



## 2 Stocks That Offer Growth and Income to Consider Today

### Description

The Canadian trade delegation has entered crunch time this week after the United States and Mexico announced a separate agreement on Monday. Pressure has been mounting since talks broke down in May. Canada may be forced to make a number of key concessions, but investor optimism will undoubtedly improve in the wake of an agreement. The Trump administration is pushing hard for an agreement to be reached by Friday.

Last week, the Bank for International Settlements forecast that Canada would pay the steepest price were it to move forward without a [trade agreement](#). This is due to the damage its auto sector would sustain in such an event.

Today, we will look over two stocks that could benefit from higher trade volumes and improved performance in the Canadian stock market if an agreement is reached. Odds are that a deal is imminent, but investors should also be extremely cautious. Let's look over these two speculative buys with that in mind.

#### **TMX Group** ([TSX:X](#))

TMX Group stock has climbed 6% as of close on August 28. Shares are up 25.8% in 2018 so far. The company released its second-quarter results on August 8.

It was another stellar quarter for TMX Group, as the company reported diluted earnings per share of \$1.71, which were up 44% from the prior year. It also reported record quarterly revenue of \$209.5 million, which represented a 20% increase from Q2 2017. Cash flows from operating activities grew 38% to \$119.7 million.

The increase in Global Solutions, Insights, and Analytics revenue was powered by the inclusion of Trayport, which was acquired in December 2017. TMX Group also posted solid gains in its other key segments. Total revenue has climbed 20% in the first six months of 2018 compared to the prior year and was reported at \$416.7 million as at June 30, 2018.

TMX Group also declared a quarterly dividend of \$0.58 per share, which represents a solid 2%

dividend yield. This will be payable on September 7 to shareholders.

### **IGM Financial** ([TSX:IGM](#))

IGM Financial stock has plunged 15.9% in 2018 so far. Back in May, I'd discussed why financial stocks were an enticing target in the [midst of a rally](#) for the TSX. IGM is the largest non-bank affiliated asset manager in Canada. The company released its second-quarter results on August 2.

Net earnings climbed to \$203.7 million, or \$0.85 per share, compared to \$200.8 million, or \$0.83 per share, in the prior year. The company reported equivalent adjusted profit, which represented the highest Q2 adjusted earnings in IGM's history. IGM also reported record assets under management of \$159.1 billion, which was up 7.1% from the previous year. Investment fund net sales hit \$171 million, which was also the second-best results in a Q2 over the past decade.

The company declared a quarterly dividend of \$0.5625 per share, representing an attractive 6% dividend yield.

### **CATEGORY**

1. Investing

### **POST TAG**

1. Editor's Choice

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1. TSX:IGM (IGM Financial Inc.)
2. TSX:X (TMX Group)

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