



3 TSX Stocks That Just Hit Fresh 52-Week Lows

Description

While the broader equity markets continue to trade near record highs, there are several companies across sectors that are underperforming major indices such as the **TSX**. In 2020, high-flying tech stocks pushed the S&P 500 and TSX to all-time highs, and this year, companies part of the energy sector have driven the market rally. However, mining companies have trailed the markets by a significant margin in the first nine months of 2021.

We'll take a look at three TSX stocks that are trading near 52-week lows.

Newmont

Newmont ([TSX:NGT](#))([NYSE:NEM](#)) explores and mines gold, zinc, silver, and copper. Valued at a market cap of \$54 billion, Newmont has operations in the U.S., Canada, Australia, Peru, Bolivia, Indonesia, New Zealand, Mexico, and Ghana.

Newmont stock is down over 19% year to date but remains a solid long-term bet for investors. In 2020, [it generated](#) US\$11.5 billion in sales while delivering 5.9 million ounces of gold. The mining giant estimates its reserves total 94 million ounces and expects to deliver an average of eight million ounces each year in the next 10 years.

Rising gold prices in 2020 allowed the company to generate US\$3.7 billion in free cash flow last year. Wall Street expects sales to rise by 12.3% year over year to US\$12.91 billion in 2021 while earnings growth is forecast at almost 30%.

In the next 12 months, [Newmont stock](#) is forecast to touch US\$73.5, which is an upside of almost 40% from its current trading price.

Pan American Silver

Pan American Silver ([TSX:PAAS](#))(NASDAQ:PAAS) is engaged in the exploration, acquisition,

development, and operation of silver-producing properties and assets. The stock is down 36% in the last 12 months and is valued at a market cap of almost \$6 billion.

In the second quarter of 2021, Pan American Silver produced 4.5 million ounces of silver and 142,300 ounces of gold, generating US\$382 million in sales. The company disclosed that silver mining was reduced in Q2 by ventilation constraints at La Colorada, COVID-19-related protocols, and mine sequencing at Dolores into higher gold with lower silver grades.

Pan American Silver is trading at an attractive valuation given its growth forecasts. Wall Street expects the company to increase sales by 29.4% year over year to US\$1.73 billion in 2021 and by 22% to US\$2.12 billion in 2022. Its adjusted earnings per share are forecast to rise from US\$1.16 in 2020 to US\$2.21 in 2022.

It suggests the stock is trading at a price-to-2022-earnings multiple of 10.7 and a price-to-sales ratio of less than three. Analysts expect the stock to rise by 72% in the next 12 months.

SilverCrest Metals

The final stock on my list is **SilverCrest Metals** (TSE:SIL)(NYSE:SILV) acquires, explores, and develops precious metals properties in Mexico. Its principal property is the Las Chispas project, which consists of 28 concessions totaling 1,401 hectares in Mexico.

SilverCrest stock is down 25% in the last year and is currently valued at a market cap of \$1.23 billion. Similar to the other two stocks on this list, SilverCrest is also trading at a discount to analysts' estimates. Bay Street expects shares to gain close to 90% in the next year.

The Foolish takeaway

We can see that mining stocks have been hit hard due to falling prices of gold and silver. But it offers investors a chance to buy quality stocks at a lower valuation. Given the macro-economic uncertainties surrounding the equity markets, there is a good chance for mining companies to make a comeback in Q4 of 2021 and beyond.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:NEM (Newmont Mining Corporation)
2. NYSE:PAAS (Pan American Silver)
3. TSX:NGT (Newmont Mining Corporation)
4. TSX:PAAS (Pan American Silver Corp.)

PARTNER-FEEDS

1. Business Insider

2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. araghunath
2. kduncombe

Category

1. Investing
2. Metals and Mining Stocks

Date

2025/06/27

Date Created

2021/10/06

Author

araghunath

default watermark

default watermark