



3 Top Mining Stocks in Canada

Description

The TSX's basic materials sector, composed mainly of [mining companies](#), continues to gain investors' favour in the current complex environment. The sector is up 25.7% year to date, which makes it the second top performer behind the [red-hot energy sector](#) (+47.24%).

Metal mining stocks benefit from the belief that gold is an ideal hedge against inflation. It is said that the world's most precious metal has successfully preserved wealth for years. Investors who wish to limit the prevailing [market volatility](#) have several prospects on the TSX this month.

Barrick Gold ([TSX:ABX](#))(NYSE:GOLD), a large-cap mining stock, is the top-of-mind choice. Junior miners like **Wesdome Gold Mines** ([TSX:WDO](#)) and **SSR Mining** ([TSX:SSRM](#))([NASDAQ:SSRM](#)) are viable options, too, owing to their growth potential.

Premier gold stock

Barrick Gold is back on centrestage following a sub-par performance (-13.9%) in 2021. As of April 19, 2022, the year-to-date gain of Canada's premier gold stock is 31.77% already. At \$31.55 per share, the dividend yield is 1.6%. Note that Barrick isn't a mediocre performer. The stock's total return in 3.01 years is 89.92% (23.79% CAGR).

This \$56.14 billion company's exploration, mine development, and production activities aren't limited to gold. Barrick has ownership interests in copper-producing mines. Its president and CEO Mark Bristow disclosed last month that Barrick is in the hunt for high-quality assets to expand its global footprint.

Management expects gold production in Q1 2022 to be the lowest, but expect it to increase through the year. On the other hand, Barrick forecasts higher copper production in the back half of this year. The company added that it will most likely achieve its full-year guidance for gold and copper.

Momentum stocks

Wesdome Gold Mines and SSR Mining are momentum stocks. Both are steady performers thus far in 2022, with year-to-date gains of 28.15% and 34.35%, respectively. Based on market analysts' forecasts, the return potential in 12 months is between 26% and 35%.

Mining companies dominated the 2021 TSX30 List as 14 of the top 30 growth stocks were mining stocks. Wesdome is one of only four companies that made it in all three years (2019 to 2021) of **TMX Group's** flagship program. Its total return in 3.01 years is a meteoric 243.82% (50.82% CAGR).

The 2.1 billion company has two producing gold mines in Canada (Ontario and Quebec). Management expects to build the country's next intermediate gold producer. According to Duncan Middlemiss, Wesdome's president and CEO, 2022 is a transformational year.

SSR Mining is an exciting mining play that could deliver considerable gains to would-be investors. The stock trades at \$29.98 per share and pays a 1.15% dividend. This \$6.36 billion Denver-based company operates precious metals resource properties in Canada, Argentina, Turkey, and the United States.

According to management, the four properties combined with a global pipeline of high-quality development and exploration assets should deliver growing free cash flow. SSR Mining is highly recommended by Paulson & Co., an investment firm from New York, because of its stable production and valuable exploration upside.

Higher ROI

Given the political and economic environment uncertainty, investors need a diversifying investment. While gold prices constantly spikes and dips, any price increase magnifies the value of Barrick and other gold stocks. Some market analysts say holding gold stocks is better than owning physical gold because the return on investment is generally higher.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NASDAQ:SSRM (SSR Mining)
2. NYSE:B (Barrick Mining)
3. TSX:ABX (Barrick Mining)
4. TSX:SSRM (SSR Mining)
5. TSX:WDO (Wesdome Gold Mines Ltd.)

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