



Want to Bet on Copper? Buy This Top Canadian Mining Stock

Description

Copper prices have been on the rise. That's putting it lightly. This commodity class has been soaring of late amid burgeoning demand.

Thought leaders such as Einhorn suggests investing in copper can reap some pretty impressive rewards for investors. For those bullish on copper, one [great option](#) today is **Teck Resources** ([TSX:TECK.B](#))([NYSE:TECK](#)). This Canadian metals play is often overlooked by investors, given other options in this space.

Here's why I think this stock deserves investor attention right now.

Overlooked stocks ripe for investment today

As with other under-the-radar sectors, copper is one I think has quietly outperformed. It's overlooked. Investors may be focused on other more attractive commodities sectors such as oil or gold right now. However, base metals continue to outperform under the radar.

Einhorn is right with his observation that copper prices may skyrocket. Investing in Teck, what many believe is a highly overlooked stock, could mean impressive returns in the coming years. With supply restricted (mines aren't easy to build) and demand soaring post-pandemic, this sector is set up nicely for a solid bull run.

Estimating the impact supply and demand imbalances will have on copper prices over the long term is difficult. However, finding companies like Teck with reasonable comparable valuations is a start.

Teck happens to be trading at roughly two-thirds the valuation of **Freeport-McMoran**, another large copper player. Additionally, Teck's growth prospects in core mining jurisdictions such as Chile make

this company a sneaky growth play in a booming commodity sector.

With EV adoption and battery usage soaring, copper demand could retain its near-term boost over the medium to long term. Accordingly, I think Einhorn is right to pick on copper as a key play to look at right now. After all, his track record is incredible.

Bottom line

Teck's recent rise is the result of macroeconomic factors outside investors' control. That said, those spotting a longer-term trend in copper supply/demand may want to give Teck a hard look here.

Teck's valuation seems reasonable today relative to its growth potential. The company's provided excellent returns to shareholders thus far this year. I expect continued outperformance over the medium term to materialize.

With thought leaders such as Einhorn jumping aboard the copper train, now may be time to jump aboard. It appears there's still significant runway with this trade. We could be looking at a multi-year bull market in copper. If this materializes, investors may kick themselves for being late to the game.

CATEGORY

1. Investing
2. Metals and Mining Stocks

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TICKERS GLOBAL

1. NYSE:TECK (Teck Resources Limited)
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