



2 Mining Stocks That Have Double-Up Potential

Description

[Dividend investing](#) is a strategy that offers investors two sources of potential income over time. These include capital appreciation over time as well as predictable income coming from regular dividend payments. For mining stocks, this is relatively hard to find.

However, **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) and **Agnico Eagle** ([TSX:AEM](#))([NYSE:AEM](#)) are two such stocks that are on my radar right now due in part to their strong total return potential. Both companies have shown the ability for capital appreciation. However, with yields of 2% and 2.9%, respectively, these companies' total-return prospects are even stronger in this environment.

Let's dive into why these two mining stocks could be worth considering right now.

Top mining stocks: Nutrien

Nutrien is a leading integrated provider of crop inputs and services. This Saskatoon, Canada-based organization supplies farmers with the fertilizers and farm products they need via its leading retail network spread across the world.

Nutrien is well placed to fulfill strong demand from its customers with its capability and leading agriculture retail network. The organization operates with a long-term approach and works with its stakeholders while addressing social, economic, and environmental priorities.

Given the surge in commodity prices of late, Nutrien has been a clear winner. That said, I've been pounding the table on this stock for years during the previous periods of decline pre- and post-pandemic.

Sure, commodity cycles end at some point. This is a factor investors in Nutrien will have to consider. However, food demand will continue higher over the long term, driven by global macro forces. As a leader in the fertilizer and ag space, Nutrien continues to benefit from these strong secular tailwinds.

Agnico Eagle

Agnico Eagle is another table pounder for me in recent years. That's mostly because this precious metals miner has been overlooked by the market, relative to larger peers.

Given the company's acquisition of Kirkland Lake Gold, I like Agnico Eagle's new mix of gold production. This company now has scale as well as quality, with its core mines. This has provided a relatively strong trajectory for growth as well as strong margins in this environment.

Should the price of gold continue higher, Agnico Eagle will be a key beneficiary. This is a company that's seen net income growth of more than 30% over the past five years. That's inclusive of periods of time when gold wasn't as high as it is now.

As mentioned, commodity cycles end, and perhaps gold will come down. However, over the long term, I think this is one of the mining stocks investors shouldn't avoid. From a total-return perspective, there's a lot to like about Agnico Eagle's capital-appreciation upside as well as its dividend right now.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:AEM (Agnico Eagle Mines Limited)
2. NYSE:NTR (Nutrien)
3. TSX:AEM (Agnico Eagle Mines Limited)
4. TSX:NTR (Nutrien)

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