



2 Top TSX Gold Miners to Buy Right Now

Description

Among the sectors many investors have viewed as [undervalued](#), gold miners continue to provide options to value investors right now. As a sector that has been unloved for so long (and for good reason), various gold miners have valuations that are low compared to the market and on a historical basis.

Additionally, with various catalysts potentially taking the price of gold higher (or at least stabilizing the price of gold at these higher levels), there's a lot to like about where gold miners are positioned right now.

Here are two of my top picks for investors looking for gold mining stocks right now.

Top gold miners: Agnico-Eagle

Agnico-Eagle ([TSX:AEM](#))([NYSE:AEM](#)) is a diversified mining company based in Canada. This TSX gold miner is valued at a market cap of roughly \$16 billion. However, Agnico-Eagle is also a stock that's down more than 40% from its highs earlier this year.

Like other gold miners, Agnico-Eagle has felt the sector-wide pain that other gold miners have of late. Gold prices appear to be stalled right now. And investors looking for value seem to be looking at other sectors presently.

However, Agnico-Eagle's recent news that it's acquiring **Kirkland Lake** in a \$13.5 billion deal is encouraging.

This deal makes the combined mining company one of the best in the world. Kirkland Lake's assets are some of the best in the market. And Agnico-Eagle was able to pick these up at a massive discount. Accordingly, I think the scale this new combined entity brings along with the strong combined management team of both companies provides investors with a level of value that's hard to find in this sector.

That's saying something.

Barrick Gold

A massive multi-national gold miner, **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) is a behemoth in this sector. The company's focus on tier-one mining assets sets it apart from other valuable metal companies.

It's not necessarily the grade that investors may like with Barrick Gold. It's the scale. This is a company with gold reserves distributed globally, across the Middle East, Africa, and South and North America. Barrick Gold delivered 4.8 million ounces last year. This resulted in total revenues of \$12.6 billion. As far as gold miners are concerned, that's impressive.

Moving forward, the company's management team has forecasted stable gold deliveries averaging 4.5 million ounces per year. Barrick adds a strong balance sheet to its top-notch gold mining portfolio. The business has a little more than \$5 billion in cash and equivalents on its balance sheet. Accordingly, this is a company that's well-insulated from fluctuations in the price of gold.

Bottom line

Accordingly, investors looking for defensiveness and safety may go with Barrick. Those seeking growth and value may choose Agnico-Eagle/Kirkland Lake. In either case, long-term investors win. My thesis is that a portfolio of both stocks is likely to produce excellent long-term returns for shareholders.

CATEGORY

1. Investing
2. Metals and Mining Stocks

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2. NYSE:B (Barrick Mining)
3. TSX:ABX (Barrick Mining)
4. TSX:AEM (Agnico Eagle Mines Limited)

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