



## These Are the Best-Valued Canadian Mining Stocks to Own Today

### Description

Mining stocks have long been a favourite of Canadian investors. Along with financials, mining stocks are what the TSX is really well known for. And there's a good reason for that. The Canadian market is loaded with great value stocks with cartloads of upside.

Let's drill down into the multiples and see which mining stocks are the best value in Canada today.

#### Lundin Mining Corp. ([TSX:LUN](#))

A little overvalued compared to its future cash flow value, this is still good entry level for commodities investors looking for [high capital gains](#). With a P/E of 10.5 times earnings signaling good value, a matching PEG of 0.5 times growth, and a P/B ratio of 1.1 times book — this adds up to a buy today for Lundin.

Growth investors should be interested to note that Lundin is looking at an expected 20.5% annual growth in earnings, the highest on today's list of Canadian mining stocks. Offering a yield of 1.6%, Lundin is also the only stock on this list that pays a dividend. With a spread of operations in Chile, Sweden, and Portugal, this precious metals stock is a buy today.

#### Ivanhoe Mines Ltd. ([TSX:IVN](#))

Discounted by 40% compared to its future cash flow value, this stock looks a front-runner in terms of value. But with a 27.8% expected annual contraction in earnings and a negative PEG, growth investors may want to stay away for the time being. The rest of Ivanhoe's multiples look good, though, with a low P/E of nine times earnings and a sensible P/B ratio of 1.2 times book.

#### Centerra Gold Inc. ([TSX:CG](#))

Somewhat overpriced compared to its future cash flow value, but not by any great margin, Centerra has pleasingly low multiples. A P/E of 8.4 times earnings is backed up with a spot-on PEG of 0.5 times growth. Round that off with a P/B ratio of 0.7 times book, and you have a good value stock.

An expected 18.5% annual growth in earnings make Centerra a [gold stock to buy and hold](#) for long-term gains. This overlooked stock is a buy today based on its valuation and growth outlook. Into copper as well as gold, Centerra is nicely spread out, with operations in North America and Asia.

### The bottom line

All three miners listed here have low levels of debt. Centerra holds the highest amount of physical assets and inventory, though this isn't too much of a problem given the high annual growth that is being projected. It's also to be expected that a mining stock would have high levels of physical assets, so look beyond this to capital gains. The real question is what you want those assets to be in terms of commodities, because this will be the source of our income.

While Ivanhoe's projected contraction is a bit of a head-scratcher, it's a treat for value investors looking to bet on African gold, especially for the long term. Centerra and Lundin look just right for capital gains investors eyeing stocks for their commodities portfolios, and with soothingly low fundamentals, you can't go wrong if it's high growth you're after.

### CATEGORY

1. Investing
2. Metals and Mining Stocks

### TICKERS GLOBAL

1. TSX:CG (Centerra Gold Inc.)
2. TSX:IVN (Ivanhoe Mines Ltd.)
3. TSX:LUN (Lundin Mining Corporation)

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