



Nickel Prices Hit Record: 3 TSX Stocks to Buy Today

Description

The Russia-Ukraine conflict has had a major impact on global markets since late February. Russia launched its full-scale invasion of Ukraine on February 24, sparking international outrage and an avalanche of economic sanctions from NATO and European Union allies. Nickel prices have [erupted](#) this past week after Russia moved to ban commodity exports in response to those sanctions. Russia accounted for nearly 10% of the world's nickel [mine production](#) in 2021. It also holds 7.5 million tonnes of nickel in reserves. Three-month nickel prices on the London Metal Exchange (LME) shot up above \$100,000 per metric tonne earlier this week.

Today, I want to look at three TSX stocks that [produce nickel](#) and are active in the base metals mining space.

Why it's not too late to snatch up this TSX stock that mines nickel

Lundin Mining ([TSX:LUN](#)) is a Toronto-based company that is engaged in the exploration, development, and mining of mineral properties around the world. Shares of this TSX stock have climbed 26% in 2022 as of close on March 10. The stock is still down 15% from the previous year.

The company released its fourth-quarter and full-year 2021 earnings on February 17. Its Eagle mine produced 18,353 tonnes of nickel, which met its guidance. Revenue rose to \$3.32 billion in 2021 — up from \$2.04 billion in the previous year. Adjusted EBITDA more than doubled in the year-over-year period to \$1.86 billion. Moreover, adjusted operating cash flow also surged to \$1.48 billion over \$565 million in 2020.

This TSX stock possesses a favourable price-to-earnings (P/E) ratio of 9.3. It offers a quarterly dividend of \$0.09 per share, representing a 2.8% yield.

This TSX stock is up nearly 40% from the prior year

First Quantum ([TSX:FM](#)) is another Toronto-based company that explores, develops, and produces mineral properties. This TSX stock has increased 27% in the year-to-date period. Its shares have climbed 37% compared to the same period in 2021.

Investors got to see its final batch of 2021 earnings on February 15. Unfortunately, First Quantum's Ravensthorpe location reported its lowest quarterly nickel production of the year at 3,385 contained tonnes. However, total nickel production for the full year was reported at 16,818 tonnes — up from 12,695 in 2020. First Quantum saw gross profit more than double to \$2.56 billion over \$1.07 billion in the previous year.

Shares of this TSX stock last had an attractive P/E ratio of 25. It offers a paltry bi-annual dividend of \$0.005 per share. That represents a very modest 0.03% yield.

One more nickel producer to snatch up right now

Ivanhoe Mines ([TSX:IVN](#)) is the third mining TSX stock I'd look to snatch up today. This company is engaged in the mining of base metals. Its shares are up 10% in the year-to-date period. The stock has soared 69% year over year.

In 2021, the company delivered a profit of \$48.2 million — up from a loss of \$10.9 million in 2020. By phase two of its production plan, Ivanhoe aims to produce 26 million pounds of nickel on an annual basis. Shares of this TSX stock are still trading in favourable value territory compared to its industry peers. I'm looking to snatch up Ivanhoe, as it has eyes on a big production bump.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. TSX:FM (First Quantum Minerals Ltd.)
2. TSX:IVN (Ivanhoe Mines Ltd.)
3. TSX:LUN (Lundin Mining Corporation)

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