



3 Cheap Stocks to Load Up on After Last Week's Big Sell-Off

Description

Last week has been ugly for both the TSX and the NYSE. In the last five trading days, the TSX lost 633 points and declined 4%. The last time the market closed this low was back in September, and you have to go back two years for the last time the TSX was down this many days in a row while accumulating such significant losses.

However, for value investors waiting out a correction in a market that has been long overvalued, this could be an opportunity to go bargain hunting. Below are three stocks that could be great long-term buys today.

Hydro One Ltd. (TSX:H) is a great utility stock that offers investors a lot of long-term stability, but last week the share price dropped more than 2%, and that has dropped the stock near its 52-week low. Over the past year, the share price has declined more than 9%.

Although the company has failed to produce much in the way of returns since being listed on the TSX more than two years ago, its recent expansion into the U.S. market should provide investors with a positive outlook for the future.

Hydro One is expected to release its fourth-quarter earnings later this month and will look to turn the corner [after a disappointing Q3 saw revenues decline by 11%](#).

Altagas Ltd. (TSX:ALA) is an energy infrastructure company that also acts as a utility provider that serves more than 500,000 customers. Last week, the stock declined 5%, and Altagas is now down more than 13% in the past 12 months and is trading just barely above its 52-week low. Although its high yield may worry some investors, the company recently raised its dividend, and it still presents a lot of long-term stability, especially with [oil prices continuing to rise](#).

Altagas didn't see much growth in its top line last quarter, but the company has been able to stay in the black in each of the past five quarters. Its Q4 earnings are expected at the beginning of March, and those results will be crucial in determining if the stock can gain some momentum.

However, over the long term Altagas should be able to provide investors with solid dividend income as

well as the ability to take advantage of some capital appreciation along the way.

Fortis Inc. ([TSX:FTS](#))([NYSE:FTS](#)) declined more than 2% last week, which raised the stock's dividend to 4%. The utility provider has grown via acquisition over the years, with sales of \$6.8 billion in 2016 rising nearly 70% in just three years. Fortis has also managed to maintain a healthy bottom line that's averaged a profit margin of 13% over the past four quarters, as it provides investors with a stable, long-term investment.

Currently, the share price trades at just 1.2 times its book value and 17 times its earnings, which are attractive multiples for value investors looking for a quality buy. Investors that hold the stock for years will likely benefit from strong dividend income, as Fortis has history of raising its payouts. Since 2013, quarterly dividend payments of \$0.31 have grown to \$0.425 for an increase of 37% and a compounded annual growth rate of 6.5%.

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2. TSX:ALA (AltaGas Ltd.)
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