



Keep Calm and Carry On, Just Like Brookfield Infrastructure Partners L.P. and Many More Top-Quality Companies

Description

It is in times like these that we are tested.

Can we keep calm in the panic, or will we succumb to it and make [emotionally charged decisions](#)?

As for me, I have been holding on to a big cash weighting in my [RRSP portfolio](#), waiting for a better opportunity to deploy the cash. I am still waiting. From my experience, these things take time to unwind.

But if we look closely, we can see opportunities.

And, as always, I am still focusing on the long term. So, I am looking for stocks that represent good, stable businesses that will be around for the long haul — stocks like **Altagas Ltd.** ([TSX:ALA](#)), which currently yields 8.2% and is experiencing financial and operational momentum.

Investors can look forward to the **WGL** acquisition's high-quality assets and market position to bring Altagas many growth opportunities as well as significant earnings and cash flow accretion.

Brookfield Infrastructure Partners L.P. ([TSX:BIP.UN](#))([NYSE:BIP](#)) has a 4.36% dividend yield and long-life assets with predictable cash flows and long-term contracts that provide essential services.

And for more of a growth perspective, there are stocks like **CGI Group Inc.** ([TSX:GIB.A](#))([NYSE:GIB](#)) and **Sierra Wireless, Inc.** ([TSX:SW](#))([NASDAQ:SWIR](#)).

CGI is a good long-term investment decision, and investors get a real cash machine with this one. In the latest quarter, cash from operations increased 17% to \$410.1, or 14.6% of revenue, and free cash flow of \$181 million, after capex and acquisitions, for a free cash flow yield of 6.4%.

The company has spent \$350 million in the last year on five smaller, tuck-in acquisitions and is still looking out for more. A bigger acquisition is still on the table, as the company's goal is still to double the size of the company within the next five to seven years.

It has good fundamentals, an attractive valuation, and a good track record — all fundamental reasons to buy this stock.

On to Sierra Wireless, a stock that is increasingly trading at attractive valuations.

At this point, the stock is trading at over \$23, or a P/E multiple of 23 times 2017 consensus EPS estimate and 21 times next year's consensus expected EPS. This is a far cry from the multiples of over 60 times that the stock was trading at back in 2015, so it's a big improvement. And this is at a time when the company is reporting better-than-expected results, increasing gross margins, and has strong increases in EPS.

Sierra remains well positioned to benefit from the Internet of Things, machine connectivity opportunity.

And with a top-notch balance sheet, with negligible debt and a cash balance of US\$74.2 million, the company is well positioned to capitalize on these growth opportunities.

Sierra is another company with good fundamental reasons to buy its stock. It's a global leader in its industry, it has operational momentum, and it has an attractive valuation.

The key in the down times is to remain focused on the long term, because the long term does not care about the short-term blips, so we have to keep our focus on long-term fundamentals in order to come out ahead.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:SWIR (Sierra Wireless)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. NYSE:GIB (CGI Group Inc.)
4. TSX:ALA (AltaGas Ltd.)
5. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
6. TSX:GIB.A (CGI)
7. TSX:SW (Sierra Wireless)

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Date

2025/07/02

Date Created

2018/02/07

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