardless of the ebb and flow of national economies worldwide, in the modern era gold has been universally trusted as a secure asset. This precious metal is known for its price stability, and especially in recent years, its tendency to rise in value as other economic trends have worsened.

### **Gold Coins vs. Gold Stock**

The most popular and well known methods of investing in gold today are through the purchase of gold bars and gold coins or through buying gold shares. Although purchasing gold bullion in the form of actual physical metal provides a generally safer and more secure mean of acquiring a sheltered investment, buying gold stocks, or specifically, gold mining shares from a **mining company**, offers the potential for greater rewards (ROI).

### **Gold Mining Company Stocks**

Investing in gold through buying shares in gold mining companies and traded funds on the commodity exchange are some of the most advantageous ways of participating in the profitable returns that gold provides. Exchange traded gold funds offer the investor the chance to buy and sell this commodity on a daily basis. Gold shares of stock in a mining company, such as the Graystone Company (**GYST**), are bought by investors in the business itself. That is, the investor makes an investment in the company that mines the gold.

These kinds of investments require considerable knowledge of the industry and the gold mining company in question in order to benefit from this part of the global gold market. However, by making intelligent investment decisions based on the proper research, these types of gold stock investments can prove to be quite profitable.