



Stop the Bleeding! Here Are 3 Top TSX Mining Stocks to Buy Now

Description

Hello, Fools. I'm back to call attention to three stocks popped last week. Why? Because after a stock rallies over a short period of time, one of two things usually happens: it continues to soar as traders ride the [positive wave of momentum](#); or it falls back down to earth as value-oriented investors lock in their gains.

Our list is filled with gold and silver plays this week, as investors run away from [volatile stock markets](#) and toward precious metals "safe havens."

All jacked up

Kicking things off is **Pretium Resources** (TSX:PVG)(NYSE:PVG), which jumped nearly 12% last week. Shares of the precious metals explorer remain off 23% over the past year versus a loss of 14% for the **S&P/TSX Capped Materials Index**.

Fueling the recent pop was an amended permit from the BC Ministry of Energy, Mines and Petroleum Resources and BC Ministry of Environment and Climate Change Strategy to "increase the Brucejack Mine production rate to 3,800 tons per day." That translates into an annual production increase from 0.99 million tons to 1.387 million tons.

The stock isn't for the risk averse, as it has about 2.5 times the volatility as the overall market. But with a forward P/E of 13, enterprising value investors might want to take a closer look.

Fortuna fortune

Next up, we have **Fortuna Silver Mines** ([TSX:FVI](#))([NYSE:FSM](#)), which rallied 11% last week. Shares of the silver and gold miner are still down 34% over the past six months versus a loss of 16% for the **S&P/TSX Capped Materials Index**.

Fortuna shares have slumped throughout 2018 (as have most silver stocks), but the recent bounce in silver prices suggests a much-improved 2019. Operationally, production remains stable, with Fortuna

having generated \$21.5 million in Q3 operating cash flow.

At a beta of 2.3 — more than two times the volatility of the overall market — Fortuna shares aren't for conservative Fools, either. But if you're able to handle the big swings, the stock's current P/E of 9 — the lowest it's been all year — might be worth pouncing on.

Golden opportunity

With a 10% pop last week, **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)) rounds out our list of big gainers. Shares of the gold miner are now up a whopping 18% over the past month alone versus a 1% loss for the S&P/TSX Capped Materials Index.

Kinross is an especially attractive way to play the rebound in gold prices. Last month, management reaffirmed its full year 2018 production guidance of 2.5 million gold equivalent ounces. The company is also on track to meet its full-year gold production cost of sales guidance of \$730/ounce.

"During the first nine months of 2018, our global portfolio of mines achieved solid production and generated robust cash flow," said President and CEO J. Paul Rollinson.

With the stock still off about 30% from its 52-week highs, now might be an opportune time to buy into that momentum.

The bottom line

There you have it, Fools: three red-hot stocks worth checking out.

As always, they aren't formal recommendations. View them instead as a starting point for further research. Momentum plays can be especially fickle, so extra due diligence is required.

Fool on.

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1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:FSM (Fortuna Silver Mines)
2. NYSE:KGC (Kinross Gold Corporation)
3. TSX:FVI (Fortuna Silver Mines)
4. TSX:K (Kinross Gold Corporation)

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Date

2025/08/15

Date Created

2018/12/24

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bpacampara

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