



## 3 Inexpensive Gold Stocks to Consider Buying Today

### Description

As the U.S. dollar has continued to strengthen, commodities like gold have continued to be under pressure, and this has caused weakness in the stocks of the companies who mine and produce it. Even though the recent weakness is warranted, it has led to great long-term buying opportunities within the industry, so let's take a look at three stocks that trade at inexpensive forward valuations that you should consider buying today.

#### 1. Yamana Gold Inc.

**Yamana Gold Inc.** ([TSX:YRI](#))([NYSE:AUY](#)) produced 304,874 ounces and sold 296,167 ounces of gold in the first quarter of fiscal 2015, resulting in year-over-year increases of 33.5% and 53.8%, respectively. At today's levels, its stock trades at 44.3 times fiscal 2015's estimated earnings per share of \$0.09 and 21 times fiscal 2016's estimated earnings per share of \$0.19, the latter of which is inexpensive compared to its five-year average price-to-earnings multiple of 25.5. In addition, the company pays a quarterly dividend of \$0.015 per share, or \$0.06 per share annually, giving its stock a 1.5% yield at current levels.

#### 2. Eldorado Gold Corp.

**Eldorado Gold Corp.** ([TSX:ELD](#))([NYSE:EGO](#)) produced 189,414 ounces and sold 181,820 ounces of gold in the first quarter of fiscal 2015, resulting in year-over-year decreases of 3.6% and 4.6%, respectively. At current levels, its stock trades at 66.6 times fiscal 2015's estimated earnings per share of \$0.08 and 26.7 times fiscal 2016's estimated earnings per share of \$0.20, the latter of which is inexpensive compared to its five-year average price-to-earnings multiple of 36.1. Additionally, the company pays a semi-annual dividend of \$0.01 per share, or \$0.02 per share annually, giving its stock a 0.4% yield at today's levels.

#### 3. Kinross Gold Corporation

**Kinross Gold Corporation's** ([TSX:K](#))([NYSE:KGC](#)) total gold production decreased 5.4% to 636,128 ounces and its total amount of gold sold increased 2.1% to 641,752 ounces in the first quarter of fiscal 2015 compared to the year-ago period. At today's levels, its stock trades at 43.1 times fiscal 2015's

estimated earnings per share of \$0.07 and 20.1 times fiscal 2016's estimated earnings per share of \$0.15, the latter of which is inexpensive compared to its five-year average price-to-earnings multiple of 24.6. Investors should also note that the company suspended its semi-annual dividend in the second-half of fiscal 2013 to ensure its financial stability, but I think there is a strong possibility it could reinstate it if all goes well in fiscal 2016.

### **Which of these gold stocks would fit best in your portfolio?**

Yamana, Eldorado, and Kinross represent three of the best long-term investment opportunities in the gold industry today. Foolish investors should take a closer look and strongly consider beginning to scale in to positions in one of them in the near future.

### **CATEGORY**

1. Investing
2. Metals and Mining Stocks

### **TICKERS GLOBAL**

1. NYSE:AUY (Yamana Gold)
2. NYSE:EGO (Eldorado Gold Corporation)
3. NYSE:KGC (Kinross Gold Corporation)
4. TSX:ELD (Eldorado Gold Corporation)
5. TSX:K (Kinross Gold Corporation)
6. TSX:YRI (Yamana Gold)

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