



Ignore Gold and Look to These Base Metals Stocks

Description

Gold has continued to challenge the key \$1,300 level as U.S. Republican lawmakers make their final push to stamp in tax reform. The fate of the yellow metal may [hang in the balance](#), while market bulls in the U.S. eagerly await how stocks could react to a 15% reduction in the corporate tax rate. However, instead of gambling on gold or silver, investors should look at the base metals as we enter the final weeks of 2017.

Copper has maintained its spot above the \$3 level, its highest point since 2014. Zinc has also sustained levels above \$1.4/lb, but it has failed to reach breach highs seen in October. Let's look at three top metals stocks that have performed well as [copper and zinc continue to run wild](#).

Ivanhoe Mines Ltd. ([TSX:IVN](#)) is a Vancouver-based mineral exploration and development company. Some of its operations in Africa have resulted in the discovery and mine development of high-grade copper, zinc, silver, gold, nickel, and other minerals. Shares of Ivanhoe Mines have climbed 80.7% in 2017 as of close on November 27.

Ivanhoe Mines released its third quarter financial results and review of operations on November 9. Total assets decreased from \$1 billion in December 2016 to \$974 million on September 30, 2017. The company held \$228.1 million in cash and cash equivalents at the end of the third quarter.

First Quantum Minerals Limited ([TSX:FM](#)) is a Vancouver-based mining and metals company. The stock has increased 16% in 2017 on the back of strong results and the ongoing copper bull market. Growth in China, which has remained the global leader in copper consumption, is one of the key drivers. Of the copper it consumes, about 70% is imported.

First Quantum Minerals released its third-quarter results on October 26. The company posted gross profit of \$83 million compared to \$80 million in the prior year. It also reported sales revenues of \$877 million in comparison to \$605 million in Q3 2016. The company reported 145,376 tonnes of copper production and set a quarterly sales record of 148,894 tonnes. It also produced 6,325 tonnes of nickel and 47,213 ounces of gold.

Hudbay Minerals Inc. ([TSX:HBM](#))([NYSE:HBM](#)) is a Toronto-based exploration and mining company.

Shares of Hudbay Minerals have climbed 29.9% in 2017 and 5% year over year. The company currently produces significant amounts of gold, zinc, silver, and copper. Hudbay Minerals released its third-quarter results on November 1.

The company reported copper production of 40,445 tonnes, which was flat from the second quarter. It also saw zinc production grow 5% to 36,635 tonnes. Hudbay Minerals reduced its net debt to \$650 million from \$950 million reported at the end of the second quarter of 2017. It reported operating cash flow of \$154 million, which represented a 24% increase from Q2 2017.

Hudbay Minerals stock also offers a modest dividend of \$0.01 per share with a 0.2% dividend yield.

CATEGORY

1. Investing
2. Metals and Mining Stocks

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2. TSX:FM (First Quantum Minerals Ltd.)
3. TSX:HBM (Hudbay Minerals Inc.)
4. TSX:IVN (Ivanhoe Mines Ltd.)

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