



## 1 Hidden Gem That Could Help You Beat the Market

### Description

It has become considerably difficult to find value in the markets after the huge run that securities enjoyed since Trump's presidential victory. When the markets start looking frothy, you should still be searching for value, even though it's becoming more of a daunting task. Warren Buffett is a cheap investor, and if you want to find a margin of safety, then you've got to be cheap and always be on the lookout for stocks of wonderful businesses that are trading at reasonable multiples.

Sure, stocks are expensive right now, but there are still great businesses hidden throughout the TSX. If you do some digging, then you might find a hidden gem that'll allow you to get a leg up. You should always consider value, but don't be too cheap, because in the long run, there's nothing wrong with paying a little more for a business that you believe will thrive over the next decade. As Warren Buffett once said, "It's far better to buy a wonderful company at a fair price than a fair company at a wonderful price."

I've been digging through the TSX, and I've found a terrific business with great growth prospects that has been flying under the radar of most Canadian investors. It's not quite a steal, but given the growth prospects, I think it's definitely worthy of your attention.

**Boyd Group Income Fund** (TSX:BYD.UN) isn't your typical income fund. Most stocks that trade with a ".UN" offer juicy dividend yields, but Boyd doesn't. The dividend yield is a mere 0.6%, so many income investors looking for income funds pass on such a stock, which is fair enough, but if you're an investor who is looking for growth and a growing dividend, then Boyd could be the stock you're looking for.

Boyd is an auto body collision repair company that owns and operates auto body and auto glass repair facilities. Over the past few years, Boyd has grown to become one of the largest collision repair centres in North America with operations in about five Canadian provinces under the Boyd Autobody & Glass name and over 20 U.S. states under the name Gerber Collision & Glass.

Boyd has been scooping up its small competitors and bringing its business practices to these small facilities to improve operational efficiencies. The management team has been driving huge value for shareholders, as earnings and cash flow have been soaring through the roof. Although the dividend is

small, the company has been increased it by a substantial amount over the last decade, and there's reason to believe that Boyd is capable of becoming the next big dividend-growth king over the next decade.

The management team has its foot to the pedal when it comes to growth. The collision-repair industry is quite fragmented, and there's a ton of growth prospects for Boyd as it attempts to consolidate the industry. The sky is really the limit for Boyd, and the proof is, indeed, in the pudding.

The stock has skyrocketed over 565% over the last five years, and although the momentum slowed over the last year, I still think there's plenty more upside for Boyd as it strengthens its already dominant position in the auto body collision repair scene.

Shares of Boyd currently trade at a 71.58 price-to-earnings multiple, which looks expensive, but I think it's worth keeping on your radar if growth is what you're after. Buy a little bit now and more on any signs of weakness which may happen over the next year.

Stay smart. Stay hungry. Stay Foolish.

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## **Author**

joefrenette

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